

Proposed Transit Oriented Communities Affordable Housing Incentive Program Guidelines (TOC Guidelines)

Implementing Section 6 of Measure JJJ, approved by the voters in November 2016, and added
to Los Angeles Municipal Code 12.22 A.31

Transit Oriented Communities Affordable Housing Incentive Program Guidelines (TOC Guidelines)

I. SCOPE AND PURPOSE.

Pursuant to the voter-approved Measure JJJ, Los Angeles Municipal Code (LAMC) 12.22 A.31 was added to create the Transit Oriented Communities (TOC) Affordable Housing Incentive Program (TOC Program). The Measure requires the Department of City Planning to create TOC Affordable Housing Incentive Program Guidelines (TOC Guidelines) that apply to all Housing Developments located within a one-half mile radius of a Major Transit Stop.

These Guidelines provide the eligibility standards, incentives, and other necessary components of the TOC Program consistent with LAMC 12.22 A.31. The eligibility of a development to benefit from the incentives is determined on a case-by-case basis through the application of these Guidelines. The Guidelines may be modified by resolution of the Planning Commission.

II. TOC AFFORDABLE HOUSING INCENTIVE AREA

1. Each one-half mile radius around a Major Transit Stop, as defined in subdivision (b) of Section 21155 of the California Public Resources Code, and provided in Section IX of these Guidelines, shall constitute a unique TOC Affordable Housing Incentive Area.
2. Each lot in a TOC Affordable Housing Incentive Area shall be determined to be in a specific Tier (1-4) based on the shortest distance between any point on a lot and a qualified Major Transit Stop, as shown in Chart 1 and Map 1 below. The applicant shall be responsible for providing documentation showing that the location qualifies as a Major Transit Stop and for providing a radius map showing the distance to the major transit stop. Confirmation of the correct Tier shall take place prior to granting any TOC approval.
3. An Eligible Housing Development is able to request and obtain the TOC Incentives that correspond with its determined Tier, provided they provide additional On-Site Restricted Affordable Housing units as required under Section III. An applicant may choose to provide the percentage of On-Site Restricted Affordable Housing units required for any lower Tier and be limited to the Incentives available for the lower Tier. Developments that consist of 100% On-Site Restricted Affordable units, exclusive of a building manager's unit or units, are permitted to increase one Tier.
4. A TOC Affordable Housing Incentive Area, or portion thereof, may be amended or replaced through a Community Plan update or amendment, including adoption of a Community Plan Implementation Overlay (CPIO), Transit Neighborhood Plan, or Specific

Plan, provided that the required percentages to receive a development bonus for On-Site Restricted Affordable Units meet or exceed the percentages set forth in LAMC 12.22 A.31(b)(1).

Chart 1. TOC Affordable Housing Incentive Area Tiers

Type of Major Transit Stop	Tier 1 (Low)	Tier 2 (Medium)	Tier 3 (High)	Tier 4 (Regional)
Major Bus Stop (intersection of 2 bus lines w/ 15 min. peak headways#)	750 - 2640 ft.	< 750 ft.	-	-
Bus Rapid Transit[^] Stops and Metrolink Rail Stops	1500 - 2640 ft.	750 - 1500 ft.	< 750 ft., or < 1500 ft. from intersection* of two Bus Rapid Transit lines	-
Metro Rail Stop	-	1500 - 2640 ft.	< 1500 ft.	< 750 ft. from intersection* with a train line or Bus Rapid Transit line

Notes:

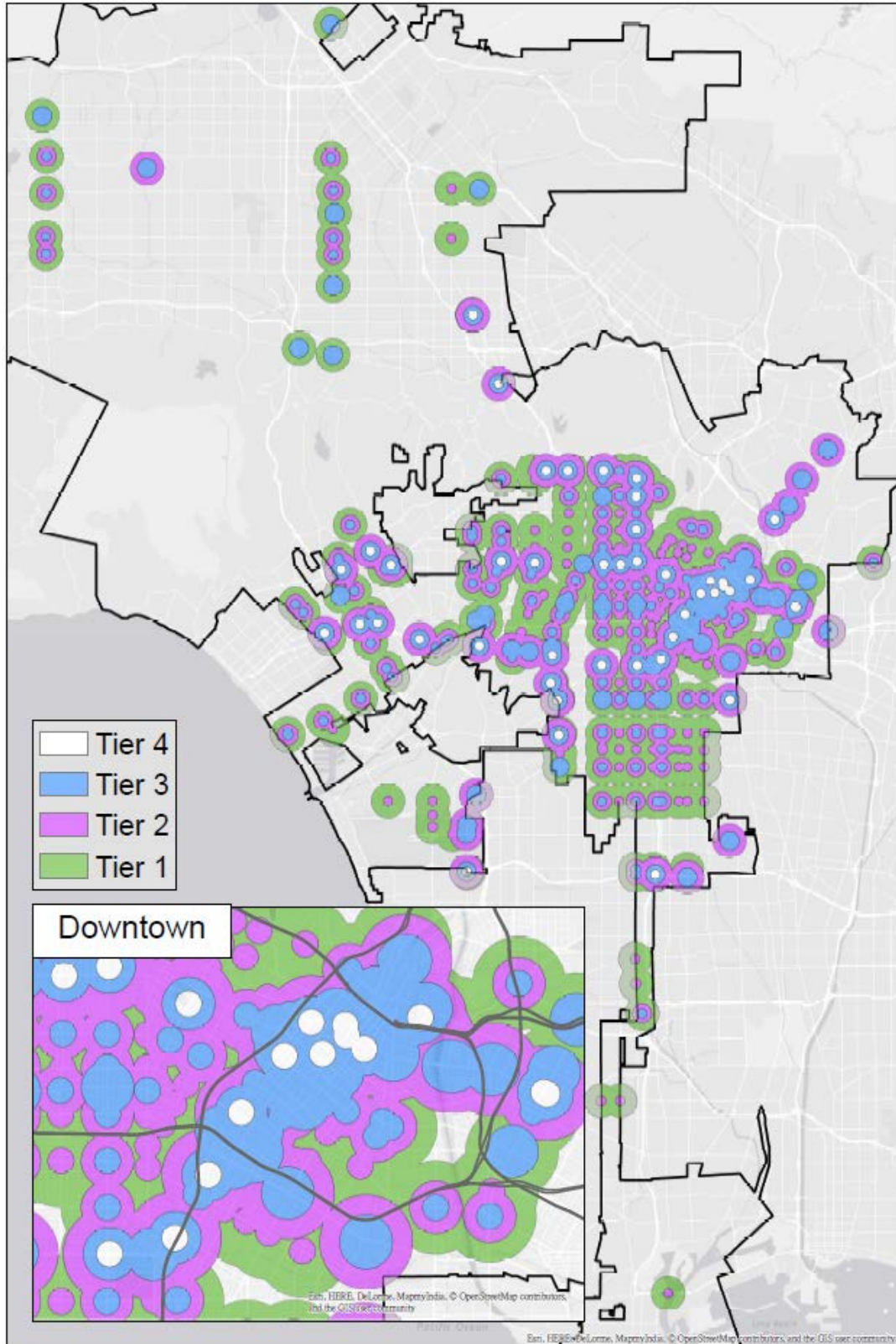
Distance will be measured from the closest point on any lot to the entrance of a rail transit station, or if not a station, the intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. In the case of a Tier 4 transit stop, the distance will be measured from the closest point on any lot to the closer of the entrance of the rail transit station or the bus stop.

#15 minute peak headways means bus routes with a at least one frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.

*An intersection of two bus lines is defined as the midpoint of the street intersection where two or more eligible bus routes cross. This does not include bus routes that travel along the same street. An intersection between a Metro rail stop and an eligible Bus Rapid Transit line is defined as either the Metro rail stop or the Bus Rapid Transit stop when the bus stop is within 30 meters (98.4 feet) of a Metro rail entrance.

[^]Bus Rapid Transit is a higher quality bus service that includes several key attributes, including dedicated bus lanes, branded vehicles and stations, high frequency, limited stops at major intersections, intelligent transportation systems, and possible off-board fare collection and/or all door boarding. It includes, but is not limited to, Metro Rapid 700 lines, Metro Orange and Silver Lines, Big Blue Rapid lines and the Rapid 6 Culver City bus.

Map 1. TOC Affordable Housing Incentive Area Tiers



Note: Map is for reference purposes only. Confirmation of the correct Tier shall take place prior to granting any TOC approval.

- III. ELIGIBILITY.** A Housing Development located within a TOC Affordable Housing Incentive Area shall be eligible for TOC Incentives if it meets all of the following:
1. **Housing Development.** The construction of five or more new residential dwellings units, the addition of five or more residential dwelling units to an existing building or buildings, including a mixed use development.
 2. **On-Site Restricted Affordable Units.** The minimum number of On-Site Restricted Affordable Units percentages below shall be calculated based upon the total number of units in the final project. Provide On-Site Restricted Affordable Units at a rate of at least:
 - a. Tier 1 - 8% of the total number of dwelling units affordable to Extremely Low Income (ELI) income households, 11% of the total number of dwelling units affordable to Very Low (VL) income households, or 20% of the total number of dwelling units affordable to Lower (Lower) Income households.
 - b. Tier 2 - 9% ELI, 13% VL or 23% Lower.
 - c. Tier 3 - 10% ELI, 14% VL or 25% Lower.
 - d. Tier 4 - 11% ELI, 15% VL or 27% Lower.
 3. **Major Transit Stop.** Any part of the lot is located within a one-half mile radius of a Major Transit Stop, as defined in Section IX of the TOC Guidelines.
 4. **Housing Replacement.** Meet any applicable housing replacement requirements of California Government Code Section 65915(c)(3), as verified by the Department of Housing and Community Investment (HCIDLA) prior to a building permit being issued.
 5. **Other Density or Development Bonus Provisions.** Projects are not seeking and receiving a density or development bonus under the provisions of California Government Code Section 65915 (state Density Bonus law) or any other State or local program that provides development bonuses. This includes any development bonus or other incentive provided through a General Plan Amendment, Zone Change, Height District Change, or any development bonus in a Transit Neighborhood Plan, Community Plan Implementation Overlay (CPIO) or Specific Plan.
 6. **Base Incentives and Additional Incentives.** All projects are eligible for the Base Incentives listed below. Two or three Additional Incentives may be granted based upon the affordability requirements set forth in California Government Code Section 65915(d)(2). Projects that adhere to the labor standards required in LAMC 11.5.11 may be granted an additional fourth and fifth Incentive from the menu, provided the requirements for a third Incentive are met through 65915(d)(2).

- IV. APPLICATION AND APPROVALS.** Applications for TOC Incentives shall follow the density bonus procedures outlined in Los Angeles Municipal Code Section 12.22.A.25(g).
1. **Procedures.** The two applicable procedures for applying for and approving TOC projects are:
 - a. **Projects Requesting only Base Incentives (Residential Density Bonus and Parking).** A ministerial (by-right) process whereby no application for these projects need be filed with the City Planning Department. Follow the procedures in [12.22.A.25\(g\)\(1\)](#).
 - b. **Projects Requesting Additional Incentives on the Menu.** A discretionary Director's Determination process whereby requests shall be made on a form provided by the Department of City Planning (Affordable Housing Referral Form). Follow the procedures in [12.22.A.25\(g\)\(2\)](#).
 2. **Calculations.**
 - a. **Rounding of Fractional Numbers.** Any numbers regarding parking, number of units, number of affordable units, or number of replacement housing units that result in a fraction shall be rounded up to the next whole number.
 - b. **Site Plan Review Threshold.** In accordance with current policy, the threshold for a project triggering the Site Plan Review requirements of LAMC 16.05 shall be based on the number of units that would be permitted prior to any density increase.
 3. **Multiple Approvals.** When the application is filed as part of a project requiring multiple approvals, the initial decision maker shall be as set forth in Section 12.36 of this Code; and when the application is filed in conjunction with a subdivision and no other approval, the Advisory Agency shall be the initial decision maker. The decision must include a separate section clearly labeled "Density Bonus/Affordable Housing Incentives Program Determination."
 4. **Design Conformance.** Projects seeking to obtain Additional Incentives shall be subject to any design guidelines within the General Plan and/or the Citywide Design Guidelines and may be subject to conditions to meet design performance. The conditions shall not result in a reduction of the residential density permitted by Section V.
 5. **Project Approval Requirements.** Before any TOC project receives a Director's Determination from the Department of City Planning, or if not necessary, a building permit from the Department of Building and Safety, the responsible City agency shall ensure the project meets the requirements of these Guidelines, LAMC 12.22 A.31 and LAMC 12.25A.25(g)(2)(i)c.

6. **Transmittal, Effective Date and Appeals.** When applicable, transmittal of written decisions, effective dates and appeal procedures are found in LAMC 12.22 A.25(g).

V. BASE TOC INCENTIVES.

1. **Residential Density.** An Eligible Housing Development shall be granted a residential density increase as follows:
 - a. **Minimum Lot Area per Dwelling Unit.** An increase in the otherwise maximum allowable number of dwelling units permitted under the applicable zoning ordinance up to the following:
 - i. Tier 1 - 50%
 - ii. Tier 2 - 60%
 - iii. Tier 3 - 70%
 - iv. Tier 4 - 80%
 - v. **Exception.** In the "RD" Restricted Density Multiple Family zone (RD Zone), the maximum increase shall be limited to the amounts listed below:
 1. Tier 1 - 35%
 2. Tier 2 - 35%
 3. Tier 3 - 40%
 4. Tier 4 - 45%
 - b. **Floor Area Ratio (FAR).** An increase in the allowable FAR for the residential portion of the project equal to the following. Additional floor area provided through this section may only be utilized by residential uses.
 - i. Tier 1 - Percentage increase of up to 35%, or at least 2.5 FAR in commercial zones*, whichever is greater.
 - ii. Tier 2 - Percentage increase of up to 40%, or at least 3.0 FAR in commercial zones*, whichever is greater.
 - iii. Tier 3 - Percentage increase of up to 45%, or at least 3.5 FAR in commercial zones*, whichever is greater.
 - iv. Tier 4 - Percentage increase of up to 50%, or at least 4.0 FAR in commercial zones*, whichever is greater.
 - v. **Exceptions**
 1. In the RD Zone or a Specific Plan that limits FAR, the maximum FAR increase shall be limited to 40%.
 2. If the allowable base FAR is less than 1.25 then the maximum FAR allowed per this section is limited to 2.5.
 3. In the Greater Housing Downtown Incentive Area, the maximum FAR increase shall be limited to 35%. However, in computing

allowable floor area, the description in Section 12.22 A.29(c)(1) of the LAMC may be used.

Note: *including Hybrid Industrial, Commercial Manufacturing and any defined area in a Specific Plan that allows for commercial uses.

2. **Parking.**

a. **Residential Minimum Parking Requirements.**

- i. All Tiers - Required automobile parking for all residential units in the Eligible Housing Developments (not just the restricted affordable units), inclusive of handicapped and guest parking, shall be granted parking reductions consistent with AB 744 (2015) as codified in Government Code Section 65915(p).
- ii. Tier 3 - Regardless of the number of bedrooms in each unit, the number of required spaces shall not be required to exceed 1 space per unit;
- iii. Tier 4 - Required spaces shall not be required to exceed 0.5 spaces per unit.

b. **Rounding.** If the total number of parking spaces required for a development is other than a whole number, the number shall be rounded up to the next whole number.

c. **Unbundling.** Required parking may be sold or rented separately from the units so that the buyer or tenant may have the option of purchasing or renting a unit without parking. The separate sale shall not cause the price of a Restricted Affordable Unit to be higher than it would have been.

d. **Nonresidential Parking.** A mixed-use project may reduce the nonresidential automobile parking requirement for any ground-floor commercial areas as follows:

- i. Tier 1 - Up to 10%
- ii. Tier 2 - Up to 20%
- iii. Tier 3 - Up to 30%
- iv. Tier 4 - Up to 40%

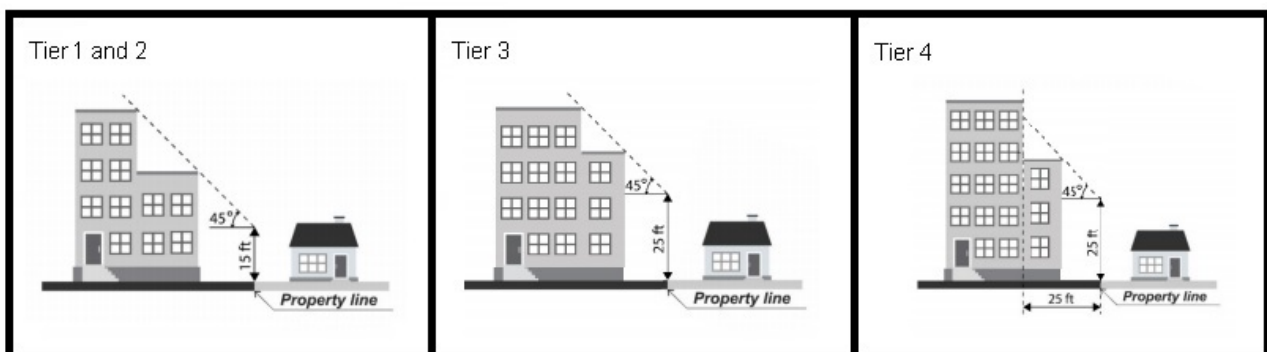
VI. ADDITIONAL TOC INCENTIVES. In addition to the Base TOC Incentives above, an Eligible Housing Development may be granted Additional Incentives by following the procedures in LAMC 12.22 A.25(g)(2).

1. **Menu of Incentives.** The Menu of Additional Incentives is defined below. The percentage of increase or decrease in the development standards listed in LAMC 12.22 A.25 may vary by Tier as follows:

- a. **Yard/Setback.** A reduction in the required yards as follows:
 - i. **Commercial.** In any Commercial zone, Eligible Housing Developments may utilize any or all of the yard requirements for the RAS3 zone located in LAMC Section 12.10.5.
 - ii. **Residential:** A reduction in the either the front or side yards as follows:
 - 1. **Front Yards:** Front yard reductions are limited to no more than the average of the front yards of adjoining buildings. Or, if a corner property, the front yard setback may align with the facade of the adjoining building.
 - 2. **Side and Rear Yards:**
 - a. Tier 1 - Up to a 25% decrease in the required width or depth of one individual yard or setback.
 - b. Tier 2 - Up to a 30% decrease in the required width or depth of one individual yard or setback.
 - c. Tier 3 - Up to a 30% decrease in the required width or depth of two individual yards or setbacks.
 - d. Tier 4 - Up to a 35% decrease in the required width or depth of two individual yards or setbacks.
 - iii. **Exception.** Yard reductions may not be applied along any property line that abuts an R1 or more restrictively zoned property.
- b. **Open Space.** See LAMC 12.22 A.25(f)(6)
 - i. Tiers 1 & 2 - Up to a 20% decrease
 - ii. Tiers 3 & 4 - Up to a 25% decrease
- c. **Lot Coverage.** See LAMC 12.22 A.25(f)(2)
 - i. Tiers 1 & 2 - Up to a 25% decrease
 - ii. Tiers 3 & 4 - Up to a 35% decrease
- d. **Lot Width.** See LAMC 12.22 A.25(f)(3)
 - i. All Tiers - Up to a 25% decrease
- e. **Averaging of Floor Area Ratio, Density, Parking or Open Space, and permitting Vehicular Access.** See LAMC 12.22 A.25(f)(8)
- f. **Density Calculation.** See LAMC 12.22 A.25(f)(7)
- g. **Height.** For Eligible Housing Developments that have a residential use which utilizes more than 50% of the total floor area, the applicable Total Height and Transitional Height standards below count as one Incentive.
 - i. **Total Height.** In any zone in which height or number of stories is limited, this height increase shall permit a maximum of either:
 - 1. Tier 1 and 2 - Up to 11 additional feet and/or one additional story

2. Tier 3 and 4 - Up to 22 additional feet and/or two additional stories
 3. **Exception.** Notwithstanding above, projects with the following designations shall only be permitted an additional second story in Tier 3 and 4 if the top story is stepped-back back at least an additional 15 feet from the exterior wall of the building closest to and facing the Front Lot line.
 - a. Lots with a Height District designation of 1XL or 1VL, or
 - b. Lots located in a Specific Plan area, or
 - c. Lots designated as Neighborhood Commercial general plan land use.
- ii. **Transitional Height.** Section 12.21.1 A.10 of this Code shall not be applied to any Eligible Housing Development. Instead, when abutting or across an alley from an R2 or more restrictive zone, the building's transitional height shall apply as follows (see Diagram 1 below):
1. Tiers 1 and 2 - The building height limit shall be stepped-back at a 45 degree angle as measured from a vertical line originating 15 feet above grade at the property line of the lot in the more restrictive zone.
 2. Tier 3 - The building height limit shall be stepped-back at a 45 degree angle as measured from a vertical line originating 25 feet above grade at the property line of the lot in the more restrictive zone.
 3. Tier 4 - Within the first 25 feet of the property line abutting an adjacent applicable property the building height limit shall be stepped-back at a 45 degree angle as measured from a vertical line originating 25 feet above grade at the property line of the lot in the more restrictive zone.

Diagram 1. Transitional Height Incentive



VII. COVENANT. Prior to issuance of a Building Permit, the following shall apply:

1. For any Housing Development Project that is seeking to utilize TOC Incentives and that contains housing for Extremely Low, Very Low and Lower Income households, a covenant acceptable to the Department of Housing and Community Investment (HCIDLA) shall be recorded with the Los Angeles County Recorder, guaranteeing that the affordability criteria will be observed for at least 55 years from the issuance of the Certificate of Occupancy or a longer period of time if required by the construction or mortgage financing assistance program, government requirement, mortgage assistance program, or rental subsidy program.
2. Any covenant described in this paragraph must provide for a private right of enforcement by the City, any tenant, or owner of any building to which a covenant and agreement applies.

VIII. FEES. The TOC project is subject to the same fees as the corresponding density bonus entitlement process pursuant to LAMC 19.01.

IX. DEFINITIONS

1. **Eligible Housing Development** is a Housing Development that includes On-Site Restricted Affordable Units at a rate that meets or exceeds the minimum requirements to satisfy the TOC Incentives and as set forth in Section III above.
2. **Extremely Low-Income Households** is defined in Section 50106 of the Health and Safety Code.
3. **Lower Income Households** is defined in Section 50079.5 of the Health and Safety Code.
4. **On-Site Restricted Unit** shall mean a residential unit for which rental or mortgage amounts are restricted so as to be affordable to and occupied by Extremely Low, Very Low, Lower income households, as determined by the Housing and Community Investment Department.
5. **Major Transit Stop** is a rail station, either existing or part of a line that is under construction, or the intersection of two or more bus routes that provide service every 15 minutes, or more frequently during the morning and afternoon peak commute periods.
6. **Very Low-Income Households** is defined in Section 50105 of the Health and Safety Code.