



Planning for Housing in Los Angeles

Matt Glesne - Housing Planner
Department of City Planning
Citywide Policy Planning



Los Angeles
Department
of City Planning

What is Affordable Housing?

- Any housing affordable to low-income resident, i.e. 80% Area Median Income (AMI)
- When new, refers to income-restricted housing, including:
 - Subsidized (Federal, State, Local)
 - Non-Subsidized (land use incentives like density bonus, etc.)
- But need to make all housing more affordable to meet housing needs of residents

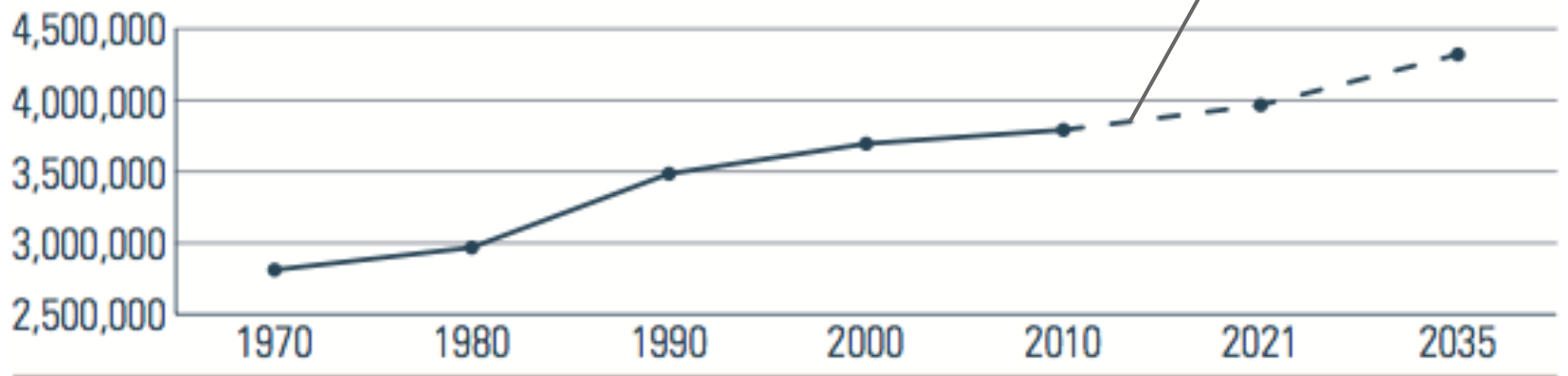
Why is Housing Affordability Important?

- For Households
 - Where you live determines a lot
 - Where will our parents live, our kids?
 - Huge source of wealth
 - Decency, dignity
- Economics
 - Attract employees
 - Attract businesses
 - Spending power
- Sustainability
 - Contain sprawl
 - Improve mobility
 - Air quality



LA Housing Needs: 500,000 new Angelenos by 2035

CHART 1.1
Population Trends and Projections, 1970-2035



Per SCAG:

- Need 240,000 new housing units by 2035
- Need 82,000 from 2013-2021

Future Jobs in LA Don't Pay Much

Q:
Where
will LA
workers
live?

Top 10 Projected Job Openings in Los Angeles, 2008-2018

Occupation	Job Openings	Median Income
Personal & Home Care Aides	76,900	\$20,890
Cashiers	48,830	\$19,396
Retail Salespersons	46,180	\$21,028
Waiters and Waitresses	38,650	\$19,085
Registered Nurses	28,990	\$80,890
Customer Service Representatives	27,650	\$34,467
Office Clerks, General	26,520	\$27,325
Laborers, Freight, Stock, and Material Movers, hand	25,610	\$22,763
Combined Food Preparation and Serving Workers	24,000	\$18,928
Elementary School Teachers	21,930	\$58,186

85%
pay
< \$35k

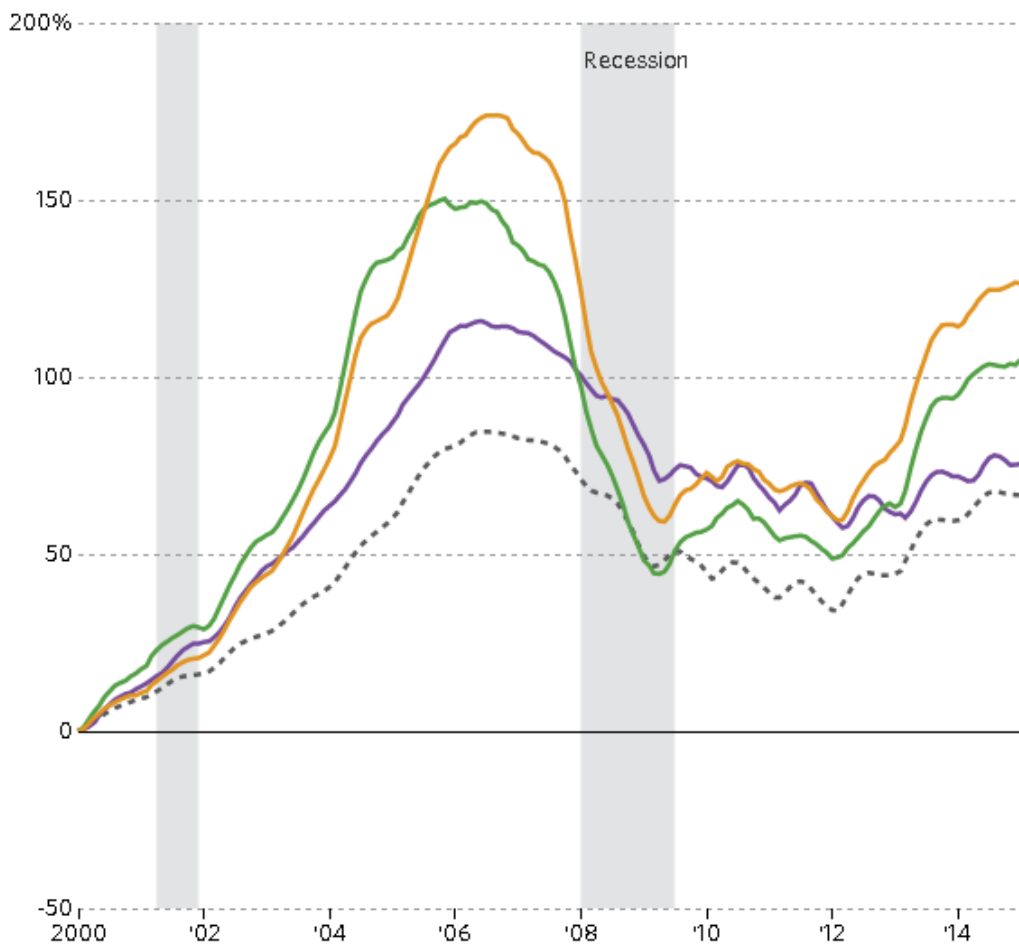
Source: California EDD

Housing Costs Rising Fastest in LA

Case-Shiller index for various cities

Cumulative change from 2000

■ U.S. average ■ San Diego ■ Los Angeles ■ New York



Refine Selection

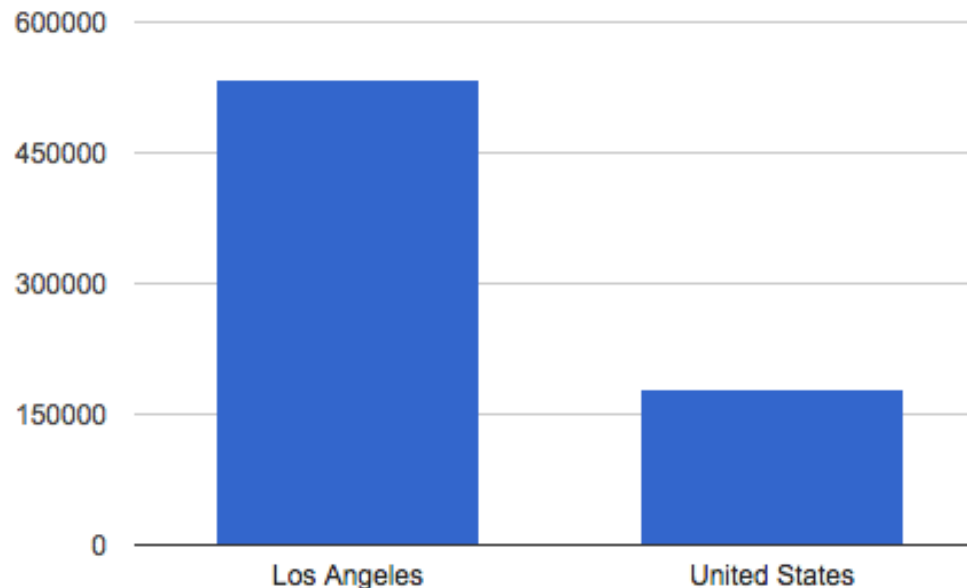
View up to 3 at a time

- Atlanta
- Boston
- Charlotte
- Chicago
- Cleveland
- Dallas
- Denver
- Detroit
- Las Vegas
- Los Angeles
- Miami
- Minneapolis
- New York
- Phoenix
- Portland
- San Diego
- San Francisco
- Seattle
- Tampa
- Washington

Costs WAY Beyond Historical Averages

- In 1960, average home in LA cost about 25% above US
- In 2014, LA is 200% higher than US (or 3x):

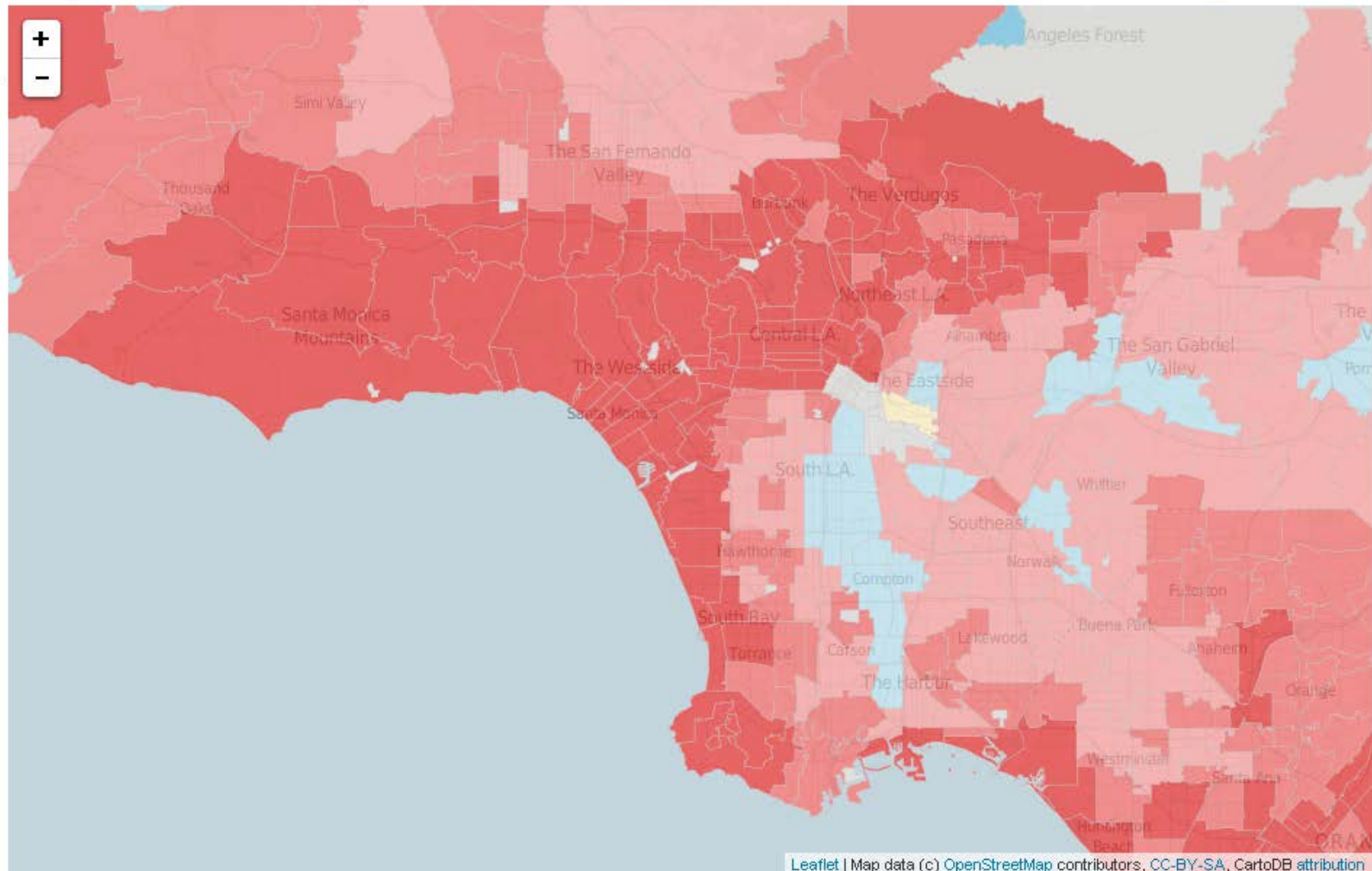
\$540,000 (LA) vs. \$180,000 (US)



Average LA City Household (\$48k) Can't Afford the City

You're opting to spend \$1,212 a month on housing

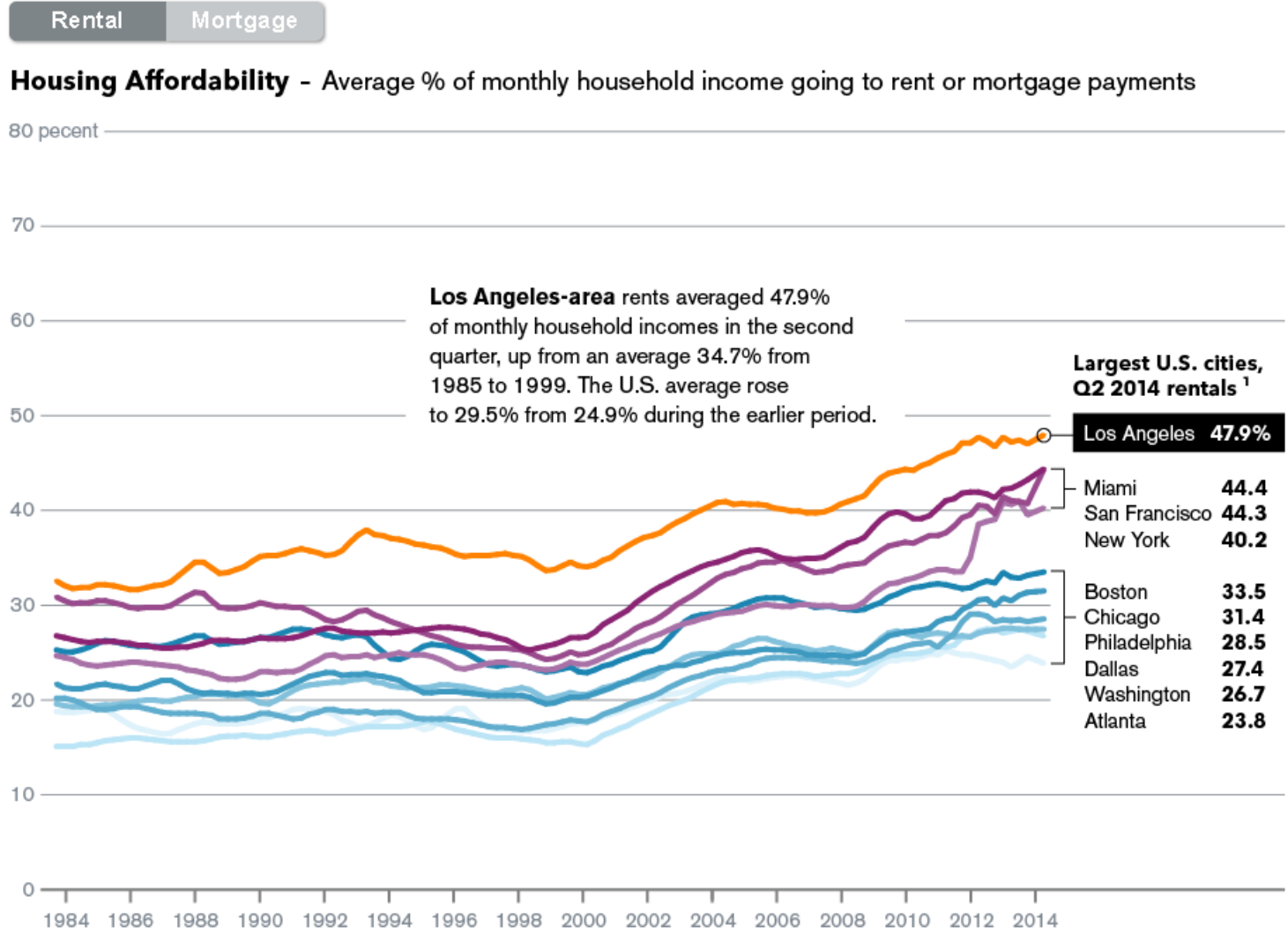
Cheaper to own ■ ■ ■ Cheaper to rent ■ ■ Difficult to afford ■ ■ No data ■ Show: Own Rent



LA: Most Unaffordable City in US

1984:
32% of
income
spent on
housing

2014:
48%



Middle Income Families Now Being Hit

Percentage of households that are rent burdened, by income bracket (% , 2000 & 2012)

Median Income = ~\$50k



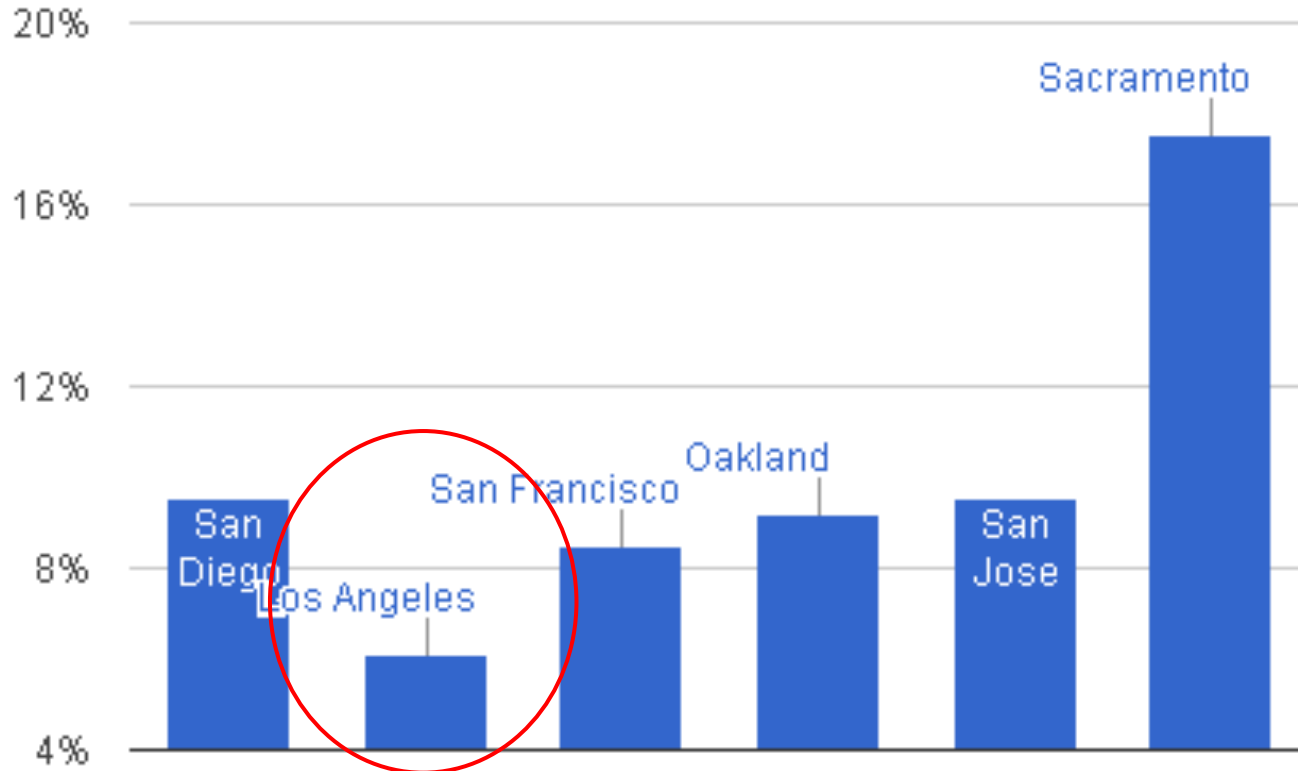
Source: US Census 2000 and ACS 2012 5 yr est.

Overcrowding - LA is 1st in Nation

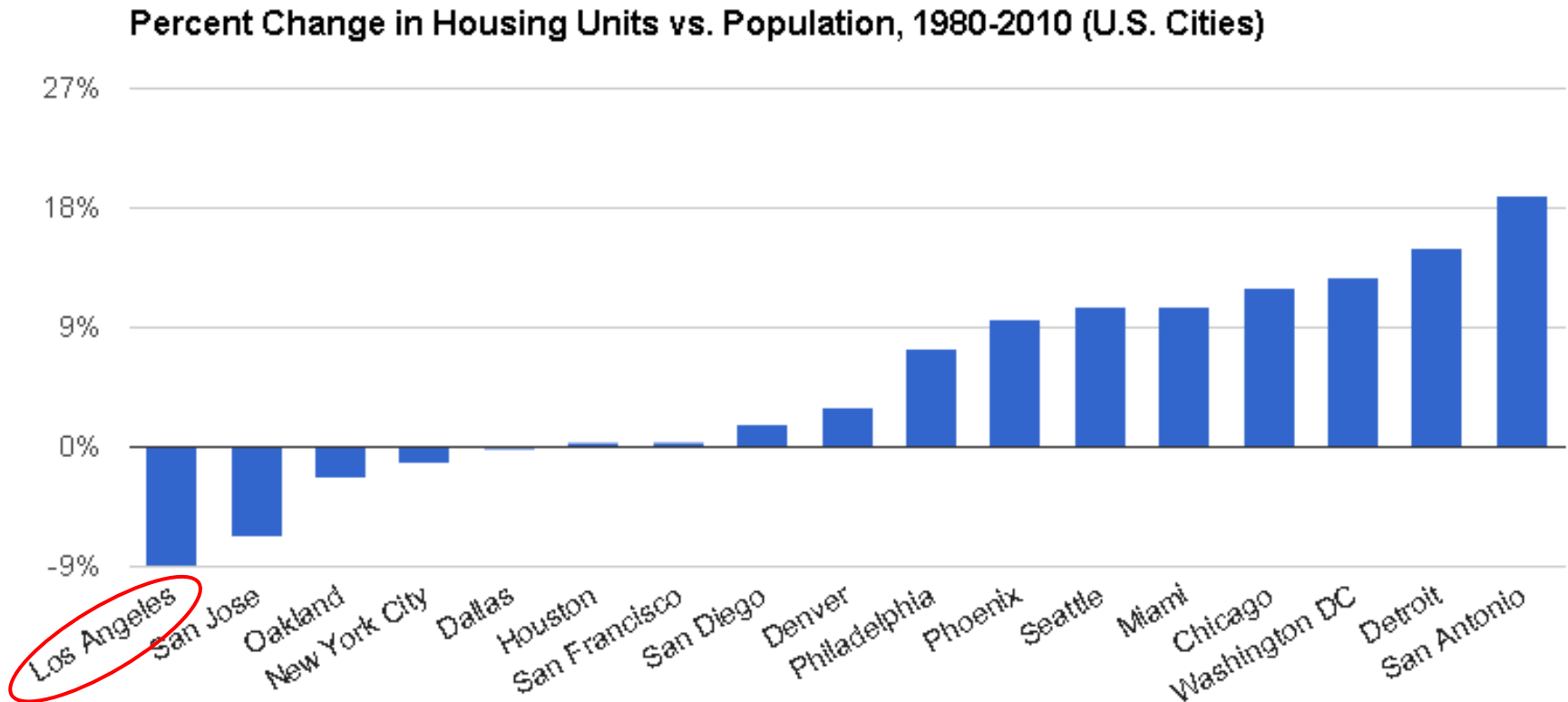


Los Angeles Housing Production Lagging Other CA Cities

Percentage Increase in Housing Units,
2000-2012



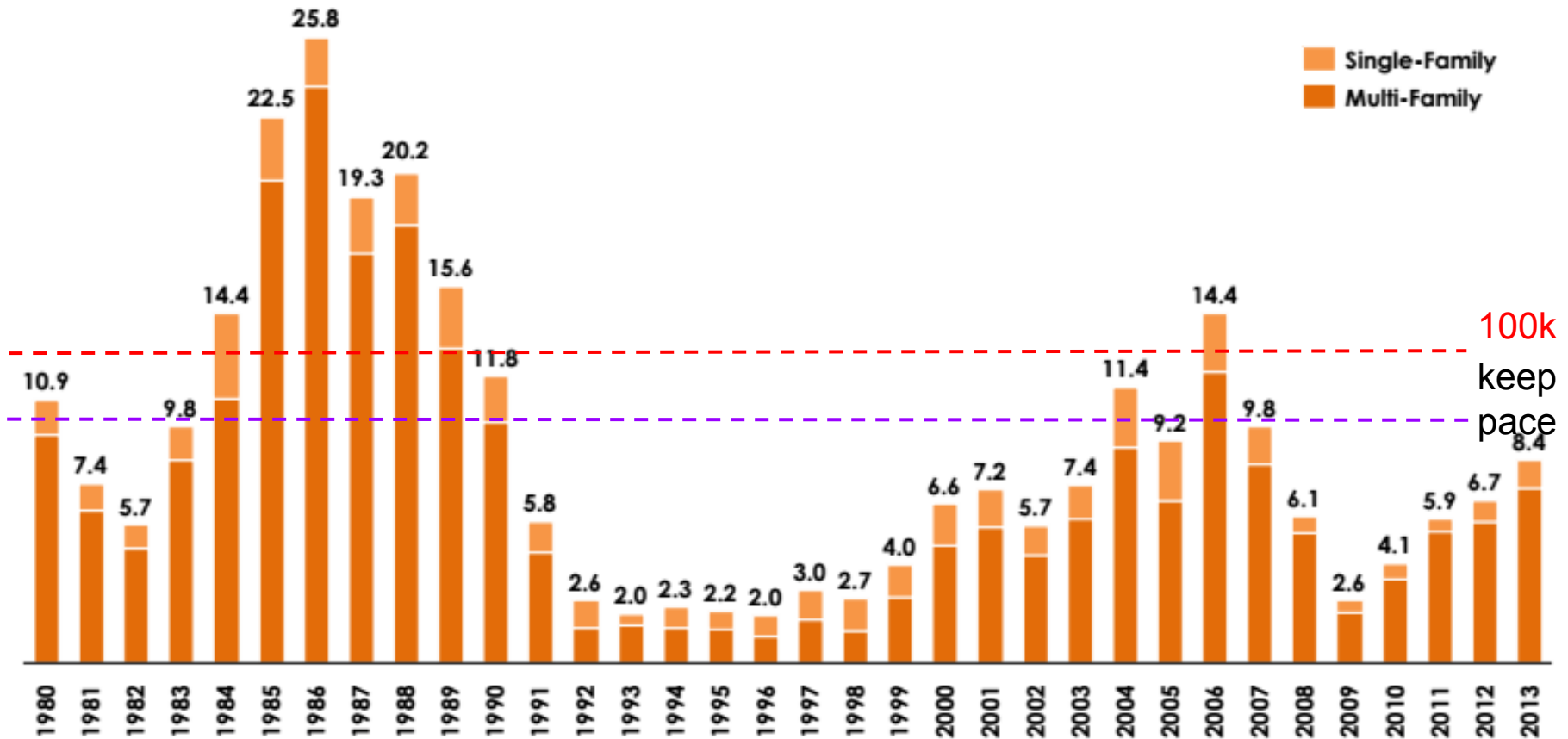
Percent Change in Housing Units Vs. Population, 1980-2010 (Top US Cities)



Housing Grew 19%, Population Grew 28%
= A 105,00 Unit Housing Deficit Since 1980

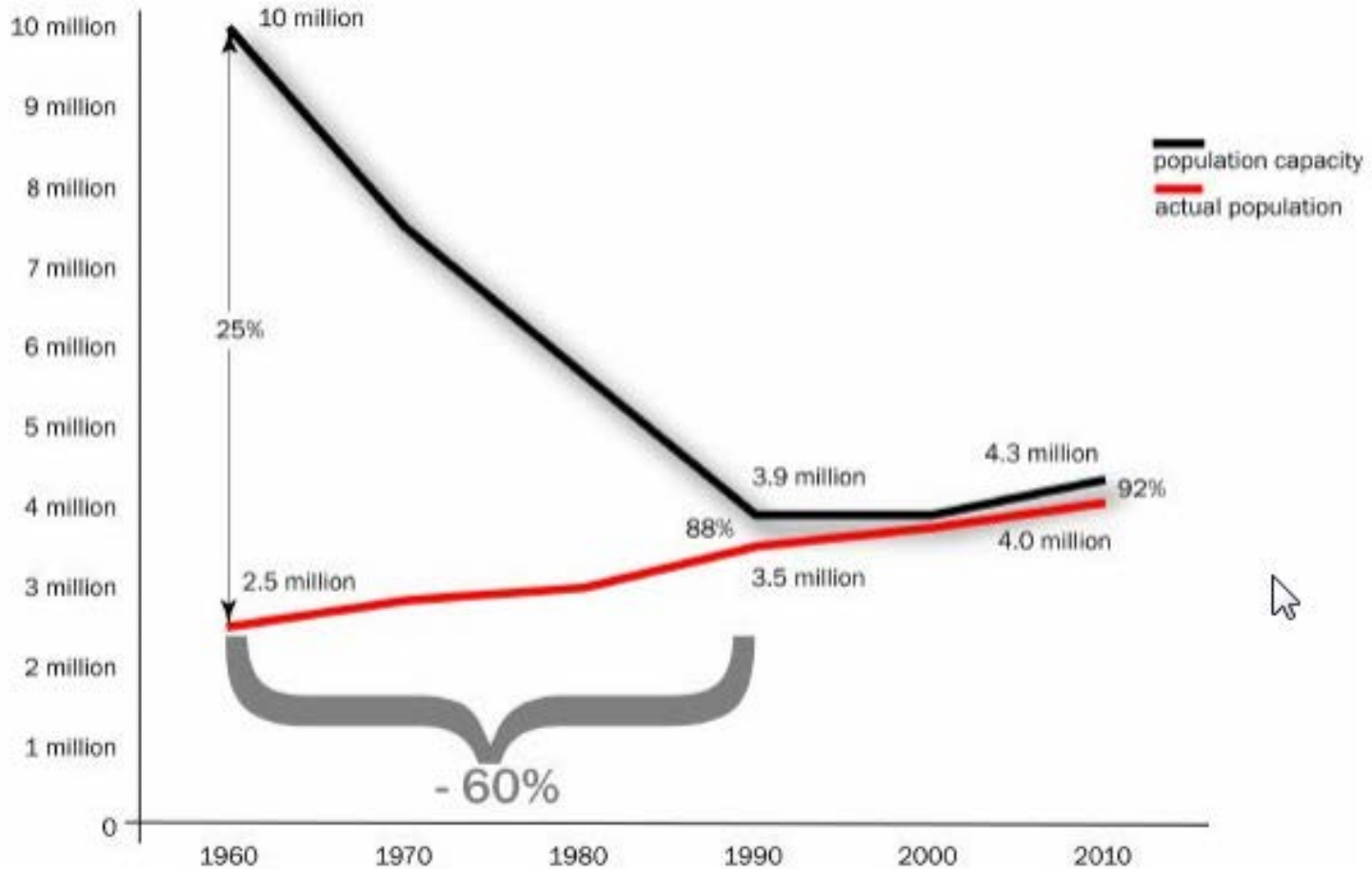
2013-21: A 82,000 Unit Target (RHNA) + 105,000 Unit Deficit Since 1980

City of LA housing production units (000s)



Mayor Garcetti's Goal: 100,000 units by 2021

Zoning Capacity (vs. Population)



Source: Morrow, Gregory. *Homeowner Revolution: Democracy, Land Use and the Los Angeles Slow Growth Movement 1965-1992*. 2013 Dissertation

Affordable Housing Target (RHNA):

- **5,700** units for < moderate income
- Averaging only **1,100** a year
- Last year only **650**

- A 225,000 affordable unit deficit
- LA lost 143,000 rental units affordable for those earning less than \$44,000 in 10 yrs

Drastic Reduction in Affordable Housing \$

Federal:

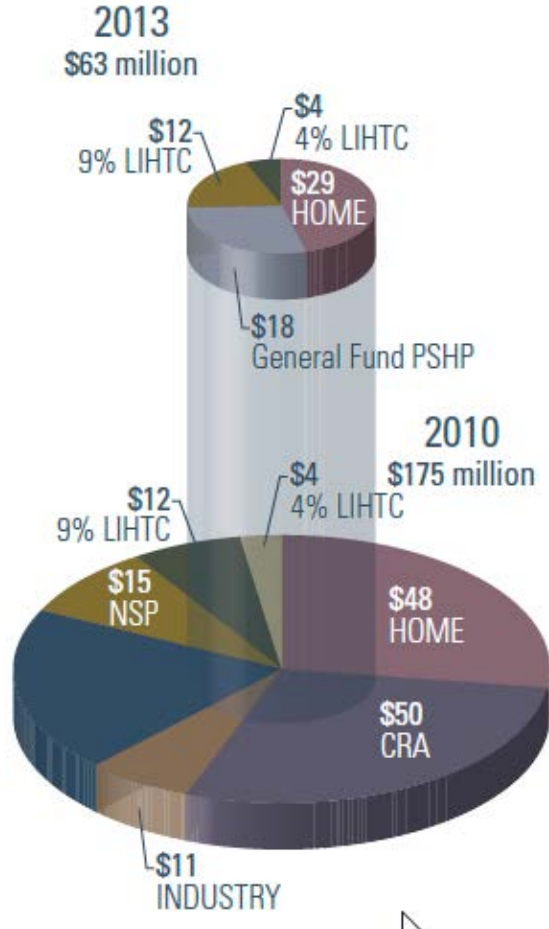
- HOME Program down 51%
- CDBG Program down 45%

= **-\$47 million**

State:

- Dissolution of Redevelopment Agencies (CRA)

= **-\$50 million**

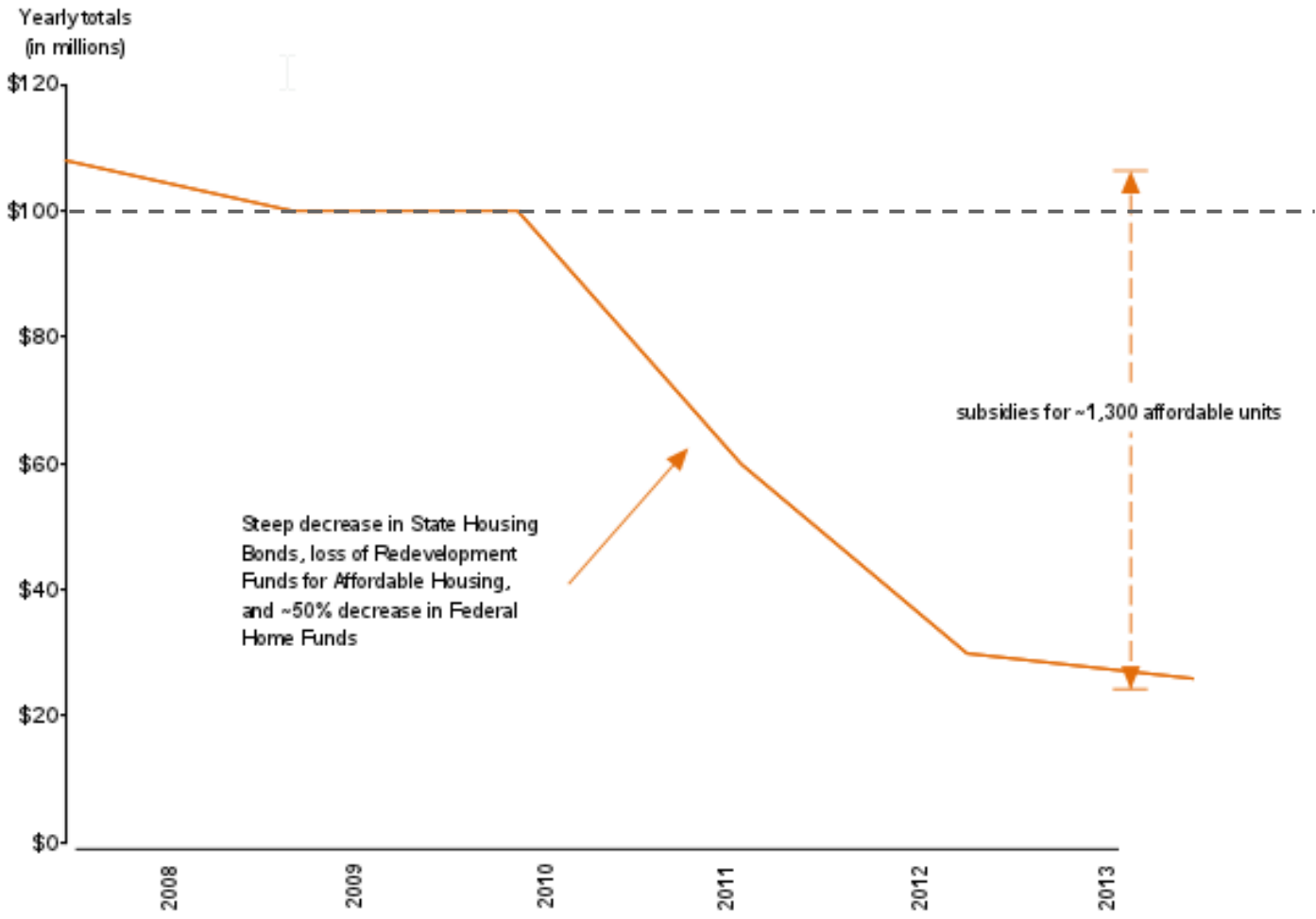


LA's Affordable Housing Trust Fund ↓ 76%

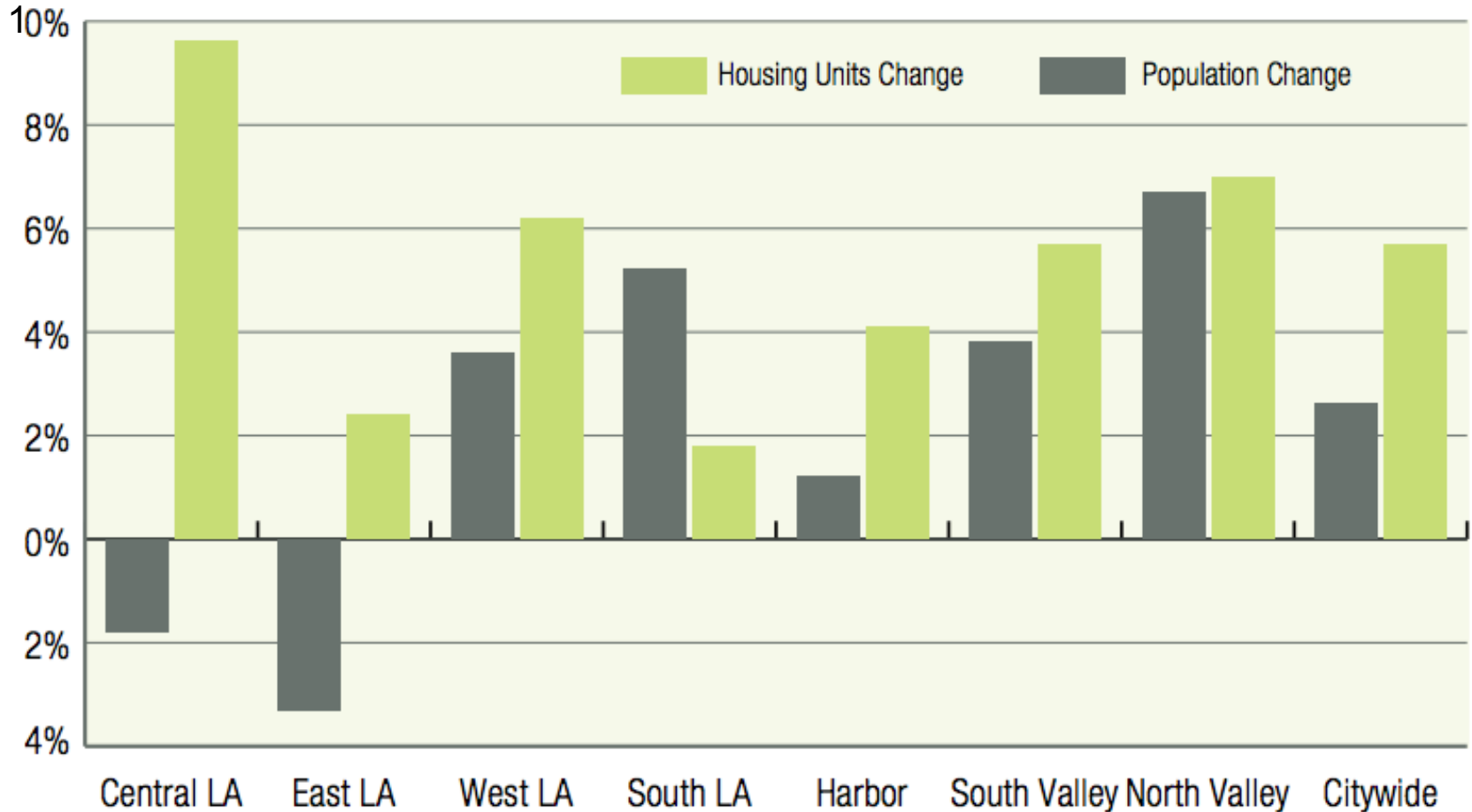
2008-2013
funding:
\$108m to
\$26m

2007-2014
units:
1628 units
to 650

Affordable Housing Trust Fund for Los Angeles

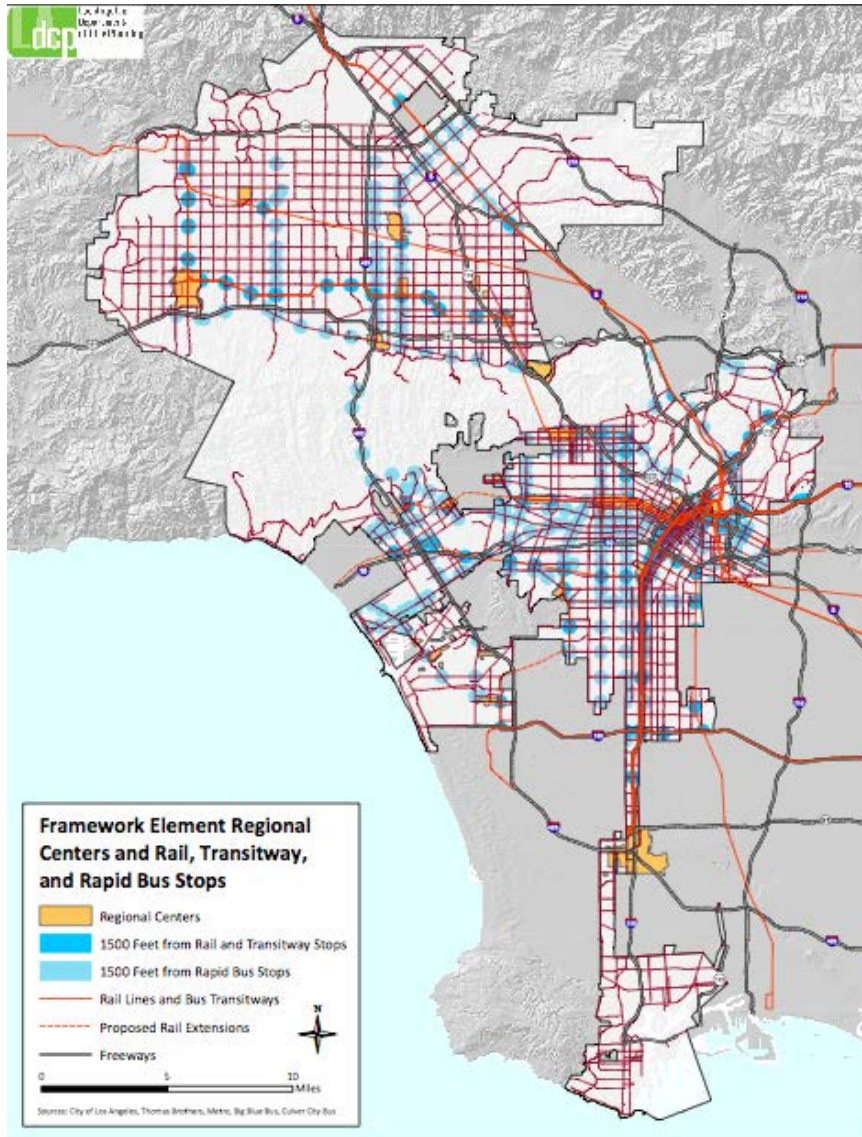


Change in Population Vs. Housing Units, 2000-2010 - By APC Area

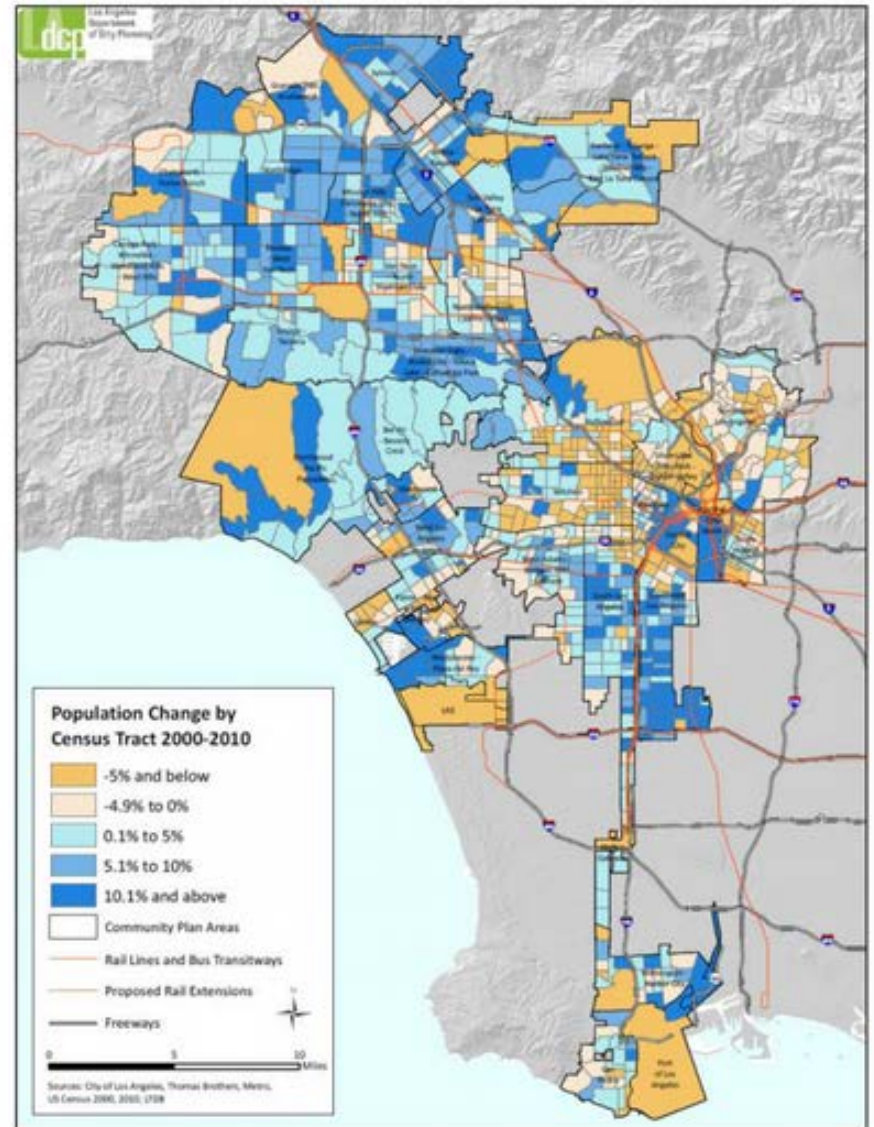


Not According to the Plan...

Transit Stops and Centers



Population Change 00-10



Housing Costs

Affordable Housing Cost Study

Analysis of the Factors that Influence the Cost of Building
Multi-Family Affordable Housing in California

*(2014) CA Department of Housing and Community
Development (HCD)*

- + 5% (more) per unit = community opposition
- + 7% (more) per unit = design review

- 6% (cheaper) per unit = 35% density bonus

DCP/HCID Joint Report (forthcoming)

Housing Strategies

- 1) Fund the Affordable Housing Trust Fund (\$)
- 2) Expand Housing Supply
- 3) Increase Incentives for Mixed-Income
- 4) Capture the Value of Zoning Increases
- 5) Preserve Affordable Housing

*Must grow according to the General Plan

- Direct mixed-use transit/amenity rich areas
- Protect and preserve low-density areas

Planning Initiatives for Preservation of Neighborhood Character

- Massive Downzoning (10 million to 4.2 million)
- Transitional Heights, Site Plan Review & Proposition U
- Lowered Density Limits, Increased Parking Reqs

- Site Plan Review
- 31 Historic Districts
- 49 Specific Plans
- 14 Streetscape Plans / 20 Community Design Overlays

- MF Residential Design Guidelines
- New Community Plans: SF and MF Design Standards and Guidelines
- **re:code LA** - embed development standards into zones

How Can NC's be Part of the Solution?

- Participate in Community Plan Process

Help us find the balance

Planning for growth

Protecting neighborhoods

- Participate in **re:code LA**

- On projects:

- Submit comments to DCP
- Work with developers
- Talk to Council office

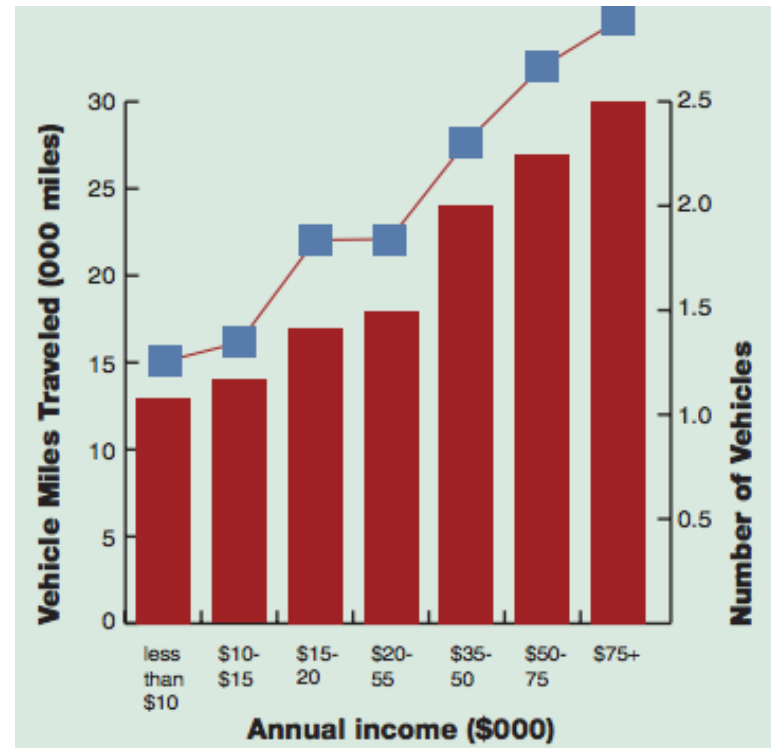


Density Bonus - Why?

- State: Land use incentives are needed to induce mixed-income housing and neighborhoods
- LA's on-menu incentives are more limited than State law

Parking:

In San Diego, affordable housing units use $\frac{1}{2}$ the amount of parking as typical new construction

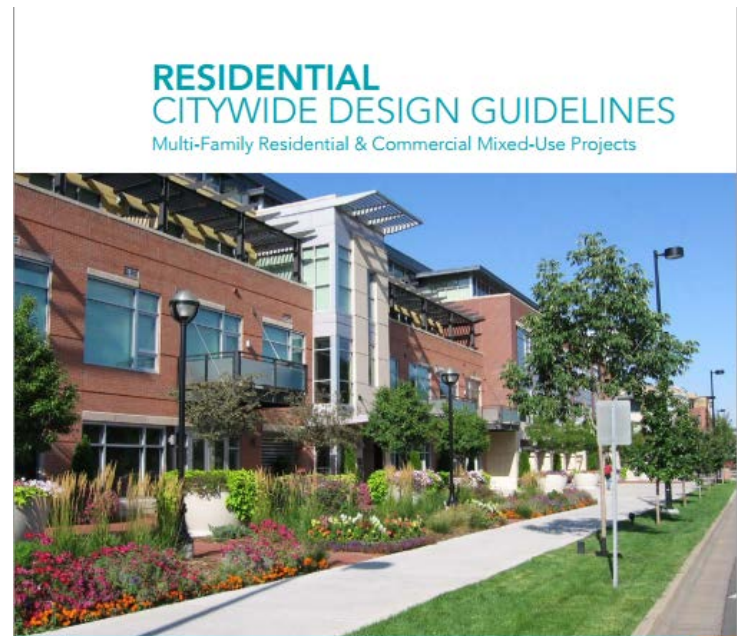


Improving Density Bonus Projects

How can we improve?

- Utilize Multi-Family Design Guidelines
- “Plan for the bonus”
- Notify tenant

However State Law allows density at certain level basically by-right (can't condition units down)



Other Questions?

- Vacant land/buildings
- Welcoming development = “suffer”
- Large lots = too many units
- Parking problems

Thank You!

Matt Glesne - Housing Planner
Department of City Planning
Citywide Policy Planning
(213) 978-2666
matthew.glesne@lacity.org



Los Angeles
Department
of City Planning