

Communication from Public

Name:

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Comments for Public Posting: I support the goal of SB 79 to increase housing near high-quality transit. Los Angeles urgently needs more homes, and transit-oriented development is an important part of a sustainable growth strategy. However, this is not only a housing crisis — it is an affordability crisis. If SB 79 is implemented without local guardrails, it will unintentionally accelerate speculative land acquisition and corporate consolidation of housing in the outer radius (¼–½ mile) of Tier-1 and Tier-2 transit stops. Absent parcel consolidation controls, SB 79 will favor institutional developers assembling megablocks for industrial-scale projects rather than incremental, neighborhood-scale housing built by local and mid-sized builders. This model concentrates housing ownership into corporate portfolios, drives rent volatility, and exports housing wealth out of Los Angeles. This outcome is not a function of density itself, but of how land is assembled to deliver that density. CORE ISSUE: LAND ASSEMBLAGE IN OUTER-RING NEIGHBORHOODS Mid-rise and high-rise development rarely pencils on a single 5,000–7,000 square-foot parcel once demolition, tenant relocation, seismic, fire, elevator, parking, and utility costs are included. As a result, SB 79's new height and density allowances become financially viable primarily through the consolidation of multiple adjacent parcels. This dynamic is most acute in the outer rings (¼–½ mile) of Tier-1 and Tier-2 transit stops, where neighborhoods are still predominantly low-rise and family-oriented, but land values remain low enough for speculative assemblage. This incentivizes: 1. Speculative acquisition of single-family and small multifamily homes 2. Lot mergers and parcel assemblage 3. Land banking by institutional investors 4. Industrial-scale podium and superbloc development 5. Concentration of housing into corporate portfolios This is the business model behind projects such as Linea, West Edge, and Carmel Partners' podium developments. Absent local parcel controls, SB 79 creates a land rush around transit that favors Wall Street capital over Los Angeles builders. TRANSITIONAL PARCEL CONSOLIDATION FRAMEWORK SB 79 preempts local controls over use, height, density, parking, and discretionary review. It does not preempt local authority over: - parcel configuration and subdivision - lot mergers and consolidation - anti-speculation policy - neighborhood fabric

standards These powers derive from the Subdivision Map Act and municipal land-use authority. I urge the City to adopt a Transitional Transit Zone Parcel Consolidation Overlay applicable only within the outer radius ($\frac{1}{4}$ – $\frac{1}{2}$ mile) of Tier-1 and Tier-2 transit stops. This overlay would apply for an initial ten-year transition period following SB 79 implementation, giving local and mid-sized builders the first opportunity to deliver housing before institutional capital consolidates land at scale. During this transition period, parcel consolidation rules should be calibrated by original zoning:

1. High-density residential and commercial zoning (R4, R5, C2, etc.) Unlimited parcel consolidation permitted Allows true TOD towers where the City already planned for them
2. Medium-density residential zoning (R2, R3) Maximum two-parcel consolidation Produces courtyard apartments, walk-ups, and mid-scale buildings
3. Low-density residential zoning (R1) No parcel consolidation permitted Produces fourplexes, eightplexes, bungalow courts, and small apartment houses

At the end of the ten-year transition period, the City can evaluate housing production, affordability outcomes, infrastructure capacity, displacement impacts, and market concentration before determining whether broader consolidation should be permitted.

WHY THIS MATTERS FOR AFFORDABILITY Large assemblage-driven megaprojects produce:

- 200–500 unit podium complexes
- High tenant turnover
- Corporate property management
- Algorithmic rent pricing
- Minimal neighborhood integration
- Limited family-sized units

Incremental neighborhood infill produces:

- Courtyard apartments and walk-ups
- Ownership diversity
- Family-compatible housing
- Distributed growth
- Lower displacement pressure

Both models deliver housing units. Only one keeps capital local and builds stable neighborhoods.

CONCLUSION Los Angeles needs more housing. But it also needs affordability, stability, and local ownership. A transitional parcel consolidation framework allows density while preventing premature corporate monopolization of land. It gives local builders the first opportunity to deliver housing, keeps housing wealth in Los Angeles, and ensures SB 79 produces neighborhood housing rather than Wall Street real estate portfolios. I respectfully urge the Council and Planning Department to adopt a time-limited parcel consolidation overlay as part of SB 79 implementation.