

Office of the Los Angeles City Attorney Hydee Feldstein Soto

> REPORT NO. <u>R24-0317</u> JUN 13, 2024

REPORT RE:

DRAFT ORDINANCES AMENDING THE SOUTH LOS ANGELES
COMMUNITY PLAN IMPLEMENTATION OVERLAY (CPIO) DISTRICT; THE
SOUTHEAST LOS ANGELES CPIO DISTRICT; AND THE WEST ADAMSBALDWIN HILLS-LEIMERT PARK CPIO DISTRICT TO (1) CREATE A CPIO
PROTECTED UNIT AREA, TO PROVIDE NEW TENANT PROTECTIONS IN
CERTAIN RESIDENTIAL AREAS IN THE SOUTH LOS ANGELES CPIO
DISTRICT, (2) MODIFY THE TRANSIT ORIENTED DEVELOPMENT
SUBAREAS IN THE SOUTH LOS ANGELES CPIO DISTRICT TO
INCENTIVIZE AFFORDABLE HOUSING PROJECTS, AND (3) IMPLEMENT
THE SLAUSON CORRIDOR TRANSIT NEIGHBORHOOD PLAN IN THE
THREE CPIO DISTRICTS TO ENCOURAGE GREEN JOBS, EXPANDED
AFFORDABLE HOUSING OPPORTUNITIES, AND SUPPORT AN ACTIVE
TRANSPORTATION CORRIDOR WITH PATH-ORIENTED BUILDING DESIGN

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

Council File Nos. 18-0445-S1 and 20-1265-S1

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your action three enclosed draft ordinances, approved as to form and legality, related to two projects: (1) the South Los Angeles Community Plan Implementation Overlay District (CPIO) amendment to address displacement and the preservation of affordable housing (Council File No. 20-1265-S1); and (2) adoption of the proposed Slauson Corridor Transit Neighborhood Plan (Slauson TNP) (Council File No. 18-0445-S1), which requires separate amendments to the South Los Angeles CPIO (South LA CPIO),



Southeast Los Angeles CPIO (SELA CPIO), and the West Adams-Baldwin Hills-Leimert CPIO (West Adams CPIO).

The three ordinances for the two projects are being presented together for concurrent adoption to comply with the Housing Crisis Act (Gov. Code Section 66300), which prohibits any zoning ordinances that result in a loss in residential capacity unless there is a concurrent zoning ordinance to increase residential capacity elsewhere to ensure there is "no net loss" in total residential capacity in a city's jurisdiction.

Background

South LA CPIO Update

On January 12, 2021, the City Council adopted a motion (Harris-Dawson-Blumenfield) for the Planning Department to report back on recommendations for a North University – Exposition Park – West Adams Neighborhood Stabilization Overlay (NSO) and Supplemental Use District (SUD), and the loss of naturally occurring affordable housing and overconcentration of student housing near the USC/Exposition Park community. On December 7, 2021, the Planning and Land Use Management (PLUM) Committee considered the Planning Department report and instructed the Planning Department to finalize phase 1 within a year and to prepare any report, data analysis, and any ordinances necessary. Based on its analysis, the Planning Department initiated an ordinance to amend the South LA CPIO.

On November 17, 2022, the City Planning Commission (CPC) considered and recommended the City Council adopt a proposed ordinance to amend the South LA CPIO. On December 6, 2022, the PLUM Committee held a hearing and considered a report and recommendations from the CPC relative to a proposed zone change ordinance to amend the South LA CPIO. On January 10, 2023, the City Council requested this Office to prepare and present an ordinance to make various amendments to the South LA CPIO intended to address displacement and the preservation of affordable housing (Council File (CF) No. 20-1265-S1).

Subsequently, on January 17, 2023, the PLUM Committee adopted a motion (Harris-Dawson – Raman) relating to incorporating additional amendments to the South LA CPIO that would further address displacement and preservation of affordable housing. This Office prepared one ordinance amending the South LA CPIO for this project (CF No. 18-0445-S1) and the Slauson TNP project (CF No. 20-1265-S1), discussed below, to ensure all amendments to the South LA CPIO were adopted and not superseded by the concurrent adoption of a separate ordinance amending the same CPIO.

Slauson TNP

In 2018, the Planning Department was awarded a Metro grant to do land use planning around a future Metro "Active Transportation Corridor." On October 13, 2022, the CPC held a hearing recommending approval of the Slauson Corridor Transit

Neighborhood Plan (Slauson TNP) which included proposed amendments to the existing South LA CPIO, SELA CPIO, and West Adams CPIO to implement the plan. On November 1, 2022, the PLUM Committee held a hearing and requested this Office prepare and present three ordinances as recommended in the October 20, 2022, CPC report, attached to the Council file.

As stated above, this Office prepared one ordinance amending the South LA CPIO for this project (CF No. 18-0445-S1) and the South LA CPIO project (CF No. 20-1265-S1), to ensure all amendments were adopted and not superseded by concurrent adoption of a separate ordinance amending the same CPIO.

Summary of Proposed Changes

South LA CPIO Updates

The staff report dated November 17, 2022 (CF No. 20-1265-S1) provides a detailed summary of the amendments before the City Council. Notably, the draft ordinance to amend the South LA CPIO adds residential parcels to the Residential Subareas. Adding new residential parcels is intended to address negative impacts of new infill development on the prevailing neighborhood character of these areas. The draft ordinance also amends the Transit Oriented Development (TOD) Subareas to upgrade access to bonus incentives for certain commercial nodes. The existing zoning standards for density, floor area, and height are not decreasing and the underlying zoning remains unchanged.

This Office worked with the Planning Department and the Housing Department to incorporate all of the PLUM Committee's instructions and City Council motions to add tenant protections to the South LA CPIO. The draft ordinance creates a new "CPIO Protected Unit Area," in portions of the CPIO District to add tenant protections. The draft ordinance creates an "Anti-Harassment Violators Database," the first of its kind, that would be maintained by the Housing Department to track tenant harassment enforcement actions and would allow the City to monitor, withhold or revoke a demolition permit and a CPIO approval in the CPIO Protected Unit Area for an owner who has committed unlawful tenant harassment anywhere in the City. The draft ordinance further expands on tenant notification requirements regarding the right to return, replacement units, provides additional tenant protections, and establishes a private right of action to enforce all the tenant protections as requested. The draft ordinance also adds a demolition and permit delay for projects where an existing structure is more than 45 years old in the CPIO Protected Unit Area.

Slauson TNP

The staff report dated October 13, 2022 (CF No. 18-0445-S1) provides a detailed summary of the amendments before the City Council. The Slauson TNP is implemented through the addition of new "Slauson Subareas" in the South LA and SELA CPIOs. New design and development standards are being added to create regulations and incentives that apply to sites that abut a newly created "Active"

Transportation Corridor," adjacent to the Metro line, to promote building design that completes a multi-use bicycle and pedestrian path, including requirements for setbacks, path-oriented building entrances, ground floor design, and new murals. In addition to incentivizing compatible development along the corridor, the draft ordinances amending the South LA CPIO and the SELA CPIO provide floor area ratio, height and density bonuses, and parking reductions for projects that provide affordable housing, publicly available open space, or green employment uses.

The proposed ordinance amending the West Adams CPIO incentivizes publicly accessible open space and green employment uses and facilitates a direct extension of the future Active Transportation Corridor to the K Line's Fairview Heights Station.

Housing Crisis Act

The Housing Crisis Act of 2019 (HCA) was adopted in 2019 through Senate Bill 330. Relevant to the South LA CPIO and the Slauson TNP projects, the HCA prohibits cities from amending zoning ordinances or general plans in a way that reduces housing development capacity (downzoning) from what was allowed on January 1, 2018. (Gov. Code Sec. 66300(b)(1)(A)). The HCA includes an exception for downzoning, if at the same meeting the downzoning ordinance is adopted, the city adopts another zoning ordinance that increases capacity on other properties in the city, which results in "no net loss" in housing capacity.

As set forth in the CPC Recommendation Reports transmitted to the Council files, the regulations proposed in the South LA CPIO project to add new neighborhood character and tenant protections (CF No. 20-1265-S1) will result in downzoning, primarily due to applying the CPIO development standards to new residential parcels. In order to comply with the HCA's "no net loss" requirements, the Planning Department recommends the City Council concurrently adopt the Slauson TNP project with the South LA CPIO update project because the Slauson TNP project (CF No. 18-0445-S1) provides the necessary upzoning to offset the South LA CPIO's downzoning, as it allows new residential uses where such uses were previously prohibited (CF No. 20-1265-S1).

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 ordinances 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 each 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. The City Council can either adopt the CPC's findings and recommendations as set forth in the CPC's Transmittal Reports or make its own.

CEQA Determination

If the City Council wishes to adopt the three ordinances amending the CPIOs described above, it must first comply with California Environmental Quality Act (CEQA). The Planning Department recommends that the two projects were previously assessed in environmental impact reports prepared for the previously adopted community plan updates for the South Los Angeles Community Plan, the Southeast Community Plan, and the West Adams-Baldwin Hills-Leimert Park Community Plan, and based on Addendums dated November 2022 and June 2024, uploaded to the Council files, prepared for the South LA CPIO Update and the Slauson Corridor TNP, no subsequent EIR or supplemental EIR is required.

An Environmental Impact Report (South LA and SELA EIRs), EIR No. ENV-2008-1780-EIR and ENV-2008-1781-EIR, SCH Nos. 2008101097 and 2008101098, was prepared for the South Los Angeles and Southeast Los Angeles Community Plan updates and certified on November 22, 2017. An EIR for the West Adams Community Plan Update (West Adams EIR) was certified by the City Council on June 29, 2016. Prior to approving a project with an addendum, the decisionmaker is required to consider the EIR along with the addendum. Pursuant to Public Resources Code Section 21166 and CEQA Guidelines Section 15162, after an EIR is certified for a project, a subsequent or supplemental EIR shall not be prepared for a subsequent project unless the decisionmaker finds based on the whole of the record that based on changes to the project, changes to the circumstances, or new information (which was not known or could not have been known when the EIR was certified) that major revisions to the EIR are required due to the involvement of a new significant impact or more severe significant impact to those identified in the EIR.

Council Rule 38 Referral

Copies of the draft ordinances were sent pursuant to Council Rule 38 to the Los Angeles Department of Building and Safety and the Los Angeles Housing Department, with a request that all comments be presented directly to the City Council or its Committees when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Parissh Knox at (213) 978-8191. A member of this Office will be present when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

Ву

JOHN W. HEATH Chief Assistant City Attorney

JWH:PK:cp Transmittal