



LOS ANGELES CITY PLANNING COMMISSION

200 North Spring Street, Room 272, Los Angeles, California, 90012-4801, (213) 978-1300

www.planning.lacity.org

LETTER OF DETERMINATION

MAILING DATE: MAY 17, 2023

Case No. CPC-2023-1083-CA

CEQA: ENV-2020-6762-EIR, ENV-2020-6762-EIR-ADD1

Plan Area: Citywide

Council District: Citywide

Project Site: Citywide

Applicant: City of Los Angeles

At its meeting of **April 27, 2023**, the Los Angeles City Planning Commission took the actions below in conjunction with the approval of the following Code Amendment:


A proposed Code Amendment to the Site Plan Review Ordinance, amending Section 16.05 of the Los Angeles Municipal Code (LAMC) in order to streamline the permitting of new affordable housing units. The proposed amendment to the Site Plan Review Ordinance would exempt deed restricted affordable units from the 50-unit Site Plan Review threshold calculations.

1. **Recommended** that the City Council **find** that the Project was assessed in the Housing Element Environmental Impact Report (EIR) 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;
2. **Approved and Recommended** that the City Council **adopt** the Proposed Ordinance;
3. **Recommended** that the City Council **instruct** that the Proposed Ordinance be incorporated into the New Zoning Code, subject to changes to conform to the format and style of the New Zoning Code;
4. **Adopted** the Staff Recommendation Report as the Commission's Report on the subject; and
5. **Adopted** the attached Amended Findings.

The vote proceeded as follows:

Moved: Cabildo
Second: Lawshe
Ayes: Choe, Mack, Millman, Zamora
Absent: Leung, Perlman

Vote: 6 – 0



Cecilia Lamas, Commission Executive Assistant II
Los Angeles City Planning Commission

Fiscal Impact Statement: There is no General Fund impact as administrative costs are recovered through fees.

Effective Date/Appeals: The decision of the Los Angeles City Planning Commission is final and not appealable.

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

Attachments: Proposed Ordinance, Amended Findings

- c: Arthi Varma, Deputy Director
- Nicholas Maricich, Principal City Planner
- Matt Glesne, Senior City Planner
- Cally Hardy, City Planner
- Jeanalee Obergfell, City Planning Associate

ORDINANCE NO. _____

An ordinance amending Sections 16.05, of Chapter 1 of the Los Angeles Municipal Code for the purpose of facilitating affordable housing.

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Subdivision 8 of Subsection D of Section 16.05 of the Los Angeles Municipal Code is amended to read as follows:

D. Exemptions.

~~—8.— A Qualified Permanent Supportive Housing Project as defined in Section 14.00 A.11.(a)(1) of this Code and containing no more than 120 units, or no more than 200 units if it is located either in the Greater Downtown Housing Incentive Area or on a lot with a general plan land use designation of Regional Center Commercial, Regional Commercial, or Regional Mixed Commercial. (Added by Ord. No. 185,492, Eff. 5/28/18.)~~

8. Any restricted affordable unit shall not be counted towards the dwelling unit or guest room thresholds described in section 16.05C1(b). A restricted affordable unit is a unit or guest room subject to a covenant or regulatory agreement restricting rents or housing costs so that they do not exceed 30 percent of the maximum gross income of each income category, for households earning up to 120 percent of the area median income, for a period of at least 55 years for rental units, or at least 45 years for for-sale units, as determined by the Los Angeles Housing Department.

Section 2. Subdivision 9 of Subsection D of Section 16.05 of the Los Angeles Municipal Code is added to read as follows:

9. Any development project that includes nonresidential floor area in which 50 percent or more of the total Floor Area is dedicated to restricted affordable units shall be exempt from the Site Plan Review threshold in Section 16.05 C.1(a), provided the development project creates or results in an increase of no more than 150,000 gross square feet of nonresidential floor area. Restricted affordable units as used in this subdivision are defined in Subdivision D.8 of this Section.

FINDINGS

(As Amended by the City Planning Commission at its meeting on April 27, 2023)

General Plan/Charter Findings

City Charter Section 556 and 558, and LAMC Section 12.32

Pursuant to City Charter Sections 556 and 558, and LAMC Section 12.32, as described below, the proposed ordinance is in substantial conformance with the purpose, intent and provisions of the General Plan, as well as in conformance with the public necessity, convenience, general welfare and good zoning practice. Specifically, the action addresses each of the following goals, objectives and policies of the General Plan as outlined below.

General Plan Findings

General Plan Framework Element

The proposed amendment to the Site Plan Review Ordinance for Affordable Housing will meet the intent and purposes of the General Plan Framework Element to encourage the creation of housing opportunities for households of all types and incomes, while at the same time to encourage sustainable growth in a number of higher-intensity commercial and mixed-use districts, centers and boulevards in proximity to transit. The amendment supports the development of much-needed affordable housing in areas identified as suitable for multi-family housing development in the General Plan by removing procedural barriers. In particular, the proposed amendment to the Site Plan Review ordinance would further the intent and purpose of the following relevant goals, objectives, and policies of the Framework Element:

Objective 3.1: Accommodate a diversity of uses that support the needs of the City's existing and future residents, businesses, and visitors.

Objective 3.4: Encourage new multi-family residential, retail commercial, and office development in the City's neighborhood districts, community, regional, and downtown centers as well as along primary transit corridors/boulevards, while at the same time conserving existing neighborhoods and related districts.

Goal 4A: An equitable distribution of housing opportunities by type and cost accessible to all residents of the City.

Policy 4.1.1: Provide sufficient land use and density to accommodate an adequate supply of housing units by type and cost within each City subregion to meet the twenty-year projections of housing needs.

Policy 4.1.6: Create incentives and give priorities in permit processing for low- and very-low income housing developments throughout the City.

Objective 4.4: Reduce regulatory and procedural barriers to increase housing production and capacity in appropriate locations.

Housing Element

The proposed amendment to the Site Plan Review Ordinance for Affordable Housing is in substantial conformance with the purpose, intent and provisions of the General Plan in that it would further accomplish the goals, objectives, policies and a program of the Housing Element outlined below:

Goal 1: A City where housing production results in an ample supply of housing to create more equitable and affordable options that meet existing and projected needs.

Objective 1.1: Forecast and plan for existing and projected housing needs over time with the intention of furthering Citywide Housing Priorities

Policy 1.1.1: Collect, report, and analyze existing housing needs (such as overcrowding, cost burden and vacancy rates) and use this information to project and plan for housing needs at a local and citywide level balancing other factors such as job and transit access.

Program 54: Expedite Affordable Housing Projects¹ [Consider unique procedural requirements for qualified Affordable Housing projects including shorter appeal times and modifying Site Plan Review thresholds to an administrative review process.]

Objective 1.2: Facilitate the production of housing, especially projects that include Affordable Housing and/or meet Citywide Housing Priorities.

Policy 1.2.2: Facilitate the construction of a range of different housing types that addresses the particular needs of the city's diverse households

Policy 1.2.5: Streamline the housing approval process, particularly for Affordable Housing, throughout City departments.

Policy 1.2.6: Create new citywide and local land use incentives and programs that maximize the net gain of affordable housing and produce housing that meets Citywide Housing Priorities. Explore varied affordability ratios, the feasibility of inclusionary zoning requirements, and a greater mix of incomes based on market areas.

Policy 1.2.9: Allow for zoning flexibility for Affordable Housing at the project review and planning levels when broader Citywide Priorities are being advanced.

Goal 2: A City that preserves and enhances the quality of housing and provides greater housing stability for households of all income levels.

¹ See more information regarding Los Angeles' 2021-2029 Housing Element, Chapter 6 Program 54 here: [https://planning.lacity.org/odocument/6fbfbbd0-a273-4bad-a3ad-9a75878c8ce3/Chapter_6_-_Housing_Goals,_Objectives,_Policies,_and_Programs_\(Adopted\).pdf](https://planning.lacity.org/odocument/6fbfbbd0-a273-4bad-a3ad-9a75878c8ce3/Chapter_6_-_Housing_Goals,_Objectives,_Policies,_and_Programs_(Adopted).pdf)

Objective 1.3: Promote a more equitable distribution of affordable housing opportunities throughout the city, with a focus on increasing Affordable Housing in Higher Opportunity Areas and in ways that further Citywide Housing Priorities.

Policy 1.3.2: Prioritize the development of new Affordable Housing in all communities, particularly those that currently have fewer Affordable units.

As made evident by the list of General Plan goals, objectives and policies above, the proposed ordinance is in conformance with a range of General Plan goals related to the provision of a variety of housing opportunities and more specifically affordable housing. The City's Housing Element clearly recognizes the City's vision that housing is a human right and the City should promote policies and programs that result in the increase of affordable housing production and a more equitable distribution. The proposed amendment responds to the General Plan by providing an opportunity to streamline affordable housing production.

The proposed amendment not only responds to goals in the Framework element but to goals found in the City's community plan updates and the citywide elements, including the Mobility Plan, Health and Safety Elements, by increasing housing stability and a variety of housing opportunities that enhance affordability, equity, livability, sustainability and resilience.

Housing, transportation, health and safety are inextricably linked. Where a person lives determines their access to, or lack of, health promoting resources such as goods and services, quality schools, transportation access, and jobs. Housing affordability is a serious issue throughout Los Angeles, as rising housing costs force households to spend more of their financial resources, limiting their opportunities to purchase healthy food, access transportation, and engage in preventative care, which particularly affects low-income families that are already living with limited financial resources that might prevent households from mitigating hazards at home. As stated earlier, the proposed amendment to the Site Plan Review Ordinance for affordable housing is in substantial conformance with the purpose, intent and provisions of the General Plan in that it would also further accomplish the goals, objectives, policies and a program of the fellow citywide elements:

Mobility Plan 2035

Chapter 3: Access for All Angelenos: a transportation system is only useful insofar as it is accessible and convenient.

Objective: Ensure that 90% of households have access within one mile to the Transit Enhanced Network by 2035.

Objective: Reduce the average share of household income spent on transportation costs to 10 % by 2035 through the provision of more transportation options.

Policy: 3.3 Land Use Access and Mix: Promote equitable land use decisions that result in fewer vehicle trips by providing greater proximity and access to jobs, destinations, and other neighborhood services.

Chapter 5: Clean Environments and Healthy Communities

Objective: Decrease VMT per capita by 5% every five years, to 20% by 2035

Policy: 5.2 Vehicle Miles Traveled (VMT): Support ways to reduce vehicle miles traveled (VMT) per capita

- Increasing the availability of affordable housing options with proximity to transit stations and major bus stops.
- Land use policies aimed at shortening the distance between housing, jobs, and services that reduce the need to travel long distances on a daily basis

Plan for Healthy Los Angeles

Chapter 1: Los Angeles, a Leader in Health and Equity

Policy: 1.6 Poverty and Health

Reduce the debilitating impact that poverty has on individual, familial, and community health and well-being by: promoting cross-cutting efforts and partnerships to increase access to income; safe, healthy, and stable affordable housing options; and attainable opportunities for social mobility

Policy: 1.7 Displacement and Health

Reduce the harmful health impacts of displacement on individuals, families, and communities by pursuing strategies to create opportunities for existing residents to benefit from local revitalization efforts by: creating local employment and economic opportunities for low-income residents and local small businesses; expanding and preserving existing housing opportunities available to low-income residents; preserving cultural and social resources; and creating and implementing tools to evaluate and mitigate the potential displacement caused by large-scale investment and development.

Chapter 2: A City Built for Health

Policy: 2.2 Healthy building design and construction

Promote a healthy built environment by encouraging the design and rehabilitation of buildings and sites for healthy living and working conditions, including promoting enhanced pedestrian-oriented circulation, lighting, attractive and open stairs, healthy building materials and universal accessibility using existing tools, practices, and programs.

Safety Element

GOAL 1: Hazard Mitigations A city where potential injury, loss of life, property damage and disruption of the social and economic life of the City due to hazards is minimized.

Objective 1.2: Confront the global climate emergency by setting measurable targets for carbon reduction that are consistent with the best available methods and data, center equity and

environmental justice, secure fossil free jobs, and foster broader environmental sustainability and resiliency

Policy: 1.2.5 Housing and Development. In keeping with the Housing Element, create housing opportunities that enhance affordability, equity, livability, sustainability and resilience.

CEQA Findings

Adoption of the Proposed Amendment for Site Plan Review is a program in the Housing Element of the City of Los Angeles. Program 54 of the Housing Element (Expedite Affordable Housing Projects) calls for the Department of City Planning to modify Site Plan Review thresholds for affordable housing projects so that they undergo an administrative review process, rather than a discretionary review process. The completion of Program 54 requires adoption of the Proposed Amendment by the City Council.

An Environmental Impact Report (EIR) (ENV-2020-6762-EIR, SCH No. 2021010130) that analyzed the environmental effects of the 2021-2029 General Plan Housing Element and Safety Element, and a Rezoning Program for the creation of additional housing was certified by the Los Angeles City Council on November 24, 2021. An Addendum to the EIR (ENV-2020-6762-EIR-ADD1) was subsequently certified by the Los Angeles City Council on June 14, 2022. For the purposes of this report, the EIR and Addendum will be referred to as the Housing Element EIR.

The Housing Element EIR was prepared to examine the potential environmental effects of the 2021-2029 Housing Element Update, including build out of the Regional Housing Needs Assessment (RHNA) Allocation, as well as the programs and policies that have the potential to result in physical environmental effects, and the Inventory of Sites and Rezoning Program needed to demonstrate zoned capacity needed to accommodate the City's RHNA Allocation. Additionally, the EIR analyzed the potential effect from the construction and operation of 420,327 housing units (full RHNA build out of 456,643 units minus the 36,316 housing units that have been approved but not built). The Housing Element EIR found that the environmental impacts of several of the issue areas were significant and unavoidable, even with imposition of mitigation measures. Based on the analysis in the Housing Element EIR, the EIR concluded the implementation of the 2021-2029 Housing Element Update would result in unavoidable significant environmental impacts with regard to:

- Air Quality (Exceedance of Criteria Pollutants—Construction and Operations)
- Biological Resources (Special Status Species, Sensitive Habitats, Wildlife Corridors)
- Cultural Resources (Historical Resources and Archaeological Resources)
- Geology and Soils (Paleontological Resources)
- Hazards and Hazardous Materials (Hazardous Materials Near Schools and Hazardous Materials Sites)
- Noise (Construction Noise, Operation Noise, and Construction Vibration)

- Public Services (Fire Protection, Police Protection, and School Facilities)
- Recreation (Deterioration of Recreational Facilities and Construction of Recreational Facilities)
- Transportation (Freeway Queuing)
- Tribal Cultural Resources (Construction: Ground Disturbance during Construction)
- Wildfire (Impair Emergency Response Plan, Exacerbate Wildfire Risks in State Responsibility Area or VHFHSZ, Require Infrastructure that may Exacerbate Fire Risk, Expose People or Structures to Significant Risks in State Responsibility Area or VHFHSZ, and Expose People or Structures to Significant Risks Involving Wildland Fires)

The Housing Element EIR also identified the following significant impacts that were anticipated to be reduced to less than significant with identified mitigation measures:

- Air Quality: Construction-related emissions of toxic air contaminants
- Hydrology: Impeding or Redirect Flood Flows
- Transportation: Circulation Plan Consistency, Hazardous Design, Emergency Access

As stated above, adoption of the Proposed Ordinance was analyzed in the EIR. The proposed amendment to Site Plan Review for Affordable Housing allows the City to meet its Regional Housing Needs Assessment (RHNA) Allocation by providing for streamlined, administrative review of affordable housing. Adoption of the Proposed Ordinance is needed to implement the City's Housing Element. The City's 2021-2029 Housing Element implements State housing law mandates for the City to adopt zoning ordinances to accommodate RHNA units for which the City cannot identify existing inventory of sites. To meet the State law mandates, the Housing Element requires the City, through zoning and other actions, to make it possible to build almost 185,000 affordable units for lower-income renters in eight years.

The Proposed Ordinance is needed to facilitate the production of affordable housing in the City. The Housing Element EIR fully analyzed the environmental impacts that could occur as a result of the implementation of the 2021-2029 Housing Element, including the construction and operation of up to 420,327 housing units (185,000 affordable), and rezoning programs to facilitate the construction and operation of those housing units. Any and all types of potential housing development (including mixed-use development, ranging in size and scale from neighborhood commercial mixed use with smaller nonresidential uses, to high-rise mixed-use with larger nonresidential uses) were analyzed in the EIR. The Housing Element EIR anticipated and fully analyzed that the construction and operation of these housing units would require action to streamline approvals of these housing units, including making more projects subject to by-right or administrative review and eliminating discretion in the approval of affordable housing

developments.² The City does not find there is a change to the project, change to circumstances, or new information as described in PRC Section 21166 or CEQA Guidelines Section 15162(a).

This ordinance does not impact any applicable development standards, nor lessen the ability of the City to deny or condition a housing development project in a way that would reduce the project's density. It only impacts the approval procedures of affordable housing on land already zoned (and environmentally cleared) for multi-family housing. The state of California Air Resources Board recently said in its 2022 Scoping Plan for Achieving Carbon Neutrality that "certain product types (such as affordable infill housing) are generally clearly consistent with state climate goals..." If a project requires certain deviations from zoning or is located in a special overlay zone, it will remain discretionary. Environmentally sensitive areas like the Coastal Zone, Hillside Areas and Very High Fire Severity Hazard Zones areas have their own requirements.

The Housing Element EIR is available for review at the City of Los Angeles, Department of City Planning Records Management, 221 N. Figueroa Street, Room 1450 Los Angeles, and online at the following weblinks:

- Draft EIR: https://planning.lacity.org/development-services/eir/Housing-Element_2021-2029_Update_Safety-Element_Update_deir
- Final EIR: <https://planning.lacity.org/development-services/eir/housing-element-2021-2029-update-safety-element-update-0>
- EIR Administrative Record: Los Angeles City Council File 21-1230 - <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=21-1230>
- Addendum to the EIR: https://clkrep.lacity.org/onlinedocs/2021/21-1230-S1_misc_7_5-24-22.pdf
- Addendum Administrative Record: Los Angeles City Council File 21-1230-S1 - <https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=21-1230-S1>

² Housing Element Draft EIR Environmental Analysis can be found here: https://planning.lacity.org/eir/HEU_2021-2029_SEU/deir/files/04_Environmental%20Analysis.pdf