



Los Angeles County Department of Regional Planning

Planning for the Challenges Ahead



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TO: Supervisor Janice Hahn, Chair
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REPORT ON BOARD MOTION REGARDING AFFORDABLE HOUSING ACTION PLAN IMPLEMENTATION (AGENDA ITEM NO. 8, FEBRUARY 20, 2018)

On February 20, 2018, the Los Angeles County (County) Board of Supervisors (Board) instructed the Director of the Department of Regional Planning (DRP) to initiate the following:

- Prepare an ordinance to preserve existing affordable housing units, both income-restricted as well as unsubsidized “naturally occurring affordable housing,” that considers a variety of anti-displacement strategies, such as the regulation of condominium conversions and mobile home park closures, and one-for-one replacement or “no net loss” policies;
- Prepare an ordinance for the establishment of an inclusionary housing policy that considers applicability to both for-sale and rental housing projects, inclusionary requirements tied to different income categories, and options for applicants to fulfill this obligation, which could include, but are not limited to, an in-lieu fee, off-site development, the dedication of land for the development of affordable housing, and the acquisition and rehabilitation of existing affordable housing units;

- Prepare an ordinance to remove zoning obstacles to encourage and incentivize permanent supportive housing, including motel conversions, to comply with California State Senate Bill (SB) 2 (2007), removing barriers to homeless shelters, and transitional and permanent supportive housing in the Zoning Code and other County Code titles, and considering fair housing and reasonable accommodations;
- Prepare an ordinance to streamline multi-family residential development by allowing this development by-right in certain zones where appropriate and consider whether additional parking reductions should be provided in Transit Oriented Development areas; and
- Report back to the Board quarterly on the timely progress towards adopting and implementing the four ordinances until such time that all ordinances are adopted, implemented and their effectiveness can be monitored through the annual Affordable Housing Outcomes Report.

This report provides an overview of the County's efforts during the third quarter of 2019. Staff met with community groups in the communities of Rowland Heights, La Crescenta-Montrose, Altadena, Hacienda Heights, Lennox, Avocado Heights, East Los Angeles, and the Antelope Valley to provide an overview of the four housing ordinances. In addition, DRP was awarded a grant of \$625,000 in SB 2 funding from the California Department of Housing and Community Development for the environmental analyses and other technical studies to support the ordinances. Furthermore, DRP continued its efforts to secure a consultant to prepare environmental analyses for the four housing ordinances.

Affordable Housing Preservation Ordinance

Staff presented an overview of the Affordable Housing Preservation Ordinance to the Regional Planning Commission (RPC) on August 21, 2019. DRP released a preliminary policy outline on September 10, 2019, and presented it to a working group of preservation advocates on September 26, 2019. Staff tracked and analyzed SB 330 (Skinner), which includes no-net-loss requirements until 2025, to determine how local policies can further support affordable housing preservation. DRP selected a consultant to conduct a nexus fee study and feasibility analysis for affordable housing replacement requirements in the ordinance. In addition, staff researched the County's condominium conversion policies and those of other local jurisdictions to determine local policy and procedural changes that may be needed. Furthermore, staff worked to secure a consultant to support the mobilehome park preservation policies in the ordinance. Staff anticipates initiating public hearings for the ordinance in summer/fall 2020.

Inclusionary Housing Ordinance

On September 10, 2019, DRP released a preliminary draft ordinance, which includes a baseline set-aside requirement of 5-20% for rental and for-sale projects, depending on project size, location, and affordability level. The preliminary draft ordinance also includes policies related to applicability, exemptions, design standards, off-site alternatives, in-lieu

fees, and incentives. A supplemental feasibility analysis is being prepared to determine the set-aside requirements based on the newly adopted Density Bonus Ordinance, as well as recent market data and real estate prices. The supplemental feasibility analysis is scheduled to be completed by January 2020. Staff is working toward initiating public hearings for the ordinance in spring 2020.

Interim and Supportive Housing Ordinance

Staff continued community outreach, focused stakeholder engagement, and meetings with the County staff committee and internal work group. On September 13, 2019, DRP released a preliminary draft ordinance, with several components, including: allowing government, nonprofit and faith-based organizations to establish accessory shelters; a set of standards for accessory overnight safe parking lots; a fee exemption for shelter applications; and enabling the conversion of hotels/motels to transitional or supportive housing. The preliminary draft ordinance ensures compliance with Assembly Bill (AB) 2162 (Chiu) and AB 101 (Committee on Budget), which require by right, streamlined review of supportive housing and shelters, respectively. Additionally, there are other provisions in the preliminary draft ordinance to further encourage the development of shelters, and transitional and supportive housing development. Staff anticipates initiating public hearings for the ordinance in summer/fall 2020.

By-Right Housing Ordinance

Staff released a preliminary draft ordinance on September 13, 2019. The preliminary draft ordinance includes provisions to allow multi-family residential developments by-right in certain zones where appropriate. In addition, the preliminary draft ordinance allows the construction of multiple single-family residences or duplexes on properties in multi-family residential zones without a lease-only subdivision map, which is a local policy and mechanism that goes above and beyond the mandates of SB 35 (Wiener). As discussed previously, SB 35 exempts certain multi-family residential developments from a discretionary review if they meet all applicable eligibility criteria, including but not limited to: a very low or lower income housing set-aside; the payment of prevailing wages to all construction workers; the hiring of a skilled and trained workforce; and other criteria pertaining to project locations and pre-existing site conditions. Staff anticipates initiating public hearings for the ordinance in summer/fall 2020.

Related Efforts

In addition to the efforts around the four housing ordinances, DRP has been working on other initiatives to further the County's housing goals. On October 15, 2019, the Board adopted the Density Bonus Ordinance Update. On October 23, 2019, the RPC recommended approval of the Compact Lot Subdivision Ordinance to the Board. In addition, DRP continued conversations with staff at the Department of Public Works and the Los Angeles County Development Authority on opportunities to streamline how the County tracks and monitors affordable housing projects. Furthermore, DRP initiated the County's Housing Element Update, which is a component of the General Plan and serves

Each Supervisor
November 14, 2019
Page 4

as a policy guide to address the comprehensive housing needs of the unincorporated areas.

The next report will be provided to you no later than March 16, 2020. Should you have any questions about this report, please contact Connie Chung, Section Head, General Plan Development and Housing Section at (213) 974-6417 or cchung@planning.lacounty.gov.

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