

**EXHIBIT A:**  
Proposed TOC Guidelines

DIR-2017-1914-MSD  
May 25, 2017

# Proposed Transit Oriented Communities Affordable Housing Incentive Program Guidelines (TOC Guidelines)

Implementing Section 6 of Measure JJJ, approved by the voters in November 2016, and added  
to Los Angeles Municipal Code 12.22 A.31

# Transit Oriented Communities Affordable Housing Incentive Program Guidelines (TOC Guidelines)

## I. SCOPE AND PURPOSE.

Pursuant to the voter-approved Measure JJJ, Los Angeles Municipal Code (LAMC) 12.22 A.31 was added to create the Transit Oriented Communities (TOC) Affordable Housing Incentive Program (TOC Program). The Measure requires the Department of City Planning to create TOC Affordable Housing Incentive Program Guidelines (TOC Guidelines) for all Housing Developments located within a one-half mile radius of a Major Transit Stop.

These Guidelines provide the eligibility standards, incentives, and other necessary components of the TOC Program consistent with LAMC 12.22 A.31. The Guidelines may be modified by the Director with recommendation by the City Planning Commission.

## II. DEFINITIONS

1. **Eligible Housing Development** is a Housing Development that includes On-Site Restricted Affordable Units at a rate that meets or exceeds the minimum requirements to satisfy the TOC Incentives and as set forth in Section IV of the Guidelines.
2. **Extremely Low-Income Households** is defined in Section 50106 of the California Health and Safety Code.
3. **Housing Development** is defined as the construction of five or more new residential dwelling units, the addition of five or more residential dwelling units to an existing building or buildings, the remodeling of a building or buildings containing five or more residential dwelling units, or a mixed use development containing residential dwelling units.
4. **Lower Income Households** is defined in Section 50079.5 of the California Health and Safety Code.
5. **On-Site Restricted Affordable Unit** shall mean a residential unit for which rental or mortgage amounts are restricted so as to be affordable to and occupied by Extremely Low, Very Low, Lower income households, as determined by the Housing and Community Investment Department.
6. **Major Transit Stop** is a rail station or the intersection of two or more bus routes with a service interval of 15 minutes or less during the morning and afternoon peak commute periods. The stations or bus routes may be existing, under construction or included in the most recent SCAG Regional Transportation Plan (RTP).

7. **Very Low-Income Households** is defined in Section 50105 of the California Health and Safety Code.

### III. TOC AFFORDABLE HOUSING INCENTIVE AREA

1. Each one-half mile radius (2,640 feet) around a Major Transit Stop, as defined in subdivision (b) of Section 21155 of the California Public Resources Code, and provided in Section II of these Guidelines, shall constitute a unique TOC Affordable Housing Incentive Area.
2. Each lot in a TOC Affordable Housing Incentive Area shall be determined to be in a specific Tier (1-4) based on the shortest distance between any point on a lot and a qualified Major Transit Stop, as shown in Chart 1 and Map 1 below. The applicant shall be responsible for providing documentation showing that the location qualifies as a Major Transit Stop and for providing a radius map showing the distance to the major transit stop. Confirmation of the correct Tier shall take place prior to granting any TOC approval.
3. A TOC Affordable Housing Incentive Area, or portion thereof, may be amended, superseded, or replaced through a Community Plan update or amendment, including adoption of a Community Plan Implementation Overlay (CPIO), Transit Neighborhood Plan, Specific Plan, or overlay, provided that the required percentages to receive a development bonus for On-Site Restricted Affordable Units meet or exceed the percentages set forth in LAMC 12.22 A.31(b)(1).

**Chart 1. TOC Affordable Housing Incentive Area Tiers**

<b>Type of Major Transit Stop</b>	<b>Tier 1 (Low)</b>	<b>Tier 2 (Medium)</b>	<b>Tier 3 (High)</b>	<b>Tier 4 (Regional)</b>
<b>Major Bus</b> (intersection of 2 bus lines, each w/ 15 min. peak headways)	750 - 2640 ft.	< 750 ft.	-	-
<b>Rapid Bus and Metrolink Rail Stations</b>	1500 - 2640 ft.	750 - 1500 ft.	< 750 ft., or < 1500 ft. from intersection of two Rapid Bus lines	-
<b>Rail Stations (Metro)</b>	-		2640 ft.	< 750 ft. from intersection with another rail line or a Rapid Bus stop

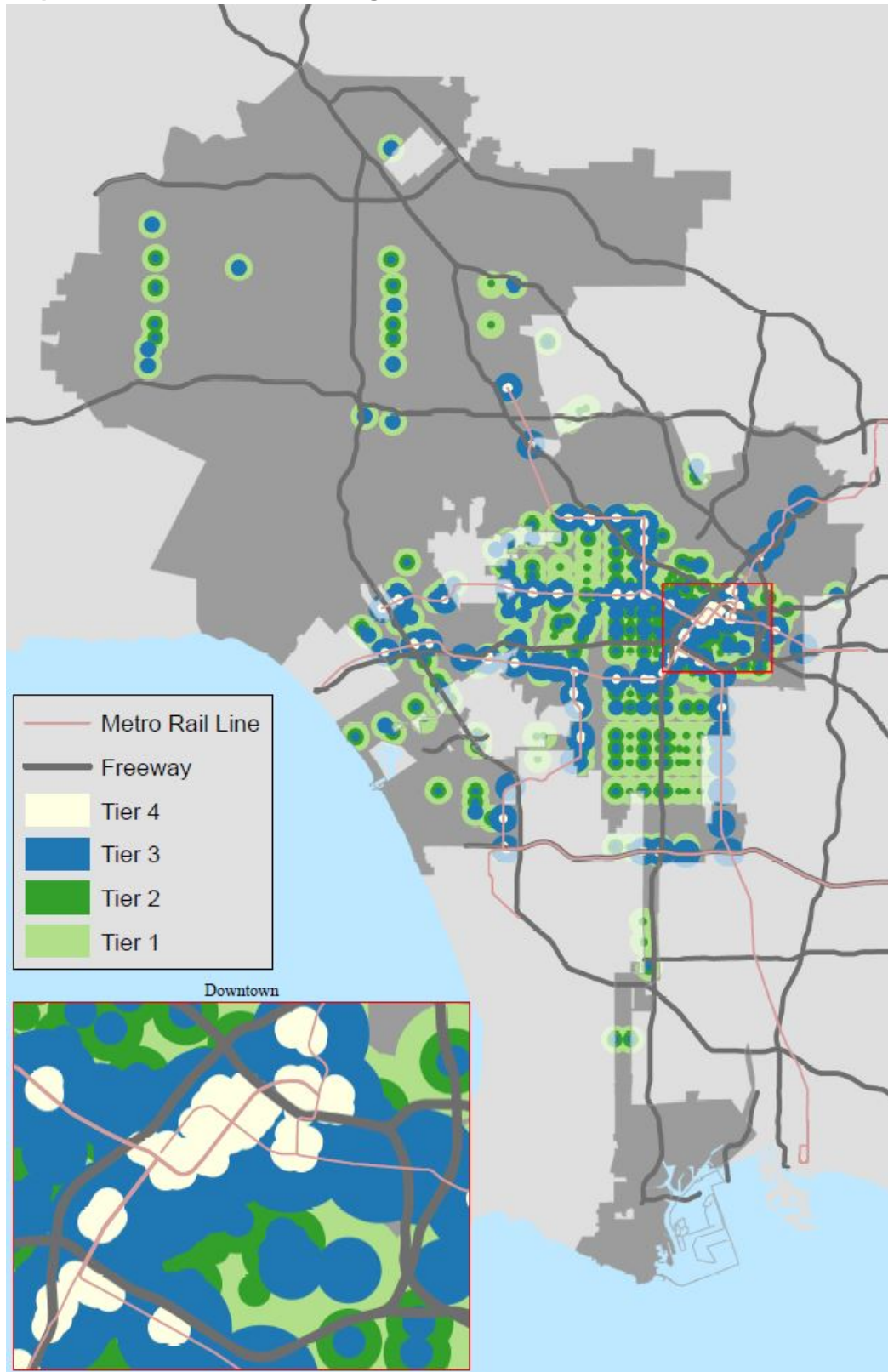
**Notes:**

Distance will be measured from the closest point on any lot to the entrance of a rail transit station (including elevators and stairways), or the middle of the street intersection of two or more bus routes with a service interval of 15 minutes or less during the morning and afternoon peak commute periods. In the case of a Tier 4 Major Transit Stop, the distance will be measured from the closest point on any lot to the closer of either the entrance of the rail transit station or the bus stop. If no entrance information is known for a station that is under construction, then the distance will be measured from the center of the platform of the station.

An intersection of two bus lines is defined as the midpoint of the street intersection where two or more eligible bus routes meet, cross, and passengers have direct ability to transfer on foot. This does not include bus routes that travel along the same street. An intersection between a rail station and an eligible Rapid Bus line is defined as either the rail station or the Rapid Bus stop when the bus stop is within 660 feet of a rail station entrance and can be accessed by foot.

Rapid Bus is a higher quality bus service that may include several key attributes, including dedicated bus lanes, branded vehicles and stations, high frequency, limited stops at major intersections, intelligent transportation systems, and possible off-board fare collection and/or all door boarding. It includes, but is not limited to, Metro Bus Rapid Transit lines, Metro Rapid 700 lines, Metro Orange and Silver Lines, Big Blue Rapid lines and the Rapid 6 Culver City bus.

**Map 1. TOC Affordable Housing Incentive Area Tiers**



Note: Map is for reference purposes only. Eligible projects shall demonstrate compliance with Tier eligibility standards prior to the issuance of any permits or approvals.

- IV. ELIGIBILITY.** A Housing Development located within a TOC Affordable Housing Incentive Area shall be eligible for TOC Incentives if it meets all of the following requirements:
1. **On-Site Restricted Affordable Units.** In each Tier, a Housing Development shall provide On-Site Restricted Affordable Units at a rate of at least the minimum ratios described below. The minimum number of On-Site Restricted Affordable Units percentages shall be calculated based upon the total number of units in the final project.
    - a. Tier 1 - 8% of the total number of dwelling units affordable to Extremely Low Income (ELI) income households, 11% of the total number of dwelling units affordable to Very Low (VL) income households, or 20% of the total number of dwelling units affordable to Lower (Lower) Income households.
    - b. Tier 2 - 9% ELI, 12% VL or 21% Lower.
    - c. Tier 3 - 10% ELI, 14% VL or 23% Lower.
    - d. Tier 4 - 11% ELI, 15% VL or 25% Lower.
  2. **Major Transit Stop.** A Housing Development shall be located on any portion of a lot that is located within 2,640 feet of a Major Transit Stop, as defined in Section II of the TOC Guidelines.
  3. **Housing Replacement.** A Housing Development must meet any applicable housing replacement requirements of California Government Code Section 65915(c)(3), as verified by the Department of Housing and Community Investment (HCIDLA) prior to the issuance of any building permit.
  4. **Other Density or Development Bonus Provisions.** A Housing Development shall not seek and receive a density or development bonus under the provisions of California Government Code Section 65915 (state Density Bonus law) or any other State or local program that provides development bonuses. This includes any development bonus or other incentive provided through a General Plan Amendment, Zone Change, Height District Change, or any affordable housing development bonus in a Transit Neighborhood Plan, Community Plan Implementation Overlay (CPIO), Specific Plan, or overlay.
  5. **Base Incentives and Additional Incentives.** All Eligible Housing Developments are eligible to receive the Base Incentives listed in Section VI. Up to either two or three Additional Incentives listed in Section VII may be granted based upon the affordability requirements described below. For the purposes of this section “base units” refers to the maximum allowable density allowed by the zoning, prior to any density increase provided through these Guidelines.
    - a. One Additional Incentive for projects that include at least 10% of the base units for Lower Income households, at least 5% of the base units for Very Low Income households, at least 4% of the base units for Extremely Low Income households, or at least 10% of the base units for persons and families of Moderate Income in a common interest development.

- b. Two Additional Incentives for projects that include at least 20% of the base units for Lower Income households, at least 10% of the base units for Very Low Income households, at least 7% of the base units for Extremely Low Income households, or at least 20% of the base units for persons and families of Moderate Income in a common interest development.
          - c. Three Additional Incentives for projects that include at least 30% of the base units for Lower Income households, at least 15% of the base units for Very Low Income households, at least 11% of the base units for Extremely Low Income households, or at least 30% of the base units for persons and families of Moderate Income in a common interest development.
  6. **Projects Adhering to Labor Standards.** Projects that adhere to the labor standards required in LAMC 11.5.11 may be granted two Additional Incentives from the menu.
  7. **Multiple Lots.** A building that crosses one or more lots may request the TOC Incentives that correspond with the highest Tier permitted by Section III above.
  8. **Request for a Lower Tier.** An applicant may choose to provide the percentage of On-Site Restricted Affordable Housing units required for any lower Tier and be limited to the Incentives available for the lower Tier.
  9. **100% Affordable Housing Projects.** Eligible Housing Developments that consist of 100% On-Site Restricted Affordable units, exclusive of a building manager's unit or units shall, for purposes of these guidelines, be eligible for one increase in Tier than otherwise would be provided.
- V. **APPLICATION AND APPROVALS.** Applications for TOC Incentives shall follow the density bonus procedures outlined in Los Angeles Municipal Code Section 12.22.A.25(g).
1. **Procedures.**
    - a. **Projects Requesting only Base Incentives (Residential Density Bonus and Parking).** Projects receiving only Base Incentives shall be reviewed ministerially by the Department of Building and Safety per LAMC [12.22.A.25\(g\)\(1\)](#).
    - b. **Projects Requesting Additional Incentives on the Menu.** Projects requesting Additional Incentives shall be reviewed by the Department of City Planning per the procedures in LAMC [12.22.A.25\(g\)\(2\)](#).
  2. **Calculations.**
    - a. **Rounding of Fractional Numbers.** Any numbers regarding parking, number of units, number of affordable units, or number of replacement housing units that result in a fraction shall be rounded up to the next whole number.



- b. **Site Plan Review Threshold.** In accordance with current policy, the threshold for a project triggering the Site Plan Review requirements of LAMC 16.05 shall be based on the number of units that would be permitted prior to any density increase.
3. **Multiple Approvals.** When the application is filed as part of a project requiring multiple approvals, the initial decision maker shall be as set forth in Section 12.36 of this Code; and when the application is filed in conjunction with a subdivision and no other approval, the Advisory Agency shall be the initial decision maker. The decision shall include a separate section clearly labeled "Density Bonus/Affordable Housing Incentives Program Determination."
4. **Design Conformance.** Projects seeking to obtain Additional Incentives shall be subject to any applicable design guidelines, including any Community Plan design guidelines, Specific Plan design guidelines and/or Citywide Design Guidelines and may be subject to conditions to meet design performance. The conditions shall not result in a reduction of the residential density permitted by Section VI.

## VI. BASE INCENTIVES.

1. **Residential Density.** An Eligible Housing Development shall be granted a residential density increase as follows:
  - a. **Minimum Lot Area per Dwelling Unit.** In each Tier, the maximum increase in the otherwise maximum allowable number of dwelling units permitted under the applicable zoning ordinance shall be as follows:
    - i. Tier 1 - 50%
    - ii. Tier 2 - 60%
    - iii. Tier 3 - 70%
    - iv. Tier 4 - 80%
    - v. **Exception.** In the "RD" Restricted Density Multiple Family zone (RD Zone), the maximum increase shall be limited to the amounts listed below:
      1. Tier 1 - 35%
      2. Tier 2 - 35%
      3. Tier 3 - 40%
      4. Tier 4 - 45%
  - b. **Floor Area Ratio (FAR).** In each Tier, the maximum increase in the allowable FAR for the residential portion of the project shall be equal to the following, provided that any additional floor area provided through this section is utilized only by residential uses:
    - i. Tier 1 - Percentage increase of up to 35%, or an FAR increase resulting in at least a 2.5 FAR in commercial zones, whichever is greater.

- ii. Tier 2 - Percentage increase of up to 40%, or an FAR increase resulting in at least a 3.0 FAR in commercial zones, whichever is greater.
- iii. Tier 3 - Percentage increase of up to 45%, or an FAR increase resulting in at least a 3.66 FAR in commercial zones, whichever is greater.
- iv. Tier 4 - Percentage increase of up to 50%, or an FAR increase resulting in at least a 4.2 FAR in commercial zones, whichever is greater.
- v. **Exceptions**
  - 1. In the RD Zone or a Specific Plan or overlay that regulates FAR, the maximum FAR increase shall be limited to 40%.
  - 2. If the allowable base FAR is less than 1.25 then the maximum FAR allowed per this section is limited to 2.5.
  - 3. In the Greater Housing Downtown Incentive Area, the maximum FAR increase shall be limited to 35%, with all floor area being calculated per the definition in LAMC 12.22 A.29(c)(1).

Note: Commercial zones include Hybrid Industrial zones, Commercial Manufacturing zones and any defined area in a Specific Plan or overlay that allows for both commercial uses and residential uses.

## 2. Parking.

### a. Residential Minimum Parking Requirements.

- i. All Tiers - Required automobile parking for all residential units in the Eligible Housing Developments (not just the restricted affordable units), inclusive of disabled and required guest parking, where applicable, shall be as follows:
  - 1. For an Eligible Housing Development, required parking for all residential units shall not exceed 0.5 spaces per bedroom.
  - 2. For 100% affordable Housing Developments consisting solely of rental units, exclusive of a manager's unit or units, required parking for all residential units in the Eligible Housing Development shall not exceed 0.5 spaces per unit.
  - 3. For 100% affordable rental special needs projects, required parking for all residential units in the Eligible Housing Development shall not exceed 0.3 spaces per unit.
- ii. Tier 3 - Regardless of the number of bedrooms in each unit, required parking for all residential units in the Eligible Housing Development shall not exceed 1 space per unit;
- iii. Tier 4 - Required parking for all residential units in the Eligible Housing Development shall not exceed 0.5 spaces per unit.

- b. **Rounding.** If the total number of parking spaces required for a development is other than a whole number, the number shall be rounded up to the next whole number.

- c. **Unbundling.** Required parking may be sold or rented separately from the units., with the exception of all Restricted Affordable Units which shall include the required parking in the base rent or sales price.
- d. **Nonresidential Parking.** A mixed-use project may reduce the nonresidential automobile parking requirement for any ground-floor nonresidential areas as follows:
  - i. Tier 1 - Up to a 10% reduction in the nonresidential parking requirement
  - ii. Tier 2 - Up to a 20% reduction in the nonresidential parking requirement
  - iii. Tier 3 - Up to a 30% reduction in the nonresidential parking requirement
  - iv. Tier 4 - Up to a 40% reduction in the nonresidential parking requirement

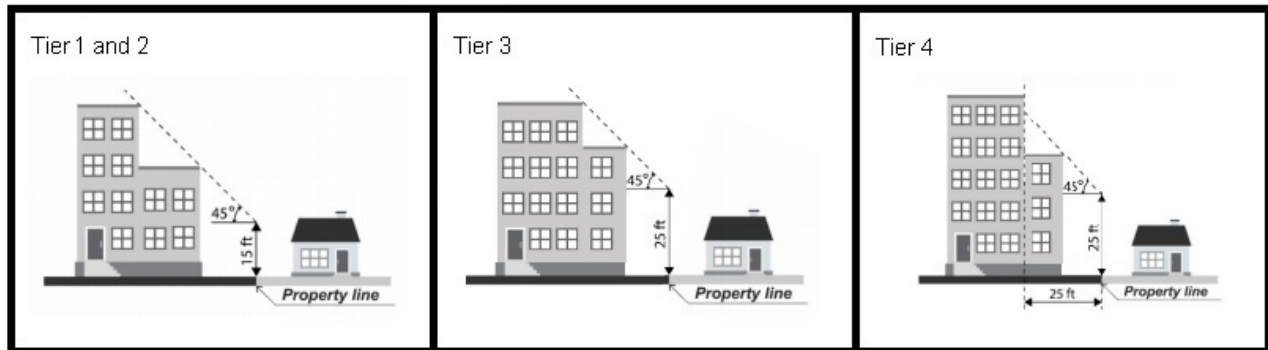
**VII. ADDITIONAL INCENTIVES.** In addition to the Base Incentives above, an Eligible Housing Development may be granted Additional Incentives by following the procedures in LAMC 12.22 A.25(g)(2).

- 1. **Menu of Incentives.** The Additional Incentives are defined below. The percentage of increase or decrease in the development standards may vary by Tier as follows, and shall be used in lieu of those listed in LAMC 12.22 A.25:
  - a. **Yard/Setback.** Eligible Housing Developments may request a reduction in the required yards as follows:
    - i. **Commercial.** In any Commercial zone, Eligible Housing Developments may utilize any or all of the yard requirements for the RAS3 zone per LAMC 12.10.5.
    - ii. **Residential:** Eligible Housing Developments may utilize a reduction in the either the front or side yards as follows:
      - 1. Front Yards: Front yard reductions are limited to no more than the average of the front yards of adjoining buildings. Or, if a corner property, the front yard setback may align with the facade of the adjoining building.
      - 2. Side and Rear Yards:
        - a. Tier 1 - Up to a 25% decrease in the required width or depth of one individual yard or setback.
        - b. Tier 2 - Up to a 30% decrease in the required width or depth of one individual yard or setback.
        - c. Tier 3 - Up to a 30% decrease in the required width or depth of two individual yards or setbacks.
        - d. Tier 4 - Up to a 35% decrease in the required width or depth of two individual yards or setbacks.
    - iii. **Exception.** Yard reductions may not be applied along any property line that abuts an R1 or more restrictively zoned property.

- b. **Open Space.** See LAMC 12.22 A.25(f)(6)
  - i. Tiers 1 & 2 - Up to a 20% decrease in required open space
  - ii. Tiers 3 & 4 - Up to a 25% decrease in required open space
  
- c. **Lot Coverage.** See LAMC 12.22 A.25(f)(2)
  - i. Tiers 1 & 2 - Up to a 25% increase in maximum lot coverage
  - ii. Tiers 3 & 4 - Up to a 35% increase in maximum lot coverage
  
- d. **Lot Width.** See LAMC 12.22 A.25(f)(3)
  - i. All Tiers - Up to a 25% decrease in required minimum lot width
  
- e. **Averaging of Floor Area Ratio, Density, Parking or Open Space, and permitting Vehicular Access.** See LAMC 12.22 A.25(f)(8)
  
- f. **Density Calculation.** See LAMC 12.22 A.25(f)(7)
  
- g. **Height.** For Eligible Housing Developments that have a residential use which utilizes more than 50% of the total floor area, the applicable Total Height and Transitional Height standards below count as one Incentive. This increase in height shall be applicable over the entire parcel regardless of the number of underlying height limits.
  - i. **Total Height.** In any zone in which height or number of stories is limited, this height increase shall permit a maximum of:
    - 1. Tier 1 and 2 - Up to 11 additional feet and/or one additional story
    - 2. Tier 3 and 4 - Up to 22 additional feet and/or two additional stories
      - a. **Exception.** Notwithstanding the above, projects located on lots with a height limit of 45 feet or less, or located within a Specific Plan or overlay, shall require any second additional story to be stepped-back at least 15 feet from the exterior face of the building located along the primary lot line.
  
  - ii. **Transitional Height.** In lieu of the requirements of LAMC 12.21.1 A.10 , an Eligible Housing Development may select the following transitional height requirements as follows (see Diagram 1 below):
    - 1. Tiers 1 and 2 - The building height limit shall be stepped-back at a 45 degree angle as measured from a vertical line originating 15 feet above grade at the property line of the lot in the more restrictive zone.
    - 2. Tier 3 - The building height limit shall be stepped-back at a 45 degree angle as measured from a vertical line originating 25 feet above grade at the property line of the lot in the more restrictive zone.

3. Tier 4 - Within the first 25 feet of the property line abutting an adjacent applicable property the building height limit shall be stepped-back at a 45 degree angle as measured from a vertical line originating 25 feet above grade at the property line of the lot in the more restrictive zone.

**Diagram 1. Transitional Height Incentive**



- h. **Public Facilities (PF) Zones.** In lieu of the requirement in LAMC 12.24 U.21, a joint public and private development that qualifies as an Eligible Housing Development may include uses permitted in the least restrictive adjoining zones. The phrase “**adjoining zones**” refers to the zones of properties abutting, across the street or alley from, or having a common corner with, the subject property.

- VIII. COVENANT.** Prior to issuance of a Building Permit for any Eligible Housing Development, a covenant acceptable to the Department of Housing and Community Investment (HCIDLA) shall be recorded with the Los Angeles County Recorder, guaranteeing that the affordability criteria will be observed for at least 55 years from the issuance of the Certificate of Occupancy or a longer period of time if required by the construction or mortgage financing assistance program, government requirement, mortgage assistance program, or rental subsidy program.
- IX. FEES.** The TOC project is subject to the same fees as the corresponding density bonus entitlement process pursuant to LAMC 19.01.