

MOTION

The City has taken critical steps forward in recent years to expand opportunities for affordable housing production. According to the Department of City Planning, the number of affordable housing units approved by the City more than doubled in 2019 from any prior year. These affordable housing units, however, have not been evenly distributed across the city.

As the Department of City Planning and the Housing and Community Investment Department detail in their recent report,¹ only 14% of affordable housing units permitted in the last ten years were located within high-resource neighborhoods, while the remaining 86% were located within low-resource and high-poverty neighborhoods. This disparity has further entrenched patterns of segregation and effectively excluded low-income households from the neighborhoods with the greatest access to public parks, transit, schools, grocery stores, and health facilities.

The cost of these disparities are clear: according to a recent UC Berkeley report,² Los Angeles is the sixth most segregated metro area among the 221 studied. Redressing residential segregation and redistributing future affordable housing development will require myriad decisive actions from the City, but one immediate action the City can take is to prioritize affordable housing projects in high-opportunity areas.

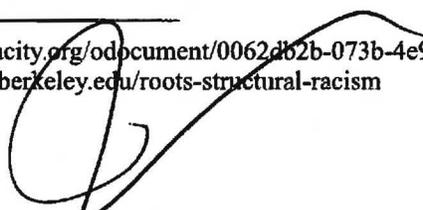
To do so, the City should create an Affordable Housing Overlay Zone (AHOZ) or update the City's development incentive programs to achieve similar results. AHOZ's offer a bundle of development incentives to increase the supply of affordable housing. The incentive structure of these overlays can complement the City's existing housing mandates, such as the Affordable Housing Linkage Fee. AHOZ incentives often include opportunities for additional height and density, reduced setback and parking requirements, and reduced discretionary review periods, all of which serve to make affordable housing projects more feasible in the overlay geography. These incentives are often scaled according to existing zoning and land uses, as well as proximity to high-quality transit, job centers, and commercial corridors. Somerville and Cambridge, Massachusetts, have adopted 100% Affordable Housing Overlays in the last year, and both cities have already seen projects benefit from these incentives.

I THEREFORE MOVE that the City Council instruct the Department of City Planning, with the assistance of the Los Angeles Housing Department, to report back within 90 days with options for an Affordable Housing Overlay Zone in the City of Los Angeles or an update to the City's development incentive programs to prioritize 100% affordable housing projects in high-opportunity areas. The report should include an evaluation of affordable housing overlay

¹ https://planning.lacity.org/odocument/0062db2b-073b-4e96-8217-8b103ccde78b/Fair_Share_Report.pdf

² <https://belonging.berkeley.edu/roots-structural-racism>

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zones in effect and under consideration in other jurisdictions, including Somerville, MA, Cambridge, MA, and Berkeley, CA. In addition, the report should specifically consider:

- Options for AHOZ incentives such as height, density, and floor-area-ratio incentives, setback reductions, and reduced parking requirements scaled according to existing zoning and land uses;
- Qualifying affordability levels higher than those offered in current city-wide density incentive programs;
- The incorporation of the California Tax Credit Allocation Committee's Opportunity Maps, among other data, to quantify where the equitable distribution of affordable housing is needed, consistent with the State of California's Affirmatively Furthering Fair Housing obligations under AB 686;
- Potential exemptions for low-resource and high-segregation and poverty census tracts and/or sensitive communities currently facing gentrification and displacement pressures; and
- Provisions to ensure no net loss of covenanted affordable and rent-stabilized units, and protections for existing tenants occupying covenanted affordable and rent-stabilized units.

PRESENTED BY:



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