Los Angeles City Planning Proposes a New Community Benefits Program for Downtown

Department Recommends a More Transparent Process for Requesting Development Rights

LOS ANGELES—City Planning unveiled a new incentive-based zoning system for Downtown Los Angeles that would replace the existing program for the Transfer of Floor Area Rights (TFAR) with a transparent Community Benefits Program. The new Community Benefits Program—a centerpiece of the Downtown Community Plan update, envisioned to increase affordable housing opportunities across neighborhoods—includes an approval process that is simplified, standardized, and fair.

Under the draft proposal, the Downtown Community Plan would rezone every parcel within its boundaries to accommodate Los Angeles’s future housing and employment needs—doubling the land area that is currently eligible for housing. The proposal includes a new base and bonus system for Downtown, intended to establish a clearer set of objective standards for projects that wish to build beyond their base zoning.

All future project applicants will have to adhere to these standards. To exceed the base floor area, developers will need to set aside a specified amount of units as affordable. A new category for affordable housing has also been developed to tie the proposed policies of the Downtown Community Plan to the stated goals of the Community Benefits System, including a Deeply Low Income category for those who earn less than 15 percent of the Area Median Income ($0 to $15,000 for a household of four).

By including the minimum prescribed affordable housing, a project will be eligible for a 35 percent increase in floor area. Additional incentives are also available for projects that provide neighborhood-serving amenities, such as open space and child care facilities; however, in order to obtain that initial bonus floor area, eligible applicants—regardless of their project description—must set aside a number of units as covenanted affordable.

These changes are intended to facilitate new affordable housing. Unlike the TFAR Program, which covers less than 25 percent of Downtown, the proposed Community Benefits Program would expand housing (including permanent supportive and affordable housing) to approximately 60 percent of the plan area, in order to better accommodate a variety of living situations, lifestyles, income levels, and age groups.
Furthermore, the Community Benefits Program would replace a lengthy and complicated process for reviewing individual project appraisals with a straightforward set of approvals that would apply the same rules to each project.

“In years past, we relied almost exclusively on TFAR to spur affordable housing in Downtown, but with mixed results,” said Vince Bertoni, Director of Planning. “With this program, we’ll be able to standardize our existing requirements to ensure an equitable and fair distribution of affordable housing through a predictable and transparent process.”

Following the public hearing later this fall, the proposed Community Benefits System, along with the final staff recommendation on the proposed update to the Downtown Community Plan, will advance to the City Planning Commission for their consideration.

**About the Downtown Community Plan Update**

By 2040, Downtown is projected to accommodate 125,000 new residents, in addition to 55,000 new jobs, representing 20 percent of the City’s housing growth in 1 percent of its land area. The Downtown Community Plan update would accommodate this growth through innovative land use strategies that reinforce Downtown’s economic base, strengthen linkages between neighborhoods, and incentivize additional residential units.

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