

APPROVED AMENDMENTS

AMENDMENTS TO THE UPDATE TO THE HOUSING ELEMENT APPROVED BY THE CITY PLANNING COMMISSION ON JUNE 26, 2008

1. Add the following eight programs, to address preservation:
 - a. Add a new program, F under policy 1.2.2 on page 6-21 (and re-letter subsequent programs), to read as follows:

F. Regulation of Conversion and Demolition of Residential Hotels

In accordance with the Residential Hotel Conversion and Demolition Ordinance (RHO), review applications for the demolition or conversion of residential hotels to assure compliance with the ordinance. Require an in-lieu fee or one-for-one replacement of any units demolished or converted. Affordable projects are exempt.

Lead Agency: LAHD
Funding Sources: Developer Fees
Objective: Preserve 17,945 residential hotel units in 331 hotels or convert to affordable units
Schedule: 2008-2014

- b. Add a new program, I under policy 1.2.2 on page 6-21 (and re-letter the subsequent programs), to read as follows:

I. Preservation of Affordable Housing

Track the dates when affordable housing units will convert to market rate units due to expiration and termination of affordability covenants. Assist owners, tenants and developers in identifying financial resources to preserve existing affordable housing stock. Provide outreach and education to tenants and owners of at-risk and expiring affordable housing. Enforce the State Notice requirement law with respect to projects pending conversion to market rate.

Lead Agencies: LAHD, CRA/LA, HACLA
Funding Sources: CDBG, Tax Increment, LMIHF, HOME, Section 8, General Fund
Objective: Preserve affordability in up to 14,594 expiring units
Schedule: 2006 – 2014

- c. Add a new program J under policy 1.2.2 (and re-letter the subsequent programs) to read as follows:

J. Preservation of the Rental Housing Stock - Condominium Conversions

Implement Section 12.95.2 of the Los Angeles Municipal Code in the evaluation of applications for conversions of multi-family rental housing to condominiums. Re-examine and strengthen Section 12.95.2 and the five factors that must be

considered in order to make the required finding that a condominium conversion will not have a significant impact on the rental housing market.

Lead Agency: DCP
Funding Source: General Fund, Developer Fees
Objective: Propose Zoning Code amendment
Schedule: 2009

d. Add a new program K under policy 1.2.2 (and re-letter the subsequent programs) to read as follows:

K. Condominium Conversions

Complete a study that identifies strategies to limit the conversion of viable, stable affordable rental housing and/or rental housing that is subject to the Rent Stabilization Ordinance. Develop an ordinance to implement the most effective strategies identified in the study.

Lead Agencies: DCP
Funding Sources: General Fund
Objective: Complete Study
Draft ordinance
Schedule: Completed Study – 2009
Ordinance to City Planning Commission – 2010
Ordinance to City Council - 2010

e. Add a new program L under policy 1.2.2 on page 6-22 (and re-letter the subsequent programs) to read as follows:

L. Preservation of Rental Housing - Demolitions

Complete a study that identifies strategies to discourage the demolition of viable, stable affordable rental housing and/or rental housing that is subject to the Rent Stabilization Ordinance.

Lead Agency: DCP
Funding Source: General Fund
Objective: Complete Study
Draft ordinance
Schedule: Completed Study – 2009
Ordinance to City Planning Commission – 2010
Ordinance to City Council - 2010

f. Add a new program, N under policy 1.2.2 on page 6-22 (and re-letter the subsequent programs) to read as follows:

N. RSO Enforcement

LAHD's Investigation & Enforcement Unit investigates complaints related to the Rent Stabilization Ordinance (RSO). Determinations are issued to ensure compliance. Non-compliant cases are referred to the City Attorney for legal action.

Lead Agencies: LAHD, OCA
Funding Sources: RSO Fees
Objective: Refer 60 cases to the City Attorney annually
Schedule: 2006-2014

g. Add a new program, P under policy 1.2.2 on page 6-22 (and re-letter the subsequent programs) to read as follows:

P. Mortgage Revenue Bond Financing for Rehabilitation of At-Risk Rental Housing

Issue tax-exempt and taxable multi-family housing mortgage revenue bonds (MRBs) for qualified at-risk rental developments, the proceeds of which provide rehabilitation financing for rental housing that includes at least 20% of the units for low-income households. In partnership with developers of qualified rental developments, apply for an allocation of the Statewide MRB authority from the California Debt Limit Allocation Committee (CDLAC) for each project.

Lead Agencies: LAHD
Funding Source: Multifamily Mortgage Revenue Bonds
Objective: Rehabilitate 524 low-income units annually
Schedule: 2006 – 2014

h. Add a new program, Q under policy 1.2.2 on page 6-22 (and re-letter the subsequent programs) to read as follows:

Q. Affordable Housing Trust Fund (AHTF) – At-Risk Rental Housing Rehabilitation

Provide loans and grants for predevelopment activities, site acquisition, rehabilitation and other activities that contribute to the preservation of at-risk affordable housing and apartments with units subject to the RSO. Maintain federal and local funding sources in the AHTF for funding these loans and grants.

Lead Agency: LAHD
Funding Sources: HOME, General Fund, Tax Increment, LADWP, State and Federal grant funds
Objective: Rehabilitate 163 low-income units annually
Schedule: 2006 – 2014

2. Amend Program C of Policy 1.3.1 to read as follows:

C. Citywide Housing Production System

Design database and report software to facilitate tracking the City's housing production and any covenants which address affordability requirements, such as restrictions on land use, occupant income, rent levels and sales prices. Generate reports and post them on the Housing Department's web site.

3. Amend Program A of Policy 1.3.1 on page 6-31 to read as follows:

A. Coastal Zone Monitoring

Maintain a database of existing housing units serving low- and moderate-income households in the Coastal Zone areas. Track and maintain new construction, conversion and demolition of affordable housing in the Coastal Zone areas of the City, including new construction of affordable housing and replacement affordable housing in or within 3 miles of the Coastal Zone areas.

Lead Agency: LAHD, DCP
Funding Sources: HOME, CDBG
Objective: Annual reports on the status of the affordable housing stock in the Coastal Zone
Monitor and enforce compliance with affordability covenants
Schedule: 2006 – 2014

4. Amend Program B of Policy 1.3.1 on page 6-31 to read as follows:

B. Affordable Housing Monitoring

Maintain a database of existing housing units citywide serving very low-, low- and moderate-income households, including the location, affordability expiration date, and income level served. Track new construction, conversion and demolition of affordable housing units, including affordable housing production in relation to the City's Article 34 production targets. Identify affordability covenants in ZIMAS. Publish regular reports on the status of the affordable housing inventory.

Lead Agency: LAHD, CRA/LA, HACLA, DCP
Funding Sources: HOME, CDBG
Objective: Annual reports on the status of the affordable housing inventory
Monitor and enforce compliance with affordability covenants
Schedule: 2006 – 2014

5. Amend Program B of Policy 1.1.4 as follows:

B. Redevelopment of City-Owned Property

Analyze City-owned property for residential redevelopment potential for very low-, low- and moderate-income housing, including surplus, non-surplus vacant and developed parcels. Analyze City-owned parking facilities for potential joint development of housing, transit-oriented uses and parking structures. Regularly post updated inventory of City-owned property and the identified redevelopment potential on the Housing Department's web site. Publicly post City proposals for redevelopment of City-owned property and solicit development partners to conduct the redevelopment. Develop new programs for the development of affordable housing on city-owned land.

Lead Agencies: LAHD, CRA/LA, DCP, LADOT, GSD
Funding Sources: General Fund, Tax Increment, LMIHF, HOME, CDBG

Objective: Post updated inventory of City-owned property at least once a year
Post development opportunities
Create opportunity for development of 300 very low to low income housing units during the planning period

Schedule: 2008 – 2014

6. Add a new program B under Policy 2.2.6 to read as follows:

B. Housing Element Relationship to Land Use Entitlement and Long-Range Planning

Prepare and present a report to the City Planning Commission describing how the Planning Department will use the Housing Element to guide project level decisions. Prepare and present a report to the City Planning Commission describing how the Community Plans will implement the land use objectives of the Housing Element and shift residential capacity to desired sites, in compliance with the Framework Element and Map ES.1.

Lead Agency: DCP
Funding Sources: General Fund
Objective: Report to City Planning Commission
Schedule: December, 2008

7. Amend Program E of Policy 1.2.2 and Number 27 of Exhibit 1 of the June 26, 2008 Staff Report to read as follows:

E. Residential Hotel and Single Room Occupancy (SRO) Hotel Preservation

Implement CRA/LA Development Guidelines and Controls for residential hotels and SRO hotels in downtown that provide housing for extremely low and very low income residents, which include: (1) restricting the use and redevelopment of hotels to affordable housing; (2) guaranteeing one-for-one replacement of units when a hotel is proposed for conversion or demolition; (3) preventing or mitigating hardship to lower income tenants in the event of redevelopment and displacement; (4) providing the right of return to tenants upon construction completion; (5) assuring that new units provide the same affordability level as previous units; (6) allowing reduction in number of units in order to accommodate bathrooms and kitchens.

Lead Agencies: CRA/LA, DCP, LADBS
Funding Sources: CDBG, LIHTC, State Bond Proceeds, Tax Increment, LMIHF
Objective: Acquisition and rehabilitation of 10 ~~for 5 very low and 5 low~~ income SRO hotels in the Skid Row District during the planning period at the affordability levels required by CRA/LA.
Schedule: 2008-2014

8. Amend program E of policy 1.1.3 to read as follows:

E. New Programs to Increase the Production of Affordable Housing
Explore the development of ~~Develop and introduce a motion for City Council consideration of a~~ citywide mixed income ordinance that requires new housing

construction to include units that are made affordable to very low and low income households for at least thirty years.

Lead Agency: DCP—City Council, Mayor's Office
Funding Source: General Fund
Objective: Adopt ordinance—Introduce Motion
Schedule: December, 2008 —2010

9. Amend Program C of Policy 1.1.5 to read as follows:

C. Affordable Housing Public Benefit Fee

Explore the establishment of an Affordable Housing Public Benefit Fee that is assessed citywide on all commercial and residential development, industrial to residential zone changes and condominium conversions for the purpose of creating a permanent funding stream for affordable housing development and preservation. Complete the required nexus study for establishing such a fee.

Lead Agency: DCP, LAHD
Funding Sources: General Fund
Objective: Complete nexus study to establish a Public Benefit Fee
Adopt amendments to the Zoning Code to implement a Public Benefit Fee
A minimum of \$20 Million in fees collected to support affordable housing development
Schedule: 2007-2014
Nexus Study – 2009
Adopt Ordinance – 2010
Collect Fees - 2010 - 2014

10. Amend Program D of Policy 1.1.5 to read as follows:

D. Downtown TFAR Public Benefit Fee

Assess a Public Benefit Fee on all projects in the Downtown Area that use TFAR. Amend the ordinance to require that Apply all or a majority portion of the Fee collected be used for affordable housing development in downtown or within 3 miles of downtown.

Lead Agency: CRA/LA, DCP
Funding Sources: Developer Fees
Objective: \$20 Million for affordable housing development
Schedule: 2007-2014

11. Amend Program A of Policy 1.1.4 to read as follows:

A. Adaptive Reuse

Facilitate and provide incentives to, and expand the opportunities for, adaptive reuse of existing, economically obsolete commercial buildings to be used for housing, in accordance with the Downtown Adaptive Reuse Ordinance (L.A.M.C. Section 12.22 A 26 and Section 12.95.3 F 1 (h)) and the Citywide Adaptive Reuse Ordinance (L.A.M.C. Section 12.24 X 1). Concessions in the Zoning and Building Codes facilitate the modification and conversion of these buildings to residential

use. Explore additional incentives to facilitate adaptive reuse, such as shared or publicly developed parking opportunities to support proposed developments. ~~Explore additional requirements in order to meet a broader spectrum of housing needs, such as~~ Amend the Zoning Code to require an affordable housing component in Adaptive Reuse projects.

Lead Agencies: DCP, CRA/LA
Funding Sources: General Fund, Tax Increment and LMIHF
Objective: 450 market rate and 50 affordable housing units annually
Schedule: 2006 – 2014

12. Add a new program F under policy 1.1.3 to read as follows:

F. Small Sites for Affordable Housing

Explore strategies to make the development of affordable housing on small sites more financially feasible. Such strategies might include zoning, incentives, and advocating for changes in state funding regulations. Implement strategies that are determined to be most effective.

Lead Agencies: DCP, CRA/LA, LAHD
Funding Sources: General Fund
Objective: Report to City Planning Commission
Draft ordinance, policies, procedures as determined in Study
Schedule: Report to City Planning Commission – 2009
Ordinance, policies, procedures - 2010

13. Amend Program A under Policy 1.2.5 to read as follows:

A. Preservation of Affordable Housing

~~Track the dates when affordable housing units will convert to market rate units due to expiration and termination of affordability covenants. Identify and utilize new tools and resources to preserve existing affordable housing stock. Provide outreach and education to tenants and owners of at-risk and expiring affordable housing. Enforce the State Notice requirement law with respect to projects pending conversion to market rate.~~

Lead Agencies: LAHD, CRA/LA, HACLA
Funding Sources: CDBG, Tax Increment, LMIHF, HOME, Section 8, General Fund
Objective: ~~Preserve affordability in up to 15,850 expiring units~~
Expand resources for program administration
Expand resources for the preservation of affordable housing
Schedule: 2006 – 2014

14. Amend Program A under Policy 1.1.2 to read as follows:

A. Mortgage Revenue Bond Financing for New Rental Housing

Issue tax-exempt and taxable multi-family housing mortgage revenue bonds (MRBs) for qualified rental developments, the proceeds of which provide construction financing for new rental housing that includes at least 20% of the units for low-income households. In partnership with developers of qualified rental

developments, apply for an allocation of the Statewide MRB authority from the California Debt Limit Allocation Committee (CDLAC) for each project.

Lead Agencies: LAHD, CRA/LA
Funding Source: Multifamily Mortgage Revenue Bonds
Objective: 75 low-income rental units and 300 above moderate income units annually, through CRA/LA
2,000 very low-income rental units and 125 low-income rental units, through LAHD
Schedule: 2006 – 2014

15. Amend Program B under Policy 1.1.2 to read as follows:

B. Affordable Housing Trust Fund (AHTF) for New Rental Housing

Provide loans and grants for predevelopment activities, site acquisition, new construction, ~~rehabilitation~~ and other activities that contribute to an increased supply of affordable housing. Maintain federal and local funding sources in the AHTF for funding these loans and grants.

Lead Agency: LAHD
Funding Sources: HOME, General Fund, Tax Increment, LADWP, State and Federal grant funds
Objective: 4,554 very low income units
1,517 low income units
Schedule: 2006 – 2014