

Communication from Public

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Council File No: 20-1042
Comments for Public Posting: The Franklin Corridor Communities would like to submit the attached letter opposing Councilmember Martinez' motion to place a density bonus measure on the ballot.

Franklin Corridor Communities

Reinstating the Local Voice in Development Decision Making

February 7, 2021

Los Angeles City Council
Los Angeles City Hall
200 North Spring Street
Los Angeles, CA 90012

Land Use Reform - Zoning Ballot Measure
Council File: 20-1042
OPPOSED

Los Angeles City Councilmembers,

The members of Franklin Corridor Communities are writing to voice our opposition to the motion put forward by Councilmember Nury Martinez, Council File: 20-1042, proposing a ballot measure modelled on the Transit-Oriented Communities Incentive Program that was created by the City after the passage of Measure JJJ. Councilmember Martinez' motion is based on false assumptions and a disturbing misunderstanding of the real root of our housing problems.

While the City's zoning code is certainly outdated, this is not the reason for the current housing crisis that we're facing. According to The Vacancy Report (UCLA/SAJE, 2020), vacancy rates in Downtown, Koreatown, Hollywood and Venice are high, and yet the City continues to approve new high-priced units in these neighborhoods. Here's an excerpt:

High vacancy rates in expensive luxury housing developments are a core symptom of a broader speculative housing system that is failing to benefit our communities. Speculative practices yield an unbalanced production of vacant luxury development at a time when evictions are fueling a loss of affordable rental units, increasing numbers of corporate landlords are unaccountable to low-income tenants, and we are failing to build enough covenanted, deeply affordable housing. All of this accelerates our houselessness crisis.

The report states that LA already has enough vacant units for our sizable population of unhoused citizens:

Over 46,000 units are held in a state of non-market vacancy—more than one for every unhoused person in Los Angeles. Many thousands more units are withheld from the housing system by landlords listing them at high rents that keep them vacant long-term. This is a real issue with significant implications for addressing the housing crisis. Many of these units are kept vacant by owners seeking to profit by speculating on the increase in property value, returning properties to the market only when rents are high enough for their liking.

And the following paragraph should make it clear that the problem is not insufficient housing stock:

With more than 36,000 unhoused residents, Los Angeles simultaneously has over 93,000 units sitting vacant, nearly half of which are withheld from the housing market. Thousands of luxury units across the city are empty, owned as second homes or pure investments.

By offering density bonuses in exchange for a percentage of affordable units, the TOC Incentive Program inevitably make this problem worse, since these projects are generally comprised of 80% to 90% "market rate" units. In her motion Councilmember Martinez reports that 6,497 affordable units have been approved under the TOC Incentive Program, but she does not mention that in many cases TOC projects involve the demolition of existing housing, sometimes rent-stabilized housing. Unfortunately, the City does not document these losses, because the data would then show that the actual net gain is substantially less.

Councilmember Martinez also fails to note that the "Transit-Oriented Community" Incentive Program has done absolutely nothing to increase transit ridership. Ridership on Metro lines has been falling for years, and the onslaught of TOC projects has done nothing to reverse that trend. Because many of these projects displace existing RSO housing, they have the effect of pushing low-income households away from the transit hubs they rely on. This effect is exacerbated by the gentrifying impact that these new, largely "market rate" projects have on existing neighborhoods.

The members of Franklin Corridor Communities are also concerned about the impact of TOC projects on open space and tree canopy. Because the City hands out increased density to TOC project proponents while reducing required open space and setbacks, these projects inevitably reduce green space and often result in the removal of mature trees. As LA is increasingly impacted by the Urban Heat Island effect, we must plan carefully to avoid degrading the resources that will keep our air and water clean and reduce temperatures.

A ballot measure modelled on the TOC Incentive Program is a bad idea. The members of Franklin Corridor Communities urge you to reject this motion.

Sincerely,



Susan Craig Winsberg
President, Franklin Corridor Communities