

FINDINGS

(As Amended by the City Planning Commission at its meeting on May 14, 2026)

Program Findings and Discussion

Several sets of findings are required to adopt the Low-Rise Ordinance and the SB 79 Phased Implementation Ordinance, including consistency with the General Plan, (including but not limited to the Land Use, Housing and Circulation Elements), SB 79 and State Density Bonus Law.

A. City Charter Findings

City Charter Section 253 - City Charter Section 253 allows for City Council to adopt an urgency ordinance that takes effect upon publication, so long as the ordinance is required for the immediate preservation of the public peace, health or safety and passes by at least a three-fourths vote of Council.

Both the Low-Rise and Phased Implementation Ordinances are necessary for the immediate preservation of the public peace, health and safety, and to ensure compliance with State law. SB 79 is a State mandate that would otherwise apply unless the City elects to temporarily delay effectuation of the SB 79's development standards, in conjunction with the adoption of the City's Low-Rise Ordinance that allows for a more tailored development approach to concentrate density close to transit.

By permanently excluding certain industrial sites and sites more than a mile walking from eligible transit stations, and by temporarily exempting and protecting sensitive sites such as low-resource neighborhoods as designated by the California Tax Credit Allocation Committee (TCAC), Very High Fire Hazard Severity Zones, and industrial zones from increased residential capacity as otherwise would be mandated by California Government Code Section 65912.161(b)(1), adoption of these ordinances to phase implementation of SB 79 effectuation provides additional time for the City to evaluate alternative plan options and to balance health, safety, and displacement concerns in conjunction with the development of increased housing stock. The Low-Rise Ordinance allows the City to comply with State-mandated requirements, while continuing to address Los Angeles' housing crisis by increasing capacity in a manner consistent with the City's certified Housing Element, and improves housing access by affirmatively furthering fair housing using locally tailored value capture.

These proposed ordinances, as discussed further below, are consistent with the City's 2021-2029 certified Housing Element that commits the City of Los Angeles to plan for housing in a way that addresses past patterns of discrimination and exclusion and strives for greater affordability, equity, and sustainability citywide through prioritizing growth in areas shown to have positive life and health outcomes by encouraging infill development in High Opportunity Areas near access to jobs, transit, amenities, and neighborhood services. If the Program is not adopted, the City would

be subject to immediate effectuation of SB 79 on every eligible site, permitting the full use of applicable incentives offered by the bill without the opportunity to implement in a manner that considers General Plan goals and establishes protections for areas vulnerable to displacement or environmental risks.

Provided the ordinances pass with a three-fourths vote by Council, they shall become effective upon publication.

City Charter Sections 556 and 558 and LAMC Section 13B.1.3 - City Charter Sections 556 and 558, and LAMC Section 13B.1.3 require the City Planning Commission and the City Council to adopt the following findings, when taking any action to amend zoning or other land use regulations concerning permissible uses, height, density, bulk, location or use of buildings or structures, size of yards, open space, setbacks, building line requirements, and other similar requirements:

- (1) The zoning ordinance is in substantial conformance with the purposes, intent, and provisions of the General Plan;
- (2) The zoning ordinance is in conformity with public necessity, convenience, general welfare, and good zoning practice; and,
- (3) Other findings as required by law.

Although the SB 79 Phased Implementation Ordinance does not amend the zoning code, change conditions, or amend land use regulations pursuant to the referenced sections above, the following analysis demonstrates that the ordinance is in substantial conformance and is provided here for informational purposes.

Pursuant to City Charter Sections 556 and 558, and LAMC Section 13B.1.3, the proposed Low-Rise Ordinance and SB 79 Phased Implementation Ordinance are in substantial conformance with the purpose, intent and provisions of the General Plan, as analyzed in the findings below. Other findings required by law are included in subsequent sections, including findings affirming City's eligibility for permanent and temporary exclusions from SB 79 effectuation pursuant to GCS 65912.160(e) and GCS 65912.161(b)(1) in Section C, consistency with State Housing Element Law pursuant to GCS Sections 65580- 65589.11 in Section D, and compliance with State Density Bonus Law pursuant to GCS 65915- 65918 in Section E.

Both ordinances herein collectively referred to as the "Program" are in conformance with public necessity, convenience, general welfare and good zoning practice because the SB 79 Phased Implementation Ordinance enables a phased implementation Citywide, which will allow the City additional time to plan for and ensure general welfare and good zoning practice for SB 79 implementation within impacted geographies. The phased approach enacted through this ordinance will also enable the City to implement SB 79 and its increased development capacity in a way that is consistent with the goals of the 2021-2029 Housing Element through the adoption of a future TOD alternative plan. The Low-Rise Ordinance proposes eligibility and feasibility changes to the Mixed Income Incentive Program (MIIP codified at LAMC Sec. 12.22 A.38) that

expands missing middle development opportunities to low-density residential sites near quality transit in Moderate and Higher Opportunity Areas. These eligibility and feasibility amendments are intended to increase the number of proposed projects for the Low-Rise Incentive Area, as there have been no filed applications for the previously named Corridor Transition Incentive Area since adoption in 2025, while also promoting positive economic, health, and equity outcomes that support the City's general welfare and good zoning practice. In particular, the Program responds to the City's acute housing crisis, which negatively impacts the general welfare with high rates of homelessness, overcrowding and unaffordable rents. Incentives for new housing with deed restricted affordable units facilitates an increase in the housing supply in strategically selected areas according to good zoning practice. These areas are characterized as having strong transportation service, existing infrastructure, access to jobs and amenities, and existing resources linked to better life outcomes for residents

B. General Plan Consistency Findings

General Plan Consistency Requirement – State law requires that the General Plan have horizontal internal consistency among its general plan elements (California Government Code Section 65300.5). The City Charter Sections 556 and 558 and California Government Code Section 65860(d) also require the City's zoning ordinances to be vertically consistent with the General Plan.

The Low-Rise Ordinance proposes amendments to the MIIP, adopted as part of the Citywide Housing Incentive Program (CHIP) Ordinance in 2025, to expand eligibility and improve project feasibility. The CHIP Ordinance was found to possess internal consistency with the General Plan at the time of ordinance adoption. Those findings are hereby updated to demonstrate the vertical consistency between the proposed Low-Rise Ordinance and the General Plan.

The proposed SB 79 Phased Implementation Ordinance does not amend the zoning code or general plan elements. Enactment of the phased implementation of SB 79, however, ensures the City has sufficient time to strategically align SB 79 implementation with General Plan goals, in particular goals for preservation of industrial land, open space, and protection of historic resources. The ordinance will also allow the City additional time to develop implementation strategies that are consistent with General Plan considerations regarding development in environmentally sensitive areas, including hillside areas vulnerable to fire risk. Furthermore, the proposed ordinance enacts a permanent exemption for industrial employment hubs, consistent with the General Plan's industrial preservation goals.

This following discussion demonstrates the Program's consistency with the General Plan in compliance with City Charter Sections 556 and 558, and LAMC Section 13B.1.3, in that they are compatible with the objectives, policies, general land uses, and programs of the General Plan and will not inhibit or obstruct their attainment. The General Plan findings below are provided for the City Planning Commission's consideration in approving and recommending the Low-Rise and SB 79 Phased Implementation Ordinances and its determination that these ordinances are consistent with the City's General Plan.

For all the reasons provided below, the proposed Program is consistent with the City of Los Angeles General Plan, in that it is compatible with the objectives, policies, general land uses, and programs of the General Plan and will not inhibit or obstruct their attainment.

The Housing Element

The Program is in substantial conformance with the purpose, intent, and provisions of the General Plan in that the ordinances and its amendments support the goals, objectives, policies, and programs of the 2021-2029 Housing Element as outlined in detail below.

The Low-Rise Ordinance, if adopted, would continue the implementation of Program 121 of the 2021-2029 Housing Element by including more flexible zoning and incentives for existing single-family and lower density residential areas to create opportunities for a variety of “missing middle” low-scale housing typologies. The ordinance also implements Programs 21, 48, 54, 55, 57, 65, 103, and 124, as discussed in the Housing Element Program section below.

The SB 79 Phased Implementation Ordinance enacts permanent and temporary exemptions from bill enactment to certain sites sensitive to disaster risk, promoting the City’s goals of positive health outcomes, safety in planning for housing, as well as goals to affirmatively further fair housing through enabling local value capture strategies.

As a core implementation program of the 2021-2029 Housing Element, the Program strongly furthers its goals, objectives, policies and programs. The five goals that guide the 2021-2029 Housing Element are listed below, along with the most relevant objectives and policies.

Goal 1

A City where housing production results in an ample supply of housing to create more equitable and affordable options that meet existing and projected needs.

Objective 1.1: Forecast and plan for existing and projected housing needs over time with the intention of furthering Citywide Housing Priorities.

Policy 1.1.7: Incentivize production of mixed-income and 100% Affordable Housing projects by rezoning for more inclusive development at densities that enable their construction in every geography.

Policy 1.1.8: Introduce more flexible zoning and incentives for existing lower density residential areas to create opportunities for more “missing middle” low-scale housing typologies, particularly in Higher Opportunity Areas.

Policy 1.1.9: Develop and integrate anti-displacement strategies that further Citywide Housing Priorities into land use and planning strategies.

Objective 1.2: Facilitate the production of housing, especially projects that include Affordable Housing and/or meet Citywide Housing Priorities.

Policy 1.2.1: Expand rental and for-sale housing for people of all income levels. Prioritize housing developments that result in a net gain of Affordable Housing and serve those with the greatest needs.

Policy 1.2.2: Facilitate the construction of a range of different housing types that addresses the particular needs of the City's diverse households.

Policy 1.2.3: Facilitate innovative housing models and promote regulatory reforms that reduce the costs of housing production while also promoting broader Citywide Housing Priorities.

Policy 1.2.4: Strengthen the capacity of housing providers to build Affordable Housing.

Policy 1.2.5: Streamline the housing approval process, particularly for Affordable Housing, throughout City departments.

Policy 1.2.6: Create new citywide and local land use incentives and programs that maximize the net gain of affordable housing and produce housing that meets Citywide Housing Priorities. Explore varied affordability ratios, the feasibility of inclusionary zoning requirements, and a greater mix of incomes based on market areas.

Policy 1.2.8: Develop and implement new land use and financing tools to promote more housing that is affordable to those with the lowest incomes and for longer periods of time.

Policy 1.2.9: Allow for zoning flexibility for Affordable Housing at the project review and planning levels when broader Citywide Priorities are being advanced.

Objective 1.3: Promote a more equitable distribution of affordable housing opportunities throughout the city, with a focus on increasing Affordable Housing in Higher Opportunity Areas and in ways that further Citywide Housing Priorities.

Policy 1.3.1: Prioritize housing capacity, resources, policies and incentives to include Affordable Housing in residential development, particularly near transit, jobs, and in Higher Opportunity Areas.

Policy 1.3.2: Prioritize the development of new Affordable Housing in all communities, particularly those that currently have fewer Affordable units.

Low-Rise Ordinance

The Low-Rise Ordinance expands eligibility for MIIP's missing middle incentives associated with the Low-Rise Incentive Area, formerly called Corridor Transition (CT) Incentive Area, adding capacity for affordable housing in single-family and other low-density zoned sites where these types of incentives were previously not permitted. These amendments enable construction of mixed-income, multi-family housing in lower-density zoned sites within Opportunity Station Areas, permitting multi-family homes in geographies that, at present, are restricted to single-family zones or other low densities. The expansion of these incentives support the Housing Element goal of allowing zoning flexibility for projects providing affordable housing (Policy 1.2.9), alongside additional amendments targeting increased missing middle project feasibility (Policy 1.1.8), including consolidating incentive tiers, adjusting affordability requirements, updates to the Multi-Bedroom Base Incentive, and allowances for rooftop open space. These proposed changes create new opportunities for increased housing capacity, addressing the City's housing needs in transit-rich areas of the City where affordable housing is most needed (Policy 1.3.1). Furthermore, the incentive structure centered on increases in affordability advances affordable unit goals for populations with the greatest need (Policy 1.2.1 and Policy 1.2.8), and supports goals of creating innovative housing models (Policy 1.2.3).

The Low-Rise Incentive Area eligibility expansion to all residential sites within Opportunity Station Areas supports the objective to increase affordable housing in Higher Opportunity Areas (Objective 1.3, Policy 1.3.1). Higher Opportunity Areas have a dense concentration of place-based opportunities such as access to transit, and high-performing schools, with higher rates of employment and education, and lower exposure to environmental pollutants, among other indicators. By concentrating eligibility expansion to areas with transit qualifying for SB 79 incentives and within Moderate or Higher Opportunity Areas, these amendments aim to improve equitable access to Moderate and Higher Opportunity Areas of the City and promote affordable housing opportunities near higher performing schools, jobs, and transit-rich areas. The proposed amendment to change the TCAC mapping frequency from annually to every five years will further strengthen this approach by providing greater consistency in the level of incentives available in Moderate and Higher Opportunity geographies within the Housing Element planning period.

In addition to expanding incentives to areas that have greater access to place-based opportunities, the Low-Rise Ordinance focuses housing capacity increases in low-density zones that have historically developed less multi-family housing. This strategy to add capacity reduces displacement risk within established multi-family neighborhoods and areas of the City that have experienced a higher share of housing development due to applicable underlying zoning containing less restrictions on multi-family construction (Policy 1.1.9).

The Low-Rise Ordinance further contributes to the goals of increased streamlining and affordability (Policy 1.2.5) by increasing the number of sites that are eligible for the Low-Rise Incentive Area, thereby expanding the geographic areas within the City that are eligible for the significant streamlining pathways available through the program. This eligibility change also directly impacts the potential number of affordable units citywide, and even more so within these lower-density zoned geographies, by increasing the achievable density while requiring a percentage of affordable units. Furthermore, the ordinance adjusts affordability requirements for

eligible project types to increase feasibility, promoting the production of affordable units by increasing probability that these projects can be financed and constructed. These amendments therefore support the goals of expanding access to housing for people of all income levels, prioritizing development that results in the production of affordable housing (Policy 1.2.1), and strengthening the capacity of housing providers to build affordable housing (Policy 1.2.4).

Furthermore, Low-Rise Incentive Area Projects are granted relief from certain zoning standards, including minimum lot area, width, and access requirements, lot coverage, setbacks, open space, calculation of residential FAR, and massing requirements. These zoning standards are selected for relief to decrease challenges related to building multi-family housing within zones that have requirements designed for single-family housing. Including this relief creates crucial zoning flexibility for affordable housing (Policy 1.2.9) and strengthens the capacity of housing providers to produce affordable housing (Policy 1.2.4), particularly missing middle typologies (Policy 1.18).

SB 79 Phased Implementation Ordinance

By enacting permanent and temporary exemptions to SB 79, the SB 79 Phased Implementation Ordinance enables the City to plan for housing capacity growth through strategies that affirm Citywide Housing Priorities (Objective 1.1). In particular, the ordinance allows the City additional time to exercise discretion regarding local value capture strategies tied to housing capacity growth, rather than defaulting to the bill's affordability requirements. In this way, the City can strategically calibrate affordability standards for areas with added housing capacity to implement the bill, giving the option to require higher affordability than required in SB 79 (Objective 1.2). This will enable the City to more thoroughly implement housing growth required by the bill that is aligned with the affordability considerations in Goal 1, including promoting the creation of affordable housing to those with the greatest need (Policy 1.2.1) and prioritizing new affordable housing in communities that have fewer affordable units, particularly Higher Opportunity Areas (Policies 1.3.1 and 1.3.2).

Goal 2

A City that preserves and enhances the quality of housing and provides greater housing stability for households of all income levels.

Objective 2.1: Strengthen renter protections, prevent displacement and increase the stock of affordable housing.

Objective 2.2: Promote more affordable ownership opportunities and ownership retention strategies, with an emphasis on stability and wealth building for underserved communities.

Policy 2.2.1: Expand ownership models that increase the ability for households to attain homeownership, including alternative forms of shared- and limited-equity ownership.

Low-Rise Ordinance

The Low-Rise Ordinance supports the goal of increasing the stock of affordable housing (Objective 2.1) by expanding the geographic eligibility of the Low-Rise Incentive Area, which requires the provision of affordable units in order to use the program. This creates more opportunity for the production of affordable housing in areas in which this is currently less feasible due to zoning restrictions. The ordinance focuses housing capacity increases in low-density zones with less existing units, therefore reducing direct displacement impacts and prioritizing expanding housing access in more places to alleviate indirect displacement throughout the city. The Low-Rise Ordinance further offers tailored Incentives to expand home ownership opportunities and equity building for more households, offering increased density alongside reduced lot sizes, setbacks, and access requirements when covenanted affordable units are provided. The proposed expansion of both eligibility and intensity of incentives to a wider geographic radius creates heightened opportunities for homeownership through increasing the number of eligible sites in new geographic areas of the City (Objective 2.2).

SB 79 Phased Implementation Ordinance

The permanent and temporary exemptions enacted through the SB 79 Phased Implementation Ordinance will allow the City more time to plan for increased housing capacity aligned with City's value capture goals, including increasing the stock of affordable housing, instead of defaulting to the bill's affordability standard. The ordinance specifically enacts temporary exemptions for sites and TOD Zones designated as low-resource, which aids in displacement prevention in vulnerable communities during the process of adding housing capacity in alignment with the bill (Objective 2.1).

Goal 3

A City in which housing creates healthy, livable, sustainable, and resilient communities that improve the lives of all Angelenos.

Objective 3.1: Use design to create a sense of place, promote health, foster community belonging, and promote racially and socially inclusive neighborhoods.

Policy 3.1.1: Provide incentives and financial support for the preservation of historic residential structures, particularly for lower-income households.

Policy 3.1.2: Promote new development that furthers Citywide Housing Priorities in balance with the existing architectural and cultural context.

Policy 3.1.3: Develop and implement design standards that promote quality residential development.

Policy 3.1.4: Site buildings and orient building features to maximize benefit of nearby amenities and minimize exposure to features that may result in negative health or environmental impacts.

Policy 3.1.6: Establish plans and development standards that promote positive health outcomes for the most vulnerable communities and populations.

Policy 3.1.7: Promote complete neighborhoods by planning for housing that includes open space, and other amenities

Objective 3.2: Promote environmentally sustainable buildings and land use patterns that support a mix of uses, housing for various income levels and provide access to jobs, amenities, services and transportation options.

Policy 3.2.1: Promote the integration of housing with other compatible land uses at both the building and neighborhood level.

Policy 3.2.2: Promote new multi-family housing, particularly Affordable and mixed-income housing, in areas near transit, jobs and Higher Opportunity Areas, in order to facilitate a better jobs-housing balance, help shorten commutes, and reduce greenhouse gas emissions.

Policy 3.2.9: Consider accommodating new residential uses, including live/work and mixed-use, in less-productive industrial, office, and commercial areas when the site can accommodate housing in keeping with citywide industrial land, jobs-housing and jobs preservation priorities, and when sites have been appropriately tested and remediated, if necessary.

Objective 3.3: Promote disaster and climate resilience in citywide housing efforts.

Policy 3.3.1: Identify risks to our housing stock related to disasters and other unplanned events, especially those likely to accelerate as a result of climate change.

Policy 3.3.2: Establish plans, incentives, and development standards that eliminate or minimize disaster risk and promote positive health outcomes for communities most at risk.

Low-Rise Ordinance

The Low-Rise Ordinance encourages affordable housing production near transit and in Moderate and Higher Opportunity Areas through expanding eligibility for missing middle incentives in areas of the city with transit access and access to opportunity. Residential growth in these areas will help shorten commutes and facilitate a better jobs-housing balance (Policy 3.2.2) while also furthering citywide goals concerning health outcomes, livability, sustainability, resilience, and affordability. This eligibility expansion in Opportunity Stations, majority Moderate and Higher Opportunity station areas, focuses growth in areas with sufficient infrastructure to expand housing capacity, including suitable access to amenities, services, and transportation options as stated in Objective 3.2.

The Low-Rise Ordinance promotes health focused design outcomes by enforcing specific design standards around common open space and street-facing entrances that are modeled to ensure sufficient open space and pedestrian orientation while still scaling with the surrounding low-density neighborhood. The ordinance further introduces amendments to the common open space options for Low-Rise Incentive Area projects to increase feasibility of the provision of suitable open space for a missing middle typology on lower-density zoned sites, including allowing for common open space on a rooftop or intermediate level and within the front yard instead of the rear yard (Policy 3.1.7).

The Low-Rise Ordinance upholds the Housing Element goals of integrating housing with other compatible land uses, at the building and neighborhood level (Policy 3.2.1). Expanding geographic eligibility using Opportunity Station Areas, which comprise the half-mile radius around a qualifying transit station, planning holistically in a station area instead of by census tract boundaries to create greater consistency in the built environment. The ordinance supports neighborhood consistency considerations by extending MIIP eligibility to parcels in Fire Restriction Areas or the Coastal Zone if they are abutting, across the street or alley, or share a common corner with a MIIP eligible site that is not within a Fire Restriction Area or the Coastal Zone ensuring consistency in incentive eligibility on a block. The ordinance also proposes to update the mapping frequency of TCAC Opportunity Areas from annually to every five years. This would ensure consistency throughout the planning period, maintaining compatible development and ensuring consistent development potential for the development community.

Furthermore, the proposed Low-Rise Ordinance builds off of the MIIP eligibility framework, which excludes development in areas with high environmental risk where residential growth would not facilitate the creation of healthy and resilient communities. The ordinance establishes a definition for Fire Restriction Areas, which encompasses hillside and VHFHSZ areas and amends program eligibility. The City has adopted fire hazard mitigation measures that are required for all projects in the VHFHSZ, pursuant to existing State Fire Code standard building standards and State Minimum Fire Safety regulations. With the incorporation of these state codes, development in the VHFHSZ will make structures more fire safe and create more fire resilient areas over time (Policy 3.3.2). The Fire Restriction Area is consistent with the fire eligibility restrictions that were in Executive Directive 1 (ED 1) as currently codified in the Affordable Housing Streamlining Ordinance (Ordinance No. 188788) (LAMC 12.22 A.40). This eligibility limitation ensures areas with greater environmental vulnerabilities are restricted from program eligibility, including areas egress issues and substandard streets, while simultaneously permitting MIIP eligibility in non-hillside VHFHSZ areas like Atwater Village, Ventura Boulevard in Sherman Oaks, and Glendale Boulevard bolstering new fire-resilient development subject to updated building code standards in fire zone adjacent areas.

Low-Rise Incentive Area eligibility expansion ensures growth is tied to a tailored Incentive structure that excludes eligibility of local historic sites within Opportunity Station Areas, unless sites were previously eligible for the program due to proximity to an Opportunity Corridor, encouraging the preservation of historic resources (Policy 3.1.1). For eligible state and national

register historic sites, Low-Rise restricts demolition, does not override standard historic review procedures for alteration, and further limits the scale of Incentives the site is eligible for.

The ordinance also contains tailored eligibility considerations for industrial areas that may be eligible for SB 79. Although MIIP generally does not permit program eligibility in manufacturing zones and the ordinance further introduces new eligibility restrictions to MR zones, sites that are otherwise ineligible for temporary exemption are granted limited eligibility through this ordinance in order to maintain citywide eligibility for phased implementation. This could result in industrially zoned sites gaining eligibility for the Low-Rise Incentive Area. The Department is currently seeking guidance from HCD on the overall eligibility of industrial land for SB 79. If HCD affirms eligibility, the Department recommends procedural changes be implemented for projects proposed on industrially zoned sites, including a required discretionary approval process and/or expanded environmental protection measures. These recommended procedural requirements support Policy 3.2.9's consideration of appropriate testing and remediation when accommodating housing on industrially zoned land.

SB 79 Phased Implementation Ordinance

The SB 79 Phased Implementation Ordinance promotes climate resilience and reduced disaster risk through enacting temporary exemptions from full SB 79 implementation for sites within VHFHSZ and one-foot of sea level rise (Objective 3.3). This allows the City additional time to plan for adding housing capacity in compliance with appropriate health and environmental risk considerations.

Goal 4

A City that fosters racially and socially inclusive neighborhoods and corrects the harms of historic racial, ethnic, and social discrimination of the past and present.

Objective 4.3: Affirmatively further fair housing in all housing and land use programs by taking proactive measures to promote diverse, inclusive communities that grant all Angelenos access to housing, particularly in Higher Opportunity Areas, increase place-based strategies to encourage community revitalization and protect existing residents from displacement.

Policy 4.3.2: Ensure that all neighborhoods have a range of housing typologies to provide housing options for residents to remain in the same community, when and if their needs change.

Policy 4.3.3: Examine land use practices that perpetuate racial exclusion and inequities including but not limited to: single-family / low density zoning, minimum lot size requirements, location of noxious uses, and subjective design review standards. Introduce context specific reforms that further Citywide Housing Priorities

Policy 4.3.4: Advance place-based strategies that create opportunities and financial strength in areas of disinvestment and with a history of predatory financial practices through asset-building shared equity homeownership that creates stability and mitigates displacement pressures through community control

Low-Rise Ordinance

The proposed Low-Rise Ordinance will create new development opportunities for mixed-income projects that will foster more racially and socially inclusive neighborhoods. The 2021-2029 Housing Element findings affirmed that achieving the goal of affirmatively furthering fair housing requires an honest examination of land use practices that have perpetuated racial exclusion and inequities as well as an exploration of the development of more affordable housing types that are compatible with low-density neighborhoods. The Low-Rise Ordinance amendments prioritize expanding housing options to single-family and low-density zones in Opportunity Station Areas to proactively expand housing opportunities in transit rich majority Moderate and Higher Opportunity station areas creating more equitable and affordable housing options for City residents. The expansion of Low-Rise Incentive Area eligibility to lower-density zones supports the 2021-2029 Housing Element findings that acknowledge that equity goals must be considered alongside other land use policy objectives, in this case as a means to add development capacity exceeding Senate Bill 79 requirements in order to strategically incentivize housing near transit infrastructure and higher and moderate resource areas.

The proposed Low-Rise Ordinance further creates a new pathway for a variety of housing typologies within lower-density areas near quality transit where previously only single-family development may have been permitted. This allowance for a range of housing typologies where previously not permitted provides missing middle housing opportunities alongside existing higher or low density contexts providing transitional density. Furthermore, expanding housing options provides new opportunities for housing mobility in their community and reduces displacement risk for residents (Policy 4.3.2). This Low-Rise Incentive Area program itself also incentivizes housing that ranges in scale and density, with Base Incentives ranging from six-unit homes with two-story height up to sixteen units per lot with four-story heights. In instances where multiple lots are consolidated, the Low-Rise Incentive Area scales density while maintaining the same building volume standards. For consistency with SB 79, the Low-Rise Ordinance guarantees eligible projects half of density and FAR permitted by California Government Code Section 65912.157(a) ensuring incentives are always equivalent or in excess of the bill provisions.

SB 79 Phased Implementation Ordinance

The SB 79 Phased Implementation Ordinance enacts permanent and temporary exemptions that grant the City additional time to plan for housing capacity growth in alignment with strategies that affirmatively further fair housing (Objective 4.3). In particular, phasing implementation in low resource neighborhoods provides time to develop place-based strategies to mitigate displacement pressures (Policy 4.3.4), consider community needs, and develop context specific reforms that address historical land use practices (Policy 4.3.3).

Housing Element Programs

The Low-Rise and SB 79 Phased Implementation Ordinances support the implementation of a number of Housing Element Programs, as described below:

Program 3

Program 3 establishes objectives to facilitate the development of 800 market-rate and 90 lower-income units each year, and to amend the zoning code to further innovate in subdivisions. The Low-Rise Ordinance establishes density and lot standard incentives to facilitate subdivision developments with affordable units, provide both innovate in subdivision standards and facilitate the production of unit targets

Program 21

Program 21 includes objectives to incorporate updated parking strategies that support VMT goals and recognize the emergence of shared and alternative mobility, particularly in transit-rich areas. The Low-Rise Ordinance offers no parking minimum as a Base Incentive for projects within Opportunity Station Areas, supporting Program 21's goals.

Program 48

Program 48 comprises updating density bonus and affordable housing incentive programs. The CHIP Ordinance adopted in 2025 implemented this program through the creation of the State Density Bonus Program (12.22 A.37), the Mixed Income Incentive Program (12.22 A.38), and Affordable Housing Incentive Program (12.22 A.39). The Low-Rise Ordinance builds on this effort by amending the MIIP to expand eligibility, as well as bringing forward amendments to improve the feasibility of projects utilizing the program.

Program 55

Program 55 calls for implementing CEQA streamlining measures, and projects using the Low-Rise Incentive Area within MIIP are covered under the Housing Element EIR. Therefore, the MIIP eligibility expansion proposed in this Low-Rise Ordinance opens new areas of the City that can receive environmental streamlining for mixed income housing development, supporting Program 55.

Programs 54 and 57

The Low-Rise Ordinance builds on the procedural streamlining framework established through the CHIP Ordinance to continue implementation of Program 54, which aims to expedite affordable housing projects, and Program 57, which promotes improvements to development processing. The Low-Rise Incentive Area eligibility expansion increases the number of parcels and geographic areas within the City that will have access to ministerial pathways for affordable housing.

Program 62

The Low-Rise Ordinance builds on the innovation in housing types established through the CHIP Ordinance to continue implementation of Program 62.

Program 103

Program 103 states that the Department will introduce flexible zoning standards and incentives to create opportunities for more 'Missing Middle' housing typologies, particularly in Higher Opportunity Areas. The Low-Rise Ordinance's expansion of the Low-Rise Incentive Area eligibility to all sites within Opportunity Station Areas directly implements this goal, allowing for lower- scale, multi-unit housing in low-density, Moderate and Higher Opportunity areas of the City where this typology is not currently permitted. Further, the Low-Rise Incentive Area's affordability requirements implement the value capture approach that Program 103 planned for, ensuring increases in density are tied to covenanted affordable housing that reduce barriers and create long-term housing opportunities for low-income residents.

Program 121

Program 121 comprises the RHNA Rezoning program aimed at a citywide rezoning to meet RHNA Targets. The Citywide Housing Incentive Program (CHIP) Ordinance adopted in 2025 was the primary implementation of Program 121, and included the MIIP. Minimum Objectives for this program were completed with the adoption of the CHIP, Hollywood Community Plan and Downtown Community Plan in 2025, however the full program description continues to be implemented through various work efforts including the Adaptive Reuse Ordinance and the Low-Rise Ordinance. The proposed Low-Rise Ordinance amends the MIIP to enable eligibility and project feasibility within existing lower-density and single-family residential areas to create opportunities for missing middle, low-scale housing typologies. Specifically the program states, "Specific Rezoning Program strategies (described in greater detail in Chapter 4 of the 2021-2029 Housing Element) that will be further developed with significant community input include focusing rezoning on commercial and residential corridors, areas zoned for Parking (P), transitional residential areas off commercial boulevards, in existing regional centers, on public and religious-owned land, and in other areas where multifamily, and therefore affordable housing, is not permitted today. The Rezoning Program may also include more flexible zoning and incentives for existing single-family or lower density residential areas to create opportunities for a variety of "missing middle" low-scale housing typologies including fourplexes, townhomes/ rowhouse, additional affordable ADUs, bungalow courts, and other contextual Los Angeles typologies". Therefore, the Low-Rise Ordinance furthers the rezoning strategies within Program 121 by expanding where multi-family housing is permitted and facilitating missing middle housing.

Program 124

Both the SB 79 Phased Implementation and Low-Rise Ordinances support the goals of Program 124 to Affirmatively Furthering Fair Housing (AFFH). The AFFH Program (Program 124) of the 2021 - 2029 Housing Element established the following specific strategy and actions to address the primary AFFH issue areas:

Strategy A. Prioritize and expand housing choices for those with the greatest housing needs, including those with the lowest incomes, persons with disabilities, seniors, large

families, and victims of domestic violence.

Program 81: Create tailored affordability incentives that account for identified local needs such as insufficient senior, large family units, or multigenerational living, as local plans are adopted. Ensure local plans increase the production and availability of Affordable and accessible housing.

Strategy D. Promote a more equitable distribution of affordable housing opportunities throughout the city, with a focus on incentivizing or requiring Affordable Housing in Higher Opportunity Areas.

Programs 48, 65 and 121: Create a tailored set of streamlining and development incentives to prioritize 100% affordable housing projects. Expand where mixed-income projects may be created, with a particular focus in Higher Opportunity Areas, by 2024. Introduce context specific reforms to zoning and land use practices to increase housing choices and affordability, particularly in Higher Opportunity Areas (see figures in Chapter 4, the candidate sites for rezoning in Appendix 4.7 and associated website maps). Target more than half of rezoning efforts in Higher Opportunity Areas.

The proposed Low-Rise Ordinance implements Strategy D by directly expanding the areas of the City in which mixed-income projects can be created. The Low-Rise Ordinance further supports this goal by focusing these eligibility expansions in Moderate and Higher Opportunity Areas, creating housing capacity tied to affordability in areas of the City with greater health, education, and economic outcomes. The Ordinance additionally furthers Strategy A by offering additional FAR and Height incentives for projects providing three-bedroom units to increase the availability of large family units.

The SB 79 Phased Implementation Ordinance supports Strategy D by enacting permanent and temporary exemptions that permit the City additional time to make considerations regarding the equitable distribution of affordable housing opportunities within the City. Instead of defaulting to minimum affordability standards required by SB 79 effective July 2026, the ordinance exemptions allow the City additional time and discretion to tie housing capacity growth to value capture strategies that incentivize affordable housing in areas aligned with City goals.

The Framework Element

The proposed Low-Rise and SB 79 Phased Implementation Ordinances are both consistent with and implement the long-range growth goals, objectives, and policies of the Framework Element of the General Plan (adopted in 1996). This section contains a discussion showing the consistency between the Program and Framework Element.

The General Plan Framework Element sets forth a citywide comprehensive long-range growth strategy and defines citywide policies regarding the following categories: growth and capacity, land use, single-family neighborhoods, transit stations, urban form and neighborhood design,

open space and conservation, economic development, and housing. Therefore, the following discussion is organized by the categories found in the Framework Element below:

Growth and Capacity

With regards to growth and capacity, the State of California requires that cities update the Housing Element of their General Plan every eight years to accommodate a share of their region's projected growth. This process is based on the City's RHNA allocation, which quantifies the need for housing within that jurisdiction over an eight year planning period. In 2020, the Southern California Association of Governments (SCAG) determined that the City must accommodate a RHNA allocation of 456,643 housing units, including 184,721 units at lower income levels. While this number of housing units exceeds the Framework Element's 2010 estimates that corresponded with SCAG's forecast for that year, the current RHNA allocation reflects a 2029 time horizon. The Framework Element is a plan to accommodate future growth – the population and housing estimates noted in the plan do not represent maximum or minimum levels of permitted growth. The Framework Element's estimated population and household figures for 2010 have yet to be reached and remain relevant, as do the Framework policies, even if housing needs anticipated by the RHNA exceed these figures.

The Low-Rise Ordinance is within the scope of the impacts analyzed within the Citywide Housing Incentive Program and would support the construction of homes consistent with the RHNA targets and Program 121 (RHNA Re-Zoning) of the 2021-2029 Housing Element. The Phased Implementation Ordinance does not increase the number of permitted homes, as it defers the impacts of Senate Bill 79 until a year after the next housing element, permitting time for the adoption of local implementation programs. Therefore, the Program's growth and capacity targets are not inconsistent with the Framework Element goals, policies and objectives. The Program accommodates the City's forecasted growth and existing need for housing and does not induce unplanned growth. More information on this can be found in the CEQA Findings section of this staff report.

Land Use

The Program is consistent with respect to the General Plan Framework Element's goals, objectives, and policies related to **Land Use**.

The Low-Rise Ordinance is consistent with the Framework Element's goals regarding Land Use. Since the MIIP does not alter the underlying land use of parcels to increase housing supply, but rather incentivizes additional housing where already permitted, the land use will remain balanced citywide except where the unbalanced lack of housing in Higher Opportunity Areas near quality transit will be corrected.

The SB 79 Phased Implementation Ordinance also supports the Framework Element's goals regarding land use by allotting the City more time to phase implementation of SB 79 in a strategic manner that considers existing underlying land use, neighborhood characteristics, supporting infrastructure and public services, market conditions, and historic resources.

With regard to Land Use, the General Plan Framework Element states the following:

Framework Goal 3A

A physically balanced distribution of land uses that contributes towards and facilitates the City's long-term fiscal and economic viability, revitalization of economically depressed areas, conservation of existing residential neighborhoods, equitable distribution of public resources, conservation of natural resources, provision of adequate infrastructure and public services, reduction of traffic congestion and improvement of air quality, enhancement of recreation and open space opportunities, assurance of environmental justice and a healthful living environment, and achievement of the vision for a more liveable city.

Objective 3.1 Accommodate a diversity of uses that support the needs of the City's existing and future residents, businesses, and visitors.

Policy 3.1.4 Accommodate new development in accordance with land use and density provisions of the General Plan Framework Long-Range Land Use Diagram.

Policy 3.1.6 Allow for the adjustment of General Plan Framework Element land use boundaries to account for changes in the location or introduction of new transit routes and stations (or for withdrawal of funds) and, in such cases, consider the appropriate type and density of use generally within one quarter mile of the corridor and station to reflect the principles of the General Plan Framework Element and the Land Use/Transportation Policy.

Objective 3.2 Provide for the spatial distribution of development that promotes an improved quality of life by facilitating a reduction of vehicular trips, vehicle miles traveled, and air pollution.

Policy 3.2.1 Provide a pattern of development consisting of distinct districts, centers, boulevards, and neighborhoods that are differentiated by their functional role, scale, and character. This shall be accomplished by considering factors such as the existing concentrations of use, community-oriented activity centers that currently or potentially service adjacent neighborhoods, and existing or potential public transit corridors and stations.

Policy 3.2.2 Establish, through the Framework Long-Range Land Use Diagram, community plans, and other implementing tools, patterns and types of development that improve the integration of housing with commercial uses and the integration of public services and various densities of residential development within neighborhoods at appropriate locations.

Policy 3.2.3 Provide for the development of land use patterns that emphasize pedestrian/bicycle access and use in appropriate locations.

Policy 3.2.4 Provide for the siting and design of new development that maintains the prevailing scale and character of the City's stable residential neighborhoods and enhance the character of commercial and industrial districts.

Objective 3.3 Accommodate projected population and employment growth within the City and each community plan area and plan for the provision of adequate supporting transportation and utility infrastructure and public services.

Policy 3.3.1 Accommodate projected population and employment growth in accordance with the Long-Range Land Use Diagram and forecasts in Table 2-2 (see Chapter 2: Growth and Capacity), using these in the formulation of the community plans and as the basis for the planning for and implementation of infrastructure improvements and public services.

Objective 3.4 Encourage new multi-family residential, retail commercial, and office development in the City's neighborhood districts, community, regional, and downtown centers as well as along primary transit corridors/boulevards, while at the same time conserving existing neighborhoods and related districts.

Policy 3.4.1 Conserve existing stable residential neighborhoods and lower intensity commercial districts and encourage the majority of new commercial and mixed-use (integrated commercial and residential) development to be located (a) in a network of neighborhood districts, community, regional, and downtown centers, (b) in proximity to rail and bus transit stations and corridors, and (c) along the City's major boulevards, referred to as districts, centers, and mixed-use boulevards, in accordance with the Framework Long-Range Land Use Diagram (Figure 3-1 and 3-2).

Policy 3.4.3 Establish incentives for the attraction of growth and development in the districts, centers, and mixed-use boulevards targeted for growth that may include:

- a. Densities greater than surrounding areas,
- d. Streamlined development review processes,
- e. "By-right" entitlements for development projects consistent with the community plans and zoning,
- f. Modified parking requirements in areas in proximity to transit or other standards that reduce the cost of development, and
- g. Pro-active solicitation of development.

Low-Rise Ordinance

The Low-Rise Ordinance supports and is consistent with the Framework Goal 3A and its associated policies and objectives. The ordinance's expansion of the Low-Rise Incentive Area eligibility into lower-density zones within Opportunity Station Areas is in line with Goal 3A's first direction to balance land uses, as well as more equitably distribute public resources, such as affordable housing. The proposed amendments acknowledge that a focus on Moderate and Higher Opportunity Areas needs to be balanced with other growth considerations outlined in the Framework Element, including the importance of locating new housing near high-quality transit and jobs while avoiding hazardous and ecologically sensitive areas. For these reasons, the MIIP is not applicable in newly-defined Fire Restriction Areas, areas vulnerable to Sea Level Rise or the Coastal Zone

The Low-Rise Incentive framework that grants higher-scaled Incentives for housing nearest transit and the expansion of eligibility to lower-density zoned sites within Opportunity Station Areas advance Framework Element Policy 3.1.6 and Objective 3.2's emphasis on bringing housing closer to transit and job centers. This will aid in reducing vehicular trips, vehicle miles traveled, and corresponding air pollution. Overall, the Program seeks to support the vision of an equitable, livable, and sustainable city that meets the needs of the population through a thoughtful, balanced distribution of different housing types.

Objectives 3.3 and 3.4 are furthered by the Low-Rise Ordinance, which encourages housing at different densities, sizes, and affordability levels citywide to meet the housing needs of a diverse population around rail and bus transit. The Ordinance promotes low-rise building typologies (2-4 stories) but does not propose changes to the underlying zoning or land use which are used as the basis for new incentives, consistent with Framework Element Policy 3.4.1 and Policy 3.1.4 to accommodate growth in accordance with the designated land use and density of the Framework Element's Long-Range Land Use Diagram. Incentives largely encourage intensification of existing residential zones, maintaining commercial use limitations in place along primary transit corridors. Due to the ordinance's provision granting Low-Rise Incentive Area eligibility to sites otherwise ineligible for temporary exemption, non-residential zones may experience expanded intensification of residential uses. However, these zones will be in proximity to quality transit, and therefore the corresponding residential use expansion is aligned with part (b) of Policy 3.4.1.

The Low-Rise Ordinance incentivizes stable growth in areas with transportation and stronger resources typical of Moderate and Higher Opportunity Areas. Since new housing is being incentivized near transit infrastructure and in Moderate and Higher Opportunity Areas, it is anticipated that this new development would be served by sufficient public infrastructure and services in the city.

Low-Rise Incentive Area Projects are required to comply with performance standards that enforce pedestrian-oriented design, including standards for street-facing entrances, reductions in required yards, regulation of the location of open space and parking on-site. These required design components ensure that projects emphasize pedestrian access in areas nearest to quality transit

(Policy 3.2.3). Projects compliant with program standards are processed by-right consistent with Policy 3.4.3.

The ordinance also brings forward provisions that support Policies 3.2.1, 3.2.2, and 3.2.4 to consider surrounding use and scale in the integration of housing into newly eligible neighborhoods. Using the Low-Rise Incentive Area as a vehicle for the first phase of capacity expansion ensures that neighborhood scale is regulated in the process of adding density to lower-scale neighborhoods, requiring structured design standards and scaled limitations in FAR and height that correspond to lower-density neighborhoods and distance from transit. Though incentives linked to TCAC neighborhood designations typically apply at the tract level in the existing MIIP incentive areas, opting to structure the eligibility expansion per Opportunity Station Areas, which comprise the entirety of the half-mile buffer of a transit station, creates consistency in the built environment even when census tracts divide corridors and neighborhoods. Extending program eligibility for sites in Fire Restriction Areas or the Coastal Zone that are adjacent to MIIP eligible sites not within a Fire Restriction Area or the Coastal Zone further supports these goals by allowing for consistency of maximum development potential within a block. Lastly, changing the mapping frequency of TCAC Opportunity Areas from annually to every five years will increase the consistency of available incentives within a specific area from year to year and within the Housing Element planning period, further supporting considerations of surrounding scale and use in adding housing capacity.

SB 79 Phased Implementation Ordinance

The proposed SB 79 Phased Implementation Ordinance supports and is consistent with the Framework Goal 3A and its associated policies and objectives. By codifying both permanent and temporary exemptions, the ordinance allows the City more time to make a plan for full implementation of SB 79 that honors these considerations of context specific and equitable integration of land uses. The proposed ordinance facilitates a physically balanced distribution of land uses that contributes to the City's long-term fiscal and economic viability while ensuring the conservation of existing residential, commercial, and industrial areas. By opting for a local phased implementation of SB 79 instead of immediate effectuation, the action allows for land use categories and boundaries to be maintained for future refinement consistent with Framework priorities. This strategic approach ensures that projected population and employment growth is accommodated in a manner that is supported by transportation, utility infrastructure, and public services (Objectives 3.2 and 3.3).

Single-Family Neighborhoods

The Program is consistent with the goals, objectives, and policies related to **single-family neighborhoods**. With respect to Single-Family Neighborhoods, the General Plan Framework Element states the following:

Framework Goal 3B

Preservation of the City's stable single-family residential neighborhoods.

Objective 3.5 Ensure that the character and scale of stable single-family residential neighborhoods is maintained, allowing for infill development provided that it is compatible with and maintains the scale and character of existing development.

Policy 3.5.2 Require that new development in single-family neighborhoods maintains its predominant and distinguishing characteristics such as property setbacks and building scale.

Policy 3.5.4 Require new development in special use neighborhoods such as water-oriented, rural/agricultural and equestrian communities to maintain their predominant and distinguishing characteristics. (P1, P18)

Objective 3.6 Allow for the intensification of selected single-family areas that directly abut high-density development as "transitions" between these uses.

Policy 3.6.1 Ensure that the new development of "duplex" or multi-family units maintains the visual and physical character of adjacent single-family neighborhoods, including the maintenance of front property setbacks, modulation of building volumes and articulation of facade to convey the sense of individual units, and use of building materials that characterize single-family housing.

The proposed expansion of the Low-Rise Incentive Area incentives into single-family zones within the Opportunity Station Areas is consistent with the Framework Element single-family preservation goals, objectives and policies in that it permits new development in balance with the existing architectural context. The Low-Rise Incentive Area offers scaled building envelopes (FAR and height), as well as tailored design standards for open space, street-facing entrances, and location of parking that are crafted to correspond to a single-family neighborhood scale. The Low-Rise ordinance would amend a setback incentive to require a 15 foot front yard in lieu of the 10 foot front yard previously set by the CT program. The current front yard requirement in most single family zones is currently 20 feet or prevailing. The change to a 15 foot front yard responds to the significant expansion of the Low-Rise Incentive Area from 750 feet off a commercial corridor to all low density zones within a ½ mile radius of a TOD stop. The additional front yard facilitates new multi-family development while preserving the predominant and distinguishing characteristics of single-family neighborhoods, aligned with Policies 3.5.2 and 3.6.1.

Additionally, Incentives offered in the Low-Rise Incentive Area are scaled according to distance from the Opportunity Corridor or Opportunity Station, with maximum density, FAR, and height decreasing the farther the project is from the qualifying point of transit. In this way, the Low-Rise Incentive Area is designed to facilitate a transition between uses (Objective 3.6) that is highly responsive in scale to neighborhood context, adding density without compromising the visual and physical character of single-family neighborhoods (Policy 3.6.1). Any development standards within overlays will still be applicable to these sites unless a Base Incentive offers relief from a standard, or an overlay development standard otherwise applicable to a site physically precludes

the building envelope guaranteed by Low-Rise Incentive Area base incentives. Overlay development standards designed to maintain distinguishing characteristics of special use neighborhoods will be enforced for Low-Rise Incentive Area Projects in alignment with Policy 3.5.4. Further, where intensification of lower density areas is proposed through the Low-Rise Ordinance, it is in alignment with other Framework policies regarding transit, transitions, and equitable distribution of public resources like affordable housing.

Multi-Family Neighborhoods

The Program is consistent with the goals, objectives and policies related to Multi-Family Neighborhoods in the General Plan Framework Element. With respect to Multi-Family Neighborhoods, the General Plan Framework Element states the following:

Framework Goal 3C Multi-family neighborhoods that enhance the quality of life for the City's existing and future residents.

Objective 3.7 Provide for the stability and enhancement of multi-family residential neighborhoods and allow for growth in areas where there is sufficient public infrastructure and services and the residents' quality of life can be maintained or improved.

Policy 3.7.1 Accommodate the development of multi-family residential units in areas designated in the community plans in accordance with Table 3-1 and Zoning Ordinance densities indicated in Table 3-3, with the density permitted for each parcel to be identified in the community plans.

The proposed Program is consistent with the Framework Element in that it encourages multifamily housing that enhances quality of life. The Low-Rise Ordinance contains programs that promote new multifamily mixed-income housing, in areas near transit stations, jobs, and in Opportunity Station Areas.

Industrial

The Program is consistent with the goals, objectives and policies related to industrial lands in the General Plan Framework Element. With respect to industrial lands, the General Plan Framework Element states the following:

GOAL 3J Industrial growth that provides job opportunities for the City's residents and maintains the City's fiscal viability.

Objective 3.14 Provide land and supporting services for the retention of existing and attraction of new industries.

Policy 3.14.1 Accommodate the development of industrial uses in areas designated as "Industrial-Light," "Industrial-Heavy," and "Industrial-Transit" in accordance with Tables 3-1 and 3-9. The range and intensities of uses permitted in any area shall be determined by the community plans. (P1, P18)

Policy 3.14.4 Limit the introduction of new commercial and other non-industrial uses in existing commercial manufacturing zones to uses which support the primary industrial function of the location in which they are located. (P1, P38)

Low-Rise Ordinance

The MIIP currently excludes eligibility of industrial-zoned land. At the time of this report, the Department is awaiting guidance on the bill's applicability to industrial land which, in Los Angeles' regulatory framework, permit commercial uses. Though pending written guidance from HCD, per GCS 65912.157(a), SB 79 is permitted on "any site zoned for residential, mixed, or commercial development" within a half-mile of eligible TOD stops, and due to the allowance of commercial uses in the City's industrial zones, these sites could be eligible for the bill. Sites located within areas meeting the bill's criteria for industrial employment hubs pursuant to GCS 65912.160(e)(2), including compliance with the date of designation in the City's general plan, are able to be exempted from eligibility through the Phased Implementation Ordinance (as described below). However, due to the proposed provision allowing Low-Rise Incentive Area eligibility for any site that is ineligible for temporary exemption (12.22 A.38.(c)(10)(i)), certain industrial zoned sites may gain program eligibility if SB 79 industrial site eligibility is affirmed. In the case that industrial lands are deemed eligible, the Department recommends enacting procedural restrictions on industrial sites eligible for the Low-Rise Incentive Area, including mandating a discretionary review process and/or expanded environmental mitigation measures. In addition to mitigating negative health impacts, these procedures seek to preserve the city's industrial lands by limiting non-industrial uses (Policy 3.14.4) while still ensuring the City remains compliant with state residential use requirements. For further analysis on SB 79 applicability to industrial areas in the City, refer to the Senate Bill 79 Discussion of this Findings section and to Appendix 3 of this Staff Recommendation Report.

SB 79 Phased Implementation Ordinance

The SB 79 Phased Implementation Ordinance supports the Framework Element's goals for retention of industrial lands through enacting a permanent exclusion for industrial employment hubs, which are defined by GCS 65912.160(e)(2) as areas of at least 250 contiguous acres dedicated as employment lands areas by the General Plan that are primarily dedicated to industrial land and where housing is not a permitted use. By enacting this permanent exclusion, the ordinance preserves crucial industrial land, maintaining existing economic opportunity tied to industrial land in alignment with Objective 3.14 and Policy 3.14.4. For further analysis on SB 79 applicability to industrial areas in the City, refer to the Senate Bill 79 Discussion of this Findings section and to Appendix 3 of this Staff Recommendation Report.

Transit Stations

The Low-Rise Ordinance is consistent with the intent of the General Plan Framework Element to encourage new development in proximity to **rail and bus transit stations**. This considerable mix

of uses should be accommodated to provide population support and enhance activity near the stations.

With respect to transit stations, the General Plan Framework Element states the following:

GOAL 3K Transit stations to function as a primary focal point of the City's development.

Objective 3.15 Focus mixed commercial/residential uses, neighborhood-oriented retail, employment opportunities, and civic and quasi-public uses around urban transit stations, while protecting and preserving surrounding low-density neighborhoods from the encroachment of incompatible land uses.

Policy 3.15.3 Increase the density generally within one quarter mile of transit stations, determining appropriate locations based on consideration of the surrounding land use characteristics to improve their viability as new transit routes and stations are funded in accordance with Policy 3.1.6.

Policy 3.15.4 Design and site new development to promote pedestrian activity and provide adequate transitions with adjacent residential uses.

The proposed Low-Rise Ordinance is consistent with the Framework Element in that it expands density through mixed-income multi-family residential development within Opportunity Station Areas that have access to quality transit. The Low-Rise Incentives are designed to provide a transition in density and project scale from Opportunity Corridors and Opportunity Stations to lower-density neighborhoods, thereby balancing the distribution of housing consistent with existing density contexts and Objective 3.15. With regard to Framework Element Policy 3.15.4, the Low-Rise Incentive Area specifically incentivizes development near transit to promote walkability, requires adequate residential transitions, and imposes performance standards regulating open space, location of parking, yard reductions, and frontage requirements to promote a more vibrant and walkable streetscape.

Historic Districts

The Program includes sufficient historical resource protections to be consistent with the how the General Plan Framework Element seeks to balance the benefits of **historic assets** with the need for new housing capacity, as stated in the following goal and policy:

Framework Goal 3M

A City where significant historic and architectural districts are valued.

Objective 3.17 Maintain significant historic and architectural districts while allowing for the development of economically viable uses.

Policy 3.17.2 Develop other historic preservation tools, including transfer of development rights, adaptive reuse, and community plan historic preservation policies.

Low-Rise Ordinance

The Low-Rise Incentive Area excludes any Historic Preservation Overlay Zones (HPOZs) and sites with Historic Cultural Monuments (HCM) within Opportunity Station Areas unless the site was previously eligible for the program due to proximity to an Opportunity Corridor, promoting preservation of the City's historic resources. For state and national historic sites, the Low-Rise Incentive Area balances streamlined review processes and tailored incentives with protections for Designated and Eligible Historic Resources, requiring minimum historic review processes consistent with State Law while also including additional demolition and review protections for Designated and Surveyed Historic Resources. Furthermore, eligible historic projects are limited to LR-1 incentives to ensure compatibility with neighborhood scale.

SB 79 Phased Implementation Ordinance

The SB 79 Phased Implementation Ordinance enacts temporary exemptions for sites with local historic resources designated as of January 1st, 2025. This pause in implementation for historic resources allows the City additional time to develop a Local Alternative Plan that factors in tailored considerations for the preservation of historic resources that are aligned with these goals.

Housing

The proposed Program is consistent with the policies and objectives of the Framework Element **Housing** section, which provides much of its overall policy direction. The Framework Element acknowledges that housing production has not kept pace with the demand for housing, leading to increased overcrowding, and states that the "City must strive to meet the housing needs of the population in a manner that contributes to stable, safe, and livable neighborhoods, reduces conditions of overcrowding, and improves access to jobs and neighborhood services, particularly by encouraging future housing development near transit corridors and stations."

With respect to **Housing**, the General Plan Framework includes the following overall Housing goals and objectives:

Framework Goal 4A

An equitable distribution of housing opportunities by type and cost accessible to all residents of the City.

Objective 4.1 Plan the capacity for and develop incentives to encourage production of an adequate supply of housing units of various types within each City subregion to meet the projected housing needs by income level of the future population to the year 2010 (Per Table 2-1, the Framework Plan 2010 population is 4,306,500 persons).

Policy 4.1.1 Provide sufficient land use and density to accommodate an adequate supply of housing units by type and cost within each City subregion to meet the twenty-year projections of housing needs (see Figure 4-1).

Policy 4.1.2 Minimize the overconcentration of very low- and low-income housing developments in City subregions by providing incentives for scattered site development citywide.

Policy 4.1.4 Reduce overcrowded housing conditions by providing incentives to encourage development of family-size units.

Policy 4.1.5 Monitor the growth of housing developments and the forecast of housing needs to achieve a distribution of housing resources to all portions of the City and all income segments of the City's residents.

Policy 4.1.6 Create incentives and give priorities in permit processing for low- and very-low income housing developments throughout the City.

Policy 4.1.7 Establish incentives for the development of housing units appropriate for families with children and larger families.

Policy 4.1.9 Whenever possible, assure adequate health-based buffer zones between new residential and emitting industries.

Objective 4.2 Encourage the location of new multi-family housing development to occur in proximity to transit stations, along some transit corridors, and within some high activity areas with adequate transitions and buffers between higher-density developments and surrounding lower-density residential neighborhoods.

Policy 4.2.1 Offer incentives to include housing for very low- and low-income households in mixed-use developments.

Objective 4.3 Conserve scale and character of residential neighborhoods.

Objective 4.4 Reduce regulatory and procedural barriers to increase housing production and capacity in appropriate locations.

Policy 4.4.1 Take the following actions in order to increase housing production and capacity:

- a. Establish development standards that are sufficiently detailed and tailored to community and neighborhood needs to reduce discretionary approvals requirements.

- b. Streamline procedures for securing building permits, inspections, and other clearances needed to construct housing.
- c. Consider raising thresholds for categorical exemptions for CEQA clearances for projects conforming to the City's development standards, particularly when housing is combined with commercial uses in targeted growth areas.
- d. Consider establishing City service which assists applicants in processing applications for housing projects.

The proposed Low-Rise Ordinance supports and is consistent with the Framework Element housing goal 4A as it strongly promotes a more equitable distribution of housing opportunities, with Low-Rise Incentive Area eligibility expanded to all sites within Opportunity Station Areas. As identified in the 2021-2029 Housing Element, affordable housing unit production has been heavily concentrated in Lower Opportunity Areas of the city. As such, the amendments to expand Low-Rise Incentive Area eligibility to previously ineligible single-family zoned sites in Opportunity Stations expands access to affordable housing and provides for a more equitable distribution of mixed-income development. By expanding eligibility in areas that have not previously permitted multi-family development, the Low-Rise Ordinance aligns with the Framework's Objective 4.1 and associated policies with its focus on planning to provide a supply of housing available at affordable types and costs while alleviating overconcentration of affordable housing and overcrowding.

The Low-Rise Incentive Area establishes Incentives to encourage a wider variety of housing types in lower-density neighborhoods by providing tailored Incentives for mid-scale development. The Incentives offered in the Low-Rise Incentive Area are crafted to integrate into existing neighborhood contexts, by offering height and FAR maximums in exchange for Incentives. Expanding eligibility for the Low-Rise Incentive Area will in turn expand the geography in which these Incentives can be applied, diversifying the variety of affordable housing typologies in lower-density neighborhoods while retaining scale that corresponds to surrounding low-density contexts in transition from the qualifying transit station. Furthermore, the Low-Rise Incentive Area will continue to center transit as a key location for growth in alignment with Objective 4.2, as stated in previous findings.

The ordinance also increases feasibility of the development family-size units in alignment with Policy 4.1.4 and 4.1.7. The current Multi-Bedroom Incentive grants additional FAR and height to projects providing 40% of total units as three or more bedrooms. The ordinance proposes to reduce this threshold to 20% to increase feasibility in response to developer feedback, and ultimately to encourage more development of family-sized units in conjunction with the eligibility expansion.

Streamlining and reducing development barriers is a key component of the Low-Rise Incentive Area policy framework, and aligns with Objective 4.4 and associated policies of the Framework Element. Access to the highest level of streamlined procedural review is provided to the Low-Rise Incentive Area in exchange for the public benefit of more affordable housing. Due to the curated Base Incentives and performance standards that ensure appropriate scale of development in

lower-density contexts, projects utilizing the Low-Rise Incentive Area are ineligible to request Waivers or off-menu Incentives, and therefore are processed directly by Zoning Review without the standard ministerial Planning review process.

Urban Form and Neighborhood Design

The proposed Low-Rise Ordinance is consistent with the goals, objectives, and policies in respect to **Urban Form and Neighborhood Design** through the Low-Rise Incentive Area's current framework of tailored Base Incentives and performance standards. The General Plan Framework Element states the following regarding Urban Form and Neighborhood Design:

Framework Goal 5A

A liveable City for existing and future residents and one that is attractive to future investment. A City of interconnected, diverse neighborhoods that builds on the strengths of those neighborhoods and functions at both the neighborhood and citywide scales.

Objective 5.2 Encourage future development in centers and in nodes along corridors that are served by transit and are already functioning as centers for the surrounding neighborhoods, the community or the region.

Policy 5.2.1 Designate centers and districts in locations where activity is already concentrated and/or where good transit service is, or will be, provided.

Policy 5.2.3 Encourage the development of housing surrounding or adjacent to centers and along designated corridors, at sufficient densities to support the centers, corridors, and the transit system. While densities and distances will vary based on local conditions, the following residential density standards, which are based on the City's adopted Land Use/Transportation Policy, should be used as a general guide when updating community plans through a public participation process:

- a. Four-stories over parking (R4) within 1,500 feet of grade-separated (subway or arterial) fixed rail transit stations;
- b. Three-stories over parking (R3) within 1,500 feet of at-grade fixed rail transit stations;
- c. Two-stories over parking (RD1.5) within 750 feet of major bus corridor intersections;
- d. Where appropriate, two units per lot (R2) may be considered within 750 feet of major bus corridors.

Objective 5.7 Provide a transition between conservation neighborhoods and their centers.

Policy 5.7.1 Establish standards for transitions in building height and for on-site landscape buffers. (P18, P24, P25)

Objective 5.8 Reinforce or encourage the establishment of a strong pedestrian orientation in designated neighborhood districts, community centers, and pedestrian-oriented sub-areas within regional centers, so that these districts and centers can serve as a focus of activity for the surrounding community and a focus for investment in the community.

Policy 5.8.3 Revise parking requirements in appropriate locations to reduce costs and permit pedestrian-oriented building design:

- a. Modify parking standards and trip generation factors based on proximity to transit and provision of mixed-use and affordable housing.
- b. Provide centralized and shared parking facilities as needed by establishing parking districts or business improvement districts and permit in-lieu parking fees in selected locations to further reduce on-site parking and make mixed-use development economically feasible.

The proposed Low-Rise Ordinance is consistent with the Framework Element because it promotes and encourages livable buildings and neighborhoods with a range of housing types for diverse communities that builds on their strengths while also meeting citywide needs. The proposed Low-Rise Ordinance encourages a range of densities and scaled outcomes with Incentives that balance the need for more housing and quality urban form. The designation of Opportunity Station Areas for increased density aligns with Objective 5.2 to encourage transit-oriented development that function as centers for surrounding neighborhoods, the community, and the region, by offering building volume incentives within a ½ mile of heavy rail, light rail, and eligible bus only lanes. The program offers scaled heights ranging between 2-3 stories based on the proximity to and quality of transit, with potential for an additional story with the provision of family sized units.

Additionally, expanding Low-Rise Incentive Area eligibility within Opportunity Station Areas supports Objective 5.7 by increasing density around transit in a way that decreases in FAR and height further from the Opportunity Station, enabling a deliberate transition between lower-density neighborhoods and their higher-intensity centers with an SB 79 qualifying transit station.

The Framework Element also includes Objective 5.8 and Policy 5.8.3 to create pedestrian oriented areas and reduce parking. There are no required parking minimums for projects utilizing the Low-Rise Incentive Area, which supports this goal. Furthermore, the Low-Rise Incentive Area includes requirements for open-space provision and street-facing entrances intended to enhance pedestrian-oriented neighborhood design, including allowing common open space within the front yard or through provision a courtyard open to the street.

Open Space and Conservation

The proposed Low-Rise Ordinance is consistent with the goals, objectives, and policies in respect to **Open Space and Conservation** through enforcing performance standards around the design of open space. The General Plan Framework Element states the following regarding Open Space and Conservation:

Framework Goal 6A

An integrated citywide/regional public and private open space system that serves and is accessible by the City's population and is unthreatened by encroachment from other land uses.

Objective 6.4 Ensure that the City's open spaces contribute positively to the stability and identity of the communities and neighborhoods in which they are located or through which they pass.

Policy 6.4.4 Consider open space as an integral ingredient of neighborhood character, especially in targeted growth areas, in order that open space resources contribute positively to the City's neighborhoods and urban centers as highly desirable places to live

Low-Rise Incentive Area Projects are required to comply with open space standards that offer four different design typologies in which Common Open Space may be provided, including within a courtyard, paseo, front yard, or on the rooftop and intermediate levels. These open space design standards are curated to correspond to the surrounding lower-density neighborhood context while providing quality, functional open space for residents on site. Proposed amendments to these open space standards affirm the need for quality common open space while addressing feasibility challenges for projects building multi-family structures in lower-density neighborhoods, including allowing open space to be located in the front yard rather than the rear, and permitting rooftop and intermediate level open space with setback considerations for neighboring structures. Furthermore, projects are ineligible to request relief from open space design standards in conjunction with this program, ensuring open space remains a key component contributing to the stability and identity of neighborhoods experiencing housing capacity growth within Opportunity Station Areas (Policy 6.4.4).

Economic Development

The proposed SB 79 Phased Implementation and Low-Rise Ordinances are both consistent with respect to the Policies and Objectives related to Economic Development in the General Plan Framework Element. The proposed SB 79 Phased Implementation Ordinance upholds the Framework's goals of economic development by allotting the City additional time to design value capture strategies for effectuation of the bill that are responsive to market conditions of specific City geographies. By encouraging streamlined housing projects in areas of Moderate and Higher Opportunity and quality transit access, the Low-Rise Ordinance further supports the Framework's economic development priorities.

Regarding Economic Development, the Framework Element states the following:

Framework Goal 7A

A vibrant economically revitalized City.

Policy 7.2.3 Encourage new commercial development in proximity to rail and bus transit corridors and stations. (P1, P18)

Policy 7.2.4 Ensure that the City has enough capacity to accommodate the development of general commercial uses which support community needs in all parts of Los Angeles. (P1)

Objective 7.4 Improve the provision of governmental services, expedite the administrative processing of development applications, and minimize public and private development application costs.

Policy 7.4.1 Develop and maintain a streamlined development review process to assure the City's competitiveness within the Southern California region.

Policy 7.4.2 Maximize opportunities for "by-right" development.

Framework Goal 7G

A range of housing opportunities in the City

Objective 7.9 Ensure that the available range of housing opportunities is sufficient, in terms of location, concentration, type, size, price/rent range, access to local services and access to transportation, to accommodate future population growth and to enable a reasonable portion of the City's workforce to both live and work in the City.

Policy 7.9.1 Promote the provision of affordable housing through means which require minimal subsidy levels and which, therefore, are less detrimental to the City's fiscal structure.

Policy 7.9.2 Concentrate future residential development along mixed-use corridors, transit corridors and other development nodes identified in the General Plan Framework Element, to optimize the impact of City capital expenditures on infrastructure improvements. (P1, P18)

Policy 7.9.3 Preserve existing single-family neighborhoods throughout the City to assure a continuing supply of variously priced single-family homes from the existing inventory. (P1, P18)

Framework Goal 7H

A distribution of economic opportunity throughout the City.

Objective 7.10 Program resources in a manner that encourages appropriate development, housing opportunities, transit service and employment generation in all areas of the City, with particular emphasis on those portions of the City which historically have not received a proportional share of such opportunities, consistent with the City's overall economic policies.

Policy 7.10.2 Support efforts to provide all residents with reasonable access to transit infrastructure, employment, and educational and job training opportunities.

Low-Rise Ordinance

Framework Element Objective 7.4 encourages streamlined development procedures for a better business and economic environment citywide. The Low-Rise Incentive Area offers a by-right approval process for projects providing the public benefit of affordable housing in an effort to lower costs linked to the development process overall, while also closing the financial gap specific to affordable housing development. The expansion of Low-Rise Incentive Area eligibility will increase the number of parcels and geographies within the City that have access to this highest level of streamlining, increasing the feasibility of mixed-income affordable housing development through streamlined review in new areas of the City.

The Framework Element recognizes the critical link between economic development and housing, particularly between jobs and housing. The proposed Low-Rise Ordinance is consistent with the Framework Element Objectives 7.9, 7.10 and related policies in that it aims to enable the City's workforce to both live and work in the City. The eligibility revisions encourage an ample supply of housing for residents and workers to expand the range of available housing types at different costs, including both affordable and market rate housing in areas with transit stations and a range of employment opportunities. The mixed-income structure of affordability requirements in the Low-Rise Incentive Area aims to boost feasibility of affordable housing production without reliance on subsidies, in line with Framework Policy 7.9.1. The Low-Rise Ordinance alleviates housing concentration by promoting an emphasis on those portions of the City which historically have not received a proportional share of housing opportunities, and will Affirmatively Further Fair Housing near employment and educational resources. Furthermore, expanding housing capacity near transit stations will support economic vitality and build capacity for commercial amenities consistent with policies 7.2.3 and 7.2.4. The Low-Rise Incentive Area also expands opportunities for affordable for-sale, low-scale housing in single-family neighborhoods, aligning with the emphasis on various priced for-sale housing options as stated in Policy 7.9.3.

SB 79 Phased Implementation Ordinance

The proposed SB 79 Phased Implementation Ordinance supports a vibrant and economically revitalized City by ensuring that housing production remains tied to locally calibrated value capture strategies that encourage appropriate development. By enacting permanent and temporary exemptions in order to phase the implementation of SB 79, the City can more effectively use program resources to encourage housing and employment generation areas that are aligned with citywide priorities (Objective 7.10). This pause on full SB 79 implementation allows the City additional time to implement a localized approach specifically tailored to Los Angeles' unique market dynamics, ensuring that new development contributes to the City's long-term fiscal health and equitable economic growth.

Other General Plan Elements

The proposed SB 79 Phased Implementation and Low-Rise Ordinances are consistent with the purpose, intent, and provisions of the General Plan in that they implement policies contained in a number of other General Plan Elements, including the:

- Circulation Element (Mobility Plan 2035)
- Health Element (Plan for a Healthy Los Angeles)
- Air Quality Element
- Conservation Element
- Safety Element
- Public Facilities and Services Element
- Land Use Element

Mobility Plan 2035 (Circulation Element)

The City's Mobility Plan 2035 (Circulation Element) provides the policy foundation for achieving a transportation system that balances the needs of all road users and incorporates "complete streets" principles and lays the policy foundation for how future generations of Angelenos interact with their streets. This includes the strong link between residential land uses to transportation.

The City's Mobility Plan 2035 contains a number of important policies supported by and consistent with the proposed Low-Rise Ordinance, including:

Mobility Element Goal 3

Access for All Angelenos.

Objective 3.1 Ensure that 90% of households have access within one mile to the Transit Enhanced Network by 2035.

Objective 3.3 Increase the percentage of 0/1 car ownership (car-light) households from 50% currently to 75% by 2035.

Policy 3.3 Promote equitable land use decisions that result in fewer vehicle trips by providing greater proximity and access to jobs, destinations, and other neighborhood services

Objective 3.8 Increase the combined mode split of persons who travel by walking, bicycling or transit to 50% by 2035.

Mobility Element Goal 5

Clean Environments and Healthy Communities.

Objective 5.1 Decrease VMT per capita by 5% every five years, to 20% by 2035.

Policy 5.2 Vehicle Miles Traveled (VMT): Support ways to reduce vehicle miles traveled (VMT) per capita

The proposed Low-Rise Ordinance supports the strong link between residential land uses and transportation. Incentivizing housing, particularly affordable housing, near transit stations ensures that transit-dependent residents have access to housing and employment opportunities, education, quality healthcare, and other amenities while reducing Vehicle Miles Traveled per capita, which aligns with Mobility Objective 5.1, Policy 5.2. Consistent with AB 2097 and AB 2334 and in alignment with Objective 3.3, Policy 3.3, no projects proposed under the Low-Rise Incentive Area require parking, thereby increasing the public transit user base. Increasing housing capacity within Opportunity Station Areas will increase the number of residents who can accessibly travel by walking, bicycling, or by transit, aligned with Objective 3.8. These policies and programs acknowledge the ample opportunities for transit-oriented development that can support new housing (particularly affordable housing) as a result of significant transit infrastructure investments occurring in multiple neighborhoods of the City.

Plan for a Healthy Los Angeles (Health Element)

The Plan for a Healthy Los Angeles (Health Element) lays the foundation to create healthier communities for all Angelenos. As an element of the General Plan, it provides high-level policy vision along with measurable objectives and implementation programs to elevate health and environmental justice as a priority for the City's future growth and development. It acknowledges that access to safe, affordable, accessible, and healthy housing is of paramount importance to living a healthy life.

The proposed Low-Rise and SB 79 Phased Implementation Ordinances are consistent with the Health Element and furthers the following goals, objectives, and policies:

Health Element Goal 1

Los Angeles, a Leader in Health and Equity

Policy 1.5 Improve Angelenos' health and well-being by incorporating a health perspective into land use, design, policy, and zoning decisions through existing tools, practices, and programs.

Policy 1.6 Reduce the debilitating impact that poverty has on individual, familial, and community health and well-being by: promoting cross-cutting efforts and partnerships to increase access to income; safe, healthy, and stable affordable housing options; and attainable opportunities for social mobility.

Policy 1.7 Reduce the harmful health impacts of displacement on individuals, families, and communities by pursuing strategies to create opportunities for existing residents to benefit from local revitalization efforts by: creating local employment and economic opportunities for low-income residents and local small

businesses; expanding and preserving existing housing opportunities available to low-income residents; preserving cultural and social resources; and creating and implementing tools to evaluate and mitigate the potential displacement caused by large-scale investment and development.

Health Element Goal 2

A city that is built for health uses design, construction, and public services to promote the physical, mental, and social well-being of its residents. A healthy city has neighborhoods where health-promoting goods and services are abundant and accessible, so that the healthy choice is the easy choice for all residents. Health is further supported by safe multi-modal corridors that offer active transportation alternatives, access to a diverse housing stock that offers options for all ages and incomes, ample opportunities for recreation, healthy food options, and a vibrant economy that offers quality employment opportunities.

Policy 2.2 Promote a healthy built environment by encouraging the design and rehabilitation of buildings and sites for healthy living and working conditions, including promoting enhanced pedestrian-oriented circulation, lighting, attractive and open stairs, healthy building materials and universal accessibility using existing tools, practices, and programs.

Policy 5.1 Reduce air pollution from stationary and mobile sources; protect human health and welfare and promote improved respiratory health.

Policy 5.2 Reduce negative health impacts for people who live and work in close proximity to industrial uses and freeways through health promoting land uses and design solutions.

Policy 5.4 Protect communities' health and well-being from exposure to noxious activities (for example, oil and gas extraction) that emit odors, noise, toxic, hazardous, or contaminant substances, materials, vapors, and others.

Policy 5.7 Promote land use policies that reduce per capita greenhouse gas emissions, result in improved air quality and decreased air pollution, especially for children, seniors and others susceptible to respiratory diseases.

Low-Rise Ordinance

The proposed Low-Rise Ordinance is consistent with the Health Element goals, objectives, and policies related to housing in the City in that it encourages housing development that is oriented around health, economic stability, and well-being. As previously stated, expansion of Low-Rise Incentive Area eligibility increases housing opportunities near transit, which promotes decreased per capita greenhouse gas emissions and improved air quality due to reduced car usage as a mode of transportation (Policy 5.7). The Low-Rise Incentive Area further promotes a healthy built

environment through required design standards around common open space and pedestrian-oriented entrances (Policy 2.2).

These amendments also expand housing capacity in Moderate and Higher Opportunity Areas, working to reduce the debilitating effects of poverty on welfare by providing more affordable housing options in areas with stronger life outcomes that have underproduced it, thereby implementing Health Element Policy 1.6. By adding housing capacity in the first phase of implementation within Moderate and Higher Opportunity Areas that have historically underproduced multi-family housing options, displacement risk within established higher-density multi-family areas is reduced, aligning with Health Element Policy 1.7.

The preservation of social and cultural resources (Policy 1.7) is also prioritized in this ordinance through the exclusion of HPOZs and HCMs within Opportunity Station Areas unless the site was previously eligible for the program due to proximity to an Opportunity Corridor, further restricting historic resource demolition and enforcing guardrails in procedures and Incentives for these eligible historic sites near Opportunity Corridors.

Additionally, the expansion of housing capacity through the Low-Rise Incentive Area framework restricts environmentally sensitive sites, including Fire Restriction Areas, Sea Level Rise Areas, and the Coastal Zone. These restrictions promote community health and well-being aligned with Health Element Policy 5.4. As discussed in this Staff Recommendation Report, the Department awaits guidance on the allowance of SB 79 in industrial zones. If HCD advises that industrial land is eligible, the Department recommends processes be developed to ensure environmental review and remediation for any industrial site proceeding under SB 79 authority, including but not limited to establishing discretionary processes and/or expanding the rules and procedures associated with local environmental protection measures. Establishing these procedural safeguards ensures that any project on an industrial or manufacturing zone that might gain access to the Low-Rise Incentive Area bonuses pursuant to section 12.22 A.38(c)(10)(i) of the draft Low-Rise Ordinance would need to conduct environmental review to mitigate health and safety impacts. This approach is consistent with Policy 5.2 and 5.4 of the Health Element to ensure land use allowances do not exacerbate existing or create new negative health impacts.

SB 79 Phased Implementation Ordinance

Permitting full effectuation of SB 79 in July of 2026 would have immediately permitted full SB 79 development in areas that may have negative health impacts, including areas sensitive to fire risk and heavy industrial areas with potential noxious uses, as well as on sites with cultural and social resources that may warrant preservation considerations. Opting for a phased implementation of SB 79 as made effective by the proposed SB 79 Phased Implementation Ordinance allots the City more time to plan for added housing capacity with community health and preservation of cultural resources uplifted as core considerations in the decision-making process.

Air Quality Element

The Air Quality Element sets forth the goals, objectives, and policies which guide the City in its implementation of its air quality improvement programs and strategies. A number of these goals, objectives, and policies are relevant to land use development, and relate to traffic mobility, discouraging single-occupancy vehicle trips, and increasing energy efficiency in City facilities and private developments.

The proposed SB 79 Phased Implementation and Low-Rise Ordinances are consistent with the City's Air Quality Element and furthers the following goals, objectives, and policies:

Air Quality Element Goal 1

Good air quality and mobility in an environment of continued population growth and healthy economic structure.

Air Quality Element Goal 2

Less reliance on single-occupant vehicles with fewer commute and non-work trips

Objective 2.1 Reduce work trips as a step towards attaining trip reduction objectives necessary to achieve regional air quality goals.

Air Quality Element Goal 3

Efficient management of transportation facilities and systems infrastructure using cost-effective system management and innovative demand-management techniques.

Objective 3.1 Increase the portion of work trips made by transit to levels that are consistent with the goals of the Air Quality Management Plan and the Congestion Management Plan.

Objective 3.2 Reduce vehicular traffic during peak periods.

Air Quality Element Goal 4

Minimal impact of existing land use patterns and future land use development on air quality by addressing the relationship between land use, transportation, and air quality.

Objective 4.2 Reduce vehicle trips and vehicle miles traveled associated with land use patterns

Policy 4.2.3 Ensure that new development is compatible with pedestrians, bicycles, transit, and alternative fuel vehicles.

Air Quality Element Goal 5

Energy Efficiency through land use and transportation planning, the use of renewable resources, and the implementation of conservation measures such as site orientation and tree planting.

Low-Rise Ordinance

The proposed Low-Rise Ordinance is consistent with the Air Quality Element's goals, objectives, and policies related to housing development and reducing vehicle trips in the City in that it encourages housing locations near jobs and transit through the Low-Rise Incentive framework. The Low-Rise Incentive Area specifically focuses on pedestrian-oriented design in street-facing entrances, aligned with Air Quality Element Policy 4.2.3. The program facilitates high quality, healthy housing in neighborhoods that improves accessibility to jobs and services, deploying a transportation demand management strategy to reduce vehicle miles traveled (VMT) and therefore improve air quality (Objective 4.2).

SB 79 Phased Implementation Ordinance

As mentioned in previous findings, enacting a SB 79 Phased Implementation Ordinance will allow the City additional time to plan further for health impacts related to added housing capacity in future SB 79 implementation, including air quality considerations.

Conservation Element

The proposed Low-Rise and SB 79 Phased Implementation Ordinances further the objectives and policies of the Conservation Element, specifically related to cultural and historical sites. The Conservation Element states that the City has a primary responsibility for identifying and protecting its cultural and historical structures, natural features or sites of historic, architectural, cultural or aesthetic significance.

Conservation Element Goal 1

A city that preserves, protects and enhances its existing natural and related resources.

Conservation Element Objective 4 Protect important cultural and historical sites and resources for historical, cultural, research, and community educational purposes.

Policy 4.1 Continue to protect historic and cultural sites and/or resources potentially affected by proposed land development, demolition or property modification activities.

Low-Rise Ordinance

The proposed Low-Rise Ordinance is consistent with the Conservation Element in that it seeks to maintain and protect important cultural and historic resources (Policy 4.1). The Low-Rise Incentive Area excludes any HPOZs and HCMs within Opportunity Station Areas, unless the site was previously eligible for the program due to proximity to an Opportunity Corridor. For currently eligible sites and for resources on the California Register of Historic Resources and National Register of Historic Places, the Low-Rise Incentive Area utilizes the Secretary of the Interior's Standards for the Treatment of Historic Properties (Standards) for review of projects proposing alterations to Designated Historic Resources. Furthermore, these projects are ineligible for the

Incentives if demolition of a Designated Historic Resource is proposed and are limited to LR-1 incentives to ensure a neighborhood context.

The Low-Rise Incentive Area also offers protections to eligible or Surveyed Historic Resources, requiring any Surveyed, eligible, or architectural historic resource identified for any protection or special consideration or review by an applicable Overlay or Specific Plan (South Los Angeles CPIO, Southeast Los Angeles CPIO, West Adams CPIO, San Pedro CPIO, Westwood Village Specific Plan, Echo Park CDO District, and North University Park Specific Plan) to be compliant with the Standards.

SB 79 Phased Implementation Ordinance

The proposed SB 79 Phased Implementation Ordinance is consistent with the Conservation Element in that it enacts temporary exemption on local historic sites that would otherwise have been immediately eligible for full SB 79 incentives. The additional time allotted through the proposed ordinance allows the City to continue to increase housing capacity within locally designed eligibility guardrails for historic sites, supporting the Conservation Element's goals of historic preservation.

Safety Element

The proposed SB 79 Phased Implementation and Low-Rise Ordinances are consistent with the goals and policies of the Safety Element regarding environmentally sensitive and hazardous sites, and sites that may be especially sensitive to climate change. The Safety Element details a policy direction to prevent, respond to, and recover from disaster events. Policies of the Safety Element include:

Safety Element Goal 1: Hazard Mitigations

A city where potential injury, loss of life, property damage and disruption of the social and economic life of the city due to hazards is minimized.

Policy 1.1.5 Risk Reduction. Reduce potential risk hazards due to disaster with a focus on protecting the most vulnerable people, places and systems.

Policy 1.1.8 Land Use. Consider hazard information and available mitigations when making decisions about future land use. Maintain existing low density and open space designations in Very High Fire Hazard Severity Zones. Ensure mitigations are incorporated for new development in hazard areas such as VHFHSZs, landslide areas, flood zones and in other areas with limited adaptive capacity.

Low-Rise Ordinance

The proposed Low-Rise Ordinance is consistent with the updated policies above in that it expands the Low-Rise Incentive Area eligibility while restricting eligibility for environmentally hazardous

sites, including projects proposed in Fire Restriction Areas, the Coastal Zone, Sea Level Rise Areas, or on sites that may pose a hazardous risk to human health. The ordinance proposes updating MIIP eligibility from excluding any site within the VHFHSZ to excluding sites that are within both the VHFHSZ and a Hillside Area, newly defined as a Fire Restriction Area. The Fire Restriction Area exclusion aligns with the eligibility exclusion formerly in Executive Directive 1, and now codified within the Affordable Housing Streamlining Ordinance (Ordinance No. 188788) (LAMC 12.22 A.40).

Restricting development within Fire Restriction Areas ensures that areas most vulnerable to fire risk with substandard streets and ingress/egress challenges are shielded from added housing capacity that could create safety risks, while still allowing for redevelopment within adjacent urbanized flatlands that will strengthen structural resilience. The City has adopted fire hazard mitigation measures that are required for all projects in the VHFHSZ, pursuant to existing State Fire Code standard building standards and State Minimum Fire Safety regulations. With the incorporation of these state codes, development in the VHFHSZ will make structures more safe and create more fire resilient areas over time. This amendment also responds to the State's CAL FIRE expansion of the VHFHSZ, which would otherwise result in a loss of MIIP eligibility once locally adopted if unaddressed. The Fire Restriction Area eligibility update therefore complies with Policy 1.1.8 by considering hazard information in decisions about future land use, while still upholding risk reduction aligned with Policy 1.1.5.

SB 79 Phased Implementation Ordinance

Through enacting the proposed SB 79 Phased Implementation Ordinance, the City is able to temporarily exempt sites within VHFHSZs and areas within one-foot of sea level rise. The ordinance further enables the City to attain additional time to make considerations around the extent of incorporation of sites within hazard areas in future implementation of SB 79, including sites within VHFHSZ.

Public Facilities and Services Element

The Public Facilities and Services Element contains several Master Plans for facilities and services of public interest in the City. It includes the Cultural and Historical Monuments Plan to guide the preservation of significant, beautiful, or interesting cultural and historic sites in The City of Los Angeles. The first objective in the Cultural and Historical Monuments Plan is:

Objective 1.1 To encourage the preservation and restoration of designated monuments.

See Conservation Element findings above for a discussion of consistency of Objective 1.1 with both the proposed SB 79 Phased Implementation and Low-Rise Ordinances.

Land Use Element

The Community Plans establish neighborhood-specific goals and implementation strategies to achieve the broad objectives laid out in the City's General Plan. Together, the 35 Community

Plans make up the General Plan's Land Use Element, which plays an important role in bolstering housing and job opportunities, conserving open space and natural resources, and balancing different neighborhoods' needs. The Low-Rise Ordinance is consistent with the Land Use Element because it will not change the underlying zoning or land use of any parcels, but rather offers additional density and other relief from development standards as incentives in exchange for providing affordable units. The City has determined that the shortage of affordable housing is an ongoing crisis in Los Angeles, and the July 1st effectuation of SB 79 has enacted significant increases in maximum allowable density within SB 79 TOD zones. The increased intensity and density of proposed development from the Low-Rise Ordinance will be offset by the increase in affordable units. The ordinance conforms to the purpose of the Land Use Element by providing much needed housing near job centers and transit, and exceeding minimum capacity sufficient to enact a citywide phased implementation of SB 79 to ensure that the City has further time to plan and make decisions regarding land use considerations for specific geographies in future required SB 79 implementation.

C. Senate Bill 79 Discussion (California State Government Code Section 65912.155 – 65912.162)

Statutory requirements for Senate Bill 79 are delineated in Government Code Sections (GCS) 65912.155 - 65912.162. The law establishes minimum density standards for height, residential floor area ratio, and residential density for sites within 0.5 mile of a transit-oriented development stop creating a transit-oriented development zone (TOD zone) as defined by the statute, that permits residential, mixed, and commercial uses. The City estimates there are 145 TOD zones (139,450 sites) located wholly or in part within the City of LA boundaries. Consistent with GSC 65912.160(f), the Southern California Association of Governments (SCAG) as the metropolitan planning organization for the region is responsible for creating and maintaining an SB 79 eligibility map. At the time of the release of this report SCAG has not provided a draft or final TOD zone map. Parcels within these TOD zones that permit residential, mixed, or commercial uses and meet the eligibility requirements in GSC 65912.157 would be eligible for the zoning provisions of SB 79.

As permitted by the statute, the Phased Implementation Ordinance proposes to codify provisions allowing jurisdictions to permanently or temporarily exempt some of the eligible sites from SB 79 zoning allowances. Pursuant to GCS 65912.160(e), sites that qualify under this criteria would be permanently excluded from implementing the zoning provisions of SB 79. Consistent with GCS 65912.161(b)(1), the law also includes provisions to temporarily exempt qualifying sites from the otherwise effective date of July 1, 2026. The temporary exemption will continue until one year after the next state-mandated update to the housing element. Some of the temporary exemption criteria are applicable to individual sites, while other criteria are applicable to the entire TOD zone. The Phased Implementation Ordinance establishes mapping processes to authorize the Director of Planning to prepare maps indicating a site's eligibility for SB 79 and the permanent or temporary exemptions based on the criteria in the statute. Consistent with GCS 65912.160(c)(1) and 65912.161(b)(1), the sites eligible for permanent or temporary exemption will be indicated on a public facing map through the Zone Information and Map Access System (ZIMAS) on the Department's website. To review the maps identifying sites and TOD zones eligible for Phased

Implementation, please refer to Exhibit 3, Maps 3A through 3M. To review the summary tables for the model results at a citywide, TOD zone, and individual site level, refer to Exhibit 4, Tables 1A through 1C.

The Phased Implementation Ordinance is the first step in establishing a framework for the phased implementation of SB 79, and intends, among other things, to ensure that the City's local implementation of SB 79 does not conflict with local land use and environmental concerns. The ordinance proposes to allow a temporary pause in the implementation of SB 79 consistent with the sites, TOD zone, and low resource criteria in GCS 65912.161(b), and proposes to codify exemptions from SB 79 for sites more than one-mile walking distance from a station or within an industrial employment hub pursuant to GCS 69512.160(e). The Low-Rise Ordinance supports the phased local implementation approach, creating time to adopt a local transit-oriented alternative plan, pursuant to GCS 65912.161(a).

Sites Statutorily Exempt from SB 79 (California Government Code Section 65912.157(a))

Citywide, there are 139,450 parcels located within SB 79 TOD zones. Of these eligible sites, 3,976 or 2.93% are considered statutorily exempt from the provisions of the law, as they do not permit residential, mixed, or commercial uses (GCS 65912.157(a)). Sites which are zoned for Public Facilities and Open Space were not evaluated for local or SB 79 capacity as they do not permit residential or commercial uses as required by GCS 69512.157(a). There are instances throughout the City where sites may be zoned A1 or A2 and are assigned a general plan land use (GPLU) designation of Open Space. LAMC Sections 12.05.B "A1" Agriculture Zone, and LAMC 12.06.B "A2" Agriculture Zone state for lots designated as Public and Open Space on the land use map of the community plan, physical development in these areas should require action by the City Planning Commission pursuant to Sec. 13.B.2.3 (Class 3 Conditional Use Permit) and 13B.6.1 (Evaluation of Non-Compliance) of Chapter 1A of the LAMC. Open Space designations are intended, as stated in the Community Plans, which comprise the Land Use Element of the General Plan for the City, are designed to conform with the definition of Open Space Land in Article 10.5 of the State of California Government Code.¹ Article 10.5 of the California Government Code defines Open Space land as unimproved land for the purpose of preservation of natural resources and outdoor recreation, not for residential uses. While the A1 and A2 zones may allow a single family dwelling, when designated in tandem with the Open Space GPLU, the residential portion may be considered an ancillary use to the agricultural use, not a primary use. As a result, land zoned as A1 and A2 and designated with an Open Space GPLU have not been evaluated for local or SB 79 capacity.

As industrial zoned land in the City of LA permits commercial uses, the department has asked the California Department of Housing and Community Development to advise on their eligibility for SB 79, as eligibility is still uncertain, modeling evaluates capacity on industrial land unless the sites were identified as part of an industrial employment hub. Further, sites subject to the Rent

¹ Sherman Oaks - Studio City - Toluca Lake - Cahuenga Pass Community Plan, General Plan Land Use Map, Footnote 6 <https://planning.lacity.gov/odocument/4a114e79-e0d2-4add-abd9-b4f4219e4bd8/shrplanmap.pdf>

Stabilization Ordinance (RSO) have also been included in the analysis for local and SB 79 capacity. GCS 65812.1157(h)(1) states a proposed development may not utilize the zoning provisions of SB 79 on sites with more than two units that would require the demolition of housing subject to the RSO. This has been interpreted as a project level exemption, with no application to the criteria outlined in GCS 65912.161(b)(1), and jurisdictions should include sites subject to RSO in the analysis for determining eligibility for temporary exemption. The following sections demonstrate the analysis performed to identify sites that comply with the permanent or temporary exclusion criteria consistent with state law.

Permanent Exclusions (California Government Code Section 65912.160(e))

Pursuant to GCS Section 65912.160(e)(1) and 65912.160(e)(2), a local jurisdiction is permitted to permanently exclude parcels through the adoption of an ordinance within a TOD zone if the sites meet one of the following criteria:

- Sites where no walking path of less than one mile from that location to the transit-oriented development stop (GCS 65912.160(e)(1)).
- Sites designated as industrial employment hubs in cities with at least 15 transit-oriented development stops. An industrial employment hub shall be a contiguous area of at least 250 acres designated in the jurisdiction's general plan on or before January 1, 2025, as an employment lands area; the parcels within it shall be primarily dedicated to industrial use as defined in paragraph (3) or subdivision (f) of Section 65912.121 and housing shall not be a permitted use on any of the sites so excluded (GCS 65912.160(e)(2)).

Exhibit 4, Table 1A summarizes the count of sites eligible for permanent exclusion from SB 79. Exhibit 3, Maps 3A-3B visualize the sites eligible for permanent exclusion from SB 79.

One Mile Walking Path

SB 79 permits permanent exclusions for sites that do not have a walking path of less than one mile to the TOD stop (GCS 65912.160(e)(1)). The one-mile walkability distance is measured by analyzing the street network within TOD zones utilizing ArcGIS Network Analyst and LA County TIGER. Natural impediments to walkability that are within the one-mile buffer around TOD zones are excluded from the qualifying walkable street network, including highways, railroads, hillside areas, waterways and subdivision neighborhoods with no road connectivity. After these exclusions for impediments to walkability, the walking distance along the street network deemed walkable from the TOD stop to the site is calculated. Sites that have a mile or more distance along the walkable street network are determined as eligible to be permanently excluded from SB 79. Based on the analysis described above, 341 sites, approximately 0.28% of eligible sites do not have a walking path of less than one mile to a TOD zone, and meet the criteria for this permanent exclusion. Exhibit 3, Map 3A visualizes the sites eligible for this permanent exclusion pursuant to GCS 65912.160(e)(1). Exhibit 4, Table 1A lists the sites eligible for this permanent exclusion.

Industrial Employment Hubs

SB 79 allows for the permanent exemption of areas identified as “industrial employment hubs” which meet the criteria specified in GCS 65912.160(e)(2). This provision specifies multiple criteria which the industrial employment hubs must meet. First, the exemption may only be utilized in cities with at least 15 transit oriented development stops. Second, the exempted “hub” must include “a contiguous area of at least 250 acres designated in the jurisdiction’s general plan on or before January 1, 2025, as an employment lands area”. Third, the parcels within it shall be primarily dedicated to industrial use as defined in paragraph (3) or subdivision (f) of Section 65912.121. Lastly, “housing shall not be a permitted use on any of the sites so excluded.” Further description of these requirements is provided in Table 3 below. Mapping analysis of industrial land of the city has identified six areas which meet the criteria for industrial employment hubs, including areas in Downtown/Southeast Los Angeles, Atwater/Cypress Park, Pacoima, Northridge, Chatsworth, and areas around LAX (for additional information on the industrial employment hubs in Los Angeles, please see Appendix 3 of this Staff Recommendation Report). For a detailed summary of Industrial Employment Hub Analysis see Appendix 3.

Table 3: Industrial Employment Hub Requirements per GCS 65912.160(e)(2)

Requirement	Description	Methodology
“A local government with at least 15 transit-oriented development stops designates the area as an industrial employment hub.”	Cities must have at least 15 TOD stops to designate areas as industrial employment hubs.	Conducted mapping to identify 145 TOD stops within the City.
“An industrial employment hub shall be a contiguous area of at least 250 acres designated in the jurisdiction’s general plan on or before January 1, 2025, as an employment lands area;”	Hubs must be a contiguous area of at least 250 acres of employment related land-uses..	Conducted mapping analysis to assess contiguity and reviewed Framework and Land Use Elements as well as the Industrial Land Use Policy. Includes Industrial, and in limited instances, Commercial land uses intended for industrial employment growth.
“The parcels within it shall be primarily dedicated to industrial use as defined in paragraph (3) of subdivision (f) of Section 65912.121;”	Hubs must be primarily dedicated to industrial uses as defined by GCS 65912.121(f)(3) which defines “dedicated to industrial use” to mean any of the following: (1) the square footage is currently	Assessed zoning and land uses within areas identified as contiguous, including sites across a right-of-way and the LA River. Existing uses verified on some sites.

	<p>being used as an industrial use,</p> <p>(2) the most recently permitted use of the square footage is an industrial use, and the site has been occupied within the last three years, or</p> <p>(3) the site was designated for industrial use in the latest version of a local government’s general plan adopted before January 1, 2022, and residential uses are not principally permitted on the site.</p>	
<p>“...Housing shall not be a permitted use on any of the sites so excluded.”</p>	<p>Hubs cannot include sites which permit housing per the underlying zoning.</p>	<p>Assessed assigned industrial zoning within areas to identify permitted uses, including residential</p>

To identify these six hubs, industrial land in the City was analyzed for compliance with each of the various components of GSC 65912.160(e)(2). In order to utilize the industrial employment hub exemption, cities first must have at least 15 TOD zones. The city estimates it has 145 TOD stops which meets and exceeds the requirement of the bill. The next criteria of the bill specifies that industrial employment areas must be at least 250 contiguous acres. Much of the city’s industrial land is clustered in areas such as downtown, adjacent to the LA River, and along railroad rights-of-way in the San Fernando Valley. Mapping analysis of the six hubs found that these areas exceed the 250 acre threshold and are also made up of contiguous sites as required by the bill (see below for a table with acreage for each industrial employment hub). While conducting the analysis of these areas, sites were considered to be contiguous if located across the right-of-way (including streets, freeways, and open space parcels containing the LA River), have a shared property line, or across a common corner. Based on staff analysis, parcels separated by residential, commercial, and open spaces such as parkland are *not* considered contiguous for purposes of meeting the 250 contiguous acre threshold of the bill.

Industrial Employment Hubs in the City of Los Angeles	
Name/Location	Size (in Acres)
LAX	3623
Van Nuys	2383
Downtown / Southeast Los Angeles	1758
Chatsworth	1282

Pacoima	664
Atwater / Cypress Park	312

The bill also requires that these sites be designated as “employment lands areas” by the general plan and shall be primarily dedicated to industrial use. The sites within the hubs are predominantly designated by the applicable Community Plan (which serves as the City’s Land Use Element) for industrial and commercial uses. The Framework Element, which provides foundational guidance for land use across the City, defines the purpose of industrial land uses to “support economic development and jobs generation” (page 3, Industrial Districts) and as intending to “preserve industrial lands for the retention and expansion of existing and attraction of new industrial uses that provide job opportunities for the City’s residents” (page 3-32, Definition).

The Framework Element links the employment-generation purpose to industrial land use, and as such it can be found that industrial land within the City meets the criteria of employment lands areas of the bill. The Industrial Land Use Policy (ILUP) project² conducted by the Department also highlights the role of industrial land as an employment generating land use and the importance of retaining and encouraging industrial economic activity within existing industrial areas. In particular, the ILUP report highlights the strategic importance of downtown as a central point of connectivity for goods movement from the Ports of Long Beach and Los Angeles and designates areas of downtown as Employment Protection Districts³, where industrial zoning should be maintained. All sites within hubs were designated on or before January 1, 2025 by the applicable community plan as industrial land intended to be maintained for industrial uses and to support industrial jobs. This compliance includes industrial sites within the Downtown Community Plan which is the most recently adopted Community Plan (Council File 22-0617). The final effectuation of the zoning associated with the Community Plan was in February 2025, however the Plan’s General Land Use designations were adopted via resolution by the City Council on May 3, 2023. Therefore, it can be determined that these industrial employment hubs comply with the January 1, 2025 designation date of the bill and qualify for exemption.

Sites within the hubs must also comply with the bill’s criteria that these areas be primarily dedicated to industrial use as defined in GCS 65912.121(f)(3), which specifies that “dedicated to industrial use” means any of the following (1) the square footage is currently used as an industrial use, (2) the most recently permitted use of the square footage is an industrial use, and the site has been occupied within the last three years, or (3) the site was designated for industrial use in the latest version of a general plan adopted before January 1, 2022, and residential uses are not principally permitted on the site. Industrial employment hubs are predominantly occupied by existing industrial uses and are predominantly located within industrial General Plan Land Use Designations. The Framework Element specifies that these

² https://planning.lacity.gov/code_studies/landuseproj/Industrial_Files/Attachment%20B.pdf

³ https://planning.lacity.gov/odocument/7428f2e2-b9cb-41dd-94a3-a199fba77b97/downtown_results.pdf,
https://planning.lacity.gov/odocument/5b6e7294-516e-4559-903b-e78cd98eee78/alameda_results.pdf,
<https://planning.lacity.gov/odocument/5549a8cb-1391-4a15-8d55-33912ef99cca/southeastla.pdf>,

industrial land use designations are to be preserved for industrial uses which in turn support industrial jobs (page 3-32, Definition). The Framework Element “sets a citywide context to guide the update of the community [plans]” (page 1, Introduction) and “many of the Element’s policies will be implemented by the revision of the community plans and the Municipal Code” (page 2, Implementation of the General Plan Framework Element), and as a result, the Community Plans echo the intent to maintain industrial land for existing and new industrial uses. Therefore, the industrial land within the hubs can be found to align with the provisions of SB 79 requiring primary dedication to industrial uses.

The final criteria of industrial employment hubs prohibits the allowance of residential uses within the hubs. General Plan Land Use Designations are assigned by the Community Plans as informed by the Framework Element and are also accompanied by corresponding zone(s) which further regulate use and development of a site. Mapping analysis was conducted based on zone and included sites located in industrial zones, specifically including the MR1 (Restricted Industrial), M1 (Limited Industrial), MR2 (Restricted Light Industrial), M2 (Light Industrial), M3 (Heavy Industrial), I1 (Industrial 1), I2 (Industrial 2), LAX zones, and select PF (Public Facilities) zoned sites with known industrial uses (approximately three known sites). Residential uses are not permitted as a primary use within any of these zones. Rather, within the MR1, M1, and MR2 zones a residential accessory use is permitted for a guard or caretaker (including the guard’s or caretaker’s family) of an industrial development or of a permitted use that requires a 24-hour supervision, and is located on the same lot with the development or use. Hybrid industrial zones which permit residential uses were not included in the mapping analysis in compliance with the bill’s provisions. A summary of industrial and hybrid industrial zones is provided in Table 4. below. Based on the analysis described above, there are 2,377 sites, approximately 1.95% of eligible sites, that are considered industrial employment hubs, and meet the criteria for this permanent exclusion. Exhibit 3, Map 3B visualizes the sites eligible for this permanent exclusion pursuant to GCS 65912.160(e)(2).

Table 4: Industrial and Hybrid Industrial Zones Summary

Zone Class	Notes on Permitted and Restricted Uses	Corresponding Land Uses	Permits Residential
CM (Commercial Manufacturing)	<ul style="list-style-type: none"> • C2 commercial uses permitted. • Residential uses permitted. 	Commercial Manufacturing, Hybrid Industrial, Limited Industrial	Yes
MR1 (Restricted Industrial)	<ul style="list-style-type: none"> • Zone Purpose - LAMC 12.17.5 A.1: To protect industrial land for industrial use, and prohibit unrelated commercial and other non-industrial uses. • Zone Purpose - LAMC 12.17.5. A.3(a): To upgrade industrial development standards, to protect industrial investment against incompatible residential, commercial 	Limited Industrial	No

Zone Class	Notes on Permitted and Restricted Uses	Corresponding Land Uses	Permits Residential
	<p>and industrial uses.</p> <ul style="list-style-type: none"> Residential uses limited to “guard or caretaker unit” only as an accessory building. Residential otherwise not permitted. C2 commercial uses permitted as ancillary to primary industrial/manufacturing, or tech/media office use (this includes office and restaurant uses). 		
M1 (Limited Industrial)	<ul style="list-style-type: none"> Residential uses limited to “guard or caretaker unit” only as an accessory building. Residential otherwise not permitted. Commercial uses permitted. 	Limited Industrial	No
MR2 (Restricted Light Industrial)	<ul style="list-style-type: none"> Zone Purpose - LAMC 12.18 A.1: To protect industrial land for industrial use, and prohibit unrelated commercial and other non-industrial uses. Residential uses limited to “guard or caretaker unit” only as an accessory building. Residential otherwise not permitted. Commercial uses permitted as ancillary to primary industrial/manufacturing use. 	Light Industrial	No
M2 (Light Industrial)	<ul style="list-style-type: none"> Prohibited Use - LAMC 12.19 A.1.5(b): Any building containing dwelling units or guest rooms. Commercial uses permitted. 	Light Industrial	No
M3 (Heavy Industrial)	<ul style="list-style-type: none"> Prohibited Use - LAMC 12.20 A.1.5(b): Any building containing dwelling units or guest rooms. Commercial uses permitted. 	Heavy Industrial	No
IX1 (Industrial-Mixed Use District)	<ul style="list-style-type: none"> Use Class Intent Sec. 5B.6.1.A: To accommodate a wide variety of employment, cultural, and recreational opportunities while supporting vulnerable residents with affordable housing and social services, and facilitate the efficient management of municipal resources. Limited residential uses permitted. Commercial uses permitted. 	Markets	Yes
IX2 (Industrial-Mixed Use District)	<ul style="list-style-type: none"> Use Class Intent Sec. 5B.6.2.A: To accommodate light industrial uses, office space, and research & development activity. This district also allows a wide range of commercial uses as well as Joint Living & Work Quarters. Limited residential uses permitted. Commercial uses permitted. 	Markets	Yes

Zone Class	Notes on Permitted and Restricted Uses	Corresponding Land Uses	Permits Residential
IX3 (Industrial-Mixed Use District)	<ul style="list-style-type: none"> • Use Class Intent Sec. 5B.6.3.A: To promote a mix of uses that support creative production industries, accommodate a wide variety of employment, cultural and recreational opportunities, while supporting vulnerable residents with affordable housing and social services, and facilitate the efficient management of municipal resources. • Limited residential uses permitted. • Commercial uses permitted. 	Markets, Hybrid	Yes
IX4 (Industrial-Mixed Use District)	<ul style="list-style-type: none"> • Use Class Intent Sec. 5B.6.4.A: Supports office and commercial uses, as well as research & development, wholesale, and light industrial uses. • Limited residential uses permitted. • Commercial uses permitted. 	Hybrid	Yes
I1 (Industrial 1)	<ul style="list-style-type: none"> • Use Class Intent Sec. 5B.7.1.A: Allows heavy commercial uses, and light industrial uses as well as a limited amount of commercial activity. This District intends to support employment, goods movement, and warehousing. • Residential uses not permitted. • Heavy commercial⁴ uses permitted. 	Production	No
I2 (Industrial 2)	<ul style="list-style-type: none"> • Use Class Intent Sec. 5B.7.2.A: Allows heavy commercial uses, light industrial uses, and heavy industrial uses as well as a limited amount of commercial activity. This District is intended to support employment and accommodate the most intense industrial activities while minimizing potential disruptions to surrounding uses. • Residential uses not permitted. • Heavy commercial⁴ uses permitted. 	Production	No

Temporary Exemptions (California Government Code Section 65912.161(b)(1))

Sites may be temporarily exempt from implementing provisions in California Government Code Section 65912.157 until one year after the jurisdiction adopts the next housing element, through a local ordinance that indicates sites that meet the temporary exemption criteria pursuant to Sections 65912.161(b)(1), and indicates on its public zoning map which sites or transit-oriented

⁴ Heavy commercial uses include motor vehicle services, fueling station, motor vehicle sales and rental, indoor storage, and outdoor storage.

development zones are and are not covered by GCS 65912.157. The criteria for temporary exemption is described below:

- Sites permitting half of density and residential floor area ratio afforded in SB 79 (GCS 65912.161(b)(1)(A)).
- Sites in TOD zones meeting capacity, density and floor area minimums (GCS 65912.161(b)(1)(B)(i)).
- Sites in an area designated as low resource on the most recently adopted version of the opportunity area maps published by the California Tax Credit Allocation Committee (TCAC), within a jurisdiction that cumulatively allows for at least 50% of the Residential Capacity required by SB 79 (GCS 65912.161(b)(1)(B)(ii)).
- Sites in primarily low resource TOD zones permitting half of the total capacity and floor area afforded in SB 79 (GCS 65912.161(b)(1)(B)(iii)).
- Sites covered by a local transit-oriented development alternative plan (GCS 65912.161(b)(1)(C)).
- Sites within a very high fire hazard severity zone (GCS 65912.161(b)(1)(D)).
- Sites vulnerable to one-foot of sea level rise (GCS 65912.161(b)(1)(E)).
- Sites with a historic resource designated as of January 1, 2025, on a local register (GCS 65912.161(b)(1)(F)).

SB 79 permits temporary exclusion from the bill's provisions at both the individual site level and at a TOD zone level. The following section describes each temporary exemption criteria and summarizes the sites the City considers eligible for phased implementation of SB 79. Exhibit 4, Table 1A summarizes the number of sites eligible for temporary exemption at a citywide level, and Table 1B summarizes sites eligible for temporary exemption by TOD zone. Exhibit 3, Maps 3C through 3I visualize the sites and TOD zones eligible for temporary exemption. For a more detailed explanation of the analysis methodology, refer to Appendix 1.

TOD Zone Level Temporary Exemption Criteria Assumptions

Government Code Sections 65912.161(b)(1)(B)(i) and 65912.161(b)(1)(B)(ii) permit temporary exemptions for sites within the entire TOD zone if they meet criteria as a primarily low resource TOD zone or provide sufficient density. If an individual site within the TOD zone does not meet the criteria for temporary exemption described in the section above, the site may still be eligible for temporary exemption if the entire TOD zone is determined it meets the requirements of the statute for TOD zone level exemption.

TOD Zones with Half of the Density and FAR permitted by SB 79 (GCS 65912.161(b)(1)(B)(i))

Pursuant to GCS 65912.161(b)(1)(B)(i), a TOD zone may be temporarily exempt from the zoning provisions of SB 79 when 33 percent of sites permit half the density and residential floor area specified in GCS 65912.157(a) and which include sites with densities that cumulatively allow for at least 75 percent of the aggregate density for the TOD zone under SB 79 development standards. Aggregate density is calculated by the summation of the Maximum Allowable Units for the entire TOD zone. The analysis found that 74 TOD zones are eligible for temporary exemption under this criteria. Exhibit 3, Map 3D visualizes the TOD zones that meet the requirements of GCS 65912.161(b)(1)(B)(i). Exhibit 4, Table 1B shows the TOD zones eligible for this criteria.

Primarily Low Resource TOD Zones (GCS 65912.161(b)(1)(B)(ii))

The criteria in GCS 65912.161(b)(1)(B)(ii) temporarily exempts TOD zones primarily comprised of low resource areas and which includes sites with densities that cumulatively allow for at least 40% of the aggregate density permitted by GCS Section 65912.157(a). Primarily low resource TOD zones were identified by using a plurality methodology, where the land area of each TCAC designation was summed per TOD zone. When Low Resource was the highest percentage of land area in the TOD zone, then it was considered a primarily low resource TOD zone. For the purposes of the analysis, High and Highest Resource land areas were combined as a single category. Areas designated as Insufficient Data, which are areas identified on the TCAC California Department of Housing and Community Development (HCD) Opportunity Maps where data reliability is too low to accurately determine opportunity resource level, have been removed as a TCAC category and from the calculation of land area. To determine when local capacity for the TOD zone meets 40 percent of the density provided by SB 79, the sum of Local Maximum Allowable Units per TOD zone is compared to 40% of the sum of Maximum Allowable Units permitted by SB 79. When Local Maximum Allowable Units per TOD zone is greater than or equal to 40 percent of SB 79 Maximum Allowable Units, and the TOD zone is identified as primarily low resource TOD zone, all sites located within the TOD zone are eligible for temporary exemption pursuant to GCS 65912.161(b)(1)(B)(ii). The analysis found that 80 TOD zones are eligible for temporary exemption under this criteria. Exhibit 3, Map 3E visualizes the TOD zones that meet the requirements of GCS 65912.161(b)(1)(B)(ii). Appendix 1, Table 9 shows the plurality method analysis for TCAC categories by TOD zone and identifies the TOD Zones that are considered primarily Low Resource.

Individual Site Level Temporary Exemption Criteria Assumptions

Low Resource Sites (GSC 65912.161(b)(1)(B)(iii))

This temporary exemption applies when a site meets the criteria as a Low Resource site as designated by TCAC HCD Opportunity Maps. When a site is located in a Low Resource designation on the TCAC HCD Opportunity Maps, and the site permits at least 50 percent of the density and residential floor area of SB 79, the site is eligible for this temporary exemption. Based on analysis of existing zoned capacity, 75,704 sites, approximately 55.88% of eligible sites meet the criteria for this temporary exemption. Exhibit 3, Map 3F visualizes the sites eligible for this temporary exemption pursuant to GCS 65912.161(b)(1)(B)(iii). Exhibit 3, Map 3L visualizes the Low Resource sites and primarily Low Resource TOD zones eligible for temporary exemption.

Local Transit-Oriented Development Alternative Plan GSC 65912.161(b)(1)(C)

No sites eligible for SB 79 are currently relying on a local transit-oriented development alternative plan to meet the temporary exemption from SB 79 pursuant to GCS 65912.161(b)(1)(C).

Very High Fire Hazard Severity Zones GSC 65912.161(b)(1)(D)

Sites located within a Very High Fire Hazard Severity Zone, as determined by the Department of Forestry and Fire Protection are considered eligible for temporary exemption. The analysis found 12,910 sites, approximately 10.59% of sites eligible for SB 79 are located within a Very High Fire

Hazard Zone and are eligible for temporary exemption. Exhibit 3, Map 3G visualizes the sites eligible for this temporary exemption pursuant to GCS 65912.161(b)(1)(D). Table 1B in Exhibit 4 shows the count of sites per TOD zone eligible for this temporary exemption.

Sites Vulnerable to One-Foot Sea Level Rise Areas GSC 65912.161(b)(1)(E)

Sites located within an area vulnerable to one-foot sea level rise, as determined by the National Oceanic and Atmospheric Administration, Ocean Protection Council, United States Geological Survey, the University of California, or a local government's coastal hazards vulnerability assessment are considered eligible for temporary exemption. The analysis found no sites are located within an area vulnerable to one-foot of sea level rise.

Sites Designated as a Local Historic Register GSC 65912.161(b)(1)(F)

Sites designated as a historic resource on a local register prior to January 1, 2025 are considered eligible for temporary exemption. For the City of LA, these are sites designated as local Historic Cultural Monuments (HCMs) and Historic Preservation Overlay Zones (HPOZs) before January 1, 2025. The analysis found 7,689 sites, approximately 6.31% of sites eligible for SB 79 are designated as an HCM or HPOZ and are eligible for temporary exemption. Exhibit 3, Map 3H visualizes the sites eligible for this temporary exemption pursuant to GCS 65912.161(b)(1)(F). Table 1B in Exhibit 4 shows the count of sites per TOD zone eligible for this temporary exemption.

Sites Meeting Half of the Density and FAR permitted by SB 79 (GCS 65912.161(b)(1)(A))

This temporary exemption applies to sites permitting the density and residential floor area of at least 50 percent of the development standards afforded by SB 79, Government Code Section 65912.157(a). This exemption would apply to any site with sufficient density and residential floor area in any TOD zone. Analysis of existing zoning, inclusive of the local density bonus program known as the Mixed Income Incentive Program (MIIP), determined 46,526 sites or 34.34% of eligible sites allow for densities and residential floor area of at least 50 percent of the zoning provisions afforded by SB 79. Exhibit 3, Map 3I visualizes the individual sites eligible for this temporary exemption pursuant to GCS 65912.161(b)(1)(A). Exhibit 3, Map 3C visualizes sites and TOD zones eligible for this temporary exemption.

Amendments to the Mixed Income Incentive Program (MIIP) through the Low-Rise Ordinance (LAMC Sections 12.22 A.38(c)(10)(i) and 12.22 A.38(g)(3)(i)(a)), include provisions for sites to utilize half the amount of units and floor area otherwise permitted by SB 79 when sites are eligible for the provisions of the bill but do not meet the temporary exemption criteria pursuant to GCS 65912.161(b), or are not otherwise exempt pursuant to GCS 65912.155 through 65912.162. Furthermore, proposed amendments to the MIIP in the Low-Rise Ordinance offer one additional story in height (beyond the height allowed by Table 12.22 A.38(g)(3)(i)) to sites within 200 feet of a Tier 1 or Tier 2 TOD Station to ensure that height limitations do not preclude a project from achieving half of the units and floor area guaranteed under GCS 65912.157(a). Exhibit 3, Map 3K visualizes the sites eligible for at least one temporary exemption criteria without the adoption of the Low Rise Ordinance. When factoring in this provision, the analysis found 17,562 additional sites would meet this temporary exemption criteria. Exhibit 3, Map 3L visualizes the sites eligible for this temporary exemption with the MIIP provision pursuant to GCS 65912.161(b)(1)(A). When

new TOD zones become eligible for SB 79, the Low-Rise Ordinance proposes to allow any site that does not meet the requirements of GCS 65912.160(e) or GCS 65912.160(b)(1) for permanent exclusion or temporary exemption is eligible for up to half the amount of units and floor area otherwise permitted in SB 79 (GCS 65912.157(a)). Exhibit 3, Map 3J visualizes sites that would be eligible for temporary exemption with the adoption of LAMC 12.22 A.38(c)(10)(i).

In summary, there are 2,718 sites that meet the requirements for permanent exclusion from SB 79. Exhibit 4, Table 1A (Citywide Summary of Sites and TOD Zones Eligible for Phased Implementation) summarizes the sites eligible for permanent exclusion at a citywide level. There are 135,474 sites and 145 TOD zones that meet the criteria for temporary exemption from SB 79. Effectively, 100% of the eligible sites and TOD zones within the City of LA are eligible for permanent or temporary exemption from the provisions of SB 79, until one year following the adoption of the seventh revision of the housing element. Exhibit 4, Table 1B (Summary of TOD Zones Eligible for Phased Implementation) summarizes the sites eligible for temporary exemption by TOD zone.

As the first step in establishing a framework for local implementation of SB 79, the adoption of the permanent and temporary exemptions through the Phased Implementation Ordinance, in tandem with revisions to MIIP through the Low-Rise Ordinance, would give the City additional time to plan for and consider local sensitive environmental areas through local transit-oriented alternative plans. Together, the SB 79 Phased Implementation and Low-Rise Ordinances implement Section 65912.161(b)(1), by demonstrating the City complies and is consistent with the criteria for temporary exclusion from the full implementation of SB 79.

D. State Housing Element Discussion (California State Government Code Section 65580 – 65589.11)

State Housing Element Law

Statutory requirements for the Housing Element and RHNA Re-zoning programs are delineated in California State Government Code Sections 65580 – 65589.11. The California Department of Housing and Community Development approved the City of Los Angeles 2021-2029 Housing Element on June 29, 2022 and the Rezoning Program on June 18, 2025. Pursuant to 65583(c)(1) and 65583.4(a), the Rezoning Program addressed the City's RHNA deficit by making sites with more than 255,433 units of capacity available and producing a Low Income Sites List where by-right development is guaranteed for projects built to a minimum density that provide at least 20% of units for lower income households. Housing Element Law also obligates the City to identify rezoning actions that affirmatively further fair housing as defined in CGS 8899.50 and to encourage the development of a variety of types of housing for all income levels (GCS 65583(c)(1)).

Low-Rise Ordinance

The Low-Rise Ordinance adds citywide capacity consistent with CGCS 65912.161(b), Housing Element Law, and the City's certified Housing Element. The ordinance does not amend the Housing Element Sites list, and expands incentives to all sites that would otherwise be ineligible for a pause in effectuation from Senate Bill 79, as well as to low density residential zones in Opportunity Station Areas. The Rezoning Program targeted 52% of rezoning efforts in Higher Opportunity Areas to meet the Housing Element Program 124 (Affirmatively Further Fair Housing) requirement that half of rezoning efforts are targeted to Higher Opportunity Areas. The Opportunity Station approach increases housing capacity in Higher Opportunity Areas, and is hereby consistent with goals and in excess of benchmarks in program 124. Additionally, the Low-Rise program incentivizes a missing middle typology which broadens the reach of income levels and family sizes that may benefit from the City's Rezoning Program incentives, consistent with the intent of State Housing Element law to create broad ranging opportunities for housing. The Low-Rise Ordinance is therefore consistent with Housing Element Law.

SB 79 Phased Implementation Ordinance

The SB 79 Phased Implementation Ordinance does not amend the Housing Elements Sites list or reduce the City's housing capacity. The purpose of the ordinance is to allow the City to begin phasing in the provisions of SB 79 through creating housing capacity consistent with its certified Housing Element. Therefore, the SB 79 Phased Implementation Ordinance is consistent with State Housing Element law.

E. State Density Bonus Law Discussion (California Government Code Sections 65915 - 65918)

The Low-Rise Ordinance amends the Citywide Housing Incentive Program (CHIP) (specifically the MIIP) a local implementation of State Density Bonus Law. State law stipulates local jurisdictions' ability to offer density bonus incentives in excess of state incentives and for projects ineligible for state incentives. California Government Code Section 65915(n) states: "If permitted by local Ordinance, nothing in this section shall be construed to prohibit a city, county, or city and county from granting a density bonus greater than what is described in this section for a development that meets the requirements of this section or from granting a proportionately lower density bonus than what is required by this section for developments that do not meet the requirements of this section." As detailed in the State Density Bonus Discussion of The Housing Element Rezoning Program staff report, the CHIP calibrates incentives so that local programs always match or offer greater bonuses and incentives to projects meeting the requirements of California Government Code Sections 65915 - 65918. All local incentives require affordability in excess of the set asides required under State Density Bonus. The Low-Rise Ordinance further expands access to housing by permitting projects ineligible for 65915 because the site's Maximum Allowable Residential Density is less than five units, but access to incentives through the local program is provided only if the project constructs at least five units.

The CHIP would remain in compliance with GCS 65915(n) with amendments from the Low-Rise Ordinance. One amendment replaces a footnote that previously required projects meet a State

Density Bonus affordability threshold with an expanded program standard that affirms the program's requirement to meet or exceed State Density Bonus Law affordability requirements. Additionally, SB 79 has fundamentally altered the relationship between lower density zones and State Density Bonus through enabling the stacking of State Density Bonus with new transit-based development standards in single-family zones, low density zones, and sites zoned for commercial development within a half-mile of transit oriented development stops. By expanding the applicability of incentives to phase-in implementation of SB 79, the City is offering lower density sites substantial density bonus incentives that they would otherwise not be eligible for through a pause in SB 79 effectuation alone. The bonuses and set aside requirements are calibrated for low-rise development accordingly, consistent with 65915(n). Additionally, projects cannot make individualized incentive or waiver requests beyond relief built into the Low-Rise Incentive Area and must comply with performance standards that replace select zoning regulations, however they are guaranteed the building envelope offered by the program regardless of other massing and layout standards that might otherwise apply. Though the Low-Rise Incentive Area does not allow project specific incentive requests, it offers a substantial density bonus that starts at 5 units in exchange for an affordability set aside that meets the requirements of state density bonus law. For example, a single-family zoned site which permits the construction of one home would be permitted to build up to 10 units through LR-1 incentives (equates to a ~1000% density bonus) and up to 16 units on a single family zoned site designated as LR-2 (equates to ~1,600% density bonus). The project would be required to provide 1 MI unit in LR-1 and 1 VLI, 1 LI, or 2 MI units in LR-2, which equates to 100% or 200% of the site's maximum allowable residential density. In other instances, the proposed language in LAMC 12.22 A.38(j)(12) would ensure affordability standards in 65915 are met. Projects with a maximum allowable residential density of more than five units could elect to use LAMC 12.22 A.37 if incentive or waiver requests are desired for a project, in lieu of the incentives in LAMC 12.22 A.38. One hundred percent affordable projects as defined in State Density Bonus are also eligible for the low-rise incentives as specified in the rent schedule program standard. Therefore, the local CHIP program further supports the State Density Bonus framework by exceeding State Density Bonus in exchange for more affordable units or by offering smaller scale set incentives to sites otherwise not eligible for the state statute, pursuant to GCS 65915(n).

Summary of CEQA Findings and Justifications

Project Description (Phased Implementation Ordinance and Low-Rise Ordinance)

The Phased Implementation and Low-Rise Ordinances (the Project) together comprise the City's local implementation of Senate Bill 79 ("SB 79") (2025) or "The Abundant and Affordable Homes Near Transit Act", which was signed into law by Governor Gavin Newsom on October 10, 2025 and codified in Government Code Sections 65912.155 - 65912.162. The Phased Implementation Ordinance affirms citywide phased implementation of the bill's provisions consistent with GCS 65912.161(b), while the Low-Rise Ordinance facilitates the first phase of SB 79 implementation with the expansion of incentives targeting missing-middle building outcomes to just over a third of the City's potential TOD zones.

The SB 79 Phased Implementation Ordinance (Exhibit 1) will allow a temporary pause in the bill's effectuation citywide consistent with the sites, TOD zone, and low resource area criteria in GCS 65912.161(b); will codify exemptions from SB 79 for sites within industrial employment hubs and that are more than one-mile walking distance from a station pursuant to GCS 65912.160(e); and will establish mapping processes.

The Low-Rise Ordinance (Exhibit 2A) amends Los Angeles Municipal Code Section 12.22 A.38 and other related code sections to establish housing incentives to allow low-scale, multi-family housing development in low density zones within a half-mile area of Opportunity Stations. Opportunity Station areas consist of majority Higher and Moderate Opportunity Areas as defined by the California Tax Credit Allocation Committee and are major transit stops (as defined in Public Resources Code Section 21064.3) served by heavy rail, light rail, commuter rail, bus rapid transit, and certain bus lines that operate in bus-only lanes. In addition to renaming the existing Corridor Transition Incentive Area the Low-Rise Incentive Area to better align the program's name with the program's intended building outcomes and geographic applicability, the Ordinance will also amend program incentives to improve project feasibility through revising base incentives, affordability requirements, multi-bedroom incentives, open space requirements, lot coverage limitations, roadway widening relief, and applicable performance standards. Furthermore, the Low-Rise Ordinance will guarantee any site not eligible for phased implementation half of the density and floor area permitted under SB 79; recommends a new Fire Restriction Area definition to exclude from eligibility sites in Hillside and Very High Fire Hazard Severity Zones; makes technical edits to eligibility criteria, mapping frequency, and program standards; and establishes new definitions. Note that amendments are subject to change based on guidance from other implementing agencies including the California Department of Housing and Community Development and the Southern California Association of Governments. The Project is inclusive of amendments recommended in Exhibit 2B to create more incentives for projects in Low-Rise Incentive Areas that provide deeper and/or more on-site affordable units should the City Council direct the Department to incorporate them into the Low-Rise Ordinance.

SB 79 Phased Implementation Ordinance Not Subject to CEQA

Pursuant to GCS 65912.160(c)(1 - 2), an ordinance to make zoning code consistent with the provisions of Government Code Sections 65912.155 - 65912.162 is determined not to be a project for the purposes of review under the California Environmental Quality Act (CEQA). The Phased Implementation Ordinance makes the City's zoning consistent with SB 79 because it phases in local implementation through meeting the technical requirements of 65912.161(b) and permanently exempts industrial employment hubs as well as sites that are more than one-mile walking distance from a station pursuant to GCS 65912.160(e). GCS 65912.161(b) allows a local jurisdiction to not apply GCS 65912.157 to areas that meet the rules specified in GCS 65912.161(b)(A-F) so long as an ordinance is adopted "in accordance with Section 65912.160". As such, the Phased Implementation Ordinance affirms compliance with GCS 65912.161(b) and meets the requirements of GCS Section 65912.160(c)(1), making the City's zoning code consistent with SB 79 through the effectuation of a phased implementation approach of the bill's provisions. For these reasons, the Phased Implementation Ordinance is not a project subject to

CEQA per GCS 65912.160(c)(2) since it is proposed consistent with provisions of GCS 65912.160(c)(1) and GCS 65912.161(b)(1). Furthermore, the Phased Implementation Ordinance will not result in the expansion of any land uses or intensity of existing land uses, therefore it will not result in any impacts that necessitate further study or review.

Housing Element Statutory Exemption (Public Resources Code Section 21080.085) for Low-Rise Ordinance

On June 30, 2025, the State of California approved Senate Bill (SB 131), which amended CEQA to include a statutory exemption for rezoning that “implements the schedule of actions contained in an approved housing element” pursuant to Public Resources Code (PRC) Section 21080.085(a), except for those rezonings that allow for new oil or gas infrastructure or those that allow construction within natural and protected lands without specified mitigation measures (PRC Section 21080.085(b)). This amendment enables a statutory exemption for qualifying “rezonings”, such as the amendments proposed by the Low-Rise Ordinance, if a lead agency can demonstrate that the rezoning is compliant with PRC Section 21080.085.

Compliance with Public Resources Code Section 21080.085(a) (Housing Element Programs)

Consistent with PRC Section 21080.085(a), the Low-Rise Ordinance expands the incentives of the City of Los Angeles’ Housing Element Rezoning Program to sites within a half-mile of transit. The expansion of these incentives is proposed through code amendments that codify relief from a site’s underlying zoning rules, including but not limited to density, FAR, and height, in exchange for the provision of on-site affordable housing. Enabling a site to build a project type or size not previously allowed effectively results in a site level rezoning. This rezoning approach implements the schedule of actions in the City’s Housing Element, specifically those in the following Programs described below:

- Program 48 (Update to Density Bonus and Other Affordable Housing Incentive Programs): The Citywide Housing Incentive Program (CHIP) Ordinance adopted in 2025 effectuated a comprehensive local density bonus program through the codification of the State Density Bonus Program (12.22 A.37), the Mixed Income Incentive Program (12.22 A.38), and the Affordable Housing Incentive Program (12.22 A.39). The Low-Rise Ordinance builds on this effort by amending the MIIP to expand program eligibility, as well as bringing forward amendments to support project feasibility for the purpose of making the MIIP an advantageous housing approval pathway for mixed income projects in Opportunity Station Areas.
- Program 55 (Implement CEQA Streamlining Measures): Consistent with Program 55, the Low-Rise Ordinance implements CEQA streamlining measures by enabling by-right development opportunities for sites newly eligible for the Low-Rise Incentive Area in Opportunity Station Areas, therefore increasing the number of projects that have the ability to seek project approval without additional CEQA review. .
- Program 57 (Improvements to Development Processing): The Low-Rise Ordinance expands the number of sites eligible for a streamlined approval process. In particular, incentives available through the Low-Rise Ordinance necessitate only a ministerial, zoning

review therefore potentially reducing the amount of time needed to obtain an approved building permit.

- Program 103 (Missing Middle): The Low-Rise Ordinance advances Program 103 through introducing flexible zoning standards and incentives to support opportunities for more 'Missing Middle' housing typologies, particularly in Higher Opportunity Areas. The Low-Rise Ordinance's expansion of the Low-Rise Incentive Area to all sites within Opportunity Station Areas directly implements this goal, allowing for lower-scale, multi-unit housing in low-density, Moderate and Higher Opportunity areas of the City where this typology is not currently permitted. Further, the Low-Rise Incentive Area's affordability requirements implement the value capture approach that Program 103 planned for, ensuring increases in density are tied to covenanted affordable housing that reduce barriers and create long-term housing opportunities for low-income residents.
- Program 121 (RHNA Re-Zoning): The Low-Rise Ordinance builds on the CHIP Ordinance (a key Housing Element Rezoning Program component) by expanding the applicability of one of the key CHIP incentive tools previously known as the Corridor Transition Incentive Area (proposed to be renamed the Low-Rise Incentive Area). In particular, consistent with Program 121 and the Rezoning Program strategies (described in further detail in Chapter 4 of the 2021-2029 Housing Element), the broadened applicability of Low-Rise Incentive Area incentives brings into fruition the "TOC Expansion in Higher Opportunity Areas" Rezoning Program strategy (discussed in Chapter 4 of the 2021-2029 Housing Element) within Opportunity Station Areas and fulfills objectives to apply flexible zoning tools to single-family and low density zones near transit in order to create opportunity for construction of missing middle typologies. Incentives are proposed to be expanded to more sites not subject to CHIP incentives or other local rezoning initiatives in Higher and Moderate Opportunity areas near transit.
- Program 124 (Affirmatively Furthering Fair Housing Program): The Low-Rise Ordinance Affirmatively Further Fair Housing by proposing rezoning in single-family and low-density zoned areas near transit that are predominantly Higher and Moderate Opportunity Areas, therefore advancing objectives contained in Program 124 to expand housing opportunities in areas of the city with access to key place-based opportunities including schools, jobs, transit infrastructure, and other amenities. Consistent with Program 124's framework to Affirmatively Further Fair Housing, creating housing construction opportunities in single-family zoned areas in Higher Opportunity neighborhoods advances zoning regulations locally in a way that addresses exclusionary land use practices of the past.

Compliance with Public Resources Code Section 21080.085(b) (Oil or Gas Infrastructure and Natural and Protected Lands)

Specific rezoning categories ineligible for the Housing Element statutory exemption include rezoning to allow for the construction of distribution centers or oil and gas infrastructure (PRC 21080.085(b)(1)) as well as rezoning to allow for construction to occur within the boundaries of any natural and protected lands pursuant to PRC Section 21067.5 (PRC 21080.085(b)(2)).

Distribution Centers and Oil and Gas Infrastructure

Code amendments proposed as part of the Low-Rise Ordinance do not facilitate the construction of oil or gas infrastructure. In particular, amendments proposed as part of the Low-Rise Ordinance focus on increasing opportunities for housing construction citywide near certain transit stations in urbanized higher and moderate resource neighborhoods and do not propose any amendments to the code that would facilitate or create allowances for new distribution centers or oil and gas infrastructure consistent with PRC Section 21080.085(b)(1)(A)

Natural and Protected Lands

Code amendments proposed as part of the Low-Rise Ordinance would not facilitate construction within the boundaries of any natural or protected lands as defined in PRC Section 21067.5. The expanded incentives would apply in existing urbanized areas and would not apply in areas identified as “natural and protected lands” as defined in PRC Section 21067.5 inclusive of (a) through (p).

Criteria (a) through (h) of PRC Section 21067.5 include lands designated at the state and national level as parks, wilderness, or for wildlife. Since the Low-Rise Ordinance only extends incentives to residential zones, and cannot/does not amend any of these designations, the proposed rezoning does not occur in these areas.

Criteria (i) refers to Hazardous Waste Sites defined pursuant to GCS 65962.5 and contains an exception for if one of the listed agencies determines a site is suitable for a proposed use. This is consistent with Environmental Protection Measures (Hazardous Materials-1) that were adopted with CHIP and will be applicable to development on properties rezoned with the Low-Rise Ordinance.

At present, based on staff’s evaluation of available mapping tools including Los Angeles Zoning Information and Map Access System (ZIMAS), Los Angeles Geohub, and FEMA floodway mapping, it appears no sites eligible for the Low-Rise Ordinance meet criteria (j), (k), (m), or (p) which includes land in regulatory floodways as mapped by FEMA, land under conservation easement, lands within 300 feet of a wetland, Environmentally Sensitive Habitat Area in the Coastal Zone, or prime farmland as determined by the Department of Conservation. If new TOD Zones in the Coastal Zone are added, further CEQA findings will need to occur for sites in those areas.

Criteria (l) includes land on or within 300 feet of a wetland and (n) land identified as part of a conservation plan. The Low-Rise Ordinance does not rezone any wetland but some parcels may be within 300 feet of urbanized wetland areas like Lake Balboa, the Hansen Dam, or Echo Park. SB 131 allows portions of an otherwise exempt rezoning that are on Natural and Protected Land to be cleared with another CEQA clearance. Any parcels within 300 feet of a wetland or part of a conservation plan would have been analyzed for the RHNA buildout in the Housing Element EIR (see below). City Planning is not aware of any parcels to be rezoned with the Low-Rise Ordinance in conservation plans. If some do exist, which does not seem likely, the Low-Rise Ordinance does not change zones or designations within lands identified in conservation plans, but if some parcels

in urbanized areas that technically fall within the bounds of those plans are eligible for incentives those sites too would have been analyzed for the RHNA buildout of the Housing Element EIR.

Criteria (o) includes Very High Fire Hazard Severity Zones, except sites where fire hazard mitigation measures are adopted pursuant to existing State Fire Code standard or State Minimum Fire Safety regulations. Due to the fact that the City's code has incorporated these State codes and rezoning contained in the Low-Rise Ordinance would only occur on Very High Fire Hazard Severity Zone sites where these standards apply, the Low-Rise Ordinance remains consistent with the provisions contained in PRC 21080.085(b)(a)(B). Although not necessary for the exemption, it may be noted, the Low-Rise Ordinance maintains or revises eligibility criteria excluding certain sites that are in both Hillside Areas and Very High Fire Hazard Severity Zones (with more limited ingress and egress).

Conclusion

Based on the above, the project described in this report is statutorily exempt from Division 13 (commencing with Section 21000) of the PRC, any parcels excluded as in Natural or Protected Lands are cleared by the Housing Element EIR.

Housing Element Environmental Impact Report (EIR)

Impacts of the Project were analyzed under Housing Element EIR Number ENV-2020-6762 (SCH No. 2021010130) certified on November 29, 2021, and Addenda 1 and 2 (ENV-2020-6762-EIR-ADD1 and ENV-2020-6762-EIR-ADD2). Adoption of the Phased Implementation Ordinance phases in capacity created through SB 79 consistent with affirmatively furthering fair housing objectives and the overall goals of the 2021-2029 Housing Element. Adoption of the proposed Low-Rise Ordinance, which implements Program 121 (RHNA Re-zoning Program) of the 2021-2029 Housing Element and phases in compliance with the Abundant and Affordable Homes Near Transit Act pursuant to GCS 65912.161(b), will further increase residential capacity by incentivizing housing near transit consistently with goals, objectives, policies and programs in the Housing Element to facilitate construction of the 456,643 unit RHNA target for the 2021-2029 planning period (486,379 including a buffer recommended by the California Department of Housing and Community Development). The Housing Element EIR examined the build out of the RHNA and analyzed the potential effect from the construction and operation of 420,327 housing units (full RHNA build out of 456,643 units minus the 36,316 housing units that had been approved but not built). The Housing Element EIR found that the environmental impacts of several of the issue areas were significant and unavoidable, with regard to:

- Air Quality (Exceedance of Criteria Pollutants—Construction and Operations)
- Biological Resources (Special Status Species, Sensitive Habitats, Wildlife Corridors)
- Cultural Resources (Historical Resources and Archaeological Resources)
- Geology and Soils (Paleontological Resources)
- Hazards and Hazardous Materials (Hazardous Materials Near Schools and Hazardous Materials Sites)

- Noise (Construction Noise, Operation Noise, and Construction Vibration)
- Public Services (Fire Protection, Police Protection, and School Facilities)
- Recreation (Deterioration of Recreational Facilities and Construction of Recreational Facilities)
- Transportation (Freeway Queuing)
- Tribal Cultural Resources (Construction: Ground Disturbance during Construction)
- Wildfire (Impair Emergency Response Plan, Exacerbate Wildfire Risks in State Responsibility Area or VHFHSZ, Require Infrastructure that may Exacerbate Fire Risk, Expose People or Structures to Significant Risks in State Responsibility Area or VHFHSZ, and Expose People or Structures to Significant Risks Involving Wildland Fires)

The Housing Element EIR also identified the following significant impacts that were anticipated to be reduced to less than significant with identified mitigation measures:

- Air Quality: Construction-related emissions of toxic air contaminants
- Hydrology: Impeding or Redirect Flood Flows
- Transportation: Circulation Plan Consistency, Hazardous Design, Emergency Access

As discussed above, the Project is within the scope of the the Housing Element EIR which fully analyzed the environmental impacts that could occur as a result of the implementation of the 2021-2029 Housing Element, including mixed-use development ranging in size and scale, neighborhood commercial mixed-use with smaller non-residential uses, and high-rise mixed-use with larger non-residential uses. Additionally, the Housing Element EIR analyzed impacts of multi-family developments in lower density zone classes including single-family. Overall, the Housing Element EIR acknowledged that the buildout of the RHNA would occur in a manner consistent with the latest building permit activity in areas of the City zoned for multi-family and commercial development, but could still be realized in any area of the city where zoning or land use permits residential units including commercial zones, some industrial zones, and lower density residential sites, including within the coastal zone and throughout the City where conservation easements may exist. The Housing Element EIR anticipated and fully analyzed that the construction and operation of these housing units would require action to streamline approvals, including making more projects subject to by-right or administrative review and eliminating discretion in the approval of affordable housing developments. The Project described is consistent with Housing Element programs and any impact associated with the proposed changes in the Phased Implementation and Low-Rise Ordinances were analyzed as part of the Housing Element EIR's analysis of the full RHNA buildout.

Additionally, the City does not find that there is a change to the project, change to circumstances, or new information that would necessitate the preparation of a subsequent EIR (PRC Section 21166 or CEQA Guidelines Section 15162(a)) given that the Phased Implementation Ordinance is phasing in the effectuation of SB 79. The City's assessment of SB 79 led to several reports to the City Council and subsequent direction by the City Council to implement the bill through the execution of a temporary pause of the bill's provisions and amendments to local incentive programs to phase in SB 79 capacity in a manner consistent with the 2021-2029 Housing Element. Furthermore, SB 79 will be paused beyond the plan horizon of the Housing Element.

For this reason, there is no change to the project, change to circumstance, or new information requiring the preparation of a subsequent EIR.

Incorporation by Reference

The following documents associated with the Housing Element EIR were used in preparation of these findings, and incorporated herein by reference, consistent with Section 15150 of the CEQA Guidelines. The Housing Element EIR is available for review at the City of Los Angeles, Department of City Planning Records Management, 221 N. Figueroa Street, Room 1450 Los Angeles, and online at the following weblinks:

- Final EIR: https://planning.lacity.gov/EIR/HEU_2021-2029_SEU/feir/files/Final%20EIR%20-%20October%202021.pdf
- EIR Administrative Record: [Los Angeles City Council File 21-1230 - https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=21-1230](https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=21-1230)
- Addendum 1 to the EIR: [https://planning.lacity.gov/odocument/23bb4628-cd19-4859-9484-48284bbdcd96/Exhibit C - Addendum to Environmental Impact Report \(ENV-2020-6762-EIR, SCH No. 2021010130\).pdf](https://planning.lacity.gov/odocument/23bb4628-cd19-4859-9484-48284bbdcd96/Exhibit_C_-_Addendum_to_Environmental_Impact_Report_(ENV-2020-6762-EIR,_SCH_No._2021010130).pdf)
- Addendum 2 to the EIR: https://cityclerk.lacity.org/onlinedocs/2021/21-1230-S6_misc_6_11-13-24.pdf