

From: Lauren Natoli

Date: Wednesday, October 27, 2021 at 12:26 PM

To: keyonna.kidd@lacity.org <keyonna.kidd@lacity.org>,

Subject: 21-1230 Housing Element Comment

Council File: 21-1230

Dear Ms. Kidd,

Channell Law Group and AIDS Healthcare Foundation compiled a number of spreadsheets, studies, and other documents that support its comment letter to the Housing Committee of City Council. Due to the size of the files, we provided a DROPBOX link set forth below. Please see that these documents are included in the City Council File, City Planning File, and Environmental File for the Housing Element Update. CPC-2020-1365-GPA; ENV-2020-6762-EIR; Council File No. 21-1230 (Housing Element Update).

DROPBOX Link: <https://www.dropbox.com/sh/xwi398yj0pw10h6/AAAEvxkDD4rG7-Ne9tS169HGa?dl=0>

Please contact me at 908-601-5425 if there are any problems accessing these documents.

Thank you for your attention to this matter.

All best,

Lauren Natoli

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October 27, 2021

VIA ELECTRONIC MAIL (keyonna.kidd@lacity.org)

Housing Committee
Los Angeles City Council
c/o City Clerk
200 North Spring Street
Los Angeles, CA 90012

RE: Item No. 5 Agenda for October 27, 2021 – CPC-2020-1365-GPA; ENV-2020-6762-EIR; Council File No. 21-1230 (Housing Element Update)
“Environmental Impact Report (EIR), No. EIR No. ENV-2020-6762- EIR and State Clearinghouse (SCH) No. 2021010130, and related EIR Findings, Statement of Overriding Considerations, Mitigation Monitoring Program (MMP), and related California Environmental Quality Act findings; reports from the Department of City Planning, Los Angeles City Planning Commission, and Mayor relative to the Housing Element Update for the period 2021-2029, Resolution to certify the EIR and adopt the EIR Findings, Statement of Overriding Considerations, and MMP; and, Resolution to amend the Housing Element of the City's General Plan, pursuant to City Charter Section 555 and Los Angeles Municipal Code Section 11.5.6, to revise existing and establish new citywide priorities, policies, goals, and programs for the City to accommodate the City's required housing needs allocation as determined by the Department of Housing and Community Development and the Southern California Association of Governments in the Regional Housing Needs Assessment.”

Dear Members of the Housing Committee (“Committee”):

This firm represents AIDS Healthcare Foundation (“AHF”). As detailed in this comment letter, the Environmental Impact Report (“EIR”)¹ for the Los Angeles (“City”)

¹ The DEIR is available at: https://planning.lacity.org/development-services/eir/Housing-Element_2021-2029_Update_Safety-Element_Update_deir

Housing Element 2021-2029 Update² / Safety Element Update³ (“Project” or “Plan”) is fatally flawed and must be redone and recirculated as it fails to identify all of the significant impacts of the proposed Project. It also fails to provide adequate mitigation for significant impacts. AIDS Healthcare Foundation hereby adopts all project objections, comments, and all evidence/studies submitted in support thereof, and specifically requests that the City print out or attach to the Council file each and every hyperlinked document cited in all comment letters in the administrative record for this Project. Please add this law firm the **list of interested persons** to receive all notices related to this Project.

1. INTRODUCTION

As detailed in the Draft EIR (“DEIR”), the proposed Project would result in 25 significant unavoidable Project impacts and an additional 22 significant unavoidable cumulative impacts. (See **Section 3** of this letter). This is an unacceptable level of impacts and the Committee should require the development of additional mitigation measures to reduce these impacts to a level which is considered less than significant.

As detailed in the draft Housing Element and the DEIR, the proposed Project would result in the significant up-zoning of land within the City as a result of the City’s RHNA allocation of 456,643 new units for the 2021-2029 Plan period. This can be compared to its current RHNA allocation of 82,002 units during the current eight-year cycle. In January of 2020, the City had a total of 1,517,755 housing units according to the California Department of Finance (DOF).⁴ The RHNA allocation lacks any realistic credibility because it not only represents a 5.57 fold increase in housing production as compared to the City’s 2014-2021 RHNA Goal, it requires a 30% increase in the City’s **total housing stock** in just eight years. The Draft EIR fails to credibly explain precisely how the City thinks it is required to add housing for approximately 1.29 million people in just eight years.

Furthermore, it requires this during a time when the Southern California Association of Governments (SCAG) Demographics and Growth Forecasts⁵ indicate that: “slower population growth is anticipated not just in the SCAG region but across California and nationwide.” As noted by SCAG: “Historically, the SCAG region’s population growth has dramatically outpaced the United States—1.7 percent compared to 1.1 percent for the period from 1970 to 2000. However, since 2000 average annual growth rates in the region have been comparable with the United States at roughly 0.8 percent annually.” In fact, SCAG anticipates a 0.61% annual population growth rate

² The Housing Element Update is available at: <https://planning.lacity.org/plans-policies/housing-element-update#draft-plan>

³ The Safety Element Update is available at: <https://planning.lacity.org/plans-policies/community-plan-update/general-news-item/draft-safety-element-and-plan-healthy-la>

⁴ See DOF Table E-5 available at: <https://dof.ca.gov/Forecasting/Demographics/Estimates/E-5/>

⁵ Page 4. Demographics and Growth Forecast, SCAG, Adopted September 3, 2020. Available at: https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocial_demographics-and-growth-forecast.pdf?1606001579

between 2016-2045. According to Table 13 of the SCAG forecasts, between 2020 and 2030, the population of the entire County is anticipated to grow by only 493,000 persons, from a population of 10,407,000 to 10,900,000. It is thus absurd to have an assigned RHNA to require 456,643 new units for the 2021-2029 Plan period for just the City of Los Angeles alone. Rather than engage in wholesale up-zoning, the City should have challenged its RHNA allocation, which it not only failed to do – but the City’s Mayor led an effort to have even more units assigned to Los Angeles.

The RHNA allocation and the City’s Housing Element should have been adjusted to account for the fact that the City experienced a significant over-production of above-moderate rate housing units during the last Housing Element cycle. The City’s 2014-2021 RHNA Goal for above-moderate rate housing units was 35,412 units, yet 105,522 units were produced. The 70,110 extra above-moderate rate housing units should be deducted from the City’s above-moderate rate goal for the 2021-2029 cycle.⁶ The City should apply to the State and SCAG for this reduction and the Housing Element’s up-zoning program adjusted accordingly.

Despite the fact that the City’s RHNA allocation for the Project period is a completely unrealistic 456,643 new housing units to be constructed within the eight-year period from 2021 to 2029, the Housing Element includes up-zoning which would result in 486,379 units, 29,736 more units than the already unrealistic RHNA allocation.⁷ Of the 486,379 units: 53,272 represent the existing calculated development potential; 125,705 units are in the development pipeline; and, 51,987 are assumed to result from Accessory Dwelling Unit (ADU) production, an expansion of Project Homekey, and new public land development programs.⁸ This results in a shortfall of 225,680 units from the RHNA allocation. However, the Housing Element provides for up-zoning to allow for development of an additional 255,415 units. The proposed Project is thus growth-inducing, not growth accommodating.

As evidenced by the City’s failure to meet affordable housing goals in the current Housing Element while wildly over-producing above moderate rate housing, the City’s current strategies for addressing housing affordability are not working, and are instead engines to continue the current strategy of above moderate-income housing production. Of the total housing units produced (117,088) in the City during the 2014-2021 Housing Element period, 90% (105,522) were above moderate-income or luxury units, even though only 38% of the City’s households qualified as above moderate-income in the

⁶ The City’s total rate of housing production during 2014-2021 cycle, 117,088 units, exceed the City’s total RHNA housing production goal of 82,002 units. During the current Housing Element period the City produced 7,012 very low, 3,727 low, 827 moderate and 105,522 above moderate rate housing units. See Table 5.1:

https://planning.lacity.org/odocument/1ba61788-8379-4260-9d6e-8e70c7df612a/Chapter_5_-_Review_of_the_2013-2021_Housing_Element.pdf

⁷ The DEIR explains that the additional units are to provide a cushion to protect against SB 166 issues.

⁸See the Housing Element’s discussion of “What to Know about: RHNA, Site Selection, and Rezoning” available at:

https://planning.lacity.org/odocument/6e79ba73-689a-4f6f-95e4-057dd85b5b57/What_to_Know_about__RHNA_Site_Selection_and_Rezoning.pdf

2010 census.⁹ Only 10% of the units constructed (11,566) City-wide were affordable units, and this does not account for the 2,478 Rent Stabilization Ordinance (RSO) units demolished between 2014 and 2020 to produce the housing constructed during this time period.¹⁰

The City's history of over production of above moderate-income housing is particularly troubling given the No Net Loss requirements of SB 166 (2017). As explained on page 3-10 of the DEIR:

Senate Bill 166 amended existing No Net Loss Law to require sufficient adequate sites to be available at all times throughout the Housing Element planning period to meet a jurisdiction's remaining unmet RHNA goals for each income category. To comply with the No Net Loss Law, as jurisdictions make decisions regarding zoning and land use, or development occurs, jurisdictions must assess their ability to accommodate new housing in each income category on the remaining sites in their housing element site inventories. A jurisdiction must add additional sites to its inventory if land use decisions or development results in a shortfall of sufficient sites to accommodate its remaining housing need for each income category. In particular, a jurisdiction may be required to identify additional sites according to the No Net Loss Law if a jurisdiction rezones a site or if the jurisdiction approves a project at a different income level or lower density than shown in the sites inventory.

As shown on Table 3-1 in DEIR Chapter 3, the City's RHNA allocation is as follows:

⁹ According to the 2010 US Census 29% of City households were very low income, 16.1% were low income, 16.2% were moderate income and 38% were above moderate income. See page 1-14 of the City's Housing Needs Assessment, City Housing Element adopted December 3, 2013 available at: <https://planning.lacity.org/odocument/899d18c9-eb79-4540-b3eb-1d42615394ee/ch1.pdf>

¹⁰ See Ellis Act Evictions City of Los Angeles 2007-2020
<http://www.antievictionmappingproject.net/losangeles.html>

Note: Evictions in 2020 were lower due to the pandemic eviction moratorium

TABLE 1 City of Los Angeles RHNA Allocation		
Income Level	Number of Units	Percent of Total
Very low	115,978.00	25.40%
Low	68,743.00	15.05%
Moderate	75,091.00	16.44%
Above Moderate	196,831.00	43.10%
Total	456,643.00	100.00%
Total Affordable	259,812.00	56.90%

The proposed Project fails to provide sufficient mechanisms to ensure production of affordable housing and fails to provide sufficient controls to ensure that there will not be an overproduction of above-moderate rate housing resulting in the need for additional up-zoning to meet affordable housing goals and the exacerbation of associated impacts (see **Section 3** for a summary of acknowledged impacts). The following Mitigation Measures need to be included in the EIR in order to ensure that failure to comply with SB 166 will not result in an inaccurate project description and additional or more severe impacts:

- New Mitigation Measure 1** – Prior to approval of the Housing Element the City shall adopt an ordinance which places a moratorium on additional above-moderate income housing production once the RHNA target of 196,831 units, less the 70,110 extra above moderate rate housing units produced during the 2014-2021 Housing Element cycle, is reached. The Planning Department shall provide the City Council with an annual report on housing production by income category and shall notify the City Council when 90% of this target for above moderate-income housing units has been reached. The Planning Department shall provide the City Council with an annual estimate of when it anticipates that the moratorium will need to go into effect based on housing production rates. No above moderate rate units above the target number shall be approved during the 2021-2029 Housing Element period.
- New Mitigation Measure 2 – New Mitigation Measure** – Prior to approval of the Housing Element the City shall adopt an inclusionary housing ordinance in order to ensure that adequate affordable housing will be produced during the Project period. The intent of such inclusionary housing ordinance is to ensure that 57% of all units produced are affordable.

- **New Mitigation Measure 3– New Mitigation Measure** – In order to avoid triggering the need for a moratorium on additional above-moderate income housing production, the City’s inclusionary zoning ordinance shall require that every year the City shall calculate the differential between the share of the City’s above-moderate income RHNA allocation which has been met (total above-moderate income housing units produced/RHNA above-moderate income housing target = above-moderate percent produced), and the share of the City’s affordable housing RHNA allocation by income category which have been met (for example total low income housing units produced/RHNA low income housing target = low income percent produced), and shall adjust the inclusionary housing ordinance affordability targets and requirements accordingly. For example, if the above-moderate percent produced – the low-income percent produced = 5, the low-income inclusionary target shall be raised by 5%). The purpose of this adjustment is to ensure that the need for a moratorium on additional above-moderate income housing production is never triggered.
- **New Mitigation Measure 4** – As part of the evaluation of any development project, be it discretionary or ministerial, the Planning Department shall determine whether or not the development would be located on a site identified for affordable housing production in the Housing Element. The City shall adopt an ordinance prior to approval of the Housing Element specifying that no development shall be approved unless it is in compliance with the affordable housing production assumptions contained in the Housing Element for the site or results in additional affordable housing above that assumed for the site in the Housing Element.
- **New Mitigation Measure 5** - In the case of developments approved pursuant to SB9 or SB10, the Planning Department shall require submission of information regarding the sale price or rental rates for the units prior to granting a COO. The Planning Department shall follow-up to ensure that rental rates and sale prices information is accurate. This information shall be tracked in the City’s annual report on housing production by income category. If no price or rental rate information is available, the City shall treat the units as above market rate units for purposes of determining when the moratorium on additional above market rate units shall go into effect.
- **New Mitigation Measure 6** - Rental units produced pursuant to SB9 and SB10 shall be subject to the City’s Rent Stabilization Ordinance. Any units produced pursuant to SB9 or SB10 which are above-moderate income units shall be subject to an affordable housing linkage fee.
- **New Mitigation Measure 7** – Prior to the authorization of any demolition permit of any residential structure, the Planning Department and Building

and Safety shall collect information on the income level and rental rates of occupants. The Planning Department shall maintain a database of the number of displaced households which shall include the number of households and persons displaced by income level and by housing affordability category, and by type of replacement project (TOC, Density Bonus, etc). For each address, the database shall specify the number of units demolished by income level (very low, low, moderate, above moderate), the total number of units built by income level, and the net number of units by income level. The displacement information shall be made available to the public on the City's website. The Planning Department, as part of its annual housing production report shall provide the City Council with this information on displacements along with an analysis of which permit types and programs have the greatest impact on displacement and which result in the greatest net increase in affordable housing units. Density bonuses shall not be granted unless a development project results in a substantial net gain in affordable units.

Unless these mitigation measures are required, the City runs the danger of needing to engage in additional up-zoning to meet its affordability targets. In the absence of such controls, the entire DEIR impact analysis understates impacts, as the DEIR fails to address the additional up-zoning which is likely to be required by SB166 given the City's current permitting practices and policies as well as the level of displacement, and true level of affordable housing generation.¹¹

Despite rezoning to allow for construction of an additional 255,415 units above what would be allowed under existing zoning, the DEIR concludes that the proposed Project would have less than significant infrastructure and water availability impacts. This defies common sense, as detailed in this letter. The DEIR identifies significant public service impacts, but not water and infrastructure impacts. The DEIR has failed to accurately assess and describe the impacts of growth well in excess of that assumed in current SCAG population and housing forecasts for the region and the City's existing infrastructure plans. As a result, the DEIR fails to identify a number of significant impacts.

In addition, the DEIR fails to accurately capture the cumulative impacts of the proposed Project. The up-zoning provided for as part of the proposed Project is in addition to the up-zoning resulting from recent legislation including SB9 which would allow for a lot split and thus up to four dwelling units per existing single-family parcel and SB10, which provides for up to 10 units on parcels in proximity to transit. These two pieces of legislation provide for substantial up-zoning and the resulting additional units would be in addition to the 486,379 units in the Housing Element and analyzed in the DEIR, including the additional 255,415 units resulting from the up-zoning included in the proposed Project. Given the location of such units and the lack of affordable housing

¹¹ See discussion of SB 166. See also **Section 2** of this letter which addresses the DEIR's failure to analyze the full development potential of the proposed Project.

requirements in SB9¹² and SB10,¹³ it is likely that the units that are produced will be above-moderate-income units, which may further the over-production of above-moderate rate units thus necessitating further up-zoning to comply with SB 166 if the City does not cap the total number of above-moderate-income units that may be produced during the Plan period and adopt an inclusionary zoning ordinance, as provided for in the mitigation measures we have provided.

The additional SB9 and SB10 units have not been addressed in either the Housing Element or the DEIR's cumulative impact analysis, despite the fact that they were reasonably foreseeable.¹⁴ At a minimum the DEIR should have included alternatives where the amount of up-zoning was reduced to adjust for the effects of SB9 and/or SB10.

Not only is the Housing Element inadequate in its approach to ensuring adequate affordable housing, the Safety Element is also deficient as a plan document. As detailed in the DEIR the proposed Housing Element will result in significant unmitigated wildfire impacts. As detailed in the DEIR, the Housing Element will: impair emergency response plans; exacerbate wildfire risks in State Responsibility Area or VHFHSZ; require infrastructure that may exacerbate fire risk; expose people or structures to significant risks in State Responsibility Area or VHFHSZ; and, expose people or structures to significant risks involving wildland fires. Neither the DEIR nor the Safety Element provide mitigation measures or policies which would reduce these impacts to a level which is less than significant. The Safety Element is thus inadequate.

Although certification of the Final EIR ("FEIR") is before the Committee, to date only the Draft EIR ("DEIR")¹⁵ has been made available to the public. Based on a review of the Agenda¹⁶ and Council file,¹⁷ as of the evening of October 26th, the FEIR was not yet available to the Committee. The Committee should not be making recommendations regarding the certification of an FEIR which the Committee has not reviewed.¹⁸

¹² The text of SB9 is available at:

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB9

While SB9 does not apply to parcels containing affordable units, it contains no requirements that the units produced under SB9 include affordable units.

¹³ The text of SB10 is available at:

https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220SB10

While SB10 talks about affordable housing in the preamble, it does not require the production of affordable housing in order to be eligible for a higher density project.

¹⁴ The legislative history for SB9 is available at:

https://leginfo.legislature.ca.gov/faces/billHistoryClient.xhtml?bill_id=202120220SB9

The legislative history for SB10 is available at:

https://leginfo.legislature.ca.gov/faces/billHistoryClient.xhtml?bill_id=201720180SB10

¹⁵ The DEIR is available at:

https://planning.lacity.org/development-services/eir/Housing-Element_2021-2029_Update_Safety-Element_Update_deir

¹⁶ The Agenda is available at:

<https://lacity.primegov.com/Portal/Meeting?compiledMeetingDocumentFileId=14014>

¹⁷ The Council file is available at:

<https://cityclerk.lacity.org/m.clerkconnect/#/CFIResult>

¹⁸ The FEIR was similarly not available to the Planning Commission when it made its recommendations.

Furthermore, as detailed in this letter, the proposed Project will result in significant impacts which have not been identified in the DEIR. The DEIR must be corrected and recirculated prior to any further action on the proposed Project.

2. THE EIR ANALYSIS UNDERSTATES IMPACTS BY FAILING TO ADDRESS THE WHOLE OF THE ACTION, INCLUDING THE FULL DEVELOPMENT POTENTIAL OF THE PROPOSED PROJECT

Despite the fact that the City's RHNA allocation for the Project period is 456,643 new housing units to be constructed within the eight-year period from 2021 to 2029, the Housing Element includes up-zoning which would result in 486,379 units, 29,736 more than RHNA allocation. However, the EIR only analyzes the potential construction and operation of 420,327 units. As explained on page 3-31 to 3-32 of the DEIR:

The most significant potential impact under this approach is the potential construction and operation of 420,327 housing units (hereafter referred to as "build out of the RHNA" or "housing development accommodated by the Housing Element Update"), which represents the City's RHNA allocation of 456,643 units, less the 36,316 already approved pipeline housing units expected to receive a COO during the 6th cycle. . . Analyzing the production of 420,327 units is intended to provide a conservative analysis of the reasonable worst-case scenario of environmental impacts from future implementation of the 2021-2029 Housing Element.

The DEIR thus only analyzes the impacts of 420,327 new housing units and fails to analyze full buildout, which is the 486,379 units allowed under the proposed Plan. While there may be justification for deducting units which have fully completed construction by the time the NOP was issued but had not yet received a Certificate of Occupancy (COO), from the analysis of construction impacts, there is no justification for deducting these units from the analysis of operational impacts. At a minimum, the DEIR should have analyzed impacts associated with the construction of 450,063 new units and the operation of 486,379 new units. The DEIR thus underestimates Project impacts by failing to analyze the impact of full buildout under the proposed Project including its up-zoning. The DEIR is thus fatally flawed.

In addition, there are problems with how the existing development potential was calculated, when estimating the need for up-zoning. This has led to an underestimate of development potential and thus an overestimate of the need for up-zoning resulting in an inaccurate and understated calculation of full buildout. This in turn has led to an underestimate of Project impacts.

The methodology used for estimating development potential is described in Housing Element Appendix 4.6.¹⁹ This analysis is disturbing on a number of fronts.

¹⁹ Housing Element Appendix 4.6, available at: <https://planning.lacity.org/odocument/17c762c5-a324-4d8e-b94a-bda10e8fd694>

First, the 8-year prediction of 61,158 units calculated by the consultant was reduced by the staff to 42,781 in an endnote with insufficient justification. However, according to the Housing Elements discussion of “What to Know about: RHNA, Site Selection, and Rezoning,” 53,272 units was the development potential used in determining the amount of up-zoning required, though the analytic route for arriving at this number is not provided.²⁰

According “What to Know about: RHNA, Site Selection, and Rezoning,” of the 486,379 units provided for in the 2021-2029 draft Housing Element: 53,272 represent the existing calculated development potential; 125,705 units are in the development pipeline; 51,987 are assumed to result from Accessory Dwelling Unit (ADU) production, an expansion of Project Homekey, and new public land development programs; and the remaining units are achieved via up-zoning. Given there are 125,705 units in the current development pipeline, an assumption that between 2021 and 2029 the 8-year additional development potential is only 42,781 – 61,158 units (without up-zoning) seems artificially low and is not supported by substantial evidence.

Second, the regression analysis results are meaningless when it comes to estimating development potential as they have a very low predictive value, as indicated by the reported R^2 for the two models. The accuracy of a regression model is reflected in its R^2 value. An R^2 of zero means zero percent of the observed variation in the dependent variable is explained by the model. An R^2 of 1 means 100% of the observed variation is explained by the model. According to footnote 22 in Housing Element Appendix 4.6:

The logit regression model has a (McFadden) pseudo- R^2 of 0.126. An OLS linear probability model presented later in this memo (and which also includes some explanatory variables reflecting household income and race/ethnicity) has an R^2 value of 0.038.

That means these models are virtually worthless, as one model only explains 12.6 percent of the variation in the dependent variable and the second only predicts 3.8 percent. As models go, anything less than an $R^2 = 0.7$ is not a strong model, which is probably why the consultant hid the R^2 values in a footnote, and has failed to provide the model results as one would in a typical research journal article.²¹ The analysis fails to provide the full regression equations, fails provide the equations with the resulting estimates of the coefficients for the independent variables, and fails to provide the probabilities and thus level of significance for each of the estimated coefficients for the independent variables, so that the reader can assess whether key independent variables belong in the model, or should be removed. Appendix 4.6 and thus the DEIR fail to disclose the specific equations used in estimating likely development and thus to adequately disclose the analytic route used in determining up-zoning goals.

²⁰ “What to Know about: RHNA, Site Selection, and Rezoning” is available at:

https://planning.lacity.org/odocument/6e79ba73-689a-4f6f-95e4-057dd85b5b57/What_to_Know_about_RHNA_Site_Selection_and_Rezoning.pdf

²¹ For a slide show primer on the standard reporting practices for regression results see: <https://www.slideshare.net/plummer48/reporting-a-multiple-linear-regression-in-apa>

Third, and perhaps most importantly this is a model which predicts the likely number of units that will be developed, not the capacity for new housing units under existing zoning. Thus, although existing zoning may allow for more development and even the number of housing units needed to meet RHNA targets, the City has calculated the amount of units that are likely to be developed based on existing zoning, market forces and other variables and treated this as the existing development potential. As explained on page 4-6-12: The model consists of two steps:

- **Step 1: The likelihood of new units being permitted** on a parcel is estimated for the full 2010 Sample using a logit regression model. The logit model ensures that predicted probabilities of new units being permitted fall within the [0,1] range.
- **Step 2: The conditional number of new units permitted** on a parcel is estimated for the subset of parcels in the 2010 Sample which had new units permitted, using a fractional logit regression model.

Thus, the model is predicting the number of units likely to be developed over the 8 years, after consideration of such things as market forces, which are difficult inputs to accurately predict.²² Then, based on the City's prediction of likely development levels, based on a largely useless model, the City is concluding it needs to up-zone large portions of the City in order to generate sufficient housing development to meet its RHNA targets, even though there may already be sufficient capacity for those number of units available, given existing zoning and density bonus programs. This is voodoo Housing economics used to justify substantial up-zoning. The Housing Element and DEIR need to provide information on the remaining development capacity under existing zoning. The proposed Project increases development capacity based on a largely useless analysis of the number of units likely to be developed, and without consideration of existing development capacity. As a result, the resulting total development capacity and thus the potential for

²² The list of variables included in the Model is provided on pages 4.6-14 to 4.6-15 and include such factors as "a set of indicators for each of Los Angeles' four market areas types," a set of indicators for broad existing-use categories: Commercial, Industrial, Institutional, Recreational and Residential (as well as Miscellaneous and Missing), drawn from county assessor records," categorical data for structure age, and FAR, "the log of typical estimated asking rent in the zip code area, drawn from Zillow Observed Rent Index (ZORI)," the "average rental vacancy rate in the Census Public Use Microdata Area (PUMA) during the prior 5-years," and the "average remaining lease duration for commercial properties in the Community Plan Area (CPA), drawn from Compstak data."

The Appendix thus fails to provide specifics as to the data used or the equation specifications. The analysis inappropriately combines parcel and area data for the data points. In addition, as a general rule, categorical data should be avoided in a regression analysis. There are coding systems for using categorical data, such as dummy coding of dichotomous variables, as well as other coding systems for ordinal categorical variables in a regression analysis, but Appendix 4.6 does not disclose which if any coding system was used so that the reader can determine the appropriateness of the methodology. See for example: <https://stats.idre.ucla.edu/spss/faq/coding-systems-for-categorical-variables-in-regression-analysis-2/>

impacts is underestimated. The DEIR impact analysis, and the Existing Setting and Project Description in the DEIR are fatally flawed.

The Housing Element then goes on to use this flawed regression model as part of assessing the development potential of candidate sites for the rezoning program (see Housing Element Chapter 4,²³ including pages 177 – 190). As noted on Housing Element Chapter 4, page 190:

A total of at least 243,254 sites containing 1,432,059 units have been identified as part of the Rezoning Program (see Table 4.19 below).⁸

8. Please note this number has been reduced since the September 15th draft, due to further refinement of the inventory to exclude parcels erroneously identified such as certain sea level rise parcels, parcels in HPOZs, and parcels with incompatible existing uses.

Appendix 4.7 contains a spreadsheet with the candidate rezoning sites, listing the current and proposed zoning, minimum density, total capacity, and whether the site is currently subject to the Rent Stabilization Ordinance, among other factors.²⁴ A copy of the Appendix 4.7 is included as **Attachment A** to this letter. The results from the rezoning inventory are displayed in Table 4.19 of the Housing Element, which is reproduced on the next page. Given the faulty nature of the potential development model, the development capacity of the sites planned for up-zoning cannot be discounted using factors derived from the regression model, as described in Housing Element Chapter 4.

The DEIR analysis is fatally flawed, because it does not analyze the full development value of the up-zoning, which is 1,432,059 units. The DEIR analysis thus substantially underestimates the potential for impacts and the DEIR must be redone and recirculated.

In addition, DEIR page 3-34 indicates that the proposed Project also includes: adoption of targeted amendments to the Plan for a Healthy LA; and technical amendments to other General Plan Elements, including but not limited to the Framework Element and other elements as needed to ensure consistency with the updated Housing and Safety Elements. However, the DEIR fails to provide the details or text of these amendments. The record does not show that the City gave any notice to the public of any proposed amendments to its General Plan Elements other than Housing and Safety. Accordingly, the Project Description in the DEIR is inadequate and incomplete because the Project encompasses other General Plan elements for which the public has not been notified or engaged as required under State Planning Law and CEQA.

²³ Housing Element Chapter 4 is available at: <https://planning.lacity.org/odocument/aa9d124b-aa60-4cf4-b77c-8dac371a7742>

²⁴ Housing Element Appendix 4.7 spreadsheet can be downloaded from: <https://planning.lacity.org/odocument/aa9d124b-aa60-4cf4-b77c-8dac371a7742>

Table 4.19: Results from Rezoning Inventory Model

Rezoning Strategy	Parcel Count	Very Low Income Units	Low Income Units	Moderate Income Units	Above Moderate Income Units	Total Units
Community and Neighborhood Planning (CPU)	33,749	90,473	90,473	2,121	449,572	627,638
Residential Opportunity Corridors (OPP RC)	3,477	29,093	29,093	0	16,901	74,903
Opportunity Avenues (OPP RC2)	5,316	0	0	23,643	12	23,643
Commercial Opportunity Corridors (OPP C)	667	1,194	1,194	0	2,859	5,248
Transit Opportunity Corridor Areas (TOPP C)	272	0	0	0	1,022	1,022
TOC Expansion in Higher Opportunity Areas (TOC EXP)	11,792	287,811	27,811	0	94,780	150,402
50% Density Bonus (DB50)	18,908	123,699	123,699	250	153,892	401,540
Parking Zones (P)	1,032	1,978	1,978	0	780	4,736
Adaptive Reuse (ARO)	10,153	4,747	4,747	1,595	32,039	43,128
Micro Unit Regional Center (MURC)	1,250	3,417	3,417	43	14,518	21,639
Accessory Dwelling Units (ADU)	48,797	0	0	4,141	0	4,141
R2/RD Zone Update (R2RD)	64,570	0	0	18,080	0	18,079
Affordable Housing Overlay (AHO)	34,034	10,198	10,198	0	25,120	45,516
Public Facility Zone (PF)	6,407	2,072	2,072	0	2,972	7,116
Faith-Based Owned Properties (FBO)	2,865	1,273	1,273	0	1,006	3,552
Total	243,245	297,433	297,433	49,872	790,461	1,432,059

3. ANTICIPATED SIGNIFICANT ENVIRONMENTAL EFFECTS

Based on the analysis contained in the Draft EIR, the Proposed Project would result in unavoidable significant environmental impacts with regard to:²⁵

- Air Quality – Threshold 4.2-2 (Construction and Operational Air Criteria Air Pollutant Emissions: Project and Cumulative)
- Biological Resources – Threshold 4.3-1 (Special-Status Species: Project and Cumulative); Threshold 4.3-2 (Sensitive Habitats: Project and Cumulative); Threshold 4.3-3 (Wildlife Corridors: Project and Cumulative)
- Cultural Resources – Threshold 4.4-1 (Historic Resources: Project and Cumulative); Threshold 4.4-2 (Archaeological Resources: Project and Cumulative)
- Geology and Soils – Threshold 4.5-1 (Paleontological Resources: Project and Cumulative)
- Hazards and Hazardous Materials – Threshold 4.7-2 (Hazardous Materials Near Schools: Project and Cumulative); Threshold 4.7-3 (Hazardous Materials Sites: Project and Cumulative)
- Noise – Threshold 4.10-1 (Construction Noise: Project and Cumulative); Threshold 4.10-2 (Operation Noise: Project and Cumulative); Threshold 4.10-3 (Construction Vibration: Project and Cumulative)
- Public Services – Threshold 4.12-1 (Fire Protection: Project); Threshold 4.12-2 (Police Protection: Project); Threshold 4.12-3 (School Facilities: Project)
- Recreation – Threshold 4.13-1 (Deterioration of Recreational Facilities: Project and Cumulative); Threshold 4.13-2 and Threshold 4.13-3 (Construction of Recreational Facilities: Project and Cumulative)
- Transportation (Freeway Queuing: Project and Cumulative)
- Tribal Cultural Resources – Threshold 4.15-1 (Construction: Ground Disturbance during Construction: Project and Cumulative)
- Wildfire – Threshold 4.17-1 (Impair Emergency Response Plan: Project and Cumulative), Threshold 4.17-2 (Exacerbate Wildfire Risks in State Responsibility Area or VHFHSZ: Project and Cumulative), Threshold 4.17-3 (Require Infrastructure that may Exacerbate Fire Risk: Project and Cumulative), Threshold 4.17-4 (Expose People or Structures to Significant Risks in State Responsibility Area or VHFHSZ: Project and Cumulative), Threshold 4.17-5 (Expose People or Structures to Significant Risks Involving Wildland Fires: Project and Cumulative)

The Draft EIR has also identified the following significant impacts that are anticipated to be reduced to less than significant with identified mitigation measures:

- Air Quality (Construction TACs)
- Hydrology (Impeding or Redirect Flood Flows)

²⁵ See Notice of Availability of the DEIR available at:
https://planning.lacity.org/development-services/eir/Housing-Element_2021-2029_Update_Safety-Element_Update_deir
https://planning.lacity.org/eir/HEU_2021-2029_SEU/deir/files/Notice%20of%20Availability_English.pdf

- Transportation (Conflict with Circulation Plan, Policy, Ordinance; Hazard due to Geometric Design; Emergency Access)

Among the impacts that the DEIR identifies as less than significant without mitigation, and which require an updated, corrected and expanded analysis are:²⁶

- Consistency with the applicable air quality plan
- Consistency with the regional transportation plan
- Inducement of substantial unplanned population growth
- Displacement of existing people or housing necessitating the construction of replacement housing elsewhere
- Impacts to utilities and service systems
- Availability of sufficient water supplies available to serve development under the Housing Element during normal, dry and multiple dry years.

4. THE PROPOSED PROJECT IS GROWTH-INDUCING, IT WILL INDUCE GROWTH IN EXCESS OF RHNA REQUIREMENTS AND SCAG POPULATION AND HOUSING FORECASTS USED IN PREPARING REGIONAL PLANS AND LOCAL PLANS.

CEQA guidelines Section 15126 requires (emphasis added) analysis of a proposed Project's growth-inducing impacts:

15126. CONSIDERATION AND DISCUSSION OF ENVIRONMENTAL IMPACTS

All phases of a project must be considered when evaluating its impact on the environment: planning, acquisition, development, and operation. The subjects listed below shall be discussed as directed in Sections 15126.2, 15126.4 and 15126.6, preferably in separate sections or paragraphs of the EIR. If they are not discussed separately, the EIR shall include a table showing where each of the subjects is discussed.

- (a) Significant Environmental Effects of the Proposed Project.
- (b) Significant Environmental Effects Which Cannot be Avoided if the Proposed Project is Implemented.
- (c) Significant Irreversible Environmental Changes Which Would be Involved in the Proposed Project Should it be Implemented.
- (d) **Growth-Inducing Impact of the Proposed Project.**

²⁶ See DEIR Chapter 2 – Executive Summary available at: https://planning.lacity.org/eir/HEU_2021-2029_SEU/deir/files/2_Exec%20Summary.pdf

(e) The Mitigation Measures Proposed to Minimize the Significant Effects.

(f) Alternatives to the Proposed Project.

Note: Authority cited: Section 21083, Public Resources Code;
Reference: Sections 21002, 21003, 21100, and 21081.6, Public Resources Code; Citizens of Goleta Valley v. Board of Supervisors (1990) 52 Cal.3d 553; Laurel Heights Improvement Association v. Regents of the University of California (1988) 47 Cal.3d 376; Gentry v. City of Murrieta (1995) 36 Cal.App.4th 1359; and Laurel Heights Improvement Association v. Regents of the University of California (1993) 6 Cal.4th 1112.

CEQA Guidelines Section 15126.2 – Consideration and Discussion of Significant Environmental Impacts mandates that an EIR include:

**15126.2 CONSIDERATION AND DISCUSSION OF
SIGNIFICANT ENVIRONMENTAL IMPACTS.**

- (a) The Significant Environmental Effects of the Proposed Project. An EIR shall identify and focus on the significant effects of the proposed project on the environment. In assessing the impact of a proposed project on the environment, the lead agency should normally limit its examination to changes in the existing physical conditions in the affected area as they exist at the time the notice of preparation is published, or where no notice of preparation is published, at the time environmental analysis is commenced. Direct and indirect significant effects of the project on the environment shall be clearly identified and described, giving due consideration to both the short-term and long-term effects. The discussion should include relevant specifics of the area, the resources involved, physical changes, alterations to ecological systems, and changes induced in population distribution, population concentration, the human use of the land (including commercial and residential development), health and safety problems caused by the physical changes, and other aspects of the resource base such as water, historical resources, scenic quality, and public services. The EIR shall also analyze any significant environmental effects the project might cause or risk exacerbating by bringing development and people into the area affected. For example, the EIR should evaluate any potentially significant direct, indirect, or cumulative environmental impacts of locating development in areas susceptible to hazardous conditions

(e.g., floodplains, coastlines, wildfire risk areas), including both short- term and long-term conditions, as identified in authoritative hazard maps, risk assessments or in land use plans addressing such hazards areas. . .

(e) **Growth-Inducing Impact of the Proposed Project.**

Discuss the ways in which the proposed project could foster economic or population growth, or the construction of additional housing, either directly or indirectly, in the surrounding environment. **Included in this are projects which would remove obstacles to population growth** (a major expansion of a waste water treatment plant might, for example, allow for more construction in service areas). **Increases in the population may tax existing community service facilities, requiring construction of new facilities that could cause significant environmental effects.** Also discuss the characteristic of some projects which may encourage and facilitate other activities that could significantly affect the environment, either individually or cumulatively. **It must not be assumed that growth in any area is necessarily beneficial, detrimental, or of little significance to the environment.** (Emphasis added).

The DEIR for the proposed Project has incorrectly concluded that the proposed Project is not growth-inducing. As stated on pages 5-4 to 5-5 of the DEIR:

As discussed in Section 4.12, *Public Services*, **the Housing Element Update is not anticipated to be a growth inducing plan.** The Housing Element Update is a growth accommodating plan. While the **City is committing to take discretionary action to rezone to accommodate up to 220,000 housing units that do not already exist,** it is not foreseeable that all 220,000 units would get built with housing. As discussed above and in Section 3, *Project Description*, HCD recommends a buffer because it is not likely that all sites rezoned under a Rezoning Program are developed with housing. Additionally, it is not the City's experience that all lots allowing housing get redeveloped with housing uses as other non-residential uses are allowed and some lots never redevelop.

Additionally, the Proposed Project does not include any infrastructure projects as part of the project. **As discussed in Section 4.16, *Utilities*, smaller infrastructure projects would foreseeably be undertaken to accommodate build out of the RHNA, such as replacement of sewer or water mains.** Such infrastructure would serve the proposed plan and would not

foreseeably induce growth. Based on this, the proposed plan is not anticipated to be growth inducing.

There is no basis that if all of the RHNA gets developed it would induce growth of additional residential uses or non-residential uses. **It is possible, although speculative, that if all the RHNA gets built out it could stimulate non-residential uses, such as uses that serve housing or uses that provide jobs to the new residents. Impacts from that could result in additional construction impacts that would be similar to those identified for housing development in this EIR. Impacts from inducing additional non-residential development could increase demand on utilities and infrastructure. Additional demands on water supply could exceed the supply identified City's Urban Water Management Plan. This could require the City in its next update in five years to the UWMP to identify additional sources of water, impose additional water saving or efficiency mechanisms, or potentially even require the City to impose limitations on additional development or types of uses. Additional demands on utilities could require additional construction of facilities to treat wastewater or treat surface water, or additional construction of conveyance facilities, such as pump stations or upgraded sewer or water trunk lines, mains, and laterals. Additional demands on City services could require the construction of police, fire, library, and park facilities, and schools. Construction of utility infrastructure and public service facilities would result in construction impacts similar to those identified in this EIR from housing development,** such as construction noise impacts; air quality impacts from criteria pollutant exceedance or the public's exposure to toxic air contaminants; impacts to cultural resources from destruction of historic or archaeological resources; destruction related impacts to paleontological or tribal cultural resources; and exposure of the public, including school children, to hazardous materials or toxins. Impacts to biology or wildfire may occur depending if construction occurs in areas previously undeveloped or in the hillsides that contain native vegetation, or in a VHFHSZ. Impacts related to increased hazards related to hydrology or geology would not be likely from construction of new utility lines. Increased development to serve housing, or provide jobs for those living in housing, would not foreseeably result in impacts to VMT as such development would put more jobs and services near housing and result in a more dense City. Additionally, while additional jobs, services, and housing may create more activities that would increase air pollution and GHG emissions overall in the City, such emissions would likely be moved from other places and

reduce overall emissions per capita and thereby meet State and SCAQMD goals.

There is nothing in the Safety Element Update that is anticipated to be growth inducing as it is just updating policies and programs and information related to wildfires, floods, and climate adaptability to comply with State law.

Based on all of the above, the Proposed Project is not growth inducing. (Emphasis added).

While the discussion in the DEIR falsely concludes that the proposed Project is not growth inducing, it ironically does so while acknowledging the potential for impacts resulting from the induced growth. As part of the impacts described on pages 5-4 to 5-5 are infrastructure and water impacts, yet the DEIR incorrectly concludes that such impacts are less than significant in DEIR Section 4.16 Utilities and Service Systems.

As previously noted, the City's RHNA allocation for the Project period is 456,643 new housing units to be constructed within the eight-year period from 2021 to 2029. However, the Housing Element includes up-zoning which would result in 486,379 units, 29,736 more units than the RHNA allocation. The proposed Project exceeds the RHNA targets and is thus growth-inducing, not growth accommodating.

In addition, the proposed Project will result in housing and population levels substantially in excess of the current Southern California Association of Government's ("SCAG's") growth forecasts²⁷ used in the preparation of current regional and local plans including the current: 2016 Air Quality Management Plan (AQMP);²⁸ Connect SoCal – The 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy ("RTP"), adopted September 3, 2020;²⁹ and, the 2020 Urban Water Management Plan ("UWMP").³⁰

As shown on page 35 of the SCAG's Demographics and Growth Forecast Technical Report adopted September 3, 2020 for Connect SoCal, the City of Los Angeles was forecast to have the following population and housing levels:

²⁷ Available at: https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocial_demographics-and-growth-forecast.pdf?1606001579

²⁸ Available at: <http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan/final-2016-aqmp>

²⁹ Available at: <https://scag.ca.gov/connect-social>

³⁰ Available at: https://www.ladwp.com/ladwp/faces/ladwp/aboutus/a-water/a-w-sourcesofsupply/a-w-sos-uwmpln;jsessionid=2GW9h4CY2cPTvcT8Wl6JLLCC5yfgMLgRTd6Cp2btWbY9cyzhbX2T!-448761503?_afLoop=924724597790288&_afWindowMode=0&_afWindowId=null#%40%3F_afWindowId%3Dnull%26_afLoop%3D924724597790288%26_afWindowMode%3D0%26_adf.ctrl-state%3Diasr64r2_4

TABLE 1 SCAG JURISDICTION-LEVEL GROWTH FORECAST Connect SoCal 2020					
Population		Housing		Persons Per Housing Unit (Population/Housing Units)	
2016	2045	2016	2045	2016	2045
3,933,800	4,771,300	1,367,000	1,793,000	2.88	2.66
Source: https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocial_demographics-and-growth-forecast.pdf?1606001579					

As shown in the following table, the proposed Project results an additional 486,379 housing units, and an estimated 1,293,768 additional people being added to the City between 2021 and 2029. The proposed Project will result in 228,985 more housing units by 2029 than the SCAG year 2045 forecast used in developing the regional plans, the UWMP and City infrastructure plans. Conservatively using the 2045 population per housing unit rate of 2.66, this means a population of 445,809 more persons by 2029, than forecast by SCAG for 2045. By 2045, the proposed Project would result in 486,379 more housing units and 1,293,768 more people in the City than forecast by SCAG.

TABLE 2 COMPARISON SCAG FORECASTS TO WITH PROJECT HOUSING AND POPULATION LEVELS		
	Housing Units	Estimated Population
2016 Housing Units /1/	1,367,000.00	3,933,800.00
1/1/2021 Department of Finance /2/	1,535,606.00	3,923,341.00
RHNA Allocation	456,643.00	1,214,670.38
Project Units	486,379.00	1,293,768.14
2029 with RHNA (2021 + RHNA)	1,992,249.00	5,138,011.38
2029 with Project (2021 + Project)	2,021,985.00	5,217,109.14
SCAG 2045 Housing Units /1/	1,793,000.00	4,771,300.00
Amount above SCAG 2045 Forecast by 2029 with RHNA	199,249.00	366,711.38
Amount above SCAG 2045 Forecast with Project by 2029	228,985.00	445,809.14
/1/ Source: https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocal_demographics-and-growth-forecast.pdf?1606001579		
/2/ Source: https://dof.ca.gov/Forecasting/Demographics/Estimates/E-5/		
/3/ 2029 population levels estimated conservatively based on a 2045 person per unit rate of 2.66		

The proposed Project would result in growth-inducing impacts by up-zoning parts of the Project area, **thus removing obstacles to population growth** by permitting increased development and thus **allowing more construction in the Plan area**, thus allowing for growth in excess of that allowed under the existing zoning and assumed in regional growth forecasts prepared by SCAG. This has the potential to individually or cumulatively tax existing community service facilities and infrastructure, requiring construction of new facilities that could cause significant environmental effects. The EIR for the proposed Project, however, fails to identify the proposed Project's growth-inducing impacts. The DEIR must be corrected and recirculated.

5. FAILURE TO IDENTIFY SIGNIFICANT IMPACTS REGARDING CONSISTENCY WITH THE AQMP

The DEIR on page 4.2-36 incorrectly concludes that the proposed Project will not conflict with or obstruct implementation of the applicable air quality plans, stating:

The Housing Element Update does not encourage or promote growth **beyond the SCAG forecasts** of regional growth, therefore the Housing Element Update would not conflict with the growth assumptions used in the development of the AQMP. . .

A project may be inconsistent with the AQMP if it would generate substantial population, housing, or employment growth **that exceeds forecasts used in the development of the AQMP** or if the project is inconsistent with applicable AQMP control measures. The 2016 AQMP, the most recent AQMP adopted by the SCAQMD, incorporates local general plans and the SCAG 2016-2040 RTP/SCS socioeconomic forecast projections of regional population, housing and employment growth.³¹ The upcoming 2022 AQMP will incorporate socioeconomic forecast projections of regional population, housing and employment growth from the recently adopted 2020-2045 RTP/SCS (titled Connect SoCal). (Emphasis added).

As detailed in Section 4 of this letter, the proposed Project would generate housing and population levels which substantially exceed the forecasts used in the development of the current AQMP. The proposed Project is therefore inconsistent with the AQMP and will conflict with and obstruct implementation of the AQMP. While the DEIR acknowledges that the proposed Project will result in a number of significant air quality impacts, it fails to identify the proposed Project's lack of consistency with the AQMP. This is a new significant unmitigated impact necessitating correction and recirculation of the DEIR.

6. FAILURE TO IDENTIFY SIGNIFICANT IMPACTS REGARDING CONSISTENCY WITH THE REGIONAL TRANSPORTATION PLAN

As with the AQMP, the proposed project will result in housing and population growth substantially greater than the growth forecasts used in the preparation of the Regional Transportation Plan (RTP).³² The proposed Project would therefore conflict with a program addressing the circulation system. This is a new significant unmitigated impact necessitating correction and recirculation of the DEIR.

³¹ On September 3, 2020, SCAG's Regional Council formally adopted the 2020-2045 RTP/SCS (titled *Connect SoCal*). However, the 2016 AQMP was adopted prior to this date and relies on the demographic and growth forecasts of the 2016-2040 RTP/SCS.

³² The RTP is available at: <https://scag.ca.gov/connect-socal> either by chapter or as an entire document. The entire document is available at: https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocal-plan_0.pdf?1606001176

7. FAILURE TO IDENTIFY SIGNIFICANT INFRASTRUCTURE IMPACTS

The analysis in the DEIR of the proposed Project's impacts on wastewater, stormwater, and water infrastructure is conducted in the form of a two part inquiry: first the analysis addresses whether buildout of the RHNA under the Housing Element Update can be served by existing facilities or if it is reasonably anticipated to cause the need for new or relocated wastewater, stormwater, or water facilities; and second if it will need new or relocated facilities, if that construction or relocation will result in a significant environmental impact. Because the analysis fails to identify the need for additional facilities, it fails to identify significant environmental impacts. It assumes the need for only minor upgrades for the conveyance of wastewater.³³

The analysis understates the potential for impacts. The Housing Element includes up-zoning which would result in 486,379 units, 29,736 more than RHNA allocation. However, the infrastructure analysis in the DEIR only analyzes the potential impact of an addition 420,327 housing units on infrastructure use and need.

The analysis in the DEIR contains no real assessment of the need for additional infrastructure, beyond its analysis of sewage treatment capacity. There is no attempt to determine the need for upgrades or expansion of transmission capacity, the magnitude of the upgrades needed, or the resulting impacts associated with that construction activity. For example, the DEIR simply concludes that: "Build out of the RHNA will foreseeably result in the need for upgraded sewer lines but such impacts are expected to be less than significant based on their construction and installation in existing right of way and other public easements that have been previously disturbed and based on existing regulatory compliance measures and review and oversight by relevant City agencies."

The EIR for the proposed Project fails to adequately analyze and address the Project's potentially significant impacts on infrastructure, in part because of the EIR's failure to identify the growth-inducing effects of the proposed Project. Given that the proposed Project will result in growth in substantially in excess of that assumed in the creation of existing infrastructure plans enumerated in the DEIR, the proposed Project has the potential to result in significant unmitigated infrastructure impacts, and reliance on existing infrastructure plans is not sufficient to avoid impacts since those plans were developed based on SCAG forecasts that did not include the additional population and housing resulting from the proposed Project.

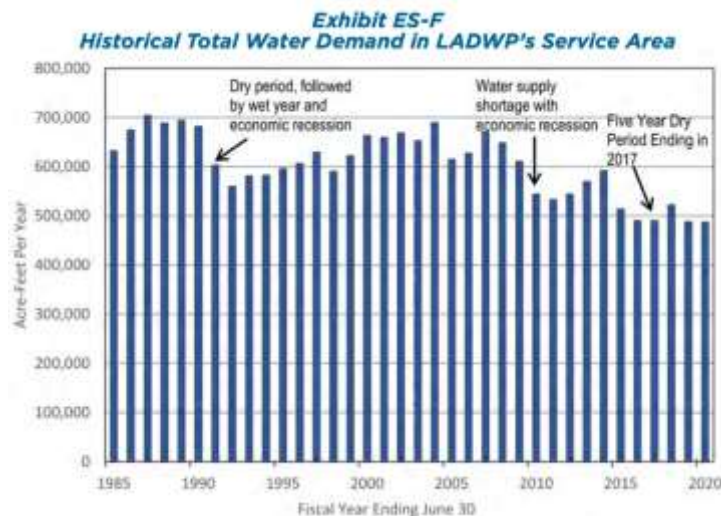
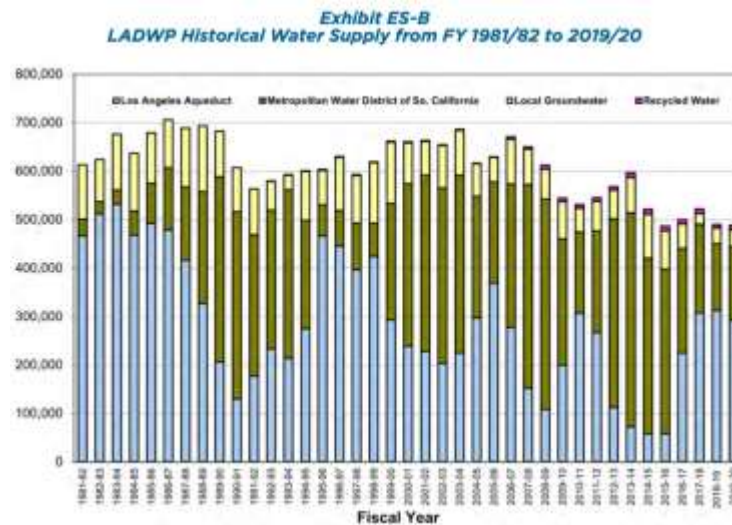
8. FAILURE TO IDENTIFY SIGNIFICANT WATER IMPACTS

The water provider for City of Los Angeles is the Los Angeles Department of Water and Power ("LADWP"). Every five years, the LADWP prepares an Urban Water Management Plan (UWMP). The current Plan is the 2020 UWMP. As noted on page ES-6 of the UWMP:

³³ See DEIR page 4.16-13.

Demographic projections for the LADWP service area are based on the Southern California Association of Governments' (SCAG) demographic growth forecasts for their 2020 Regional Transportation Plan (RTP). MWD collaborates with SCAG to aggregate demographic data for each of its 26 member agencies' service areas using service area boundaries. LADWP and MWD have adopted these demographic projections for water demand forecast in their respective UWMPs.

As shown in Exhibits ES-B and ES-F from the 2020 UWMP, both water supply and water demand for the LADWP service area has been around 500,000 acre feet per year (afy) in recent years.



As shown in DEIR Table 4.16-4, the DEIR estimates project water demand at 100,992 acre-feet per year. This is a nearly twenty percent increase in water demand in an area experiencing increasing drought pressures due to climate change.

Table 4.16-4 Estimated Water Demand Compared to Water Supply

Land Use	Dwelling Units or Jobs in Plan Area	Daily Water Use Rate (gpd/unit)	Daily Water Demand (gpd)	Annual Water Demand (afy)
Single-family Residential	76,920 du	326	25,075,920	28,088
Multi-family Residential	343,407 du	189	64,903,923	72,702
Total 2029 Housing Element Update Water Demand			89,979,843	100,992
Current Citywide Water Demand (Year 2020)				495,668
Total Water Demand (Citywide + 2029 Housing Element Update)				596,660
Projected Year 2030 Water Supply				693,200
Water demand numbers are rounded to the nearest thousand. Totals may not add up due to rounding. du – dwelling unit gpd – gallons per day afy – acre feet per year (1 af = 325,850 gallons) Source: Water demand rates were obtained from the LADWP's 2020 UWMP, Exhibit 2L. Per the 2020 UWMP, per unit water demand is forecast to decline over time; the forecast 2030 rates are assumed to apply to new development.				

However, Table 4.16-4 underestimates the increase in water demand resulting from the proposed Project. The Housing Element includes up-zoning which would result in 486,379 units, 29,736 more than RHNA allocation. However, the water supply impact analysis in the DEIR only analyzes the potential impact of an additional 420,327 housing units on the water supply, as shown in DEIR Table 4.16-4, and thus underestimates the increase in water demand resulting from the proposed Project.

In addition, to basing the analysis on less than full project buildout, the analysis in the DEIR assumes that only 76,920 or 18.3% of the 420,327 new units will be single-family units, which have a higher water demand. However, no citation is provided to justify this assumption regarding the number of single-family units under the proposed Project.

Correcting the analysis to address the full 486,379 units allowed under the proposed project and water availability at buildout results in the following corrected table.

TABLE 3 ESTIMATED WATER DEMAND COMPARED TO SUPPLY AVERAGE YEAR AND SINGLE DRY YEAR CONDITIONS (2030) ASSUMING 18.3% OF NEW UNITS ARE SINGLE-FAMILY					
				Average Year /1/	Single Dry Year /3/
Land Use	Dwellings Per Unit	Daily Water Use Rate (GPD/unit)	Daily Water Demand (gpd)	Annual Water Demand (afy)	Annual Water Demand (afy)
Single-family Residential	89,008	326	29,016,458	32,503	32,503
Multi-family Residential	397,371	189	75,103,119	84,127	84,127
Total 2029 Housing Element Water Demand	486,379	515	104,119,577	116,629	116,629
Citywide Water Demand (Year 2030) Pre-Conservation /1/				660,200	693,200
Citywide Water Demand (Year 2030) Post Conservation /1/				526,700	526,700
2030 Plus Project Pre-Conservation				776,829	809,829
2030 Plus Project Post Conservation /2/				618,837	615,338
Projected Year 2030 Water Supply Average Weather Year /1/				660,200	693,200
Source:	UWMP Table ES-S - per page ES-21: Exhibit ES-S summarizes the water demands and supplies for average year conditions, which has the highest probability of occurring.				
/1/					
/2/	Assumes same Post Conservation water consumption rate of 76% for Average Year and 79% for Single Dry Year				
/3/	UWMP Table ES-R- per page ES-20: Exhibit ES-R summarizes the water demands and supplies for average year conditions, which has the highest probability of occurring.				

Thus, in the absence of adequate water conservation, the additional units will result in a significant unmitigated water supply impact by resulting in demand in excess of the water supply. The DEIR must be revised to identify this significant impact and to include mitigation measures which can be demonstrated to result in water use which is at most 76% of without-conservation measures water use. This new impact necessitates recirculation of the DEIR.

9. RECIRCULATION OF THE EIR IS REQUIRED

Given the fatal flaws in the EIR, the EIR must be corrected and a Revised DEIR recirculated for public review and comment. No further action should be taken by the City Council until the CPC has reviewed the Revised and recirculated DEIR. CEQA

Guidelines Section 15088.5(a) requires recirculation of an EIR prior to certification when:

15088.5. RECIRCULATION OF AN EIR PRIOR TO CERTIFICATION

(a) A lead agency is required to recirculate an EIR when significant new information is added to the EIR after public notice is given of the availability of the draft EIR for public review under Section 15087 but before certification. As used in this section, the term “information” can include changes in the project or environmental setting as well as additional data or other information. New information added to an EIR is not “significant” unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project’s proponents have declined to implement. “Significant new information” requiring recirculation include, for example, a disclosure showing that:

- (1) A new significant environmental impact would result from the project or from a new mitigation measure proposed to be implemented.
- (2) A substantial increase in the severity of an environmental impact would result unless mitigation measures are adopted that reduce the impact to a level of insignificance.
- (3) A feasible project alternative or mitigation measure considerably different from others previously analyzed would clearly lessen the environmental impacts of the project, but the project’s proponents decline to adopt it.
- (4) The draft EIR was so fundamentally and basically inadequate and conclusory in nature that meaningful public review and comment were precluded. (*Mountain Lion Coalition v. Fish and Game Com.* (1989) 214 Cal.App.3d 1043)

As detailed in this letter, the EIR has failed to identify the growth-inducing nature of the proposed Project, and has therefore failed to identify and mitigate significant growth-inducing related impacts, such as impacts to public services and utilities, water availability, and conflicts with the Air Quality Management Plan and Regional Transportation Plan. Recirculation is thus required pursuant to CEQA Guidelines Sections 15088.5(a)(1) and (4). In addition, the analysis in the DEIR is not based on full buildout under the proposed Project. Impacts have thus been underestimated. Recirculation is thus required pursuant to CEQA Guidelines Sections 15088.5(a)(2).

Most sincerely,

ATTACHMENTS

- A. Housing Element Appendix 4.7 – Table B: Candidate Sites Identified to be Rezoned to Accommodate Shortfall Housing Need

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ATTACHMENT B

**HOUSING ELEMENT APPENDIX 4.7 – TABLE B: CANDIDATE SITES
IDENTIFIED TO BE REZONED TO ACCOMMODATE SHORTFALL
HOUSING NEED**