An ordinance amending Sections 12.24 and 14.00 of the Los Angeles Municipal Code to clarify and update affordable housing requirements for projects seeking an increase in density, height or floor area through the approval of certain conditional use permits and public benefit projects.

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. The first paragraph of Subsection F of Section 12.24 of the Los Angeles Municipal Code is amended to read as follows:

F. Conditions of Approval. In approving a project, the decision-maker may impose conditions related to the interests addressed in the findings set forth in Subsection E. The decision may state that the height and area regulations required by other provisions of this Chapter shall not apply to the conditional use approved. If the Density Bonus is increased beyond the maximum allowed as defined in LAMC 12.22 A.25, the development project must also contain the requisite number of Restricted Affordable Units as set forth in Section 12.24 U.26(a)(1) through (5) of the Los Angeles Municipal Code.

Sec. 2. Subdivision 26 of Subsection U of Section 12.24 of the Los Angeles Municipal Code is amended in its entirety to read as follows:


(a) In addition to the findings set forth in Section 12.24 E., the City Planning Commission shall find that:

(1) the project is consistent with and implements the affordable housing provisions of the Housing Element of the General Plan;

(2) the project contains the requisite number of Restricted Affordable Units, based on the number of units permitted by the maximum allowable density on the date of application, as follows:

   a. 11% Very Low Income Units for a 35% density increase; or

   b. 20% Low Income Units for a 35% density increase; or

   c. 40% Moderate Income Units for a 35% density increase in for-sale projects.
The project may then be granted additional density increases beyond 35% by providing additional affordable housing units in the following manner:

d. For every additional 1% set aside of Very Low Income Units, the project is granted an additional 2.5% density increase; or

e. For every additional 1% set aside of Low Income Units, the project is granted an additional 1.5% density increase; or

f. For every additional 1% set aside of Moderate Income Units in for-sale projects, the project is granted an additional 1% density increase; or

g. In calculating the density increase and Restricted Affordable Units, each component of any density calculation, including base density and bonus density, resulting in fractional units shall be separately rounded up to the next whole number.

(3) the project meets any applicable dwelling unit replacement requirements of California Government Code Section 65915(c)(3);

(4) the project’s Restricted Affordable Units are subject to a recorded affordability restriction of 55 years from the issuance of the Certificate of Occupancy, recorded in a covenant acceptable to the Housing and Community Investment Department, and subject to fees as set forth in Section 19.14 of the Los Angeles Municipal Code; and

(5) the project addresses the policies and standards contained in the City Planning Commission’s Affordable Housing Incentives Guidelines.

Sec. 3. Subsection V of Section 12.24 of the Los Angeles Municipal Code is amended to read as follows:

V. Conditional Use Permit – Area Planning Commission with Appeals to the City Council. The following uses and activities may be permitted in any zone, unless restricted to certain zones or locations, if approved by the Area Planning Commission as the initial decision-maker or the City Council as the appellate body. In addition to the requirements set forth below, the decision-maker shall follow the procedures set forth in Subsections B through Q.
Mixed Commercial/Residential Use Developments

1. Findings. In addition to the findings set forth in Section 12.24 E, the Area Planning Commission shall find that:

   (a) the project is consistent with and implements the affordable housing provisions of the General Plan's Housing Element;

   (b) the project will further the City's goal of achieving an improved jobs-housing relationship, which is needed to improve air quality in the City;

   (c) pursuant to an agreement entered into under Government Code Sections 65915-65918, the project will include the number of Restricted Affordable Units as set forth in Section 12.24 U.26(a)(1) through (5) of the Los Angeles Municipal Code, with any percentage increase in floor area treated the same as a percentage increase in density for purposes of calculating the number of Restricted Affordable Units;

   (d) the affordability of all reserved lower income dwelling units will continue for a minimum of 55 years;

   (e) the construction and amenities provided for the reserved lower income dwelling units will be comparable to those provided for the market rate dwelling units in the development, including the average number of bedrooms and bathrooms per dwelling unit; and

   (f) the approval of a mixed use development on the site will provide for affordable housing costs in the housing development.

Sec. 4. Subparagraph (1) of Paragraph (a) of Subdivision 2 of Subsection A of Section 14.00 of the Los Angeles Municipal Code is amended to read as follows:

   (1) The development project contains the requisite number of Restricted Affordable Units as set forth in Section 12.24 U.26(a)(1) through (5) of the Los Angeles Municipal Code;
Sec. 5. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By ADRIENNE KHORASANEE
Deputy City Attorney

By

Date December 8, 2017

Pursuant to Charter Section 559, I approve this ordinance on behalf of the City Planning Commission and recommend that it be adopted . . . .

December 7, 2017

Vincent P. Bertoni, AICP
Director of Planning

File No. 14-1325 and 14-1325-S1

m:\real prop_env_land use\land use\adrienne khorasanee\ordinances\value capture ordinance\value capture - ordinance.docx

I hereby certify that the foregoing ordinance was introduced at the meeting of the Council of the City of Los Angeles on December 13, 2017, and was passed at its meeting of January 10, 2018.

CITY CLERK

MAYOR

Ordinance Passed 01/10/2018

Approved 01/16/2018

Ordinance Effective Date: 02/26/2018
Council File No.: 14-1325, 14-1325-S1
DECLARATION OF POSTING ORDINANCE

I, __Juan Luis (Luigi) Verano___ state as follows: I am, and was at all times hereinafter mentioned, a resident of the State of California, over the age of eighteen years, and a Deputy City Clerk of the City of Los Angeles, California.

Ordinance No. ____185373____ - a copy of which is hereto attached, was finally adopted by the Los Angeles City Council on ___01/10/2018___, and under the direction of said City Council and the City Clerk, pursuant to Section 251 of the Charter of the City of Los Angeles and Ordinance No. 172959, I conspicuously posted a true copy of said ordinance at each of the three public places located in the City of Los Angeles, California, as follows: 1) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; 2) one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; 3) one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records beginning on ___01/17/2018___ and will be continuously posted for ten or more days.

I declare under penalty of perjury that the foregoing is true and correct.

_________________________
Deputy Clerk

Date: __01/17/2018__

Ordinance Effective Date: __02/26/2018__

Council File No.: __14-1325,14-1325-S1__