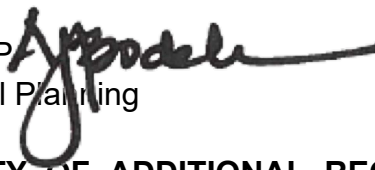


November 17, 2022

TO: Supervisor Holly J. Mitchell, Chair
Supervisor Hilda L. Solis
Supervisor Sheila Kuehl
Supervisor Janice Hahn
Supervisor Kathryn Barger

FROM: Amy J. Bodek, AICP
Director of Regional Planning



REPORT ON THE FEASIBILITY OF ADDITIONAL REQUIREMENTS PERTAINING TO AFFORDABLE REPLACEMENT UNITS AND SET-ASIDE UNITS (ITEM NO. 71, AGENDA OF NOVEMBER 10, 2020)

On November 10, 2020, the County of Los Angeles Board of Supervisors (Board) indicated its intent to approve the Affordable Housing Preservation Ordinance (AHPO) and adopted a motion directing the Director of Regional Planning (DRP) to do the following:

1. Study the feasibility of requiring that affordable replacement units that are not subject to the Inclusionary Housing Ordinance be comparable to market-rate units in terms of unit square footage, number of bedrooms, number of bathrooms, location and access to amenities, and exterior and interior finishes and quality of construction, whether the replacement units are located onsite or offsite;
2. Study the feasibility of requiring that affordable set-aside units be comparable to market-rate units in terms of unit square footage and number of bathrooms in the Inclusionary Housing Ordinance;
3. Report back to the Board on the above items, in conjunction with the Comprehensive Update to the Economic Feasibility Study for the Inclusionary Housing Ordinance within two years of adoption of the Inclusionary Housing Ordinance, with applicable amendments, as appropriate;
4. Work with the Los Angeles County Development Authority (LACDA) to collect information on projects that provide deeper levels of affordability and/or more affordable

units than required to inform the development of future housing policies and promote accurate accounting of affordable units; and

5. Consider adding a program in the Housing Element Update to research Deeply Low Income (DLI) and the feasibility of defining a local program for DLI, including practical availability of funding for qualifying projects.

Items 1 through 3

The feasibility of additional requirements pertaining to affordable replacement units and set-aside units will be analyzed as part of the Inclusionary Housing Economic Feasibility Study Update, which is anticipated to be completed no later than June 2023.

Item 4

To inform the Inclusionary Housing Economic Feasibility Study Update and an update to other housing ordinances, including but not limited to the Density Bonus Ordinance and the AHPO, DRP is currently reviewing information on entitlement activity for projects that provide affordable units to better understand trends and other characteristics of those projects. Upon completion of the Inclusionary Housing Economic Feasibility Study Update, DRP will amend the Inclusionary Housing Ordinance to include additional project types and/or submarket areas, if supported by the feasibility analysis, in conjunction with the update to the other housing ordinances. The public hearing for the updates to the ordinances are anticipated to occur in early 2024.

Item 5

The Housing Element Update, which was adopted by the Board on May 17, 2022, and certified by the California Department of Housing and Community Development on May 27, 2022, includes an implementation program to advocate for and identify available funding for a pilot project for acutely low income (ALI) households, defined as earning no more than 15 percent of area median income. To implement *Program 22: Housing for Acutely Low Income Households Program*, updates to the above-mentioned ordinances will include provisions to incentivize and preserve ALI housing. Moreover, DRP will coordinate with the LACDA to implement ALI as part of *Program 34: Countywide Affordable Rental Housing Development*.

NEXT STEP

The next report, which will include the Inclusionary Housing Economic Feasibility Study Update, will be provided to your Board no later than June 30, 2023.

Each Supervisor
November 17, 2022
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Should you have any questions concerning this matter, please contact Tina Fung or Lynda Hikichi of the Housing Policy Section at (213) 974-6417, or tfung@planning.lacounty.gov and lhikichi@planning.lacounty.gov.

AJB:CC:TF:LH:ar

c: Executive Office, Board of Supervisors
Chief Executive Office
County Counsel
Development Authority
Economic Opportunity
Fire
Public Works

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