



POLICY & PLANNING UNIT
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Antonio R. Villaraigosa, Mayor
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April 25, 2008

HOUSING POLICY
DEVELOPMENT, HCD

MAY 01 2008

Ms. Cathy E. Creswell, Deputy Director
Division of Housing Policy Development
CA State Department of Housing and Community Development
1800 Third Street, Suite 430
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Sacramento, CA 95811

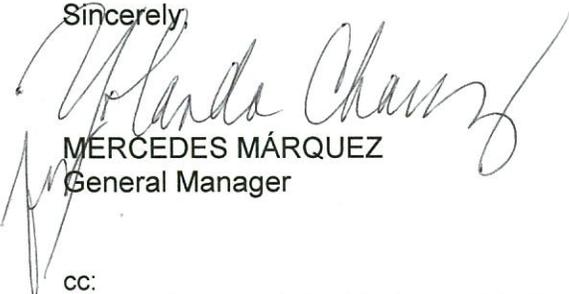
RE: Revised Annual Progress Reports – CY 2007

Dear Deputy Director Creswell:

Enclosed you will find a revised Annual Progress Report (Housing Element 1998 - 2005). Additional information was submitted by key participating members of our City family, enhancing the contents of the report dated April 1, 2008.

Should you have any questions regarding the content of this revised report, please contact Rebecca Ronquillo of my staff. Ms. Ronquillo can be reached by phone at: (213) 808-8648, or via email at: rronquillo@lahd.lacity.org

Sincerely,



MERCEDES MÁRQUEZ
General Manager

cc:

Helmi A. Hisserich, Deputy Mayor of Housing and Economic Development Policy
S. Gail Goldberg, Director of Planning

Enclosure:

CY 2007 Annual Progress Report on the Implementation of the City Los Angeles'
Housing Element - *REVISED*



City of Los Angeles

HOUSING POLICY
DEVELOPMENT, HCD

MAY 01 2008

**Annual Progress Report
On Implementation of the Housing Element - *Revised***
General Plan Report requirement pursuant to Section 65400 of the Government Code

Reporting Period: Calendar Year 2007

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A. Progress in meeting Regional Housing Need

Housing Permits Issued – CY2007

| | Multifamily | Single-family | Total |
|--|--------------------|----------------------|--------------|
| January 1, 2007 – December 31, 2007 | 7,246* | 1,535* | 8,781* |

*Permits issued for housing units in Adaptive Re-Use projects only reflect permits issued through 6/30/07.

Comparison of Units Built vs. RHNA Goal/ Area Median Income (AMI) CY2007

| Target Income Level | Annual RHNA Goal* | Housing Units Built CY2007 | Shortage/ Overage Units Built - RHNA Goal |
|---------------------------------|------------------------------|---------------------------------------|--|
| Very Low Income <50% AMI | 2,570 | 1,019 | -1,551 |
| Low Income 51-80% AMI | 1,488 | 595 | -893 |
| Moderate Income 81-120% AMI | 1,616 | 14 | -1,602 |
| Above Moderate Income >120% AMI | 2,937 | 0 | -2,937 |
| Totals | 8,611 | 1,628 | -6,983 |

*Please note that RHNA Goals are based on the 1998-2005 allocation which was approximately 60,000 units for the City of Los Angeles.

B. The effectiveness of the housing element in attainment of the community's housing goals and objectives

LOS ANGELES HOUSING DEPARTMENT

P-1 Preservation Barriers Assessment

Prepare an inventory of City code requirements (parking, sewer, street dedications, etc.) that are typically included in rehabilitation projects and analyze them for their impact on housing preservation.

Status: This program was discontinued. No code changes were implemented.

P-2 New Resources for Affordable Housing

Evaluate all potential new sources of revenues for affordable housing subsidy including the following: fees or taxes, public or private investments (i.e., AFL-CIO trust), joint development ventures, grants and other sources.

Status: LAHD continuously evaluates and identifies new sources of funding for affordable housing development. In 2007, LAHD worked with counterpart City agencies to prepare for the Proposition 1C (\$2.8 billion State housing bond) application process. Additionally, LAHD convened a working group to develop recommendations for the Proposition 1C funding guidelines issued by the HCD. Also, in 2007, the LAHD worked with the Corporation for Supportive Housing (CSH) and the Enterprise Community Partners (formerly the Enterprise Foundation), on two revolving loan acquisition funds that will help leverage our City funds. Both funds would provide pre-development and acquisition funds for future housing developments. Finally, in a joint effort with the Department of City Planning (DCP), the LAHD issued an RFQ for an Affordable Housing Benefit Fee study to research potential fee scenarios for new developments and entitlements that create a demand for affordable housing.

P-3 Tax Exempt Financing for Rental Housing

Finance the construction of very low and market-rate units with tax-exempt bonds.

Status: In 2007, the multi-family bond program completed 48 very low income units and 184 low income units (this does not include bond projects with Affordable Housing Trust Fund dollars).

P-4 Affordable Housing Building Permit Expeditor

Continue the existing expeditor program and expand the definition of affordable housing to include any housing developments which include units with affordability restrictions of any kind and which serve low income and special needs populations, such as short-term housing and supportive housing.

Status: This program no longer existed in 2007. It was discontinued early in the 1998-2005 Housing Element period.

P-5 Housing Construction Bond Guarantee Program

Develop a Housing Construction Bond Guarantee Program to assist small minority and women-owned contractors in obtaining construction Performance and Payment Bonds on City-sponsored projects of \$1.2 million to \$4 million.

Status: This program no longer existed in 2007. It was discontinued early in the 1998-2005 Housing Element period.

P-6 Neighborhood Recovery Program

Some of the City's neighborhoods are deteriorating rapidly due to the interaction of poverty, overcrowding, poor housing management, high rates of absentee ownership, inadequate services, drugs, crime, and gangs. The Neighborhood Recovery Program works with community leaders to identify the neighborhoods in need of programs and marshals the forces of many City departments to provide neighborhood services, including policing, infrastructure improvements, social services, employment programs, rehabilitation loans, and homeownership programs.

Status: This program no longer existed in 2007. It was discontinued in the year 2000.

P-7 Neighborhood Preservation Program

This City-administered program provides financial resources for rehabilitation of owned single family and multifamily rental housing in lower to moderate-income neighborhoods.

Status: In 2007, loans were issued to 18 very low income units and 27 low income units through the Residential Rehabilitation program for 1-4 unit properties.

P-8 RTC & REO Acquisition Program

This program facilitates the acquisition, rehabilitation, and conversion of existing housing to affordable housing and adaptive reuse of commercial and industrial buildings suitable for housing. LAHD works as an intermediary between the REO departments of financial institutions and/or the RTC and developers. LAHD will investigate the portfolios of properties owned by the RTC and REO departments of financial institutions, and establish programs and procedures for the disposition of properties appropriate for affordable housing.

Status: The LAHD worked on establishing a line of credit to facilitate the acquisition and rehabilitation of REO properties.

P-9 Urban Greening

This program will plant trees along parkways, medians, and other areas located around Los Angeles Housing Department project sites. These trees will provide many environmental benefits, including reduction of the amount of pollutants in the air. By focusing on these sites, this project not only serves to reduce the effects of air pollution for the entire Los Angeles basin, but also joins with other City departments in a coordinated effort to improve blighted neighborhoods.

Status: This program no longer existed in 2007. It was discontinued early in the 1998-2005 Housing Element period.

P-10 Lead-Based Paint Hazard Reduction Information

The City provides information on lead-based paint hazards to all applicants for City housing rehabilitation loans.

Status: This program did not exist as a stand-alone program in 2007. The activities of this program were merged with P-11 (HUD Lead-Hazard Reduction Grant).

P-11 HUD Lead-Hazard Reduction Grant

The City obtained a new grant for Lead-based Paint Hazard Control from the U.S. Department of Housing & Urban Development in late 1997. The City will fund lead-based paint hazard control of 320 units occupied by low and very low income families with minor children, train and certify lead-abatement workers and contractors, and conduct an outreach program to property owners and renters on lead-based paint hazards. The program will also conduct research to determine the most cost-effective methods of reducing lead-based paint hazards in the older housing stock of Los Angeles. This grant is a three-year grant; in 2000 the City will pursue additional funding for lead-based paint hazard control activities.

Status: In CY 2007, the program completed lead abatement in 47 extremely low income units, 31 very low income units and 34 low income units. The program continued to provide outreach and education for lead-based paint testing and testing/remediation by skilled employees and contractors.

P-12 Handyworker Program

Provides free house painting and minor repair to low income homeowners including seniors, handicapped persons, and families. This program uses neighborhood-based work crews.

Status: In CY 2007, 417 extremely low income units, 384 very low income units, and 203 low income units were assisted through the Single Family Rehabilitation program for low income, elderly and disabled residents.

P-13 Rent Escrow Account Program

This program permits tenants, in cited substandard buildings that have been referred to LAHD by citing agencies for continued non-compliance with City codes, to pay rent into an escrow account operated by the City in order to create economic pressure on property owners to force repairs. The focus of this program is on buildings not addressed by the Slumlord Task Force.

Status: REAP continues to be an important tool to achieve owner compliance with health and safety codes. During CY 2007, LAHD received 1,295 new REAP cases.

P-14 Receivership Program for Slum Buildings

The Receivership Program is a pilot program to test the feasibility for the City to use court appointed receivers to address buildings with the following existing conditions:

- a) existence of multiple citation;
- b) responsiveness (or existence of the building's owners or manager);
- c) conditions which warrant immediate action to protect public health and safety;
- d) impact of the building to the surrounding neighborhood;
- e) financial feasibility of making the repairs and recouping the costs; and
- f) impact to existing residents.

Pilot program will begin in July 1998. Upon completion of the pilot program the City will assess the appropriateness of the receivership program as a tool to deal with nuisance properties. Completion depends upon the identification of five buildings and the time required to complete rehabilitation and auction of the property.

Status: Ongoing. In 2007, the LAHD, through a contractor, conducted a thorough analysis of other jurisdictions with regard to their use of receiverships as a means of slum abatement. Preliminary results from the evaluation of receiverships were submitted to the LAHD with additional data requests.

P-15 Citywide Nuisance Abatement Program

The Citywide Nuisance Abatement Program is a multi-agency real property abatement task force comprised of abatement prosecutors, LAPD, the Department of Building and Safety, and the Planning Department. The primary goal of CNAP is to curtail narcotics, gang, and vice-related activities associated with real property. All remedies, civil and criminal, are explored and utilized. CNAP includes four Problem Property Resolution Teams composed of police officers, prosecutors, code inspectors, and community organizers. Each team covers one LAPD geographic bureau. The teams are responsible for implementing strategies to mitigate problems associated with vacant and occupied nuisance properties.

As part of CNAP, Project T.O.U.G.H. (Taking Out Urban Gang Headquarters) is an innovative property abatement program which curtails gang activity in Los Angeles neighborhoods. Prosecutors assigned to T.O.U.G.H. target the properties where gang members regularly commit crimes-not just the gang members themselves. Using property abatement strategies, the owner of a gang-infested property and the gang members are sued because they have caused or permitted a public nuisance to exist on the property. Properties are referred to TOUGH when law enforcement efforts fail to curtail criminal gang activity at a property.

Status: The program continues to meet its stated objectives and provides an effective partnership between various City agencies to address nuisance properties. Current active partners include the City Attorney as lead agency, the Police Department, Department of Building & Safety, and the Zoning Administrator branch of the City's Planning Department, which plays a key role. The Los Angeles Housing Department is no longer a team member. During 2007, CNAP opened 421 properties and successfully closed 386; CNAP referred 118 properties to other agencies and rejected 74.

Note: In 2007, this program continued to exist but the LAHD was not part of the team of City agencies working on this effort. This status update provided by the Office of the City Attorney.

P-16 Housing Management Training and Technical Assistance Program

The intent of this program is to provide training in housing management skills for low-income housing development personnel, particularly for smaller landlords who have recently purchased distressed buildings. The program will provide training and technical assistance to building owners and managers on issues including maintenance, rent collection, and filling vacancies. In addition, attention will be paid to special services to meet the needs of particular areas with heavy crime.

Status: LAHD provides a comprehensive property management training program to management entities/buildings. During CY2007, a total of 355 management entities completed the training.

P-17 Urgent Repair Program

If Building and Safety, Housing, Fire, or Health inspectors identify a building with life-threatening conditions, they immediately refer that property to the Urgent Repair Program (URP). If a building is referred to URP, the property owner is ordered to repair the condition within 48 hours. If the property is not brought into compliance and the property owner has not displayed due diligence to effect the repairs, LAHD makes the repairs through pre-selected contractors and places the building in REAP. The building is not released from REAP until the City has recovered the cost of the repairs plus 40% for administrative fees through rents paid by tenants directly to the City.

Status: During CY 2007, the LAHD referred 541 properties for repairs to the Urgent Repair Program.

P-18 Expiring Affordability Requirements for Bond Projects and Other Locally Financed Developments

This program addresses the problem of bond financed and other locally subsidized affordable housing projects that are required to meet rent and mortgage restrictions for a limited period of time, and then revert to market-rate. To preserve affordability, the program will refinance and refund units for owners that are willing to maintain long-term affordability standards.

Status: Funds were allocated to establish the AHPP to continue tenant outreach at expiring properties, to provide information to residents about affordability restrictions, the opt-out process and alternative housing options. Presentations and direct tenant outreach took

place at hundreds of units throughout the City. The project also investigated, conducted tenant outreach, and prevented evictions at 3 projects totaling 310 units where owners refused to continue with the Section 8 Vouchers assistance as required by the Los Angeles Rent Stabilization Ordinance.

The AHPP:

- 1) Continued to gather project data and updated the City's Expiring Affordable Housing database with a 75% capture and accuracy rate.
- 2) Identified, mapped and disseminated at-risk data to preservation oriented developers, City agencies and stakeholders. Provide outreach and education of notification requirements and renewal options to owners of expiring affordable housing.
- 3) Enforced state notice requirements, conducted owner education, matched and supported a buyer through the acquisition and preservation of and expiring 84 units HUD assisted development.

P-19 Rent Reduction Program

Slum properties enter the Rent Reduction Program (RRP) through referrals from Building and Safety, County Health, the Housing Department, and the Fire Department for habitability violations that have not been cured. RRP is administered within the Los Angeles Housing Department. This program is often paired with the REAP program.

Status: In CY 2007, this program did not exist as a stand-alone program. In 2003, this program was merged with the REAP program (P-13).

P-20 Family Housing Expansion

The Los Angeles Housing Department utilizes funds to expand the size of existing units to accommodate existing larger tenant families and extended families.

Status: In CY 2007, this program did not exist as a stand-alone program. The program was combined with the Affordable Housing Production program (P-44).

P-21 Systematic Code Enforcement Program

All multi-family rental housing in the City of Los Angeles will be inspected for compliance with the Housing Code at least once in the course of four years. Properties that do not comply with the Code will be re-inspected again until the property is fully compliant with the Code. Program was implemented beginning July 1, 1998 and is now fully staffed.

Status: In CY 2007, the SCEP program inspected 214,591 units. SCEP inspects multi-family rental properties with two or more units in the City on a four year cycle. In January 2008, the SCEP program completed half the inspections for the second round.

P-22 Citywide Replacement Policy

LAHD will develop a Citywide affordable housing replacement policy by reviewing the existing replacement requirements and studying the impact and effectiveness of replacement requirements.

Status: In CY 2007, this program no longer existed. In FY2002/2003, LAHD completed an economic analysis and program design for a Citywide replacement policy.

P-23 Rent Stabilization Ordinance

The Rent Stabilization Ordinance (RSO) limits the amount a landlord may raise rents on multi-family housing units constructed before 1979.

Status: The City of Los Angeles' RSO continues to be enforced. In 2007, landlords were allowed to raise rents 5% plus an additional 1% for gas and 1% for electric service into the dwelling unit if such service was included in the rent.

P-24 Evaluate Potential Sites on City-Owned Land for Residential Use

Analyze existing inventory of City-owned land. Identify properties that can potentially be used for residential development. Work with City Council offices to transfer property for affordable housing and short-term and permanent special needs housing use.

Status: The program continued to research, and evaluate, housing development opportunities on City owned property. In CY 2007, the program evaluated 100 lots owned by the Department of Transportation; 19 lots were identified as having development potential for affordable housing. From the General Services Department, 11 sites were identified with potential for housing development. A total of 12 fire stations were reviewed and five were identified as having the greatest potential for affordable housing. Finally, approximately 100 county tax defaulted lots located in the City of Los Angeles were evaluated by lot size, shape, and grading, among other considerations, and a total of six sites were selected for an in-depth investigation. Additionally, during CY 2007, this program moved three projects into the pre-development stage. One is a mixed-use transit oriented development located in Highland Park; the Mayor and City Council authorized the LAHD to enter into an Exclusive Negotiation Agreement with the selected developer. A second project is located in Sylmar on San Fernando Road and Polk Street. Due to the downturn in the housing market, this project remained on hold in 2007. The third project was a tax defaulted project acquired by the LAHD. It is a 10 unit apartment building in San Pedro.

P-25 Employer-Assisted Housing Program (Proposed)

Los Angeles Housing Department (LAHD) will work with employer associations, large employers, labor unions, and government agencies to devise an effective program to involve employers in the provision of housing to their employees including rehabilitated housing.

Status: The program was not initiated.

P-26 First-Time Homebuyer Tax Exempt Financing

Continue to issue bond financing for ownership units. Work with the Federal National Mortgage Administration (FNMA), Freddie Mac and other credit enhancers to develop a new lending pool for homeowners.

Status: For more than 20 years, the LAHD has offered a tax-exempt homeownership financing program. In 2004, LAHD partnered with the State of California, Housing Finance Agency (CalHFA) to jointly issue bonds to provide below market interest rate loans to City of Los Angeles, first-time homebuyers. Due to current market interest rates, which are at low levels, and CalHFAs over supply of bond authority, LAHD is not currently issuing bonds, but may resume issuance in the future depending on interest rate conditions and/or a partnership with CalHFA.

P-27 Mortgage Credit Certificate (MCC) Program

Continue to issue Mortgage Credit Certificates (MCCs) to first-time homebuyers and existing homeowners purchasing in target areas, for 1-4 unit owner-occupied properties.

Status: LAHD did not have any MCC allocation in 2007. LAHD issued 0 MCCs for low income homebuyers and 0 MCCs for moderate income homebuyer during CY2007.

P-28 First-Time Homebuyer and Down Payment Loan Program in Targeted Neighborhoods

Continue to provide low or deferred interest second mortgages to low and moderate-income first-time homebuyers in targeted areas. The purpose of the program is to make home ownership affordable to lower income households, to finance single-family home improvements in distressed neighborhoods, and to target reinvestment in financially under-served communities.

Status: In CY 2007, through the Purchase Assistance program, LAHD assisted 141 low income homebuyers, 206 moderate income homebuyers. LAHD's Purchase Assistance program is available citywide and not limited to specific neighborhoods or areas.

P-29 House Los Angeles

Continue implementation of this \$3.3 billion partnership with Fannie Mae, participating lenders, mortgage insurers and local non-profit agencies. Program operates Citywide. This program features the creation of purchase/rehabilitation and purchase rehabilitation/resale programs for Los Angeles using Title I loans, assistance to buyers/investors/non-profits using the FHA 203K program, or other innovations to increase rehabilitation of affordable ownership housing stock in underserved parts of Los Angeles.

Status: The original format of the program which centered on meetings held between LAHD, Fannie Mae, Freddie Mac, HUD and the County of Los Angeles to discuss homeownership issues did not continue in 2007. However, through the LAHD's purchase assistance program, training sessions are provided to prospective homebuyers.

P-30 Tie-Down L.A.

The Tie-Down L.A. Seismic Mitigation loan program provides below-market interest loan to allow single-family homeowners prepare their home for future earthquakes. Seismic mitigation activities include: 1. Bolting of homes to foundations, 2. Installation of gas shut-off valves; 3. Strengthening of chimneys; and 4. Other approved activities. Loan discount subsidies of 20% are provided to low-income households and households located in Targeted Neighborhoods Initiative, Neighborhood Recovery Program, and CRA redevelopment areas. Program initiated in the late 1997. Public outreach initiated immediately. Additional public outreach initiated in 1998.

Status: This program no longer existed in 2007. The program was discontinued in 1999 due to a lack of funding; Bank of America stopped offering the FHA Title 1 loan program.

P-31 Small Sites Program

Under this program, the Los Angeles Housing Department (LAHD) lends money to developers to acquire and rehabilitate existing single-family homes or to build new homes. Both for-profit and nonprofit developers are eligible to participate. In addition to providing affordable housing, this Program seeks to create employment opportunities for local residents, spark neighborhood revitalization and build developer capacity in the community.

Completed homes are sold to first-time buyers who earn annual incomes at or below 80% of median income. LAHD offers these homebuyers a soft-second mortgage. No payments are made on the soft-second mortgage until the property is sold or after 30 years.

Status: In CY2007, the Small Sites Development Program financed for-sale developments of nine very low-income ownership units.

P-32 Home Equity Fraud Intervention Program

A revolving loan fund established by the City Council offers small, low-interest, short-term loans to existing low-income homeowners facing foreclosure due to equity fraud scams or related difficulties. Implemented by local legal aid providers and participating lenders, up to \$10,000 can be borrowed for up to five years, 3-5% simple interest. Applications are taken and the lenders underwrite loans. If approved the loan is funded by the lender, then sold to the City. The lender services the loans and forwards repayments to the City.

Status: The "Don't Borrow Trouble" (DBT) 1-800 hotline answered approximately 82 predatory lending calls through the Citywide Fair Housing Services.

P-33 Community Reinvestment

Continue to encourage lenders to satisfy community reinvestment needs of the City's lower income and minority neighborhoods by providing financial resources, including mortgages and banking access. Increase the purchase of low-income families' mortgages by the secondary market. Monitor performance through annual HMDA data.

Status: The responsibility for administering this program shifted to the Mayor's Office..

P-34 Code Enforcement Outreach Program

Community groups will educate tenants and landlords on the City's Systematic Code Enforcement Program (SCEP). The groups will also take complaints regarding habitability issues and conciliate differences between landlords and tenants. Unresolved cases will be forwarded to the City. One contractor will serve property owners, one contractor will serve tenants Citywide, and several additional contractors will provide on-site services to tenants in five target areas in a pilot program.

Status: In 2007, this was no longer a stand-alone program. The functions of this program are carried-out through the SCEP program (P-21).

P-35 Habitability Enforcement Program (HEP)

The Habitability Enforcement Program (HEP) allows tenants of rent stabilized units or an enforcement agency to initiate a complaint with the Los Angeles Housing Department for rent reduction when certain habitability violations are found to exist in their units, as described in Section 1941.1 of the California Civil Code. Applicable violations also include a reduction or elimination of the following services: Elevators, security gates, and air conditioners if contracted by the tenant, or if provided to the tenant at the time of move in. The program became effective on October 2, 1996 as an 18-month pilot project.

Status: In 2007, this was no longer a stand-alone program. The functions of this program are carried-out through the REAP program (P-13).

P-36 Community Housing Development Organizations (CHDO's)

The expansion of institutional capacity among nonprofit housing developers to package, construct, and manage decent, safe and sanitary affordable housing is part of the HOME program mission and purpose. The CHDO program helps nonprofit organizations or low-income community service organizations to establish the following:

1) certifiability as a nonprofit organization dedicated to developing affordable housing in the City of Los Angeles; and 2) training in the following fields: finance; property management; site selection; community support and development; and strategic planning.

Status: In 2007, this was no longer a stand-alone program. The City has certified dozens of CHDOs over the years. Currently, there are 39 CHDOs on our LAHD list.

P-37 Housing Opportunities for Persons with AIDS (HOPWA)

Supportive services are provided through the following programs: Emergency Food and Shelter program, which provides vouchers for homeless persons, and Supportive Services in Transitional housing which help families living with HIV secure and maintain affordable housing and related services; Short Term Rent, Mortgage and Utilities Assistance, which provide grants for move-in rent, mortgage, and/or utilities; and Project and Tenant Based Rental Assistance which provides rental assistance to tenants.

Status: During CY2007 LAHD's HOPWA program provided rental assistance to 2,013 clients and supportive services to approximately 13,038 clients.

P-38 Central City West Specific Plan Replacement and Linkage Housing Program

Adopted in 1990, this Plan includes coverage of housing that was demolished in the Central City West area beginning in 1984. Certificates of Occupancy for new commercial and industrial projects cannot be obtained until certificates of occupancy are obtained for the replacement housing. A housing linkage fee per square foot is also required.

Status: The responsibility for administering this program shifted to the Department of City Planning.

P-39 Domestic Violence Shelter Program

The main objective of the City's Domestic Violence Shelter Program is to increase the number of emergency and transitional shelter beds and the range of supportive services available to women and their children who are affected by domestic violence. This objective will be achieved through capital and/or operating grants for the expansion of existing services, or the creation of new services.

Status: In 2007, the LAHD did not issue new loans for acquisition and rehabilitation of buildings. LAHD:

1) Monitored 13 domestic violence shelter loans.

2) Conducted nine site visits to domestic violence shelters to confirm compliance with the terms of each loan agreement (e.g. provision of beds and case management services). During the site visits, the Portfolio Management staff confirmed that services were provided to 334 domestic violence victims and their children. Additionally, staff confirmed that 218 transitional housing beds and 49 emergency housing beds were made available to domestic violence victims and their children in 2006.

For 2007, the Community Development Department reported the following:

1) *Upward Bound House Acquisition Project - \$400,000 32nd Mid-Year CDBG to buy \$3,000,000 20-unit motel to convert to homeless shelter for families with minor children.*
2) *1736 Family Crisis Center Emergency Youth Shelter Project - \$971,188 34th Year CDBG to acquire facility to be used to address homeless youth needs.*

3) *Reach for the Top, Inc. Project - \$350K 34th Year CDBG to buy mixed-use building for transition housing and services for homeless women with children.*

P-40 Citywide Fair Housing Services

The City seeks to affirmatively further fair housing through the delivery of public education counseling, and housing discrimination complaint resolution services. Proactive testing is conducted to determine patterns and practices of discrimination in the City.

Status: In CY 2007, the Southern California Housing Rights Center, through a contact with LAHD, received 828 fair housing inquiries, resolved 538 fair housing investigations, conducted 139 fair housing training sessions, trained 74 new fair housing testers, and answered 1,366 calls regarding fair housing issues.

P-41 Fair Housing Research

Conduct studies to evaluate the level of housing discrimination in the Los Angeles area. Studies will be conducted to evaluate the extent of discrimination based on race, color, familial status, religion, gender, marital status, mental or physical disability, age, sexual orientation, student status, or income source. Various aspects of the Los Angeles housing market will be evaluated, from rental housing to lending practices. Additional studies will evaluate whether transportation, employment locations, and other issues areas reinforce segregation.

Status: In 2007, LAHD continued developing an action plan to address impediments highlighted by the City's Analysis of Impediments to Fair Housing report.

P-42 Housing Opportunities for Persons with Developmental Disabilities (Proposed)

This is the HUD Section 811 Capital Advance Program and the HUD Section 202 Capital Advance Program.

Status: The responsibility for administering this program shifted to the Housing Authority of the City of Los Angeles. Units funded with Section 811 and Section 202 are captured by the Affordable Housing Trust Fund.

P-43 Targeted Neighborhood Initiative

This is a multi-departmental effort to target three million dollars of resources per neighborhood to 11 neighborhoods to complete revitalization within a three-year time period. The CDBG funding objectives are to provide decent housing in a suitable living environment with an expansion of economic opportunities to those of low to moderate income. Departments will contribute staff resources to the effort through an interdepartmental team along with citizen participation.

Status: This program no longer existed in 2007. The program was discontinued in FY2003/2004.

P-44 Affordable Housing Production

Provide loans for predevelopment activities, land and building acquisition, and permanent "gap" financing to construct new affordable rental housing.

Status: In CY2007, 554 units were completed in nine developments supported by the Affordable Housing Trust Fund. Over \$20 million dollars in LAHD funding was utilized. All 554 units received a Certificate of Occupancy or a Temporary Certificate of Occupancy in 2007.

P-45 Asset Control Area

This program will enable a HUD-designated Preferred Purchaser to acquire, rehabilitate and sell HUD-owned properties to 80% median income homebuyers.

Status: This program did not meet the level of assistance targeted in the original program objective.

P-46 High Leverage Program

As part of LAHD's Multi-Family Rental Housing Program, this program is designed to expedite the approval process of projects receiving a substantial portion of their funding commitments from other competitive sources. Projects meeting the guidelines may be awarded up to \$525,000 without requiring City Council approval. Projects requesting above \$525,000 are subject to Mayor and City Council approval. All projects are subject to a \$35,000 per unit subsidy limit under this program.

Status: In 2007, this was no longer a stand-alone program. The High Leverage Program was incorporated into the Affordable Housing Production program (P-44).

P-47 Distressed Properties Program

This is a pilot program to address multifamily properties that are in substantial disrepair, many of which are also financially troubled. The program will seek to apply creative solution to properties with unique conditions with an emphasis on leveraging of public and private dollars.

Status: In 2007, this was no longer a stand-alone program.

P-48 Kinder Care

This program provides gap financing to develop housing dedicated to grand parents taking care of grandchildren.

Status: In 2007, this was no longer a stand-alone program.

COMMUNITY REDEVELOPMENT AGENCY (CRA)

P-49 Convert Vacant Commercial and Industrial Space to Housing (Adaptive Re-Use)

The city adopted a new program in June of 1999 to re-use old, vacant (or under-utilized) commercial and industrial space in the Central Business District as housing. Most of this space has long sat vacant. Various administrative barriers have discouraged the conversion of these buildings to housing uses. The new program, implemented by the Adaptive Re-use Ordinance, removed many of these barriers. The program has been an instant success. New units are now opening at 95% occupancy and more projects are in process. Based on the response to date, the L.A. Conservancy, which has done the most definitive study of the potential for the ordinance, has predicted that there is the potential for 5,000 new dwelling units to be developed in these spaces in the next five years.

Status: To date 48 buildings have been adaptively reused resulting in the completion of 5,224 units. In addition, another 21 projects representing 2,548 units are currently under construction. Additionally, 23 buildings and over 1,878 additional units are currently approved, planned, or proposed at the City's Department of Building & Safety. The adaptive reuse ordinance is not only facilitating the renovation of historic buildings, but has also led to millions of dollars in new residential construction adjacent to those properties.

P-50 Normandie 5 Move-On Housing Program

This CRA program salvages historic and noteworthy houses throughout Los Angeles County that are slated for demolition. The CRA moves them to appropriate vacant lots in the historic Adams Normandie neighborhood, rehabilitates the homes, and sells them to low or moderate income families. Homes have been moved from Glendale, Pasadena, and Claremont, as well as other parts of the City of Los Angeles.

Status: The CRA has met its objective for this program and no new sites have been identified.

P-51 Neighborhood Home Rehabilitation Loan Program

This program focuses on the designated rehabilitation of 1-4 unit homes and apartments in targeted community revitalization and redevelopment areas. The program utilizes approximately \$3 million a year.

*Status: Two residential rehabs were completed for a total of \$153,000.
Adelante Eastside: Three NOFA projects using Adelante funds were approved in 2007.
North Hollywood: No Program activity reported.
Pico Union I: No Program activity reported.
Pico Union II: No Program activity reported.*

P-52 L.A. Ecovillage Demonstration Program

Continue the development of the two-block demonstration neighborhood to model sustainable community development in which physical and economic pursuits are integrated for long-term health. 1998: Abate lead-based paint. Proceed with additional rehabilitation. Anticipate completion in 1999.

Status: This activity has been completed and no further action will occur under this program.

HOUSING AUTHORITY OF THE CITY OF LOS ANGELES (HACLA)

P-53 Public Housing Development and Major Rehabilitation of Obsolete Public Housing

HUD provides grant funds to Public Housing Agencies in a yearly competition for the new construction of public housing units, the acquisition and rehabilitation of existing dwellings for use as public housing units, and the major rehabilitation of obsolete housing units. It should be noted that Congress has not funded new construction for the past several years. All current construction is replacement of demolished units on a "one-for-one replacement".

Status: HACLA expended approximately \$59.1 million towards the rehabilitation of such units.

P-54 Housing Authority Lead Hazard Reduction Program

The Housing Authority has completed Lead-Based Paint (LBP) testing in all of its family public housing built before 1978. LBP contamination, in varying degrees, has been found at all such housing sites. Since December 1999, approximately 550 units were entirely or substantially abated for LBP.

The Housing Authority has also performed a risk assessment of LBP hazards. Varying degrees of hazards associated with dust and soil were found at all sites. The Housing Authority has undertaken a program of lead hazard control that involves repairing defective paint surfaces, specialized cleaning of areas of units known to accumulate dust containing lead. Education efforts are ongoing with all residents and staff.

Status: The Housing Authority works to prevent resident exposure to lead-based paint. It conducts environmental assessments and testing for lead-based paint at housing sites and individual units, engages in an extensive public education process, and employs a specialist Environmental Coordinator to oversee its comprehensive Lead-Based Paint Evaluation and Abatement Program. All activities for the reduction of Lead-based Paint comply with regulations developed by HUD, the Environmental Protection Agency, and the State of California.

P-55 Pico Aliso Public Housing Redevelopment (Urban Revitalization Demonstration Program)

HACLA has expended \$50 million under the HUD Urban Revitalization Demonstration Program (URD), transforming 577 of the Pico Aliso public housing units into 280 multi-family rental, a 60-unit senior citizen building, and 81 cluster yard homes, of which 7 were made available for sale initially, and then an additional 32 were added.

Status: Construction is 100% complete. HACLA submitted the request to close-out the HUD grants, and are pending a final financial audit for the development.

P-56 Public Housing Modernization Program

The purpose of the modernization program is to bring the physical condition at public housing sites up to HUD's modernization standards. Included in physical improvements are modifications to dwellings and office and community space for disabled access (Under Federal Section 504 mandates) and the abatement of Lead-Based Paint (LBP). Also included in the physical improvements are changes to density, site design, traffic and parking patterns designed to make public housing sites more resistant to certain types of criminal behavior. Currently it estimated that it will take approximately \$584 million to bring all the City's public housing units up to modernization. Funds are awarded annually.

Status: After substantial discussion with HUD Washington, including review by HUD Washington commencing with the fiscal year 2005 grant, the first-increment RHF funds can be accumulated through the fiscal year 2009 grant, so that the obligation deadline would be in 2011.

The amount of first-increment funds previously awarded, but not yet obligated, include:

| | |
|-----------------|---------------------|
| CA16R004-501-04 | \$939,339 (partial) |
| CA16R004-501-05 | \$2,324,792 |
| CA16R004-501-06 | \$944,803 |

The current obligation deadlines for these funds are December 17, 2007, for RHF grants CA16R004-501-04 and CA16R004-501-05 and July 18, 2008, for RHF grant CA16R004-501-06.

HACLA now proposes to accumulate the fiscal year 2005 and fiscal year 2006 grants for public housing developments in connection with the redevelopment of its Watts public housing sites, notably Jordan Downs.

P-57 Section 8 Rental Assistance

The Section 8 program provides rental assistance to very low-income families in the form of vouchers. This allows them to rent decent, safe, and sanitary privately owned housing.

Status: This program is now known as the "Housing Choice Voucher Program." There are 44,497 vouchers allocated to HACLA (10 more from last year).

A total of \$416.3 million were allocated for these vouchers, including \$7.5 million for Shelter Plus Care, and \$2.5 million for HOPWA.

At least 75 percent of applicants admitted to the Section 8 program each fiscal year must be extremely low-income families. Since August 2006, HACLA has used the services of a third party contractor to certify the Section 8 waiting list. Applicants were sent update forms and asked to return them to HACLA.

HACLA cannot predict when new registrations will be accepted and vouchers issued in the future. Additional funding is subject to Congressional action.

P-58 Soft Second Financing of for-Sale Town Homes in the Pico/Aliso Housing Development Area

The provision of soft second financing for 39 town homes will help revitalize this area of the City and provide an opportunity for homeownership.

Status: Program is obsolete; see last year's comments. (2006: "Construction at Las Casitas has been completed. Soft-second mortgage financing for 15 homes will be from developer-provided funding sources; HACLA funds have paid for pre-development expenses for the developer rather than soft-second financing.")

P-59 Section 8 Homeless Rental Assistance Program

Community-based homeless service providers help screen and qualify homeless families receiving transitional services to receive Section 8 vouchers. The Housing Authority of City of Los Angeles (HACLA) has partnership agreements with various non-profit agencies to help homeless families and individuals make the transition from homelessness to stable, affordable housing. The agencies also provide Family Self-Sufficiency services to help families achieve financial independence.

Status: There are 2,097 families receiving assistance through this program. As part of the Mayor's focus on serving the City's homeless population, HACLA has pledged a total of 4,011 vouchers to this program.

P-60 Rental Assistance for Permanent Housing - Shelter Plus Care

Provides rental assistance and supportive services for homeless persons with disabilities, specifically those with serious mental illness, chronic substance abuse problems and/or HIV/AIDS through four components: 1) tenant-based rental assistance; 2) sponsor-based rental assistance; 3) project-based rental assistance; and 4) SRO moderate rehabilitation rental assistance (none funded in City of LA). HACLA expended \$7.5 million in 2007 for the program.

Status: Shelter Plus Care funding is renewed annually and will continue as long as HUD continues renewal and new contract funding. HUD continues to accept new applications. The Shelter Plus Care program in Los Angeles is funded for 1,986 units - at the current time 1,516 units are utilized.

P-61 Rental Assistance for Permanent Housing - Section 8 Moderate Rehabilitation Single Room Occupancy

Provides rental assistance for homeless persons by providing rehabilitated, single room occupancy housing units. Funding in the amount of \$6.9 million was approved for 2007.

Status: There are currently 1,390 units allocated and 1,194 units utilized in the program. HUD is not funding any new developments with this program.

P-62 Family Self-Sufficiency Program

The Family Self-Sufficiency program was designed to assist low income Section 8 assisted families to become economically self-sufficient through the provision of affordable housing and access to necessary support services, including job training, child care, transportation, and case management. The 1998 QHWRA ended the requirements to increase the FSS program size by the number of incremental Section 8 units added from 1993 onward. The mandatory program size from 1998 was reduced by the number of successful graduates from the program.

Status: This program is no longer funded to add new enrollees. The existing list has about 2,400 participants. About half of these have escrow accounts.

P-63 Family Unification Demonstration Program

This program was designed to help prevent the separation of children from their families due to inadequate housing. With the use of Section 8 vouchers, HACLA addressed the housing needs of some vulnerable families. The first year of program operation was 1993.

Status: New families are assisted through turnover of vouchers as families leave the program. No new vouchers are available at this time. There are currently 163 Section 8 participants in the program.

P-64 Dana Strand Redevelopment – HOPE VI (New name is “Harbor View”)

Dana Strand was an obsolete and deteriorated public housing development built in the 1940's that was desperately in need of redevelopment in order to arrest the spread of decline to the adjoining areas. Applications for HOPE VI funding to demolish and rebuild this development into a mixed income community were made in 1999 and again in 2000. Applications will continue to be made for additional funding.

Status: The former Dana Strand Village public housing development was demolished using a HOPE VI grant. The Housing Authority is redeveloping New Dana into the new “Harbor View” in partnership with Los Angeles Community Design Center and Mercy Housing California. HACLA applied for and was awarded two Low Income Housing Tax Credit (LIHTC) allocations. The first 9% tax credit allocation was for Phase 1 construction, which began in March 2005; the second 4% tax credit allocation is for Phase 2. Phase 1 is 100% complete; construction on Phase 2 began July 2006, and is about 90% complete.

In 2007, a new RFQ for the development of Phase 3 (100 Senior Housing) was issued. The Capital Lease & Development Agreements for Phase 4, as well as the Public Works bond were completed at the end of 2007. This will allow construction activities to commence on the single-family dwellings.

When completed, "Harbor View" will have 413 units consisting of the following:
-236 Affordable rental units (includes 94 public housing units)
-100 Section 202 Senior units
-77 For Sale Homes (25 for low-to-moderate-income families)

P-65 Jordan Downs Revitalization

This public housing project is in close proximity to the Alameda Corridor and is one of the older public housing developments in the City of Los Angeles. The potential to revitalize the housing stock and create a mixed income/mixed use community in conjunction with the opportunity of the Alameda Corridor project is being explored.

Status: In 2007, HACLA initiated negotiations with the owner of the adjacent industrial land that is wedged between the Jordan Downs property. This property is within Los Angeles County jurisdiction, which means it would have to be annexed into the City. The plan is to acquire the property and incorporate into a more efficient, functional, and fruitful redevelopment plan, which will allow HACLA to construct without displacing residents.

CITY PLANNING DEPARTMENT

P-66 Evaluate Parking Reduction Incentive

Monitoring of the Affordable Housing Incentives Ordinance is ongoing. It is intended to monitor affordable housing projects that utilize the parking reduction incentives provided by the above ordinance.

Status: The parking reduction incentive has frequently been combined with a density bonus, one or both of which requires a set aside of affordable housing units. From January 1 through December 31, 2007, building permits were issued for 473 affordable housing units which utilized the density bonus and parking incentives.

P-67 Promote the Production of Large Housing Units by Changing the Density Calculation Methodology

Initiate the pursuit of the minimum lot area per dwelling unit required on a parcel in residential zones, to be developed with a multiple-family project that is not tied to the number of habitable rooms. In the past, this method of calculated permitted residential density has favored the production of smaller units.

Status: Completed. The City Council adopted an ordinance that eliminates habitable rooms from the density calculations in all multiple family residential zones. The adoption of this ordinance has removed what was a disincentive to build larger family units, so that more family housing is now able to be built in the city.

P-68 Playa Vista Housing Plan

Phase 1 of the Playa Vista Housing Plan, which was adopted in 1993, and further conditioned by vesting tentative tract no. 49104 conditions #130 and #131, require that at least 487 units (15%) of the proposed 3,246 unit development be registered with the Department of Housing Preservation and Production or its designee as units reserved for rent or purchase to very low, low and moderate-income households.

Status: During 2007, 93 rental units of the South Crescent Apartments were completed. Another 312 units of the South Crescent Apartments were under construction, of which 95 units will be affordable units (19 very low income units, 66 low income units, and 10 moderate income units).

Six for-sale developments were completed during 2007. One of these developments, Tempo (Product 250), included 52 price-controlled units out of a total of 116 units. The other five developments provided a total of 212 market-rate units (Serenade (Product 825) with 86 units, Matisse (Product 1225) with 31 units, Icon (Product 1300) with 8 units, Mondrian (Product 1225D) with 16 units, and Coronado (Product 625) with 71 units).

P-69 Investigate Feasibility of Housing Over Parking Lots

Investigate the feasibility of allowing construction of housing developments above public and private parking lots to increase the housing supply. This program is under re-evaluation. This study will be completed by 2003 contingent on available funding.

Status: Housing construction is permitted above parking lots in the City's commercial zones. The Department of Transportation (DOT) hired a consultant to analyze the highest and best use for the city-owned parking lots, which are under its jurisdiction. It is anticipated that some lots may be used for housing and that the air rights over others may be able to be used for housing. The study identified the top 20 properties for development potential. DOT will now be working with the Planning and Housing Departments to review those parcels for the development of mixed-use housing.

P-70 Mixed Use Overlay Districts

The Mixed-Use Overlay District as identified in the Community plans with incentives for mixed use development, such as reduced off-street parking and exemption of residential units from density calculation in (Zone Code), was adopted by the City Council on August 4, 1998. Its implementation through the Community Plan Update process would: 1) reduce the supply of underutilized commercially-zoned land; 2) accommodate population growth in centers, districts, at transit centers, and along transportation corridors; 3) reduce vehicle trips, traffic congestion and air pollution; 4) promote more affordable housing; and 5) promote mixed residential/commercial development through an incentives program near transit stations as specified in the Community Plan.

The major incentives provided by the overlay ordinance include reduction of required off-street parking, increased FAR for the housing portion of the project, height district change to allow projects to exceed Proposition U floor area limitations for the housing, release from the commercial corner requirements in the code and increased height incentives on corners. If the project is adjacent to the central parking, the commercial uses receive an additional parking reduction.

The adopted ordinance is enabling legislation, which creates an overlay, or supplemental use district to be applied where a community plan designates mixed use. Geographic areas for mixed use will be re-zoned as part of the community plan update process. At the writing of this element, the City has substantially completed this cycle of community plan updates. Since all thirty-five community plans are proposed to be updated every five years, or sooner as appropriate, it is unlikely that the overlays will be applied as a part of the Community Plan Review Program for the entire city within this Housing Element cycle. However, the City Council is reviewing proposals to aggressive rezone parts of the City to better facilitate housing production. This will be one of the tools used to accomplish this goal should the Council choose to undertake this program.

Status: Within a few years of adoption of this enabling legislation, the law had generated no mixed-use districts. After analyzing the impediments to its implementation, the City created a new ordinance to accomplish the same goal, but with a different approach. In January 2003 a new mixed use ordinance was adopted and created a "Residential and Accessory Services" (RAS) zone, which included floor area and setback bonuses for mixed use projects, but did not require multiple properties to form a district as the previous ordinance had. The new ordinance has proven to be extremely effective. From January 1 through December 31, 2007, 12 projects using this zone were filed for a total of 1,820 housing units.

P-71 Coastal Zone Monitoring (Revised)

Monitor new construction, conversion, and demolition of housing in the coastal areas of the City and develop a housing policy in conformance with the Mello Act to include but not limited to: a) Requiring the provision of affordable housing if feasible in new projects, b) Requiring the replacement of existing affordable housing units subject to conversion or demolition on the project site or within 3 miles of project site in the coastal zone, or payment of an in-lieu fee, and c) Monitoring of housing activities in the coastal zone.

Status: The City is currently enforcing the Mello Act and following guidelines established by a litigation settlement agreement. In an effort to replace these procedures with permanent regulations, the City has received a completed consultant study that analyzes feasible standards and locations for replacement and inclusionary housing, and refines the existing financial feasibility model for a permanent ordinance that will apply in the Coastal Zone. The Department of City Planning prepared a draft ordinance that was approved by the City Planning Commission in 2007 and is pending review by the City Council.

P-72 Crime Prevention through Environmental Design

Provide design guidelines for crime prevention in the built environment.

Status: The Los Angeles Police Department has drafted a Uniform Security Code that includes development guidelines. The draft ordinance is under review by various City departments. Development guidelines regarding safety, "Design Out Crime Guidelines," are integrated into new developments when appropriate.

P-73 Community Plan Update (Combines 4th Draft Programs P-73 and P-80) (Revised)

After the 283 Program, the City embarked on the Community Plan Revision (CPR) Program, which updated 5 Community Plans (Northeast Los Angeles, Sylmar, South Central Los Angeles, Southeast Los Angeles, West Adams, Leimert and Baldwin Park in various parts of the City. Some Community Plans took over 10 years to revise. Each of these plans, being the land use element of the General Plan, considered the land use and zoning for residential and commercial uses along with the other zoning categories. Each environmental clearance (all Environmental Impact Report's for this program) considered the estimated population growth for that community and the availability of the infrastructure to accommodate such growth.

The Community Plan Update program is on a faster track. They remain to be the land use element of the general plan. The environmental clearance of each of these updates considered the estimated growth and the availability of the infrastructure to accommodate such growth. Each of these updates includes an Initial Study to determine whether an Environmental Impact Report or Negative Declaration was needed and justified for the Community Plan. Most of the updates required a Mitigated Negative Declaration and the Community Plan incorporated the necessary mitigations to lessen the impact to an insignificant level. An Environmental Impact Report was done for the Wilshire Community Plan and a determination is still pending on the Hollywood Community Plan.

In the Community Plan Review process, identify stable neighborhoods which should be preserved at their present densities. Identify areas appropriate for mixed-use projects. Identify areas and incentives for higher density, affordable, and residential projects.

Status: Through the Community Plan Update program, 34 of the city's 35 community plans have now been updated. The final plan (Hollywood) is in the process of being updated. As of 2007, a new cycle of updates is underway and twelve Community Plans have begun the update process. The goal is to complete each plan in 3 years. Through the program, stable residential neighborhoods are identified, areas appropriate for mixed-use projects are proposed for change, and appropriate densities and mixes of uses are established. Each of the plan updates are accompanied by implementing zone changes, including changes to the new mixed use zone referred to in Program P-70. Each of the Plans also includes an EIR and a series of implementation programs

P-74 Production of In-fill Affordable Housing Task Force (Replaces 4th Draft Program P-74) (New - Deleted Community Design Overlay District Ordinance)

The Planning Department has been assigned to form and lead a task force to identify five or six sites to develop and process actual affordable housing projects in the City.

Lead Agency: City Planning Department
Funding: Departmental Work Plan, Grants
Objective: Provide five or six actual projects that can be affordable and expedited through City government regulations.
Schedule: 2001-2005

Status: The Planning Department formed a housing task force, however its focus shifted from the original charge. The task force instead focused on developing a GIS-based methodology to identify sites in the City that could be developed with affordable infill housing. One of the outcomes of the task force was a grant from Caltrans that funded the development of an infill tool that can help LA and other cities identify politically, legally, and economically feasible sites for infill housing. The scope of this initial grant was expanded by a 2nd Caltrans grant to integrate the GIS-based tool into the City's ZIMAS web platform and to test the new system by identifying infill housing sites in 3 underserved communities. The grants have been completed and the infill tool developed. Integration into the ZIMAS platform is pending funding availability.

P-75 Adaptive Re-use Ordinance

Create incentives to reuse pre July 1, 1974 historic downtown buildings for residential and work facilities. The proposed ordinance was approved by the City Planning Commission on May 28, 1998 and adopted by the City Council on April 24, 1999.

The ordinance provides the following incentives: eliminates the R4 and R5 limitations on housing (i.e. number of units based on parcel size) but includes a minimum size of 450 square feet per unit; removes requirements for off street parking in excess of what is already on the site; and allows for development of mezzanines without including square footage in FAR calculations. These incentives are available in the downtown area since early 1999. Other areas, including Hollywood, are currently under consideration but no time frame has been estimated.

Status: Building on the success of the downtown Adaptive Re-use Ordinance, similar ordinances were adopted for Chinatown, Lincoln Heights, Hollywood, South LA, and Mid Wilshire. A variation of these ordinances was also adopted to apply citywide, although the citywide ordinance requires a minor discretionary action, which is not required by the other ordinances. From January 1 through June 30, 2007, these Adaptive Re-use ordinances produced 777 new housing units in buildings that had previously been abandoned commercial structures.

P-76 Monitor the Effectiveness of the Affordable Housing Incentives Program Ordinance and Guidelines

Evaluate the effectiveness of the program in increasing the supply of affordable housing and in preserving livability standards. The criteria against which the City will gauge the effectiveness of the program will be identified in the first phase of the analysis. However, one concern is whether or not the incentives provided are significant enough to alter prior locational and other patterns. The time line for the study may vary depending on economic conditions and the amount of building activity.

The monitoring of the density bonus applications will continue. As a result, past monitoring improvements to the density bonus process are underway and new ones will be processed as they are observed. Improvements currently under way include a proposal to increase the by-right amount of the bonus from 25% to 35% or more.

Status: The Planning Department has tracked the projects approved under the affordable housing incentives program and mapped the locations and distribution of approved projects. In 2005, the Affordable Housing Incentives program was revised to address

changes in the State Density Bonus law (SB 1818). New parking incentives have been included in the proposed implementing ordinance, along with additional incentives. The proposed ordinance was approved by the City Council Planning and Land Use Management Committee in 2007 and was pending full City Council approval in early 2008.

P-77 Modification of the Site Plan Review Process

The Site Plan Review process evaluates the context of large developments. A proposal to raise the threshold of residential Projects from 35 units to 50 units to exempt projects from the Site Plan Review process was approved by the City Council on March 2, 1999. Minimizing the amount of discretionary actions may reduce permit processing delays imposed on residential projects, and thus reduce development costs.

Status: Ongoing monitoring

P-78 Amend the Building and Zoning Codes for Non-Conventional Housing

Report on the feasibility of amending the building and zoning codes to allow innovative multiple-family housing types, possibly incorporating concepts such as shared housing, larger units, and group quarters, with parking standards reductions and incorporation of open space requirements for units serving large families with children. This study will be completed by 2003 contingent on available funding. Should the study indicate that the Building code needs to be amended, this action will have to be coordinated with the legal limitations on amending the Building code, which is done every three years.

Status: In January 2005, the City adopted a "small lot subdivision ordinance," This allows single family homes to be built on small, fee simple lots in the multiple family and commercial zones. This ordinance allows homes to be built on lots as small as 600 square feet and has resulted in innovative housing types. The zoning code was amended to permit this new housing type and staff is exploring the need to amend the Building Code to facilitate projects built pursuant to this new ordinance. From January 1 through December 31, 2007, cases were filed for 47 projects, totaling 332 housing units.

P-79 Annual Report on Growth and Infrastructure

Continue to prepare this annual monitoring report which provides information to facilitate affordable housing and development predictability.

Status: The Planning Department continues to prepare this annual monitoring report. The report is now available on the Department's web site and easily accessible by the public.

P-80 City Planning Commission

Utilize recommendations of the City Planning Commission subcommittee on in-fill housing and the City Council's Housing Crisis Task Force, and Planning and Land Use Management Committee changes to the City's zoning code and land use procedures to promote affordable and market-rate residential development.

Status: Pursuant to these committees and commissions, a number of new housing ordinances have been adopted since 2002. In 2007, two ordinances were adopted providing incentives for the development of affordable housing in the City's downtown: one that relaxes many zoning codes and one that creates a process for transferring floor area to create larger residential buildings. These ordinances have either directly increased housing production or removed barriers to the development of housing.

P-81 Antidiscrimination Legislation

Continue to incorporate an anti-discrimination clause in the subdivision map approval and expand the clause to other project approval processes.

Status: Program discontinued because it was found not to be an effective mechanism for addressing discriminatory practices.

P-82 Housing Needs Assessment in Community Plan Areas

Identify and assess housing needs especially with regards to affordable housing based on achievement or maintenance of a job/housing balance in Community Plan Areas as part of future updates and revisions of the Community Plans.

Status: Through the community plan update program, the Planning Department's demographics division models population and job growth in order to accommodate projected needs. The results of the models are incorporated into the Community Plans as well as the development of the Regional Housing Needs Assessment process. As a result, the city's 35 Community Plans have adopted land use designations and densities that are able to accommodate the city's projected population growth. New updates to community plans will continue to respond to projected population growth.

DEPARTMENT OF WATER AND POWER (DWP)

P-83 Utility Maintenance Program (UMP)

The Utility Maintenance Program is an effort to ensure payment of utilities without turning off service and displacing tenants. Approximately 4,200 owners of multi-family master-metered properties have failed to pay their water and electric bills in the City of Los Angeles. The Department of Water and Power (DWP) gives notice to these property owners that they must pay their bills or establish a payment schedule, or the buildings will be placed in the Rent Escrow Account Program (REAP). If a building is placed in REAP, tenants pay their rent to the City to avoid utility shut-off. The building remains in REAP until the utility bills are satisfied.

Status: For calendar year 2007, the DWP referred 67 properties, with unpaid balances totaling approximately \$217,374, to LAHD. The LAHD collected approximately \$132,088 in rent payments from the residents, which were then transferred to DWP. A total of 46 accounts were closed out. For information regarding the REAP program, please see P-13.

COMMUNITY DEVELOPMENT DEPARTMENT (CDD)

P-84 AIDS Residential Facilities Program

Provide funds for acquisition, new construction and renovation of existing facilities to establish residential facilities and increased public services to very low and low income City residents that test HIV positive.

Status: This program was discontinued.

P-85 Home Secure Program

Provides security improvements and bathroom safeguards to low-income persons.

Status: This program's functions are now carried out by the LAHD through its Handyworker Program. See P-12.

P-86 Child Care Assistance Program

The Community Development Department (CDD) will study the continuing development and funding of childcare assistance programs for Homeless families such as that proposed for the Regional Homeless Reception Center.

Status: No such activity during calendar year 2007.

P-87 Section 8 Rental Assistance Program

Provides move-in deposit and rental assistance with appropriate supportive services to assist homeless individuals and families to become stable in their new permanent housing situation.

Status: This program's functions are now conducted by the Housing Authority of the City of Los Angeles. See P-59.

P-88 Mobile Home Transitional Housing Program

This program provides for six months of transitional housing as well as case management for homeless families with children using trailers situated on Housing Authority and other sites with services provided by community-based services agencies. Services include, but are not limited to, counseling in the areas of budgeting and job development, access to move-in funds or Section 8 certificates, locating permanent rental facilities and negotiating rent with landlords when necessary, child care, parenting and ESL classes, providing food and clothing as needed.

Status: The Community Development Department is not involved with this program.

P-89 Congregate Housing

Provide technical assistance whenever possible to fund gap financing for organizations that provide a variety of congregate types for special needs populations, including cooperatives and "co-housing" and living units with common facilities. This program is designed to enable elderly persons in federally assisted housing to live independently by retrofitting physical facilities and providing supportive services and service coordination.

Status: The City's Department on Aging implement the Alternative Housing for the Elderly Program which provides affordable housing options for low-income seniors through counseling referrals and matching. Counseling provides options to seniors in need of housing. Referrals direct seniors to shared housing clients for matching. The program also includes a co-op housing arrangement as an option to clients. This program has provided 855 hours of counseling to 416 client resulting in 123 referrals.

CITY ATTORNEY

P-90 Housing Enforcement and Slumlord Task Force

The City Attorney's Office is charged with prosecuting habitability violations submitted by Los Angeles Housing Department, Los Angeles Fire Department, Los Angeles Department of Building and Safety, and Los Angeles County Department of Health. The Inter-Agency Slum Housing Task Force (IAHTF), led by the City Attorney, is a multi-agency task force comprised of the above-referenced departments; the IAHTF targets the worst substandard rental properties in the City. Generally, these properties are two-stories or more and contain at least 20 units. This multi-agency approach allows for each of the enforcement agencies to conduct joint inspections at these properties and issue appropriate Orders to Comply or Substandard Orders with parallel timelines. If a property owner fails to bring these properties into compliance within the designated timelines, the cases are referred to the City Attorneys Office for prosecution. In most instances, property owners are asked to attend a Case Status Management Conference with city attorney and inspection personnel. If a property owner fails to comply with a Compliance Timeline presented at the CSMC, deputy city attorneys assigned to the IAHTF prepare the case for criminal filing. These DCAs vertically prosecute these cases through trial, probation and compliance.

In addition to these Task Force cases, DCAs assigned to the Housing Enforcement Section also file "single-agency" cases, cases presented independently from the Housing Department, Fire Department and Health Department. These cases include cases referred from LAHD's Systematic Code Enforcement Program (SCEP). Many of these cases follow the same protocol described above for Task Force cases; the vast majority of these cases are resolved as a result of the City Attorney's Case Status Management Conference.

In calendar year 2007, the City Attorney's Housing Enforcement Section reviewed 515 cases submitted by the participating Task Force agencies. These included 53 Task Force cases and 228 SCEP cases submitted by LAHD. The balance of the cases were referred (sometimes jointly) by the LAFD and DHS.

Status: In 2007, Housing Enforcement filed 24 Task Force cases. Additionally, LAHD submitted 228 SCEP cases, which resulted in 72 criminal cases; 54 cases were returned to LAHD for follow-up and 36 cases were returned due to compliance.

BUILDING AND SAFETY

P-91 Demolition and Relocation of Structures Program

Continue to maintain an inventory of residential structures proposed for demolition, and make it available to individuals seeking to relocate these structures. Investigate new ways to promote the re-use of those structures, particularly among affordable housing providers.

Status: In Fiscal Year 2007/2008 the Department of Building and Safety continued to maintain an inventory of structures proposed for demolition, but received very few requests for such information, largely due to the quick process by which an applicant applies for a demolition permit and demolition occurs immediately.

P-92 City Guidelines and Monitoring for Accessibility

New state accessibility regulations have been modified to agree with Federal Americans with Disabilities Act (ADA) standards. There are guidebooks available for Title 24 commercial and residential regulations and the Department of Building and Safety also produces some guidebooks for developers on the requirements of state and federal accessibility standards. The Department of Building and Safety will develop a program to record and report on newly created adapted and adaptable units in the private and non-profit sectors.

Status The proposed program is complex and required more time than originally estimated. The Department of Building and Safety now estimates that the programming and training needed to capture this data will be implemented within calendar year 2008.

CITY COUNCIL COMMITTEE ON REINVESTMENT

P-93 Linked Deposit Ordinance

This program monitors banks where the City has deposits in so far as their Community Reinvestment Act performance in the housing and community economic development arena. Staff then uses this information as a basis for selecting financial institutions for housing programs in support of the establishment of a Citywide Linked Deposit Ordinance.

Status: Beginning in 1998, a substantial amount of work was completed to develop such a program by various parties, including the City Council. However, it has not yet been fully implemented.

LOS ANGELES HOMELESS SERVICES AUTHORITY (LAHSA)

P-94 Joint Powers Agreement (JPA)

The Joint Exercise of Powers Agreement between the County of Los Angeles and the City of Los Angeles continuing the Los Angeles Homeless Services Authority was renewed by the City and County of Los Angeles on February 28, 2001. The term of the agreement was extended on an indefinite basis until terminated by either or both parties.

Status: Ongoing. The JPA is still in effect, there are no plans to change its structure.

P-95 L.A. Area Homeless Initiative

The City and County have received \$20 million, from HUD for a 3-year demonstration project to assist the homeless, which targets Central Los Angeles, East Los Angeles, and South Central, and also provides limited funds to satellite projects in West Los Angeles, Hollywood, Pacoima, and other areas of Los Angeles County, access centers, drop in center, no fail mental health community, rent subsidy, substance abuse treatment, SSI outreach and others. The City is providing \$4.7 million in matching funds for housing and other activities.

Status: All funds from the Homeless Initiative Grant were expended and the program was closed out in 2001.

P-96 1997 Continuum of Care

In 1997, Los Angeles was awarded \$45 million in Continuum of Care funding from HUD. This funding included Supportive Housing Funding, Section 8 SRO Moderate Rehabilitation, and Shelter Plus Care. The programs funded by these awards will serve a range of homeless populations, including persons with multiple diagnoses, including persons with physical, mental and developmental disabilities.

Status: In 2007, LAHSA received the largest HUD award in its history, totaling \$67,553,854 for the 2008-2009 fiscal year. The award included \$37.1 million in funding for the Supportive Housing Program, most of which is administered by LAHSA and \$8.27 million to the Housing Authority of the City of Los Angeles, including \$6.1 million in bonus funding for permanent supportive housing.

P-97 1998 Continuum of Care

In 1998, LAHSA submitted \$63 million in requests for funding under the Continuum of Care funding notice. Funding issued under this program includes: Supportive Housing Program, SRO Moderate Rehabilitation, and Shelter Plus Care. The latter two programs include Section subsidies administered by the City of Los Angeles Housing Authority (HACLA) and the County Community Development Commission. The process for submitting the consolidated application to HUD included the establishment of community-based priorities for funding of homeless programs based on an assessment

of needs and gaps in services and housing for homeless persons, including persons with physical, mental and developmental disabilities.

Status: In 2007, LAHSA received the largest HUD award in its history, totaling \$67,553,854 for the 2008-2009 fiscal year. The award included \$37.1 million in funding for the Supportive Housing Program, most of which is administered by LAHSA and \$8.27 million to the Housing Authority of the City of Los Angeles, including \$6.1 million in bonus funding for permanent supportive housing.

P-98 Prevention of Homelessness

This program identifies individuals and families at imminent risk of losing their place of residence and provides needed stabilizing services to ensure that satisfactory living conditions are sustained. Services may include, but are not limited to, landlord/tenant mediation, emergency grant or loan programs to avoid eviction or termination of utilities and financial management counseling, case management services in the areas of employment, enhancing job search/interview skills for obtaining permanent employment, focus on specific groups of people such as person's with mental illness.

Status: LAHSA funds through the City's Consolidated Plan, a prevention program that prevents homelessness by providing one-time-only financial assistance to pay rent for low-income households in need. Applicants for this assistance must demonstrate that the rent arrears were due to unforeseen (and not continuing) expenses. Program participants are required to work with local social service providers to address budgeting and planning issues.

This program will continue operating to benefit City of Los Angeles residents who qualify.

P-99 Annual Continuum of Care Planning

LAHSA annually prepares the narrative for HUD's competitively awarded Continuum of Care programs. LAHSA has begun funding awarded under the Continuum of Care includes Supporting Housing Program (SHP), Shelter Plus Care and SRO Moderate Rehabilitation. LAHSA will continue to lead this annual planning effort in subsequent years, including the annual application process for federal funding. LAHSA conducts a local competition to determine which projects seeking SHP funds should be included in the final request to HUD. The Housing Authority of the City of Los Angeles also conducts a competitive process to determine Shelter Plus Care and SRO Moderate Rehabilitation requests.

Status: In 2007, LAHSA received the largest HUD award in its history, totaling \$67,553,854 for the 2008-2009 fiscal year. The award included \$37.1 million in funding for the Supportive Housing Program, most of which is administered by LAHSA and \$8.27 million to the Housing Authority of the City of Los Angeles, including \$6.1 million in bonus funding for permanent supportive housing.

P-100 Winter Shelter Program (Cold/Wet Weather)

LAHSA has been designated by the City and County of Los Angeles as the administrator of the Los Angeles County Winter Shelter Program for homeless persons. The purpose of the Winter Shelter Program is to provide homeless individuals and families with

temporary emergency shelter and entry into the system of services and housing known as the "Continuum of Care". Established as a program to address the basic shelter and service needs of homeless persons during the period of time in which Los Angeles usually experiences its most inclement weather, the Winter Shelter Program typically operates from November to March of any given fiscal year.

Status: The 2006-2007 Winter Shelter Program provided overnight shelter, two meals a day and case management to 16,093 homeless persons. For those not suitable for congregate facilities, programs provided hotel/motel vouchers to 15 individuals and 202 families.

P-101 Homeless Coordination Project

The LAHSA is responsible for coordinating the implementation of the City's homeless policy and the planning and implementation of a continuum of care partnership for the homeless populations; for getting information to the homeless and other constituents with a weekly newsletter, and for periodically reporting on activities serving the homeless to the Affordable Housing Commission and to all relevant members of the City Council.

Status: LAHSA continues to be responsible for planning, policymaking and management of government funding for homeless programs in the City and County of Los Angeles. These responsibilities include:

- *Coordinating the delivery of services to homeless residents throughout the Continuum of Care;*
- *Preparing the annual HUD SuperNOFA application for the Los Angeles Continuum of Care;*
- *Coordinating the development of the HUD- mandated 10 year plan to end homeless;*
- *Conducting the HUD-mandated Homeless Count;*
- *Reporting on program outcomes to funders, including the City, County, and HUD; and*
- *Participating in City and County planning meetings and workgroups on housing, services, and programs for homeless individuals and families.*

P-102 Monitoring the Availability and Adequacy of Specialized Services Addressing the Needs of Homeless Individuals and Families, including persons with Mental, Physical, and Developmental Disabilities

This program provides ongoing review of legislative and budgetary initiatives at the state and county level which propose services such as mental health diagnosis and treatment and substance abuse treatment to the homeless including persons with mental, physical and developmental disabilities to define the adequacy of these proposals in meeting the known needs of the homeless population with special needs. When appropriate, the program will conduct briefings and provide educational information for decision-makers and recommend items for the City's legislative agenda regarding these services.

Status: This is not a separate program, but is part of our overall legislative and educational activities.

P-103 Citywide Legislative Policy on Homeless

Implement City's legislative policies on the homeless, including identification of temporary inclement weather shelters, and provision of services for the homeless shelters.

Status: LAHSA implemented the Overnight Year Round Shelter Program (YRP) in 2003 to supplement the Winter Shelter Program. The YRP provides temporary shelter and case management to homeless persons throughout the year.

SHELTER PARTNERSHIP, INC.

P-104 Support for Homeless Re-Entry (SHORE) Program

This program distributes bus tokens to over 30 agencies in Central Los Angeles to provide homeless persons with case management supervision to promote their successful transition to stability. The SHORE program enables homeless persons to access services such as job training, job interviews, employment, education, health care, social services, and other services necessary to obtaining self-sufficiency and permanent housing.

Status: Originally started in 1994 as a 14-month demonstration program, Shelter Partnership successfully worked for renewal of the program, which is still in operation. The program currently serves 21 agencies with \$350,000 in annual support from the MTA.

P-105 The Shelter Resource Bank

The Shelter Resource Bank project solicits and distributes more than \$5 million each year in new, excess merchandise to over 200 homeless shelter and social service agencies in Los Angeles County. The project provides on a regular basis desperately needed new goods to these front-line agencies, entirely free of charge. Product donors receive above-cost tax deductions, free up warehouse space, and participate in corporate philanthropy. In recent years, our donations program has been expanded to include major area community-based organizations servicing people in dire poverty. To date the project has secured over \$60 million in new, usable merchandise.

Status: Ongoing. The Bank provides non-perishable goods, such as personal hygiene products, diapers, blankets and mattresses. Both national and local companies contribute to this project. The Bank secures more than \$10 million annually in new goods. To date the Bank has secured more than \$150 million in new goods to distribute to more than 230 agencies serving homeless shelters and social services agencies and permanent housing serving the homeless in LA County.

P-106 Technical Assistance to Homeless Housing Providers

This program provides technical material and developmental assistance to shelter operators and serve providers working with homeless people. Continue to fund Shelter Partnership, Inc. to provide this program throughout Los Angeles City.

Status: Through on-going technical assistance, Shelter Partnership works to build the capacity and effectiveness of individual agencies providing short-term and transitional housing for homeless people. They also work with agencies to create permanent housing with supportive services for homeless people. For agency capacity-building, training and instruction is offered in such areas as fundraising and how to start a shelter. To support the operations of an agency, Shelter Partnership assists in the development of funding plans, identifies funding sources for programs, and provides guidance in completing specific funding applications.

Through this one-on-one work with homeless housing agencies, Shelter Partnership is helping to build the capacity of Los Angeles County's homeless services and housing system. At the same time, Shelter Partnership provides technical assistance to governmental agencies and funders in order to give guidance on where there are needs across the community and how to design and support effective programs for homeless persons. Shelter Partnership's work has often led to the creation of new programs.

LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH (DMH)

P-107 County Supportive Housing for Persons with Mental Disabilities

The County of Los Angeles has contracted with two non-profit housing developers to work with community-based mental health providers to develop affordable housing for persons with mental disabilities.

Status: Ongoing. In 2005 the Department of Mental Health was awarded \$2 million in Shelter plus Care funding for supportive housing in the City of Los Angeles. In 2004, California voters passed Proposition 63, the Mental Health Services Act, which provides additional funding for services and housing for persons with mental illness. The County is in the planning stages for use of Mental Health Services Act funding for supportive housing.

Los Angeles County's Mental Health Services Act plan was submitted in October 2005 and approved in February 2006. It included \$11.6 million for a housing trust fund for the development of new permanent supportive housing for individuals for psychiatric disabilities particularly those who are homeless or living in Residential Care Facilities, Institutions for Mental Disease, and other settings. The County's total MHSA budget for the 2007-2008 fiscal year was \$244,805,000, representing about 28% of statewide MHSA funding.

On August 6, 2007, the California Department of Mental Health (CDMH) and the California Housing Finance Agency (CalHFA) launched the Mental Health Services Act (MHSA) Housing Program that provides funding to support capital development and capitalized operating subsidies for supportive housing for individuals with psychiatric disabilities and their families.

Los Angeles County will be allocated a total of \$115,571,200 for three and a half years for the development of permanent supportive housing; \$75 million for capital development including rehabilitation and \$40 million for capitalized operating subsidies. MHPA Housing Program funds can only finance one-third of the total cost of housing development. The capital development allocation of \$75 million will therefore leverage a minimum of \$150 million of other public and private housing funds.

P-108 County Mental Health Clinics Homeless Services

The Los Angeles County Department of Mental Health provides services to persons with mental disabilities who are homeless at more than 17 directly operated mental health centers. Homeless services offered include: crises, mental health treatment, case management, community outreach, vocational/work centers, day care and appropriate supportive services.

Status: Ongoing, although threatened with budget cuts.

P-109 Contract Operated Services Homeless Mental Health Program

The County of Los Angeles Department of Mental Health contracts with about 193 community-based agencies to make available a wide-range of mental health related services. Services include outreach inpatient beds, information and referral, psychiatric emergency response, outpatient and other mental health services, drop-in centers, day care programs, and community residential treatment programs.

Status: Ongoing, although threatened with budget cuts.

P-110 County-Operated Homeless Services

The Los Angeles County Department of Mental Health, through its general mental health treatment program, provided resources/services to persons who are homeless or at risk of becoming homeless last year. Services/resources included emergency shelter beds, outreach and specialized programs to make the transition from homelessness; i.e., drop-in centers and supportive services for consumers in shelters and transitional programs. The Department plans to continually enhance the existing services provided to mentally ill consumers who are homeless.

Status: Ongoing. Plans for program expansion are underway with support from the Proposition 63 Mental Health Services Act. Program enhancements include planning for persons with co-occurring disorders.

ADDITIONAL PROGRAMS

LOS ANGELES HOUSING DEPARTMENT

P-111 Downtown Rebound Planning Grant

Facilitate development of infill housing through developing site inventories, project specific feasibility studies and strategic action plans to remove barriers and promote infill housing and mixed-use development; and

Facilitate updating of ordinances to encourage adaptive reuse, higher density residential development, and mixed-use development.

Boundaries of the study area are those of the Central City Community Plan Area (as defined by the City of Los Angeles Department of Planning).

Status: All work initiated under this grant was completed in previous years.

CITY PLANNING DEPARTMENT

P-112 Amend the Zoning Code to Create a New Residential Zone

Pursuant to direction by the City Council and the Housing Crisis Task Force, the Planning Department is developing a new residential zone that permits incidental commercial use a building's ground floor. The new zone will increase the allowable floor area of residential buildings on commercial boulevards and mixed use corridors that are in Height District 1 from 1.5:1 to 3:1 at a density of up to 108 units per acre. The new zone will be completed in 2002. The City anticipates rezoning mixed-use boulevards that are adjacent to transit corridors, to the new zone.

Status: The new residential zone, known as the "Residential and Accessory Services" (RAS) zone, was adopted by the City Council and became effective in January 2003. The zone increases the allowable floor area, reduces setback requirements, and relaxes other regulations for mixed-use projects. The new ordinance has proven to be extremely effective. From January 1 through December 31, 2007, 12 cases using this zone were filed for a total of 1,820 housing units.

P-113 Inventory Update Program

The Planning Department will conduct an annual review of the status of sites listed in the land inventory and their use/reuse to accommodate the City's share of the regional housing need by income level. Should sites identified in the land inventory be used for other than residential purposes, lower density or if development is not proceeding at a pace to allow accommodation of the regional housing need by the end of the planning period, the element will be revised to identify alternative sites and/or additional incentives will be provided to facilitate the reuse, recycling, or redevelopment of existing sites for residential purposes. If alternative sites or incentives are required, such programs or sites will be identified within a 12-month period.

Status: The Planning Department is coordinating with the Department of Building & Safety to track all identified sites in the inventory. Permits, certificates of occupancies, and building use codes are being collected and tracked in an excel spreadsheet. By the end of the inventory period, if there is a diminution of housing units on the identified sites, the department will modify any necessary programs to compensate for the loss in housing units.

P-114 Adequate Sites

The Planning Department will coordinate efforts to facilitate development of sites identified in the land inventory with the Housing Department, local developers including the nonprofit community, and other related stakeholders. Such coordination will include but not be limited to: the elimination of impediments in the processing of housing development projects, the development of non-discretionary regulatory incentives for affordable housing, the development of new residential zones to promote housing near transit, development of urban infill housing strategies, and the development of an inclusionary housing ordinance.

Status: The Planning Department is coordinating with other departments to create incentives and remove barriers to the development of infill housing. Many ordinances have been adopted which facilitate the development of residential sites (see P-80, above).

C. Progress toward mitigating governmental constraints identified in the housing element

SPECIFIC PLANS

1. The Avenue 57 TOD Specific Plan was adopted in 2002, which provides incentives for housing around the Gold Line Metro Rail subway station. The Ordinance provides development incentives for residential as well as mixed-use projects, including a 15% reduction in parking within 1500 feet of the transit station, and additional floor area for housing projects.
2. The LA Sports and Entertainment District Specific Plan was adopted in 2001. It provides for 870,000 square feet of residential use, in proximity to the Staples Center and entertainment complex.
3. Vermont Station Neighborhood Area Plan was adopted in 2001. This Specific Plan created neighborhood plans around each of the Red Line Metro Rail station stops along Vermont Avenue. The Ordinance promotes housing near the subway stations, as well as in and around other pedestrian oriented uses such as a major college, and commercial and retail stores along Vermont Avenue.

DEVELOPMENT STANDARDS

1. The City adopted a number of amendments to the City's Parking Codes, including but not limited to amending the regulation of space width and tandem parking. The revisions were adopted on September 12, 2007 and became effective on November 5, 2007.
2. An exhaustive set of planning fees are promulgated and enforced via the Planning Fee Ordinance. This Ordinance became effective on July 22, 2007.
3. In late 2006, the City adopted the Eldercare Facilities Ordinance. This Ordinance provides developmental standards for Alzheimer's/Dementia Care Housing, Assisted Living Care Housing, Senior Independent Housing and Skilled Nursing Care Housing. The Ordinance also creates a single approval process for these, facilitating the processing of applications of Eldercare Facilities.

4. On September 12, 2007, the City extended the Residential Hotel Interim Control Ordinance. This extension provides additional time for City Housing and Planning officials to develop and adopt the City's permanent Residential Hotel Ordinance in 2008.
5. The City adopted a new mixed-use zone, which provides a 100% increase in floor area for mixed-use projects in commercial corridors. Mixed-use projects permitted under this zone are primarily residential, in that the zone permits commercial use only on the ground floor. The remainder of the project must be residential. The new zone (Residential and Accessory Services zone) became effective in January 2003. From January 1 through December 31, 2007, 12 cases using this zone were filed for a total of 1,820 housing units. The Department of City Planning is currently reviewing the zone to evaluate the efficacy of permitting additional uses on additional stories in mixed use projects.
6. With the implementation of SB 1818 and the draft implementing ordinance approved by the City Council Planning and Land Use Management Committee (with full City Council approval anticipated in early 2008), projects providing affordable housing are eligible for incentives which waive development standards that impede the production of affordable housing.

Conditions of Approval

While development approvals continue to be subject to reviews by various City departments, the City established an Expedited Processing Section (EPS) in 2004 for housing projects. New housing projects that are processed via EPS are now ready for public hearing within approximately 90 days. This timeframe is a significant improvement in the processing of new housing projects. From January 1 through December 31, 2007, EPS processed over 9,500 housing units.

In addition, City officials have evaluated and considered additional streamlining opportunities in order to further shorten not only approval time, but also the number of City agencies involved in processing conditions of approval. It is anticipated that a proposed reduction in the number of departments involved in the process to be announced and further vetted in 2008.¹

Parking Requirements

General Parking requirements for the City are outlined in Section 12.21 (General Provisions) of the L.A. Municipal Code. The number of parking spaces is determined by the number of dwelling units and the number of rooms in each. Two parking spaces are required for a single-family dwelling. At least one parking space is required for a dwelling of less than three habitable rooms; and two parking spaces for dwelling units of more than three habitable rooms. Reduced parking may be allowed for senior citizen housing projects under the L.A. Municipal Code,

¹ On March 25, 2008, the Mayor of Los Angeles announced plans to streamline, the so-called "12 to 2" approach, the number of departments involved in processing approvals and permits. The Departments of Planning and Building and Safety will coordinate all development approvals and permits. Details of the plan will be developed throughout calendar year 2008.

Section 12.24 C1.1 (g) with a conditional use permit. Frequently, shared parking plans are approved allowing commercial and residential users to utilize the same parking areas at different times of day. Additionally, as explained above, reduced parking is permitted for all affordable units created pursuant to the State's density bonus law, pursuant to the ordinance adopted in 2007.

The City adopted the Elder Facilities Ordinance on November 1, 2006. This Ordinance facilitates the reduction of parking spaces for various types of housing for seniors and otherwise defines previously undefined uses of eldercare facilities. In addition, this Ordinance provides developmental standards for Alzheimer's/Dementia Care Housing, Assisted Living Care Housing, Senior Independent Housing and Skilled Nursing Care Housing and also creates a single approval process for these, facilitating the processing of applications of Eldercare Facilities.

Guest Parking Requirements

Guest parking is not required for affordable housing units in the City. While frequently required for condominiums, in parking impacted areas in the City, the requirement does not apply to "by-right" projects and is generally waived for discretionary projects located in proximity to transit (rail or bus).

Affordable Housing Incentives

The City is currently considering an inclusionary housing ordinance in the Coastal Zone (approved by the City Planning Commission in 2007, with full City Council approval pending in 2008). In addition, the draft ordinance implementing the State's new density program, SB 1818, was approved by the City Council Planning and Land Use Management Committee with full City Council approval pending in early 2008.

In addition, the City successfully advanced in the legislative process for adoption of its density bonus ordinance. The final adoption of the procedures for implementing the State Density Bonus requirements, as set forth in California Government Code Sections 65915-65918 is expected in early calendar year 2008.²

Expedited Processing. (See Conditions of Approval section)

Permit Processing Procedures – See Affordable Housing Incentives section

HISTORIC DISTRICTS

There are a number of historic districts in the City. Such areas are generally characterized by single-family zoning and developed with single-family homes. The historic development regulations govern remodeling projects as well as new construction of single-family homes. These ordinances create a coherent and uniform set of regulations for distinct communities and intend to improve them as cultural and historic resources as well as maintaining affordability in such neighborhoods.

RENT STABILIZATION

² The City of Los Angeles' Density Bonus Ordinance was adopted on February 20, 2008 (Ordinance Number: Ordinance Number: 179,681. The Ordinance's effective date is April 15, 2008.

In response to the declining supply of RSO units, and the hardships faced by displaced tenants, the Los Angeles City Council approved an ordinance to alleviate the negative pressures on tenants and units. Effective July 16, 2007, the Los Angeles Municipal Code Section 151.28 of the Rent Stabilization Ordinance (RSO) will incorporate a provision of the Ellis Act, which regulates the replacement of a demolished rent stabilized unit with new rental housing. The amendment states that owners of RSO rental property may only remove units if they do not intend to re-rent within a five year period, otherwise the new units remain subject to the RSO. This rule eliminates tactics used to circumvent the RSO whereby landlords or developers invoked their Ellis Act rights and demolished RSO units, only to later rebuild rental units that were exempt from the RSO. While the law allows building owners to set the initial rents at market rate for the new units, all subsequent increases are limited by the annual percent prescribed by the RSO.

Owners may apply for exemption if they qualify under any of the following:

- (1) Set aside up to 20 percent of the new replacement units as affordable housing units with recorded covenants that keep the units affordable for 30 years;
- (2) Have occupied the demolished building which consisted of four or fewer rental units for three years prior to the demolition of the building.

Another protection enacted in 2007 is the increased relocation payments that landlords must pay tenants subject to no-fault evictions, demolitions and condominium conversions. Prior to the increase, the payments were \$3,450 for an eligible tenant and \$8,550 for a qualified tenant. The new fee structure is as follows:

| Type of Tenant | Less than 3 years of tenancy | 3 or more years of tenancy | Less than 80% AMI ³ |
|------------------------|------------------------------|----------------------------|--------------------------------|
| Eligible | \$6,810 | \$9,040 | \$9,040 |
| Qualified ⁴ | \$14,850 | \$17,080 | \$17,080 |

The new relocation payments are calculated based on moving costs as well as the rent differential for one year in the case of eligible tenants, and two years in the case of qualified tenants. The rent differential between an RSO unit and a market rate unit is intended to help tenants find replacement housing in the City amid rising housing costs.

³ HUD's Area Median Income Limits. In 2007, the 80% AMI for a family of 4 in the City of Los Angeles was \$59,200.

⁴ A qualified tenant is someone who is 62 years of age or over, is disabled or has minor dependent children.



POLICY & PLANNING UNIT
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Antonio R. Villaraigosa, Mayor
Mercedes Márquez, General Manager

HOUSING POLICY
DEVELOPMENT, HCD

APR 03 2008

April 1, 2008

Ms. Cathy E. Creswell, Deputy Director
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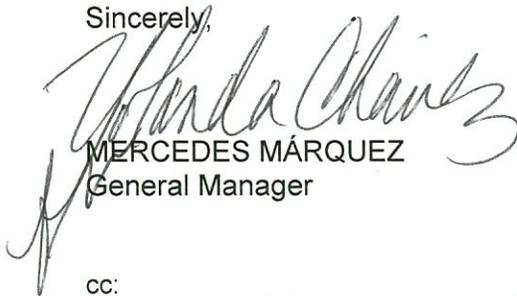
RE: Annual Progress Reports – CY 2007

Dear Deputy Director Creswell:

The enclosed Annual Progress Report (Housing Element 1998 - 2006) is herein submitted in fulfillment of the General Plan Report requirement pursuant to Section 65400 of the California Government Code. In the event that any of the City's department's involved in the updating of the information included in this Annual Progress Report submit additional information subsequent to the April 1 submission date, we will update the report and forward it directly.

Should you have any questions regarding the content of the enclosed report, please contact Rebecca Ronquillo of my staff. Ms. Ronquillo can be reached by phone at: (213) 808-8648, or via email at: rronquillo@lahd.lacity.org

Sincerely,



MERCEDES MÁRQUEZ
General Manager

cc:

Helmi A. Hisserich, Deputy Mayor of Housing and Economic Development Policy
S. Gail Goldberg, Director of Planning

Enclosure:

CY 2007 Annual Progress Report on the Implementation of the City Los Angeles'
Housing Element

