

Inclusionary Housing Ordinance Fact Sheet

<p>What is “inclusionary housing”?</p>	<p>Inclusionary housing is a policy that requires market-rate residential developments to include affordable housing. It is one tool in the County’s toolbox to address the County’s shortage of affordable housing.</p>
<p>Is my project subject to the inclusionary housing requirement?</p>	<p>Under the Inclusionary Housing Ordinance, a housing development is required to provide affordable units if it has at least five units and is one of the following:</p> <ul style="list-style-type: none"> ▪ A rental housing development in one of these submarket areas: Coastal South Los Angeles; San Gabriel Valley; or Santa Clarita Valley; or ▪ A for-sale housing development in one of these submarket areas: Antelope Valley (excluding condos), Coastal South Los Angeles, East Los Angeles/Gateway; San Gabriel Valley; Santa Clarita Valley; or South Los Angeles (excluding condos). <p>Also, please note that the Inclusionary Housing Ordinance does not apply to projects located within an area subject to an affordable housing requirement pursuant to a development agreement, specific plan, or local policy (e.g. Marina del Rey).</p>
<p>What are the set-aside requirements?</p>	<p>Rental housing developments: To ensure the financial feasibility of projects, requirements include:</p> <ul style="list-style-type: none"> ▪ Three set-aside options, ranging from 5% to 20% of the unit count depending on the affordability level of the units and the project size; ▪ Options that include the ability to mix incomes to meet set-aside requirements; and ▪ Lower set-aside options for smaller development projects (less than 15 baseline dwelling units). <p>For-sale housing developments: To ensure the financial feasibility of for-sale projects, requirements include:</p> <ul style="list-style-type: none"> ▪ Set-asides ranging from 5% - 20% of the unit count depending on the project size and submarket area; ▪ The ability to mix incomes to meet set-aside requirements; and ▪ Lower set-aside options for smaller projects (less than 15 baseline dwelling units)
<p>Can I utilize the Density Bonus Program to ensure financial feasibility of my project?</p>	<p>Yes. Most projects that are subject to the Inclusionary Housing Ordinance will also be eligible for various benefits provided by the Density Bonus Ordinance in order to offset the cost of the affordable housing requirements. These benefits include density bonus, incentives, waivers or reductions of development standards, and parking reductions.</p>
<p>What is the required affordability duration?</p>	<p>Rental housing developments:</p> <ul style="list-style-type: none"> ▪ In perpetuity, or 55 years if the developer elects to utilize the density bonus program. <p>For-sale housing developments:</p> <ul style="list-style-type: none"> ▪ The initial sale of the affordable units is restricted to eligible buyers and requires an equity-sharing agreement with the County.

<p>My project is ineligible for the Density Bonus Program. Do you have other incentives or options to ensure financial feasibility?</p>	<p>Incentives: For for-sale projects with middle income set asides that are not eligible for the benefits provided by the Density Bonus Ordinance, the Inclusionary Housing Ordinance provides one incentive and one waiver or reduction of a development standard to offset the cost of providing affordable units.</p> <p>Offsite Alternative: Rather than building the affordable units as part of the primary project, developers may choose to provide the affordable housing units off-site, subject to locational criteria.</p>
<p>Where can I learn more about the Inclusionary Housing Ordinance?</p>	<p>For more information on the Inclusionary Housing Ordinance, please visit https://planning.lacounty.gov/inclusionary or email housing@planning.lacounty.gov.</p>