

# CITY OF LOS ANGELES CALIFORNIA



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21 November 2023

Marqueece Harris-Dawson  
Chair, PLUM Committee  
Councilmember, Council District 8

VIA EMAIL

### **Re: Community Impact Statement for CF-22-0617-S3**

The Downtown Los Angeles Neighborhood Council (DLANC) has reviewed City Planning's REPORT ON POTENTIAL MODIFICATIONS TO THE IX1 USE DISTRICT TO BETTER FACILITATE COMMUNITY FACILITIES WITHIN PORTIONS OF THE SKID ROW NEIGHBORHOOD, AS PART OF THE DOWNTOWN COMMUNITY PLAN,, and would like to express our position on CF-22-0617-S3 as "For if Amended" per the following:

#### **Support for Community Facilities Incentives Within the IX1 Area**

DLANC fully supports the first proposed change to incentivize community facilities within the IX1 area. We believe that such incentives are crucial in making the neighborhood more habitable and improving the overall quality of life for its residents. These facilities will provide essential services and community spaces that are fundamental to the social fabric of the Skid Row neighborhood.

Recommendation: Adopt Councilmember de León's amendment to form a multi-tiered incentive-based system to incentivize the creation of community facilities, i.e., facilities intended to address infrastructure and social needs of Skid Row.

#### **Concerns Regarding the Expansion of Eligible Community Facilities to achieve Bonus FAR**

DLANC acknowledges the intentions behind expanding the statutory definition of Community Facilities to include high-demand retail and commercial services. However, we must express our reservations. Broadening the scope to encompass facilities like barber shops, pet stores, hair salons, banks, and pharmacies, while commercially viable, poses a significant risk of diverting crucial funding away from indispensable community spaces.

The current Zoning Code's narrow definition of eligible Community Facilities is designed to ensure that

developments address the infrastructure and social needs of the neighborhood – needs that the market typically fails to meet due to their lower revenue potential. Downtown Los Angeles, particularly within the Skid Row neighborhood, faces a severe shortage of essential facilities such as Senior Centers, Community Centers, Business Incubation & Service Centers, Day Care Facilities, and general community space. These venues are vital for the social and economic support of our residents and do not generate sufficient revenue to sustain themselves without the support of the Zoning Code's incentives.

We must not weaken the Zoning Code's emphasis on fostering these critical spaces. By diluting the incentive to fund and build community-oriented facilities, we risk not only exacerbating the gentrification process but also depriving our community of the very resources designed to bolster it. Therefore, DLANC advises against expanding the types of eligible community facilities under Article 9 of the Zoning Code and recommends maintaining the focus on incentivizing the development of facilities that serve the broader social and infrastructural needs of our neighborhood.

Recommendation: Do not adopt the proposed amendment to expand eligibility of community facilities within IX1 zoning districts.

#### **Establishment of an IX1 Community Benefits Fund**

DLANC endorses the third proposed change to establish an IX1 Community Benefits Fund. We believe that such a dedicated fund is critical in ensuring that collected fees are directly reinvested into the Skid Row neighborhood. This will facilitate the improvement of infrastructure, introduction of public art, and development of green spaces, all of which contribute positively to the community without the adverse effects associated with gentrification.

Recommendation: Create a separate Community Benefits Fund for Skid Row

In conclusion, DLANC supports changes that foster a more vibrant, equitable, and inclusive Skid Row while exercising caution to protect against unintended consequences that could arise from the expansion of community facilities. We recommend a focused and thoughtful approach to development that prioritizes the well-being and stability of existing residents.

We appreciate your consideration of our perspective and look forward to a continued partnership in the evolution of the Downtown Community Plan.

Sincerely,

Claudia Oliveira  
President,  
DLANC

Samir Bitar  
Chair,  
DLANC Planning & Land Use Committee

Cc: Kevin De León, Councilmember, Council District 14  
City Planner, City of Los Angeles

\* SUBJECT TO APPROVAL BY DLANC BOARD OF DIRECTORS ON JULY 12, 2022 \*

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September 19, 2023

Los Angeles City Council  
c/o Office of the City Clerk  
City Hall, Room 395  
Los Angeles, California 90012

Attention: PLUM Committee

Dear Honorable Members:

**REPORT ON POTENTIAL MODIFICATIONS TO THE IX1 USE DISTRICT TO BETTER FACILITATE COMMUNITY FACILITIES WITHIN PORTIONS OF THE SKID ROW NEIGHBORHOOD, AS PART OF THE DOWNTOWN COMMUNITY PLAN, AMENDING MOTION 54A, ITEM 2; CF-22-0617-Sx**

On May 3, 2023, the City Council approved the Downtown Los Angeles (DTLA) Community Plan Update. The approval included an [amending motion](#) (Motion 54A, Item 2), dated May 3, 2023, that was introduced by Councilmember de Leon (Council District 14) and was approved by City Council. The motion directed Los Angeles City Planning, in consultation with the City Attorney, to prepare a report with recommendations within 60 days to address modifications to the IX1 Use District and Downtown Community Benefits program to (i) provide options to better facilitate the conveyance of Community Facilities, including the addition of a Full Service Grocery Store Incentive Area within the IX1 Use District, (ii) form a multi-tiered incentive-based system, (iii) establish a Community Benefit Fund serving the IX1 Use District, and (iv) create incentives to provide basic (currently non-existent) on-site services and amenities that include grocery store, pharmacy, bank, hair salon, barbershop, pet supplies store, medical office and laundromat on targeted corridors on 5th Street, 6th Street, 7th Street, and Central Avenue.

***Background***

Throughout the preparation and adoption of the Downtown Community Plan there has been a great deal of discussion and advocacy as to the goals, policies, and ultimately, the zoning regulations that would be established to support the unique needs of the Skid Row community. The Skid Row neighborhood comprises a roughly 0.5 square mile area within the Downtown

Plan area, and as the result of unjust “containment” policies previously executed, is home to approximately 15,000 unhoused people, the highest concentration within the City. In addition, Skid Row is also home to a uniquely high concentration of residential hotels as well as various social service and non-profit organizations that provide service to its unhoused inhabitants.

Given the unique demographic characteristics of the Skid Row neighborhood, a goal of the Downtown Plan is to minimize the potential for displacement of Skid Row inhabitants as the surrounding areas continue to experience reinvestment and redevelopment, and as the City and the County continue to execute numerous strategies to address the crisis of homelessness, both locally and throughout the region. To this end, the specific zoning strategies that were adopted as part of the Downtown Plan are not a continuation of containment policies, rather they are in response to the unique sensitivities that those policies have created within the Downtown area.

#### *Adopted Zoning in Skid Row*

There are essentially two zoning strategies being used in the larger Skid Row context. In portions of Skid Row where dense commercial and residential uses have historically been allowed (generally west of San Pedro Street, and north of 5th Street), such uses will continue to be allowed, however a graduated inclusionary housing obligation was approved, which will ensure that all new residential development includes onsite affordable housing units, and also allows for other community benefits such as publicly accessible open space, or community facilities including child care, social services, schools, etc. These areas fall within the CX2 Use District (see Figure 1).

Portions of Skid Row that are east of San Pedro Street, or south of 5th Street have historically been zoned for manufacturing uses. Any housing uses that exist within this area either predate the City’s zoning code (i.e. numerous Residential Hotels), or have been required to seek extensive and costly entitlements in order to build supportive housing (i.e. Weingart Center). Here under the new Downtown Plan, the City has continued to allow for a mix of commercial and manufacturing uses, but also allows for future residential development, when such development consists of at least 80% covenanted affordable housing uses. This approach has been established to streamline any future production of supportive or affordable housing within this area, to preclude extensive entitlements. These areas fall within the IX1 Use District (see Figure 2).

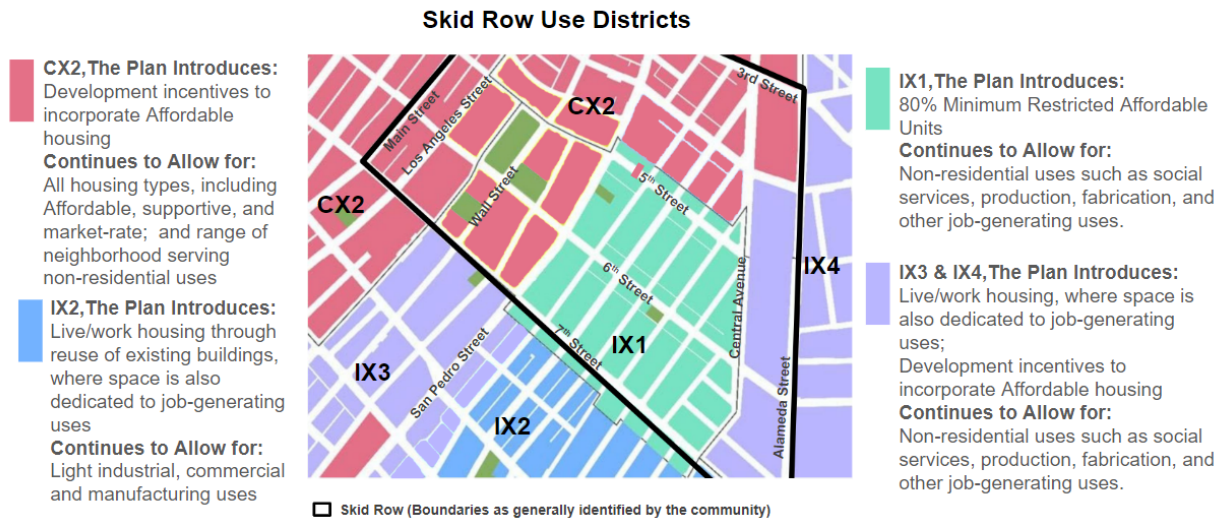


Figure 1: Map of IX1 Use District in Skid Row

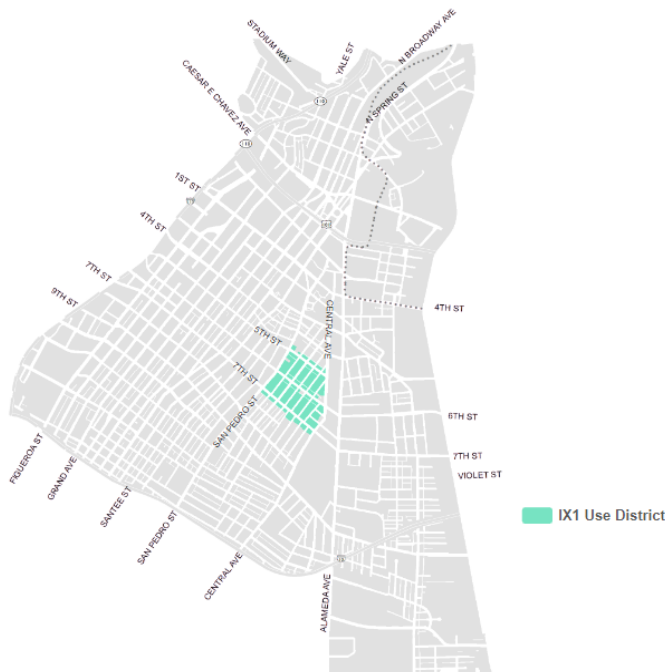


Figure 2: Map showing portion of IX1 Use District in the Downtown Community Plan Area

As shown in Figure 1, the IX1 zoning Use District is applied to the area bounded by San Pedro Street to the west, 5th Street to the north, Central Avenue to the east, and 7th Street to the south, a 14-block area, which constitutes approximately 2% of the total Downtown Plan area (see Figure 2).

*Community Benefits Program Structure:*

Council District 14 requested an assessment of how to better incorporate community facilities within the IX1 area. In order to address this request it is necessary to first consider the mechanics of the Downtown Community Benefits Program, which is the incentive-based system by which community facilities will generally be delivered Downtown.

The City Council established the Downtown Community Benefits Program, to facilitate affordable housing, publicly accessible open space, and community facilities within Downtown by private development in exchange for higher development potential (generally increased FAR, and relief from other zoning provisions). The Community Benefits Program prioritizes the provision of affordable housing, followed by other amenities and neighborhood serving uses such as child care facilities, public parks, schools, libraries, and various social services, among others. The scale of benefits required to achieve the bonus incentives would increase in proportion to the level of bonus development rights. The Program is structured into three different levels as described below, and illustrated in Figure 3:

*Level 1.*

Housing Development Projects can gain up to a 40% Bonus FAR in exchange for providing Restricted Affordable Units at the following rates: 7% acutely low income, 8% extremely low income, 11% very low income, 20% low income, 40% moderate income.

Alternately, projects can receive the allowed bonus FAR in Level 1 by paying a per unit in lieu fee or providing units off-site within the Downtown Plan Area. Level 1 of the Community Benefits Program does not apply to Non-Housing Development Projects and Non-Housing Development projects are not subject to the above affordable housing requirements to achieve bonus development potential and can instead access bonus incentives by providing community benefits under Level 2 described below.

*Level 2.*

Includes housing projects that fully exhaust Level 1 (i.e. receive a full 40% bonus in FAR) and choose to do a selection of the following: Open Space, Community Facilities, Transfer of Development Rights for Historic Preservation (in Arts District, Chinatown, and Little Tokyo) or by providing more Restricted Affordable Housing Units. Non-housing projects are required to provide a selection of the same benefits as housing projects, excluding affordable housing to achieve the same level of bonus FAR. More information about what constitutes a Community Facility can be found below.

*Level 3.*

Projects that fully satisfy Level 1 and provide community benefits under Level 2 can access the remaining Maximum Bonus FAR prescribed by the Form District by providing additional benefits identified in Level 1 and 2 (i.e. additional Restricted Affordable Housing Units, or additional onsite benefits such as Publicly Accessible Open Space,

Community Facilities, or Transfer of Development Rights) or pay a fee towards the Downtown Community Benefits Trust Fund, which allows for fund disbursements toward specified Downtown area public benefit projects.

The Community Benefits Fund, also established by City Council as part of the Downtown Plan, serves to fund future efforts such as supporting affordable housing (building new units, extending existing covenants, or resources for Community Land Trusts); mobility and street improvements; parks and open space; programs for community-serving and legacy small businesses; design and procurement of sidewalk vending carts; resiliency centers (i.e. cooling centers for high heat or poor air quality days); and amenities for people who are experiencing homelessness. Per the Community Benefit Trust Fund ordinance, an oversight committee composed of representatives from City Departments, offices of elected officials, and members of the community will make recommendations for the appropriation of funds to qualifying projects, which will ultimately be subject to City Council approval. The Community Benefit Trust Fund ordinance also prioritizes fund disbursement to economically disadvantaged communities within the Downtown area.

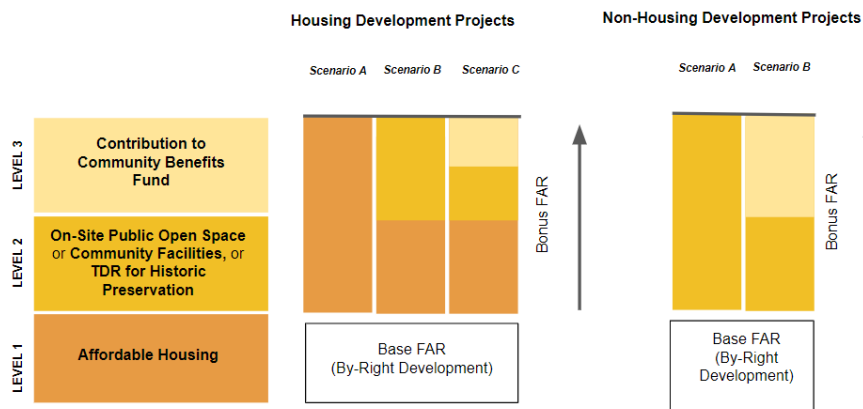


Figure 3: Community Benefit Program Structure for Housing and Non-Housing Projects

Council Motion 54A, Item 2 has essentially requested three separate but related items pertaining to the provision of Community Facilities within the IX1 area. Each is addressed below.

**1. Supporting Community Facility Incentives within the IX1 Area**

Given the unique inclusionary zoning obligations of the IX1 Use District, it is not feasible for residential projects to provide other onsite community benefits, such as Community Facilities in exchange for FAR Bonuses. The IX1 Use District is paired with Form District Mid-Rise Broad 4 (MB4) which allows for Base FAR of 3:1, and projects can bonus up to 6:1 FAR by providing community benefits. However, the IX1 Use District requires that any residential projects provide a minimum of 80% of the dwelling units as covenanted affordable units, thus all available Bonus FAR would be achieved by providing the covenanted affordable units. Non-residential projects in



IX1 would be eligible to receive Bonus FAR in exchange for providing community benefits such as Community Facilities.

In contrast, the remaining Use Districts Downtown would require incremental percentages of affordable housing units, and allow for the provision of other community benefits, such as publicly accessible open space, or community facilities in exchange for Bonus FAR. A comparison of the community benefit obligations of the IX1 Use District, in contrast to other Use Districts is shown in Table 1 below.

**Community Benefit Provisions by Use Districts**

<b>CX2 Use District Affordable Housing Requirements</b>	<b>MB4 Form District FAR Allowances</b>	<b>IX1 Use District Affordable Housing Requirements</b>	<b>MB4 Form District FAR Allowances</b>
5% ELI* Affordable Units	3:1 Base FAR	80% Affordable Units**	3:1 Base FAR
8% ELI Affordable Units	4.2 FAR (40% Bonus)		4.2 FAR (40% Bonus)
9.5% ELI Affordable Units, or 8% ELI, and Open Space or Community Facilities	5.2 FAR (1 FAR Bonus)		5.2 FAR (1 FAR Bonus)
10.7% ELI Affordable Units, or a combination of 8% ELI, additional affordable units, Open Space, Community Facilities, or Community Benefits Fund Contribution	6 FAR (0.8 FAR Bonus)		6 FAR (0.8 FAR Bonus)

*Table 1: Community Benefits Program Bonus Structure for CX2 and IX1*

\*Extremely Low Income Units are shown for illustrative purposes, other income categories are also available.

\*\*City Council established that 80% of units would be covenanted affordable units, but did not establish specific income categories. A dissemination of income categories is forthcoming as part of the City Attorney’s final ordinance.

The IX1 Use District adopted by City Council prioritizes the provision of affordable housing. Prioritizing covenanted affordable housing within this roughly 14 block area would relieve direct displacement pressures on households currently living in the area and increase access to shelter for those experiencing homelessness, in proximity to already existing supportive amenities and services. Providing community facilities in lieu of affordable housing obligations would undermine the affordable housing goals in this area, and likely result in fewer housing units that could serve lower income households. Therefore, City Planning does not recommend any modifications to the 80% affordable housing requirement. Moreover, non-residential projects can complement new housing by providing benefits such as Publicly Accessible Open Space, schools, day cares, libraries, civic facilities and social services.

In light of the unique inclusionary obligations of the IX1 Use District, any changes to allow for the incentivization of Community Facilities would necessitate a reduction of the 80% affordability

obligation of IX1 to be on par with the graduated inclusionary obligation of other use districts. As requested by Council District 14, the technical language needed to facilitate this change, applied only to the 5th Street, 6th Street, 7th Street, San Pedro Street, and Central Avenue corridors, is provided at the end of this report. However, given the prevailing sensitivities around the displacement of the Skid Row population, City Planning recommends that the existing zoning standards established by the City Council when it adopted the Downtown Plan be preserved.

## *2. Expanding the Types of Eligible Community Facilities*

As discussed in this report, Bonus FAR can be achieved in most places Downtown under the Community Benefits Program established under Article 9 of the new Zoning Code, and effectuated through the Downtown CPIO. Bonus FAR can be obtained through the provision of covenanted affordable housing units (Section 9.3.2), Privately Owned Public Space (Section 9.3.3), Community Facilities (Section 9.3.4), and in Arts District, Chinatown, and Little Tokyo, Transfer of Development Rights, which applies to historically designated or eligible properties (Section 9.3.5).

Community Facilities, as established under Section 9.3.4, consist of a range of facilities and services that are intended to address the various infrastructure and social needs of the growing Downtown population. Per the Downtown CPIO, a Community Facility must be at least 5,000 square feet, plus 2.5% of each 1 FAR of Bonus FAR obtained by the project. A covenant must be established agreeing to maintain the Community Facility for a specified term, and various provisions exist to address changes to a Community Facility, as well as enforcement. Eligible Community Facilities, enabled by the Downtown CPIO include:

- Daycare Facility (i.e. child care facility)
- Schools and Libraries (run or approved by LAUSD or LAPL)
- Social Services (run by government agencies or 501 (c)(3), including employment services, job training, business incubation, youth development, educational services, medical/mental care, substance abuse treatment, food aid, etc.)
- Civic Facility (Police/Fire stations, indoor recreation facilities, cultural centers, museums, etc.)
- Employment Incentive Area (available in Arts District and Fashion District, requires residential projects to provide 50% of FAR as productive space)

Additional Community Facilities are available under Article 9 of the new Zoning Code, but were not effectuated through the Downtown CPIO:

- Health Centers (Federally Qualified, or similar)
- Full Service Grocery Stores

The Community Facilities effectuated through the Downtown CPIO were established following years of engagement with local stakeholders and stakeholder organizations, wherein the types of facilities that would meet the greatest need for a growing Downtown population, and that were least likely to be provided electively by the private sector, were prioritized. For example, although Downtown is a small 6.6 square mile Community Plan area, it is relatively well served

by grocery stores that are located within the plan area and in its proximity. Furthermore, there is a high likelihood that as future residential development occurs Downtown, that additional grocery stores will be located in proximity to the growing population, and that most areas of Downtown will be within convenient reach of groceries. A number of grocery stores have been newly located in Downtown in the last decade as well. By contrast, land use incentives for full service grocery stores were incorporated into the South and Southeast Los Angeles CPIOs in 2017, to address the lack of access to fresh food across the 30 square mile South Los Angeles region. There, the CPIOs aim to address the well substantiated “food desert” condition, in response to advocacy from numerous stakeholder organizations.

Similarly, Health Centers, while established as a Community Facility under Article 9 of the new Zoning Code, were not effectuated as part of the Downtown CPIO. There was not significant input from stakeholders during the formation of the Downtown Plan that Health Centers should be among the Community Facilities allowed in the Plan’s Community Benefit Program. Nevertheless, Health Centers, which are Federally qualified health care facilities that provide health care on a sliding scale, accept Medical and Medicare reimbursement, and generally provide health care access to underserved communities may be a beneficial addition to the Downtown-wide Community Benefits Program.

Language to facilitate technical amendments to the Zoning Code and Downtown CPIO is included at the end of this report. This language would facilitate the addition of Health Centers as part of the Downtown CPIO’s Subarea A.1 (i.e. Downtown-wide), and would establish a new CPIO Subarea A.6 to effectuate a Full Service Grocery Store Incentive Area for the Skid Row neighborhood, as requested by Council District 14. A Downtown-wide incentive program for grocery stores is not recommended, and would likely undercut the Plan’s ability to garner community benefits that have been prioritized.

In addition to the types of Community Facilities established under Article 9 (daycare Facilities, schools and libraries, social services, civic facilities, full service grocery stores, and health centers), Council District 14 has requested that additional types of commercial, retail, and service uses be established as Community Facilities and permitted to garner bonus floor area within the IX1 area. Specifically, the following uses have been highlighted in Council District 14’s request: Pharmacy, Bank, Hair Salon, Barbershop, Pet Supplies Store, Medical Office and Laundromat.

As discussed elsewhere in this report, Community Facilities, as established by Article 9, are generally uses such as government, civic, and social service facilities, or uses that address public health needs. Uses such as pharmacies, banks, hair salons, barbershops, pet supplies stores, medical offices, and laundromats are for-profit enterprises, and the list of uses described herein is somewhat arbitrary. Their inclusion within the Community Facilities established under Article 9 would likely undercut the Downtown Plan’s ability to deliver more widely prioritized government, civic, social, and public health amenities. In addition, while such uses may not be concentrated specifically within the 14-block IX1 area, they are readily available within walking

distance of this area, throughout the Downtown community. Lastly, Community Facilities are subject to various covenant obligations, including long term leases that will likely be difficult to implement for small businesses. Furthermore, many of the uses described in the Council Motion may also be provided in conjunction with a non-profit use that is already eligible as a Community Facility.

It is not recommended that the domain of Community Facilities be expanded to include the uses listed above. Their inclusion would undercut the Downtown Plan's ability to deliver affordable housing, publicly accessible open space, and other more widely prioritized community facilities. These types of commercial uses are allowed uses within the IX1 area, and throughout the Downtown Plan area.

### *3. Establishing an IX1 Community Benefits Fund*

Council District 14 also requested that City Planning report back on options to establish a Community Benefits Fund to serve the IX1 area. Under the adopted Downtown Plan, a Community Benefits Fund was established as part of the larger Community Benefits Program. Within this system, some development projects would be eligible for development incentives by making a contribution to the Downtown-wide Community Benefits Fund (See Page 5, "Level 3."). The Community Benefits Fund would be administered consistent with the established Community Benefits Trust Fund ordinance. This ordinance calls for the establishment of a committee that is composed of staff from relevant elected offices, as well as members of the public, including a minimum of two members with lived experience dealing with housing insecurity (i.e. eviction, homelessness, etc.). The committee serves to make recommendations as to fund disbursements, which are eligible for the following types of benefit projects:

- Affordable housing
- Mobility improvements
- Public open space
- Support of legacy small businesses
- Facilities and programs to support those experiencing homelessness
- Procurement of street vendor carts and amenities

The trust fund ordinance allows for funds to be dispersed within a 1.5 mile radius of the Downtown Plan area, and obligates the committee to prioritize funding for benefit projects that are within areas that have higher Cal Envirocore (i.e. areas with higher concentrations of poverty, exposure to pollution, lower access to open space, health care, etc.). The larger Skid Row community has a relatively high Cal Envirocore, and the types of public benefit projects that are available to be funded would readily benefit the Skid Row community.

It is not recommended that a separate trust fund be established to serve the IX1 area. It is unlikely that an adequate number of deposits would be made within this 14-block area to assemble the funds needed to make meaningful public benefit contributions. Furthermore, while the existing Community Benefit Fund would prioritize the types of projects that would benefit the

IX1 area, it would be detrimental to the larger public benefits needs of the Downtown Plan area to mandate that funds be spent exclusively in the IX1 area.

### *Recommendations & Technical Changes*

#### 1. Facilitating Community Facility Incentives within the IX1 Area

In order to provide for development incentives in exchange for the provision of onsite Community Facilities, the 80% inclusionary housing mandate of the IX1 zone would first need to be changed such that the affordable housing obligations of IX1 are reduced so that they are consistent with other surrounding zoning districts. While the changes outlined in Sections A and B below are not recommended by City Planning, the technical edits to the Zoning Code and Downtown CPIO are provided below. City Planning does recommend the technical edits outlined in Section C below in order to clarify the applicability of the Inclusionary Housing Program regardless of whether City Council adopts the technical edits in Section A and B:

A. Modify Sec. 5C.4.5.B. (Applicability) of Sec. 5C.4.5. (Inclusionary Housing Program) as follows in order to apply the Inclusionary Housing Program requirements to adaptive reuse projects in Affordability Requirement Set C.

1. The requirements of this Section apply to:

a. All new construction, major demolition, or remodel of an inclusionary housing project that will result in new dwelling units on lots that have been designated on the Inclusionary Housing Map, as established in Sec. 1.5.10. (Inclusionary Housing Map), and as outlined in the Subdivisions below, with the exception of adaptive reuse projects, which shall comply as specified below.

b. ~~However, an a~~Adaptive reuse projects on lots designated on the Inclusionary Housing Map (Sec. 1.5.10.) with Affordability Set C per Sec. 5C.4.5.C.1. (Inclusionary Program Set Designations). ~~shall not be subject to the requirements of this Section.~~

2. All restricted affordable units required by this Section shall be rented or sold in accordance with the requirements established in this Section.

3. Inclusionary Rental (IR) An inclusionary housing project providing dwelling units which are for rent shall set aside the minimum required restricted affordable units for rent. Dwelling units within the project which are for sale shall not be subject to the minimum required restricted affordable units.

4. Inclusionary Rental & For-Sale (IRF) An inclusionary housing project providing dwelling units which are rental and/or for-sale shall set aside the minimum required restricted affordable units as required by the designated affordability requirement set.
5. Community Plan Implementation Overlay (CPIO) An inclusionary housing project providing dwelling units shall set aside the minimum required restricted affordable units as established in an applied Community Plan Implementation Overlay.

B. Modify Sec. 5C.4.5.C. (Inclusionary Standards) to create a new affordability requirement through the modifications shown below.

Sec. 5C.4.5.C. (Inclusionary Standards)

1. Inclusionary Program Set Designations

Unless otherwise established in an applied Community Plan Implementation Overlay, an inclusionary housing project shall provide the minimum percentage of on-site restricted affordable units required by the designated affordability requirement set as established below. Higher affordability requirements may be required by the applied Use District.

Affordability Requirement Sets					
Set	Affordability Requirements				
	Deeply Low Income	Extremely Low Income	Very Low Income	Lower Income	Moderate Income
A	8%	8%	10%	12%	16%
B	12%	13%	15%	17%	28%
<u>C</u>	<u>80%*</u>	<u>80%*</u>	<u>80%*</u>	<u>80%*</u>	<u>80%*</u>

Key: “\*” = Alternate affordability requirement applies in specified instances

a. Calculating Required Units

An inclusionary housing project shall provide at minimum the percentage of required restricted affordable units specified in at least one of the income ranges specified in the applicable Affordability Requirement Set. The minimum percentage of required restricted affordable units shall be calculated based on the total number of dwelling units in the inclusionary housing project. Any number resulting in a fraction shall be rounded up to the next whole number, and not as specified in Sec. 6C.1.2. (Lot Area Per Household Dwelling Unit) or Sec. 6C.1.3. (Lot Area Per Efficiency Dwelling Unit). Restricted affordable units provided pursuant to this program may also count towards the affordable housing incentive programs established in Sec. 9.2.1. (Density Bonus) or Sec.9.3.2. (Local Affordable Housing Incentive Program).

i. Affordability Requirement Set C

- a) On lots designated with Affordability Requirement Set C, the minimum affordability requirements of Set A apply to those projects which are abutting an Avenue or Boulevard as designated by the Mobility Element.
- b) All other lots shall be permitted to fulfill the minimum percentage of required restricted affordable units by providing units across the income ranges specified in Affordability Requirement Set C, so long as at least 80% of all units within the inclusionary housing project are restricted affordable units.

C. In order to clarify the applicability of the Inclusionary Housing Program (Sec. 5C.4.5.), make the following updates:

- 1. Modify the permissions for Dwellings and Live/Work Units as follows in Sec. 5B.7.1. (IX1) (note, only those uses being modified are shown):

Use	Permission	Use Standard	Specification
Residential			
Dwelling	<u>P* S</u>	<u>Restricted affordable units Special Use Program</u>	<u>100% of dwelling units Sec. 5C.4.5.</u>
Household Business:			
Live/Work	<u>P* S*</u>	Unit size (min avg.)	750 SF
		Designated work space:	
		Work space area (min/max)	48%/50%
		Work space dimensions (min)	10' X 15'
		Workspace uses	<ul style="list-style-type: none"> <li>● Office</li> <li>● Personal Services: General</li> <li>● Manufacturing , Light: General</li> </ul>

			<ul style="list-style-type: none"> <li>• Manufacturing , Light:Artistic &amp; Artisanal</li> </ul>
		Open plan area (min)	70%
		<del>Restricted affordable units</del> <u>Special use program</u>	100% <u>Sec. 5C.4.5.</u>

- Update the permissions for Dwelling and Live/Work uses where they are allowed within Sec. 5B.2.1. (A1), Sec. 5B.3.1. (RG1), Sec. 5B.4.1. (RX1), Sec. 5B.5.1. (CX1), Sec. 5B.5.2. (CX2), Sec. 5B.5.3. (CX3), Sec. 5B.5.4. (CX4), and Sec. 5B.7.3. (IX3), to trigger the Inclusionary Housing Program by replacing the permission “P” or “P\*” with “S” or “S\*” and including a reference to Sec. 5C.4.5. (Inclusionary Housing Program).
- Modify the permissions for Live/Work Units as follows in Sec. 5B.7.4. (IX4) (note, only those uses being modified are shown):

Use	Permission	Use Standard	Specification
Household Business:			
Live/Work	<u>P*</u> <u>S*</u>	Unit size (min avg.)	1,000 SF
		Designated work space:	
		Work space area (min/max)	48%/50%
		Work space dimensions (min)	10' X 15'
		Workspace uses	<ul style="list-style-type: none"> <li>• Office</li> <li>• Personal Services: General</li> <li>• Manufacturing , Light: General</li> <li>• Manufacturing , Light:Artistic &amp; Artisanal</li> </ul>



		Open plan area (min)	70%
		In conjunction with:	<ul style="list-style-type: none"> <li>● Office</li> <li>● Manufacturing , Light: General</li> <li>● Manufacturing , Light: Artistic &amp; Artisanal</li> </ul>
		Floor Area (min)	1.5 FAR
		Exception	100% Restricted affordable units
		<u>Special use program</u>	<u>Sec. 5C.4.5.</u>

2.a. Expanding the Types of Eligible Community Facilities - Grocery Stores and Health Centers

In order to allow for development incentives for a Full Service Grocery Store, within the IX1 area, and for Health Centers throughout the Downtown Plan area, the technical edits to the Downtown CPIO are provided below:

C. Community Facilities pursuant to LAMC Chapter 1A 9.3.4

1. Sites seeking to utilize the Community Facilities incentive must dedicate a minimum of 5,000 square feet to one of the eligible uses below. In addition to the minimum required space, for every 2.5% of bonus buildable floor area dedicated to one of the following, eligible projects may obtain an additional 1.0:1 FAR:

- a. School and Library pursuant to LAMC Chapter 1A Section 9.3.4.C.5
- b. Social Services pursuant to LAMC Chapter 1A Section 9.3.4.C.6
  - i. Alternative Social Services shall require the approval of a Director's Determination.
- c. Civic Facility pursuant to LAMC Chapter 1A Section 9.3.4.C.7
  - i. Alternative Civic Facilities shall require the approval of a Director's Determination.
- d. Daycare Facility pursuant to LAMC Chapter 1A Section 9.3.4.C.1
- e. Grocery store pursuant to LAMC Chapter 1A Section 9.3.4.C.2, if a project seeking this incentive is located within the IX1 Use District
- f. Health Center pursuant to LAMC Chapter 1A Section 9.3.4.C.3

2.b. Expanding the Types of Eligible Community Facilities - Other Retail and Commercial Service Uses

It is not recommended that the type of Community Facilities that are eligible for development incentives be expanded to include Pharmacies, Banks, Hair Salons, Barbershops, Pet Supplies Stores, Medical Offices and Laundromats. Should the Council wish to include these uses as eligible for development incentives under the Downtown CPIO, the Council may direct the City Attorney to modify Article 9, Section 9.3.4 to specify that the Downtown CPIO may establish additional eligible Community Facilities, and to modify the Downtown CPIO to include the described uses as eligible for a Level 2 incentive, subject to the same terms and conditions of other Community Facilities.

3. Establishing an IX1 Community Benefits Fund

No changes to the adopted Community Benefits Trust Fund ordinance are recommended.

Sincerely,

VINCENT P. BERTONI, AICP  
Director of Planning



Shana MM Bonstin  
Deputy Director

VPB:SB:cw:ba:vs