



Mar Vista Community Council



Community Plan Sub-Committee

Minutes

Tuesday, June 23 2020, at 7:00pm

Zoom Electronic Meeting

Meeting ID : 978 7032 9234

1. **Call to order**-meeting called to order at 7:01 by Chair, Mary Hruska
2. **Announcements**-none
3. **Public Comment for items NOT on this agenda**-none
4. **Adoption of the Agenda**-motion to approve (Wheeler/Stemar) Approved without objection.
5. **Reading and Approval of Minutes**-motion to approve (Wheeler/Stemar) Approved without objection
6. **Old Business**-
 - 6.1 Update on previously approved motion requesting the Dept of City Planning to increase the required percent affordable for TOC projects in Mar Vista to 60% per Measure JJJ Ordinance.
Hruska recapped discussion from previous meeting, at which it was proposed to include a projection of what amounts of affordable housing would have been created had the required minimum per cent had been 60. Presented calculation for same for 2019 based on Dept of City Planning's RHNA (Regional Housing Needs Assessment) numbers for 2019.
Theoretical amount of affordable housing that would have been created in 2019 if per cent required affordable had been 60% was 5,122.
Stakeholder Chris Curry inquired as to whether the city has met it's market rate allocation. Hruska responded that the city has far exceeded its market rate (Above Moderate) allocation.
Alix Gucovsky (Land Use and Planning Chair, Venice Neighborhood Council) inquired as to punitive measures in current proposed state legislation for not meeting RHNA allocations. Hruska concurred and added that SB35, a measure already enacted, currently does predicate pejorative measures for not meeting said goals, which include discretionary projects being streamlined or made By-Right. Developers are, in fact, beginning to use this provision, and it will be a topic for future discussions of this committee.
Chris Curry asked if the objective of this motion was to create more affordable housing or to stop development projects. Hruska responded that is was to attempt to use an established algorithm for the production of affordable housing to help the city meet its RHNA affordable housing targets
Ashley Zeldin (Zone 2 Stakeholder) stated that it was also an attempt to keep gentrification from displacing current residents, and keep the middle class, affordable character of the neighborhood. Curry spoke as a lifelong resident and a developer and stated that while he concurred in wanted to maintain the current character of the neighborhood, the affordability aspect is a completely separate question and cannot be excised from the economic climate of the region. Hruska stated, in response to the previous question by Curry, that the city's 2021 5th Cycle RHNA target for above moderate (market rate) housing was 35,412 and, as of 2018 It had built 73,387 units, more than double the requirement. Curry stated that the cost of living in the area is high because it is expensive to build. The fact that the city has exceeded the above moderate requirement is irrelevant. The area simply does not have enough housing units.
Curry stated that he is trying to build affordable housing in the neighborhood however it costs too much to build. Stated that there are only 2 ways to adjust price: supply and demand, and demand is far outstripping supply for all categories. This imbalance is due to a number of factors, the most significant being that the cost of land is high. In order to make a profit therefore this cost squeezes out everything below market rate. Stated that higher densities

would bring down prices. Also mentioned that rent control is devastating to affordable housing. Wheeler stated that in practice this doesn't work. That increasing density only makes land more valuable, and creates a New York City scenario.

Gucovsky stated that producing more of a highly desired product does not bring down the price. Added that what was needed, as well as affordability, is family sized units. Hruska mentioned That the MVCC PLUM chair has been working with an architect to produce a type of density that is of a neighborhood-friendly scale and yet provides an adequate profit to the developer. Hruska asked Curry where increasing market rate supply has brought down prices. Curry mentioned that Texas, specifically the Houston area, which has very little regulation, has affordable housing for families. Wheeler stated that property taxes in Texas are exorbitant. Mentioned that foreign investors are also a factor in driving up prices.

Stakeholder April Petersen stated that it appears that Mar Vista seems to be at equilibrium between housing demand and supply and the issue is in the mix. The city has the units, but not the needed mix of affordable. Hruska concurred, but also mentioned that Curry's point that developers cannot produce any greater amounts of affordable housing due to cost constraints needs to be addressed as government cannot produce the needed housing alone. Mentioned that the argument has been made that environmental regulations have contributed to the increased costs. Curry concurred. Petersen mentioned that Texas has very few environmental regulations and they built on a flood plain in Houston, which flooded years ago, so it is a complicated issue. Curry mentioned that the housing shortage in Los Angeles began with the blanket downzoning of the 1980s. Peterson also stated that where the units are is important as well. Curry mentioned the work that was done on the Expo Corridor Plan. Zeldin mentioned that the UCLA ITS Transit Use study (2017) showed that the single most important determinant for transit was not proximity to transit, but access to a car, and that inhabitants of TOC projects own cars and infrastructure needs to be addressed to account for this. Gucovsky stated that another very important issue is the loss of existing affordable housing. Stated that the numbers fall around for every 4K affordable units built, 4-5K of existing are lost. Added that this has had multifaceted consequences for people and applauded the idea of asking for 60%. Zeldin concurred. Wheeler stated that if a 50 unit TOC building replaces a 15 unit Rent stabilized project. This would produce 5 affordable units and destroyed 15. Would like to see full replacement required. Curry stated that increasing to 60% would deter TOC developments. Hruska thanked Curry for his perspective and suggested that Mar Vista could be an experiment. There may indeed be fewer total units produced, but a greater number of them will be affordable.

Wayne Wheeler stated that this not a referendum on TOC as a concept. It is the law, and this leveraging its parameters to increase the production of affordable housing.

Curry mentioned that affordability is an issue at every income level. It cannot be viewed in a vacuum. Suggested looking at Federal lands and building there. Hruska concurred, and suggested that this touches on the topic that environmental legislation may have had the untoward effect of limiting the construction of affordable housing. Curry stated that current property owners are charging more because constraints are limiting supply. Added that affordable housing issue would not be solved without increasing density.

Curry suggested replacing older 2-story apartment buildings and replace with granny units to replace them while maintaining affordable units. Asked if there was a willingness to do this? Felt that density wasn't bad and that there wasn't much difference between a 2 story building And a 4-story building. Wheeler responded that there was a huge difference to those who live Near them: noise, sunlight. Felt that it is healthier for people to be spread out. Otherwise Los Angeles faces becoming NYC.

Curry responded that he'd proposed a way to update and increase affordable housing in NYC which would have included a new school for the community and a major reason for It failing was that the residents of the affordable units did not want to have their views blocked.

Hruska felt that there was a middle ground that would permit developers and the Community to agree on a compromise that would have benefits for all.

Gucovsky asked what required percentage would be needed to attain RHNA goals, and does DCP have any projections for how many affordable units density bonuses will produce in the next year. Hruska responded that, to her knowledge, DCP had not issued any projections relating to how many units the Dept is expecting to be built. Added that DCP generally presents numbers based on proposed units not units actually built, and that she felt that the RHNA numbers, under current conditions were unattainable, and that the current motion, as well as the one proposed by item 6.2, would be a way to modify the current system towards attaining. It. Added that, though the 2 motions may result in lower amount of total units being built, a greater percentage of them would be affordable. Gucoovsky mentioned that ultimately, the economy will determine how much affordable housing is created, not the idea that housing is a human right. Hruska concurred that this is a very complicated issue and must be addresses in a nuanced way. The 2 motions are a way to work within the existing system, but perhaps what is needed is to revisit all state and local land use legislation, particularly SB 375. Will try to invite a demographer to speak about the topic.

Discussion concluded that projected theoretical units created would be added as background. Approved without objection..

6.2 Updates on previously approved motion to create Mobile Home Zone Districts and incentives in Vista as an algorithm for the creation of affordable housing.

Hruska presented background on motion. Reported that, since the May Community Plan meeting she'd researched costs and regulations relating to mobile (manufactured) homes. Stated that costs for manufactured homes can be purchased and set up for about 27K and up. Tiny homes run about 50-70K. Both present a novel and affordable form of affordable housing and home ownership, that it not available to many for standard, single family homes in Mar Vista. Manufactured homes tend to be 560-784 square feet while Tiny homes range from 189 to 298 square feet. The latter, due to their small size also present a very environmentally friendly option. Building standards for Tiny homes have not, however, have not yet been codified. Manufactured homes are much safer and sturdier than they once were, and must comply with HUD standards. Curry mentioned that Tiny homes are ADU alternatives as well. Stemar suggested that Tiny homes could be implemented in measure HHH projects. Hruska stated that the challenges are zoning for them and creating financial incentives. Stated that they provide density without hardscape. Zeldin asked if the vision for these for The owner to own both the home and the land. Hruska responded traditionally the concept was that the resident owns the unit and rents the land. Added that banks are still developing funding algorithms for financing Tiny homes. Other scenarios are possible as well, including mobile home condo complexes. Added that mobile/tiny home ownership also presented incentive for the owner to stay in the neighborhood, as well as producing density without increasing hardscape.

Asked for suggestions for financial incentives to induce the creation of mobile home parks. Suggestions:

- 1) Avoidance of high building costs
- 2) The monthly income generated from rental of plots
- 3) Reduced insurance costs
- 4) Reduced maintenance costs
- 5) Possible Property Tax Abatement (which would be developed via working with the state, county and city (Hruska mentioned that she would reach out to the LA City Comptroller)

Zeldin suggested reaching out to mobile home parks and inquiring how they were created and designed. How were they incentivized. Wheeler stated that above 1-4 would probably be the incentives. Hruska suggested that mobile homes be a permitted used in any multifamily zone. Wheeler suggested adding Commercial zones as well. Hruska added that, if this were proposed concomitant with motion in item 6.1 (increased per cent affordable) which might reduce TOC project applications, it would serve as an immediate alternative. Discussion concluded that incentives should be submitted as background to the motion. Approved without objection.

7. New Business-

7.1 Discussion of Prop X, presented in 2007 by cityLAB at UCLA, and related concepts

Hruska outlined report from 2006 UCLA Prop X project proposal. Project produced 5 proposals: YIMBY, CityCraft, Excess LA, SuperUse and P.A.D. (Points Allocated Development).

Discussion focused on Excess LA and SuperUse. Wayne Wheeler stated that Excess LA Essentially creates a density carbon credits system. Hruska pointed out that SuperUse seems to be what the current Slow Streets concept could become if taken to its logical extreme.

Hruska mentioned that she would do additional research and continue discussion on this Topic.

8. Adjournment-meeting adjourned at 9:36PM

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