

FROM THE CHAIR

Affordable housing—an oxymoron tormenting virtually every prospective homeowner or tenant scrambling to find a decent place to live in Los Angeles. If you think it is tougher to become a homeowner in San Francisco or San Jose, think again. And if you believe it is relatively easier on the

pocketbook to be a renter here than New York City, you would be equally wrong.

Statistics paint a dismal picture of the L.A. housing market. In August 2015, the UCLA Luskin School of Public Affairs released a study titled “Impacts of the Widening Divide: Why Is LA’s Homeownership Rate So Low?” Its authors point out that “The Los Angeles metro area...has the lowest homeownership rate among metropolitan areas in the U.S.” The percentage of homeowners in this county is 46, while in New York City it is 52 percent and 54 percent in the Bay Area. It is also considerably below the national average of 64 percent. In addition, the UCLA study comments that the metropolitan statistical area of Los Angeles “has the highest average housing burden and new owner costs.”

Local renters face an increasing financial burden too. In a press release published last August, Zillow indicates that in the second quarter of 2015 local tenants paid 48.9 percent of their income in rent, as opposed to 35.6 percent between 1985 and 2000. In contrast, in the New York-Northern New Jersey area the percentage is 41.3. Whatever the city, more dollars spent on rent means less to buy groceries, pay car expenses or Metro fares, obtain insurance, and have a little left over for discretionary activities or savings.

A variety of factors have contributed to this housing crisis. Stagnant wages is a key one. As a *Los Angeles Times* editorial, “How to get more affordable housing in Los Angeles,” observed in August 2015 that “Housing prices in Los Angeles have grown four times faster than incomes since 2000.” Similarly, the UCLA study cited above notes, “Since 1970, renters in Los Angeles, particularly those in the bottom income quartile, have been severely burdened, paying more than 30% and increasingly 50% of their income in rents.”

Land use regulations also play a significant role. As planner and professor Gregory D. Morrow described in a *Los Angeles Times* op-ed piece last July, “For much of the last 40 years, planning in Los Angeles has been guided by the idea that growth is bad, that more people mean more congestion, pollution and social ills. The city has emphasized ‘downzoning’—reducing the number of units allowed to be built on properties—to actively curb growth. It hasn’t worked....since 1970, half a million more people have moved to Los Angeles than were planned for...”

With 2016 being an election year, the forecast is for continued hand wringing by candidates about the Los Angeles housing crisis. Once the electorate has spoken in November and public officials feel momentarily motivated to demonstrate a capacity to act, perhaps the scarcity of new housing development initiatives will be replaced with those actually leading to more affordable single-family homes and apartments being built. This includes adoption of local inclusionary zoning ordinances for market-rate residential developments and adoption of state and federal tax incentives to promote housing. For those looking for a clean, decent, safe place to put their feet up after a hard day at work, the hope is that speeches are replaced with real change beginning now. ■



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