

**INFORMATION RE:
AFFORDABLE UNIT DETERMINATION
CALIFORNIA GOVERNMENT CODE §§65915, 65915.5, AB 2222, as amended by AB 2556**

In order to receive a building permit for a density bonus project that involves the demolition or conversion of rental units and/or construction on vacant land where rental units were demolished/converted within five years, an owner must first comply with the housing replacement provisions of California Government Code §§65915, 65915.5 as amended by AB 2222 and 2556, which were signed into law by Governor Brown on September 27, 2014 and August 19, 2016, respectively. California Government Code §§65915, 65915.5 requires owners of density bonus projects resulting in a loss of existing and in some cases, prior existing housing units, to replace these units on a one-for-one-basis, extends the affordability period of all density bonus projects from 30 years to 55 years from the date of Certificate of Occupancy, and expands the use of equity sharing in for-sale units to low, very low and moderate income households.

The first step in meeting the new obligations is to complete an application for an Affordable Unit Determination with the Los Angeles Housing + Community Investment Department (HCIDLA). Once completed, a Land Use Analyst will conduct a determination as to potential affordable units. Information about the existing property for the five years prior to the date of the owner's permit request is required in order to make a determination. Affordability is primarily measured by: **income level of the tenants**. The existing property's affordability status must be fully supported by reliable documentary evidence such as employer pay stubs. In the absence of income documentation: (1) For density bonus projects, the Land Use staff will make a determination that rental units were last occupied by 49% very low income and 18% low income households pursuant to the U.S. Department of Housing and Urban Development's (HUD) Comprehensive Housing Affordability Strategy (CHAS) database. (2) For transit oriented communities (TOC) projects, the determination breakdown will be 30% extremely low income, 19% very low income, and 18% low income. All replacement calculations resulting in fractional units shall be rounded up to the next whole number. The bedroom size of the existing units and the proportionality of the bedroom sizes of the new units will be considered to determine the bedroom types of the replacement units.

This information, along with information provided by any existing tenants, will be used to determine whether affordable units currently exist and need to be replaced. Tenant information can take four to six weeks to receive and process. For Discretionary projects, an Affordable Unit Determination will be given to the Planning Department concerning the conditions which must be met for prior to granting a building permit on the project. For By-right projects, a determination letter will be given to the owner prior to completing the land use covenant.

It is owner's responsibility to obtain all the required documentation verifying the tenant income and the project's rental and occupancy. Failure to provide sufficient documentation within 30 days of the Affordable Unit Application date will result in the delay in processing the land use covenant which will also result in the delay in pulling the building permit.

It will take approximately 6 to 8 weeks upon receipt of all the required documents including all applicable fees to review and evaluate an Affordable Unit Determination, although a complex project may take longer. In addition, AB 2556 receipts are issued within 5 to 7 days upon receipt of all the required documents. Please keep this in mind when planning your timeline.

For additional questions about the AB 2556, please contact the Los Angeles Housing + Community Investment Department at HCIDLA.LandUse@LACity.org.



**APPLICATION FOR AN AFFORDABLE UNIT DETERMINATION
CALIFORNIA GOVERNMENT CODE §§65915, 65915.5, AB 2222, as amended by AB 2556**

To receive an Affordable Unit Determination, please complete the following and attach all required documentation. Please attach an explanation for any information you are unable to provide. Please put project address at the top of all attachment pages submitted.

HIMS # _____ <i>(For internal use only)</i>
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AB2556 Processing Fees

Number of Units	Total Fee	Check Amount:	
Per Unit Fee: _____ per unit		Check #:	
		Check Date	

Property Owner

Name: _____		Contact Person: _____	
Address: _____			
Phone: _____	Fax: _____	Cell: _____	Email: _____

Owner Contact

Name: _____		Title: _____	
Address: _____			
Phone: _____	Fax: _____	Cell: _____	Email: _____

Applicant (if different from Owner)

Name: _____		Contact Person: _____	
Role in Property: _____		Address: _____	
Phone: _____	Fax: _____	Cell: _____	Email: _____

Project Type (Check all that apply): DB TOC PSH JJJ SB35 AB 2162
Proposed Project Type (Check one): Apartment Condo

Description of PROPOSED construction/conversion:

Building Permit Application Number(s): _____
If no Building Permit Application, please explain: _____
City Planning Dept. Case #(s) and Tentative Tract #(s): _____



EXISTING PROPERTY (include ALL existing buildings in complex - attach additional pages if needed)

APN Number(s):
Lot Number(s):
Does this property have a Certificate of Occupancy issued on or before October 1, 1978?
Does this property have a lot tie?

Building Address/Unit #s:	# of Bedrooms in Each Unit	# of Units in Building
Add Total Units in Complex:		

Description of existing units, buildings or APN

Miscellaneous project details, notes, comments, etc.



Required Documents

Please mail or email to: **Los Angeles Housing + Community Investment Department**

Applicant's Affidavit + Owner's Acknowledgment (with attached letter signed by owner of record and notarized)

Letter of Application (signed by Owner and must include addresses, description of existing units, bedroom types, APNs, scope of work [e.g. if units are being demolished, renovated, or not demolished], and description of the proposed project)

Grant Deed (Recorded)

Ellis documents, tenant relocation documents (RSO units), if available

City Planning Determination and/or Vesting/Tentative Tract Letters, if project has one

Planning and Land Use Unit
1200 W. 7th Street, 8th Floor
Los Angeles, California 90017
HCIDLA.LandUse@LACity.org

****IMPORTANT - SUBORDINATIONS WILL BE REQUIRED, IF APPLICABLE****

OWNER UNDERSTANDS THAT ANY CITY LAND USE COVENANT GENERATED FOLLOWING THE COMPLETION OF THIS DETERMINATION, MUST BE SENIOR TO ANY DEED(S) OF TRUST RECORDED AGAINST THE REAL PROPERTY ON WHICH OWNER'S PROPOSED PROJECT WILL SIT AND THAT OWNER IS RESPONSIBLE FOR OBTAINING SIGNATURES FROM THEIR RESPECTIVE LENDER(S) FOR ANY REQUIRED SUBORDINATION(S). INITIAL HERE: _____

All documentation must be received within 30 days of the date this application was signed by Owner. For additional questions, please contact HCIDLA at HCIDLA.LandUse@LACity.org

Date: _____
<p>_____ Signature of Owner</p> <p><i>Under penalty of perjury, I certify that the information presented in this application is true and accurate to the best of my knowledge. Title 18, Section 1001 of the U.S. Code states that a person is guilty of felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</i></p>



Date: _____

To: Los Angeles Housing + Community Investment Department (HCIDLA)
Planning and Land Use Unit Section - Affordable Unit Determination
1200 W. 7th Street, 8th FL
Los Angeles, California 90017

Re: _____
Address (including apartment or unit number/s)

(All APN Numbers)

OWNER'S AFFIDAVIT
(Use when owner is the applicant)

[circle one: a LLC, LP, corporation,
other: _____ ("Owner") hereby certifies that:

- (1) Owner is the legal owner of the above-referenced real property ("Property"); and
- (2) That the person(s) identified below ("Authorized Signatory/ies") has/have been legally authorized to sign on its behalf as evidenced by the separate instrument(s) attached herewith; and
- (3) The documents furnished to HCIDLA in conjunction herewith, represent the full and complete information required for the Affordable Unit Determination requested for the Property and that the facts, statements and information presented are true and correct to the best of its knowledge and belief.

Owner declares under penalty of perjury under the State of California that the foregoing is true and correct.

***Attach California Notary Public Acknowledgement**

Executed on _____ at _____, California
(Date) (City)

Print Full Name of Authorized Signatory/ies: _____

Signature of Authorized Signatory/ies: _____

(additional signature lines may be added as needed)



Date: _____

To: Los Angeles Housing + Community Investment Department (HCIDLA)
Planning and Land Use Unit Section - Affordable Unit Determination
1200 W. 7th Street, 8th FL
Los Angeles, California 90017

Re: _____
Address (including apartment or unit number/s)

(All APN Numbers)

APPLICANT’S AFFIDAVIT AND OWNER’S ACKNOWLEDGMENT
(Use when Applicant and Owner are separate entities)

[circle one: an LLC, LP, corporation,
other: _____ (“Applicant”) hereby certifies that:

(1) Applicant is the potential future developer of the above-referenced real property (“Property”) owned by _____ [circle one: an LLC, LP, corporation,
other: _____ (“Owner”); and

(2) That the person(s) identified below (“Authorized Signatory/ies”) has/have been legally authorized to sign on Owner’s behalf as evidenced by the separate instrument(s) attached herewith; and

(3) The documents furnished to HCIDLA in conjunction herewith, represent the full and complete information required for the Affordable Unit Determination requested for the Property and that the facts, statements and information presented are true and correct to the best of its knowledge and belief.

Applicant declares under penalty of perjury under the State of California that the foregoing is true and correct.

***Attach California Notary Public Acknowledgement**

Executed on _____ at _____, California
(Date) (City)

Print Full Name of Authorized Signatory/ies: _____

Signature of Authorized Signatory/ies: _____

(additional signature lines may be added as needed)

OWNER'S ACKNOWLEDGMENT:

Owner and/or Applicant must also attach hereto:

A letter from the Owner [on business letterhead as applicable] to the City, attesting to ownership of the Property and confirming that Applicant is the potential future developer of the Property, that Owner is aware of, has no objections to, and authorizes the Applicant to submit an Affordable Unit Determination to HCIDLA for its Property.

- If the Owner is an LLC, the letter must be signed by all Managers or Managing Members.
- If the Owner is a LP, the letter must be signed by all General Partners.
- If the Owner is a Corporation, the letter must be signed by the CEO and Secretary or Chief Financial Officer.