



Carolina Peters <carolina.peters@lacity.org>

Fwd: Letter from BIA-LAV Re:

1 message

Staci Roberts <staci.roberts@lacity.org>
To: Carolina Peters <carolina.peters@lacity.org>

Wed, Jun 13, 2018 at 8:34 AM

Carol,

Please attach to CF.
Thanks

----- Forwarded message -----
From: **John White** <john.white@lacity.org>
Date: Wed, Jun 13, 2018 at 8:18 AM
Subject: Fwd: Letter from BIA-LAV Re:
To: Staci Roberts <staci.roberts@lacity.org>

Please attach the accompanying letter to Council Files 07-0287 and 08-0229 as a communication from the public.

----- Forwarded message -----
From: **Anna Martinez** <anna.martinez@lacity.org>
Date: Wed, Jun 13, 2018 at 7:33 AM
Subject: Fwd: Letter from BIA-LAV Re:
To: John White <john.white@lacity.org>, Gloria Pinon <gloria.pinon@lacity.org>

Please see email below.

--
Anna Martinez
Office of the City Clerk
200 N. Spring St., Rm. 360
Los Angeles, CA 90012
213-978-1025
213-978-1027 - FAX
Mail Stop 160-01



----- Forwarded message -----
From: **Christine Rangel** <crangel@bialav.org>
Date: Tue, Jun 12, 2018 at 5:40 PM
Subject: Letter from BIA-LAV Re:
To: "elaine.deleon@lacity.org" <elaine.deleon@lacity.org>, "jaon.pelico@lacity.org" <jaon.pelico@lacity.org>, "marietta.torriente@lacity.org" <marietta.torriente@lacity.org>, "chad.molnar@lacity.org" <chad.molnar@lacity.org>, "tricia.keane@lacity.org" <tricia.keane@lacity.org>, "jim.dantona@lacity.org" <jim.dantona@lacity.org>, "alexis.marin@lacity.org" <alexis.marin@lacity.org>, "arcelia.arce@lacity.org" <arcelia.arce@lacity.org>
Cc: "cityclerk@lacity.org" <cityclerk@lacity.org>

Dear Councilmember Bonin, Councilwoman Martinez, and Councilman Koretz,

6/13/2018

City of Los Angeles Mail - Fwd: Letter from BIA-LAV Re:

Please find BIA-LAV's comment letter regarding the Coastal Transportation Corridor Specific Plan and the West Los Angeles Transportation Improvement and Mitigation Specific Plan (Council File Nos. 07-0287 and 08-0229), for consideration by the Transportation Committee tomorrow.

Thank you,

Christine



Los Angeles/Ventura Chapter

Christine Rangel

Senior Director of Government Affairs

BIA Southern California – LA/Ventura Chapter

350 South Bixel Street, Suite 100

Los Angeles, CA 90017

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--
John A. White
Legislative Assistant
Information, Technology, and General Services Committee
Trade, Travel, and Tourism Committee
(213) 978-1072



 **Mobility_Plan_2018_Transportation Committee.pdf**
699K



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Frank Su, *Toll Brothers*

Alyssa Trebil, *DuctTesters, Inc.*

Rich Villaseñor, *KB Home*

Andy Wang, *NexData Technology*

Rick White, *Larrabure Framing*

June 12, 2018

The Honorable Mike Bonin, Chair
City of Los Angeles
200 N Spring Street, 4th Floor
Los Angeles, CA 90012

RE: Proposed TIA Fees – Coastal Transportation Corridor Specific Plan and the West Los Angeles Transportation Improvement and Mitigation Specific Plan (Council File Nos. 07-0287 and 08-0229)

Dear Councilman Bonin,

The Los Angeles/Ventura Chapter of the Building Industry Association of Southern California, (BIA-LAV) is the voice of building and development in the City of Los Angeles. We represent approximately 1,100 member companies and their respective employees involved in the building of new homes.

BIA-LAV fully understands the critical importance that traffic mitigation and reduction of greenhouse gases plays in developing strong and vibrant communities, and the role that transportation impact assessment fees play in funding such programs. BIA-LAV supports the development of a robust and inclusive transportation system to serve Angelenos. However, the Transportation Impact Assessment (TIA) fees will exacerbate the housing crisis and continue to send housing costs upward, making the achievement of housing more out of reach for the people of this City.

The City of Los Angeles is facing a housing crisis. Due to a lack of production and the inability for the market to keep up with demand, Los Angeles has also become one of the most unaffordable cities to live in the country. According to a Harvard University Housing Study, Los Angeles is the least affordable of the nation's 381 metropolitan areas¹. A similar UCLA study found that half of all households in the region are considered "cost burdened", meaning that families spend at least 30% of their income on rent or mortgage payments². The City Administrative Officer and Chief Legislative Analyst identified the lack of housing stock to blame for decreased affordability, and recommended that housing production must be increased to solve the homeless and affordability crisis³.

A recent study found that the region's average housing unit built for sale or for

¹ "America's Rental Housing: Evolving Markets and Needs", Joint Center for Housing Studies of Harvard University, 2013.

² "Pathways to Trouble: Homeowners and the Foreclosure Crisis in Los Angeles Ethnic Communities", UCLA Asian American Studies Center and UCLA Center for the Study of Inequality, 2014

³ "County of Los Angeles, Comprehensive Homeless Strategy Report, 2016



Los Angeles/Ventura Chapter

rent carries a 40% regulatory cost component⁴. This in turn makes the cost of housing even more expensive, or, in worst case scenarios, small-to-medium sized projects, such as those built on the Westside, will not be built or developed at all. The LADCP inaccurately reports the devastating impact the proposed ordinance would create on the ability of the development and building community to continue to supply the City of L.A. with much-needed housing units in the face of such massive fee increases. It also grossly underestimates the effect the Affordable Housing Linkage Fee (AHLF) will have on projects.

As currently proposed, the fees will charge \$8,847 for single-family projects; \$4,646 for apartments 10 stories or less; \$2,804 for multifamily rental units of more than 10 stories; \$6,248 for condos; \$3,044 for high-rise condos; and \$5,452 for hotels. This is a 3,000-8,000% increase, respectively, from current fees. Now is not the time to be increasing fees, as a project can only absorb so much cost before it becomes unprofitable, ensuring that the project simply will not be built. We cannot afford to stifle any form of development during this crisis.

Residential development fees should remain as is: exempt from TIA fees. To enact these fees is counterproductive to the economy and the production of critically needed housing, will add another layer of cost for the LA City renter or homebuyer, and will ultimately exacerbate the Los Angeles housing crisis.

An alternative financial resource that may help fund the Westside Mobility Plan may be Metro's Measure M funds, approved by voters in November 2016. Under this measure, Los Angeles County increased sales tax by a ½ cent until 2057 and extended the highly successful measure R sunset year for another 18 years. Ultimately this will raise about \$120 billion for new capital transportation projects and existing projects throughout the County.

BIALAV is happy to discuss other ideas with your office about how to achieve these street beautification goals without hurting residential development. Together, we can ensure that new fees are appropriate, and that homes remain available for all Westside residents. As always, we remain a resource to the City on important issues that are related to the well-being of our local communities.

Thank you for your time and thoughtful consideration.

Sincerely,

Tim Piasky
Chief Executive Officer

⁴ Gallagher, Cathy, Reaser, Dr. Lynn, "Opening San Diego's Door to Lower Housing Costs," Fermanian Business & Economic Institute at Point Loma Nazarene University, 2015.