GAVIN NEWSOM, Governor

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT 2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



March 28, 2024

Lisa Webber, AICP, Deputy Director of Project Planning City of Los Angeles 200 North Spring Street, Suite 525 Los Angeles, CA 90012

Dear Lisa Webber:

RE: Los Angeles AB 2097 Implementation – 12124 Pacific Avenue – Letter of Technical Assistance

Thank you for providing clarification on the circumstances surrounding the proposed project at 12124 Pacific Avenue (Project). The California Department of Housing and Community Development (HCD) previously provided a Letter of Technical Assistance relating to this Project on November 17, 2023 (attached). The purpose of this letter is to expand upon the technical assistance provided in the previous letter.

As you are aware, Public Resources Code (PRC) section 21155, subdivision (b) – which serves as the basis for the definition of public transit in Assembly Bill (AB) 2097 (Chapter 459, Statutes of 2022) – defines major transit stops as equivalent to those in PRC section 21064.3, "except that, for purposes of this section, it also includes major transit stops that are *included in the applicable regional transportation plan*" (emphasis added). This indicates that any major transit stop that is identified in a regional transportation plan (RTP) can and should serve to qualify nearby sites for the purposes of AB 2097. The law does not distinguish between planned and existing major transit stops, or indeed place any qualifiers on the major transit stops other than their "inclusion" within the RTP. Therefore, a site that qualifies on the basis of its proximity to a major transit stop that is included in the RTP does not need to meet the 15-minute qualification standard of PRC section 21064.3, nor should it be evaluated for that purpose.

In the context of the Project, the Venice Boulevard/Centinela Avenue stop is shown in (i.e., is "included in") the 2020 Southern California Association of Governments (SCAG) Regional Transportation Plan.¹ SCAG staff has confirmed that this stop qualified as a planned major transit stop for the 2020 plan based on the methodology employed at the

¹ Page 75 of the Connect SoCal 2020 Transit Technical Report. Connect SoCal 2020 is the current RTP for the SCAG region and will remain in effect until it is next updated.

time of its adoption. This stop is therefore currently considered a major transit stop for the purposes of AB 2097.

During a meeting between HCD and the City on February 27, 2024, City staff explained that the City is hesitant to process the Project application because it is currently updating/syncing various other local programs that rely on designated transit stops to establish project eligibility. In consultation with SCAG, the City is studying various methodologies that can be used to identify and categorize transit stops. While HCD recognizes the importance of these long-range planning efforts, they do not constitute a legal basis to deny the Project applicant the benefits of AB 2097 to which they are entitled. The City must confirm the applicant's eligibility under the law in writing and without further delay.

HCD remains committed to supporting the City of Los Angeles in implementing state law and hopes the City finds this clarification helpful. HCD would also like to remind the City that HCD has enforcement authority over AB 2097, among other state housing laws. Accordingly, HCD may review local government actions and inactions to determine consistency with these laws. If HCD finds that a city's actions do not comply with state law, HCD may notify the California Office of the Attorney General that the local government is in violation of state law (Gov. Code, § 65585, subd. (j).) If you have questions or need additional information, please contact David Ying at <u>david.ying@hcd.ca.gov</u>.

Sincerely,

Shannan West Housing Accountability Unit Chief

Enclosure: Letter of Technical Assistance RE: Los Angeles AB 2097 Implementation, November 17, 2023

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November 17, 2023

Lisa Webber, AICP, Deputy Director of Project Planning City of Los Angeles 200 North Spring Street, Suite 525 Los Angeles, CA 90012

Dear Lisa Webber:

RE: Los Angeles AB 2097 Eligibility – Letter of Technical Assistance

HCD received a request for technical assistance from Jeffer Mangles Butler & Mitchell LLP (JMBM) on September 27, 2023, regarding the application of Assembly Bill (AB) 2097 (Chapter 459, Statutes of 2022). AB 2097 limits the ability of a public agency to impose minimum automobile parking requirements for residential, commercial, or other qualifying development projects if they are located within one-half mile of public transit, as defined. The purpose of this letter is to provide technical assistance for the benefit of both the City of Los Angeles (City) and JMBM.

Project Description and Background

HCD understands that the proposed Project,¹ located at 12124 Pacific Avenue, would provide 74 housing units, including 11 units affordable to very low-income households. The Project application, which was submitted on November 10, 2022, was approved by the City Planning Commission on August 23, 2023. After the Project was approved, the applicant became aware of the provisions of Government Code section 65863.2 (i.e., AB 2097). The applicant currently seeks to use this statute as a basis to terminate an existing parking covenant on the property. In email discussions that HCD has reviewed, the City has taken the position that the Project is not eligible under AB 2097 because it relies on a *planned* transit stop, rather than an existing transit stop, to establish eligibility under the law. The City does not dispute that the project site is located within one-half mile of the planned Venice Boulevard/Centinela Avenue major transit stop, as shown in the regional transit plan (RTP) adopted by the Southern California Association of Governments (SCAG).

¹ City permit number CPC-2022-8256-CU-DB-PHP-HCA

Interpretation of AB 2097

Government Code section 65863.2 requires that eligible projects be located within 0.5 miles of "public transit" to qualify for the parking exemption. "Public transit," in this instance, means a "major transit stop" as defined in Section 21155 of the Public Resources Code. The definition of "major transit stop" referenced in Public Resources Code section 21155, subdivision (b), provides the following:

"A major transit stop is as defined in Section 21064.3, except that, for purposes of this section, *it also includes major transit stops that are included in the applicable regional transportation plan.*" (Emphasis added)

Finally, Public Resources Code section 21064.3 defines a major transit stop per the following:

"Major transit stop" means a site containing any of the following:

- (a) An existing rail or bus rapid transit station.
- (b) A ferry terminal served by either a bus or rail transit service.
- (c) The intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods. (Emphasis added)

Therefore, the question at hand is: Can a planned "major transit stop," as identified in an RTP, serve to qualify a site for a parking exemption pursuant to AB 2097, despite the fact that bus service frequency interval cannot yet be observed and therefore verified?

The answer is "yes," for the following reasons. First, Public Resources Code section 21155, subdivision (b), does not condition the eligibility of planned major transit stops on their current existence. The statute only specifies that the stops be "included" in the applicable region's RTP (in this case, SCAG's). It is presumed that planning documents, by their very nature, will anticipate future infrastructure and conditions that do not yet exist.

Second, it is reasonable to assume that by referencing Public Resources Code section 21155, subdivision (b), the Legislature intended for the law to include both current and planned major transit stops. Had the Legislature intended for the parking exemption to apply only to major transit stops that currently exist, it could have defined applicability using only Public Resources Code section 21064.3.

Lisa Webber, AICP, Deputy Director of Project Planning Page 3

Conclusion

In summary, HCD finds that the project is within the one-half mile radius of a major transit stop and therefore meets the basic eligibility requirements for a parking exemption under AB 2097. HCD remains committed to supporting the City of Los Angeles in achieving planning objectives and hopes the City finds this clarification helpful. If you have questions or need additional information, please contact David Ying at <u>david.ying@hcd.ca.gov</u>.

Sincerely,

Shannan West Housing Accountability Unit Chief