DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

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December 20, 2021

Mei-Mei Cheng City of Los Angeles Deputy City Attorney – Housing Division 200 North Spring Street, 21st Floor Los Angeles, CA 90012

Dear Mei-Mei Cheng:

RE: Los Angeles State Density Bonus Law - Letter of Technical Assistance

The purpose of this letter is to provide technical assistance on the application of State Density Bonus Law (SDBL) (Gov. Code, § 65915). The California Department of Housing and Community Development (HCD) has reviewed your request for technical assistance contained in an email dated September 28, 2021 and responded to your questions below.

Project Description

HCD understands that the owner of the A-1 Trailer Park, located at 1280 Pacific Coast Highway in Los Angeles, proposes to close the mobile home park and redevelop the site. The redevelopment of the site would involve the construction of a new 354-unit mixed-use development. The development would include a density bonus as provided for under the SDBL.

Question 1: Does an occupied mobile home count as a rental "dwelling unit" subject to the replacement provisions of the State Density Bonus Law (SDBL)?

Census Definition. HCD uses the definition of "housing unit" provided by the U.S. Census Bureau. Housing unit is defined as "a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or if vacant, is intended for occupancy) as separate living quarters." Per the definition, a mobile home is considered a housing unit. HCD uses this definition for planning purposes such as the Regional Housing Needs Allocation (RHNA) and Housing Elements. HCD also employs this definition for housing creation reporting purposes, such as the Annual Progress Report (APR) that is submitted by all local agencies annually to the State. For this reason, HCD interprets that the replacement provisions of the SDBL (Gov. Code, § 65915, subd.

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¹ https://www.census.gov/quickfacts/fact/note/US/HSG010219

(c)(3)) apply to mobile homes as they would to other types of homes. Note that other statutory definitions support this. (See, e.g., Gov. Code, § 65852.2, subd. (j)(1)(B); Health & Saf. Code, §§ 18003.3, 19970.)

Housing Crisis Act of 2019. In addition to the replacement provisions of the SDBL, the Housing Crisis Act of 2019 (Gov. Code, § 66300) requires that residential dwelling units that are or were occupied by lower- or very low-income households within the past five years be replaced.

Question 2: Is a vacant mobile home rental pad (i.e., without a mobile home on top) a rental "dwelling unit" subject to replacement under California Government Code section 65915?

HCD does not consider a vacant mobile home rental pad to be a housing unit subject to the replacement provisions of the SDBL if the pad has not been occupied by a mobile home at any point within the five-year period preceding the application.

Question 3: How should the number of units vacated or demolished in the five years preceding the application be determined in the absence of records?

It is the responsibility of the applicant to provide evidence to the local agency to support their claim as to the number of mobile home rental pads that have been occupied by a mobile home within the five years preceding the application. Based on the survey conducted in April 2019 for the Park Closure Report, it appears that at least 46 units would be subject to replacement. The SBDL states that "the proposed housing development shall provide at least the same number of units of equivalent size as existed at the highpoint of those units in the five-year period preceding the application to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as those persons and families in occupancy at that time, if known." (Gov. Code, § 65915, subd. (c)(3)(B)(ii).) Additional sources of evidence for the number of units that existed at the "highpoint" may include financial records, utility data, aerial imagery, etc.

Conclusion

HCD interprets that occupied mobile homes and mobile home rental pads that have been occupied by a mobile home within the last five years are "rental dwelling units" subject to the replacement provisions of the SDBL. A variety of data may be used to establish the five year "highpoint" regarding the number of occupied mobile homes and mobile home rental pads. Additionally, HCD would like to draw attention to the replacement and relocation requirements contained in the Housing Crisis Act of 2019 that may also apply to the proposed redevelopment of the site.

Mei-Mei Cheng, Deputy City Attorney Page 3

If you have questions or need additional information, please contact Brian Heaton, of our staff, at Brian.Heaton@hcd.ca.gov.

Sincerely,

David Zisser

Assistant Deputy Director

Local Government Relations and Accountability