

**Understanding and Challenging the
Opposition to New Housing in
California: The LA Experience**

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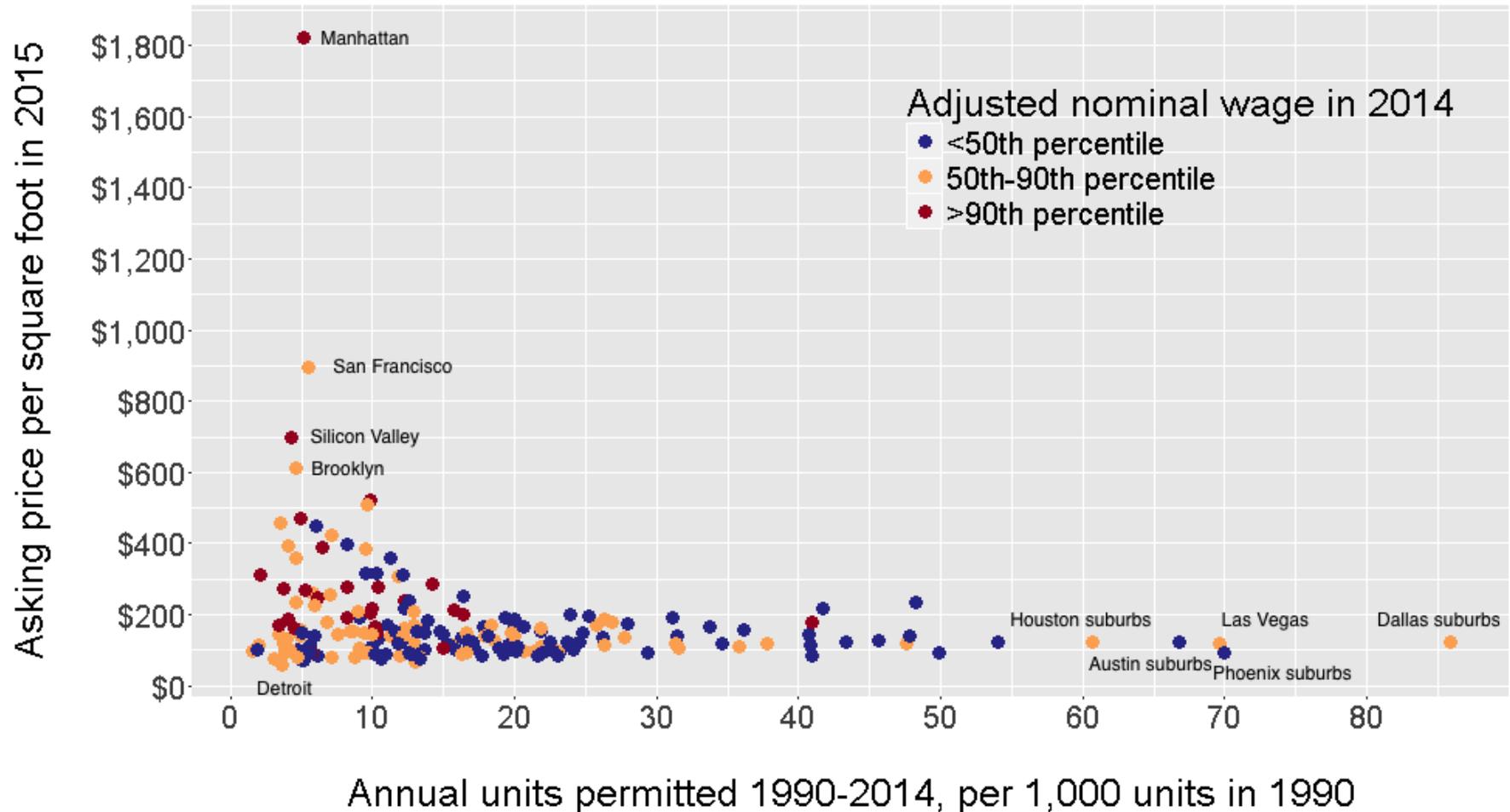
Los Angeles Hearing Panel

One cause of the affordability crisis

1. Downzoning & resistance to new housing is one of the major reasons for current affordability crisis
2. Our planning system enables local opposition to housing, magnifying a collective action problem (nobody wants new housing in their backyard)
3. The state government must use many new and existing levers to push cities to allow more housing

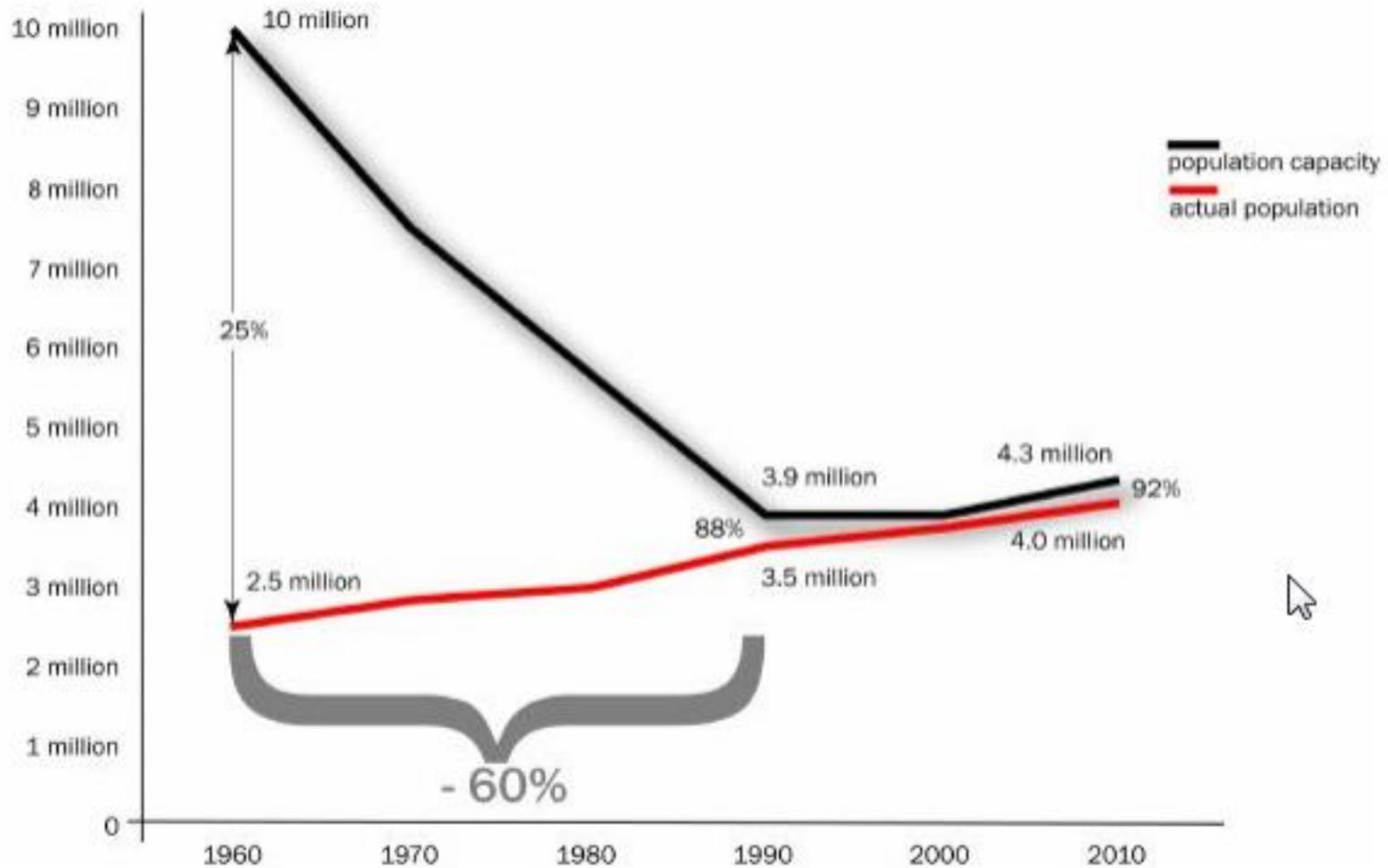
Source: Monkkonen, P. 2016. Understanding and Challenging Opposition to Housing Construction in California's Urban Areas, UC Center Sacramento White Paper (Available at: <http://uccs.ucdavis.edu/uccs-crre-housing-policy-brief-white-paper>)

In cities that do not build housing, prices (and rents) are high



Source: Buntun, D. 2016. Is the Rent Too High? Aggregate Implications of Local Land-Use Regulation. UCLA Economics.

Capacity zoned and actual population of Los Angeles, 1960-2010



Source: Morrow, Greg, "Homeowner Revolution: Democracy, Land Use, and the Los Angeles Slow Growth Movement 1965-1992." UCLA Electronic Thesis.⁴

Impacts of low-density zoning & resistance to new housing near employment and urban amenities

- Leads to higher rents everywhere
- Pushes people farther from jobs & amenities
- Exacerbates spatial inequality
- Hurts regional economy
- Damages environment (more driving)

There are many reasons to oppose new housing near your own

1. People are averse to changes in their neighborhood's built environment, the people that live there, and tend to distrust the development process
2. Many misunderstand the role of supply in affordability
3. Impacts of new housing are spatially concentrated, but affordability benefits are disperse

Currently, there are many ways to block residential development

Planning system:

- Commenting through public fora, letters, petitions
- Appealing specific projects
- Participating in design review
- Filing historic designation petitions
- Advocating for requirements in new specific plans
- Making methodology for housing needs inadequate
- Influencing community planning process

Legal system:

- Suing projects under CEQA
- Suing plans under CEQA
- Threatening to sue developers under CEQA
- Suing for developers not meeting a discretionary condition
- Suing to invalidate permits or policies

Political system:

- Running ballot initiatives
- Lobbying (or recalling) City Council members individually
- Lobbying for state laws that affect specific cities' rules
- Lobbying against state laws that make it easier to build

The state government must do more to implement existing frameworks

- Find more funding for subsidized housing
- Further streamline Accessory Dwelling Unit regs
- Strengthen Housing Accountability Act
- Connect to Sustainable Communities Strategy
- Increase HCD funding & AG for housing laws
- Enhance and strengthen Housing Element Law
- Reorient local public finance to promote housing
- Democratize inputs to planning process

Enhance and enforce the Housing Element Law

Cities are nowhere near complying with housing production targets derived from regional housing needs assessment (RHNA) (see recent Statewide Housing Assessment). Need more and bigger carrots and sticks.

RHNA allocations in many regions do not reflect environmental or affordability goals. Calculations should be simplified and standardized. Population projections bias downward housing needs.

Reorient local fiscal incentives

How can we remove disincentives to building housing from city budget perspective?

Give cities a greater share of property taxes (w/ state backfill for school funding) on the condition of compliance with RHNA

Share sales tax revenue regionally per capita, to incentivize population rather than retail

Democratize the planning process?

Making land use decisions at a small geographic scale leads to a collective action problem.

Also, the current system favors opinions of those with time and resources (reinforcing status quo bias in the political system)

The Housing Accountability Act can become important, as is funding for HCD and for Attorney General to enforce existing laws. City level process need to change too.

Thank you!

Questions: paavo@luskin.ucla.edu

This presentation is based on:

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