



Kevin de León
Councilmember, Fourteenth District

April 21, 2023

Submitted Electronically

Councilmember Marqueece Harris-Dawson, Chair
Councilmember Monica Rodriguez
Councilmember Katy Yaroslavsky
Councilmember John S. Lee
Councilmember Heather Hutt
Planning and Land Use Management Committee
Los Angeles City Council
200 North Spring Street
Los Angeles, CA 90012

Re: DTLA 2040 Council File No. 22-0617

Dear Councilmember *Marqueece* Harris-Dawson and Members of the PLUM Committee:

DTLA 2040 will set the vision for Downtown Los Angeles (DTLA) for the next 20 years. Downtown is our City's urban core whose population swells to over 50,000 workers daily in a variety of economic sectors and is the epicenter of public investment in our region's transportation infrastructure. DTLA is L.A.'s center for art, culture, sports, and entertainment.

Downtown also faces the city's most epic challenge in our time: housing the unhoused.

Launched in 2014, DTLA 2040 provides a blueprint to accommodate future growth in an inclusive, equitable, sustainable, and healthy manner. The plan supports Downtown's

ongoing economic revitalization. It reinforces Downtown's job orientation while growing its residential base. It promotes mobility by creating an environment friendly to transit users, bicyclists and pedestrians. DTLA 2040 strengthens neighborhood character and creates a world-class public destination.

As the elected city council representative of a majority of the new Community Plan Area, I am honored to have worked with the diverse community stakeholders in finalizing this plan update, one that began long before I took office and which I believe will guide the City for decades to come.

I strongly urge the Committee to adopt DTLA 2040, as recommended by the City Planning Commission, and amendments I have put forward. Adopting DTLA 2040 will not only update Downtown's outdated land-use plan but also enact a new citywide form-based Zoning Code which will modernize L.A.'s archaic zoning laws originally adopted in 1946. Taking action on DTLA 2040 will kick off the updates of the 34 other Community Plans comprising the City of Los Angeles.

According to the Southern California Association of Governments (SCAG), Downtown promises significant growth projections: over 125,000 new residents, more than 70,000 housing units, and 55,000 new jobs are forecasted. Downtown has the capacity to accommodate even more residents, housing units, and jobs. **These growth projections represent 20% of the City's household growth in just 1% of the City's land area.**

The City of Los Angeles must accommodate at least 456,643 new units by 2029, with at least 184,721 of them being affordable for lower-income households, according to the Regional Housing Needs Assessment (RHNA). Adopting DTLA 2040 will dramatically increase the capacity for housing production and advance the City's efforts to fulfill its RHNA goals.

DTLA 2040 will double the area where housing is permitted, expanding from 33% of Downtown's total area to 60%. The plan also introduces a Community Benefits Program which incentivizes the development of on-site affordable housing units. The plan increases from 20% to 64% the areas allowing for a greater mix of uses.

I strongly urge the Committee to adopt the recommendations of the City Planning Commission, approve the modifications identified in the Director of Planning's Memo and Supplemental Report, and support the amendments I am putting forward: to enact a mandatory inclusionary housing policy; protect the garment manufacturing industry and jobs in the Fashion District; dismantle the policy of "containment" that formalized the Skid Row District; truly enhance Downtown's urban streetscape through more street trees, pedestrian lighting, and public open space; and facilitate future transit planning due to investments in Downtown's public transportation infrastructure.

Inclusionary Housing Program

I urge the Committee to adopt the modification in the Director of Planning's Memo which would enact a mandatory inclusionary housing policy for Downtown. Such an action would be unprecedented in a community plan update and sets a new standard for housing policy for the City of Los Angeles toward paving a path forward to comprehensively expand affordable housing.

My office worked closely with the Department of City Planning to commission an economic analysis to assess the feasibility of integrating an onsite affordable housing mandate, also referred to as inclusionary housing or inclusionary zoning, into DTLA 2040.

The Inclusionary Housing Program would ensure that Downtown grows as a mixed-income community and that the development of housing is affordable to a range of households at all income levels. A portion of all projects involving the construction of ten or more dwelling units would be required to include deed-restricted affordable units. When implemented, this program will help to increase the availability of dwelling units at all income levels, and significantly help the City meet its share of regional housing needs in a manner that is consistent with the General Plan and other City policies related to housing.

DTLA 2040 outlines a vision through the year 2040 that is inclusive of people across all income levels. Market conditions evolve over time and an inclusionary housing requirement will be one of many tools available to consistently facilitate the production of affordable housing under the proposed plan.

Fashion District

I ask the Committee to adopt the modification in the Director's Memo which would provide protections of garment manufacturing uses and jobs in the Fashion District - preserving existing manufacturing activities in Downtown. I also offer an amendment which would expand the Employment Incentive Area to promote light manufacturing uses as part of a Community Benefits Program. Finally, I offer a set of instructions to the City's Economic and Workforce Development Department to pursue broader economic development strategies which are beyond but complement DTLA 2040 as a land-use plan.

Skid Row District

Originally a place for transient laborers to find work, Skid Row was shaped by an intentional policy known as "containment" - the concentration of homeless shelters and services - into a neighborhood that has become an international symbol of poverty and hopelessness, with thousands of unhoused Angelenos living in tents and makeshift shelters that line its streets. The stark contrast between the wealth and glamour of Los Angeles and the abject misery of Skid Row is a testament to the deep social inequities that underlie our society that must be corrected.

DTLA 2040, as proposed, introduces the "IX1" Use District for a portion of Skid Row. This zone would require that all new housing be "Restricted Affordable Units". This proposal has generated much debate. Some stakeholders argue that new housing in Skid Row should remain 100% affordable due to the high number of people experiencing homelessness who need housing. They argue that allowing market-rate housing would drive out the unhoused population and change the neighborhood's character.

Other stakeholders argue that Skid Row has been the "dumping ground" for the unhoused in Los Angeles County for decades. They state that continuing to allow the region's homeless services and housing to be concentrated in a few city blocks in the entire City of Los Angeles is the equivalent to "redlining" the neighborhood and only perpetuates a cycle of poverty in one geographic location.

Indeed arguments on both sides have merit. I believe all parties can agree on this: we have a moral obligation to house the people living on the streets of Skid Row and it needs to be done with urgency.

As future deed-restricted affordable housing is constructed, adding to the hundreds of existing covenanted permanent supportive and affordable housing units in Skid Row, the question becomes: what happens next?

I believe that establishing a zoning policy to allow the future introduction of other housing types, *once* a benchmark of deed-restricted affordable housing has been built, is the sensible approach.

The 2022 Los Angeles Homeless Services Authority (LAHSA) Point-In-Time (PIT) Count identified 4,402 individuals experiencing homelessness in Skid Row: 2,695 who were unsheltered and 1,707 who were sheltered in some type of temporary housing. Determining how many of these individuals live in the proposed IX1 area is difficult due to the lack of detailed data, but the PIT shows that 1,588 homeless individuals live in the two census tracts (2063.00b and 2063.00c) within the IX1 area.

As of the writing of this letter, there are 1,518 planned affordable housing units in the pipeline in the broader Skid Row area. Of these total planned units, 1,056 units will be built within the boundary of the IX1 area. If one wanted to open solely the amount of affordable housing to serve unsheltered individuals in the IX1 area, an additional 532 units of new construction and/or rehabilitated units need to be delivered. These new units in the pipeline would add to the **over 4,000 existing covenanted permanent supportive housing units and 610 beds in Skid Row today.**

I believe that establishing a goal of entitling, completing construction, and opening an additional 1,000 affordable housing units in the Skid Row area, in addition to the 1,056 in the pipeline now, would provide sufficient affordable housing to serve the unhoused living in the IX1 area now - while also providing units to address the potential increase in

the unsheltered due to the expiration of COVID-19 tenant protections, as predicted by LAHSA.

My amendment would require that upon recordation of affordable housing covenants of 2,000 restricted affordable housing units, including those already in the pipeline, the City would initiate a zoning review. The Housing Department would track the number of units covenanted and upon covenanting 2,000 units, notify the Director of Planning to transmit to the City Planning Commission a recommendation on a zone change to allow for the development of other housing types. At that time, public hearings would be held to solicit stakeholder input as the City revisits the IX1 zone and the opportunity to introduce other housing types in Skid Row.

Public Realm: Street Trees, Pedestrian Lighting, Open Space

Downtown should be the place where a world-class public realm and publicly-accessible open spaces are created. I am putting forward amendments which would prioritize planting of street trees and installation of pedestrian lighting which are integral to enhancing Downtown's vibrant urban streetscapes. I also recommend an amendment which would allow for an in-lieu fee option in the proposed Community Benefits Program to generate resources directed to the City's Recreation and Parks Department to create and maintain regional-serving parks in Downtown.

DTLA 2040 will dramatically increase the capacity to produce housing in Downtown. Public spaces - such as parks and sidewalks - must be built in a way to facilitate and encourage this growth. The proposed plan could be strengthened to encourage tree canopy in Downtown. My amendment would increase the minimum tree size to be 36" box sizes. I am recommending a Council instruction which complements DTLA 2040 to direct city departments to implement pedestrian lighting for all new construction projects in the Downtown Community Plan Area.

While DTLA 2040 proposes a Community Benefits Program which would allow the delivery of on-site open space in return for increased density, the program as proposed would not create or maintain the larger regional parks and recreation centers that are sorely needed. DTLA 2040 should include an option that allows for developers to pay a high fee that can only be used for the construction and maintenance of regional parks and recreational facilities within Downtown. The fund would be established and administered by the City's Department of Recreation and Parks. These resources could then be reinvested in open space enhancements such as improvements to Pershing Square or acquisition of land for parks and recreation centers in South Park and Skid Row - both areas that have almost zero public open space.

Hotel Policy

DTLA 2040 proposes a conditional use permit requirement for hotels in commercial districts within 500 feet of a residential use district, unless the hotel is within a Transit Core or Traditional Core General Plan land use designation. A conditional use permit is also required for hotels and lodging in Industrial-Mixed Use Districts. Hotels are not

permitted in Light and Heavy Industrial Areas, and throughout the plan area, projects cannot convert residential units into hotels.

The Committee should consider an amendment to modify DTLA 2040 to require a *Class 3* conditional use permit process for lodging uses and hotels in all Use Districts where lodging is a permitted use. Robust findings should be made to consider a proposed project's impacts on affordable housing, social services, small businesses and neighborhoods. Public vetting is necessary to ensure that hotel development does not crowd out housing opportunities, undercut housing incentives or create site-specific impacts on the neighborhood.

Transit-Oriented District Planning

DTLA 2040 has updated Downtown's zoning and has set the stage to better prepare for the future West Santa Ana Branch (WSAB) Metro Line, future transit station at 7th Street and Alameda Street, and the 6th St/Arts District Red/Purple Line station extending along Alameda Street and the LA River. For the WSAB project, Metro has initiated the WSAB Transit Oriented Development (TOD) Strategic Implementation Plan (SIP) to provide assistance and guidance for development along the new transit line. However, because the City of Los Angeles portion is in Phase 2 of the WSAB project, TOD analysis has focused on the gateway cities. The City should initiate a TOD study of the areas adjacent to the proposed WSAB stations and work with Metro to develop a strategic plan for the area.

For the 6th St/Arts District Station area, the community and City have worked closely to develop an overarching vision for the area by the new 6th Street Viaduct that includes a new park, access to the future LA River Bike Path, and a Metro Red/Purple Line Station. Current station concepts show the station being accessible from adjacent public and private parcels. However, due to existing utilities and railroad tracks, the available area for a station, let alone ingress and egress to it, is small. In order to provide maximum flexibility for station design, river setbacks should be removed for areas adjacent to the proposed station location. My amendment would adjust setback requirements along the River and initiate a study to form a TOD plan at and around 7th Street and Alameda Street, site of a future transit station, to facilitate future station area planning.

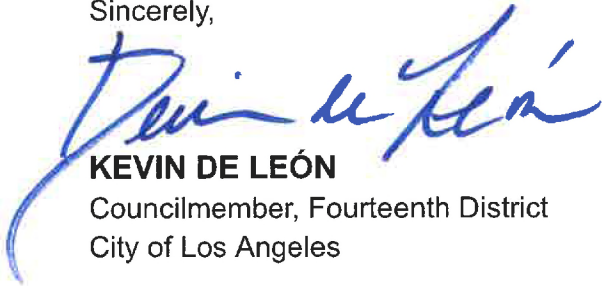
Conclusion

We often refer to Downtown Los Angeles as being a microcosm regarding the challenges the rest of our City faces – but it is also a proving ground for the world-class future we envision for all of Los Angeles. DTLA 2040 offers the opportunity to create and test best practices for expanding and protecting our affordable housing stock and restoring justice in the form of housing to our unhoused neighbors. This is where we will expand and shape our iconic skyline, incubate a car-free lifestyle that can be adopted citywide. We will fight to preserve our existing small businesses, and foster a resurgence of new residents, jobs, and open space.

DTLA 2040 is a welcome update to change out outdated regulations with new ideas, improved innovation, and explicit priorities to prevent gentrification while advancing new development for a better, cleaner, and equitable Downtown.

Lastly, I want to thank your Committee, the Department of City Planning, and stakeholders in my district for all of their incredible hard work. I believe DTLA 2040 reflects a shared vision for a promising future in our City.

Sincerely,

A handwritten signature in blue ink, reading "Kevin de León". The signature is fluid and cursive, with a long, sweeping underline that extends to the left.

KEVIN DE LEÓN

Councilmember, Fourteenth District
City of Los Angeles

Council District 14 Recommendations re. DTLA 2040
Council File No. 22-0617

Council District 14 recommends that the PLUM Committee take the following actions:

1. Approve the recommendations of the City Planning Commission.
2. Adopt modifications identified in the Director of Planning's Memo to PLUM Committee dated September, 2022, and Deputy Director's Supplemental Report dated March 20, 2023.

Fashion District:

3. Request the City Attorney, in consultation with the Department of City Planning, to prepare an ordinance with the following provisions in relation to the Fashion District:
 - a. Expand the Downtown Community Benefits Subarea A.5 Map, as set forth under the Director of Planning's Memo to PLUM Committee, Option F.12 to include the portion of the Fashion District zoned in working CX3 in the Director's Memo to PLUM Committee, including parcels generally bounded by 7th Street to the north, Santee Street to the east, the 10 freeway to the south and Broadway and Main Street to the east.
 - b. Modify the provisions of the Downtown Community Plan Implementation Ordinance (CPIO), as modified by the Director's Memo to PLUM Committee, F.11 and F.12, such that only Light Manufacturing Uses, Manufacturing, Light- Garment & Accessories, Manufacturing, Light- General, Manufacturing, Light-Artistic & Artisanal, Light Industrial, Wholesale Trade & Warehousing qualify for the floor area incentives described therein.
 - c. Prohibit conversion to or development of Stadium Uses from industrial uses in the IX2, IX3, + IX4 Use Districts, prohibit the following uses from being developed or converted from industrial uses: General Commercial > Entertainment Venue, Local & Regional.
 - d. Require the preservation of freight elevators, loading docks, and loading bays within and directly surrounding buildings currently occupied by garment manufacturing businesses; and require these amenities for new construction in order to ensure efficient business operations for new garment manufacturing.

4. Instruct the Economic and Workforce Development Department, in consultation with the Department of City Planning, to prepare and present a report with recommendations identifying resources, including federal, state and local funding sources, to assess small business displacement risk as a result of redevelopment and support any displaced small businesses in the Fashion District when displacement cannot be prevented.
5. Instruct the Economic and Workforce Development Department, in consultation with the Department of City Planning, to prepare and present a report with policy, programmatic and funding recommendations:
 - a. To facilitate and support partnerships between the City's Workforce Development Board and garment-related manufacturing industry stakeholders to formulate strategies to develop, pilot and fund Los Angeles fashion manufacturing programming aimed at preserving employment opportunities, increasing economic impact and job creation, and uplifting and growing ethical and sustainable garment manufacturing jobs for garment workers in Los Angeles.
 - b. To facilitate links with established retail banks, community development financial institutions, credit unions, and federal and local funding strategies and opportunities which create access to capital to drive recovery with funding available to but not limited to textile waste recycling facilities, building and block-wide improvements to remedy sweatshop conditions in garment manufacturing clusters, child care facilities, and environmental mitigations to ensure a sustainable fashion industry in Los Angeles.
 - c. To prioritize funding support for the garment industry to improve infrastructure and community development projects, including but not limited to financing strategies such as: Enhanced Infrastructure Financing District funds, the creation of a Jobs and Economic Development Incentive Zone, and the establishment of Community Controlled Funds for Equitable Development with Governmental and Philanthropic Partners.

Skid Row District:

6. Request the City Attorney, in consultation with the Department of City Planning, to prepare an ordinance with the following provisions:
 - a. Amend the CPIO to include a subarea for the portions zoned in the IX1 Use District in the Downtown Community Plan Area, and the area bounded by 3rd Street on the north, Alameda Street on the east, 7th Street on the south, and Main Street on the west, and require in that area, upon the recordation of affordable housing covenants of 1,000 restricted affordable housing units within the area, the initiation of a zone change ordinance to modify the 100% affordable housing requirement on dwelling and live/work uses in IX1 Use District; and

- b. Require the Housing Department to track the number of units covenanted within the area and, upon the covenanting of 1,000 restricted affordable housing units, notify the Director of Planning.
- c. Instruct the Director of Planning, upon receipt of Housing Department's notification, to transmit to the City Planning Commission a recommendation on a zone change to allow the development of other housing types pursuant to the zone change process required by the Charter and LAMC at the time of the Director's transmittal, as well as any necessary and related General Plan and code amendments.

Street Trees, Pedestrian Lighting, Open Space:

- 7. Request the City Attorney, in consultation with the Department of City Planning, to prepare an ordinance with the following provisions:
 - a. Modify Chapter 1A Article 4 to Add Sec. 4C.6.4.C.3.a.iii.j) as follows: j) Required trees planted in a parkway (per Sec. 4C.6.2.C.4.) in which the sidewalk is 8 feet in width or greater shall have a minimum 36-inch box size.
 - b. Modify the Downtown CPIO and Article 9 of the New Zoning Code, to outline an in lieu fee option for Publicly Accessible Open Space in exchange for additional Bonus floor area. The in lieu fee shall be at an amount of \$400 for every square feet of bonus floor area requested through the Downtown Community Benefits program.
 - c. Establish a trust fund for the above-referenced open space in-lieu fee to be managed by the City of Los Angeles Department of Recreation and Parks and dispersed for the creation and maintenance of regional-serving parks within the Downtown Community Plan Area.
- 8. Instruct the Bureau of Street Lighting to draft standard conditions to implement pedestrian lighting for all projects proposing a General Plan Amendment, Zone Change, Tract or Parcel Maps as required by existing procedure in LAMC 12.32, LAMC 17.05 N, LAMC 17.51, and LAMC 12.37 I.2(a)(5).
- 9. Instruct Bureau of Street Lighting, in coordination with City Planning, Building and Safety and relevant Departments, to initiate a nexus study to implement pedestrian lighting in new projects Citywide.

Hotel Policy:

- 10. Request the City Attorney, in consultation with the Department of City Planning, to prepare an ordinance with the following provisions: Amend the CPIO's Section 1-5 Relationship to Other Zoning Regulations as follows: "Section I. Lodging projects in the boundaries of the CPIO are required to obtain a Conditional Use Permit with approval by the City Planning Commission pursuant to Sec 13B.2.3 (Class 3 Conditional Use Permit) of Chapter 1A of the Zoning Code. In addition to the findings required by Sec 13B.2.3 of Chapter 1A of the

Zoning Code, the City Planning Commission shall consider and make express findings on each of the following:

- (a) that there is sufficient market demand for the Lodging project proposed
- (b) that the Lodging Project will not unduly and negatively impact demand in the City for affordable housing, public transit, child-care, and other social services, taking into consideration the impact of the part-time or seasonal nature of work at the Lodging project and of the Lodging Project employees' expected compensation.
- (c) whether the applicant will take measures to employ residents of neighborhoods adjoining the Lodging Project in order to minimize increased demand for regional transportation and to reduce demand for vehicle trips and vehicle miles traveled;
- (d) whether the applicant will take measures to encourage hotel workers and guests to use public transportation, cycling and other non-automotive means of transportation;
- (e) whether the Lodging Project will displace or negatively impact small businesses in the immediate vicinity and whether the applicant will adopt any measures to increase demand for local goods and services.
- (f) that the project will not negatively affect the availability of affordable and rent-stabilized housing within the plan area. That the project includes the replacement of any rent stabilized or restricted affordable housing existing on site within the past ten years with affordable housing and any non-restricted or rent stabilized housing with moderate income housing.

Transit-Oriented District Planning:

- 11. Instruct the Department of City Planning to initiate a study to form a Transit-Oriented District plan and strategic plan at and around 7th Street and Alameda Street, the future location of a transit station serving the West Santa Ana Branch Transit Corridor Project, and the potential future 6th Street / Arts District Red/Purple Line station, in consultation with the Los Angeles County Metropolitan Transportation Authority (Metro).
- 12. Request the City Attorney, in consultation with the Department of City Planning, to prepare an ordinance to modify the zoning in the Proposed New Zoning Code Map as shown in the table below for properties in the Downtown Community Plan zoning matrix sub areas generally bounded by East 6th Street to the north, rail yards to the east, East 7th Street to the south and Mesquit Street to the west from Form District MM1 to MB3:

Subarea	Zone From - [To]
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DTL-110-C	M3-1-RIO - [MM4 <u>MB3</u> -CDR1-5CDF1-5][IX4-FA][CPIO]
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