

# INTERIM MOTEL CONVERSION ORDINANCE

BACKGROUND & FREQUENTLY ASKED QUESTIONS – September 6, 2017



## SUMMARY

The Department of City Planning has drafted an Interim Motel Conversion (IMC) Ordinance to promote creative and cost-effective strategies to expand housing solutions for persons experiencing homelessness. If adopted, it would streamline the approval process to allow existing motels and hotels to be retrofitted and used for supportive and transitional housing for an interim period depending upon the terms of the service contract.

## BACKGROUND

Homelessness continues to be a major challenge facing the City of Los Angeles. The Los Angeles Homeless Authority (LAHSA) count in January 2017 found that approximately 34,189 people are experiencing homelessness in the City of Los Angeles, an increase of 20% from 2016. Complementing a series of strategies aimed at addressing homelessness, the City has identified the use of motels and hotels for supportive and transitional housing as one solution to address the immediate need for housing.

Hotels and motels present an opportunity to utilize existing structures to respond to immediate housing need. These buildings are structurally similar to residential buildings, and have the potential to be quickly adapted to provide interim housing through publicly-funded programs. Measure H, a County-wide measure adopted in March 2017, has expanded the availability of funding to provide rental assistance and supportive services to residents of supportive and transitional housing. County-funded programs will help facilitate the use of hotels and motels for supportive and transitional housing on an interim basis. Once properties are no longer participating in a program to provide supportive and transitional housing, they may be returned to their previous use.

## KEY PROVISIONS

The proposed ordinance is designed to address any potential barriers projects may encounter when participating in a program to provide supportive and transitional housing, including barriers created by Zoning Code regulations. Summarized below are the key provisions of the proposed ordinance.

**Definitions.** The following definitions would be added to the City's Zoning Code:

- **Supportive Housing**, defined as housing for individuals with low incomes and one or more disabilities, including homeless individuals, which is linked to onsite or offsite supportive services.
- **Transitional Housing**, defined as housing provided for a period of no more than 24 months, for individuals with low incomes and one or more disabilities, including homeless individuals, that is linked to onsite or offsite supportive services. It is designed to provide shelter and help stabilize individuals until they are able to move into a more permanent housing solution.
- **Supportive Services**, defined as services that are provided on a voluntary basis to residents of supportive housing and transitional housing, to assist the individual in obtaining and maintaining their housing.

**Contract Requirement.** All projects must maintain a contract to provide supportive housing and/or transitional housing, and associated supportive services and rental assistance. Supportive services may be provided onsite or offsite. The City anticipates that motels and hotels would maintain a contract to provide supportive housing and/or transitional housing for a minimum period of 15 years.

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**Preservation of Nonconforming Rights.** Projects will be allowed to be used for supportive and/or transitional housing as long as a contract to provide supportive and/or transitional housing is maintained.

- Any existing buildings which are not in conformance with the current zoning – including density, parking, and use regulations – would be allowed to be used for this purpose without needing additional planning entitlements.
- When the contract to provide supportive and/or transitional housing expires, buildings would be required to revert to their previous use, or any use allowed by the current zoning regulations.

## **Physical Alterations.**

- Projects would be eligible to make minor physical alterations to the interior of the existing structure, for example by adding kitchenettes to individual units or by converting existing floor area to supportive service and case management areas.
- Projects would not be allowed to make any alteration or addition that would create additional units or expand the building's floor area, footprint, or height.

**Residential Hotels.** Properties that are currently subject to the City's Residential Hotel Unit and Conversion Ordinance (RHO) are eligible to participate. All approvals or clearances concerning change in use and/or physical alterations (including any potential reduction in the number of Residential Hotel Units) will be handled by the Housing and Community Investment Department (HCID) in accordance with the provisions of the RHO. Participation in the program will not lead to any increase in the number of Residential Hotel Units at the property once the contract term of the program has been completed.

**Rent Stabilization Ordinance.** Projects shall be able to apply for an exemption from the City's Rent Stabilization Ordinance (RSO) so long as a contract to provide supportive and/or transitional housing is maintained and adhered to.

## **FREQUENTLY ASKED QUESTIONS**

### ***What is the difference between supportive housing and transitional housing?***

Transitional housing is a housing intervention that provides homeless individuals and families with the interim stability and support to successfully move into and maintain permanent housing, typically within a period of 6 to 24 months. Supportive housing provides indefinite rental assistance and supportive services to assist homeless persons with a disability achieve housing stability. Residents of supportive housing maintain a written lease to their unit. Both transitional housing and supportive housing incorporate supportive services such as mental health treatment, addiction therapy and vocational training.

### ***Why are motels suitable for use as this type of housing?***

Hotels and motels provide an opportunity to utilize existing facilities within communities to provide housing and services for families and individuals experiencing homelessness. Agencies specializing in providing housing and supportive services for the homeless are able to convert existing high-density buildings once used for temporary lodging as hostels or motels into transitional housing and supportive housing. The modifications needed to transition to this new use are able to be completed on a much quicker timeline than it typically takes to construct new housing units.

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## ***How is this different from the proposed Permanent Supportive Housing Ordinance?***

The proposed Permanent Supportive Housing (PSH) ordinance is intended to remove regulatory barriers that impair the construction of new supportive housing projects. The PSH ordinance will help to implement the City's larger goal of constructing 10,000 units of PSH over the next ten years. In the meantime, the IMC ordinance will allow existing underutilized motels and hotels to be retrofitted and used for transitional housing and supportive housing. To help provide for more immediate solutions that can provide housing options in the near-term, the IMC ordinance is intended to facilitate creative, cost-effective and time-sensitive solutions to increasing the City's supply of transitional and supportive housing.

## **ORDINANCE ADOPTION PROCESS**

The draft ordinance will go through a multi-step process before it can become law. First, the Department will hold a series of information sessions during the middle of September (see the Department's website under *What's New* for the times and dates). Next, staff will hold two Public Hearings scheduled for September 25<sup>th</sup> and 28<sup>th</sup> (see the Department's website under *Ordinances > Proposed Ordinances*) where official testimony will be taken. The ordinance will then go to the City Planning Commission (CPC), which is likely to be held in November 2017. From there, the ordinance is scheduled for the appropriate City Council Committees, who will consider the CPC recommendation and recommend that it is forwarded to the City Attorney for form and legality. The final proposed ordinance will then be voted on by the full City Council.

## **ADDITIONAL INFORMATION**

If you have any questions or comments, please contact Cally Hardy at [cally.hardy@lacity.org](mailto:cally.hardy@lacity.org) or (213) 978-1643. Comments submitted prior to **the end of the day on October 30, 2017** will be considered for the staff recommendation report. Comments submitted after this time should also be directed to the City Planning Commission ([cpc@lacity.org](mailto:cpc@lacity.org)).