

Proposed Ordinance for Discussion

Density Bonus

An ordinance amending Sections 12.22.A 25; 12.24.U 26; 14.00 A 2; and 19.01.O of the LAMC to implement a density bonus program, as required by State law.

Section 1. Subdivision 25 of Subsection A of Section 12.22 of the LAMC is hereby amended to read as follows:

25. **Affordable Housing Incentives/Density Bonuses.** ~~(Added by Ord. No. 170,764, Eff. 12/30/95.)~~

(a) **Purpose.** The purpose of this subdivision is to establish procedures for implementing state density bonus requirements, as set forth in California Government Code Section 65915, as amended, and to increase the production of affordable housing, consistent with City policies.

(b) **Definitions.** Notwithstanding any provision of this article to the contrary, the following definitions shall apply to this subdivision:

~~—**Affordable Accessible Unit**—a dwelling unit or guest room that is adapted to be used by persons who are physically disabled, based on the criteria of Title 24 of the California Code of Regulations or any amendment thereto, where the household income of the residents does not exceed Social Security Supplementary Income (SSI) levels, and where the rent is restricted to no more than approximately 30% of the resident's Social Security Supplementary Income (SSI) level according to a rent schedule prepared by the City's Housing Department.~~

Affordable Housing Incentives Guidelines - the guidelines approved by the City Planning Commission by which applications for affordable housing density bonus projects are evaluated for compliance with the goals and policies of ~~the City's Affordable Housing Incentives Program~~ Section 65915 of the California Government Code.

Affordable Housing Units - dwelling units ~~or guest rooms~~ for which rental or mortgage payments do not exceed the limits stated in Section 65915 of the California Government Code. Dwelling units ~~or guest rooms~~ designated for lower income households, as defined in Section 50079.5 of the California Health and Safety Code, shall have rents not exceeding 30 percent of 60 percent of the area median income as set forth on a rent schedule prepared by the City's Housing Department or any successor agency. Dwelling units ~~or guest rooms~~ designated for very low income households, as defined in Section 50105 of the California Health and Safety Code, shall not have rents exceeding 30 percent of

50 percent of the area median income as set forth on a rent schedule prepared by the City's Housing Department or any successor agency.

Area Median Income - the estimate of median income in the Los Angeles-Long Beach Primary Metropolitan Statistical Area that is determined periodically by the United States Department of Housing and Urban Development (HUD) or any successor agency, adjusted for household size, and which is published periodically.

Density Bonus - a density increase over the otherwise maximum allowable residential density granted pursuant to California Government Code Section 65915. ~~(Amended by Ord. No. 174,995, Eff. 1/15/03.)~~

Incentive or Concession - A reduction in a development standard or a modification of the Zoning Code.

Income, Lower, and ~~Very Low~~ or Moderate - annual income of a household that does not exceed the area median for the income category as specified in California Health and Safety Code Sections 50079.5, ~~and~~ 50105, or 50093, as determined by the City's Housing Department.

Mass Transit Station - a transit stop for a fixed rail system, or a major bus center. A station is one that is currently in use or whose location is proposed and for which a full funding contract has been signed by all funding partners, or one for which a resolution to fund a preferred alignment has been adopted by the Los Angeles County Metropolitan Transportation Authority or its successor agency.

Major Bus Route - a bus route with peak-hour headways of 15 minutes or less in two directions in at least two of the three hours between 4:00 p.m. and 7:00 p.m.

Restricted Affordable Unit - an affordable housing unit in a development rented or sold to a household with very low, ~~or~~ lower, or moderate income residents, and/or lower or very low income senior citizens. ~~In order for a development to qualify as a~~ For a rental development containing one or more restricted affordable housing units, the owner shall record a document with the Los Angeles County Recorder guaranteeing that the relevant affordability criteria will be observed for at least 30 years from the issuance of the Certificate of Occupancy. In the case of for-sale units to Moderate Income households, the owner shall comply with requirements set forth by the Los Angeles Housing Department.

Senior Citizens - individuals who are at least 62 years of age, except that for density bonus projects of at least ~~450-~~ 35 units, a threshold of 55 years of age may be used, provided all applicable City, state, and federal regulations are met.

~~**Single Room Occupancy Hotel**—an apartment building, hotel or other structure containing six or more guest rooms, and which may also contain dwelling units, in which 30% or more of the dwelling units or guest rooms do not contain private baths and toilet facilities within the dwelling unit or guest room.~~

~~—(e) **Affordable Housing Incentives Guidelines.**~~

~~—(1) Following a public hearing, the City Planning Commission shall adopt and may amend Affordable Housing Incentive Guidelines which shall address such issues as development standards, incentive options, application formats and performance standards.~~

~~—(2) Housing projects qualifying for reduced parking, increased density, deferred fees, or other incentives shall conform to all applicable provisions of the Affordable Housing Incentives Guidelines adopted by the City Planning Commission.~~

~~-(d)(c) **Affordable Housing Production By-Right Incentives.** Notwithstanding any provisions of this article to the contrary, density bonus projects, and other development projects with any restricted affordable units or any affordable accessible units, shall be granted the following incentives:~~

~~(1) Parking. The following maximum parking standards, inclusive of handicapped and guest parking, which shall apply to the entire project, not just the restricted affordable units, when requested by a developer:~~

- ~~(i) 0 – 1 bedroom dwelling unit: 1 onsite parking space~~
- ~~(ii) 2 – 3 bedrooms dwelling unit: 2 onsite parking spaces~~
- ~~(iii) 4 or more bedrooms: 2½ parking spaces~~

~~If the total number of spaces required results in a fractional number, it shall be rounded up to the next whole number.~~

~~(2) Transit Corridor/Major Employment Center. Additional 10% density bonus (not to exceed a maximum of 35% density bonus) for projects that meet the following criteria:~~

~~(i) At or within a 1,500 foot radius of an existing or major bus center, bus stop along a major bus route or fully funded mass transit station; or~~

~~(ii) At or within a 1,500 foot radius of an intersection of transit priority arterials; or~~

~~(iii) In or within a 1,500 foot radius of the boundaries of a regional center; or~~

(iv) In or within a 1,500 foot radius of a major economic activity area; or

(v) Within 1,500 feet of the boundaries of a college or university with an enrollment exceeding 10,000 students.

~~—(1) In calculating dwelling units or guest rooms, density shall be rounded upwards from fractions of one half (1/2) and more from that permitted by the applicable zone to allow one additional dwelling unit or guest room.~~

~~—(2) Parking requirements for each restricted affordable unit only shall be as follows:~~

For a project located within 1,500 feet of a mass transit station or major bus route	1.00 parking space per dwelling unit, regardless of the number of habitable rooms
For a project containing 1 or 2 habitable rooms and not located within 1,500 feet of a transit station or major bus route	1.00 parking space per dwelling unit
For a project containing 3 or more habitable rooms and not located within 1,500 feet of a transit station or major bus route	1.50 parking spaces per dwelling unit
For any project containing units designed for senior citizens and/or disabled persons	0.50 parking space per dwelling unit or guest room
For a single room occupancy hotel	0.25 parking space per dwelling unit or guest room, with a minimum of 5 parking stalls per facility

(d) **Incentives or Concessions.** In addition to by-right incentives identified in Paragraph (c), density bonus projects and other development projects with any restricted affordable units shall be granted one, two or three incentives or concessions as follows:

(1) For development projects with Very Low Income restricted units:

(i) One incentive or concession if 5% of the units (not including the bonus units) are set aside for very low income households.

(ii) Two incentives or concessions if 10% of the units (not including the bonus units) are set aside for very low income households.

(iii) Three incentives or concessions if 15% of the units (not including the bonus units) are set aside for very low income households.

(2) For development projects with Lower Income or Moderate Income restricted units:

(i) One incentive or concession if 10% of the units are set aside for lower or moderate income households.

(ii) Two incentives or concessions if 15% of the units are set aside for lower income or moderate income households.

(iii) Three incentives or concessions if 20% of the units are set aside for lower or moderate income households.

(3) Housing development projects that meet the requirements of Government Code Section 65915(b) and include a child care facility that will be located on the premises of, as part of, or adjacent to, the project, shall be granted an additional concession or incentive that contributes significantly to the economic feasibility of the construction of the child care facility.

(e) **Menu of Incentives/Concessions.** Development projects that meet the qualifications of Paragraph (d) may request one or more of the following incentives, as applicable:

(1) Up to 20% deviation from yard/setback requirements.

(2) Up to 20% deviation from lot coverage requirements.

(3) Up to 20% deviation from lot width requirements.

(4) Up to 20% deviation from floor area requirements.

(5) Up to 20% deviation from open space requirements.

(6) Up to 20% additional building height, except for properties within a Specific Plan for which 10% additional building height will be permitted.

(7) Area of required street and/or alley dedication included as lot area for purposes of calculating density

(8) A reduction or waiver of required parking to include:

(i) 1 space per restricted dwelling unit irrespective of the number of habitable rooms and/or

(ii) .5 space for each dwelling unit restricted to Very Low or Low Income senior citizens.

(4) (9) Such other incentives as are identified in the approved Affordable Housing Incentive Guidelines.

~~(5) The owner of any development project with restricted affordable units or affordable accessible units utilizing affordable housing incentives shall record a Covenant and Agreement, satisfactory to the Los Angeles Housing Department or its successor agency, to preserve the affordability of the designated units for 30 years.~~

(e) (f) **Density Increases and Calculation.** The following shall apply to any development project involving the construction of three or more new dwelling units, or involving the remodeling of or addition to an existing building or buildings, resulting in a project which meets the qualifications of California Government Code Section 65915(b):

~~(1) A housing development, as defined by California Government Code Section 65915(g), containing the requisite number of dwelling units and/or guest rooms which meet the qualifications of California Government Code Section 65915(b), will be granted a density bonus of 25% as a matter of right and will be eligible to utilize the incentives set forth in Subparagraph (d) above.~~

~~(2) A development project involving the construction of less than five new dwelling units or guest rooms, or involving the remodeling of or addition to an existing building or buildings, resulting in a project containing the requisite number of dwelling units or guest rooms which meet the qualifications of California Government Code Section 65915(b) will be granted a density increase of 25% as a matter of right and will be eligible to utilize the incentives set forth in Subparagraph (d) above.~~

~~(3) (Added by Ord. No. 174,995, Eff. 1/15/03.) A housing development, as defined by California Government Code Section 65915 (g), containing the requisite number of dwelling units and/or guest rooms, which meet the qualifications of California Government Code Section 65915(b), will be granted a density bonus of 35 percent as a matter of right and will be eligible to utilize the incentives set forth in Paragraph (d) above, provided the Department of City Planning determines that the development project is constructed:~~

~~(i) at or within a 1,500 foot radius of an existing or fully funded major bus center, bus stop along a major bus route or mass transit station (as defined in Section 13.09 B.3.);~~

~~(ii) at or within a 1,500 foot radius of an intersection of transit priority arterials (as identified on the map in the Transportation Element);~~

~~(iii) in or within a 1,500 foot radius of the boundaries of a regional center (as designated in the Citywide General Plan);~~

~~(iv) in or within a 1,500 foot radius of the boundaries of a major economic activity area (as defined in the Citywide General Plan Framework Element); or~~

~~(v) within 1,500 feet of the boundaries of a college or university with an enrollment exceeding 10,000 students.~~

(1) Rental Housing. A housing development containing the requisite number of dwelling units which meet the qualifications of California Government Code Section 65915(b)(1) or (2), and (c)(1), will be granted a minimum density bonus of 20% as a matter of right and is eligible to utilize the incentives as set forth in Paragraphs (c) and (d) above.

(2) Senior Housing (Market Rate). A housing development which meets the qualifications of California Government Code Section 65915(b)(3) will be granted a minimum density bonus of 20% as a matter of right and is eligible to utilize the incentives as set forth in Paragraphs (c) and (d) above.

(3) Senior Housing With Lower and Very Low Income Restricted Affordable Units. A housing development which meets the qualifications of California Government Code Section 65915(b)(3) and (c)(1) and constructs at least 10% of the total units for Lower Income households, or 5% of the total units for Very Low Income households will be granted an increase in the bonus of 15% as a matter of right, to a maximum of 35%, and will be eligible to utilize the incentives as set forth in Paragraphs (c) and (d) above.

(4) For-Sale Housing With Lower and Very Low Income Set-Aside. A for-sale housing development project which meets the qualifications of Government Code Section 65915(b)1 or 2 and complies with the resale requirements set forth in Government Code Section 65915(c)(2) will be granted a minimum density bonus of 20% as a matter of right and is eligible to utilize the incentives as set forth in Paragraphs (c) and (d) above.

(5) For-Sale Housing with Moderate Income Set-Aside. A for-sale housing development project which meets the qualifications of Government Code Section 65915(b)(4) and (c)(2) and constructs at least 10% of its units for Moderate Income households will be granted a density bonus of 20% as a matter of right and will be eligible to utilize the incentives as set forth in Paragraphs (c) and (d) above.

(6) Land Donation. An applicant for a subdivision, parcel map or other residential development approval who donates land to the City of Los Angeles as provided for in Government Code Section 65915(h), will be granted a density bonus of 15% above the otherwise maximum allowable residential density under the applicable zoning ordinance and land use element of the general plan for the entire development.

(7) Child Care. A housing development that conforms to the requirements of Government Code Section 65915(b) and includes a child care facility that will be located on the premises of, as part of, or adjacent to, the project, will be

granted a density bonus by-right that is an amount of square feet of residential space equal to the amount of square feet in the child care facility.

(8) Density Bonus Increase. A housing development will be granted an increase in the bonus up to a maximum of 35% by increasing the number of restricted affordable units, as follows:

(i) For each 1% increase in the percentage of restricted Very Low Income affordable units, a housing development will receive an additional 2.5% density bonus up to a maximum of 35%.

(ii) For each 1% increase in the percentage of restricted Lower Income affordable units, a housing development will receive an additional 1.5% density bonus up to a maximum of 35%.

(iii) For each 1% increase in the percentage of Moderate Income affordable units, a for-sale housing development will receive an additional 1% density bonus up to a maximum of 35%.

(iv) For each 1% increase above the minimum 10% land donation described in Government Code Section 65915(h)(2), the density bonus shall be increased by 1% to a maximum of 35%. This increase shall be in addition to any increase in density mandated by Subparagraph (f)(1) above, up to a maximum combined by-right density increase of 35%.

(9) Fractional Units. In calculating density bonus or set-aside units, any number resulting in a fractional number shall be rounded upwards to the next whole number.

(g) Procedures

(1) For projects requesting a density bonus without any incentives, or a density bonus with by-right incentives and/or one or more incentives included in the Menu of Incentives/Concessions in Paragraph (e) above, the following shall apply:

(i) The request shall be made on a form provided by the Department of City Planning, accompanied by applicable fees.

(ii) The Director of Planning or his/her designee shall issue a determination pursuant to Government Code Section 65915 and the Affordable Housing Incentives Guidelines adopted by the City Planning Commission.

(iii) Pursuant to Government Code Section 65915, the Director or his/her designee shall approve a density bonus and requested incentives/concessions unless he/she finds that:

- a. The incentive or concession is not required to provide for affordable housing costs as defined in Section 50052.5 of the Health and Safety Code, or for rents for the affordable units, or
- b. The concession or incentive will have a specific adverse impact upon public health and safety, on the physical environment, or on any real property that includes an Historic-Cultural Monument, as declared by the City, State or Federal government, and for which there is no feasible method to satisfactory mitigate or avoid the specific adverse impact without rendering the development unaffordable to Moderate, Lower or Very Low Income households.

(iv) Notice. Notice of the determination shall be provided to the applicant and all owners of properties abutting, across the street or alley from, or having a common corner with the subject property .

(v) Appeal. The determination by the Director of Planning shall be final unless appealed to the Area Planning Commission within 15 calendar days of the date of mailing. The appeal shall include a filing fee pursuant to Section 19.01B of this Code. An applicant and an owner or occupant of an abutting property may appeal the determination. The decision of the Area Planning Commission shall be final.

(2) For projects requesting a waiver of a development standard or an incentive/concession not included in the Menu of Incentives/Concessions in Subparagraph (e) above, the following shall apply:

(i) The request shall be made on a form provided by the Department of City Planning, accompanied by applicable fees.

(ii) Hearing and Notice. An application pursuant to this subdivision shall follow the procedures for conditional uses set forth in Section 12.24.D. A public hearing shall be held by the City Planning Commission or its designee, and the Commission shall issue a determination. The public hearing may be waived if the applicant submits with the application a written waiver of public hearing from all the owners of all properties abutting, across the street or alley from or having a common corner with the subject property.

(iv) Pursuant to Government Code Section 65915, the City Planning Commission shall approve a density bonus and requested incentives/concessions unless a finding is made that:

- a. The incentive or concession is not required to provide for

affordable housing costs as defined in Section 50052.5 of the Health and Safety Code, or for rents for the affordable units, or

- b. The concession or incentive will have a specific adverse impact upon public health and safety, on the physical environment, or on any real property that includes an Historic-Cultural Monument, as declared by the City, State or Federal government, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact without rendering the development unaffordable to Moderate, Lower or Very Low Income households.

(vi) Appeal. The decision of the City Planning Commission shall be final unless appealed to the City Council pursuant to Section 12.24.I.

(3) Covenant.

(i) A covenant shall be recorded with the Los Angeles County Recorder, acceptable to the Los Angeles Housing Department for any density bonus project containing rental housing units for Seniors or for Lower or Very Low Income households, guaranteeing that these affordability criteria will be observed for at least 30 years from the issuance of the Certificate of Occupancy.

(ii) A covenant shall be recorded with the Los Angeles County Recorder, acceptable to the Los Angeles Housing Department and consistent with the for-sale requirements of Section 65915(c)(2) of the California Government Code, for Moderate, Lower or Very Low Income households.

(h) **Certified Local Coastal Plans.** Notwithstanding any other provision of this Code, none of the provisions of this Subdivision 25 of Subsection A of Section 12.22 of this Code shall apply to any property located within the boundaries of a Certified Local Coastal Plan.

(3)(i.) **Fees.** Payment of fees may be deferred at the option of the developer pursuant to the provisions of Section 19.01 and 19.05 of the Los Angeles Municipal Code.

Section 2. The Title of Section 12.24 U 26 is hereby amended to read as follows:

26. Density bonus for a development project, in which the density increase is greater than 25 percent that permitted in Section 12.22 A 25.

Section 3. Subdivision 2 of Subsection A of Section 14.00 is hereby amended to read as follows:

2. Density increase for an affordable housing development project to provide for additional density in excess of a ~~25 percent density increase~~ that permitted in Section 12.22 A 25.

Section 4. Subsection O of Section 19.01 is hereby amended to read:

O. DENSITY INCREASE. (~~Amended by Ord. No. 176,076, Eff. 8/10/04.~~)

Type of Application	Filing Fee
<u>Application for a by-right density bonus and a request for one or more incentive/concessions included in the Menu of Incentives/Concessions pursuant to Section 12.22 A 25(e).</u>	\$882.00
<u>Application for a by-right density bonus pursuant to Section 12.25 A 25 and a request for an incentive/concession or waiver of development standard not included in the Menu of Incentives/Concessions pursuant to Section 12. 22 A 25 (e).</u>	\$3,099.00
Application for a density increase in excess of 25 percent that permitted by Section 12.22 A 25, pursuant to Section 12.24 U 25 and Section 14.00 A.2. (Payment of the filing fee may be deferred until prior to the issuance of any Certificate of Occupancy, or until two years after the City’s final decision granting or denying the application, whichever comes first. Moreover, the payment may be deferred only if a covenant and agreement is recorded with the County Recorder, to the satisfaction of the Housing Department, which covenant and agreement preserves the affordability of the restricted units in the event that the application is granted. No Certificate of Occupancy for the development project may be issued unless the developer presents evidence that the fee has been paid and all other requirements for its issuance have been met.)	\$3,099.00