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**June 17, 2008**

**Attn: Ms Barbara Greaves, Legislative Assistant**  
**City Council**  
**Office of the City Clerk**  
**City Hall, Room 395**  
**200 N. Spring Street**  
**Los Angeles, CA 90012**

**RE:**

**CPC 2006-6519-ZC-ZV-HD-ZAA-SPR-2A**  
**ENV-2006-6520-MND**  
**Council File: CF 08-0454-S1**

**Project Location: 5641-5663 West Melrose Ave.; 5742-5766 W.**  
**Camerford Ave.; 704-724 N. El Centro Ave.**

**Honorable Members of the Council:**

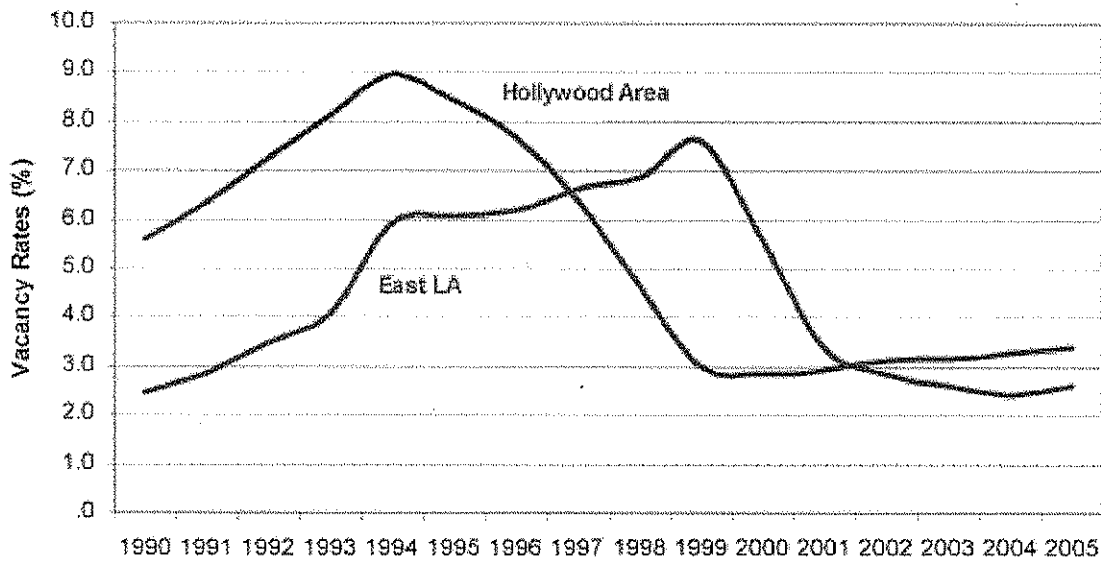
The La Mirada Avenue Neighborhood Association asked me to review the above MND to determine if its conclusions were merited by the facts of the real estate market. The MND's conclusion that there is "no impact" on the housing market is not supported by the facts of the real estate market. Also, low-income residential units are being removed from the housing market and will have an adverse affect on low and moderate-income households. The developer has phased this project over a number of years, however, the phases should be considered in total to accurately assess the impact of the project on the community.

The current housing market is being adversely affected by the "melt-down" of the mortgage market and it is becoming more difficult to find financing to develop low-income housing units. Therefore, it is important to preserve existing housing whenever possible and consider the impact of removing any of it from the housing stock.

According to a study by *Tierra Properties*, a large southern California housing developer, the vacancy rate in Hollywood has been steadily declining since 1994 to about 3.5% now. A vacancy rate below 5% is considered critical in the housing market.

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Source: Los Angeles Department of Water and Power.

### Metropolitan Los Angeles Apartment Vacancy Rates by Zip Code and Community

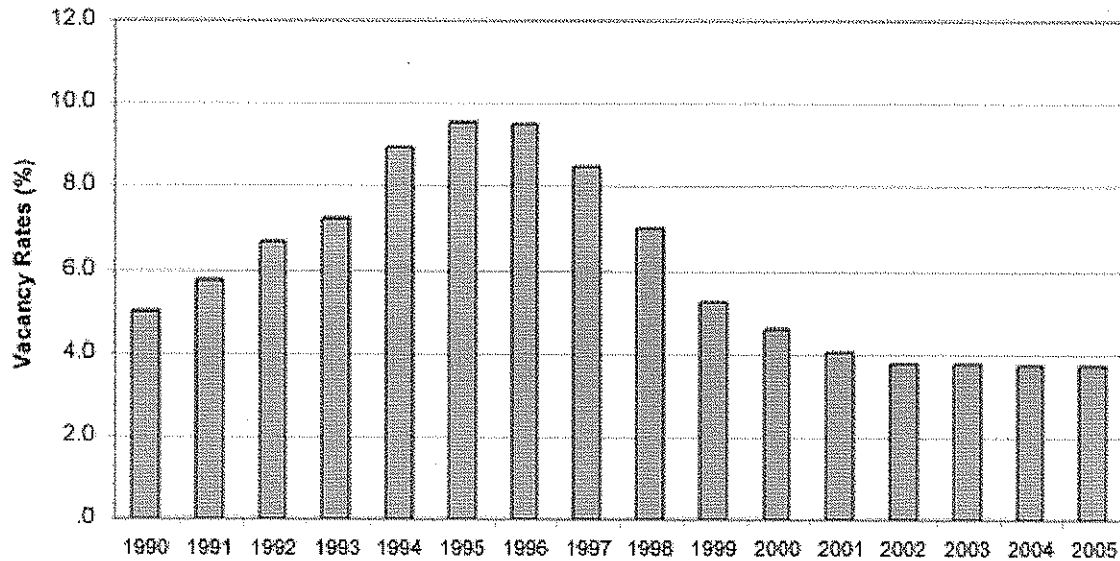
| Zip Code | Community                      | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|----------|--------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|
| 90028    | Hollywood                      | 13.3 | 12.4 | 10.9 | 8.6  | 5.3  | 3.6  | 3.4  | 3.8  | 4.0  | 4.2  | 4.2  | 4.6  |
| 90029    | Normandie - SM Blvd - Vermont  | 9.8  | 10.4 | 9.8  | 9.0  | 6.7  | 3.6  | 3.1  | 2.7  | 2.3  | 2.5  | 2.8  | 3.1  |
| 90038    | Vine - Melrose - Park La Brea  | 9.4  | 10.1 | 10.1 | 8.6  | 5.7  | 3.1  | 2.6  | 2.6  | 2.6  | 2.8  | 2.6  | 2.9  |
| 90046    | N Fairfax - Hollywood          | 6.5  | 5.2  | 4.1  | 3.2  | 2.5  | 2.3  | 2.3  | 2.6  | 3.5  | 2.7  | 3.2  | 2.9  |
| 90048    | Fairfax - Beverly - La Cienega | 5.6  | 4.0  | 3.4  | 2.6  | 3.1  | 2.4  | 2.8  | 2.9  | 3.2  | 3.5  | 3.6  | 3.4  |

The study went on to state:

“The number of new residents in Los Angeles County increased by 1,382,500 between 1990 and 2006. During the same period only 201,440 new housing units were produced. This means that only one new housing unit was built for every 6.8 people who needed housing.”

The overall apartment vacancy rate in the Los Angeles area has been consistently falling as new construction has not been able to keep pace with population growth and net in-migration. This situation magnifies the effect of any housing being removed from inventory.

## Metropolitan Los Angeles Overall Apartment Vacancy Rates



I found that further environmental study, such as a full CEQA, should be completed to analyze the above issues in depth in order for the Committee to take action that is warranted by the facts.

I have over 37 years experience as a relocation specialist and real estate agent working for public agencies in California. I have extensive experience writing relocation plans and moving people who have been displaced from their homes. Also, I have been a licensed real estate broker for 30 years and have a MBA and BA in business administration.

Sincerely,

*/s/ Thomas Zia*

**Thomas Zia**  
Real Estate Consultant