

DRAFT RESIDENT PROTECTIONS ORDINANCE (CHAPTER 1A)
NOVEMBER 2024

ORDINANCE NO. _____

An ordinance adding new Section(s) 4C.15.1. (Projects that Result in the Demolition of Housing Units), 4C.15.2. (Non-Housing Projects that Result in the Demolition of Housing Units), and 4C.15.3. (Restricted Affordable Housing Units), as well as amending Paragraph 4. (Housing Replacement) of Subsection B. (Eligibility) of Section 9.4.1 (Permanent Supportive Housing Incentive Program), Subsection E. (Records and Agreement) of Section 9.4.1. (Permanent Supportive Housing Incentive Program), Subsection E. (Records and Agreement) of Section 9.4.4. (UnPermitted Dwelling Units Program), Division 14.2. (Glossary), and Sub-subparagraph ii. of Subparagraph b. of Paragraph 1. (Exemptions) of Subsection B. (Applicability) of Section 15.4.3. (Affordable Housing Linkage Fee) of Chapter 1A of the Los Angeles Municipal Code (“Code”) for the purpose of codifying housing replacement requirements, complying with state housing law and establishing reasonable regulations regarding affordable housing development for the protection of residents.

Sec 1. Add a new Section 4C.15.1 (Housing Developments that Result in the Demolition of Housing Units) to a new Division 4C.15. (Resident Protections) of Part 4C. (Development Standards Rules) of Article 4. (Development Standards) of Chapter 1A of the Los Angeles Municipal Code.

SEC. 4C.15.1. Housing Projects that Result in the Demolition of Dwelling Units

A. Intent

To codify housing replacement requirements, ensure preservation of *dwelling units*, and ensure consistent occupant protections when residential projects result in the loss of *dwelling units*

B. Applicability

1. Loss of Protected Units

The requirements of this Section apply to any project that meets the definition of “Project” as defined in California Government Code, Chapter 3. (Local Planning), Sec. 65589.5(h)(2), as amended from time to time, except that it also includes projects that involve no discretionary approvals and projects that include a proposal to construct a single *dwelling unit*, and that either

- a. Will require or result in the loss or reduction of occupied or vacant *protected units*; or
- b. Is located on a *lot* where *protected units* were removed in the previous five years.

2. Loss of Dwelling Units

The requirements of Paragraph 2 (No Net Loss of Dwelling Units) of Subsection C. (Standards), below, apply to any project that meets the definition of “Project” as defined in California Government Code, Chapter 3. (Local Planning), Sec. 65589.5(h)(2), as amended from time to time, except that it also includes projects that involve no discretionary approvals and projects that include a proposal to construct a single *dwelling unit*, and that either

- a. Will require or result in the loss or reduction of occupied or vacant *dwelling units*; or
- b. Is located on a lot where *dwelling units* were removed in the previous five years.

3. Project Activities

The requirements of this Section apply to project activities that may result in the loss or reduction of occupied or vacant *protected units* or *dwelling units*, as described in Paragraph 1 and Paragraph 2, above, including:

- a. *New construction*
- b. *Major remodel*
- c. *Exterior modification*
- d. *Use modification*
- e. *Temporary use*
- f. *Demolition*
- g. *Renovation*

4. Reconciling Provisions

- a. Relationship to Specific Plans, Supplemental Districts and Special Zones
Supplemental Districts, Special Zones, and Specific Plans established in Article 8 (Supplemental & Special Zoning) may establish additional replacement requirements and/or additional occupant protections greater than those provided in this Section, in which case, the greater replacement requirements and occupant protections shall be used.
However, in the event that the provisions of a Historic Preservation Overlay Zone (HPOZ) conflict with the provisions of this Section, the provisions of the Historic Preservation Overlay Zone (HPOZ) shall prevail.
- b. Relationship to State Law.
This Section is intended to comply with the minimum requirements of State Law contained in California Government Code, Chapter 12., (Housing Crisis Act of 2019), Sec. 66300.6. If at any time this Section does not meet the minimum requirements of California Government

Code, Chapter 12. (Housing Crisis Act of 2019), Sec. 66300.6, the greater replacement requirements and occupant protections shall be used. The Director may prepare Implementation Memorandums, Technical Bulletins, and/or User Guides for the requirements set forth in California Government Code, Chapter 12. (Housing Crisis Act of 2019), Sec. 66300.6, for the purpose of providing additional information pertaining to this Section and meeting minimum requirements.

C. Standards

1. Replacement of Existing or Demolished *Protected Units*

The *project* shall *replace* all existing *protected units* and *protected units* demolished on or after January 1, 2020, pursuant to the replacement requirements of California Government Code, Chapter 4.3. (Density Bonuses and Other Incentives), Sec. 65915(c)(3), consistent with the requirements in this section. These requirements apply in addition to any requirements included in Chapter XV. (Rent Stabilization Ordinance), Sec. 151.28 (Ellis Act Provisions) of this Code.

a. Income Requirements

Protected units occupied on the date of *application* shall be replaced with *dwelling units* at an affordable rent, see Paragraph 2 (Affordable Rent) of Subsection D (Measurement) below, or affordable housing cost, see Paragraph 1 (Affordable Housing Cost) of Subsection D (Measurement) below, to, and occupied by, persons and families in the same or lower income category as those households in occupancy based upon the units and incomes of those households in occupancy, pursuant to California Government Code, Chapter 4.3. (Density Bonuses and Other Incentives) Sec. 65915(c)(3)(B)(i), inclusive of the following income categories: *low income households*, *very low income households*, *extremely low income households* and *acutely low income households*. *Protected units* that have been demolished or vacated on the date of application shall be replaced with units at an affordable rent, see Paragraph 2 (Affordable Rent) of Subsection D (Measurement) below, or affordable housing cost, see Paragraph 1 (Affordable Housing Cost) of Subsection D (Measurement) below, based upon the highpoint in occupancy during the previous five years, pursuant to California Government Code, Chapter 4.3. (Density Bonuses and Other Incentives), Sec. 65915(c)(3)(B)(ii).

i. Replacement When Incomes Are Not Known

If the incomes of the individuals and households are not known and unless otherwise demonstrated, the presumption in California Government Code, Chapter 4.3. (Density Bonuses and Other Incentives), Sec. 65915(c)(3)(B)(i) regarding *lower income households* shall be inclusive of the percentage of *extremely low income households*, *very low income households* and *low income households* in the same proportion as their share of all renter households within the City of Los Angeles, as determined by the General Manager of the Los Angeles Housing Department utilizing the most recently available data from the United States Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy database or equivalent census data disaggregated by tenure and income category.

ii. Replacement of Rent or Price Controlled Dwelling Units

Notwithstanding Sub-subparagraph i. (Replacement When Incomes Are Not Known), above, *dwelling units* subject to a form of rent or price control through a local government's valid exercise of its police power shall be replaced as follows:

- a) In *Higher Opportunity Areas* and *Moderate Opportunity Areas*, *dwelling units* deemed or presumed to be occupied by persons or families above the lower income category shall be replaced with low income units.
- b) In *Lower Opportunity Areas*, with the *dwelling units* proportionate to the share of all lower income renter households within the City of Los Angeles described in Sub-subparagraph i. (Replacement When Incomes Are Not Known), above.

b. Equivalent Size.

All replacement units must be of equivalent size, pursuant to Paragraph 5 (Equivalent Size) of Subsection D (Measurement) below, and *projects* shall contain at least the same total number of units and total aggregate number of bedrooms as the *protected units* being replaced. New units do not have to match bedroom configurations of demolished units, except when a tenant is exercising the right to return as defined in Paragraph 3 (Existing Occupant Protections) below.

c. Relationship to Other Affordability Requirements.

Any *protected units* replaced pursuant to this subparagraph shall be considered in determining whether the *project* satisfies the requirements of any state, local or federal requirement that requires, as a condition of the development of *rental units*, that the project provide a certain percentage of *rental units* affordable to, and occupied by, households with incomes that do not exceed the limits for *moderate income households*, *lower income households*, *very low income households*, *extremely low income households*, or *acutely low income households*, as specified in Sections 50063.5, 50079.5, 50093, 50105, and 50106 of the California Health and Safety Code.

d. Exceptions.

Notwithstanding the requirements above, the replacement requirements of this section shall not apply to the following:

- i. A *project* that consists of a single *dwelling unit* on a site with a single *protected unit*.
- iii. A *project* that complies with the requirements of Subparagraph a. of Paragraph 2 (No Net Loss of Dwelling Units) below.

e. Procedures.

Owners of a *project* subject to the above requirements must complete an application for a Replacement Unit Determination with the Los Angeles Housing Department (LAHD). Information provided by the owner and existing tenant(s), as well as information gathered by LAHD will be used to determine whether any *protected units* exist.

2. No Net Loss of *Dwelling Units*.

Notwithstanding any other law and notwithstanding density limitations on a site, no permit shall be issued for a *project* that will require the demolition or loss of one or more *dwelling units* irrespective of *protected unit* status, unless the *project* will create at least as many *dwelling units* as will be demolished or lost. In addition, the *project* shall include at least as many *dwelling units* as the greatest number of *dwelling units* that existed on the project site within the last five years, except for the following:

a. LAHD may approve an off-site replacement plan for buildings with *restricted affordable units* that request approval to build a smaller number of *dwelling units* on the site in the following circumstances:

i. The proposed construction of the new *restricted affordable units* cannot replace all *dwelling units* on site due to physical changes in *dwelling unit* type, such as replacing *efficiency dwelling units* with *household dwelling units*.

ii. The proposed construction of the new *restricted affordable units* cannot replace all *dwelling units* on site and meet the City's required Accessible Housing Program standards.

iii. Off-site replacement units approved pursuant to this subparagraph shall be subject to the following requirements, subject to LAHD approval:

a) The off-site replacement *dwelling units* will be of equivalent size, see Paragraph 5 (Equivalent Size) of Subsection D (Measurement) below, or larger and have equivalent amenities as the on-site replacement *dwelling units*, and will be covenanted at the same affordability levels and for at least the same length of time as the on-site replacement *dwelling units*.

b) The off-site replacement *dwelling units* will be constructed within a three mile radius of the on-site replacement *dwelling units*.

3. Existing Occupant Protections.

a. Right to Remain.

Any existing occupants shall be allowed to occupy their units until six months before the start of construction activities with proper notice, subject to California Government Code, Chapter 16. (Relocation Assistance), Sections 7260-7277. The project proponent shall provide existing occupants with written notice of the planned demolition, the date they must vacate, and their rights under this section. Notice shall be provided at least six months in advance of the date that existing occupants must vacate plus additional extensions under state or local law that may require an additional notification period.

b. Right to Return if Demolition Does Not Proceed.

Any existing occupants that are required to leave their units shall be allowed to return to the same rental unit, or a comparable unit, see Paragraph 4

(Comparable Unit) of Subsection D (Measurement) below, at their prior rental rate if the demolition does not proceed and the property is returned to the rental market. This right to return is in addition to any applicable requirement in Chapter XV. (Rent Stabilization Ordinance), Sec. 151.27 (Ellis Act Provisions - Re-Rental Rights of Displaced Tenants) of Article 1 of Chapter XV.

c. Right to Relocation.

Occupants of *lower income households* including *very low income households* and *extremely low income households*, shall be entitled to, and the owner shall pay, relocation benefits under this provision in the amounts set forth below when the occupant is displaced by the owner from their residence by a *project*. The owner shall pay the relocation benefits required pursuant to this provision prior to the issuance of any demolition permit for the site.

i. For purposes of determining whether a tenant is displaced by a *project*, the following actions shall constitute evidence of development:

- a) Owner files for an entitlement or building permit for a *project* requiring the demolition of an existing rental unit and the tenancy is or will be terminated as result; or
- b) Owner applies for a Replacement Unit Determination and the tenancy is or will be terminated as a result; or
- c) Owner serves a notice or otherwise seeks to terminate a tenancy or recover possession of a rental unit based upon one of the grounds under Chapter IV. (Public Welfare), Sec. 47.08 (Tenant Relocation Assistance Where Mobilehome Parks Are Changed to a Different Use) or Sec. 47.09 (Mobilehome Park Closure Impact Report), Chapter XV. (Rent Stabilization Ordinance), Sec. 151.09 A.10 (Evictions), or Chapter XVI. (Housing Regulations), Sec. 165.03 I.1 or Sec. 165.03 I.3 (Just Cause Evictions) of this Code, requiring payment of relocation assistance that includes evidence of intent to develop the property.

ii. For occupants that are *lower income households* including *very low income households* and *extremely low income households*, who are displaced from their residence by a *project* under the criteria set forth above, the relocation benefit shall be:

- a) Equal to the difference between the Section 8 Department Voucher Payment Standard and the rent affordable to that occupant's income level per California Health and Safety Code, Chapter 2. (Definitions), Sec. 50053, multiplied by 42 months, plus

estimated incidental moving costs. The amount for the Section 8 Department Voucher Payment Standard, the determination of the affordable rent, see Paragraph 2 (Affordable Rent) of Subsection D (Measurement) below, and the estimated incidental moving costs shall be determined upon the adoption of this ordinance, and then adjusted annually according to the Consumer Price Index – All Urban Consumers. For efficient implementation, the City will use a 2-bedroom standard since 2-bedrooms are the most common unit type in the City. For the year beginning July 1, 2025, and all subsequent years, the fee amounts shall be adjusted on an annual basis pursuant to the formula set forth in Chapter XV. (Rent Stabilization Ordinance), Sec. 151.06 D (Automatic Adjustments). The adjusted amount shall be rounded to the nearest \$50 increment.

- b) If the occupant is entitled to a relocation benefit due to a termination of tenancy under the Chapter IV. (Public Welfare), Sec. 47.08 (Tenant Relocation Assistance Where Mobilehome Parks Are Changed to a Different Use) or Sec. 47.09 (Mobilehome Park Closure Impact Report), Chapter XV. (Rent Stabilization Ordinance), Sec. 151.09 A.10 (Evictions), or Chapter XVI. (Housing Regulations), Sec. 165.03 I.1 or Sec. 165.03 I.3 (Just Cause Evictions) of this Code, the payment shall be made in accordance with Chapter XV. (Rent Stabilization Ordinance), Sec. 151.09 G.1-2 (Evictions) of this Code.
- c) For mobile home park closures, at least the amount required by California Government Code, Chapter 4. (Zoning Regulations), Sec. 65863.7.

iii. For occupants who are not *lower income households*, relocation benefits shall be the amounts as applicable pursuant to Chapter XVI. (Housing Regulations), Sec. 165.06 A (Relocation Assistance), Chapter XV. (Rent Stabilization Ordinance), Sec. 151.09 G (Evictions), California Government Code, Chapter 4. (Zoning Regulations), Sec. 65863.7 or for publicly funded projects the greater amount under either local city laws or under California Government Code, Chapter 16 (Relocation Assistance), Sections 7260-7277.

iv. Under no circumstances shall a demolition permit be issued unless the Los Angeles Housing Department provides a written clearance to the

Department of Building and Safety stating that the landlord has complied with the relocation assistance requirements of this section. The landlord shall provide proof of compliance with the relocation assistance requirements of this section to the Los Angeles Housing Department on a form provided by the Los Angeles Housing Department. The form shall be accompanied by a fee of \$45 per unit.

v. If an owner of residential real property has exercised its rights under California Government Code, Chapter 12.75 (Residential Rental Property), Sections 7060-7060.7 to withdraw the property from residential rent or lease or Chapter XVI. (Housing Regulations), Sec. 165.03 I.1 or Sec. 165.03 I.3 (Just Cause Evictions) of this Code, and the owner did not state an intent to redevelop the property in its Notice of Intent to Withdraw; and the owner did not pay occupants of the property relocation payments consistent with Sub-subparagraph ii., above, and then within five years of submitting this Notice of Intent to Withdraw, the owner seeks to develop the property as demonstrated by actions described in Sub-subparagraph i., above, the following shall apply:

a) As a condition of the clearance of demolition or new construction permits, the applicant or the applicant's successor-in-interest shall be required to pay to the LAHD a fine equal to three times the relocation benefit amount that would have been paid under Sub-subparagraph ii., above, where the income of the former occupants are known; where incomes of the former occupants are not known, the applicant shall be required to pay \$250,000 per displaced occupant household. The LAHD shall not clear a demolition or new construction permit until the applicant complies with this section. The withholding of permits shall not apply to demolition permits or approvals that are necessary to comply with a Department of Building and Safety, LAHD, or other government order.

Notice Process.

When a owner seeks a demolition or new construction permit clearance from LAHD at a property where the owner may have misrepresented its intention to develop the property in its Notice of Intent to Withdraw, and it has not paid relocation benefits to

tenants consistent with having displaced them for development. LAHD will provide written notice to the owner that the LAHD's clearance of the permits is conditioned on payment of the fine. The notice shall include the address of the property at issue, a copy of the owners Notice of Intent to Withdraw, the amount of the potential fine, and the process to appeal the imposition of the fine.

Appeal Process.

The notice shall include a right to file an appeal within 30 calendar days of the notice of the condition to pay the fine which shall include the right to an administrative hearing.

Owners who file an appeal will be subject to an administrative fee to pay for the costs of the appeal. The amount will be the same amount as for appeals under Chapter XVI. (Housing Regulations), Sec. 165.06.C (Relocation Assistance).

After the hearing officer issues a decision in the administrative hearing, the owner will have a right to seek judicial review of the determination governed by California Code of Civil Procedure, Chapter 2. (Writ of Mandate), Sec. 1094.5. Under that provision, a petitioner may seek judicial review of any decision of the City pursuant to California Code of Civil Procedure, Chapter 2. (Writ of Mandate), Sec. 1094.5 only if the petition for writ of mandate pursuant to that section is filed no later than the 90th day following the date on which the City's decision became final.

- b) Any *lower income household* who is displaced as a result of a tenancy termination for the purpose of property development under Chapter XVI. (Housing Regulations), Sec. 165.03 I.1 or 3 (Just Cause Evictions), Chapter XV. (Rent Stabilization Ordinance), Sec. 151.09 A.10 (Evictions), Chapter IV. (Public Welfare), Sec. 47.08 (Tenant Relocation Assistance Where Mobilehome Parks Are Changed to a Different Use) or Sec. 47.09 (Mobilehome Park Closure Impact Report) of this Code, shall be entitled to relocation benefits under Sub-sub-subparagraph a). of Sub-subparagraph ii., above. The payment shall be made in

accordance with Chapter XV. (Rent Stabilization Ordinance), Sec. 151.09.G.1-2 (Evictions).

- c) For the occupant who was in possession of their unit at the time the owner filed the Notice of Intent to Withdraw who seeks to pursue a Private Right of Enforcement under Paragraph 2. (Private Right of Enforcement: Civil Penalties) of Subsection E. (Procedures). below, for causes of action arising out of Sub-subparagraph v. above, the cause of action shall accrue when the owner files for an entitlement, building permit, or Replacement Unit Determination to construct a *project*.

d. Right to Return.

The developer shall provide the following to the existing occupants of any *protected units* that are *lower income households* and agree to this requirement on a form provided by the Los Angeles Housing Department:

- i. A right of first refusal for a comparable unit, see Paragraph 4 (Comparable Unit) of Subsection D (Measurement) below, available in the new housing development. The offered comparable unit in the new housing development shall be affordable to the household at their prior rental rate, at an affordable rent, see Paragraph 2 (Affordable Rent) of Section D (Measurement) below, or at an affordable housing cost, see Paragraph 1 (Affordable Housing Cost) of Subsection D (Measurement) below, whichever is lower. In cases where the prior rental rate is used to establish the initial rent, subsequent rent increases for such tenants shall not exceed the allowable rent increase for rent stabilized units under Chapter XV (Rent Stabilization Ordinance) of this Code, and this limitation shall be included in the covenant recorded for the affordable replacement unit. In cases where one or more single-family homes with four or more bedrooms are being replaced by a project that consists of two or more units, a comparable unit may have three bedrooms. This requirement shall not apply to any of the following:
 - a) A *project* that consists of a single *dwelling unit* located on a site where a single *protected unit* is being demolished.
 - b) Units in a housing development in which 100 percent of the *dwelling units*, exclusive of a manager's unit or units, are reserved for *lower income households*, except when *protected units* occupied by an occupant who qualifies for residence in the new

development and for whom providing a comparable unit would not be precluded due to unit size limitations or other requirements of any funding source of the housing development, as determined by the Los Angeles Housing Department.

- c) A project that meets all of the criteria in Sec. 4C.15.2.E (Exceptions).

e. Additional Tenant Notification Obligations.

- i. Project applicants shall notify existing tenants in writing of all their legal rights under Paragraph 3. (Existing Occupant Protections) above. Information regarding the tenant's eligibility for these rights, rent guidelines for the new unit, and any procedures the tenant will need to follow to exercise these rights shall be provided in writing to the tenant in accordance with any and all requirements and procedures of LAHD's Replacement Unit Determination (RUD). The applicant shall provide and maintain accurate contact information to tenants for purposes of communicating throughout the construction and lease up of the project.
- ii. Project applicants or their predecessor-in-interest shall provide written notice to any tenant who is exercising their right to return of major milestones in the development process, including but not limited to: (1) the start of construction, (2) on at least a bi-annual basis provide updates on the anticipated date of when occupancy would be opened, (3) at least 180, 90, 30, and 15 days in advance of the anticipated availability of the unit pursuant to the issuance of the Temporary or Final Certificate of Occupancy, (4) when the Temporary Certificate of Occupancy is issued, and (5) when the Final Certificate of Occupancy is issued. Failure to inform tenants of the project's major milestones may result in additional time provided to the tenant to return to the replacement unit. This shall not preclude tenants from contacting the applicant or their predecessor-in-interest to inquire about progress throughout construction and lease up of the project.
- iii. Where a tenant household has a right of return pursuant to Subparagraph d. (Right to Return), above, the project applicant or their predecessor-in-interest shall notify the tenant household. The notice must comply with the applicable standards set forth by LAHD and include the rent guidelines for the project and any procedures the tenant will need to follow in order to claim a new unit. Where LAHD has created a standard

notice, the project applicant must provide that standard notice to tenant households.

- iv. Within thirty (30) days of receipt of the notice that the Temporary or Final Certificate of Occupancy has been issued and the replacement unit is available, a tenant household must notify the owner if it wishes to reoccupy the replacement unit or room. The owner must hold the unit or room vacant at no cost to the tenant for sixty (60) days from the date the tenant household's written notice of its intent to reoccupy the rental unit is received.
- v. Where a tenant household has a right to remain pursuant to Subparagraph a. (Right to Remain), above, the project applicant or their predecessor-in-interest shall provide written notice to existing occupants of the planned demolition, the date they must vacate, and their rights under this section.
- vi. Project applicants who experience unforeseen delays in issuance of a Temporary Certificate of Occupancy or Certificate of Occupancy impacting the timeline of their construction milestone updates shall not be subject to the Private Right of Action described in Paragraph 2. (Private Right of Action; Civil Penalties) of Subsection E. (Procedures), below, so long as they can demonstrate compliance with the tenant notification obligations in this Subparagraph e. (Additional Tenant Notification Obligations).

4. Withholding or Revoking of Demolition Permit Approval for Illegal Tenant Harassment or Eviction.

- a. Thresholds to Place individual or entity on LAHD's Anti-Harassment Violators Database.

LAHD shall place a beneficial owner onto the LAHD Anti-Harassment Violators Database when:

- i. A final judgment has been issued against the beneficial owner within the last five years for unlawful tenant harassment under the City's Tenant Anti-Harassment Ordinance, known as "TAHO," as set forth under Chapter IV. (Public Welfare) of this Code, or similar actions within City limits under California Civil Code, Chapter 2. (Hiring of Real Property) Sec. 1940.2, 1942.4, or 1942.5; or
- ii. The City has either (A) issued three final citations for TAHO violations at properties in the City against the beneficial owner within the last ten years

- for which all appellate remedies have expired or (B) in zones where there is a heightened risk of displacement of lower income tenants as determined by the City's Displacement Assessment Risk Tool, issued one final citation for TAHO violations at a property against the beneficial owner within the last five years for which all appellate remedies have expired; or
- iii. A final judgment has been issued against the beneficial owner within the last five years for wrongfully or illegally evicting a tenant within City limits, or causing a tenant to involuntarily quit within City limits in violation of local or State law.
 - iv. Definition.
For purposes of this Paragraph 4., a "beneficial owner" shall be defined as established in Paragraph 3 (Beneficial Owner) of Subsection D (Measurement) below.

b. Notice of Determination and Right to Staff Review.

Upon placement in the LAHD Anti-Harassment Violators Database, LAHD shall send a Notice of Determination to the known beneficial owner(s) placed into the database. A copy of the Notice of Determination shall also be mailed to the beneficial owner(s) of the property, if different from the applicant or permittee, as shown on the last equalized assessment roll, and to any person holding a deed of trust, mortgage, or other security interest in the property as revealed by a title search with respect to the property.

The Notice of Determination shall state that the LAHD General Manager, or designee, has determined that the beneficial owner should be placed in the LAHD Anti-Harassment Violators Database because the criteria in Subparagraph a. (Thresholds to Place individual or entity on LAHD's Anti-Harassment Violators Database), above, have been satisfied, the basis for that determination, and the potential consequences under this ordinance. This section does not create any new appeal rights under the Administrative Citation Enforcement Program, Division 1.2. (Municipal Code Administrative Citations), known as the ACE program. Within 14 days of the date of this notice, the beneficial owner(s), subject to being placed in the database, shall have a right to request an LAHD staff level review of this determination. At the review, the beneficial owner may

submit any evidence relevant to this determination.

c. Review of Determination.

The LAHD staff review shall be set on a date no earlier than 20 days after the date of the Notice of Determination, and the review shall be conducted no later than 60 days after the date of the Notice of Determination. At the review, the beneficial owner may submit any evidence relevant to this determination regarding the correct identity of the violator and the correct number of violations. The review shall be limited to whether the beneficial owner meets one of the stated criteria set forth in Subparagraph a.(Thresholds to Place individual or entity on LAHD's Anti-Harassment Violators Database), above.

Within thirty (30) days of the review, LAHD shall provide a written LAHD Notice of Outcome notifying the beneficial owner of the outcome of the review. If the determination is upheld in review, the beneficial owner may seek judicial review by writ of mandamus.

d. Consequences of Placement on LAHD's Anti-Harassment Violators Database.

When there has been a final determination to place a beneficial owner on the LAHD Anti-Harassment Violators Database, LAHD shall notify in writing the Superintendent of Building and Safety and the Director of Planning.

If any applicant or permittee seeking a demolition permit or approval pursuant to this Sec. 4C.15.1. (Housing Projects that Result in the Demolition of Dwelling Units) or Sec. 4C.15.2. (Non-Housing Projects that Result in the Demolition of Dwelling Units) for a *project* involving new construction, major renovations, or additions, that is within a property with *protected units* and the applicant or permittee is on the LAHD Anti-Harassment Violators Database, the Superintendent of Building and Safety shall withhold or revoke the issuance of any demolition permits for five years and the Director of Planning shall withhold the issuance of any approval for five years. Where the City has denied or revoked a demolition permit or approval to any applicant under this Subparagraph d. (Consequences of Placement on LAHD's Anti-Harassment Violators Database) above, the denial or revocation for a five year term for the subject property shall transfer ("run with the land") at sale to any new owner, unless the new owner is developing a publicly-financed affordable housing project on the same site where more than 50 percent of the units are affordable.

except for manager's unit(s).

The withholding or revoking of permits shall not apply for demolition permits or approvals that are necessary to comply with a Department of Building and Safety, LAHD, or other government order.

The five-year hold period shall commence on the date that the court's final judgment or the City's citation is final and no further judicial remedies are available.

If at the end of the five-year hold period, no new citations have been issued to and no court findings have been made against the beneficial owner(s), the beneficial owner(s) shall be removed from the LAHD Anti-Harassment Violators database. However, if during the five-year period, there is a new citation or court finding against the same beneficial owner, the five-year ban shall be extended from the date that the most recent citation or court finding becomes final and no further appeals available. No citation used to place a beneficial owner into the database may be used against the beneficial owner more than once.

Any action by the Department of Building and Safety or the Department of City Planning resulting from any of the provisions of this section, including demolition permit revocation and withholding of an approval shall not be further appealable.

e. Operative Date and Subsequent Ordinance.

This Paragraph 4. (Withholding or Revoking of Demolition Permit Approval for Illegal Tenant harassment or Eviction) shall become operative upon the effective date that LAHD establishes a determination and review process and publishes a notice of its effective date on the LAHD website and at least once in a newspaper circulated in the City of Los Angeles.

If the City adopts a subsequent ordinance in conflict with the procedures in this Paragraph 4. (Withholding or Revoking of Demolition Permit Approval for Illegal Tenant Harassment or Eviction) relating to the withholding or revoking of a demolition permit, this Subparagraph shall be of no further force and effect.

D. Measurement

1. Affordable Housing Cost

For the purpose of meeting the requirements of this Section, “affordable housing cost” shall be interpreted as defined in California Health and Safety Code, Chapter 2. (Definitions), Sec. 50052.5, as amended from time to time.

2. Affordable Rent

For the purpose of meeting the requirements of this Section, “affordable rent” shall be interpreted as defined and amended from time to time in California Health and Safety Code, Chapter 2. (Definitions), Sec. 50053.

3. Beneficial Owner

For the purpose of meeting the requirements of Paragraph 4 (Withholding or Revoking of Demolition Permit Approval for Illegal Tenant Harassment or Eviction) above, a “beneficial owner” includes any of the following:

- a. A natural person with a recorded ownership interest in the real property where the tenant harassment takes place.
- b. An ownership entity, including a corporation, limited liability company, limited partnership, partnership, or trust with a recorded interest in the real property where the tenant harassment takes place.
- c. An entity or natural person that meets any of the following criteria:
 - i. has an ownership interest, as the term is defined in the Code of Federal Regulations, Chapter X. (Financial Crimes Enforcement Network, Department of the Treasury), Sec. 1010.380(d)(2)(i)-(ii), in an entity described in Subparagraph a. of this Paragraph 3. or Subparagraph b. of this Paragraph 3. above; or
 - ii. exercises "substantial control", as the term is defined in Code of Federal Regulations, Chapter X. (Financial Crimes Enforcement Network, Department of the Treasury), Sec. 1010.380(d)(1), over an entity described in Subparagraph a. of this Paragraph 3. or Subparagraph b. of this Paragraph 3., above; or
 - iii. receives "substantial economic benefits" from the assets of an entity described in Subparagraph a. of this Paragraph 3. or Subparagraph b. of this Paragraph 3. Above.
- d. An owner for purposes of the above does not mean any of the following:
 - i. A minor child;
 - ii. A person acting solely as an employee of an ownership entity and whose control over or economic benefits from that ownership entity derives solely from the employment status of the person;
 - iii. A person whose only interest in an ownership entity is a future interest through a right of inheritance; or
 - iv. A creditor of an ownership entity, unless the creditor meets the requirements specified in Subparagraph a. of this Paragraph 3. above.

4. Comparable Unit

For the purpose of meeting the requirements of this Section, “comparable unit” shall be interpreted to contain the same or greater number of existing bedrooms and bathrooms.

5. Equivalent Size

For the purpose of meeting the requirements of this Section, “equivalent size” shall mean that the replacement units contain at least the same total number of bedrooms as the *dwelling units* being replaced.

E. Procedures

1. Records and Agreements.

A covenant acceptable to the Los Angeles Housing Department shall be recorded guaranteeing this section, meeting the requirements set as forth in Sec. 4C.15.3. (Restricted Affordable Housing Units), and providing for a private right of enforcement by the City, any tenant, or owner of any building to which a covenant and agreement applies.

2. Private Right of Action; Civil Penalties.

- a. An aggrieved tenant under this Section, or any person, organization, or entity who will daily and adequately represent the interests of an aggrieved tenant(s) under this Section, may institute civil proceedings as provided by law, against any applicant, or their successor-in-interest, violating any of the provisions of this Section and any person who aids, facilitates, or incites another to violate the provisions of this article, including but not limited to submitting false information in response to the requirements of this section, regardless of whether the rental unit remains occupied or has been vacated due to harassment.
- b. A tenant prevailing in court under this Section shall be awarded reasonable attorney’s fees and costs. A tenant prevailing in court under this Section may be awarded compensatory or punitive damages, and imposition of civil penalties up to \$10,000 per violation of this Section depending upon the severity of that violation, tenant relocation, or other appropriate relief, as adjudged by the court. Treble damages may also be awarded for willful violations. If a tenant prevailing under this article is older than 65 years or disabled, the court may impose additional civil penalties up to \$5,000 per violation depending upon the severity of the violation of this this Section

- c. Any landlord or their agents violating any of the provisions of this Section , may be enjoined therefrom by a court of competent jurisdiction.
- d. The remedies to bring a civil action under this Section shall extend to current tenants at a property, to former tenants at a property who were displaced by violations of this Section at a property, and to the City. The remedies in this paragraph are not exclusive nor do they preclude any tenant from seeking any other remedies, penalties and punitive damages, as provided by law.
- e. The remedies provided by this Section are in addition to any other legal or equitable remedies and are not intended to be exclusive.
- f. Any agreement, whether written or oral, waiving any of the provisions contained in this Section shall be void as contrary to public policy.

Sec 2. Add a new Section 4C.15.2 (Non-Housing Development Projects that Result in the Demolition of Housing units) to a new Division 4C.15. (Resident Protections) of Part 4C. (Development Standards Rules) of Article 4. (Development Standards) of Chapter 1A of the Los Angeles Municipal Code.

SEC. 4C.15.2. Non-Housing Projects that Result in the Demolition of Dwelling Units

A. Intent

To codify housing replacement requirements, ensure preservation of *dwelling units*, and ensure consistent occupant protections, while allowing for non-residential projects that result in the loss of *dwelling units*.

B. Applicability

1. Loss of *Dwelling Units*.

- a. The requirements of this Section apply to any project that meets the definition of “Project” consistent with how the term “development project” is used in California Government Code, Chapter 12. (Housing Crisis Act of 2019), Sec. 66300.6, as amended from time to time, and is not a housing development project as defined in California Government Code, Chapter 3. (Local Planning), Sec. 65589.5, as amended from time to time, and that either
 - i. Submits a preliminary application pursuant to California Government Code, Chapter 4.5. (Review and Approval of Development Projects), Sec. 65941.1, before January 1, 2030 and receive approval before January 1, 2034, and either
 - a) Will require or result in the loss or reduction of occupied or vacant *dwelling units*; or

- b) Is located on a lot where dwelling units were removed in the previous five years.
 - ii. Or is located on a lot that is mapped on the Inventory of Housing Element Sites Map, as established in Sec. 1.5.13. (Inventory of Housing Element Sites Map) and
 - a) Will require or result in the loss or reduction of occupied or vacant protected units; or
 - b) Is located on a lot where protected units were removed in the previous five years.

2. Project Activities.

The requirements of this Section apply to project activities that may result in the loss or reduction of occupied or vacant protected units, as described in Paragraph 1, above, including:

- a. New construction
- b. Major remodel
- c. Exterior modification
- d. Use modification
- e. Temporary use
- f. Demolition
- g. Renovation

3. Reconciling Provisions.

- a. Relationship to Specific Plans, Supplemental Districts and Special Zones.
Supplemental Districts, Special Zones, and Specific Plans established in Article 8 (Supplemental & Special Zoning) may establish additional replacement requirements and/or additional occupant protections greater than those provided in this Section, in which case, the greater replacement requirements and occupant protections shall be used.
However, in the event that the provisions of a Historic Preservation Overlay Zone (HPOZ) conflict with the provisions of this Section, the provisions of the Historic Preservation Overlay Zone (HPOZ) shall prevail.
- b. Relationship the State Law.
This Section is intended to comply with the minimum requirements of

State Law contained in California Government Code, Chapter 12.. (Housing Crisis Act of 2019), Sec. 66300.6. If at any time this Section does not meet the minimum requirements of California Government Code, Chapter 12. (Housing Crisis Act of 2019), Sec. 66300.6, the greater replacement requirements and occupant protections shall be used. The Director may prepare Implementation Memorandums, Technical Bulletins, and/or User Guides for the requirements set forth in California Government Code, Chapter 12. (Housing Crisis Act of 2019), Sec. 66300.6, for the purpose of providing additional information pertaining to this Section and meeting minimum requirements.

C. Standards

1. Replacement of Existing Units or Demolished Protected Units.

The *project* shall *replace* all existing *protected units* and *protected units* demolished on or after January 1, 2020 pursuant to the replacement requirements of California Government Code, Chapter 4.3. (Density Bonuses and Other Incentives), Sec. 65915(c)(3) and Sec. 4C.15.1.C.1 (Replacement of Existing or Demolished Protected Units), in addition to the following requirements:

- a. At the time of permit issuance, an applicant must sign an affidavit for the Los Angeles Department of Building and Safety to ensure the replacement housing will be developed prior to or concurrently to the *project*. “Developed prior” means a Certificate of Occupancy or Temporary Certificate of Occupancy for the replacement housing must be obtained prior to issuance of a Certificate of Occupancy or Temporary Certificate of Occupancy for the nonresidential *project*.
- b. The required replacement housing may be located on a site other than the project site but shall be located within the City of Los Angeles, with a preference for sites within close proximity.
- c. The *applicant* may contract with another entity to develop the required replacement *dwelling units*, except that the replacement *dwelling units* shall not fulfill the affordability requirements of any other development pursuant to another law.
- d. A commercial developer seeking a commercial density bonus may propose providing restricted affordable units through an agreement with a housing developer for partnered housing. The agreement must be approved by the City pursuant to California Government Code, Chapter 4.3. (Density Bonuses and Other Incentives), Sec. 65915.7.

- e. Notwithstanding the requirement that an *accessory dwelling unit* be located on a lot with an existing or proposed *primary residence*, the replacement housing may be established through creation of an *accessory dwelling unit* with the primary nonresidential use on the parcel being able to be used in place of a primary residence.

2. Existing Occupant Protections.

The *project* meets the occupant protections described in Sec. 4C.15.1.C.3 (Existing Occupant Protections).

D. Measurement

None.

E. Exceptions

Projects that meet all of the following criteria are exempt from the replacement requirements established in Paragraph 1 (Replacement of Existing Units or Demolished Protected Units) of Subsection C (Standards), above:

1. The *project* includes uses defined in Sec. 5C.2.6. (Light Industrial Uses) or Sec. 5C.2.7. (Heavy Industrial Uses);
2. The project is located on a *lot* with an applied Use District (Part 5B) that does not allow *residential uses* and was adopted prior to January 1, 2022;
3. The *protected units* that are or were on the *lot* are or were *nonconforming uses*.

F. Procedures

1. Records and Agreements

A covenant acceptable to the Los Angeles Housing Department shall be recorded guaranteeing this section, meeting the requirements set as forth in Sec. 4C.15.3. (Restricted Affordable Housing Units), and providing for a private right of enforcement by the City, any tenant, or owner of any building to which a covenant and agreement applies.

2. Private Right of Action: Civil Penalties

- a. An aggrieved tenant under this Section 4C.15.2., or any person, organization, or entity who will daily and adequately represent the interests of an aggrieved tenant(s) under this Section 4C.15.2., may institute civil proceedings as provided by law, against any applicant, or their successor-in-interest, violating any of the provisions of this Section 4C.15.2. and any person who aids, facilitates, or incites another to violate the provisions of this article, including but not limited to submitting false information in response to the requirements of this section, regardless of whether the rental unit remains occupied or has been vacated due to harassment.
- b. A tenant prevailing in court under this Section 4C.15.2. shall be awarded reasonable attorney's fees and costs. A tenant prevailing in court under this Section 4C.15.2. may be awarded compensatory or punitive damages, and imposition of civil penalties up to \$10,000 per violation of this Section 4C.15.2. depending upon the severity of that violation, tenant relocation, or other appropriate relief, as adjudged by the court. Treble damages may also be awarded for willful violations. If a tenant prevailing under this article is older than 65 years or disabled, the court may impose additional civil penalties up to \$5,000 per violation depending upon the severity of the violation of this Section 4C.15.2.
- c. Any landlord or their agents violating any of the provisions of this Section 4C.15.2., may be enjoined therefrom by a court of competent jurisdiction.
- d. The remedies to bring a civil action under this Sec. 4C.15.2. shall extend to current tenants at a property, to former tenants at a property who were displaced by violations of this Section 4C.15.2. at a property, and to the City. The remedies in this paragraph are not exclusive nor do they preclude any tenant from seeking any other remedies, penalties and punitive damages, as provided by law.
- e. The remedies provided by this Section 4C.15.2. are in addition to any other legal or equitable remedies and are not intended to be exclusive.
- f. Any agreement, whether written or oral, waiving any of the provisions contained in this Section 4C.15.2. shall be void as contrary to public policy.

Sec 3. Add a new Section 4C.15.3 (Restricted Affordable Units) to a new Division 4C.15. (Resident Protections) of Part 4C. (Development Standards Rules) of Article 4. (Development Standards) of Chapter 1A of the Los Angeles Municipal Code.

SEC. 4C.15.3. Restricted Affordable Units

A. Intent

To ensure *restricted affordable units* are available and accessible to residents in need and to uphold fair housing policies and regulations related to unit mix, size, quality, distribution and amenities.

B. Applicability

1. The Restricted Affordable Units requirements established in this Section shall apply to any *restricted affordable units* provided within a project.

2. Reconciling Provisions; Relationship to Specific Plans, Supplemental Districts and Special Zones.

Supplemental Districts, Special Zones, and Specific Plans established in Article 8 (Supplemental & Special Zoning) may establish longer covenant lengths, additional requirements for unit design, mix, size, quality, distribution, amenities, and/or additional allocation requirements greater than those provided in this Section, in which case the greater covenant length, additional requirements for unit design, mix, size, quality, distribution, amenities, and/or allocation requirements shall be used. However, in the event that the provisions of a Historic Preservation Overlay Zone (HPOZ) conflict with the provisions of this Section, the provisions of the Historic Preservation Overlay Zone (HPOZ) shall prevail.

C. Standards

1. Length of Affordability

a. Unless covenant terms are otherwise specified due to a requirement contained in Chapter 1 of this Code or as a condition of approval, a *project* is subject to this section and must be restricted by a covenant acceptable to the Los Angeles Housing Department recorded with the Los Angeles County Recorder, guaranteeing that the occupancy restriction will be observed for at least 99 years from the issuance of the Certificate of Occupancy except for:

i. A *project* in which public subsidies are tied to a specified covenant period, as determined by the Los Angeles Housing Department, unless voluntarily agreed to by the project applicant.

ii. For sale units, which must be consistent with the for sale requirements of California Government Code, Chapter 4.3. (Density Bonuses and Other Incentives), Sec. 65915(c)(2).

iii. *Dwelling units* for Lower Income Students, Transitional Foster Youth, Disabled Veterans, and/or Homeless Persons, shall be provided at

affordability levels as determined in Sec. 9.2.1. (Density Bonus) of this Zoning Code (Chapter 1A) for at least 55 years from the issuance of the Certificate of Occupancy or a longer period of time if required by the construction or mortgage financing assistance program, mortgage assistance program, or rental subsidy program.

2. Requirements Regarding Unit Design, Unit Mix, Unit Size, Quality and Amenities, Access to, and Distribution of Affordable Units in Mixed-Income Development Projects. The Los Angeles Housing Department shall have the authority to establish and administer requirements applicable to all *restricted affordable units* in mixed-income developments regarding the unit mix, unit size, quality and amenities, access to and distribution of affordable housing units in mixed-income *projects* in order to ensure compliance with fair housing law and any other applicable requirements, including but not limited to requirements from funding sources. The requirements shall be enforced through an approval prior to permit issuance. The requirements shall be established in a set of Fair Housing Requirements for Affordable Housing created by the Los Angeles Housing Department and the Department of City Planning, and adopted by Resolution at the City Planning Commission. LAHD shall have the authority to interpret these requirements to best implement their goals.
 - a. Amendments to the Fair Housing Requirements for Affordable Housing shall be approved by the City Planning Commission, pursuant to the procedures in Sec. 13B.1.5 (Guidelines or Standards Adoption/Amendment) of this Zoning Code (Chapter 1A).
 - b. The Director of Planning and General Manager of LAHD may prepare Implementation Memorandums, Technical Bulletins and/or User Guides for the purpose of providing additional information pertaining to this Subparagraph b. and maintaining consistency with California Government Code Ch. 12. (Housing Crisis Act of 2019).
3. Allocation of Restricted Affordable Units. *Restricted affordable units* shall be subject to the following:
 - a. Affirmative Marketing and Fair Housing Outreach. Sale or lease of the *restricted affordable units* shall follow the affirmative marketing and outreach requirements of the Los Angeles Housing Department (LAHD), as outlined in a deed restriction drafted by LAHD and filed with the County of Los Angeles.

- b. Affordable and Accessible Housing Registry. All *restricted affordable units* shall be registered to the extent feasible on the Affordable and Accessible Housing Registry managed by LAHD, or any existing equivalent listing, when available for rent.
- c. Priority Populations. To the extent practical and in alignment with local, state and federal law, and pursuant to any locally adopted guidelines, the Affirmative Marketing and Fair Housing Outreach provisions in Subparagraph a. and Affordable and Accessible Housing Registry in Subparagraph b. of this Paragraph 3, as well as any other City Planning or LAHD administrative procedure, should attempt to prioritize those with the greatest housing needs that have been displaced by government actions. This may include, but not be limited to:
 - i. Any person or household who has been displaced through a withdrawal of units pursuant to the Ellis Act and Chapter XV. (Rent Stabilization Ordinance), Sec. 151.22 (Ellis Act Provisions - Statement of Purpose and Effect) to Sec. 151.28 (Ellis Provisions - Rental of Replacement Units) of this Code.
 - ii. A lower income person or household subject to a rent increase related to conversion to market-rate housing due to termination of a public funding subsidy contract, mortgage prepayment, or expiring use restrictions based on land use entitlement concessions.
 - iii. A person or household who was displaced due to a code enforcement order, including those affected by a natural disaster that resulted in their *dwelling unit* being rendered uninhabitable.

D. Procedures

1. Records and Agreements

A covenant acceptable to the *Department of City Planning* and the Los Angeles Housing Department shall be recorded guaranteeing the requirements in this Section 4C.15.3 and providing for a private right of enforcement by the City, any tenant of any building to which a covenant and agreement applies.

2. Private Right of Action; Civil Penalties.

- a. An aggrieved tenant under this Section 4C.15.3, or collection of tenants as part of a representative class, may institute civil proceedings as provided by law, against any applicant, or their successor-in-interest, violating any of the provisions of the covenant as described in this Section 4C.15.3 and any person who aids,

facilitates, or incites another to violate the provisions of this article, including but not limited to submitting false information in response to the requirements of this section, regardless of whether the rental unit remains occupied or has been vacated due to harassment.

- b. A tenant prevailing in court to enforce any provisions of this Section 4C.15.3 shall be awarded reasonable attorney's fees and costs. A tenant prevailing in court to enforce any provisions of the covenant as described in this Section 4C.15.3 may be awarded compensatory or punitive damages, and imposition of civil penalties up to \$10,000 per violation of provisions of the covenant described in this Section 4C.15.3 depending upon the severity of that violation, tenant relocation, or other appropriate relief, as adjudged by the court. Treble damages may also be awarded for willful violations. If a tenant prevailing under this article is older than 65 years or disabled, the court may impose additional civil penalties up to \$5,000 per violation depending upon the severity of the violation of the covenant as described in this Section 4C.15.3.
- c. Any landlord or their agents violating any of the provisions of the covenant as described in this Section 4C.15.3, may be enjoined therefrom by a court of competent jurisdiction.
- d. The remedies to a successful civil action brought under this Section 4C.15.3 shall extend to current tenants at a property, to former tenants at a property who were displaced by violations of the covenants as described in Section 4C.15.3 at a property, and to the City. The remedies in this paragraph are not exclusive nor do they preclude any tenant from seeking any other remedies, penalties and punitive damages, as provided by law. The remedies provided by this Section 4C.15.3 are in addition to any other legal or equitable remedies and are not intended to be exclusive.
- e. Any agreement, whether written or oral, waiving any of the provisions contained in Section 4C.15.3 shall be void as contrary to public policy.

Sec 4. Amend Paragraph 4. (Housing Replacement) of Subsection B. (Eligibility) of Section 9.4.1 (Permanent Supportive Housing Incentive Program) of Div. 9.4. (General Incentive Programs) of Article 9 (Public Benefit Systems) of Chapter 1A of the Los Angeles Municipal Code to read as follows:

4. Housing Replacement

Projects shall meet any applicable *dwelling unit* replacement requirements of Sec. 4C.15.1 (Housing Projects that Result in the Demolition of Dwelling Units) or Sec.

~~4C.15.2 (Non-Housing Projects that Result in the Demolition of Dwelling Units)California Government Code, Sec. 65915(e)(3). Consistent with Sec. 4C.15.1 (Housing Projects that Result in the Demolition of Dwelling Units) or Sec. 4C.15.2 (Non-Housing Projects that Result in the Demolition of Dwelling Units)California Government Code, Sec. 65915(e)(3), dwelling units that are subject to Chapter XV. (Rent Stabilization) of this Code and Sec. 4C.15.1 (Housing Projects that Result in the Demolition of Dwelling Units) or Sec. 4C.15.2 (Non-Housing Projects that Result in the Demolition of Dwelling Units)California Government Code, Sec. 65915(e)(3)(G) and that are also deemed or presumed to be occupied by persons or families above the lower income category shall be replaced with low income units pursuant to Sec. 4C.15.1 (Housing Projects that Result in the Demolition of Dwelling Units) or Sec. 4C.15.2 (Non-Housing Projects that Result in the Demolition of Dwelling Units)California Government Code Sec. 65915(e)(3)(G)(i), as determined by the Los Angeles Housing Department, and all applicable monitoring fees in Chapter I. (General Provisions and Zoning), Article 9 (Fees) of this Code shall be paid by the applicant prior to the issuance of any building permit.~~

Sec 5. Amend Subsection E. (Records and Agreement) of Section 9.4.1. (Permanent Supportive Housing Incentive Program) of Div. 9.4. (General Incentive Programs) of Article 9 (Public Benefit Systems) of Chapter 1A of the Los Angeles Municipal Code to read as follows:

E. Records and Agreement

Prior to the issuance of any *building permit* for a *qualified permanent supportive housing project*, the applicant shall record a covenant acceptable to the Los Angeles Housing Department that reserves and maintains the total combined number of *dwelling units* designated as restricted affordable for at least 55 or 99 years pursuant to Sec. 4C.15.3 (Restricted Affordable Units) from the issuance of the Certificate of Occupancy.

Sec 6. Amend Subsection E. (Records and Agreement) of Section 9.4.4. (Unpermitted Dwelling Units Program) of Div. 9.4. (General Incentive Programs) of Article 9 (Public Benefit Systems) of Chapter 1A of the Los Angeles Municipal Code to read as follows:

E. Records and Agreement.

Prior to the issuance of any *building permit*, a covenant acceptable to the Los Angeles Housing Department, shall be recorded with the Los Angeles County Recorder, guaranteeing that each required *restricted affordable unit* shall be reserved and maintained for at least 99 years pursuant to Sec. 4C.15.3 (Restricted Affordable Units) from the issuance of the Certificate of Occupancy; ~~except for:~~

~~F. A housing development project in which 100 hundred percent of all dwelling units, exclusive of a manager unit or units, are restricted affordable units, which are subject to a recorded affordability restriction of at least 55 years or utilize public subsidies that are~~

~~tied to a specified covenant period. At minimum, all *restricted affordable units* in the *housing development project* shall be covenanted for at least 55 years.~~

~~G. A mixed income *housing development project* utilizing public subsidies that are tied to a specified covenant period. At minimum, all *restricted affordable units* in the *housing development project* shall be covenanted for at least 55 years.~~

Sec 7. Amend Div. 14.3. (Glossary) of Article 14. (General Rules) of Chapter 1A of the Los Angeles Municipal Code to include the following:

Protected Unit: Protected units include *dwelling units* that meet any of the following criteria: (i) *A dwelling unit* that is or was subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to *lower income households* or *very low income households* within the past five years. (ii) *A dwelling unit* that is or was subject to the Rent Stabilization Ordinance, pursuant to Chapter XV. (Rent Stabilization Ordinance) of this Code, or any other form of rent or price control through a public entity's valid exercise of its police power within the past five years. (iii) *A dwelling unit* that is or was rented by a *lower income households* or *very low income households* within the past five years. (iv) *A dwelling unit* that was withdrawn from rent or lease in accordance with the Ellis Act, pursuant to California Government Code Chapter 12.75 (Residential Real Property), Sections 7060-7060.7, within the past 10 years.

Replace: Has the same meaning as provided in subparagraphs (B) and (C) of paragraph (3) of subdivision (c) of Section 65915 of the California Government Code, as amended from time to time.

Sec 8. Amend Sub-subparagraph ii. of Subparagraph b. of Paragraph 1. (Exemptions) of Subsection B. (Applicability) of Section 15.4.3. (Affordable Housing Linkage Fee) of Div. 15.4. (Affordable Housing Program Fees) of Article 15 (Fees) of Chapter 1A of the Los Angeles Municipal Code to read as follows:

- ii. The *housing development project's restricted affordable units* are subject to a recorded affordability restriction of 99 years from the issuance of the *Certificate of Occupancy*, recorded in a covenant acceptable to the LAHD, and subject to fees as set forth in Sec. 15.4.2. (Fees for Enforcement of Housing Covenants); also including:
 - a) A *housing development project* in which 100 percent of all *dwelling units*, exclusive of *manager units*, are *restricted affordable units*, which are subject to a recorded affordability restriction of at least 55 years or utilize public subsidies that are tied to a specified covenant period. At minimum, all *restricted affordable units* in the *housing development project* shall be covenanted for at least 55 years.

- b) A mixed-income *housing development project* utilizing public subsidies that are tied to a specified covenant period. At minimum, all *restricted affordable units* in the *housing development project* shall be covenanted for at least 55 years.
- c) Such a covenant shall also subject *projects* using this exemption to the replacement policies in ~~California Government Code (Sec. 65915(e)(3))~~ Sec. 4C.15.1 (Housing Projects that Result in the Demolition of Dwelling Units) or Sec. 4C.15.2 (Non-Housing Projects that Result in the Demolition of Dwelling Units), and to *LAHD* fees related to housing replacement determinations pursuant to State law, as set forth in this Zoning Code (Chapter 1A).