



Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. R24-0570
NOV 07 2024

REPORT RE:

DRAFT ORDINANCES IMPLEMENTING THE DOWNTOWN COMMUNITY PLAN AND NEW ZONING CODE PROJECT TO: (1) ESTABLISH THE NEW ZONING CODE (CHAPTER 1A); (2) ESTABLISH THE DOWNTOWN COMMUNITY PLAN IMPLEMENTATION OVERLAY DISTRICT (CPIO); (3) ADD SECTION 19.20 TO THE LOS ANGELES MUNICIPAL CODE FOR A DOWNTOWN COMMUNITY BENEFIT FEE; (4) ADD ARTICLE 35 AND SECTION 5.115.19 TO CHAPTER 5 OF DIVISION 5 OF THE LOS ANGELES ADMINISTRATIVE CODE TO ESTABLISH A DOWNTOWN COMMUNITY BENEFIT TRUST FUND; (5) AMEND THE RIVER IMPROVEMENT (RIO) OVERLAY DISTRICT BOUNDARIES; (6) AMEND THE GREATER DOWNTOWN HOUSING INCENTIVE AREA ORDINANCE; (7) RESCIND THE BUNKER HILL SPECIFIC PLAN; (8) ADOPT A PIPELINE PARKING ALIGNMENT ORDINANCE; (9) RESCIND THE DOWNTOWN DESIGN GUIDE; AND (10) ADOPT THE COMMUNITY CONSOLIDATION ORDINANCE

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 22-0617
(CPC-2017-432-CPU)
(CPC-2014-1582-CA)

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinances, approved as to form and legality. The ten ordinances, all proposed as part of the Downtown Community Plan Update (Project) to implement the Downtown

Community Plan (Plan) adopted by the City Council on May 3, 2023 and consist of the following: (1) the New Zoning Code (Chapter 1A); (2) an ordinance to establish the Downtown Community Plan Implementation Overlay District (CPIO); (3) a Downtown Community Benefits Fee ordinance (Fee Ordinance); (4) a Downtown Community Benefits Trust Fund ordinance (Trust Fund Ordinance); (5) an ordinance to amend the River Improvement (RIO) Overlay District boundaries; (6) an ordinance to amend the Greater Downtown Housing Incentive Area Ordinance; (7) an ordinance to rescind the Bunker Hill Specific Plan; (8) an ordinance to rescind the Downtown Design Guide; (9) an ordinance to adopt a Pipeline Parking Alignment ordinance; (10) and the Community Plan Consolidation ordinance (collectively, “Draft Ordinances”).

Background

On May 3, 2023, the City Council certified an environmental impact report (EIR) for the Project and adopted the Downtown Community Plan Update, including amendments to the Plan text and the General Plan land use map for the Plan area, and related amendments to the Framework Element and the Mobility Plan 2035. The City Council also requested this Office to prepare and transmit the Proposed Ordinances for the City Council’s consideration and adoption.

Summary of the Draft Ordinances

1. New Zoning Code (Chapter 1A)

The draft New Zoning Code to add Articles 1-15 (except for amendments to Article 13, which was previously adopted in Ordinance 187,712 (CF 12-0460-S4) is a comprehensive revision of the City’s Zoning Code to eventually replace the existing Zoning Code in Chapter 1 of the Los Angeles Municipal Code (LAMC) (established in 1946). Upon adoption, the draft New Zoning Code will add a new modular system of zoning that is intended to allow greater flexibility to carry out the goals, objectives, and policies of the Downtown Community Plan, and subsequent community plan updates.

The new zoning system is modular with multiple Zoning Districts comprising the zoning of any given property. The zoning system includes five Zoning Districts, referred to collectively as the “zone”: Form, Frontage, Development Standards, Use, and Density Districts. The first three components address the built environment, while the final two pertain to the activities taking place on the property. The Form District determines how large buildings can be. The Frontage District influences how buildings appear from the street level, from their proximity to the street to their ground floor height requirements. The Development Standard District regulates design elements around the building, including access, parking, and signs. The Use District determines what kinds of uses are allowed on the property (e.g., residential, commercial, industrial, mixed uses) and whether those uses are by right or require a permit. The Density District determines the number of housing units permitted on any site zoned for residential uses.

The draft New Zoning Code will add the Articles to Chapter 1A, which are summarized as follows:

- Article 1 – Introductory Provisions
- Article 2 – Form
- Article 3 – Frontage
- Article 4 – Development Standards
- Article 5 – Use
- Article 6 – Density
- Article 7 – Alternate Typologies
- Article 8 – Specific Plans, Supplemental & Special Districts
- Article 9 – Public Benefit Systems
- Article 10 – Streets & Parks
- Article 11 – Division of Land
- Article 12 – Nonconformities
- Article 14 – General Rules & Definitions
- Article 15 – Fees

The CPC's letter of determination, including exhibits, dated September 27, 2022 (CPC Letter of Determination), the Planning Department's April 6, 2023 staff report, and the Planning Department's supplemental report dated November 4, 2024 (Supplemental Report), provide extensive and detailed descriptions of the draft ordinance's provisions. Notably, the draft ordinance was amended during form and legality review to remove any provisions regulating the Transit Oriented Communities Program approved by the electorate with the passage of Measure JJJ, and instead refer to the provisions contained in LAMC Chapter 1, which reflect the exact text of Measure JJJ. Similarly, the provisions in the draft ordinance pertaining to accessory dwelling units (ADUs) were amended to refer to the ADU regulations in Chapter 1 of the Code, as the Planning Department continues to work on updating the ADU ordinance to be consistent with state law. The draft ordinance also includes language to make the oil well and drilling regulations ineffective for purposes of recognizing the September 2024 ruling in *Warren E&P, Inc. v. City of Los Angeles*, LASC No. 23STCP00060, where a trial court found Ordinance No. 187,709 is preempted by the California Public Resources Code.

On October 15, 2024, the City Council's Planning and Land Use Management (PLUM) Committee requested this Office to make the following modifications to the proposed New Zoning Code (CF 22-0617-S3), which were incorporated in the draft ordinance:

(1) Allow housing development projects on certain specified streets in the IX1 Use District without requiring a higher inclusionary affordable housing requirement than other properties in the Downtown Community Plan area; and

(2) In housing development projects in the IX3 Use District, allow the productive space requirements to be met in separate buildings located on a unified development campus and allow offices uses to count toward productive space on projects that are 15 acres or more.

Additionally, the draft ordinance includes amendments to Article 13 that include some, but not all of the clarifying and technical corrections that were included in the proposed Process and Procedures Maintenance Ordinance (CF No. 12-0460-S8) that the City Council requested this Office to prepare for its consideration on October 15, 2024. It is anticipated that the draft Process and Procedures Maintenance Ordinance will be transmitted to the City Council file after the draft New Zoning Code is operative, and some of the same sections of the Code are being amended by this draft ordinance. Therefore, if the City Council would like this Office to reconcile the two ordinances and ensure that all changes made in the New Zoning Code are retained in the proposed Process and Procedures Maintenance Ordinance, we recommend the City Council make the following request:

Request that the City Attorney include the edits to Article 13 of Chapter 1A made in the draft New Zoning Code in its preparation of the proposed Process and Procedures Maintenance Ordinance (Council File No. 12-0460-S8) and utilize the draft New Zoning Code as the source document for any modifications made in the proposed Process and Procedures Maintenance Ordinance. To the extent there are conflicts in the language between the amendments to Article 13 made in the New Zoning Code and those proposed in the Process and Procedures Maintenance Ordinance, the language in the New Zoning Code shall control.

2. Downtown CPIO

The draft CPIO ordinance establishes supplemental regulations for four subareas: the Community Benefits Program Subarea, the Bunker Hill Pedestrian Plan Subareas, the Civic Center Subarea, and the Historic Resources Subarea. The Community Benefits Program Subarea, which is broken into Subareas A.1, A.2, A.3, and A.4, covers a majority of the Plan area. This Subarea provides a tiered incentive structure to provide additional development rights with the provision of affordable housing. For non-residential developments, additional development rights can be obtained with the provision of community benefits, including open space, or community amenities.

The Bunker Hill Pedestrian Plan Subarea preserves the existing pedestrian network and linkages from the Bunker Hill Specific Plan, which is proposed for rescission with the Project. The Civic Center Subarea allows transfer of development rights from City-owned properties. The Historic Resources Subarea is intended to ensure additional review is provided for development that might affect the Downtown neighborhoods with the largest concentration of historic and architecturally significant

buildings. The draft CPIO also includes Appendices A-E, which include environmental standards to implement the Plan mitigation measures, provide design practices for tall buildings, historic cultural neighborhoods (including Little Tokyo), public realms, and establish Downtown Street Standards recommended by the Ad Hoc Downtown Street Standards Committee.

On October 15, 2024, the PLUM Committee under Council File No. 22-0617-S3, requested this Office to make the following modifications to the proposed CPIO, which were incorporated in the draft CPIO ordinance: expand the list of community facilities to grocery stores (only in IX1 Use area), health clinics, and legacy small businesses.

3. Downtown Community Benefits Fee Ordinance and Trust Fund

The CPIO Community Benefits Program Subarea allows payment of a voluntary fee, the Downtown Community Benefits Fee, to be paid to obtain additional development rights. Under the CPIO, to be eligible for this incentive, a residential project needs to provide minimum amounts of affordable housing and, in some circumstances, community benefits. For non-residential projects, the project needs to provide a minimum amount of community benefits to be eligible.

The draft Fee Ordinance, which adds Section 19.20 to the LAMC, implements this CPIO incentive. The Fee Ordinance sets the amount of the fee at \$50 per square feet of additional FAR and allows an annual increase based on a recognized index. The draft ordinance includes a process to award fee monies to community benefit projects, including establishing an Oversight Committee to consider all applications and making recommendations to the City Council, who makes awards by resolution.

The Trust Fund, which adds Article 35 and Section 5.115.19 to Chapter 5 of Division 5 to the Los Angeles Administrative Code (LAAC), establishes a trust fund for the receipt of the Downtown Community Benefit Fee.

In its May 3, 2023 action, the City Council requested this Office to prepare a Downtown Affordable Housing Trust Fund Ordinance. City Planning in its September 8, 2023 report to the Planning and Land Use Committee, provided that the Trust Fund Ordinance was no longer required because the draft zoning code has already stipulated that any in-lieu payments made, either as part of an inclusionary housing project, or as part of a project that is receiving incentives such as bonus floor area are to be contributed to the Citywide Affordable Housing Trust Fund, thus nullifying the need for the Downtown Affordable Housing Trust Fund Ordinance.

4. River Improvement (RIO) Overlay District, Greater Downtown Housing Incentive Area Ordinance, Bunker Hill Specific Plan, Downtown Design Guide, Pipeline Parking Alignment Ordinance, and Community Plan Consolidation Ordinance

These draft ordinances include a number of proposed ordinances to reconcile existing plans, overlays, or LAMC provisions, with the proposed New Zoning Code and the Plan. The draft ordinances include the following:

- (a) An ordinance to amend the River Improvement (RIO) Overlay to remove the Downtown Plan Area. The proposed New Zoning Code will incorporate the development regulations to protect the sensitive environment of the Los Angeles River in the Plan area.
- (b) An ordinance to amend the Greater Downtown Housing Incentive Ordinance to amend the definition of the Greater Downtown Housing Incentive Area in LAMC Section 12.03 and remove the Plan Area from the incentive area. The Greater Downtown Housing Incentive Ordinance incentive program will be replaced with the incentive program in the draft CPIO.
- (c) An ordinance to rescind the Bunker Hill Specific Plan, with the pedestrian linkage system being incorporated into the draft CPIO.
- (d) An ordinance to rescind the Downtown Design Guide. Standards from the design guide are incorporated into the draft New Zoning Code. The Downtown Street Standards are incorporated into Appendix E of the draft CPIO.
- (e) A proposed Pipeline Parking Alignment Ordinance to amend LAMC Section 12.21.A.4 and remove minimum parking requirements for pipeline projects in the Plan area consistent with the parking standards proposed for the Plan area.
- (f) A Community Plan Consolidation Ordinance to amend LAMC Section 11.5.8 to recognize that the Downtown Community Plan replaced the Central City Community Plan and the Central City North Community Plan and provide that the City has 34 community plans, instead of 35 community plans.

Housing Crisis Act – No Net Loss

If Council decides to approve the Wildlife Ordinance (C.F.14-0518), it should be approved at the same Council meeting as the proposed ordinances, including the draft New Zoning Code, in order to satisfy the no net loss requirement in Government Code Section 66300(h) (Housing Crisis Act of 2019).

Charter Findings

Charter Section 558(b)(3) requires the City Council to make the findings required in Subsection (b)(2) of the same section; namely, whether adoption of the draft

ordinances will be in conformity with public necessity, convenience, general welfare and good zoning practice. The City Council can either adopt the CPC's findings and recommendations, as set forth in the CPC's Letter of Determination, or make its own.

CEQA Determination

The Department of City Planning (DCP) is recommending that the City Council can approve the draft ordinances in reliance on the Downtown Community Plan Update EIR No. ENV-2017-433-EIR, and the Addendum, and adopt the amended Mitigation and Monitoring Program. A decisionmaker can approve a project in reliance on a previously certified EIR and an addendum, if it considers the addendum and the final EIR before approving the project and finds in its independent judgment that based on the whole of the record, no changes to the project, circumstances, or new information (not known or capable of being known when the EIR was certified and project approved) will require a major revision of the EIR due to the involvement of new significant impacts or more severe significant impacts than those identified in the EIR. Public Resources Code § 21166; CEQA Guidelines §§ 15162 and 15164.

Council Rule 38 Referral

A copy of the draft ordinances were sent, pursuant to Council Rule 38, to the Department of Building and Safety, the Department of Transportation, and the Housing Department with a request that all comments, if any, be presented directly to the City Council when this matter is considered.

If you have any questions regarding the draft New Zoning Code ordinances, please contact Assistant Branch Chief Adrienne Khorasane, and for any questions regarding the Downtown Community Plan ordinances, please contact Deputy City Attorney Kathryn C. Phelan. They or another member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By


JOHN HEATH
Chief Assistant City Attorney

JWH:KCP:jr
Transmittal

"M:\Real Prop_Env_Land Use\Land Use\Kathryn Phelan\Ordinances\DT Ordinances\Ordinances\Downtown Council Report.docx"