

MOTION

The housing affordability gap is one of the greatest crises facing our city. For many years, the increase in the cost of housing in Los Angeles has far outstripped the increase in average income, devastating the middle class, destroying the ability of most people to save, forcing people to make unacceptable choices between paying rent and meeting other essential needs, and significantly contributing to the spike in homelessness.

Los Angeles has made more progress than many cities over the past decade to produce more housing. Between 2014 and 2020, more than 117,000 homes were permitted across the city, including 11,566 affordable units. That success, however, is not nearly enough to meet the demand for new housing and especially affordable housing. More than 60% of Los Angeles families remain rent-burdened.

The city should explore every reasonable opportunity to reduce the cost of the creation of affordable housing. One of the many significant cost drivers to any housing development is the entitlement process, including Site Plan Review (SPR), which includes an environmental review and permit approval from the Planning Department. These processes create uncertainty in the timeline of a project and compel expensive pre-development soft and financing costs. The Los Angeles Municipal Code prescribes that all projects over 49 units undergo SPR, a threshold that has not been modified in over thirty years. In response, developers, including those of 100% affordable housing, often artificially cap their developments at 49 units, even when local zoning allows more and a particular site is more suitable for more. This artificial cap results in a much higher per-unit cost of acquisition and construction. It also results in inefficient underutilization of property, contrary to the zoning process.

In addition to the SPR, Los Angeles has some of the nation's most stringent building standards that all projects must meet. These standards already require, among other things, Building and Safety plan check review of structural, electrical, plumbing, mechanical, seismic safety, green building and Title 24 energy efficiency standards, low impact development standards for water catchment and treatment, and more; zoning review of height, density, setbacks, floor area, use, lot coverage, open space, and more; Fire Department review of fire life safety, access and hydrants, accessibility and ADA compliance review, and more; Department of Water and Power utility assessments, and more. All of these standards must be met, with or without SPR.

In 2018, the Permanent Supportive Housing (PSH) Ordinance raised the threshold for SPR for PSH projects from 50 units to as much as 200 units depending on circumstances. These changes have seen the number of filings for new PSH projects double over the previous four-year period.

Los Angeles must significantly increase its supply of affordable housing. Rather than responding to more state mandates, the better approach is to reduce unnecessary city bureaucratic and administrative hurdles to achieving that goal. Eliminating the SPR for deed-restricted affordable housing units would be an important step in that direction.



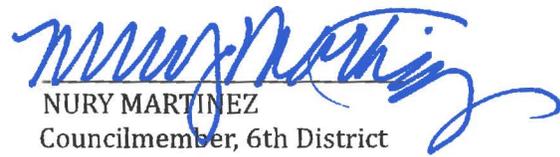
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I THEREFORE MOVE that the Department of City Planning, with the assistance of the City Attorney, prepare and present an ordinance that would amend Section 16.05(C)(1)(b) of the City Zoning Code to exempt deed-restricted affordable units in the site plan review threshold calculations, so long as the total number of units is consistent with the relevant zoning.

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