



BOB BLUMENFIELD

Councilmember, Third District

March 8, 2019

Re: Affordable Housing in Warner Center

Dear WHWCNC Boardmembers:

Thank you for submitting your Community Impact Statement (CIS) and providing me an opportunity to discuss affordable and equitable housing in Warner Center. Since my May 2018 motion for housing affordability, my staff and I have been monitoring your ongoing conversations on this topic. Like you, I recognize that affordable housing solutions must “go beyond what is encompassed by the Affordable Housing Linkage Fee,” and also must “not stop continued development of housing in Warner Center.” That said, I continue to stand firmly committed to addressing the need for housing and forging ahead with an amendment to the Warner Center 2035 Plan (WC 2035 Plan) to mandate inclusionary housing. Done properly, it will achieve both of the goals you have outlined.

I welcome this discussion on housing for those that live and work in Warner Center. I have reviewed your CIS suggesting supplemental options and alternatives to my amendment, and will comment on them generally and specifically. First, I want clearly to outline the direction I have given to the Department of City Planning (DCP) and Housing and Community Investment Department (HCID), which includes:

- An amendment to the WC 2035 Plan requiring the inclusion of affordable housing in any new project, with a mix of affordability levels including moderate and/or workforce housing
- A feasibility and market study to inform appropriate affordability levels and percentages for meeting that requirement (which is in progress)
- Incentives for projects that provide more than the required amount of affordable housing
- An exception to the Affordable Housing Linkage Fee (Linkage Fee) for projects subject to this requirement
- If an in-lieu payment option is required or desired, that those funds remain within Warner Center and under local control
- Outreach to stakeholders, the WHWCNC, the Canoga Park Neighborhood Council, and property owners in the area

While I stand firm on this amendment, it must be done with care, transparency, and thoughtful analysis of the market in Warner Center.

I am aware of the reticence of a few in the community to the idea of inclusionary housing or allowing any affordable housing within Warner Center. I believe that opposing affordable housing is out of sync with the larger community that has on numerous occasions voted to

support funding for affordable housing and bemoaned the lack of affordability. It's not an option to simply push low income and workforce housing to another area or neighborhood that some say may be better suited. Those arguments are non-starters as they run counter to basic fairness and our collective desire to make the Warner Center an area for "live, work, and play" for all.

Many ideas in your CIS warrant further discussion, generally as potential additive efforts to my amendment. In essence, they could help make a comprehensive plan to address affordability in Warner Center and the West Valley. My current legislative proposal will make some of your options more feasible if any funds that are collected as in-lieu payments stay in the West Valley to support innovative affordable housing solutions. I would prefer and will continue to advocate to require some if not all of the affordable housing to be built within new projects rather than developers giving a check to the City.

My staff has been engaged with the Board and attended some of your discussions as the CIS was crafted. Below are some of my thoughts regarding your specific suggestions.

1. Metro/LAUSD/Pierce College Partnerships

- Throughout the City and County, Metro and LAUSD have begun partnering with local municipalities or moving forward alone to create affordable housing projects. Metro has been engaged on this concept, however the forthcoming improvements to the Orange Line will be utilizing the Canoga Station parking lots for construction staging rather than housing in the short term, though a possibility in the long term.
- LAUSD has commenced a study of underutilized and surplus lots for affordable housing and/or Safe Parking for vehicle dwellers. However, there has been strong local opposition to LAUSD using their West Valley property for anything other than educational uses, and given issues like proximity to homeless concentrations and transit, the West Valley properties are not likely to be used by LAUSD for these uses in the foreseeable future.
- Pierce College is not within Warner Center, and proposed development on campus or selling college land for development in the past has not had support, especially since the vast majority of its campus is valuable open space.
- Although partnerships are a viable option, they're contingent on outside public agencies determining whether their land is suitable and whether citywide funds from Linkage Fee or other funds would be available to assist if it was. I am open to continuing to pursue such options, however with the aforementioned constraints in mind. Also given the complications and contingencies these options are long term solutions at best and cannot substitute for currently available options.

2. Other Public-Private Partnerships

- Rent subsidies, construction grants, and partnering with an affordable housing operator are viable options. Many are already being pursued by HCID through existing funding streams or future funds from the Linkage Fee.
- The Gross Receipts Tax is General Fund revenue and already fully used for public safety and other vital City services. The chances of any single Councilmember cordoning off local Gross Receipts Tax for local use is highly unlikely.

3. Topanga District Densification

- The WC 2035 Plan is already quite generous for density, though this area is the strictest within the Plan area because of its proximity to single family home neighborhoods and its unique position as a transitional area to lower density areas. A density increase would require extensive environmental analysis and communitywide buy-in. Further, this sub-district is one of the smallest in the Plan area and its current lot configurations and existing uses would not create enough housing any time soon. Some housing could potentially be achieved.

4. Redevelop Low-Density Affordable Sites

- Affordable housing in Warner Center is limited, mostly to naturally occurring market rate affordable rents (i.e. older buildings that are less competitive and/or are subject to the Rent Stabilization Ordinance). Issues of displacement, tenant relocation, and property owner buy-in would be paramount and could prove cost-prohibitive in addition to being counterproductive for current moderate and low income renters. Some affordable housing could potentially be achieved.

5. Affordable Housing Innovation Zones/Adjacent Areas

- It appears your CIS suggests excluding affordable housing requirements from Warner Center and instead locating it elsewhere, such as in transit oriented developments in Canoga Park and Reseda. I would not support exclusively designating other areas for affordable projects to keep affordable units segregated from Warner Center.
- Incentives for affordable housing development already exist around transit stations throughout the City via the voter approved Measure JJJ Transit Oriented Communities program. This program exists in the WC 2035 Plan however, it has not been utilized because of the generosity of the Plan.

6. Rental Building Covenants

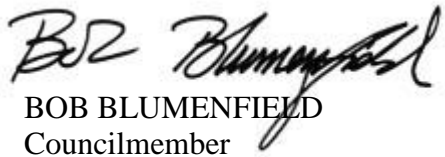
- A program extending affordability covenants already exists with HCID, and property owners can enter into new covenants. A financial incentive would be needed to garner additional interest. I would support adding affordable housing covenants to existing properties as another measure to encourage a variety of housing in the area to create more affordable housing opportunities (or preserve existing ones) and would hope that the Neighborhood Council would support them as well.

7. Affordable Mandates

- This is exactly what I've directed for study in the area. The feasibility and market study will inform affordability levels and requirements, and projects will be exempt from the Linkage Fee. Family units will be considered and most likely included in requirements.

In conclusion, I thank the WHWCNC Board for your thoughtful and robust internal discussion of the issue. I look forward to hearing your continued advice on this and many other issues. My Director of Land Use and Planning, Andrew Pennington will be attending your next meeting that addresses this topic to provide further context and answer questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Blumenfeld". The signature is written in a cursive, somewhat stylized font.

BOB BLUMENFIELD
Councilmember
City of Los Angeles