



Tackling the Housing Crisis: Streamlining to Increase Housing Production in Los Angeles

*An LABCi study undertaken by the UCLA Ziman Center for
Real Estate and California State University, Northridge*



EYEWITNESS NEWS abc 7

By [Anabel Munoz](#)
Friday, February 2, 2024

More than half of renters across all racial groups are rent-burdened in Los Angeles County

SOCIETY

LA ist

HOUSING AND HOMELESSNESS

For Many Young Parents, Family-Sized Housing Is Out Of Reach In LA – To Buy or Rent

The severe lack of family friendly housing has millennial parents asking: Is leaving Southern California our only option?

Los Angeles Daily News

News

Mayor Bass signs directive to fast track, cut costs of affordable housing



By [LINH TAT](#) | ltat@scng.com
PUBLISHED: December 16, 2022 at 5:21 p.m.

Mayor Karen Bass

Press Releases

Posted on 03/22/2024

...more than 13,000 units of affordable housing are now being accelerated as a result of her executive directive...

The Challenge

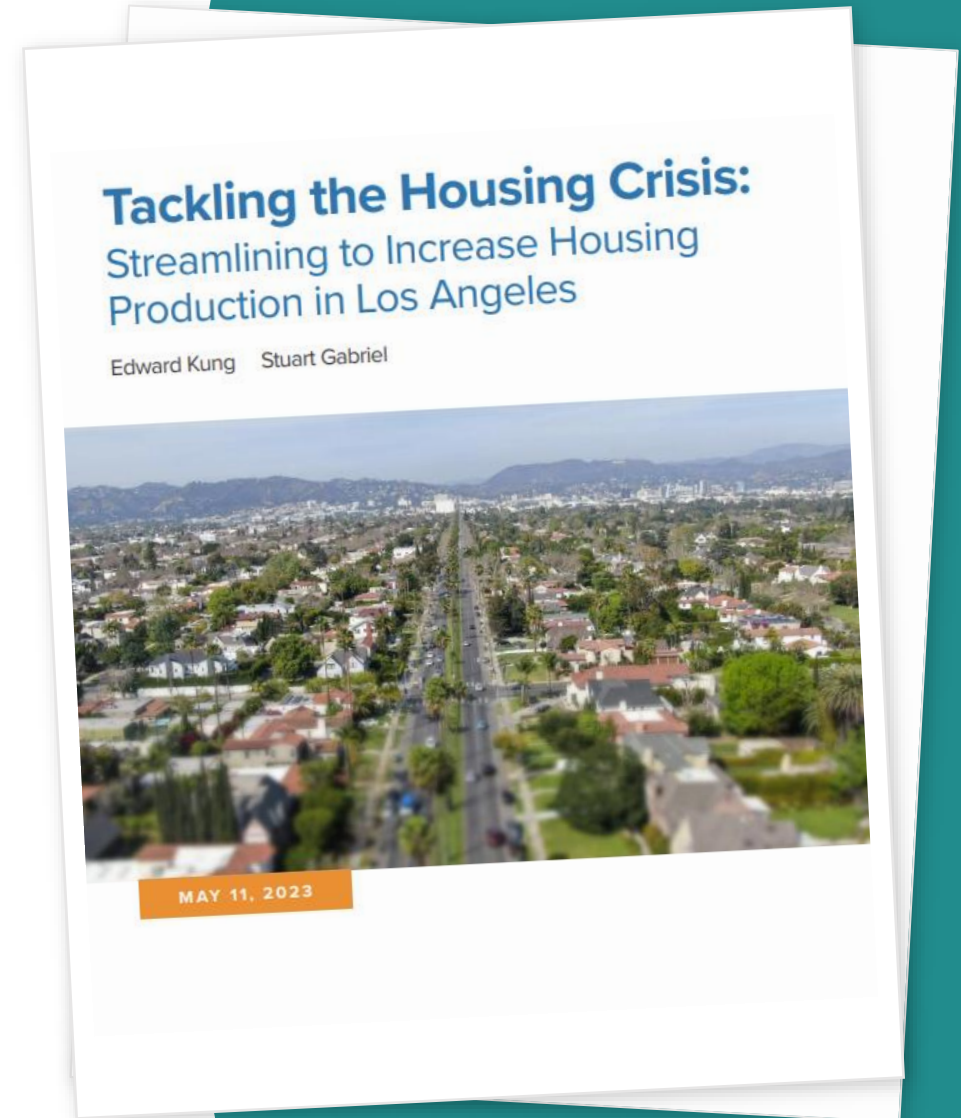
L.A. has historically **not met its requirements**

“ Based on the most recent regional housing needs assessment cycle, **Los Angeles County faces an annual gap of 39,375 units** between what is being created and what is needed to achieve the sixth cycle affordable housing countywide goals. ”

- L.A. County Regional Housing Finance Act

Research Process

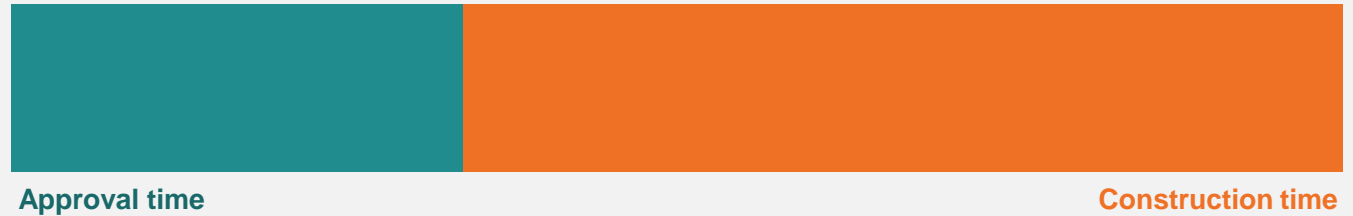
- LABCi requested city data and modeled multifamily housing development projects from 2010 – 2022 drawing from LADBS, LADWP, LAFD, and LA City Planning
 - 120,213 units (86% MR, 14% Affordable)
- Measured approval time and construction time
- Estimated and simulated effects on approval and construction times of specific approvals, entitlements, and policy innovations
- Interviewed city officials and industry professionals



“The average dwelling unit took **4.9 years** to complete”

Approval and Construction of Dwelling Units

Total time: 1,784 days



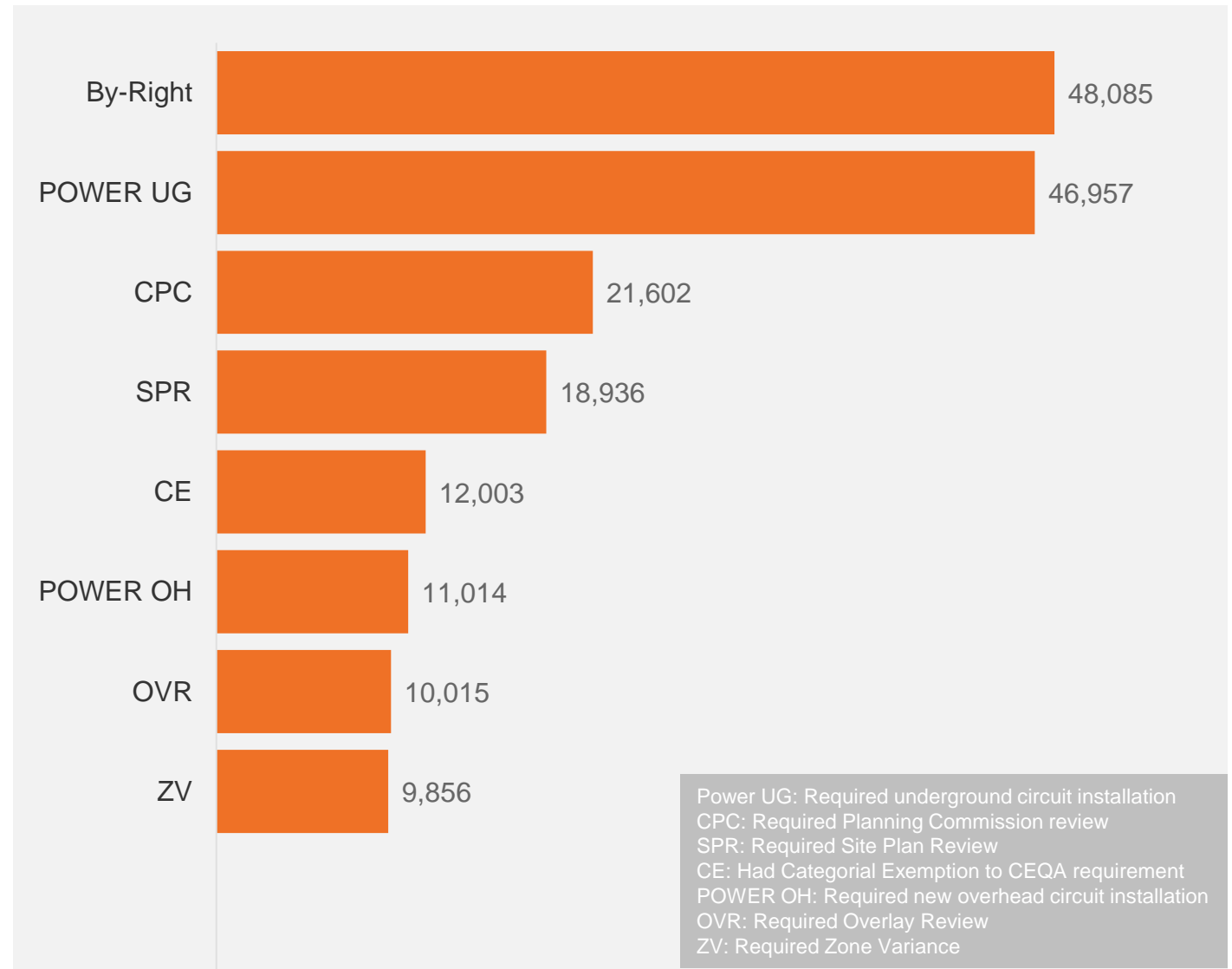
Over half of units from mixed-income projects studied are still in the pipeline

Number of dwelling units for projects issued DBS building permit (2010-2022)

	All Projects	Market Rate	Mixed-Income	100% Affordable
Total	120,213	70,272	36,269	13,672
Completed	71,532	47,904	15,929	7,699
Not Completed	48,681	22,368	20,340	5,973

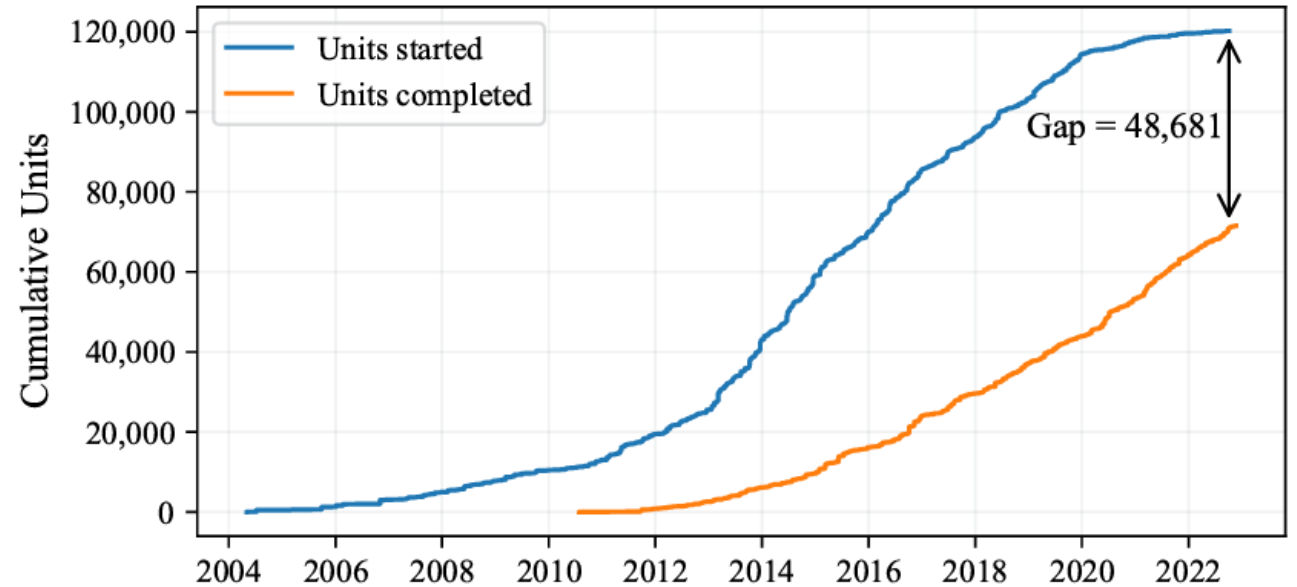
By-right and underground power installation are far and away the two most salient factors

Saliency of Top Entitlement-Related Factors Total Effect in Unit-Years



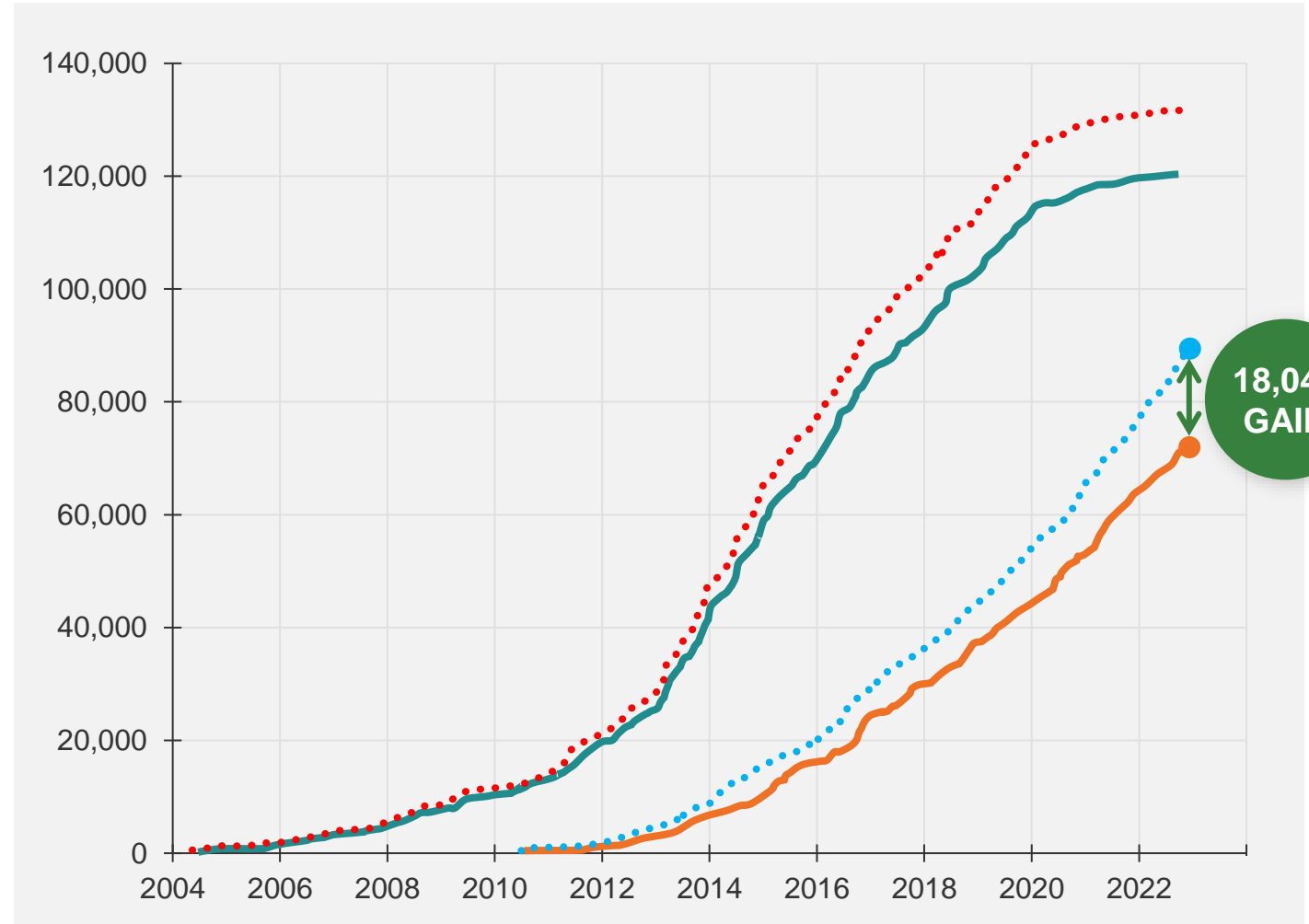
“...Reducing approval time can, by itself, increase the rate of housing production, without having to assume anything about cost savings or new project starts.”

Gap Between Units Started and Units Completed



Simulation Results – Reducing Approval Time by 25%

Gap Between Units Started and Units Completed Pull-Forward Effect + Incentive Effect



— Units Started (Actual) — Units Completed (Actual) ... Units Started (Simulation) ... Units Completed (Simulation)

Report data helped drive:

- 1 Continuance of **state of emergency** in City of LA, **Executive Directive 1**
- 2 City Council vote to **exempt affordable housing projects from site plan review** because of LABCi findings
- 3 Expansion of **Executive Directive 3**, expediting affordable housing construction
- 4 City Council motion to **reform LADWP processes** following LABCi findings
- 5 **Executive Directive 7** to streamline and accelerate housing production



Study findings informing solutions:

LACAHSAs should:

- 1 Create metrics** explicitly measuring funding successes **related to state housing allocations**, including how each program helps meet these allocations
- 2 Establish clear, transparent funding criteria** through analyzing cost-effectiveness and speed by which projects can be completed. Implement this as a factor in program consideration.
- 3 Streamline pathways to attract private capital** by eliminating long procurement pathways and administrative approval of partnerships, to begin
- 4 Create guidelines** prioritizing funding to cities that **streamline development** and have **updated their zoning map** in the past 5 years
- 5 Create a liaison for affordable housing developers** to maximize efficiency
Adopt **stronger guardrails around conflict of interest**, including that “no person, nonprofit, or entity with the potential to materially benefit from LACAHSAs financing may be involved in program administration or success evaluation.”
- 6 Further examine California Nonprofit Benefit Corporation Conflict of Interest Policy.**

