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Re: Strengthen the Housing Element Rezoning Ordinances by Including Incentives for Deep Affordability, Stronger Protections Against Displacement and Loss of Rent Stabilized Housing, and Geographic Tailoring and Environmental Justice Protections. [Case Numbers CPC-2023-7068-CA and CPC-2024-388-CA]

The ACT-LA coalition submits this letter to Los Angeles City Planning (the "Department") with recommendations in response to the Draft Citywide Housing Incentive Program Ordinance (CHIP) and the Draft Resident Protections Ordinance (RPO) dated June 27, 2024.¹

The coalition recommends that the draft ordinances be amended to incorporate requirements for deeper affordability, apply strong anti-displacement protections and replacement requirements for rent stabilized units, expand affordable housing incentives to lots with single family zoning, and add additional geographic tailoring and environmental justice protections.

ACT-LA is a countywide coalition of 46 organizations working on the forefront of economic, racial, and environmental justice. Our coalition members represent tenants' rights organizations, affordable housing developers, workers' centers, public interest law firms, and environmental justice advocates, among many others. ACT-LA helped lead the campaign to pass Measure JJJ (the origin of the Transit-Oriented Communities program) and Measure ULA, and is now focused on implementing those measures to greatly increase our City's affordable housing supply, as well as enact policies that promote equitable development.

Summary of Recommendations

These ordinances represent a key opportunity for the City to meet its Regional Housing Needs Assessment (RHNA) targets and comply with its obligation to Affirmatively Further Fair Housing. With the amendments outlined in this letter, we believe the ordinances can achieve these aims by focusing development incentives in transit-rich and high opportunity neighborhoods, and prioritizing anti-displacement and preservation of existing rent stabilized and affordable housing citywide, especially in lower resource neighborhoods. With respect to the anti-displacement

¹ Draft Citywide Housing Incentive Program <u>Ordinance</u> (June 7, 2024); Draft Resident Protections <u>Ordinance</u> (June 7, 2024),

provisions in the CHIP and RPO, we urge you to do more than merely track existing state law, but go above and beyond it to set a new standard for responsible—and responsive—development without displacement and to focus value-capture policies on benefiting Los Angeles residents who are struggling the most amidst the housing crisis.

We wish to acknowledge developments made in the June 27 version of the ordinances, after the original drafts were released in March. The coalition was encouraged to see the addition of Acutely Low Income (ALI) to the Mixed Income Incentive Program (MIIP) in high resource areas - although we feel the ALI requirements should be higher and were disappointed to see the emphasis on moderate income incentives in the new "mixed affordability options" chart for the MIIP. Many of our member-based organizations find that tenants struggle to find housing that meets their needs, with households below fifteen percent of Area Median Income (AMI) in the most critical need. We also appreciate the Department's expansion of the geographic areas that will benefit from inclusion in the Opportunity Corridor Incentive Areas. The following are policy areas that need further revision and that the coalition sees as critical to comply with Affirmatively Furthering Fair Housing, so that new policies prioritize plans for affordable and healthy residences, support tenant protections, and prevent displacement and gentrification, especially for vulnerable residents whose communities have been impacted by historic redlining and whose health has been impacted by long-standing environmental – air, soil and water – pollution.

1. Expand the MIIP and AHIP to apply to single family zoned parcels in High and Highest Opportunity Areas

The draft MIIP focuses incentives on sites with the highest quality transit service or along major corridors in high-opportunity neighborhoods. These are exactly the sites where the City should be incentivizing new mixed-income housing. Excluding single family zoned parcels—even when they are immediately adjacent to a major transit stop or along a major corridor—maintains exclusionary zoning. This will limit the effectiveness of the MIIP to affirmatively further fair housing by undermining the goal of increasing affordable housing opportunities in high opportunity areas. The City's wealthiest and most privileged areas, R1 zones in high and highest opportunity areas, should not remain off-limits to mixed-income and affordable development.

The 2021-2029 Housing Element found that under existing zoning, low-income and renter households were disproportionately represented in neighborhoods with higher capacity for development.² The housing element update also found that the vast majority – 81% and 74% respectively – of residentially zoned land in highest and high resource areas was restricted to single-family housing.³ By disallowing mixed-income multifamily housing on these parcels, the City is failing to address the core inequities in our current zoning. Instead, the City should

² City of LA General Plan, 2021-2029 Housing Element, p. 204.

³ *Id.* at p. 210.

embrace appropriately scaled mixed-income and affordable multifamily housing in high opportunity areas near major corridors with transit access, even when the underlying zoning is single family.

With this change, the City should also embrace the highest feasible rates of Acutely Low Income, Extremely Low Income and Very Low Income units in place of the Low and Moderate Income units required in the Corridor Transition Incentive Area.⁴ Moderate income units do not meet the affordability needs of many renters in our City and encouraging these units in high opportunity areas is not an effective strategy to dismantle patterns of segregation or expand access to housing as required under the City's obligation to affirmatively further fair housing. And, as outlined in the recommendations below, the CHIP and RPO must be amended with stronger anti-displacement measures, like robust relocation and right to return programs, and stronger replacements, so that development in single family zones does not displace renters of single family homes. Provision of adequate value-capture through deep affordability that are responsive to the needs of neighborhoods that have historically been BIPOC, and especially the needs of Black residents, can help mitigate impacts from past redlining and other harms. This strategy will create more affordable housing, including in historically exclusionary neighborhoods, and pose less risk of displacement to existing renters. The ACT-LA coalition strongly recommends that single-family zoned parcels be eligible for the mixed-income and affordable housing incentive programs to encourage this type of inclusive, mixed-income multifamily development and begin to address long-standing patterns of segregation in Los Angeles.

2. <u>Increase affordability requirements in areas experiencing gentrification and displacement pressure</u>

ACT-LA appreciates the Department's intent in calibrating the affordability requirements in the MIIP based on the area's housing market—asking that projects supply the maximum amount of affordable housing that is feasible for a given market. The draft ordinance assigns different requirements to different market tiers, and defines market tier geographically at the community plan level. One consequence of this approach is that projects in gentrifying neighborhoods in "Low Market" tiers could have fewer affordable units required than feasible, leaving critical units on the table in areas that need them the most. There is considerable variability in market conditions within community plan areas (CPAs), including areas that have faced historic redlining practices that extracted value from the community, contributed to economic disparities, and resulted in a severe lack of much-needed healthy and affordable housing to prevent displacement and gentrification in these areas. To assume that income and access to resources is homogenous across any CPA increases the vulnerability of low-income communities of color. These same communities have had to bear the brunt of historic disinvestment, as well as the devastation of racist planning and zoning policies that led to designations as environmental

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⁴ While Table 12.22 A.38(c)(3).3 includes options for very low-income units in CT-1B, CT-2, and CT-3 areas, the incentive program is available for projects providing the same number of low-income units. In practice, there is no incentive for developers to provide very low-income units in these areas and the program only encourages development of low-income or moderate-income units.

justice communities, with high rates of homelessness, substandard housing, and other factors related to housing and health. For example, such areas would include the Figueroa Corridor in the South/Southeast LA Community Plan area, Wilmington in the Harbor Community Plan area, and Koreatown in the Wilshire Community Plan area. There is considerable development activity in these areas and these communities deserve the same types of resources as whiter and wealthier communities, including access to healthy affordable housing, at the deepest affordability levels. By enacting affordability requirements specific to the historic and current experience of these neighborhoods, the City can counteract displacement and gentrification in line with the intent of this ordinance.

Therefore, ACT-LA recommends that the affordability requirements be increased for projects in sub-areas experiencing gentrification and displacement pressure to reflect the higher levels of feasible affordability. For example, a project in a Low Market Tier Community Plan Area, but within an at-risk neighborhood, should be required to provide affordability consistent with the High or High Medium Market Tier to reflect the higher level of affordability in that submarket. We look forward to working with the Department to identify appropriate risk analysis tools and geographic submarkets. Risk analysis tools could include databases such as the forthcoming City of LA Displacement Analysis Risk Tool (DART) or factors such as evictions, tenant buyouts, Ellis Act withdrawals, income of the subarea relative to the CPA, entitlement applications, and more.

3. Require robust environmental study and public participation before approving projects on sites with heightened environmental justice concerns

The draft CHIP ordinance requires that projects seeking the MIIP or AHIP incentives complete a Phase I Environmental Site Assessment, and a Phase II assessment if warranted, if the project is proposed on a site with heightened environmental risks. ACT-LA strongly supports this policy but still believes the additional environmental justice measures outlined in our prior letter are necessary.

Current toxic site lists (such as DTSC's Cortese List and Envirostor) are incomplete and do not identify all the brownfields that exist.⁵ We continue to be concerned that sole reliance on this incomplete data could result in the development of homes and communities on or near harmful contaminated land, thereby perpetuating negative health impacts.

Communities that have borne long-standing environmental injustice are most knowledgeable in identifying contaminated sites and former toxic land uses in their neighborhoods, especially those not listed in government databases. Community members in Wilmington, for instance, would know where oil drilling and refineries have operated in close proximity to their families

⁵ For example, a recent project on the site of a former industrial dry cleaners in Lincoln Heights was set to move forward with no opposition from DTSC, and required community advocacy to DTSC to get the site adequately reviewed. Dan Ross, *Should California Turn Contaminated Land Into Affordable Housing?*, Capital & Main (June 23, 2021),

https://capitalandmain.com/should-california-turn-contaminated-land-into-affordable-housing.

and homes for generations by virtue of sight, noxious fumes, or other adverse impact to their health. In some cases, the only way to learn about these sites is to learn from community members.

To address deficiencies in existing data sources and harness local knowledge, we are again recommending that a requirement for a community meeting of people living in the neighborhood for projects proposed in areas that score at the 80th percentile and above on CalEnviroScreen 4.0. This process will ensure the City is doing its due diligence in approving projects that will benefit residents and community health, rather than harm it.

The required community meeting would be a non-CEQA, non-voting meeting hosted by the City's Area Planning Commission to collect information from community members about historical uses of the site that may otherwise not show up through traditional data searches currently utilized during the Phase I process, as described above.⁶

Currently, the City sends notifications for such meetings to neighboring property owners rather than residents of the area. We propose that for these meetings, all *residents and tenants* within 1,000 feet of the project site be notified via mail. Additionally, a legible poster notice must be posted at the project site with the date, time, purpose, and location of the meeting at least 30 days in advance. Both the mail noticing and the poster should be written in all "Mandated Languages" listed in the Multilingual Services Program of the Los Angeles County Registrar. Lastly, the City should develop an electronic "Interested Parties List" online, through which anyone could subscribe to be notified via email of any meetings scheduled under these requirements. This will ensure that the purpose of these meetings—ground truthing potential development sites that may be overlooked by traditional toxic sites lists—is achieved.

Additionally, the definition of "Environmental Consideration Area" should include areas within 3200 feet from an active oil well, consistent with standards recently adopted by California State Law. The intent of this inclusion is to require a Phase 1 Environmental Site Assessment, and a Phase II if deemed necessary in this area.

4. <u>Specify and strengthen relocation requirements to ensure displaced households receive affordable replacement housing and a true opportunity to return</u>

A strong Resident Protections Ordinance is essential if the City is going to meet its housing goals and prevent further displacement of low income residents. While the City must greatly increase its rate of affordable housing production, this cannot be accomplished at the expense of existing renters. Renters that are displaced by new construction must be adequately compensated for this harm, provided high-quality, affordable replacement housing in their neighborhood, and supported in exercising a right to return once construction is complete.

⁶ This meeting could be similar to the public meeting required for certain streamlined housing projects subject to subdivision (q) of Section 65913.4 of the Government Code (as amended by SB 423).

Our coalition supports the policy recommendations in Public Counsel's August 1, 2024 letter regarding implementation of the AB 1218 relocation assistance requirements for low income tenants. Robustly implementing relocation requirements will greatly increase the likelihood that a displaced household will find adequate replacement housing and remain in their neighborhood long enough to exercise their right to return to an affordable unit in the new development. As outlined in the letter from Public Counsel, the Housing Crisis Act makes clear that developers are required to pay relocation benefits sufficient to cover comparable replacement housing for displaced low-income tenants.

The coalition recognizes there is ongoing work through the Mayor's Office and the Los Angeles Housing Department to develop a local preference policy for approval by the City Council. Looking to other cities like Santa Monica and San Jose as examples, a thorough approach to local preference should include preferences for local tenants seeking housing within their community plan area, as well as tenants from across the City who become displaced. We express our support of the UNIDAD coalition and their advocacy around the content of the affordable housing streamlining ordinance.

The Resident Protections Ordinance should also be amended to add a private right of action for displaced tenants. Currently, there is little recourse for displaced tenants when developers violate their rights during or after the relocation process. Tenants may not be informed of their right to return or given an inadequate replacement unit. A private right of action should be added for current and former tenants to sue developers who violate their rights, including statutory damages, and mandatory attorneys' fees for a prevailing plaintiff. Our coalition will continue to develop proposals aimed at resolving the complicated and opaque process tenants must navigate when dealing with a demolition or change in their housing status.

Finally, equivalency of replacement units should be measured by more than solely bedroom count. Given changing architectural styles and development patterns, newly-constructed units are often much smaller than an older unit of equivalent bedroom count. "Equivalent size" should be redefined to indicate that the replacement units contain at least the same total number of bedrooms and bathrooms, are within two total rooms, and with the same or greater square footage as the units being replaced.

5. <u>Strengthen enforcement and outreach systems to ensure that newly-developed units reach their intended occupants</u>

For mixed-income and affordable housing incentives to effectively alleviate housing pressure in a given neighborhood, low-income tenants in that neighborhood must be aware of and know how to apply for new affordable units. In spite of the TOC initiative creating many affordable units, many ACT-LA members have reported that residents do not know about these new units or how to apply for them. Residents that our member organizations have spoken with who have tried to apply for new units have faced a myriad of issues, from language inaccessibility to lack of transparency about the application process and deadlines. This occurs in part due to staffing

shortages at the Los Angeles Housing Department. For mixed-income and affordable housing incentive programs to effectively address the housing needs of our City, new projects with affordable units must carry out meaningful outreach and education to eligible neighborhood tenants.

We propose that the covenants required under the CHIP require developers to partner with linguistically and culturally capable community based organizations in their outreach efforts, streamlining housing placements through the Affordable and Accessible Housing Registry, thereby ensuring TOC guidelines are being met. Developers are responsible for appropriately leasing up restricted affordable units, and community based organizations with proven experience will help ensure priority populations find permanent housing in new units created under the mixed-income and affordable housing incentives.

6. <u>Protect the City's rent-stabilized housing stock by requiring 2:1 replacement of demolished RSO units</u>

As the City updates its zoning laws to accommodate over a quarter million additional housing units, it must also protect its existing rent stabilized housing stock and the renters that live there. Most of the City's residents are renters, and about 70% of the City's rental units are rent stabilized. The TOC program requires replacement of rent stabilized units, but this replacement requirement has proved to be an inadequate safeguard against the redevelopment of RSO properties and the displacement of low-income families that often inhabit them. Too often, new housing projects demolish existing rent stabilized housing-sometimes creating only a few more affordable units than the number of units demolished. With the City's Housing Element state mandate to identify zoning capacity of 450,000 housing units, 185,000 of them for lower income households, this ordinance must increase the rate of affordable unit production, while simultaneously minimizing displacement and loss of rent stabilized units. To achieve this mandate, ACT-LA recommends that the draft RPO and CHIP be amended to require that, wherever allowed by state law, projects replace demolished rent stabilized units with covenanted affordable units at a 2:1 ratio to more effectively discourage redevelopment of properties with many existing rent stabilized housing units, guide new development toward sites less likely to cause displacement, and appropriately scale redevelopment where it occurs. Otherwise, we are concerned that developers face significant incentives to demolish affordable and habitable RSO units.

7. Replacement Units Should Be Counted in Addition to Affordable Set-Aside Requirement

The current draft Mixed Income Incentive Program (MIIP) requires developers to replace rent stabilized units on a 1:1 basis, but allows developers to count these replacement units towards

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⁷ US Census Bureau, ACS 1-Year Estimate of Housing Tenure (Table B25003), https://data.census.gov/table?q=b25003&g=160XX00US0644000; LA Housing Dept., Report Dashboard for RSO, https://housing2.lacity.org/rso.

their affordable housing set aside. In some cases this means the replacement requirement will not result in any additional units because the number of required affordable set-aside units is greater than the number of units being replaced. For example, an existing 4-unit rent stabilized building that a developer demolishes to build a 40-unit building using a 10% affordability requirement means that only 4-units of affordable housing would be required, adding no additional affordable housing units. In this case, the program is not performing its core function of incentivising affordable units.

To effectively steer development away from sites occupied by renters, projects that demolish rent stabilized or affordable housing should always be required to provide more affordable units than projects that do not, when allowed under state law. To achieve this, wherever possible, the draft MIIP should be amended to require that replacement units not count toward affordable housing set-aside requirements wherever possible.

8. Encourage deeply affordable units by expanding "Acutely Low Income" incentives

The TOC program has been successful in creating thousands of units affordable to households at 30% AMI and below, but these units are still out of reach to many of the City's poorest renters. Nearly a third of the City's renters earn incomes at or below 30% AMI, meaning that many households are *well below* 30% AMI and cannot afford 30% AMI rents. For the MIIP and AHIP to serve the City's poorest renters, it must include incentives to produce Acutely Low Income (ALI) units affordable to households making 15% AMI. Providing units at the deepest levels of affordability is necessary to address our City's housing and homelessness crisis. Including units set aside for Acutely Low Income households will encourage the development of units that match the needs of our most vulnerable residents.

We were encouraged to see the addition of ALI incentives in the June 27 draft of the CHIP ordinance, but were discouraged that the incentives called for only 1% ALI units and by the increased emphasis on Moderate Income incentives in the MIIP. The MIIP should not include incentives for Moderate income housing. Moderate Income rents are intended for an individual making up to 120% of AMI, over 80,000 dollars, and are not affordable to most of the City's renters - especially those in the most need of affordable housing. **The Moderate Income mixed-affordability options for the Transit Oriented and Opportunity Corridor Incentive Areas should be replaced with an economically comparable combination of Acutely and Extremely Low Income units**. This combination should consist of a meaningful mix of the two affordability levels, and include more than 1% ALI. In addition, while ALI was added to one incentive menu for High and Highest opportunity areas, this incentive should be extended to lower opportunity areas as well.

Similarly, the affordability requirements in the Opportunity Corridor Transition Incentive Area should be adjusted to remove the Moderate Income options and re-tune the

⁹ The "Acutely Low Income" level is defined in Section 50063.5 of the California Health and Safety Code. It was added to state law by AB 1043 (2021).

⁸ US Dept. of Housing and Urban Development, Consolidated Planning/CHAS Data, https://www.huduser.gov/portal/datasets/cp.html.

remaining affordability levels to encourage the highest feasible rate of ALI, ELI and VLI units. Units at these deeper affordability levels are particularly appropriate on corridors served by bus transit. Based on the latest LA Metro Customer Experience Survey, four in ten bus riders live in households earning less than \$15,000 annually, which are likely Acutely Low Income households, and 83% of riders live in households earning less than \$49,000. Projects at Low Income or Moderate Income levels are unaffordable to the nearly half of the City's renters and the vast majority of the City's bus riders. The original TOC Program was predicated on the intersection of housing justice and transit justice, and these updates to it should continue that important link by ensuring that transit-adjacent development is occupied by and encourages transit ridership. Encouraging Moderate Income units in high opportunity areas is not an effective strategy to dismantle patterns of segregation or expand access to housing as required under the city's obligation to affirmatively further fair housing. Our coalition understands these changes as necessary to embrace the economic needs of our most vulnerable residents, and ensure that housing deemed 'affordable' is not out of reach to those who need it the most.

The ACT-LA coalition also strongly supports the recommendations by Alliance of Californians for Community Empowerment (ACCE) outlined in their letter submitted on August 1.

Conclusion

For almost a decade, the Transit Oriented Communities program has been Los Angeles' most successful tool for creating affordable housing. The current Housing Element Rezoning Program is an opportunity, in the midst of a historic housing crisis, for the City to build on the program's successes and incorporate lessons learned, while finding new ways to capture increased land value and development potential while avoiding displacement. At the same time, it is a meaningful chance to further fair housing and anti-displacement goals through incentives that redirect development toward historically exclusionary and underserved areas, and away from sites that are sensitive due to environmental or social factors. We present these recommendations after thorough work among our coalition, and look forward to engaging with the Department further.

Sincerely, ACT-LA

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¹⁰ LA Metro, *Results of our 2022 Customer Experience Survey*, https://thesource.metro.net/2022/10/27/results-of-our-2022-customer-experience-survey/.

Appendix

As part of its feedback on the June 27, 2024 revisions of the Draft Citywide Housing Incentive Program Ordinance and the Draft Resident Protections Ordinance, the ACT-LA coalition recommends the following amendments. These proposed amendments do not implement all of the recommendations suggested above, and not all of the amendments below are discussed above. The language below is included as concrete proposals to facilitate further discussion.

Recommended changes to Draft CHIP Ordinance

| # | Explanation | Suggested Amendment |
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| 1. | ACT-LA coalition recommends that single-family zoned parcels be eligible for the mixed-income and affordable housing incentive programs to encourage appropriately scaled mixed-income and affordable multifamily housing in high opportunity areas near major corridors with transit access, even when the underlying zoning is single family. | Amend Section 12.22 A.38 (c)(4) as follows: "The Project does not include any buildings located on parcels located in a single family or more restrictive zone (RW and more restrictive zone), or any parcels located in a manufacturing zone that does not allow multi-family residential uses (M1, M2, and M3), including sites with restrictions from an applicable planning overlay (CM, MR1, MR2, M1, M2, and M3)." Amend Table 12.22 A.38 (g)(1) to expand the eligible underlying zoning to include any zone allowing residential uses except for a manufacturing zone that does not allow multi-family residential uses (M1, M2, and M3). |

2. To effectively steer development away from sites with significant numbers of rent stabilized units, projects that demolish rent stabilized or affordable housing should always be required to provide more affordable units than projects that do not. When allowed under state law, replacement units should not count toward affordable housing set-aside requirements.

Amend 12.22 A.38 (j)(10) as follows:

Replacement Housing Units and Demolition Protections. A Housing Development must meet any applicable housing replacement requirements and demolition protections of California Government Code Section 65915(c)(3) and LAMC Section 16.60, as verified by the Los Angeles Housing Department (LAHD) prior to the issuance of a building permit. Replacement Housing Units required pursuant to this section shall not count towards any Restricted Affordable Unit requirements, except as required by Section 65915.

Amend Section 12.14 U.26 (b)(3) as follows:

"(3) the project meets any applicable dwelling unit replacement requirements and demolition protections of California Government Code Section 65915(c)(3) and LAMC Section 16.60 as verified by the Los Angeles Housing Department (LAHD). Replacement housing units required pursuant to these sections may not count towards any On-Site Restricted Affordable Unit requirement;"

3. Health impacts from oil wells and oil fields can extend well beyond 500 feet. The threshold to conduct an appropriate Environmental Site Assessment near oil wells and oil fields should be changed to 3200 feet, which aligns with the distance used in SB 1137 (2022) for heightened protections of sensitive uses.

Amend the definition of Environmental Consideration Area in Section 12.22 A.37 (b) as follows:

"Project sites that were previously used as a gas station, automotive maintenance or repair, gas or oil well, or dry cleaning facility, or Project sites located 5003200 feet of a Hazardous Materials site (as listed on any of the following databases: State Water Resources Control Board Geotracker, DTSC EnviroStor or listed pursuant to Government Code Section 65962.5, DTSC Hazardous Waste Tracking System, LAFD Certified Unified Program Agency, Los Angeles County Fire Department Health Hazardous Materials Division, SCAQMD Facility Information Detail), or Project sites located within 5003200 feet of a Hazardous Materials site designated as a Resource Conservation and Recovery Act (RCRA) Small Quantity Generator or Large Quantity Generator (refer to US EPA Envirofacts database), or Project sites located in an Oil Drilling District (O), or Project sites located within the following buffers of a property identified as having an oil well or an oil field by the California Geologic Energy Management Division: 5003200 feet from an active oil well or field, 2003200 feet from an idle oil well or field, and 400 3200 feet

| | from a plugged oil well or field, or Project sites within 500 feet of a freeway." |
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Recommended changes to Draft RPO

| # | Explanation | Suggested Amendment |
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| 4. | This recommendation expands protected units from just those covered by the City's Rent Stabilization Ordinance to also include units protected by the State Tenant Protection Act of 2019. The recommended language mirrors the definition of "protected units" under the Housing Crisis Act (see Gov. Code § 66300.5(h)(2)) and Housing Element Program #28. This broader definition is important for consistency with state law and to adequately protect the City's thousands for rent regulated units that are not subject to LARSO. | Amend the definition of " Protected Units " in Sec. 16.60 A.2 as follows: "(b) Residential dwelling units that are or were subject to the Rent Stabilization Ordinance pursuant to Chapter XV of the LAMC, or any other form of rent or price control through the City or any other public entity's valid exercise of its police power within the past five years" |
| 5. | Equivalency should be measured by more than solely bedroom count. Given changing architectural styles and development patterns, newly-constructed units are frequently much smaller than an older unit of equivalent bedroom count. Protected units may have separate kitchens, dining rooms, dens, living rooms, laundry rooms, bonus rooms, or other design features that lend more square footage and desirability. These features should be captured so that a family displaced from a large 2 bedroom unit suitable to their needs does not find itself returning to an unsuitable 2 bedroom replacement unit. | Amend the definition of "Equivalent Size" in Sec. 16.60 A.2 as follows: "Equivalent size" means that the replacement units contain at least the same total number of bedrooms and bathrooms, are within two total rooms, and with the same or greater square footage as the units being replaced. |

| 6. | Demolition of protected units should be thoroughly discouraged. Redevelopment of existing homes is a traumatic experience for families and should only happen when the resulting project provides a clear and unequivocal benefit to the City. For that reason, the resulting project should <i>expand</i> the stock of protected units, not merely replace them. | Amend Sec. 16.60 A.3 (a) as follows: (1) Each existing protected unit shall be replaced with two replacement units, each of equivalent size to the one being replaced. (2) Units occupied on the date (2)(3) Any Protected Units (3)(4) Notwithstanding the requirements above, (4)(5) Owners of a Housing Development Project |
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| 7. | See Recommendation #4, above. | Amend Sec. 16.60 A.3 (a)(1)(ii) as follows: Units subject to the Rent Stabilization Ordinance a form of rent or price control through a local government's valid exercise of its police power and Section 65915(c)(3)(C) deemed or presumed to be occupied by persons or families above the lower income category shall be replaced with low income units pursuant to Section 65915(c)(3)(C)(i), as determined by the Los Angeles Housing Department. |
| 8. | Double-counting replacement and inclusionary units unnecessarily leaves potential affordable housing on the table. While State Density Bonus Law requires double-counting in a local implementing ordinance (see Gov. Code § 66300.6(b)(1)(B)), the same is not true for a local voluntary incentive program. Wherever possible, replacement units should be required in addition to affordable set-aside units. | Amend Sec. 16.60 A.3 (a)(2) as follows: (i) Any Protected Units (ii) Any protected units replaced pursuant to this subparagraph shall not be considered in determining whether the housing development project satisfies the requirements of Section 12.14 U.26(a)(2) or Section 12.22 A. 38(c)(3). |
| 9. | Returning the unit to the rental market should not be a condition of the right to return, unless the property was separately removed from the rental market via the relevant Ellis Act procedure. A developer should not be able to decide, after demolition does not proceed, to not return the property to the rental market and sidestep the tenancy, relocation, and right of return rights in LAMC § 151.2228. | Amend Sec. 16.60 A.3 (c)(2) as follows: Right to Return if Demolition Does Not Proceed. Any existing occupants that are required to leave their units shall be allowed to return at their prior rental rate if the demolition does not proceed and the property is returned to the rental market. A housing developer shall agree to this requirement on a form provided by the Los Angeles Housing Department. |

10. The existing languages references two Amend Sec. 16.60 A.3 (c)(4) as follows: different options, but the section only contains one subsection. Right to Return. The developer shall provide the following to the existing occupants of any Protected A second subsection should be added, giving Units that are persons and families of lower income existing occupants a right of first refusal for and agree to this requirement on a form provided by any existing units owned or managed by the the Los Angeles Housing Department: developer that the tenant is qualified for. (ii) A right of first refusal for a comparable unit available in any housing development owned or managed by the developer. A comparable unit contains the same number of bedrooms. In cases when a single-family home with four or more bedrooms is being replaced, a comparable unit may have three bedrooms. 11. This section implements state law Amend Sec. 16.60 A.4 as follows: requirements. The state law has a sunset, but there is no requirement that the City **Approval of Non-Housing Development Projects** sunset its protection at the same time. that Result in the Demolition of Housing Units until Housing Element Program #29 specifically January 1, 2030. Notwithstanding any law the City calls for the City to evaluate whether to shall not approve any Development Project that is not a Housing Development Project that will require the extend these protections beyond 2030. demolition of occupied or vacant Protected Units, or This is an important protection that should that is located on a site where Protected Units were not sunset. demolished in the previous five years, until January 1, 2030, unless all of the following requirements are satisfied. (c) Sunset Provisions. The requirements of this subparagraph shall not apply to projects approved after January 1, 2030, except for those Development Projects that submitted a preliminary application pursuant to Section 65941.1 of the California Government Code before January 1, 2030. This subsection shall remain in effect only until January 1, 2034, and as of that date is repealed. 12. Amend Sec. 16.61 A.2 as follows: For the protections in the RPO to be effective, there must be strong enforcement mechanisms and serious penalties for Any covenant described here must provide for a

agreement applies.

private right of enforcement by the City, any tenant,

owner of any building to which a covenant and

any person eligible for tenancy under the covenant, or

violations. The RPO should be amended to

and former tenants a private right of action, with statutory damages and attorneys' fees.

allow any eligible tenant to bring a claim

against a developer that fails to provide required replacement units and give current

| 13. | Prioritization for this vulnerable population should not be limited to mark-to-market situations when the use restriction originated with a land use entitlement concession, public funding subsidy contract, or mortgage prepayment. It should apply equally regardless of the source of the use restriction. | Amend Sec 16.61 C.3 (b) as follows: A lower income person or household subject to a rent increase related to conversion to market-rate housing due to termination of a public funding subsidy contract, mortgage prepayment, or expiring use restrictions based on land use entitlement concessions. |
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| 14. | Tenants displaced due to development Citywide should have a preference for new affordable housing. | Amend Sec. 16.61 C.3 as follows: (d) Any person or household displaced due to the redevelopment of their housing. |
| 15. | For mixed-income and affordable housing incentive programs to effectively address the City's housing needs, developers of new projects with affordable units should be required to partner with neighborhood-based organizations to carry out meaningful outreach and education to eligible neighborhood tenants. | Amend Sec. 16.61 C as follows: 4. Local Outreach. The affirmative marketing provision in subparagraph 1 shall include a plan for utilizing or partnering with a neighborhood-based organization to advertise the availability of Restricted Affordable Units in the community. The Los Angeles Housing Department (LAHD) shall maintain a list of interested and qualified neighborhood-based organizations. |