Status Update on RHNA Rezoning Program and Equity in Land Use, and Annual Report on RHNA Progress and Affirmatively Furthering Fair Housing (AFFH) Goals CF 21-1230

Housing Element and General Plan Annual Progress Reports CF 22-0403-S1

PLUM Committee
June 6, 2023
Presentation Overview

- **120-day Status Update on RHNA Rezoning Program and Equity Indicators**
  - Current Status of RHNA Rezoning Program
  - Current Status of Fair Share Housing Allocation Methodology

- **Annual Report on RHNA Progress and AFFH Goals**
  - Includes the Housing Element Annual Progress Report

- **General Plan Annual Progress Report**
120-day Status Update on RHNA Rezoning Program and Equity Indicators
CF 21-1230
Rezoning Measures

Rezoning will occur over the **housing element cycle** through a **variety of measures** including:

- Active Community and Neighborhood Planning Efforts
- Citywide Housing Incentive Program
Citywide Housing Incentive Program Strategies

- Adaptive Reuse
  Draft ordinance released for public comment

- Update to Affordable Housing Incentive Programs

- Opportunity Corridors

- Affordable Housing Overlay

- Missing Middle

- Process Streamlining
Citywide Housing Incentive Program

Outreach Timeline

- Hosted **three outreach** events with **270 attendees** in March in English and Spanish

- Attendees indicated **strong support for**:
  - Equitable rezoning approach
  - Adaptive reuse of buildings
  - Missing middle housing
  - Process streamlining

- ARO topical webinars will be held this week with additional topical webinars throughout the summer
Stay Connected: The Rezoning Program Website

Visit the Housing Element Rezoning Program website to:

- Learn more and provide feedback with the Concept Explorer and Survey.
- Sign up to receive updates.

Contact the Team for questions or comments at: housingelement@lacity.org
Update on the Fair Share Housing Allocation Methodology
Background: Fair Share Housing Strategy

Zoning conditions reinforce disparities in access to opportunity and distribution of affordable housing.
Background: Fair Share Housing Strategy

- 2021 Fair Share Report (CF 19-0416) identified short- and long-term strategies, including a longer-term recommendation to develop “Fair Share” Zoning Allocations by Community Plan Area to guide future plan updates and ensure an equitable distribution of housing.

- Housing Element Program 49: Targeted Zoning Allocations by Community Plan Area (CPA)
  - Develop methodology to allocate housing targets in a way that balances:
    - AFFH goals (addressing patterns of racial and economic segregation)
    - Job/transit access
    - Climate and environmental conditions
    - Anti-displacement
    - Other planning considerations
  - Outcome would create numerical housing goals and zoning targets for each CPA, by income category.
  - To be included in a future update to citywide Growth Strategy.

Background: Fair Share Housing Strategy

CF 21-1230; CF 22-0403-S1
## Status: Fair Share Housing Allocation

<table>
<thead>
<tr>
<th>Period</th>
<th>Objectives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Late 2022</strong></td>
<td>✓ Kicked off contract with AECOM to conduct initial evaluation and identification of methodology and potential indicators, and develop an online engagement tool</td>
</tr>
</tbody>
</table>
| **Early 2023**      | ✓ Kicked off background research  
                       | ✓ Coordination with City Departments on review and identification of potential indicators |
| **Summer to Fall 2023** | - Develop initial draft indicators and methodology to be used in interactive online engagement tool  
                       | - Develop engagement tool and outreach strategy  
                       | - Seek grant funding for phase 2 of project to adopt methodology |
| **Late 2023 to Early 2024** | - Release engagement tool and conduct outreach  
                       | - Refine recommendations based on outreach  
                       | - Develop methodology to be included and considered in future updates to the City’s growth strategy and Land Use Element / Community Plan Updates |
Annual Report on RHNA Progress and AFFH Goals

CF 21-1230
CF 22-0403-S1
Annual Progress Report (APR) Background

- State required reports on progress meetings General Plan objectives each Calendar Year
  - Housing Element APR required since 2009
  - General Plan APR required since 2019
- Due each year by April 1st
  - Submitted to state (HCD and OPR)
  - Submitted to City Council file (22-0403-S1)
- City Council shall make the item available for public comment
What is the Housing Element APR?

2021-2029 Housing Element Cycle

- Report on the status and progress of implementing the 2021-2029 Housing Element including:
  - RHNA Progress (housing production and demolition)
  - Status of housing implementation programs (136)
- Requires assistance with 19 City departments and agencies
- Recently expanded to include
  - Data on all entitlement apps., permits and completions.
  - Information on usage of state housing programs
- Utilizes state-developed forms and reporting system
# RHNA Progress - Permitted Units by Affordability

<table>
<thead>
<tr>
<th>Income Level</th>
<th>RHNA Allocation by Income Level</th>
<th>2022</th>
<th>Total Units Permitted to Date (6th Cycle)</th>
<th>Total Remaining RHNA by Income Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Low</td>
<td>115,978</td>
<td>2,150</td>
<td>3,697</td>
<td>112,281</td>
</tr>
<tr>
<td>Low</td>
<td>68,743</td>
<td>1,042</td>
<td>1,657</td>
<td>67,086</td>
</tr>
<tr>
<td>Moderate</td>
<td>75,091</td>
<td>88</td>
<td>127</td>
<td>74,964</td>
</tr>
<tr>
<td>Above Moderate</td>
<td>196,831</td>
<td>20,142</td>
<td>27,939</td>
<td>168,892</td>
</tr>
<tr>
<td>Total Units</td>
<td>456,643</td>
<td>23,422</td>
<td>33,420</td>
<td>423,223</td>
</tr>
</tbody>
</table>
Housing Implementation Program Milestones

Summary of implementation progress in 2022 of 136 Housing Programs

Also includes a Supplemental Report for Program 124: Affirmatively Furthering Fair Housing

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Los Angeles</th>
<th>Reporting Year</th>
<th>(Jan 1 - Dec 31)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2022</td>
<td></td>
</tr>
</tbody>
</table>

**Table D**

Program Implementation Status pursuant to GC Section 65583

<table>
<thead>
<tr>
<th>Name of Program</th>
<th>Objective</th>
<th>Timeframe in H.E</th>
<th>Status of Program Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>HOMEBUYER FINANCIAL ASSISTANCE</td>
<td>Promote neighborhood stability and economic empowerment by providing 75 loans for first-time, low-income homebuyers earning up to 80% of the Area Median Income (AMI) and 75 loans for first-time moderate-income homebuyers earning between 81%-150%. Coordinate homebuyer education courses to help homebuyers prepare for and attain homeownership.</td>
<td>2021-2029</td>
<td>For the period of January 1, 2022, through December 31, 2022, the City has successfully assisted 69 low- and moderate-income, first-time homebuyer families purchase homes in the city consisting of 182 household members, with a total investment of $6,839,843 million of purchase assistance loans.</td>
</tr>
<tr>
<td>HOMEOWNERSHIP FOR VOUCHER HOLDERS</td>
<td>Increase homeownership opportunities among voucher holders.</td>
<td>2021-2029</td>
<td>As of December 2022, HACLA administered assistance for 27 families in the Section 8 Homeownership Program. Open enrollment for new participants is currently closed as the program is being restructured. Continued to work with developer partners on planning for 150 homeownership units within Jordan Downs redevelopment project. Planning to release RFP for developers with for-sale townhouse-style units to be released in 2023. HACLA continues to work on developing its homeownership opportunities on public housing redevelopment sites and will provide preferences to residents of former public housing as well as Section 8 voucher holders for the covenanted affordable units. HACLA expects to bring on a development partner in 2023 for up to 150 units of homeownership housing at Jordan Downs.</td>
</tr>
</tbody>
</table>
Housing Implementation Program Milestones

- Voters approved measure ULA (United to House LA), which is estimated to generate between $600 million and $1 billion per year for affordable housing production, preservation, and homelessness prevention.

- Passage of the largest expansion of tenant protections since the passage of the Rent Stabilization Ordinance in 1978.

- Tripled the rate of affordable housing projects funded in Higher Opportunity Areas.

- Expedited affordable housing through a Mayoral Executive Directive (ED 1) that allowed all 100% affordable housing projects by-right.

- Commiting to create 12,915 new units or beds for people experiencing homelessness over the course of five years.

- HACLA preserved 945 rent stabilized (RSO) units which exceeded the program’s goal of 750 acquired units by 2022.
General Plan Annual Progress Report

- Highlights major milestones for 2022 in implementing and updating the General Plan
- Covers the work of all City Departments
- Locally determined format
- Organized by topical elements
- Includes demographic data, projections and infrastructure reporting
Additional Slides
Adaptive Reuse Ordinance

- The conversion of underutilized commercial buildings to residential use.
- The Program would remove additional barriers to streamline the conversion of vacant office and commercial properties to housing by providing:
  - By-right process (faster) for reuse of buildings at least 15-years old,
  - More flexible unit sizes, and
  - Relief from existing development standards.
- A draft Ordinance was released in May for public comment.

Farmers Insurance, Mid-Wilshire
# 2022 Units by Structure Type

<table>
<thead>
<tr>
<th>Structure Type</th>
<th>Permitted</th>
<th>Completed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single-Family Detached</td>
<td>1,387</td>
<td>1,426</td>
</tr>
<tr>
<td>2 to 4 Unit</td>
<td>1,473</td>
<td>1,360</td>
</tr>
<tr>
<td>5+ Unit</td>
<td>13,402</td>
<td>4,384</td>
</tr>
<tr>
<td>ADUs</td>
<td>7,160</td>
<td>8,139</td>
</tr>
</tbody>
</table>
Total Units and Total Affordable Units, 2015 - 2022
Affordable Units by Project Type, 2014 - 2022

- Total Affordable Units in 100% Affordable Projects
- Total Affordable Units in Mixed Income Projects