

Communication from Public

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Comments for Public Posting: Honorable Councilmembers, I am writing to provide comment on the Citywide Housing Incentive Program (CHIP) Six-Month Progress Report. While the Planning Department has framed this report as a success, a closer examination of the data reveals a troubling reality: CHIP is underperforming compared to previous initiatives, and our local incentives are failing to produce housing at the necessary scale. Rather than celebrating these preliminary findings, the City Council must recognize the limitations of CHIP and move immediately to fully implement the state-mandated density provisions of SB 79 (The Abundant & Affordable Homes Near Transit Act).

1. The "Success" is Inflated by Preliminary Inquiries The report claims a pipeline of 16,659 units. This number is misleading. The data shows that 76% of these units (12,700) are merely "Preliminary Application Referrals" (PARs). These are paperwork inquiries, not approved homes. When we strip away these preliminary inquiries and look at formal planning applications, CHIP has generated only 3,058 units in its first six months. By comparison, Executive Directive 1 (ED 1) generated 3,694 units in its first six months of operation. We have effectively slowed down our housing production pipeline under this new regime.
2. Local Incentives Are Failing; State Tools Are Succeeding The market has voted against our local incentives. The report admits that the City's "Mixed Income Incentive Program" (MIIP) accounts for only 18% of proposed projects. Conversely, the majority of proposed units (56%) are choosing the State Density Bonus Program. Developers are bypassing City programs in favor of State tools because State tools offer better certainty and feasibility.
3. The Solution: Implement SB 79 Immediately We cannot wait another six months to "monitor" slow growth. We must pivot to SB 79, which overrides the restrictive density limits that CHIP failed to fully address. SB 79 is critical for unlocking density where CHIP has failed, particularly in "Higher Opportunity Areas" like West Los Angeles, which currently accounts for only 13% of proposed units. I urge the Council to direct the Planning Department to explicitly map and implement SB 79 standards immediately, specifically targeting the following corridors: Tier 1 Corridors (Allowing 9 Stories): We must maximize density along the Wilshire Corridor (D Line) and the Hollywood/Vermont

Corridors (B Line). These are our most job-rich environments, yet CHIP projects here are often undersized relative to the capacity SB 79 allows by right. Tier 2 Corridors (Allowing 8 Stories): We must activate 8-story mid-rise zoning along the Expo Line (E Line) in West LA and the Orange Line (G Line) in the San Fernando Valley. Utilizing the state-mandated 8-story allowance along the Expo Line is the only way to correct the geographic imbalance that currently concentrates density in Central LA while leaving West LA largely untouched. Conclusion We do not need more "referrals." We need shovels in the ground. The data in this report proves that CHIP's local incentives are insufficient to meet this crisis. I ask that you accept this report not as a victory, but as evidence of the urgent need to fully embrace the stronger, state-level density tools provided by SB 79. Sincerely.