

## **EXECUTIVE DIRECTIVE NO. 7**

Issue Date: November 8, 2023

## **Subject:** Streamlining and Accelerating Housing Production

Los Angeles is grappling with one of the most severe housing crises among major U.S. cities. Decades of restrained housing production is reflected by high rents, overcrowded conditions, and increasing housing instability. The most dire consequences are displacement and homelessness as climbing rents lead to the threat of evictions, which escalate the city's homelessness crisis and plunge more Angelenos into economic hardship. The shortage of housing that is affordable and accessible spans every corner of our city and has highlighted the deepening disparities within our communities. The trajectory of our city's future, as well as the overall well-being and economic prosperity of Angelenos hinges upon our collective commitment to confront the housing crisis facing Los Angeles. The urgent imperative for increased housing stability, affordability, and equity has never been more evident.

Los Angeles has made efforts in recent years to stimulate housing production and incentivize affordable housing; however, there is much more work to be done. Our current housing crisis is decades in the making, the accumulated result of low levels of housing production and restrictive land use regulations, going back through the 1980s and beyond. In response to the 2013-2021 Regional Housing Needs Assessment (RHNA), the City of Los Angeles reached less than half of its target for very low and low income housing units and less than 10% of the target for moderate income housing units. To date, the City is on track to meet only 40% of the targets under the current 2021-2029 RHNA for all income levels.

To address the challenges before us, we must employ a multi-faceted, coordinated, and effective approach to produce needed housing more quickly. This approach will remove barriers to housing production, especially for projects that provide affordable housing units, by making more housing project approvals ministerial, and by addressing delays and barriers in the permitting process. In addition, our efforts will facilitate the reuse of existing buildings that currently stand vacant, and provide relief from lengthy CEQA



processes while still ensuring that projects undergo meaningful and necessary environmental review.

Therefore, I hereby order, that:

- 1. The Department of City Planning shall report to my office with recommendations to reduce the need for discretionary review of housing projects, including the preparation of a draft ordinance to raise the site plan review threshold. The Planning Department shall consider potential additional criteria or standards including minimum affordable housing set-asides. The Planning Department shall also consider the development of additional required objective design standards for these projects, either as a part of this draft ordinance or in a separate ordinance, to enhance the City's standard of review for new multi-family housing projects in the city.
- 2. The Department of City Planning shall update the City's thresholds of significance used to evaluate temporary construction noise impacts for analysis prepared pursuant to the California Environmental Quality Act (CEQA).
- 3. The Department of City Planning shall explore all available CEQA streamlining tools to meet the City's Regional Housing Needs Assessment (RHNA) obligations and to make the development community aware of these tools.
- 4. The Department of City Planning shall report, within 90 days, to my office, on barriers to the development of for-sale housing, and propose ways that the City can better encourage the development of for-sale housing and support home ownership opportunities through land use and zoning tools.
- 5. The Department of Building and Safety, in consultation with the Fire Department, shall report, within 60 days, to my office, on current building code requirements that are impeding conversion of existing buildings into housing, and potential changes to those requirements that can facilitate building conversions while still maintaining needed protections for health and safety.

The above actions will increase the predictability and speed of housing development review in the city, including mixed-income housing.

To streamline the permitting process for ministerial and post-entitlement projects, I further order, that:

- 6. The following City departments form an Executive Directive 7 Interdepartmental Working Group led by the Mayor's Office of Business and Economic Development, in cooperation with the Mayor's Office of Housing and Homelessness Solutions:
  - Department of City Planning
  - Department of Building and Safety
  - Department of Recreation and Parks

- Department of Transportation
- Department of Water and Power
- Department of Public Works:
  - Bureau of Contract Administration
  - Bureau of Street Lighting
  - Bureau of Engineering
  - Bureau of Sanitation
  - Bureau of Street Services
  - Urban Forestry Division
- Los Angeles Fire Department
- Los Angeles Housing Department
- 7. The Executive Directive 7 Interdepartmental Working Group shall focus on organizational and procedural improvements, pre-development review, and interdepartmental permit clearance coordination including developing materials and processes to assist in navigation of the entire permitting and clearance process for Affordable and Qualified Mixed-Income Housing projects.
  - a. The working group shall meet on a regular recurring basis and shall coordinate with other permit streamlining efforts, as directed by my Executive Directives 1 and 4, to ensure efficiency of interdepartmental coordination and avoid duplication of efforts.
  - b. To facilitate the timeline reductions referenced below, working group representatives shall report to my office within 60 days on implementation of priority processing initiatives for affordable and qualified mixed-income housing projects. This report shall include:
    - i. Identification of existing priority processing units or sections for affordable and mixed-income housing.
    - ii. Implementation plans for creating such units if they do not currently exist.
    - iii. Identification of existing processing steps and times for permits and clearances for housing projects, including affordable, mixed-income, and market rate projects.
    - iv. Detailed identification, to inform the budget process for the 2024/25 fiscal year, of the staff, contractual services, and equipment needs for supporting priority processing initiatives and reducing permitting timelines for qualified mixed-income housing projects as defined within this Executive Directive.
  - c. Ongoing and on a quarterly basis, the General Managers shall report to my office processing times for qualified mixed-income housing projects as well as all housing projects to demonstrate progress toward expediting targets defined above.
  - d. Additionally, on a quarterly basis, the General Managers of the Planning Department, the Department of Building & Safety, and the Housing Department shall report to my office on housing and affordable housing units entitled and permitted, including affordability levels.

- e. After the 180 days, the working group shall produce a report to my office and the City Council on barriers identified, milestones reached, and future initiatives.
- 8. The Executive Directive 7 Interdepartmental Working Group shall reduce processing timelines for permit and clearance related services between 25% and 30% respectively for qualified mixed-income housing projects.
  - a. For the purposes of this provision, qualified mixed-income housing projects means housing development projects of five or more units that contain at least 20% lower income restricted affordable housing units (Extremely Low Income, Very Low Income, or Low Income) or 40% income restricted affordable units at Moderate Income.
- 9. To support the above directives, and to improve the permitting process for all kinds of projects, I further direct all applicable City departments to identify and accelerate the ongoing development of technological initiatives, including but not limited to BuildLA and the LA Permitting System, to expand Development Service Center counter services, and improve upon timeframes and coordination of permitting development projects.<sup>1</sup>

Executed this 8th day of November, 2023

KAREN BASS Mayor

<sup>&</sup>lt;sup>1</sup> Supersedes Executive Directive No. 30 (Garcetti Series)