



LOS ANGELES AREA
CHAMBER OF COMMERCE



LAND USE, CONSTRUCTION & HOUSING

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LAND USE, CONSTRUCTION AND HOUSING COUNCIL CONFERENCE CALL November 29, 2017 | 9:30 – 11:00 a.m.

1. Welcome and Self-Introductions
2. Presentation: Looking Ahead to 2018
*Vince Bertoni, Director of Planning Department
City of Los Angeles*
3. Action Items
 - Olympia Project – 1001 Olympic Blvd., Los Angeles CA, 90015
 - Motel Conversion Ordinance – Support
4. Informational Items
 - Update on Permanent Supportive Housing Ordinance
 - Draft 2018 Advocacy Agenda
5. Announcements

Next Meeting

January 24, 2018 | 9:30 – 11:00 a.m.



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Vince Bertoni
Planning Director
Los Angeles Department of City Planning

Vince Bertoni is the Planning Director for the City of Los Angeles and has 27 years of professional planning experience. Previously, Vince served as Director of Planning and Community Development for the City of Pasadena, Deputy Planning Director for the City of Los Angeles and as Planning Director for the cities of Beverly Hills, Santa Clarita, and Malibu.

Vince is a member of the California Planning Roundtable and has held several leadership positions with the California Chapter of the American Planning Association including President, Vice President for Policy & Legislation, Director of the Los Angeles Section, and Co-Chair of the American Planning Association's 2012 National Planning Conference. In addition, he has served on the Board of Directors of the League of California Cities and as President of the League's Planning & Community Development Department. Vince has been active on statewide legislation; having served on the Housing Element Reform Working Group formed by the State Assembly and Senate and testified before the State Senate on infill real estate development strategies.

Vince has a Bachelor's Degree in Transportation and Urban Geography from San Diego State University and is a member of the American Institute of Certified Planners.

INTERIM MOTEL CONVERSION ORDINANCE

BACKGROUND & FREQUENTLY ASKED QUESTIONS – September 6, 2017



SUMMARY

The Department of City Planning has drafted an Interim Motel Conversion (IMC) Ordinance to promote creative and cost-effective strategies to expand housing solutions for persons experiencing homelessness. If adopted, it would streamline the approval process to allow existing motels and hotels to be retrofitted and used for supportive and transitional housing for an interim period depending upon the terms of the service contract.

BACKGROUND

Homelessness continues to be a major challenge facing the City of Los Angeles. The Los Angeles Homeless Authority (LAHSA) count in January 2017 found that approximately 34,189 people are experiencing homelessness in the City of Los Angeles, an increase of 20% from 2016. Complementing a series of strategies aimed at addressing homelessness, the City has identified the use of motels and hotels for supportive and transitional housing as one solution to address the immediate need for housing.

Hotels and motels present an opportunity to utilize existing structures to respond to immediate housing need. These buildings are structurally similar to residential buildings, and have the potential to be quickly adapted to provide interim housing through publicly-funded programs. Measure H, a County-wide measure adopted in March 2017, has expanded the availability of funding to provide rental assistance and supportive services to residents of supportive and transitional housing. County-funded programs will help facilitate the use of hotels and motels for supportive and transitional housing on an interim basis. Once properties are no longer participating in a program to provide supportive and transitional housing, they may be returned to their previous use.

KEY PROVISIONS

The proposed ordinance is designed to address any potential barriers projects may encounter when participating in a program to provide supportive and transitional housing, including barriers created by Zoning Code regulations. Summarized below are the key provisions of the proposed ordinance.

Definitions. The following definitions would be added to the City's Zoning Code:

- **Supportive Housing**, defined as housing for individuals with low incomes and one or more disabilities, including homeless individuals, which is linked to onsite or offsite supportive services.
- **Transitional Housing**, defined as housing provided for a period of no more than 24 months, for individuals with low incomes and one or more disabilities, including homeless individuals, that is linked to onsite or offsite supportive services. It is designed to provide shelter and help stabilize individuals until they are able to move into a more permanent housing solution.
- **Supportive Services**, defined as services that are provided on a voluntary basis to residents of supportive housing and transitional housing, to assist the individual in obtaining and maintaining their housing.

Contract Requirement. All projects must maintain a contract to provide supportive housing and/or transitional housing, and associated supportive services and rental assistance. Supportive services may be provided onsite or offsite. The City anticipates that motels and hotels would maintain a contract to provide supportive housing and/or transitional housing for a minimum period of 15 years.

INTERIM MOTEL CONVERSION ORDINANCE

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Preservation of Nonconforming Rights. Projects will be allowed to be used for supportive and/or transitional housing as long as a contract to provide supportive and/or transitional housing is maintained.

- Any existing buildings which are not in conformance with the current zoning – including density, parking, and use regulations – would be allowed to be used for this purpose without needing additional planning entitlements.
- When the contract to provide supportive and/or transitional housing expires, buildings would be required to revert to their previous use, or any use allowed by the current zoning regulations.

Physical Alterations.

- Projects would be eligible to make minor physical alterations to the interior of the existing structure, for example by adding kitchenettes to individual units or by converting existing floor area to supportive service and case management areas.
- Projects would not be allowed to make any alteration or addition that would create additional units or expand the building's floor area, footprint, or height.

Residential Hotels. Properties that are currently subject to the City's Residential Hotel Unit and Conversion Ordinance (RHO) are eligible to participate. All approvals or clearances concerning change in use and/or physical alterations (including any potential reduction in the number of Residential Hotel Units) will be handled by the Housing and Community Investment Department (HCID) in accordance with the provisions of the RHO. Participation in the program will not lead to any increase in the number of Residential Hotel Units at the property once the contract term of the program has been completed.

Rent Stabilization Ordinance. Projects shall be able to apply for an exemption from the City's Rent Stabilization Ordinance (RSO) so long as a contract to provide supportive and/or transitional housing is maintained and adhered to.

FREQUENTLY ASKED QUESTIONS

What is the difference between supportive housing and transitional housing?

Transitional housing is a housing intervention that provides homeless individuals and families with the interim stability and support to successfully move into and maintain permanent housing, typically within a period of 6 to 24 months. Supportive housing provides indefinite rental assistance and supportive services to assist homeless persons with a disability achieve housing stability. Residents of supportive housing maintain a written lease to their unit. Both transitional housing and supportive housing incorporate supportive services such as mental health treatment, addiction therapy and vocational training.

Why are motels suitable for use as this type of housing?

Hotels and motels provide an opportunity to utilize existing facilities within communities to provide housing and services for families and individuals experiencing homelessness. Agencies specializing in providing housing and supportive services for the homeless are able to convert existing high-density buildings once used for temporary lodging as hostels or motels into transitional housing and supportive housing. The modifications needed to transition to this new use are able to be completed on a much quicker timeline than it typically takes to construct new housing units.

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How is this different from the proposed Permanent Supportive Housing Ordinance?

The proposed Permanent Supportive Housing (PSH) ordinance is intended to remove regulatory barriers that impair the construction of new supportive housing projects. The PSH ordinance will help to implement the City's larger goal of constructing 10,000 units of PSH over the next ten years. In the meantime, the IMC ordinance will allow existing underutilized motels and hotels to be retrofitted and used for transitional housing and supportive housing. To help provide for more immediate solutions that can provide housing options in the near-term, the IMC ordinance is intended to facilitate creative, cost-effective and time-sensitive solutions to increasing the City's supply of transitional and supportive housing.

ORDINANCE ADOPTION PROCESS

The draft ordinance will go through a multi-step process before it can become law. First, the Department will hold a series of information sessions during the middle of September (see the Department's website under *What's New* for the times and dates). Next, staff will hold two Public Hearings scheduled for September 25th and 28th (see the Department's website under *Ordinances > Proposed Ordinances*) where official testimony will be taken. The ordinance will then go to the City Planning Commission (CPC), which is likely to be held in November 2017. From there, the ordinance is scheduled for the appropriate City Council Committees, who will consider the CPC recommendation and recommend that it is forwarded to the City Attorney for form and legality. The final proposed ordinance will then be voted on by the full City Council.

ADDITIONAL INFORMATION

If you have any questions or comments, please contact Cally Hardy at cally.hardy@lacity.org or (213) 978-1643. Comments submitted prior to **the end of the day on October 30, 2017** will be considered for the staff recommendation report. Comments submitted after this time should also be directed to the City Planning Commission (cpc@lacity.org).



LAND USE, CONSTRUCTION & HOUSING

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The Land Use, Construction & Housing Council of the Los Angeles Area Chamber of Commerce supports the adoption and implementation of planning policies that incorporate smart growth tools, drive economic growth, improve environmental sustainability and enhance the quality of life and connectedness of our region.

Support Los Angeles City planning updates

Our City's visioning documents are woefully outdated, creating a planning environment that is expensive, uncertain and subject to constant legal challenges. The general plan, community plan and zoning code are important tools that define, direct and plan the City's landscape. Over the years, the city has taken a piecemeal approach without a visionary picture of the future landscape of L.A. The Chamber will play an active role in updating the general and community plans, as well re.code LA, to make sure these documents not only meet the challenges of population growth, diverse housing demands and changing technologies, but also that they create certainty for the development of our communities and our residents.

Support the Home for Good plan to end chronic and veteran homelessness

The Chamber and the United Way of Greater Los Angeles remain committed to the Home for Good plan to end chronic and veteran homelessness in L.A. The Chamber will take part in the implementation of Measure HHH, the \$1.2 billion bond for the construction of permanent supportive housing in the City of L.A. and the Measure H ¼ cent sales tax to fund the necessary supportive services at the facilities. The Chamber will work with officials to ensure qualified, shovel-ready housing projects move forward expeditiously with approvals in any district. Additionally, the Chamber will continue working to ensure better coordination between all levels of government and monitor other regional initiatives to support housing and supportive services.

Modernize California's Environmental Quality Act

The California Environmental Quality Act (CEQA) must be modernized to preserve the law's original intent while preventing abuse for purposes unrelated to environmental protection. The Chamber supports substantive improvements and will continue to engage in a statewide coalition effort advocating for a "standards approach." In addition, the Chamber will continue to support efforts at the local level to streamline the CEQA process, including support for adequate staffing within the City of L.A.'s Planning Department, ensuring CEQA documents are prepared in a timely manner by qualified experts, streamlining the appeals process and bringing local regulations into compliance with state guidelines.

Advocate for increased housing production

- *Incentive-based affordable housing development:* With the end of community redevelopment and in order to support and boost the economic growth of our region, it is crucial that L.A. is able to meet demands for affordable housing. The Chamber will advocate for an incentive-based approach and permanent sources of funding to increase the affordable housing stock in L.A., while balancing the need to not exponentially drive up the cost of production. This principle will guide our advocacy on various approaches being considered by the City, including a linkage fee and value capture policy, as well as the implementation of Measure JJJ and in-lieu fees.
- *Increased housing at all levels:* As demand continues to outpace supply, driving rents and housing prices sky high, the Chamber will push for policies that ease the way for the construction of housing at all levels.

Support pro-growth policies to combat housing crisis

L.A. is projected to grow by over 400,000 new residents in the next 20 years, yet less than one-half of housing needed annually is being built. To tackle the existing needs of our communities while addressing the housing crisis, the Chamber will advocate for business-friendly incentives and opportunities that create more housing at all levels, cultivate healthier neighborhoods, and increase safety in our communities to make L.A. a more commuter-friendly place to live and work. The Chamber will also advocate for the City of L.A. to continue their work and commitment in updating all planning documents, including community plans, to reflect pro-housing policies and develop more transit-oriented communities.

Increase opportunities for businesses to promote goods and services

Organizations should have the ability to freely advertise goods and services, grow their companies and boost our economy. It is critical that the City's sign ordinance provide fair and comprehensive guidance to outdoor marketing companies and the businesses that rely on them for advertising space in prime locations and for business growth opportunities.