

## MOTION

As the economy has recovered, Los Angeles has been undergoing a building boom. After several years of very slow permit activity, the number of applications for residential and commercial projects has rebounded. In terms of economic activity and construction-related jobs, this has been a benefit to Los Angeles and Southern California.

However, when market rate multi-family residential or commercial projects are proposed to replace older, typically smaller buildings containing units subject to the Rent Stabilization Ordinance (RSO), the supply of affordable housing is eroded. And because court decisions currently prevent the City from requiring that affordable units be included in these market rate projects, any ability to reduce the negative impact is minimized. When commercial projects eliminate housing units, the erosion is even more pronounced and absolute.

The City's ability to gauge the impact of projects and other City actions on the affordable housing stock often depends on a contentious, unsatisfactory process fueled by inadequate information. But cities such as Atlanta, Austin TX, San Diego, New Orleans and Pittsburgh are trying a different approach that requires decision-makers to assess how their actions on legislation, grants, community plans and projects affect increases and decreases of affordable housing and housing costs and demand, the "Affordable Housing Impact Statement."

Affordable Housing Impact Statements can inform City officials and all project stakeholders as to how decisions will affect the affordable housing stock. In L.A. this will provide important data on the state of housing affordability that could lead to a reduction of negative impacts.

I THEREFORE MOVE that the Department of City Planning, with the Housing and Community Investment Department and the Chief Legislative Analyst, develop an ordinance requiring Affordable Housing Impact Statements as part of the application process for projects which address the housing impact of the development on the surrounding community by providing an impact analysis which shall include, but is not limited to, information regarding the types of housing proposed, the targeted market demographics, affordable dwelling units within the development and within the market, and number of dwelling units proposed to be demolished. For proposed developments without a housing component, the applicant shall provide a statement or analysis which shall include, but is not limited to, anticipated housing demand and affordability level of housing needed to serve new demand; and

I FURTHER MOVE that the ordinance prescribe that the City shall prepare such statements on any legislative action that may impact the conditions noted above; and

I FURTHER MOVE that the ordinance include consideration of how these Statements can best be integrated into decision-making processes in a manner that provides City officials and all stakeholders with the ability to effectively factor them into their respective decisions.

PROPOSED BY: \_\_\_\_\_

PAUL KORETZ

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SECONDED BY: \_\_\_\_\_

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