Housing Crisis Burns While City Council Fiddles

DICK PLATKIN / 20 JANUARY 2022



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PLANNING WATCH - Public opinion polls consistently report that Angelinos consider the homeless crisis to be the city's most pressing problem.

In fact, a 2019 Los Angeles Times/LA Business Council/Hart Research poll found that 95 percent of voters considered homelessness to be a serious or very serious problem. Since then homelessness has gotten steadily worse, and elected officials have been forced to carefully thread the needle. On one hand, they have played to the peanut gallery, reminding constituents that they are deeply concerned about the housing crisis and are taking resolute action. On the other hand, the same officials need to stay on good terms with their major campaign benefactors, many of whom are drawn from the real estate sector and play an outsized role in local politics.

To maintain this balancing act, the elected officials and their supporters have endlessly repeated a fact-free argument: Los Angeles can build its way out of its worsening housing crisis by deregulating laws and privatizing low-cost housing. If this claim sounds familiar, it is because the California State Legislature recently adopted Senate Bills 9, which imposes zoning deregulation on California's cities and counties. It, too, was justified by the same ruse: the legislation is not a handout to real estate investors, but necessary to address the state's worsening housing crisis.

As reported in previous Planning Watch columns, the Los Angeles City Council is on the same page as the California legislature. For example, in November 2021 the Council adopted LA's 2021-2029 Housing Element. Like new state laws, it is calibrated to please both real estate developers and the public. In the long run, however, it is not likely to please either.

The developers will be initially giddy because the Housing Element will be implemented through highly lucrative up-zoning ordinances and Community Plan updates. But their joy will soon wear thin because of City Hall's lackadaisical updating of LA's 35 Community Plans. They are at least a decade past due, with no completion date in sight, and there is even more bad news for the housing speculators. Despite vast pools of investment capital available for high end Los Angeles real estate projects, the main source of real estate profits has become asset inflation, not those rare tenants willing to pay top dollar for luxury apartments in neighborhoods like Hollywood.

As for the public, the open question is how long can elected officials shine them on with promises that LA can build its way out of its housing crisis through zoning deregulation and real estate density bonuses. *After all, the public has eyes.* They can see street after street where new luxury apartments and homeless encampments emerge in lock-step. Not only do the expensive in-fill apartments replace older buildings and their low-income tenants, but the new apartments pull up rents in remaining buildings that managed to dodge the wrecking ball.



Homeless encampments and nearby luxury apartments grow together in DTLA.

Hoping to bust through this log jam, City Council President Nury Martinez proposed three ballot measures to make sure the needle stays threaded. Her City Council colleagues and the Department of City Planning responded by affirming her free market approach to the housing crisis, but left her proposed ballot measures in limbo.

Why have Martinez's Council colleagues distanced themselves from her proposed ballot initiative for the past 1 ½ years?

• It is NOT because of the erroneous claims she scattered throughout her motions, especially

- that the main cause of the housing crisis is a housing shortage. A search of the City's own website reveals that the number of vacant apartments in LA exceeds the number of homeless people by 2:1.
- Nor is it because of Martinez's equally ridiculous claim that LA's zoning blocks the construction of new housing. Another quick check reveals that LA's hundreds of miles of commercial/transit corridors automatically permit by-right apartments and also qualify for by-right density bonuses. As for single-family houses, they can all add three Accessory Dwelling Units (ADU's), transforming them into multi-family dwellings.

The most likely reason that her City Council colleagues, plus the Department of City Planning, do not support her proposed ballot measures is that they know they might hurt their real estate agenda more than they can help it. A heated election campaign could reveal an ugly truth: *City Hall's handouts to real estate investors and developers compound the housing crisis*. The measures' opponents could also remind the public that City Hall's main approach to homelessness is LAPD enforcement of its new no-camping ordinances. While the police are adept at pleasing the City Council and short-sighted voters by pushing homeless encampments to other bridges, sidewalks, and storefronts, this does not address the underlying causes of the housing crisis: a lack of low-priced housing and the growth of economic inequality. Fueled by major companies buying up housing as an investment, these are the conditions that price many people out of the housing market.

A second reason for City Council indifference to the Martinez ballot measures is that Council already directed the City Planning Department to update LA's Community Plans every six years. Nevertheless, City Planning is years behind in updating LA's General Plan, including the 35 Community Plans, even though the Housing Element's elaborate zoning deregulation programs rely on the updates for implementation.

What next? Until the entwined policies of deregulation, privatization, and police harassment of the homeless are scuttled, the current housing crisis will slog on. As for the electorate's hope that a new Mayor in sync with new City Councilmembers will change the city's approach to the housing crisis, there is no guarantee that things must get worse before they get better. Although

there are prominent voices calling for the restoration of Federal public housing programs and the reduction of economic inequality, they may need to become a roar for things to fundamentally change.

(Dick Platkin is a former Los Angeles city planner who reports on local planning issues for <u>CityWatchLA</u>. He serves on the board of United Neighborhoods for Los Angeles (UN4LA) and cochairs the Greater Fairfax Residents Association. Previous Planning Watch columns are available at the CityWatchLA archives. Please send questions and corrections to rhplatkin@gmail.com.).

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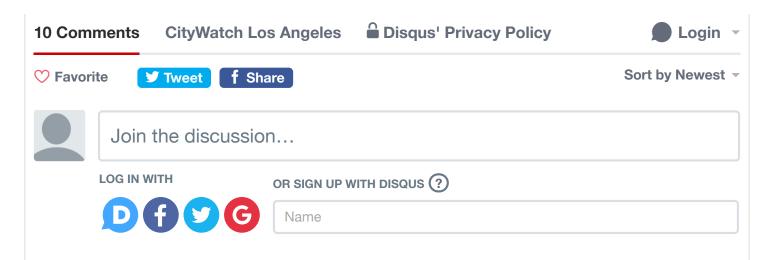
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GJuanJohnson • 2 days ago • edited

Fine and VIP writing, Mr. Platkin. This is what I wrote today to the FB page of Karen Bass and Mike Feuer: "If elected Mayor, what will Karen Bass say or do about corruption in city government? What will Karen Bass (and other so called major candidates) do about corruption and fraud in the Los Angeles housing and rent control departments? I have been waiting over seven years for repairs to my intercom and extra available parking; what will Karen Bass do about that, that she has already not done? Isn't it true that racist owners of multifamily dwellings have more power than Karen Bass? I feel like I have been to millions of community meetings where it is explained exactly what you said, but then there are always a feel people who still blindly promote HHH and JJJ as if they accomplished something. "Proposition 1 would provide \$4 billion to create homes for veterans, seniors, and families who work for a living. Proposition 2 would provide \$2 billion to create permanent, supportive housing for the mentally ill and those who are homeless or at risk of becoming homeless. That's \$6 billion dedicated toward alleviating California's twin crises of housing and homelessness." (Source: Google). IMO, much of Prop 1 and 2 money was discretionary meaning cities could divert the monies elsewhere. So billions of dollars in 2018 (3 years ago) but city officials are still budgeting millions more and no end to homelessness in site. This is also a question to ask all candidates running for Mayor, which I am sure the so called "top contenders" will not call it what it is: "corruption". I am a candidate for Mayor and I run because I have been a victim of housing discrimination (Unruh Act). The question is why is Karen Bass/Mike Feuer running?" And I say the same to any others running for Mayor like Rick Caruso.



rplatkin → GJuanJohnson • a day ago

Please write more about Karen Bass, in particular whether she is just another fauxgressive.

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Ennnne • 7 days ago

It is a sad situation. So far, it seems that all the mayoral candidates are Yimby. I don't know how we are going to get out of this mess. The state Dems are worse.

A quibble - I am not sure that the LA electorate notices much of anything. I'd love to be wrong though.

2 ^ | V · Reply · Share ›



rplatkin → Ennnne • 5 days ago

The trick in LA is for a politician to claim they are concerned about homeless, then discreetly give enormous gifts to developers in the form of up-zoning. This appears to be the approach of City Council President (and likely Acting Mayor)

Nury Martinez. Apparently she forget that had Measure S (2016-2017) passed, her program of accelerated preparation and adoption of the updated General Plan elements, including Community Plan updates, would have already taken place. Too bad that she opposed Measure S when LA's voters had a chance to vote for a measure that she how supports, even if she doesn't realize it.

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Jack from Tujunga · 8 days ago · edited

We are losing the most affordable rental units because the city keeps adding more regulations that encourage the owners to remove them from the market. Of course owners are going to convert them to owner occupancy or tear down with more complicated regulations, that's the plan. It sounds great when our council members propose another new regulation on the housing providers but a couple of years later we tear them down. This perceived housing shortage is caused by public policy. We should be catering to the owners of affordable housing rental units, also known as RSO units, which were built before October 1978. But I'm pretty sure the owners of these older buildings do not make political contributions like the development of new expensive projects, so the lower income residence of LA will continuously get screwed.

Our city Council has proven to us that they cannot build affordable units. Look at the \$1.2 billion HHH bond issue. Councilwoman district 7, Monica Rodriguez loves the project in Lakeview Terrace that's costing us \$750,000 per unit, paid for by the HHH bond issue. The estimated cost of \$740,000 per unit does not include the cost of land that would bring the cost to put \$1 million per unit. We will be paying for the HHH bond issue for the next 27 years. I'm pretty sure we're not gonna approve more bonds after the experience with HHH bond issue.

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GJuanJohnson → Jack from Tujunga • 2 days ago

Let the tenants sue as many bad landlords as they can. Pack the courts with cases of denial of housing services which is also a problem besides not having enough affordable housing in the first place. Sue the landlords for violating the state Unruh. Every month you pay rent and have damages, sue again!



Carla Woodworth • 8 days ago

Last September, the City of Berlin spent \$2.9 Billion and purchased 14,750 apartments. Why can't Sacramento devote some of the \$45 Billion state surplus and actually buy housing today for the homeless and for people who need affordable housing?



SZwartz → Carla Woodworth • 4 days ago

The reason to your question is that buying some of the thousands upon thousand vacant apartments does not give money to developers. They make money by constructing endless projects as an investment tool (too complicated to explain here). They city wants the optics of teeming masses dying on the streets because they justifies giving billions of dollars to build build even though we have a glut of housing. dying and dead people on the streets, you will notice, is a great way to get elected; so why would they want to fix the problem?



GJuanJohnson → SZwartz • 2 days ago

Agreed though the homeless (maybe not counting the COVID-19 effects) number less than 3% of the total population of LA County. I support a moratorium on market rate luxury rent housing apartments.



rplatkin → Carla Woodworth • 5 days ago

A great idea. The main impediment is that both parties in the State Legislature want to privatize low priced housing, not turn private housing into public housing through the State's budget surplus, as you have suggested,









