

ORDINANCE NO. _____

An ordinance amending Title 22 – Planning and Zoning of the Los Angeles County Code to amend the Inclusionary Housing Program in the unincorporated areas of Los Angeles County.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION X. Section 22.14.010 is hereby amended to read as follows:

22.14.010 A

...

Affordable housing and senior citizen housing. The following terms are defined for the purposes of Chapter 22.119 (Affordable Housing Replacement), Chapter 22.120 (Density Bonus), Chapter 22.121 (Inclusionary Housing), Chapter 22.128 (Supportive Housing), Chapter 22.130 (Transitional Housing), Section 22.140.660 (Motel Conversions, Temporary), Chapter 22.166 (Housing Permits), and [Section] 22.246.090 (Private Art in Public Development Program):

...

Major transit stop. As defined in section 21155(b) of the California Public Resources Code.

Qualified nonprofit housing corporation. A nonprofit housing corporation organized pursuant to Section 501(c)(3) of the Internal Revenue Code that has received a welfare exemption under Section 214.15 of the California Revenue and Taxation Code for properties intended to be sold to low-income families who participate in a special no-interest loan program.

...

SECTION X. Section 22.14.020 is hereby amended to read as follows:

22.14.020 B.

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Baseline dwelling units. The maximum number of dwelling units permitted by the General Plan land use designation pursuant to Section 22.02.050.C (Density).

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SECTION X. Section 22.119.050 is hereby amended to read as follows:

22.119.050 Requirements.

...

B. The number and type of affordable replacement units shall be determined as follows:

...

7. Affordable replacement units ~~affordable to lower, very low or extremely low income households shall be rental dwelling units~~ may be rental or for-sale; and

8. Units subject to a covenant that restricts rents to levels affordable to moderate income households shall be replaced with units that are affordable to households of moderate income or below moderate income. ~~If they are replaced with units affordable to households of moderate income, the affordable replacement units may be rental or for sale.~~

...

D. Location of Affordable Replacement Units.

...

3. Where a housing development consists of both rental and for-sale units, rental affordable replacement units shall not be located on the same lot where for-sale units are located.

...

G. Timing.

1. All permits and entitlements, including the building permits, for the affordable replacement units shall be obtained prior to or concurrently with the permits and entitlements, including the building permits, for the non-replacement units.

2. ~~Where a Affordable replacement units, including those that are provided off-site, pursuant to Subsection D.2, above, such units shall obtain a certificate of occupancy from Public Works prior to or concurrently with the issuance of the final certificate of occupancy for the principal project non-replacement units.~~

H. Duration of Affordability. Affordable replacement units shall be subject to the same duration of affordability for affordable housing set-aside units as described in Section 22.120.050.B.1 (Duration of Affordability).

~~1. Rental. The affordability term for rental replacement units shall be in perpetuity.~~

~~2. For sale. The initial sale of the affordable replacement units shall be restricted to eligible buyers and shall require an equity sharing agreement with the County, as described in Chapter 22.166 (Housing Permits).~~

I. Comparability. Where a building has five or more dwelling units including affordable replacement units and non-replacement units, the occupants of the affordable replacement units shall have the same access to common entrances.

common areas, and amenities of the building as the occupants of the non-replacement units, and the affordable replacement units shall not be isolated to a specific floor or an area on a specific floor. For purposes of this Subsection, a manager's unit is not a non-replacement unit.

4J. Covenant and Agreement Required. A covenant and agreement ensuring the continued availability of affordable replacement units shall be recorded, pursuant to Section 22.166.070 (Covenant and Agreement).

SECTION X. Section 22.120.040 is hereby amended to read as follows:

22.120.040 Eligibility

Except as specified otherwise, a project is eligible for a density bonus, if it complies with the following:

A. Minimum Dwelling Units Required.

1. A project subject to Section 22.120.050 (Affordable Housing) or Section 22.120.070 (Land Donation) shall have a minimum of five ~~baseline~~ dwelling units exclusive of any additional units awarded by a density bonus.

...

SECTION X. Section 22.120.050 is hereby amended to read as follows:

22.120.050 Affordable Housing.

...

B. Affordable Housing Set-Aside.

1. Duration of Affordability.

a. Rental. The affordability term for rental affordable housing set-aside units shall be as follows ~~at least 55 years from the issuance of the final certificate of occupancy by Public Works:~~

i. 55 years from the issuance of the final certificate of occupancy by Public Works if the rental housing development is financed with low-income housing tax credits or is subject to Section 22.128.200 (Supportive Housing Streamlining); or

ii. 99 years from the issuance of the final certificate of occupancy by Public Works for all other rental housing developments subject to this Section.

b. For-sale. ~~The initial sale of the affordable housing set-aside units shall be restricted to eligible buyers and shall require an equity-sharing agreement with the County, as described in Chapter 22.166 (Housing Permits).~~

i. Except as specified otherwise in Subsection B.1.b.ii, below, the initial sale of the affordable housing set-aside units shall be restricted to income-qualified households and shall require an equity-sharing agreement with the County, as described in Chapter 22.166 (Housing Permits).

ii. If an affordable housing set-aside unit is purchased by a qualified nonprofit housing corporation, the purchase shall be made pursuant to a recorded contract that satisfies all requirements in Section 402.1(a)(10) of the California Revenue and Taxation Code and includes an affordability term of at least 45 years, a repurchase option, and an equity sharing agreement as described in Chapter 22.166 (Housing Permits).

2. Comparability. ~~Affordable housing set-aside units shall have the same number of bedrooms as the non-set-aside dwelling units. In a housing development with a variety of bedroom counts per dwelling unit, the percentage of affordable set-aside dwelling units with a particular number of bedrooms shall be equal to the percentage of non-set-aside dwelling units with the same number of bedrooms.~~

a. Affordable housing set-aside units shall have the same number of bedrooms as the non-set-aside dwelling units. In a housing development with a variety of bedroom counts per dwelling unit, the percentage of affordable set-aside dwelling units with a particular number of bedrooms shall be equal to the percentage of non-set-aside dwelling units with the same number of bedrooms.

b. The affordable housing set-aside units shall be indistinguishable from the non-set-aside units in terms of exterior and interior appearance and overall quality of construction. Where reasonable, interior finishes may consist of less expensive materials and equipment, provided they are new, durable, and of good quality.

c. Where a building has five or more dwelling units including affordable housing set-aside units and non-set-aside units, the occupants of the affordable housing set-aside units shall have the same access to common entrances, common areas, and amenities of the building as the occupants of the non-set-aside units, and the affordable housing set-aside units shall not be isolated to a specific floor or an area on a specific floor. For purposes of this Subsection, a manager's unit is not a non-set-aside unit.

3. ~~Location of Units. The affordable housing set-aside units and the density bonus dwelling units may be located in different geographic areas within the housing development.~~

a. The density bonus dwelling units and the affordable housing set-aside units may be located in different geographic areas within the housing development.

b. Affordable housing set-aside units shall not be overly concentrated in one area of the project, and shall be evenly distributed throughout the project.

...

5. ~~Timing. All permits and entitlements, including the building permits, for the affordable housing set-aside units shall be obtained prior to or concurrently with the permits and entitlements, including the building permits, for the non set-aside units.~~

a. All permits and entitlements, including the building permits, for the affordable housing set-aside units shall be obtained prior to or concurrently with the permits and entitlements, including the building permits, for the non set-aside units.

b. Affordable housing set-aside units shall obtain a certificate of occupancy from Public Works prior to or concurrently with the issuance of the certificate of occupancy for the non set-aside units.

c. If the housing development is multi-phased, the requirements in this Subsection B.5 shall apply to each phase of the development.

SECTION X. Section 22.120.100 is hereby amended to read as follows:

22.120.100 Rules and Calculations.

...

B. Baseline Dwelling Units.

1. When calculating the baseline dwelling units, the maximum allowable density permitted by the General Plan land use designation shall prevail ~~and supersede any contrary provisions in this Title 22~~ unless the density permitted by a zone or a Specific Plan is inconsistent with the density permitted by the General Plan, in which case the greater shall prevail.

...

C. Affordable Housing Set-Aside.

1. Except as specified otherwise, the affordable housing set-aside shall be calculated using the ~~baseline number of~~ dwelling units in a housing development exclusive of a ~~manager's unit or units~~ any additional units awarded by a density bonus.

...

3. Where a housing development consists of both rental and for-sale units, rental affordable housing set-aside units shall not be located on the same lot where for-sale units are located.

D. Density Bonus.

1. Except as specified otherwise, the density bonus shall be calculated using the baseline dwelling units, ~~exclusive of a manager's unit or units~~, on contiguous parcels.

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SECTION X. Section 22.121.010 is hereby amended to read as follows:

22.121.010 Purpose.

The purpose of this Chapter is to ensure the inclusion of affordable housing units in housing developments that meet certain criteria, including those in section 65583.2(c) and (h) of the California Government Code, and encourage mixed-income communities.

SECTION X. Section 22.121.030 is hereby amended to read as follows:

22.121.030 Applicability.

Notwithstanding any contrary provisions in this Title 22, a housing development is subject to the provisions of this Chapter, in conjunction with Chapter 22.166 (Housing Permits), apply to if it meets all of the following ~~all housing developments, excluding mobilehome parks, and including projects to substantially rehabilitate and convert an existing commercial building to residential uses, or the substantial rehabilitation of an existing multifamily dwelling, as defined in section 65863.4 (d) of the California Government Code, where the result of the rehabilitation would be a net increase in available dwelling units, that meet all of the following:~~

A. The housing development is not a mobilehome park;

B. The housing development is a new construction, a substantial rehabilitation and conversion of an existing commercial building to residential uses, or a substantial rehabilitation of an existing multifamily dwelling, as defined in section 65863.4 (d) of the California Government Code, where the result of the rehabilitation would be a net increase in available dwelling units;

C. The housing development has at least five dwelling units inclusive of any existing units and exclusive of any additional units awarded by a density bonus;

D. The housing development, or a portion thereof, is one of the following:

1. A rental housing development or a single-family residential subdivision in one of the submarket areas as defined in Section 22.14.010, except the Antelope Valley submarket area; or

2. A condominium project in one of the submarket areas as defined in Section 22.14.010; and

E. The housing development is not located within an area subject to an affordable housing requirement pursuant to a development agreement, specific plan, or local policy.

A. Unless as specified otherwise in Subsection B, below, all housing developments, excluding mobilehome parks, and including projects to substantially rehabilitate and convert an existing commercial building to residential uses, or the substantial rehabilitation of an existing multifamily dwelling, as defined in section 65863.4 (d) of the California Government Code, where the result of the rehabilitation would be a net increase in available dwelling units, that meet all of the following:

A 1. Has at least five or more baseline dwelling units;

B 2. Is located in a submarket area, with the following exceptions:

1 a. Rental projects or condominium projects located in the South Los Angeles or Antelope Valley submarket areas; or

2 b. Rental projects located in the East Los Angeles/Gateway submarket area; and

C 3. Is not located within an area subject to an affordable housing requirement pursuant to a development agreement, specific plan, or local policy.

B. All housing developments located on parcels that are:

1. In the 2021-2029 Housing Element as one of the following:

a. Nonvacant, identified to accommodate very low- or lower- income units in the Sites Inventory, and have been included in the 2014-2021 Housing Element;

b. Vacant, identified to accommodate very low- or lower- income units in the Sites Inventory, and have been included in both the 2008-2014 and the 2014-2021 Housing Elements; or

c. Sites that are rezoned to accommodate very low- or lower- income units; and

2. In one of the following unincorporated communities:

a. Avocado Heights;

b. Charter Oak;

c. East Irwindale;

d. East Los Angeles;

e. East Rancho Dominguez;

f. Florence Firestone;

dg. Hacienda Heights;

eh. North Whittier;

fi. Rowland Heights;

gj. South San Jose Hills;

ak. South Whittier-Sunshine Acres; or

il. Valinda;

m. Walnut Park;

n. West Athens-Westmont;

jo. West Puente Valley; or

p. West Rancho Dominguez-Victoria;

bq. West Whittier-Los Nietos.; or

r. Willowbrook.

SECTION X. Section 22.121.050 is hereby amended to read as follows:

22.121.050 Affordable Housing Set-Aside.

A. Rental. ~~If the project consists of rental units, the affordable housing set-aside units shall be provided at an affordable rent, as described in Table 22.121.050-A, below. Projects that are subject to Section 22.121.030.A shall provide the following affordable housing set-aside:~~

1. Rental. A 20 percent lower income housing set-aside shall be provided in a rental housing development if it is located in one of the following submarket areas: If the project consists of rental units, the affordable housing set-aside units shall be provided at an affordable rent, as described in Table 22.121.050-A, below.

a. Coastal South Los Angeles;

b. East Los Angeles/Gateway;

c. San Gabriel Valley; or

d. Santa Clarita Valley.

TABLE 22.121.050-A: INCLUSIONARY HOUSING REQUIREMENTS FOR RENTAL PROJECTS			
Option	Affordability¹	Set-aside	Set-aside (Small projects)²
1	Average affordability ³ of 40% AMI or less	10%	5%
2	Average affordability ³ of 65% AMI or less	15%	7%
3	80% AMI or less	20%	10%

TABLE 22.121.050-A: INCLUSIONARY HOUSING REQUIREMENTS FOR RENTAL PROJECTS

- Notes:**
 1. Units shall be set aside for extremely low, very low, or lower income households.
 2. Projects with less than 15 baseline dwelling units.
 3. Calculations for the average affordability shall comply with Subsection C (Calculation), below.

2. A 20 percent lower income housing set-aside shall be provided in a rental housing development if it is located in the South Los Angeles submarket area and on a site identified in the 2021-2029 Housing Element as one of the following:

a. Nonvacant, identified to accommodate very low- or lower-income units in the Sites Inventory, and has been included in the 2014-2021 Housing Element;

b. Vacant, identified to accommodate very low- or lower-income units in the Sites Inventory, and has been included in both the 2008-2014 and the 2014-2021 Housing Elements; or

c. A site to be rezoned to accommodate very low- or lower-income units.

~~B.2. For-sale. If the project consists of for-sale units, the affordable housing set-aside units shall be provided at an affordable sale price, as described in Table 22.121.050-B, below.~~

TABLE 22.121.050-B: INCLUSIONARY HOUSING REQUIREMENTS FOR FOR-SALE PROJECTS

Submarket Area	Affordability¹	Set-aside	Set-aside (Small projects)²
Coastal South Los Angeles, South Los Angeles (excluding condominiums), East Los Angeles/Gateway	Average affordability ³ of 135% AMI or less	20%	10%
San Gabriel Valley		15%	7%
Santa Clarita Valley, Antelope Valley (excluding condominiums)		5%	-

- Notes:**
 1. Units shall be set aside for moderate or middle income households.
 2. Projects with less than 15 baseline dwelling units.

TABLE 22.121.050-B: INCLUSIONARY HOUSING REQUIREMENTS FOR FOR-SALE PROJECTS

3. Calculations for the average affordability shall comply with Subsection C (Calculation), below.

B. For-sale. ~~Projects that are subject to Section 22.121.030.B shall provide a minimum of 20 percent affordable housing set aside for lower income households.~~

1. Condominium project.

a. A 20 percent affordable housing set-aside at an average affordability of 135 percentage AMI or less shall be provided in a condominium project if it is located in one of the following submarket areas, provided that the set-aside units are for moderate or middle income households, unless the set-aside units are also subject to Subsection C.3, below, and a deeper level of affordability is required pursuant to Chapter 22.119 (Affordable Housing Replacement):

i. Antelope Valley;

ii. Coastal South Los Angeles;

iii. East Los Angeles/Gateway;

iv. San Gabriel Valley; or

v. Santa Clarita Valley.

b. A 20 percent lower income housing set-aside shall be provided in a condominium project if it is located in the South Los Angeles submarket area and on a site identified in the 2021-2029 Housing Element as one of the following:

i. Nonvacant, identified to accommodate very low- or lower-income units in the Sites Inventory, and has been included in the 2014-2021 Housing Element;

ii. Vacant, identified to accommodate very low- or lower-income units in the Sites Inventory, and has been included in both the 2008-2014 and the 2014-2021 Housing Elements; or

iii. A site to be rezoned to accommodate very low- or lower-income units.

2. Single-family residential subdivision.

a. A 20 percent affordable housing set-aside at an average affordability of 135 percentage AMI or less shall be provided in a single-family residential subdivision if it is located in one of the following submarket areas, provided that the set-aside units are for moderate or middle income households, unless the set-aside units are also subject to Subsection C.3, below, and a deeper level of affordability is required pursuant to Chapter 22.119 (Affordable Housing Replacement):

i. San Gabriel Valley; or

ii. Santa Clarita Valley.

b. A 20 percent lower income housing set-aside shall be provided in a single-family residential subdivision if it meets all of the following:

i. The single-family residential subdivision is located in one of the following submarket areas:

(a) Coastal South Los Angeles, provided that the inclusionary housing requirement in this Subsection B.2.b. shall become effective on the effective date of the zone changes as described in the 2021-2029 Housing Element in the following communities through their respective Area Plans, as shown in Table 22.121.050-A, below;

TABLE 22.121.050-A: INCLUSIONARY HOUSING REQUIREMENTS FOR SINGLE-FAMILY RESIDENTIAL SUBDIVISIONS, COASTAL SOUTH LOS ANGELES SUBMARKET AREA

<i>Unincorporated Community</i>	<i>Inclusionary Housing Requirements in Effect with Zone Changes in</i>
Alondra Park	South Bay Area Plan
Del Aire	South Bay Area Plan
La Rambla	South Bay Area Plan
Ladera Heights/View Park-Windsor Hills	Westside Area Plan
Lennox	South Bay Area Plan
West Carson	South Bay Area Plan
West Fox Hills	Westside Area Plan

(b) East Los Angeles/Gateway; or

(c) South Los Angeles; and

ii. The single-family residential subdivision is on a site

identified in the 2021-2029 Housing Element as one of the following:

(a) Nonvacant, identified to accommodate very low- or lower-income units in the Sites Inventory, and has been included in the 2014-2021 Housing Element;

(b) Vacant, identified to accommodate very low- or lower-income units in the Sites Inventory, and has been included in both the 2008-2014 and the 2014-2021 Housing Elements; or

(c) A site to be rezoned to accommodate very low- or lower-income units.

C. Calculation.

1. Inclusionary Housing Requirement.

a. General. The inclusionary housing requirement shall be calculated using the baseline number of dwelling units in the housing development exclusive of ~~a manager's unit or units~~ any additional units awarded by a density bonus.

b. Mixed Tenure Project. Where a project consists of both rental and for-sale units, the inclusionary housing requirement shall apply to both rental and for-sale units. The requirement for each tenure shall be calculated separately using the baseline number of dwelling units under each tenure, exclusive of ~~a manager's unit or units~~ any additional units awarded by a density bonus.

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2. Density Bonus. The affordable housing set-aside units required in Chapter 22.120 (Density Bonus) may count toward the affordable housing set-aside units required in this Chapter, in which case such units shall be: provided on-site.

a. ~~Subject to Section 22.120.050.B.1 (Duration of Affordability);~~

and

b. ~~Provided on-site.~~

...

D. Comparability.

1. The affordable housing set-aside units required in this Chapter shall be subject to Section 22.120.050.B.2 (Comparability).

1. ~~Affordable housing set-aside units shall have the same number of bedrooms as the non-set-aside dwelling units. In a project with a variety of bedroom counts per dwelling unit, the percentage of affordable set-aside dwelling units with a~~

~~particular number of bedrooms shall be equal to the percentage of non-set-aside dwelling units with the same number of bedrooms.~~

~~2. The affordable housing set-aside units shall be indistinguishable from the non-set-aside units in terms of exterior and interior appearance and overall quality of construction. Where reasonable, interior finishes may consist of less expensive materials and equipment, provided they are new, durable, and of good quality.~~

~~3. Affordable housing set-aside units shall have comparable access to building amenities as other non-set-aside units.~~

42. Affordable housing set-aside units shall not be overly concentrated in one area of the project, and shall be ~~reasonably~~ evenly distributed throughout the project.

53. Affordable housing set-aside units in a ~~common interest development condominium project~~ or a single-family residential subdivision shall be for-sale only.

E. Duration of Affordability. The affordable housing set-aside units required in this Chapter shall be subject to the same duration of affordability as described in Section 22.120.050.B.1 (Duration of Affordability).

~~1. Rental. Except as specified otherwise in this Chapter, the affordability term for rental affordable housing set-aside units shall be in perpetuity.~~

~~2. For sale. The initial sale of the affordable housing set-aside units shall be restricted to eligible buyers and shall require an equity sharing agreement with the County, as described in Chapter 22.166 (Housing Permits).~~

F. Location. ~~The required affordable housing set-aside units shall be provided on-site, or off-site provided that:~~

1. Where a housing development consists of both rental and for-sale units, rental affordable housing set-aside units shall not be located on the same lot where for-sale units are located.

2. The required affordable housing set-aside units shall be provided on-site, or off-site provided that:

4a. The required affordable housing set-aside units are not subject to Chapter 22.120 (Density Bonus), or Subsections A.2, B.1.b, or B.2.b ~~or Subsection B, above;~~

2b. The off-site parcel is located in an unincorporated area of the County and is one of the following:

aj. Located within one-quarter mile of the principal project;

bj. Located within an area designated as Highest, High, or Moderate Resource by the State Tax Credit Allocation Committee and State Department of Housing and Community Development. Where the principal project is also located in an area designated as Highest, High, or Moderate Resource, the off-site parcel shall be located in an area with the same or higher resource designation as the principal project;

eij. Located within two miles of the principal project and in an area with known displacement risk based on evidence to the satisfaction of the Department; or

4iv. Developed as part of a community land trust;

3c. The off-site parcel, its developable acreage, zoning and General Plan land use designation, is sufficient to permit the construction of the required set-aside units for the principal project;

4d. The required affordable housing set-aside units for the principal project shall not count toward the affordable housing set-aside units required on said off-site lot pursuant to this Chapter;

5e. The construction of the affordable housing set-aside units for the principal project does not result in units requiring replacement of the off-site lot, pursuant to Chapter 22.119 (Affordable Housing Replacement); and

6f. Where the applicant partners with a third-party developer for the provisions of the affordable housing set-aside units on the off-site lot:

a. The applicant shall submit a memorandum of understanding ("MOU") to the Los Angeles County Development Authority ("LACDA") for review prior to the approval of an Administrative Housing Permit (Section 22.166.040) application. The MOU shall include the agreed upon payment or compensation that the applicant will give to the partnering third-party developer to construct the set-aside units, with sworn affidavits from both parties;

b. Upon approval of the Administrative Housing Permit (Section 22.166.040) application, the Director shall notify the Commission of said approval with the following:

i.(a) The location of the off-site lot;

ii.(b) The number of affordable housing set-aside units provided on the off-site lot;

iii.(c) The household income levels assigned to such set-aside units;

iv.(d) The sizes (square footage) and number of bedrooms of such set-aside units; and

v.(e) A copy of the MOU between the applicant and the partnering third-party developer; and

eiii. The approval of the Administrative Housing Permit (Section 22.166.040) application may be called for review by the Commission pursuant to Chapter 22.240 (Appeals).

...

H. Timing.

1. All permits and entitlements, including the building permits, and certificates of occupancy shall be obtained subject to Section 22.120.050.B.5 (Timing) ~~for the affordable housing set-aside units shall be obtained prior to or concurrently with the permits and entitlements, including the building permits, for the non-set-aside units.~~

2. Where affordable housing set-aside units are provided off-site pursuant to Subsection F.2, above, such units shall obtain a certificate of occupancy from Public Works prior to the issuance of the final certificate of occupancy for the principal project.

SECTION X. Section 22.121.070 is hereby amended to read as follows:

22.121.070 Adjustment or Waiver of Inclusionary Requirements.

Notwithstanding any other provision of this Chapter, the requirements of this Chapter other than those in Section 22.121.050.A.2, B.1.b, or B.2.b, may be adjusted or waived, in whole or in part, ~~for projects that are subject to Section 22.121.030.A,~~ if the applicant demonstrates that applying the requirements of this Chapter would take property in violation of the United States or California Constitution, subject to the following:

...

SECTION X. Section 22.121.080 is hereby amended to read as follows:

22.121.080 County Feasibility Assessment.

To ensure consistency with long term economic trends, the Department shall evaluate the appropriateness of the affordable housing set asides in ~~Table 22.121.050-A and Table 22.121.050-B~~ Section 22.121.050 and evaluate the boundaries of the submarket areas every five years from the ~~effective date of this Chapter~~ completion of the last financial feasibility study. The evaluation may be conducted more frequently as deemed appropriate by the Director.

SECTION X. Section 22.166.070 is hereby amended to read as follows:

22.166.070 Covenant and Agreement.

A. General. All projects subject to this Chapter shall have a covenant and agreement, acceptable to the LACDA, recorded by the applicant with the Registrar-Recorder/County Clerk, subject to the following:

1. Subdivision Development. No final map shall be cleared for recordation prior to the covenant recordation; and

2. Non-Subdivision Development. No building permit shall be issued prior to the covenant recordation.

AB. Affordable Housing. A covenant and agreement, ~~acceptable to the LACDA, shall be recorded by the applicant with the Registrar-Recorder/County Clerk to~~ shall ensure the continuing availability of income-restricted units, and as applicable, transitional housing restricted units, supportive housing restricted units, age-restricted units, and child care facilities, in compliance with this Chapter, Chapter 22.119 (Affordable Housing Replacement), Chapter 22.120 (Density Bonus), Chapter 22.121 (Inclusionary Housing), Section 22.128.200 (Supportive Housing Streamlining), Section 22.130.200 (Motel Conversions, Permanent), and Section 22.140.660 (Motel Conversions, Temporary). ~~All Housing Permits without a covenant and agreement that are recorded within 180 days of the Housing Permit effective date shall be null and void. No building permit shall be issued prior to the covenant recordation.~~

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3. For-Sale Income-Restricted Units. When income-restricted units are for-sale dwelling units, the covenant and agreement shall also include owner requirements related to the following and subject to the LACDA's review and approval:

- a. Policies and procedures to restrict the ~~initial~~ sale to eligible buyers, including but not limited to: provisions for owner compliance with the creation of an affirmative marketing plan and advertising on the Los Angeles County Housing Resource Center website (or any similar or replacement County database or website, as applicable); a home buyer selection plan with applicant qualification criteria; the rules

and procedures for qualifying buyers; and, where applicable, establishment of affordable housing costs and affordable sales prices;

b. Provisions restricting the income-restricted units to be owner-occupied;

c. Provisions requiring owners to comply with monitoring procedures, as described in Section 22.166.080 (Monitoring of Affordable Housing); and

d. Provisions restricting the ~~initial~~ sale to eligible buyers, including and requiring equity sharing with the County that states the following terms where applicable:

i. If the initial sale of a unit is to an income-qualified household, equity sharing with the County is required as follows:

~~i.~~(1) Upon resale, the seller of the unit shall retain the value of any improvements, the down payment, and the seller's proportionate share of appreciation;

~~ii.~~(2) The seller's proportionate share of appreciation shall be the total appreciation, minus the County's proportionate share of appreciation;

~~iii.~~(3) Upon resale, the County shall recapture any initial subsidy and receive the County's proportionate share of appreciation;

~~iv.~~(4) The County's proportionate share of appreciation shall be equal to the ratio of the initial subsidy to the fair market value of the ~~home~~ unit at the time of initial sale;

~~v.~~(5) The County's initial subsidy shall be equal to the fair market value of the ~~home~~ unit at the time of initial sale minus the initial sale

price, plus the amount of any down payment assistance or mortgage assistance. If upon resale the fair market value is lower than the initial fair market value, then the value at the time of the resale shall be used as the initial fair market value;

~~vi.~~(6) The County, a County-designated agency, or a qualified nonprofit shall maintain right of first refusal on the unit for the purpose of sale or rental to eligible households; and

~~vii.~~(7) All County equity-sharing proceeds shall be used within five years for any of the purposes described in section 33334.2(e) of the California Health and Safety Code that promote affordable home ownership.

~~eji.~~ Notwithstanding Subsection ~~A.3.d~~B.3.d.i., above, if the income-restricted units are part of a community land trust, the community land trust shall maintain equity in sales of the income-restricted units to qualifying households.

iii. If an income-restricted unit is purchased by a qualified nonprofit housing corporation, the purchase shall be made pursuant to a recorded contract that satisfies all requirements in Section 402.1(a)(10) of the California Revenue and Taxation Code and includes all of the following:

(1) An affordability restriction on the sale and conveyance of the unit ensuring that the unit will be preserved for lower income housing for at least 45 years and will be sold or resold only to very low, low, or moderate income households, as defined in section 50052.5 of the California Health and Safety Code;

(2) A repurchase option that requires a subsequent purchaser of the unit, at the time of resale, to offer the qualified nonprofit

housing corporation the right to repurchase the unit prior to selling or conveying that unit to any other purchaser; and

(3) An equity-sharing agreement stating that upon resale, a share of the equity appreciation shall be provided to the County to be used to promote affordable home ownership as described in Subsection B.3.d.i., above, or the nonprofit corporation may retain the initial subsidy and share of appreciation so long as all of the proceeds are used to promote homeownership for lower income households within the unincorporated County.

4. Age-Restricted Units. When a housing development subject to this Subsection AB includes age-restricted units, the covenant and agreement shall include provisions to ensure the age restrictions of the income-restricted units in accordance with section 51.3 of the California Civil Code.

5. Child Care Facilities. When a housing development subject to this Subsection AB includes a child care facility, the covenant and agreement shall also include the following to ensure compliance with subsections (A) and (B) of section 65915(h)(2) of the California Government Code:

...

6. Transitional Housing and Supportive Housing. When a housing development subject to this Subsection AB is subject to Section 22.128.200 (Supportive Housing Streamlining) or is a transitional housing project subject to Section 22.130.200 (Motel Conversions, Permanent) or Section 22.140.660 (Motel Conversions, Temporary), the covenant and agreement shall also include:

...

BC. Senior Citizen Housing. A covenant and agreement, ~~acceptable to the LACDA, shall be recorded by the applicant with the Registrar-Recorder/County Clerk to~~ shall ensure the continuing availability of senior citizen housing, in compliance with this Chapter and Chapter 22.120 (Density Bonus). The covenant and agreement shall contain remedies for violations of the covenant and agreement and of this Section. ~~The covenant and agreement shall be recorded within 30 days of the Housing Permit effective date.~~

CD. Release of the Covenant and Agreement. The covenant and agreement shall terminate and cease to be in effect, should the Housing Permit be terminated, pursuant to Subsection G (Termination) of Section 22.166.040 and Subsection E (Termination) of Section 22.166.050.