



Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. R 23 - 0240
JUN 22 2023

REPORT RE:

**DRAFT ORDINANCE AMENDING SECTION 16.05 OF ARTICLE 6.1 OF CHAPTER I
OF THE LOS ANGELES MUNICIPAL CODE TO ADD CERTAIN
EXEMPTIONS FOR AFFORDABLE HOUSING PROJECTS**

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

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance would amend Section 16.05 of Article 6.1 of Chapter I of the Los Angeles Municipal Code (LAMC) to add certain exemptions for affordable housing projects.

Background

On March 8, 2022, a motion (Krekorian-Harris-Dawson-Cedillo-Martinez-O'Farrell) was introduced directing the Planning Department, with the assistance of the City Attorney's Office, to prepare and present an ordinance amending Section 16.05 C.1(b) of the LAMC 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." On May 10, 2022, the Planning and Land Use Management (PLUM) Committee recommended approval of the motion, and on June 1, 2022, the City Council adopted the motion.

In a letter to the City Planning Commission (CPC) dated April 26, 2023, Councilmember Krekorian expressed support for the proposed ordinance and requested that the CPC further amend the LAMC to exempt from site plan review developments with 50 percent or more of the project floor area dedicated to covenanted affordable housing, but limiting projects eligible for this exemption to 150,000 square feet of commercial space. On April 27, 2023, the CPC considered the Planning Department's proposed ordinance and recommended its approval, including the amendment requested by Councilmember Krekorian. On June 20, 2023, the PLUM Committee adopted the CPC's recommendations and requested that the City Attorney prepare and present a draft ordinance approved as to form and legality.

Summary of Ordinance Provisions

The CPC's transmittal report to the City Council, dated May 17, 2023 (CPC Transmittal Report), includes the Planning Department's staff report, which provides a background of the site plan review provisions in the LAMC and a detailed description of the draft ordinance's provisions. Notably, the draft ordinance carries out Program 54 of the 2021-2029 Housing Element. As stated in the staff report, "Program 54 (Expedite Affordable Housing Projects) seeks to prioritize affordable housing projects, and expedite processing of permits and entitlements. Specifically, Program 54 explicitly identified a need to modify Site Plan Review thresholds for affordable housing to allow for more administrative review."

The draft ordinance establishes a definition of "restricted affordable unit" for the purposes of the site plan review ordinance (LAMC Section 16.05 *et seq.*), and that definition aligns with the definition used for the City's density bonus ordinance. The draft ordinance amends the site plan review provisions to exempt restricted affordable units from the threshold calculations that would trigger the site plan review process. The draft ordinance also allows developments with 50 percent or more of the project floor area dedicated to covenanted affordable housing to be exempt from site plan review, limiting the exemption to projects that create or result in an increase of no more than 150,000 gross square feet of nonresidential floor area. In this way, affordable housing projects can avoid the additional cost and time that site plan review adds to the development process, thereby eliminating a significant constraint to affordable housing development.

Charter Findings Required

Charter Section 558(b)(3) requires the City Council to make the findings required in Subsection (b)(2) of the same section, namely adoption of the draft ordinance will be in conformity with public necessity, convenience, general welfare, and good zoning practice. Charter Section 558(b)(3)(A) allows the City Council to adopt an ordinance conforming to the CPC's recommendation of approval of the ordinance, if the CPC recommends such approval. Similarly, Charter Section 556 requires the City Council to

make findings showing that the action is in substantial conformance with the purposes, intent, and provisions of the General Plan. The City Council can either adopt the CPC's findings and recommendations as set forth in the CPC Transmittal Report to the City Council or make its own.

California Environmental Quality Act (CEQA) Standard of Review

The CPC recommends that the City Council finds, based on the whole of the administrative record, that this project was assessed in the Housing Element Environmental Impact Report No. ENV-2020-6762-EIR, State Clearinghouse No. SCH No. 2021010130 certified on November 29, 2021, and the Addendum (ENV-2020-6762-EIR-ADD1) approved June 14, 2022. If the City Council concurs, it should adopt these findings prior to or concurrent with its action on the ordinance.

Council Rule 38 Referral

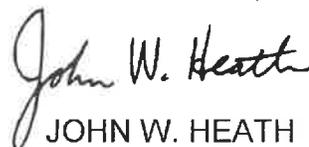
A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the Department of Building and Safety and the Housing Department with a request that all comments, if any, be presented directly to the City Council or its Committee when this matter is considered.

If you have any questions regarding this matter, please contact Assistant City Attorney Adrienne Khorasane at (213) 978-8246. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By



JOHN W. HEATH
Senior Assistant City Attorney

JWH:ASK:ev
Transmittal