



Land Use NEWSLETTER ■

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The Build Better LA Initiative—More Affordable Housing and Labor Agreements?

By Ed Casey and Andrea Warren

As you may have learned from the news, a coalition of labor and affordable housing advocates recently announced it may seek to place the “Build Better LA Initiative” (“labor initiative”) on the City of Los Angeles ballot in November 2016 that may require a large class of residential projects in the city to include a significant percentage of residential units that are affordable for low income households. The labor initiative may also require that contractors building those projects ensure a certain percentage of their workforce includes residents of the city and require contractors to pay their workers a standard wage. The labor initiative effort is separate and distinct from a concurrent ballot initiative effort that would impose a citywide building moratorium for two years. The labor initiative appears not to apply to certain categories of projects.

The labor initiative’s key provisions include:

- Requiring all projects with 10 or more residential units that also require a General Plan amendment or a zone or height district change that will increase density to include a certain percentage of affordable residential units. The labor initiative provides for alternative compliance options, including the construction or acquisition of off-site affordable units or payment of an in-lieu fee.
- Requiring these residential projects to be built by contractors who: (1) are licensed and certified as required by the state and the city; (2) will make a good-faith effort to ensure that at least 30 percent of the workforce hours are performed by permanent residents of the city, including at least 10 percent whose primary place of residence is within a five-mile radius of the covered project; (3) pay their construction workers standard wages in the project area; and (4) employ 60 percent of their workforce from an apprenticeship training program or from workers who have on-the-job experience.
- Dividing the city into 37 planning areas and preventing any updates to the community plans for those areas unless the city can guarantee such changes will not “reduce the capacity for creation and preservation of affordable housing and access to local jobs.”

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- Not restricting the city from adopting a General Plan amendment for projects that are constructed by contractors who follow the requirements listed above if those projects provide affordable residential units exclusively for low or very low income households, or those projects are located (1) in a certain regional center of the city; (2) in a downtown center; (3) in an industrial center; or (4) within a half-mile of a major transit stop.
- Creating development incentives for transit-oriented projects within a half-mile radius of major transit stops, if those projects include a certain percentage of affordable residential units or are constructed by contractors who follow the requirements listed above.

Alston & Bird is working with various coalitions concerning the labor and building moratorium initiatives, including the Los Angeles Chamber of Commerce. If you would like more information about either initiative or their potential impacts, please contact [Ed Casey](mailto:ed.casey@alston.com) at 213.576.1005 or [Andrea Warren](mailto:andrea.warren@alston.com) at 213.576.2518.

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