

1910 Sunset Blvd, Ste 300 Los Angeles, CA 90026 Tel: 213.808.8808 housing.lacity.org Ann Sewill, General Manager Tricia Keane, Executive Officer Daniel Huynh, Assistant General Manager Anna E. Ortega, Assistant General Manager Luz C. Santiago, Assistant General Manager

March 21, 2024

Dear Development Community Partners,

Pursuant to Mayor Karen Bass's Executive Directive 1 (ED1), all "100 Percent Affordable Housing Projects" must meet the eligibility and affordability criteria set forth in ED1 and/or in the applicable implementation guidelines in order to qualify for the benefits set forth in ED1. Explained below and in the attached "Property Owner Declaration of Eligibility for Executive Directive 1" is the process by which projects can confirm ED1 eligibility.

Notice to Property Owners

As stated in the "Implementation Guidelines for Executive Directive 1: Expedition of Permits and Clearances for Temporary Shelters and Affordable Housing Types" (Implementation Guidelines), to qualify as a "100 Percent Affordable Housing Project," a project must meet the following criteria:

- The project must include five or more units and be offered for rent (as opposed to an affordable for-sale project);
- All units must be covenanted as affordable units (excluding any manager's unit(s));
- All units must be affordable at either 80 percent of Area Median Income (AMI) or lower (U.S. Department of Housing and Urban Development (HUD) rent levels) OR at a mixed income with up to 20 percent of the units at 120 percent AMI (California Department of Housing and Community Development (HCD) rent levels) and the balance at 80 percent AMI or lower (HUD/TCAC rent levels).

Projects qualifying under ED1 shall meet the planning and zoning requirements as stated in the Executive Directive, and shall follow the income verification steps pursuant to the LAHD Process for Verification of Affordability for ED1.

If a project changes at any time in the review and construction process such that it no longer meets ED1 eligibility criteria, the project becomes disqualified from ED1 streamlining and all prior determinations become inapplicable. The Implementation Guidelines further detail the affordability and eligibility criteria. In the event of any conflict between ED1 or the Implementation Guidelines and the information provided above, ED1 and the Implementation Guidelines shall control.

Unless the project has a fully-executed affordability covenant, regulatory agreement, or other documentation allowed under the Implementation Guidelines, all property owners shall submit a declaration (Declaration) confirming that the project is a 100 Percent Affordable Housing Project that is eligible for the benefits provided by ED1. Such declaration may be submitted concurrently with any other application materials, and shall not otherwise delay the commencement of application processing. Such declaration shall be complete and include all information required herein, shall attach all required documents, and shall be signed by the owner or authorized signatory on behalf of the ownership entity. If affordability covenants are not recorded against the property within 12 months of the submission of this Declaration, the property owner shall be required to submit an updated Declaration confirming the ongoing eligibility of the project and shall be required to keep the Declaration updated every 12 months thereafter until applicable covenants are recorded.

Contacts

For questions regarding ED1 income requirements and to submit this declaration, please email the completed declaration form and all the required documents to the LAHD Land Use Section at <u>lahd-landuse@lacity.org</u>.

For questions about City Planning processes and requirements, contact the Los Angeles City Planning Development Services Centers. To schedule an appointment, use BuildLA. Alternatively, email questions to the Metro Development Services Center at <u>Planning.figcounter@lacity.org</u> or the Van Nuys Development Services Center at <u>Planning.mbc2@lacity.org</u>.

For questions about building permit processes and requirements, contact the Department of Building and Safety's Affordable Housing Section (AHS) via email at <u>ladbs.ahs@lacity.org</u>. AHS helps expedite the permitting process for affordable housing development projects by streamlining and providing flexibility in the submittal procedures.

Sincerely,

and sender

Ann Sewill, General Manager Los Angeles Housing Department

Ann Sewill, General Manager Tricia Keane, Executive Officer

Daniel Huynh, Assistant General Manager Anna E. Ortega, Assistant General Manager Luz C. Santiago, Assistant General Manager



Karen Bass, Mayor

LOS ANGELES HOUSING DEPARTMENT 1910 Sunset Blvd, Ste 300 Los Angeles, CA 90026 Tel: 213.808.8808

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PROPERTY OWNER DECLARATION OF ELIGIBILITY FOR EXECUTIVE DIRECTIVE 1

Requirements

Before a project can be reviewed under ED1, the owner of each property involved must provide this signed Declaration to confirm project eligibility and to verify that the project Declaration is being filed with their knowledge unless the project has a fully-executed affordability covenant, regulatory agreement, or other documentation allowed under the Executive Directive 1 Implementation Guidelines. The property owner shall also submit complete project information including project identifying information and the unit and AMI breakdown projected as of the date the Declaration is executed. This information shall be set forth on this form and/or in the format provided below.

Staff will confirm ownership based on the records from the Los Angeles City Engineer or Los Angeles County Assessor. If the property is owned by more than one individual (e.g. John and Jane Doe or Mary Smith and Mark Jones), signatures are required of all owners. In the case of partnerships, corporations, LLCs, or trusts, an officer of the ownership entity so authorized may sign as set forth below.

Ownership Information

To document property ownership, the property owner shall attach the following documents, as applicable:

- <u>Ownership Disclosure</u>. If the property is owned by a partnership, corporation, LLC, or trust, a disclosure identifying an officer of the ownership entity shall be submitted. The disclosure shall list the names and addresses of the principal owners (25 percent interest or greater). The signatory must appear in this list of names. A letter of authorization (LOA), as described below, may be submitted provided the signatory of the letter is included in the Ownership Disclosure. The property owner shall include a copy of the current partnership agreement, corporate articles, or trust document as applicable as an attachment to this Declaration.
- <u>Letter of Authorization</u>. An LOA from a property owner granting someone else permission to sign the application form may be provided if the property is owned by a partnership, corporation, LLC, or trust, or in rare circumstances when an individual

property owner is unable to sign the application form. To be considered for acceptance, the LOA shall indicate the name of the person being authorized to file, their relationship to the owner or project, the site address, a general description of the type of application being filed, and the language contained in Statement Nos. 1-12 contained in the "Property Owner Declaration" section below. In the case of partnerships, corporations, LLCs, or trusts, the LOA must be signed and notarized by the authorized signatory as shown on the Ownership Disclosure or in the case of private ownership by the property owner. Proof of Ownership for the signatory of the LOA must be submitted with said letter.

• <u>Grant Deed.</u> Provide a Copy of the Grant Deed if the ownership of the property does not match City Records and/or if the application is for a Coastal Development Permit. The Deed must correspond exactly with the ownership listed on the application.

Project Information

Provide the following project information that is current as of the date of the submittal to the Los Angeles Housing Department (LAHD) of this Declaration. The unit information and breakdown of the AMI levels shall be that which is projected as of the date of execution of the Declaration.

Identifying Information for Project

Street Address:

Legal Description (Lot, Block, Tract):

Assessor's Parcel Number:

Project Description:

Unit and AMI Breakdown (anticipated):

Description	Units	To be subject to a regulatory agreement or recorded covenant? (Y/N)	Which entity is anticipated to hold the regulatory agreement or recorded covenant? (HCD, LAHD, TCAC, etc.)
Total number of housing units (entire project)			
Total number of housing units reserved as manager unit(s)			
Total number of housing units restricted to acutely low income (15% AMI) or below			
Total number of housing units restricted to extremely low income (16- 30% AMI)			
Total number of housing units restricted to very low income (31-50% AMI) or below			
Total number of housing units restricted to lower income (51-80% AMI) or below			
Total number of housing units restricted to moderate income (81- 120% AMI) or below			
Total number of housing units that will not be formally restricted to occupancy by households at low or moderate income levels			

Will every restricted unit be subject to a recorded covenant or regulatory agreement?

Yes _____ No_____

Property Owner Declaration

I, as the owner or authorized signatory on behalf of the ownership entity, hereby declare as follows:

- 1. I am the owner of record of the property described herein, which is located in the City of Los Angeles and which is involved in this development proposal, or I have been empowered to sign as the owner on behalf of a partnership, corporation, LLC, or trust as evidenced by the documents attached hereto.
- 2. The ownership and project information provided on the form herein or attached to this Declaration is complete and correct;
- 3. I have read and understand the above section entitled "Notice to Property Owner";
- 4. The proposed project consists of at least (5) five residential units;
- 5. The proposed project is a "100 Percent Affordable Housing Project" as that term is defined in Executive Directive 1 (ED1) and/or in the "Implementation Guidelines for Executive Directive 1: Expedition of Permits and Clearances for Temporary Shelters and Affordable Housing Types." As such, the proposed project consists either of all units affordable at 80 percent Area Median Income (AMI) or lower (using U.S. Department of Housing and Urban Development (HUD) rent levels) OR at a mixed income with up to 20 percent of the units at 120 percent AMI (California Department of Housing and Community Development (HCD) rent levels) and the balance at 80 percent AMI or lower (HUD/TCAC rent levels);
- 6. The proposed project will be offered for rent, and is not an affordable or otherwise forsale project;
- 7. The proposed project will meet all planning and zoning requirements as set forth in ED1 and/or the Implementing Guidelines, and will follow the income verification steps required pursuant to all applicable Los Angeles Housing Department Processes for Verification of Affordability for ED1.
- 8. The proposed project does not require legislative action (e.g., General Plan Amendment, Zone Change, Height District Change, etc.), does not require deviation from development standards (e.g., adjustment, variance, specific plan exception, waiver of dedication/improvement, etc.), a Coastal Development Permit, or Subdivision Map Act approval. I acknowledge and understand that the project cannot be reviewed under ED1 if it requires any such actions or is located in a single-family or more restrictive zone;
- 9. I acknowledge and understand that, if at any point during the review, approval, construction, and/or post-approval process, the proposed project changes such that it

would no longer qualify for ED1, I, directly or through an authorized representative, shall inform the applicable City departments;

- 10. I acknowledge and understand that any such changes to the proposed project that cause it to no longer qualify for ED1 may render all prior approvals and determinations inapplicable as determined by the applicable City department, and new applications, referral forms, or other processes, including additional fees or the payment of previously waived fees, may be required as determined by the applicable City department;
- 11. I acknowledge and understand that requiring new applications, referral forms, or other processes, may result in the proposed project re-starting all applicable processes outside of the ED1 process and will be subject to the timelines applicable for such non-ED1 processes; and
- 12. I acknowledge and understand that violations of this Declaration may result in the revocation of approvals, permits, or other authorizations that have been issued, the denial of any such applications that are pending, and/or the imposition of other penalties that may be applicable.

By my signature below, I declare under penalty of Perjury under the laws of the State of California that the foregoing statements are true and correct.

Executed on this ____ day, of _____, 20____, at _____ (city), _____ (state/province), ______ (country).

Signature: _____

Print Name: _____

Add additional signatures as necessary