The lack of affordable housing across the City of Los Angeles (City) has significant consequences. It creates economic and personal distress for Angelinos, and far too often, puts individuals and families one crisis away from becoming homeless. Moreover, it has a significant impact on the regional economy. A 2019 report by McKinsey Global Institute estimated that the shortage of affordable housing depresses Gross Domestic Product across the Los Angeles metro area by more than 2 percent, translating into \$18 billion to \$22 billion in lost output every year for the City.

Under the most recent Regional Housing Needs Assessment allocation, the City is required to provide the zoned capacity to accommodate the development of at least 455,577 additional residential units by 2029 using various land use planning strategies. If the City is committed to facilitating this significant demand for more housing, the departments that are responsible for approving new housing development must examine inefficiencies in the pre-development and permitting process.

Current practice allows housing developments as well as other projects to be entitled by the Department of City Planning (DCP), but a verification to ensure that the proposed plans are consistent with the Zoning Code only occurs once the applicant submits for building permits through the Department of Building and Safety (BAS).

The development industry uses the term "Late Hit" to describe a situation where a project is determined to be non-compliant with the Zoning Code after having received entitlements for the project. When "Late Hits" occur, the applicant is required to return to DCP and seek more entitlements very late in the clearance and planning process. The consequences can include long delays, additional preconstruction entitlement costs, and other jeopardies to the project

DCP and BAS should work together to change this process and prioritize zoning verification for housing projects prior to accepting application submissions. In line with other efforts to streamline affordable housing development, zoning verification should be completed for all projects by dedicated Zoning Staff prior to application filing.

The completion of early zoning verification prior to cases being submitted to DCP will ensure zoning code compliance from a project's inception and expedite the pre-construction process, thereby improving efforts to address the City's significant housing shortage as well as preventing "Late Hits" for all projects.

I THEREFORE MOVE THAT THE CITY COUNCIL direct the Department of Building and Safety (BAS) and Department of City Planning to develop a plan within 90 days to ensure that project zoning review assessments are conducted separately from the other BAS plan check review processes and within a dedicated zoning review section. Furthermore, this zoning review should be completed prior to the submission of the entitlement process with priority given to initiating implementation of this change for affordable and mixed-income housing developments within 180 days.

PRESENTED BY

MARK RIDLEY-THOMAS Councilmember, 10th District SECONDED BY

MARQUEECE HARRIS-DAWSON Councilmember, 8th District

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