

CITY OF LOS ANGELES INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 16, 2024

TO: Department of City Planning Staff

Interested Parties

FROM: Vincent P. Bertoni, AICP

Director of Planning

Department of City Planning

SUBJECT: IMPLEMENTATION OF 2023 STATE DENSITY BONUS LAW - AB 1287

On October 11, 2023, the Governor signed Assembly Bill (AB) 1287, making various amendments and clarifications to State Density Bonus Law, Government Code (GC) Section 65915. State Density Bonus Law is implemented through the City's Density Bonus Ordinance, primarily Los Angeles Municipal Code (LAMC) Code Section 12.22 A.25.

This memo describes the changes, clarifications, and additions to State Density Bonus Law, and will serve as interim guidance for staff and project applicants on the implementation of AB 1287 until the time the LAMC is updated to include these provisions, or this memo is otherwise superseded. This memorandum does not supplant previous memoranda related to state Density Bonus Law. Staff and interested parties are encouraged to refer to state law in Government Code Section 65915 for additional information, as this memo is not exhaustive. Further, this memorandum provides a summary of pertinent sections for reference purposes only and is not intended to conflict with State Law.

SUMMARY OF AB 1287

Beginning January 1, 2024, AB 1287 allows for an additional "stackable" density bonus on top of the existing maximum 50% density bonus provided by Density Bonus Law. This new provision allows an additional density bonus of twenty percent (20%) to fifty percent (50%) when a project provides an additional set-aside of Very Low Income or Moderate-Income units, as set forth in the tables of GC Section 65915(v), also provided herein.

Additionally, AB 1287 increases the number of available incentives or concessions for certain mixed-income and one hundred percent (100%) affordable housing developments, with the number of incentives being increased by one for both project types.

Updates to Density Bonus

The additional density bonus will be applied in a "stackable" manner for both rental and for-sale housing developments. The City will apply the current density bonus tables of GC Section 65915(f) and (v) in order to grant the "stackable" density bonus. This would allow for projects to potentially obtain a total 100% density bonus by providing the initial percentage of affordable units to secure an initial 50% density bonus, and then a secondary percentage of affordable units in order to obtain a "stackable" or additional density bonus of up to 50%. Once the set-aside requirements are met to receive the maximum 50% "primary" density bonus, an applicant may request the additional density bonus available through AB 1287. The additional density bonus will be available to projects which meet the following minimum set asides:

- Rental or for sale housing developments which provide 15 percent of the total units to Very Low-Income households.
- Rental or for sale housing developments which provide 24 percent of the total units to Lower Income households.
- For sale housing developments which provide 44 percent of the total units to Moderate Income households.

The additional "stackable" density bonus per AB 1287 will be granted to rental or for-sale projects that meet the minimum affordability requirements listed above and also meet the following additional set-aside percentages:

information.

¹ State Density Bonus Law does not provide different "stackable" density bonus provisions for cities, like Los Angeles, that claim the exemption in GC Section 65915(s). As such, the City retains the exemption in GC Section 65915(s) for those projects which do not seek the additional "stackable" density bonus made available by AB 1287. Refer to the Department of City Planning Memo dated 11/2/22 for additional

Percentage Very Low-Income Units	Percentage Density Bonus
5	20
6	23.75
7	27.5
8	31.25
9	35
10	38.75

Percentage Moderate-Income Units	Percentage Density Bonus
5	20
6	22.5
7	25
8	27.5
9	30
10	32.5
11	35
12	38.75
13	42.5
14	46.25
15	50

The overall density bonus, which includes both primary and additional "stackable" density bonuses must be calculated separately to account for rounding² with the base density remaining constant.

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² Pursuant to Government Code Section 65915(f)(5) and (q)

Incentives

AB 1287 increases the number of available incentives or concessions for mixed-income, and 100 percent affordable housing developments, as defined in Government Code Section 65915(b)(1)(G). Available incentives are updated to include the following:

- a. Four (4) incentives or concessions for mixed-income projects that include at least 16 percent of the units for Very Low Income households in a development in which the units are for rent or for sale or at least 45 percent of the units for Moderate Income households in a development in which the units are for sale.
- b. Five (5) incentives or concessions for a project meeting the criteria of a 100 percent affordable housing development³.

IMPLEMENTATION

Consistent with existing procedures, applications which seek only a density increase and parking reductions through Density Bonus provisions, and do not require additional entitlements and are not within a zoning overlay, may file directly for review and Plan Check with the Los Angeles Department of Building and Safety (LADBS).

Projects seeking Density Bonus on-menu incentives, off-menu incentives and/or waivers of development standards, and/or are subject to additional entitlements, are required to submit an Affordable Housing Referral Form (AHRF) with a complete set of architectural plans to the Affordable Housing Services Section (AHSS) for review. Applicants need to obtain additional Referrals, as necessary, and submit a complete Department of City Planning Application (CP13-7771.1). The Application and Filing Instructions (CP13-7810) are both accessible through the Department of City Planning website at: https://planning.lacity.org/development-services/forms.

Stand-alone On-Menu Density Bonus applications will continue to be treated ministerially. For more information, see the On-Menu Density Bonus Ministerial Review Process Memo, dated January 25, 2021. Projects subject to streamlining including, but not limited to AB 2162, SB 35, and ED 1, will continue to be processed administratively.

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³ Pursuant to Government Code Section 65915(b)(1)(G)

Conditional Use Permit (CUP) LAMC Section 12.24 U.26

Pursuant to LAMC Section 12.24 U.26, an applicant may request a density increase that is greater than the maximum permitted in State Density Bonus Law. Meaning, the CUP process is available once a project has utilized available density bonuses that are provided through State Density Bonus Law. In conjunction with the provisions of AB 1287, these procedures will continue to be available to exceed the maximum density bonus in state law, i.e. a density bonus greater than what is allowed under GC Section 65915(v). Projects seeking additional density bonus pursuant to LAMC Section 12.24 U.26 shall submit an AHRF to AHSS and will be subject to the procedures enumerated in LAMC Chapter 1A Section 13B.2.3.

Previously Approved Projects

Some previously approved projects with a LOD may qualify for Modification of Entitlement, pursuant to LAMC Section 13.B.5.4, and are limited to an alteration of the physical development or conditions of approval of the original action by no more than 20%, and the modification will not result in a new, significant unavoidable, environmental impact. Entitled projects seeking modifications pursuant to AB 1287 will need to submit a new AHRF with a complete set of plans to AHSS for review. The applicant shall also consult with the appropriate processing section within the Project Planning Bureau to determine if the request would be eligible for a modification. Applicable fees will apply.

Projects with a previously issued LOD that are not eligible for a Modification of Entitlement pursuant to LAMC Section 13B.5.4, but are projects that seek changes through AB 1287, will require new referral forms and a new City Planning application. Applicable fees will apply.

Projects approved through an administrative process that have been issued a Letter of Compliance (LOC), pursuant to LAMC Section 13B.3.1, are final and no modification may be issued. Projects with a previously issued LOC which seek changes through AB 1287 will require new referral forms and will need to re-file for a new Administrative Review. Applicable fees will apply.

RESOURCES

California Assembly Bill 1287

AB 2334, AB 1551, and AB 682 Implementation Memo

AB 2345 and AB 1763 Revised Implementation Memo

On-menu Density Bonus Ministerial Review Process Memo

CONTACT INFORMATION

For any questions related to this memo, please contact the Affordable Housing Services Section at planning.priorityhousing@lacity.org. For questions regarding the building permit process please contact LADBS through the City's 311 call center by dialing 311 or by visiting http://www.ladbs.org/our-organization/customer-services/contact-us.