



MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. R 18 - 0052
FEB 27 2018

REPORT RE:

**DRAFT ORDINANCE AMENDING SECTIONS 12.03, 14.00 AND 151.02
OF THE LOS ANGELES MUNICIPAL CODE
TO ESTABLISH A PROCESS TO ALLOW TEMPORARY USE OF MOTELS AND
HOTELS FOR SUPPORTIVE AND TRANSITIONAL HOUSING FOR PERSONS
EXPERIENCING HOMELESSNESS OR THOSE AT RISK FOR HOMELESSNESS**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 17-1432

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance amends Sections 12.03, 14.00 and 151.02 of the Los Angeles Municipal Code (LAMC) to establish regulations to facilitate the use of existing hotels and motels for Supportive Housing and Transitional Housing for persons experiencing homelessness or those at risk of homelessness.

Background

The Department of City Planning (Department) drafted the proposed ordinance in response to Strategy 7C in the City's Comprehensive Homeless Strategy Report, adopted by the City Council on February 9, 2016, concerning adaptive reuse of existing

high density structures to provide housing for the homeless. The Report identified the use of existing motels and hotels for supportive and transitional housing as one solution to address the immediate need for housing. The draft ordinance streamlines the approval process and allows existing motels and hotels to be retrofitted and used for supportive and transitional housing for persons experiencing homelessness or those at risk for homelessness for an interim period.

On December 14, 2017, the City Planning Commission (CPC) considered the draft ordinance. The CPC voted to adopt the staff report and findings supporting approval of the draft ordinance, and to recommend approval of the ordinance by the City Council.

On January 17, 2018, the Homelessness and Poverty Committee held a public hearing, requested a report back from the Department and the Los Angeles Housing and Community Investment Department (HCID) and continued the item for 30 days.

On February 13, 2018, the Planning and Land Use Management Committee (PLUM) requested the City Attorney to transmit a draft ordinance, approved as to form and legality. PLUM also instructed the Department to report back on requests for additional information from Council Districts 6 and 9.

This Office now transmits the draft ordinance, approved as to form and legality, for the Council's consideration.

Summary of Ordinance Provisions

The CPC's transmittal report to the City Council dated December 19, 2017 (CPC Transmittal Report) includes the Department's staff report, which provides a detailed description of the LAMC amendments effectuated by the draft ordinance. Key changes include: establishment of a public benefits approval process to allow existing transient residential structures such as hotels, motels, and apartment hotels to be temporarily used for supportive and transitional housing for persons experiencing homelessness or those at risk for homelessness; new definitions of Interim Motel Conversion Project, Supportive Housing, Transitional Housing, and Supportive Services; and Department of Building and Safety review and approval of applications for Interim Motel Housing Projects for consistency with application requirements, zoning and performance standards. The draft ordinance also requires Interim Motel Housing Project applicants to submit a copy of a contract with a local public funding agency which demonstrates: (1) the supportive or transitional housing use is provided onsite; (2) the applicant has received funding from a local public agency; and (3) the housing is linked to onsite or offsite supportive services which assist persons experiencing homelessness, or those at risk for homelessness, in obtaining and maintaining housing and involve intensive case management, including job training.

The draft ordinance does not authorize any change or increase in floor area, building footprint, the number of units, or the overall building height. However, Interim Motel Housing Project applicants may make minor physical alterations to the interior of the structure to add cooking facilities and sinks in individual units. In addition, projects must include floor area dedicated to case management at a minimum ratio of one office for every 20 units or guest rooms. When the contract to provide supportive or transitional housing expires, generally after five years, the structures may revert back to its previous legal use as a motel or hotel, even if no longer allowed by current zoning regulations, or to any use allowed by the current zoning regulations.

The draft ordinance includes an urgency clause so that, if adopted by Council and approved by the Mayor, it can become effective upon publication pursuant to Charter Section 253. The Department recommends and the ordinance includes a statement that the City find and declare that this ordinance is required for the immediate protection of the public peace, health and safety for the following reasons: Approximately 34,000 people are experiencing homelessness in the City of Los Angeles, reflecting a 20% increase from 2016. Over 73% of this number, or 25,000 people, are unsheltered, meaning that their primary nighttime residence is a public or private place not designated or ordinarily used as a regular sleeping accommodation for human beings. A significant portion of people experiencing homelessness in the City of Los Angeles experience multiple health issues, trauma and disability. Furthermore, approximately 31% of this population are experiencing chronic homelessness and, when unsheltered, often incur significant public costs related to emergency room visits, law enforcement, and incarceration. These costs have been shown to be significantly reduced when individuals have supportive or transitional housing. Supportive housing and transitional housing provide stable shelter for individuals experiencing homelessness, along with supportive services which help to address health and disability issues such as substance abuse, serious mental illness, and physical disabilities. Urgency ordinances require a three-fourths vote of the Council in order to pass.

California Environmental Quality Act (CEQA) Determination

For this project, the Department recommends that the City Council determine the project to be exempt pursuant to CEQA Guidelines Section 15301, and Class 1 (Existing Facilities). Projects that qualify for this exemption include those involving repair, permitting, or minor alteration of existing private or public structures or facilities, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. This determination that the Project is exempt from CEQA as referenced above, is based on the whole of the administrative record, the lead agency's independent judgment and analysis, and the determination that there is substantial evidence that the project is included in the categorical exemption and no exception to a categorical exemption pursuant to CEQA Guidelines Section 15300.2 applies.

Although the Department recommends City Council find that the project is not subject to CEQA as it is categorically exempt, the City also prepared a negative declaration to allow the public an opportunity to weigh in during the environmental review process. To that end, the Department recommends that the City Council also adopt Negative Declaration ENV-2017-3410-ND as adequate environmental clearance. If Council, as lead agency, on the basis of the whole of the record, including any comments received, finds in its independent judgment that there is no substantial evidence supporting a fair argument that the Proposed Project will have a significant effect on the environment, Council may adopt ENV-2017-3410-ND.

Charter Findings Required

Charter Section 558(b)(3) requires the Council to make the findings required in Subsection (b)(2) of the same section, namely whether adoption of the proposed ordinance will be in conformity with public necessity, convenience, general welfare and good zoning practice. Charter Section 558(b)(3)(A) allows the Council to adopt an ordinance conforming to the CPC's recommendation of approval of the ordinance, if the CPC recommends such approval. Similarly, Charter Section 556 requires the Council to make findings showing that the action is in substantial conformance with the purposes, intent and provisions of the General Plan. Council can either adopt the CPC's findings and recommendations or make its own.

Council Rule 38 Referral

A copy of the draft ordinance has been sent, pursuant to Council Rule 38, to the HCID, Department of Building and Safety, Department of Disability, Los Angeles Police Department, Los Angeles Fire Department and the Bureau of Engineering. We have requested that these departments provide their comments directly to you when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Amy Brothers at (213) 978-8069. She or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By 

DAVID MICHAELSON
Chief Assistant City Attorney

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Transmittal

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