January 9, 2019

TO: Department of City Planning Staff
    Interested Parties

FROM: Kevin J. Keller, AICP
       Executive Officer

SUBJECT: ADVISORY MEMO ON APPLICATION OF TRANSIT ORIENTED COMMUNITIES (TOC) INCENTIVES IN CRA/LA REDEVELOPMENT PLAN AREAS

On June 27, 2018 the CRA/LA issued a memorandum entitled Transit Oriented Communities (TOC) Density Bonuses (see attached). The memo addresses the manner in which CRA/LA is implementing its land use authority over redevelopment plans with regards to the City’s TOC Affordable Housing Incentive Program (TOC Program). The CRA/LA is the Designated Local Agency for the former Community Redevelopment Authority of the City of Los Angeles. The following guidance clarifies how the TOC Program will be administered by the Department, in light of the CRA/LA memo.

The TOC Program was created as a result of Measure JJJ, which was approved by the voters of Los Angeles in November 2016 (codified in LAMC 12.22 A.31). The TOC Program establishes a set of incentives, such as density and floor area increases for qualifying residential and mixed-use projects located near major transit stops provided such projects include a set percentage of affordable housing.

The CRA/LA memo states that some incentives in the TOC Guidelines are currently not recognized by the CRA/LA as being effective in some redevelopment plans. The following redevelopment areas are identified as being potentially affected: City Center, Central Industrial, Hollywood, North Hollywood, Wilshire Center/Koreatown and Pacific Corridor. Projects utilizing TOC incentives in any of these redevelopment areas which exceed certain density regulations established by the redevelopment plans may not be able to receive clearance by CRA/LA staff at this time.

TOC applicants, including those who have filed applications and are in process, those who have received approvals from the Department or those who are by-right and cleared by the Department of Building and Safety, are advised to contact their assigned Department of City Planning project planner or the Department’s Housing Services Unit on options for compliance with City regulations as well as CRA/LA requirements. Planning staff are available to answer questions on potential alternative entitlement options via a consultation. The Department’s Housing Services staff are located on the 5th floor of the Development Services Center at 201 N. Figueroa St., or by calling (213) 202-5456.

The Department continues to work collaboratively with the CRA/LA on this topic and will provide future updates on this matter as appropriate.
Transit Oriented Communities (TOC) Density Bonuses

Following passage of City Measure JJJ, the Los Angeles City Council adopted the TOC Ordinance which provides incentives to developers who construct housing in proximity to transportation infrastructure and systems. In some instances, the incentives provide for up to 80% density bonuses if affordable units are included in the project. While there are ongoing discussions with the Department of City Planning and the Office of City Attorney, CRA/LA has determined that the density limits contained in the redevelopment plans are not superseded by Measure JJJ and the implementing TOC Ordinance.

The density limitations affect potential development in six (6) redevelopment project areas: City Center, Central Industrial, Hollywood, North Hollywood, Wilshire Center/Koreatown, and Pacific Corridor. Please consult the appropriate redevelopment plan to determine if your proposed project may be impacted by the plan’s limitations. The redevelopment plans are available on CRA/LA’s website (www.crala.org) under the “Project Areas” tab.
How are Density Bonus projects affected by CRA’s memo?

Projects approved pursuant to state Density Bonus law, as codified in the City’s 2008 Density Bonus Ordinance (Ordinance 179,861), are not affected by the CRA/LA memo. This includes both on-menu and off-menu Density Bonus projects approved per LAMC Section 12.22 A.25.

What options are available for Projects which are exceeding CRA density limitations and seeking other incentives through the Transit Oriented Communities Affordable Housing Incentive Program Guidelines (TOC Guidelines)?

A Project may be eligible for a Conditional Use Permit entitlement for density increases greater than 35% (per LAMC Sections 12.24 U.26) in conjunction with a Density Bonus entitlement. Applicants should contact Planning staff to explore these and other potential options.

Are By-Right TOC Projects in CRA Areas Affected?

Applicants who have filed a by-right project with the Department of Building and Safety and are within one of the six CRA Plan areas that contain density limitations are advised to contact the Department of City Planning’s Development Services Center (DSC) on options for compliance with City regulations as well as CRA/LA requirements. The DSC has three convenient locations:

**DSC Metro**
Figueroa Plaza
201 N. Figueroa Street
Main Public Counter, 4th Floor
Los Angeles, CA 90012
(213) 482-7077

**DSC Valley**
Marvin Braude Building
6262 Van Nuys Blvd.
Main Public Counter, Suite 251
Van Nuys, CA 91401
(818) 374-5050

**DSC West Los Angeles**
1828 Sawtelle Blvd.
Main Public Counter, 2nd Floor
Los Angeles, CA 90025
(310) 231-2901

What if a TOC Project is located in a CRA/LA redevelopment project area, but not one of the six specified in the CRA’s memo?

A Project that is not located in one of the six redevelopment project areas mentioned in the CRA/LA memo is not impacted by this advisory.

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