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Letter 1

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VIA ELECTRONIC MAIL

Housing Committee
Los Angeles City Council
c/o City Clerk
200 North Spring Street
Los Angeles, CA 90012
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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 can 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 between 2016-2045. According to Table 13 of the SCAG forecasts, between 2020 and

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

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 joined other cities in challenging its RHNA allocation.

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 an unattainable 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 unattainable 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 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 2010 census.⁹

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.

⁸ See 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

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>

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:

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%

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

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 a City-wide 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 by the developer 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** – 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 there are no affordable housing 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 above.

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.

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.

¹² The text of SB9 is available at:

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

The legislative history for SB10 is available at:

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

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

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

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 it’s recommendations.

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. 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.

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

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

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 to 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.

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.

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>

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 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.

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 variable, 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/>

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

Appendix 4.7²⁴ 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.²⁵ 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.

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

²⁵ A copy of the Appendix 4.7 along with other supporting documents cited in this letter are being separately submitted to the City.

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:²⁶

- 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)

²⁶ 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:²⁷

- 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.**

²⁷ 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 forecasts²⁸ used in the preparation of current regional and local plans including the current: 2016 Air Quality Management Plan (AQMP);²⁹ Connect SoCal – The 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy ("RTP"), adopted September 3, 2020;³⁰ and, the 2020 Urban Water Management Plan ("UWMP").³¹

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:

²⁸ Available at: https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocial_demographics-and-growth-forecast.pdf?1606001579

²⁹ Available at: <http://www.aqmd.gov/home/air-quality/clean-air-plans/air-quality-mgt-plan/final-2016-aqmp>

³⁰ Available at: <https://scag.ca.gov/connect-social>

³¹ Available at: https://www.ladwp.com/ladwp/faces/ladwp/aboutus/a-water/a-w-sourcesofsupply/a-w-sos-uwmpln.jsessionid=2GW9h4CY2cPTvcT8Wl6JLLCC5yfgMLgRTd6Cp2btWbY9cyzhbX2T!-448761503?_afzLoop=924724597790288&_afzWindowMode=0&_afzWindowId=null#%40%3F_afzWindowId%3Dnull%26_afzLoop%3D924724597790288%26_afzWindowMode%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 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/0903fconnectsocial_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.³² 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

³² 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.

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). 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.

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 additional 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

³³ See DEIR page 4.16-13.

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:

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.

Exhibit ES-B
LADWP Historical Water Supply from FY 1981/82 to 2019/20

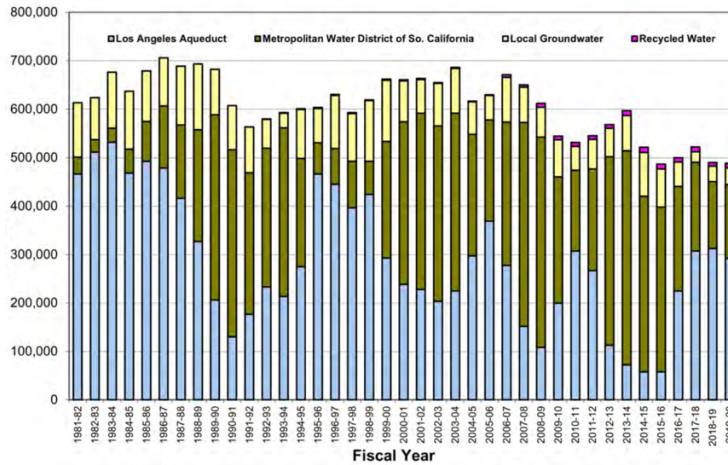
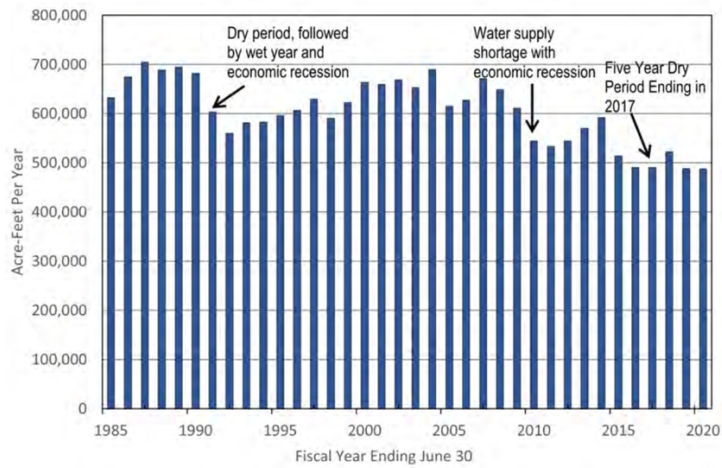


Exhibit ES-F
Historical Total Water Demand in LADWP's Service Area



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 Demand				776,829	809,829
2030 Plus Project Post Conservation Demand /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

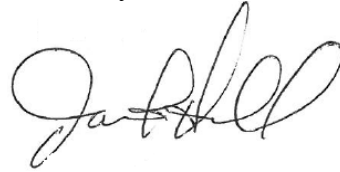
(a) A lead agency is required to recirculate an EIR when significant new information is added to the EIR after public notice is given of the availability of the draft EIR for public review under Section 15087 but before certification. As used in this section, the term “information” can include changes 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).

Sincerely,

A handwritten signature in black ink, appearing to read "Jamie T. Hall", with a stylized, cursive script.

Jamie T. Hall

cc: Vince Bertoni, Planning Director (vince.bertoni@lacity.org)
Nicolas Maricich, Principal Planner (Nicholas.maricich@lacity.org)
housingelement@lacity.org



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To the City Council Housing Committee

October 27 Hearing, 2021
CF 21-1203

We have a Housing Element in front of us which recommends upzoning for 1,444,412 housing units in Los Angeles, 75,000 in Hollywood (!!!), without any guarantee of any housing affordability, but with a guarantee of damage to historic buildings. Historic buildings cover 6% of the land area of Los Angeles. Their loss is permanent, an extinction.

This loss can be fairly simply avoided by ADDING A CONDITION from the City Council on this Housing Element. **We request that you add a clear condition on this Element that any implementation in any Community Plan of any upzoning based on this Housing Element be tailored to diminish adverse effects on historic buildings. Its fully possible. Its critical.**

Hollywood Heritage has gone deep into the housing maps and data of both the Hollywood Community Plan and now into this Housing Element. It is clear that the single operative result of this Element is State-mandated “rezoning”—which is upzoning—and this Element sets the stage for justifying upzoning in Hollywood.

Housing Element “next steps” can and must be conditioned to plan for historic buildings and districts: The upzoning recommended here in the Housing Element is 5 times even the RHNA numbers. This was intended by City Planning so that follow-on work in Community Plans has latitude to make “on the ground” decisions and choices. This Housing Element suggests rezoning Grauman’s Chinese Theater as High Density Residential!! Its doubtful that’s a choice anyone could make!

As Hollywood has an historic core with buildings of National level significance, we have an extraordinary responsibility to guide growth appropriately, assist adaptive re-use, and support sustainable existing buildings.

Hollywood Heritage knows that all the goals of the Housing Element and all the numbers and targets—of DOF, SCAG, and RHNA—can be met in Hollywood without destroying a single historic building, and without upzoning a single parcel of land or removing a single D condition. So we know that any upzoning to comply with this Housing Element can be carefully considered

enough to avoid loss of historic buildings and districts. An unprecedented 20% growth of our whole City is mandated by RHNA in the next 8 years (!!!), yet **it is fully possible to work with and around the historic areas.**

Our City has the capability to map all the historic resources—not just its HPOZs—but ALL of them—including CRA area surveyed resources, National and California Register resources, Survey LA.

There is no excuse to skip this needed step and report “unavoidable” adverse impact in the EIR—to fail to try to plan, and to fail at celebrating and protecting resources that are the foundation for our main streets and neighborhoods. It is fully possible to genuinely plan for retention and adaptive re-use, and that will be far more sustainable. This has not yet been done.

It is possible:

1. **Map Housing Element by Community Plan Area and overlay Council Districts:** The public should be seeing readable and truly transparent maps of the identified historic buildings and districts, presented Community Plan area, OVERLAIN on the proposed upzoning. Maps have many identified landmarks missing and are at a scale that is unreadable, impossible now to use as a guide for Council Offices to evaluate the recommendations).
2. **Quantify RHNA mandates and assumptions:** These are triggering massive upzoning, opening Pandora’s Box for demolition of hugely important landmarks. To make the effect of RHNA clear, all Appendices 4.1, 4.3, and 4.7 in Chapter 4 should have the Existing Capacity of individual parcels shown accurately, totaled by Community Plan Area. For example-- Hollywood actually doesn’t need any upzoning, to meet RHNA numbers, but if we accept that it does, its target would be 17,880 units (7% x 255,432). The Housing Element proposes upzoning for 75,274 units.
3. **Excel Appendix 4.1 (“Adequate Sites) misses many documented developments** in Hollywood. Planning’s algorithm shows Zero- (the property won’t be developed) when evictions and development is already happening there. Hollywood is shown in Appendix 4.1 to have “capacity” and probability for development of 6,700 units in “Adequate Sites” in the next 8 years- a huge undercount.
4. **Excel Appendix 4.7 must track historic resources:** The conclusion of unavoidable damage to landmark buildings and neighborhoods in the Housing Element is unacceptable—these landmarks can and should be integrated into planning, on maps and Excel tables. They should be trackable in Appendix 4.7 of Chapter 4. Hollywood Heritage was able to map over 1,000 landmarks in Hollywood and overlay on the Housing Element maps in 2-3 days. It is inexcusable to omit this effort
5. **EIR fails as presented—lacking viable Alternates and Mitigations:** The Housing Element EIR gives a broad-brush review of the standard protections for historic buildings that are ALREADY in place now, but in the Hollywood Community Plan Update right now protections are being proposed to be REMOVED. The mitigations in the Housing Element are widely known to be insufficient. Proper mitigation measures and selection of an Element Alternate that avoids damage to historic areas are necessary. Hollywood Heritage has prepared these for Hollywood. Your Council Condition for this Housing

Element can ensure CEQA compliance for this Housing Element and our upcoming Community Plan Update.

6. **Extend the ARO (Adaptive Reuse Ordinance) now** as a part of this Housing Element adoption—don't look for it as a future program.
7. **Keep redevelopment historic protections**: Because Los Angeles accepted responsibilities for identifying and protecting historic buildings and Districts under Redevelopment Plans and in Redevelopment Plan areas, it is eminently possible to continue implementing those and avoiding any conflicts with this Housing Element,

AGAIN, PLEASE ADD THIS CONDITION AS A PART OF YOUR POSITION ON THIS HOUSING ELEMENT UPDATE.

- **“any implementation in any Community Plan of any rezoning based on this Housing Element will be tailored to reduce and mitigate adverse effects on historic buildings.”**

Respectfully submitted,
HOLLYWOOD HERITAGE



Brian Curran, President

Cc: Harris-Dawson'
Cedillo
Raman
Krekorian
Lee
O'Farrell
Garcetti
Bullock
Housing Committee c/o City Clerk
Los Angeles Conservancy

Communication from Public

Name: Casey Maddren, UN4LA
Date Submitted: 10/31/2021 10:19 PM
Council File No: 21-1230
Comments for Public Posting: United Neighborhoods for Los Angeles (UN4LA) submits the attached comments on the proposed Housing Element Update.



United Neighborhoods for Los Angeles

www.un4la.com

UN4LA Board

Casey Maddren, President

Cherilyn Smith, Treasurer

Richard Platkin, Secretary

Annie Gagen

Jack Humphreville

Kim Lamorie

Gina Thornburg

October 31, 2021

To: Planning & Land Use Management Committee
Re: Draft Los Angeles Housing Element & EIR
CPC-2020-1365-GPA
CPC-2021-5499-GPA
CEQA: ENV-2020-6762-EIR; SCH. NO. 2021010130
Council File 21-1230

Members of the Planning & Land Use Management Committee,

United Neighborhoods for Los Angeles (UN4LA) is a community group formed to foster better planning and better government within the County of Los Angeles, and all cities and unincorporated areas contained within the County's borders. UN4LA's primary areas of focus are planning, development, the environment and budget/finance.

UN4LA has reviewed the proposed Housing Element Update and the associated EIR. We are deeply concerned about many aspects of the Update, including the following:

- 1. The City fails to acknowledge that LA already has ample zoned capacity to meet its housing needs.*
- 2. The City's over-reliance on density bonus programs to promote the construction of affordable housing has produced an excessive number of units for Above Moderate*

Income Households, while failing to create anywhere near the required number of Moderate, Low and Very Low Income Households.

3. *The reliance on a flawed analysis by the Turner Center*
4. *The City's ongoing failure to monitor the ability of its infrastructure to serve current and future residents.*
5. *The EIR's serious failures to assess the Housing Element Update's impacts with regard to water resources and solid waste.*

Our detailed comments are below. We urge the Committee to postpone making a recommendation on the Housing Element Update until these concerns have been addressed.

Sincerely,
Casey Maddren, President
United Neighborhoods for Los Angeles

HOUSING ELEMENT UPDATE

COMMENTS FROM UN4LA

Zoned Housing Capacity and Future Needs

The Draft Housing Element represents a confused response to three contradictory realities.

First, LA is vastly over-zoned. It has been 22 years since the Los Angeles Department of City Planning (LADCP) last calculated the buildout of LA's adopted zoning ordinances. This analysis was part of the 1996 General Plan Framework Element's Environmental Impact Report. In 1996 LA's population was 3.5 million people, and its zoning build out population was 7.2 million people according to the Framework Final Environmental Impact Report, Chapter 7, Table T-1F, *Summary of Alternatives by Community Plan Area*. Since then, the City of Los Angeles adopted an Accessory Dwelling Unit (ADU) ordinance and two Density Bonus ordinances. Together they lifted LA's potential zoning build-out population to around 9,000,000 people, or more than double LA's 2020 US Census population of 3.9 million people.

Much of this existing zoning is on under-utilized commercial streets. Their zoning automatically allows R3 and R4 apartments, all of it on transit corridors, with permitted densities of 70 to 100 units per acre. These apartment buildings could easily accommodate the Housing Element's Very-Low and Low-Income housing requirements, per SCAG's RHNA allocation to Los Angeles of 450,000 residential units, without any discretionary actions. The combination of existing zoning and new density bonus laws that encourage Low and Very-Low income housing would allow most of the existing one and two story commercial buildings on these transit corridors to be replaced by three-story to six-story residential apartment buildings. These in-fill buildings could consist of Low and Very Low income apartments. In fact, the General Plan Framework Element's Chapter Two states:

"While [the Framework's] housing capacity is more constrained than commercial and industrial uses, the Plan's capacity for growth considerably exceeds any realistic market requirements for the future. For example, there is sufficient capacity for retail and office commercial uses for over 100 years even at optimistic, pre-recession, market growth rates."

Second, most of this available zoning is under-utilized because private sector developers prefer to build in neighborhoods where their expensive, market-rate apartment buildings generate a high rate of return. According to the *LA Development Map*, these development nodes are Downtown Los Angeles (DTLA), Westlake, Koreatown, Hollywood, Miracle Mile, the Beverly Center-Pacific Design Center corridor, Valley Village, and Warner Center. Furthermore, if the zoning the developers need for their mega-projects is not immediately available, they can apply for zoning waivers, which the City grants in 90 percent of cases.

Third, the draft Housing Element tries to reconcile these contradictory realities with a model from the UC Berkeley-affiliated but private sector financed Turner Center. The Turner Center model downplays the untapped development potential most available zoning, and it

conveniently concludes that LA should up-zone in the same popular neighborhoods where, understandably, private developers prefer to build their expensive and most profitable housing.

These are some of the methods that the Housing Element model uses to produce exactly what real estate developers want: *up-zoning in neighborhoods that their business models and financial advisors target*. If adopted by the City Council, the Housing Element's recommended changes would save the developers considerable time and money. As a result, the adoption of the draft Housing Element would allow their Return on Investment (ROI) to substantially increase. Unfortunately, it would also lead to a continuation of the severe housing imbalance that is the real root of our problems. Adoption of the Housing Element Update as currently proposed will continue to prioritize the desires of real estate investors over the needs of LA's citizens.

1. The Turner Center's model is based on 13 variables. In combination, they are supposed to indicate the likelihood that any one of the 700,000 parcels in Los Angeles that permit residential uses, would be developed at Lower-Income, Moderate-Income, and Above-Moderate-Income levels within the Housing Element's nine year 2021-2029 planning period.
2. The draft Housing Element's Chapter 4 claims that all developable sites identified by the Turner Center model have sufficient water, sewer, utilities, and public services. This claim is not credible because much of LA's infrastructure is already at the breaking point. The city's bumpy streets and sidewalks have become an embarrassing obstacle course, while broken water mains and electric grid blackouts regularly occur. The Housing Element plans for substantial population increase while all of the City's water resources are declining. And the City is nowhere near meeting the requirements of State law with regard to the diversion of solid waste to recycling. Furthermore, the Department of City Planning has still not established the infrastructure monitoring unit that the adopted 1996 General Plan Framework required. Likewise, the Planning Department has not prepared a General Plan Framework-required monitoring report on LA's infrastructure and public services since 1999. This may explain why the draft Housing Element's claim that all developable sites already have sufficient infrastructure is immediately contradicted by its next sentence, *"The City's infrastructure capacity and availability are being analyzed in the environmental analysis prepared for this update to the Housing Element."* When it comes to the affordable housing crisis, the draft Housing Element commitment to upzoning supersedes sound planning principles, such as ensuring sufficient infrastructure capacity prior to up-zoning (General Plan Framework Element Objective 3.3).
3. Because most housing built in Los Angeles results from private investment, and because investors choose to build the more profitable Above Moderate Income housing, the model reveals a major shortfall (Draft Housing Element Table 4.17) of 130,000 Lower-Income units and 73,000 Moderate-Income units. Given this shortfall the obvious question ought to be why the private sector produces so few Lower-Income and Moderate-Income units. *Could it possibly be the low profits and low incomes of potential renters and buyers?* The obvious policy response should then be strategies to meet these huge unmet housing needs with non-market, publicly funded housing and by

increasing wages among prospective tenants. This makes far more sense than the draft Housing Element's Program 121: Large scale up-zoning based on the dubious claim that this up-zoning would somehow fill the low income housing shortfall.

Furthermore, because zoning laws cannot stipulate the rents of constructed apartments, there is no way that the City Hall could prevent developers of Above-Moderate-Income housing from taking advantage of up-zoning, especially in affluent neighborhoods, to build market-rate, luxury projects, and king-sized McMansions. While a comprehensive monitoring program could quickly detect this misuse of up-zoning, this appears to be a missing component in the 2021-2029 Housing Element.

4. To meet the shortfall in all housing categories, the Housing Element extensively relies on enhanced density bonus ordinances contained SB 1818 and the TOC Guidelines. They are renamed Community Plan Implementation Ordinances, but still based on the legally precarious Transit Oriented Community Guidelines. Assuming that these ordinances would be adopted through the 16 Community Plan Updates now underway, they face considerable hurdles. First, LA's Department of Housing and Community Investment (HCID) does not physically inspect any TOC housing projects to confirm that the developer-pledged low-income units exist. Second, the registry of these Low-Income units is unreliable. According to a recent report published in Capital & Main ([L.A.'s Affordable Housing Programs Leave Low-Income Renters in the Dark](https://capitalandmain.com/l-a-s-affordable-housing-programs-leave-low-income-renters-in-the-dark), September 7, 2021, <https://capitalandmain.com/l-a-s-affordable-housing-programs-leave-low-income-renters-in-the-dark>), HCID's affordable housing registry fails to include a significant number of units produced under density bonus programs. Third, HCID does not maintain a registry of vetted Extremely-Low-Income, Very-Low-Income, and Low-Income tenants that landlords could refer to.

Until the Housing Element can overcome the political barriers and legal challenges in adopting the 16 Community Plan Updates underway, with attached up-zoning and Community Plan Implementation Ordinances, the Housing Element could not successfully address the forecast shortfall in Lower-Income and Moderate-Income units.

There are also serious shortcomings with the Turner Center's model that Los Angeles City Planning (LADCP) is relying on for its Draft 2021-2029 Housing Element:

- 1) *Monitoring.* The City of LA has no ongoing monitoring program to determine if the model's assumptions and forecasts are correct, and if any of the regression model's 13 variables should be changed.
- 2) *Limits of regression analysis.* Regression analysis is based on extrapolating current and causal connections from correlations. While regression lines can extend these statistical relationships into the future, they cannot anticipate and self-correct for the unpredictable black swan historical events that often confound models. For example, the 1996 General Plan, relying on SCAG's regression-based population model, predicted a 2010 Los Angeles population of 4.3 million residents. Yet, in 2021 LA's population is only 3,900,000 people based on the 2020 census, and no one knows if Los Angeles will eventually reach SCAG's 2010 prediction of 4.3 million people.

This is because of the weakness of regression models. These models cannot readily respond to Pandemics, recessions, depressions, wars, and climate change induced mega-storms. Parcel forecasts from the Turner Center's model cannot anticipate new government housing programs, new tax laws, fluctuations in interest rates, future labor contracts, supply chain breakdowns, changes in consumer housing preferences, amended building codes, inflated transportation costs, and sudden technological breakthroughs. This is why forecasts based on trend analysis often fall short, and why they must be continuously monitored to properly work.

- 3) *Inherent weakness of changing zoning laws.* Up-zoning, including density bonuses and tax breaks, cannot force investors and developers to build and operate anything, especially lower-priced housing. In fact, the market housing that it builds eliminates more existing low-income housing than it creates. That is why up-zoning results in gentrification, not a reduction of homelessness.
- 4) *Planning out of sequence.* Up-zoning ordinances are not integrated into the planning process, and they therefore often overlook important planning issues. Even though the General Plan Framework's Policies 3.3.1 and 3.3.2 stipulate that up-zoning should be predicated on the documentation of available infrastructure, the draft Housing Element's extensive up-zoning side-steps this requirement and, therefore, jeopardizes LA's already precarious public services and infrastructure.

EIR: Water Supply & Facilities

With regard to water usage, the Initial Study asks:

Would the project:

- a) *Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?*
- b) *Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?*
- c) *Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?*

While the EIR says that the Project could have potentially significant impacts in all three of these areas, the chapter Utilities & Service Systems ultimately finds that impacts in these areas would

be less than significant. To reach this conclusion, the EIR references LA City's 2020 Urban Water Management Plan (UWMP).

Page 4.16-47 states that:

To determine demand on water facilities and water supply for Thresholds 4.16-4 and 4.16-5, demand from build out of the RHNA is determined based on the physical connection of 420,327 housing units to the City's potable water supply system, and applicable utility rates per type of housing unit included in the LADWP 2020 UWMP. Long range water demand forecasts in the 2020 UWMP are based on SCAG growth projections for the 2020-2045 RTP/SCS, which projects increases in housing to address the housing shortage in Southern California and a related reduction in persons per household. Therefore, per the 2020 UWMP, per unit water demand is forecast to decline over time. This is consistent with RHNA assumptions, in which full build-out of the RHNA units would foreseeably reduce the average utility rate per housing unit. [Emphasis added.]

The 2020 UWMP also says that its demographic projections are based on SCAG data. On page 1-6 it states:

Demographic projections were provided for the LADWP service area by MWD, which received projected demographic data from Southern California Association of Governments (SCAG).

What is bewildering is that the Housing Element states that RHNA Allocations are based on SCAG projections, and the 2020 UWMP states that its housing data is based on SCAG projections, but the results they come up with are wildly different.

In the chapter on Utilities & Service Systems, the EIR states that of the RHNA Allocation of 456,643 units, 420,327 units will be physically connected to the City's potable water supply system. But while the EIR references the City of LA's 2020 Urban Water Management Plan (UWMP), the City's RHNA Allocation is far beyond the housing projections given by the UWMP.

Under Demographics and Climate, on page ES-5 of the Executive Summary, the UWMP states:

The total number of housing units increased from 1.10 million in 1980 to 1.44 million in 2020, representing an average annual growth rate of 0.8 percent.

In Exhibit ES-C, Demographic Projections for LADWP Service Area, the UWMP makes the following projection for the year 2030:

	<u>2030</u>
Single-Family	639,280
Multi-Family	969,198

Total **1,608,479 [sic]**

To find net growth projected by the UWMP, we subtract the estimate of 2020 housing units from the 2030 projection:

$$\begin{array}{r} 1,608,479 \\ - \quad \underline{1,440,000} \\ \hline 168,479 \end{array} \quad \text{Net growth in housing units per 2020 UWMP}$$

This shows that the growth projected for the year 2030 by the UWMP is far below the 420,327 units assessed by the Housing Element by 2029. The UWMP's calculations regarding projected water usage by 2030 are based on a net gain of 168,479 new units. The Housing Element's 2029 projection is about 2.5 times that number. Based on the UWMP's water supply projections, the Housing Element claims that there will be ample water to serve new customers even with the addition of new housing to comply with the RHNA Allocation. But the numbers here aren't even close to corresponding. If LA were to grow in accordance with RHNA numbers, the population would far exceed the figures that the UWMP actually plans for. In addition, the UWMP's projections are based on very optimistic assumptions regarding both future water deliveries, future conservation and future stormwater capture.

LA's hydrology is changing, and the proposed Housing Element fails to take this into account. Please see this excerpt from page 7 of the May 2021 report from the CA LAO's Office, What Can We Learn From How the State Responded to the Last Major Drought?

<https://lao.ca.gov/reports/2021/4429/learn-from-last-drought-051321.pdf>

State Is Experiencing Another Multiyear Dry Period

California experienced below average precipitation in 2020—receiving only roughly 60 percent of the rain and snow that falls in a normal year. So far, 2021 is shaping up to be even drier. As of May 10, 2021, precipitation levels were tracking at 48 percent of average for the year in the Northern Sierra region, 49 percent in the mid-Sierra San Joaquin region, and 36 percent further south in the Tulare Basin region. At this point in the “water year” (which measures precipitation from October through September each year), 2020-21 represents the third driest year on record, with little chance of significant additional precipitation on the horizon until the fall. Current snowpack levels are roughly 9 percent of normal for this time of year for the Northern and Central Sierra regions, and only 4 percent of normal for the Southern Sierra. Moreover, all of the major reservoirs across the state currently contain less water than historical average levels this date, with the two largest—Shasta and Oroville—at 56 percent and 50 percent of average levels, respectively. In many of the state's major rivers—including the Feather and American

Rivers, and the inflow into Shasta Lake—current flow rates are currently tracking below the runoff levels for the same date in 2014 and 2015.

Please also see this excerpt from the Union of Concerned Scientists Climate Hot Map.

Union of Concerned Scientists, Climate Hot Map

<https://www.climatehotmap.org/global-warming-locations/hetch-hetchy-ca-usa.html>

Meeting California's growing demand for water from the Sierra Nevada mountains can be a challenge as global warming further reduces snowpack. That decline is likely to affect both the timing and availability of water for drinking, agriculture, and recreation.

- *The Sierra snowpack provides natural water storage equal to about half the capacity of California's major human-made reservoirs. Earlier spring runoff typically means a longer dry season and reduced water resources in summer.*
- *By the 2020s, loss of snowpack in the Sierras and Colorado River basin is likely to threaten more than 40 percent of Southern California's water supply.*
- *If our heat-trapping emissions continue to rise unabated, California is projected to face critically dry years up to 50 percent more often, and decreases in water for crops and livestock of 40-50 percent.*

With Sierra Nevada snowpacks already in decline, and projected to decline further, it seems likely that the City will not be able to rely on deliveries from the LA Aqueduct to the same degree that it has in years past.

The UWMP's assessment of future water supplies is also undermined by unforeseen recent events that occurred after it was prepared. Water levels at Hoover Dam/Lake Mead have fallen faster than anyone expected, indicating that Southern California will be forced to accept a reduced allocation from the Colorado River. See this excerpt from the LA Times:

'Unrecognizable.' Lake Mead, a lifeline for water in Los Angeles and the West, tips toward crisis,
LA Times, July 11, 2021

<https://www.latimes.com/world-nation/story/2021-07-11/lake-mead-hoover-dam-drought-nevada-arizona-california>

"Next month, the federal government expects to declare its first-ever shortage on the lake, triggering cuts to water delivered to Arizona, Nevada and Mexico on Jan. 1. If the lake, currently at 1,068 feet, drops 28 more feet by next year, the spigot of water to California will start to tighten in 2023."

Immediately following the declaration of a shortage by the Bureau of Reclamation, the MWD issued a water supply alert:

Metropolitan Declares Water Supply Alert in Response To Severe Drought

<https://www.mwdh2o.com/newsroom-press-releases/metropolitan-declares-water-supply-alert-in-response-to-severe-drought/>

EIR: Solid Waste

It's not surprising that the EIR relegates the discussion of solid waste to the appendix containing the Initial Study. The City's record on solid waste is appalling. Worse, the City refuses to even acknowledge its failures in this area, and instead continues to make false claims based on old data to support its environmental assessments.

The Initial Study asks:

Would the project generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?

Would the project comply with federal, state, and local management and reduction statutes and regulations related to solid waste?

The EIR concludes that the construction of over 400,000 new units would have a less than significant impact. Unfortunately, the EIR's findings in this regard cannot be considered credible. On page 137 of the Initial Study, the authors state the following:

The City has enacted numerous waste reduction and recycling programs in order to comply with the California Integrated Waste Management Act (AB 939), which require every city in California to divert at least 50 percent of its annual waste by the year 2000, and be consistent with AB 341, which sets a 75 percent recycling goal for California by 2020. As tracked by the City's Zero Waste Progress Report, the City achieved a landfill diversion rate of 76.4 percent as of 2012 (City of Los Angeles Sanitation 2013). The City of Los Angeles has also prepared a Solid Waste Integrated Resources Plan (SWIRP), which contains long-term goals, objectives and policies for solid waste management for the City. It specifies that the City's Zero Waste goal is to reduce, reuse, recycle, or convert the resources currently going to disposal so as to achieve an overall diversion rate of 90 percent or more by the year 2025 (LASAN 2013).

One might first ask why the EIR cites data from 2012 to support its claims about diversion to recycling. The City is nowhere near the claimed 76.4 percent rate of diversion to recycling. While the City does not publish annual data to show its actual rate of diversion to recycling, a recent PRA request appears to show that the City's RecycLA program is actually diverting less than 20 percent of solid waste to recycling. This is far below the claimed rate of 76.4 percent, and does not even meet AB 939's requirement of 50 percent diversion.

Since 2012, significant changes have occurred with regard to solid waste disposal. Up until 2018, the City had been shipping most of its recyclable materials to China, but China has largely closed its doors to imported waste. When exports to China ceased, this created a glut of recycling materials in California, driving down prices for recyclables and resulting in the closure of many recycling companies. Faced with this crisis, in 2019 the City amended the contracts it had entered into with waste haulers participating in the RecycLA program, reducing the targets for diversion to recycling.

The EIR's claim that the City will achieve a rate of 90% diversion to recycling by 2025 is not credible. Furthermore, the City is currently NOT diverting 50% of solid waste to recycling and therefore, contrary to the EIR's assertion, not in compliance with the requirements of AB 939.

The vast majority of new multi-family units created pursuant to the RHNA Allocation will be served by RecycLA, which serves all commercial and large multi-family residential structures. Based on the above, it is clear that the EIR's claim that there will be no significant impact is not supported by substantial evidence. In fact, it's not supported by any evidence at all.

The City will claim that there is still no significant impact, since the City has adequate landfill capacity to handle the increase in solid waste. However, landfills are a significant source of GHG emissions. Please see the following section from the City's Solid Waste Integrated Resources Plan:

1.2.2.2 Greenhouse Gas Emissions Reductions

The waste sector in the U.S. emitted approximately 100 million metric tons of carbon dioxide equivalent emissions in 2012, which represents the sixth-largest generator in the industry sector. [...] Landfills are the third-largest source of generated methane emissions in the U.S. and contributed approximately 17.5 percent of the total U.S. emissions of generated methane in 2011.

The EIR fails to assess additional GHG emissions that would result from increased landfill deliveries under the proposed Housing Element. Based on the evidence cited above, it is clear that the EIR fails to adequately assess the impacts of the Housing Element with regard to solid waste.

Channel Law Group, LLP

Letter 4

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November 2, 2021

VIA ELECTRONIC MAIL (clerk.plumcommittee@lacity.org,
armando.bencomo@lacity.org)

Planning and Land Use Management Committee
Los Angeles City Council
c/o City Clerk
200 North Spring Street
Los Angeles, CA 90012

RE: Item Nos. 14, 15, 16 Agenda for November 2, 2021 – CPC-2020-1365-GPA;
ENV-2020-6762-EIR; Council File No. 21-1230 (Housing Element Update);
Council File No. 20-1213 (Safety Element); Council File No. 15-0103-S3 (Health
Element)

Dear Members of the Planning and Land Use Management Committee ("Committee"):

This firm represents AIDS Healthcare Foundation ("AHF"). 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.

Additionally, please confirm that the City Clerk has placed an accurate and complete copy of all of our correspondence, including this letter, in each of the following City Council Files: Council File No. 21-1230 (Housing Element Update); Council File No. 20-1213 (Safety Element); Council File No. 15-0103-S3 (Health Element).

There has been a disturbing pattern and practice of the City Clerk's staff NOT posting our letters as separate letters, mixing our letters into the middle of other comment letters, omitting or separating the exhibits from the letter, all of which makes it impossible for decision makers to review and comprehend our comments and concerns. The City's Clerk has a duty to reproduce and maintain an accurate record of proceedings.

Please add this law firm the **list of interested persons** to receive all notices related to this Project.

We bring to the City Council’s attention the content and supporting evidence cited in and attached to the October 27, 2021 letter of this firm submitted to the Housing Committee of City Council. In addition to the issues raised in our previous correspondence, we have identified other defects in the City’s compliance with applicable State Planning Law and the California Environmental Quality Act (“CEQA”). Those issues are set forth in this correspondence.

The issued outlined herein provide further evidence that City’s EIR process is so deficient the EIR must be revised to correct the errors and re-circulated to the public for comment, all in accordance with the mandates of CEQA. Furthermore, as documented herein, the City is proposing to amend three elements of the General Plan, but its outreach and encouragement of public participation falls below that required by the State Planning Code. Accordingly, the failures of public participation further require re-circulation and meaningful opportunities for the public, certified neighborhood councils, and interested parties to comment on the changes to City planning documents that will impact lives and property of owners for years to come.

1. The Project Description Is Not Accurate, Stable or Finite.

Since the issuance of the Notice of Preparation and issuance of the Draft EIR for public review and comment, the City has made numerous significant changes to the size and scope of the Project.

The courts have held that an accurate, stable and finite project description is fundamental to a legally sufficient EIR. This was first explained in *County of Inyo* (1977) 71 Cal.App.3d 185:

“An accurate, stable and finite project description is the *sine qua non* of an informative and legally sufficient EIR.”¹

“A curtailed, enigmatic or unstable project description draws a red herring across the path of public input.”²

As further explained by the courts:

“This court is among the many which have recognized that a project description that gives conflicting signals to decision makers and the public about the nature and scope of the project is fundamentally inadequate and misleading. [Citation.] ‘Only through an accurate view of the project may affected outsiders and

¹ *County of Inyo* (1977) 71 Cal.App.3d 185, 192–193.

² *County of Inyo* (1977) 71 Cal.App.3d 185, 198.

public decision-makers balance the proposal's benefit against its environmental cost, consider mitigation measures, assess the advantage of terminating the proposal i.e., the "no project" alternative[], and weigh other alternatives in the balance.'" [Citation].³

"[W]hen an EIR contains unstable or shifting descriptions of the project, meaningful public participation is stultified."⁴

"A project description that omits, or allows modification of, significant integral components of the project will result in an EIR that fails to disclose the actual impacts of the project."⁵

The description of the proposed Project reflected in the FEIR is not accurate, stable or finite. The City has made significant changes to the Project since issuance of the DEIR for the Project. These changes are enumerated in and addressed in Chapter 2.0 – Supplemental Analysis Related to Modifications to the Housing Element and Safety Element Updates and New Information. Due to the ongoing unavailability of the Final EIR and its appendices as noted below, the public has been denied its right to review the changes to determine the accuracy of any claims of the City that the changes do not trigger new environmental impacts or severely aggravate existing identified impacts.

a. Lack of An Accurate Stable or Finite Description of the Proposed Housing and Safety Elements

As noted on page 2-1 of the FEIR: "As described in the Draft EIR, the Proposed Project includes the Los Angeles Citywide Housing Element 2021-2029 Update and rezoning Program ("Housing Element Update") and 2021 Safety Element Update and targeted updates to the Plan for a Healthy Los Angeles ("Safety Element Update")." However, as we noted in our letter of October 27, 2021, the DEIR failed to provide information on the updates to the Plan for a Healthy Los Angeles. New FEIR Appendix K – Listing of Amendments to the Plan for Healthy Los Angeles (October 2021) is included as part of the FEIR, however, as of the morning of November 2, 2021, this appendix is merely a link to LACity Clerk Connect, which as of the morning of November 2, 2021 includes the same document with the same link back to the LACityClerk Connect file. The same is true for Appendix I – Updated Draft Housing Element Update, and Appendix J – Updated Draft Safety Element Update. (See **Screenshots of these in Exhibit A**) Accordingly, the FEIR as available to the public and PLUM thus does not contain the revised Housing Element, revised Safety Element, or the updates to the Plan for a Healthy Los Angeles. The public and any Council members

³ *Citizens for a Sustainable Treasure Island v. City and County of San Francisco* (2014) 227 Cal.App.4th 1036, 1052.

⁴ *San Joaquin Raptor Rescue Center v. County of Merced* (2007) 149 Cal.App.4th 645, 656.

⁵ *Santiago County Water District v. County of Orange* (1981) 118 Cal App 3d 818.

trying to access these documents are literally sent in an electronic circle with access to nothing at all.

Modifications to the Housing Element Update since the DEIR are described in Chapter 2 of the FEIR. Changes include modifications to: the Inventory of Adequate Sites for Housing; the Rezoning Program and Inventory of Candidate Sites for Rezoning; the Affirmatively Furthering Fair Housing Analysis; the Goals, Objectives, Policies, and Programs; and Other Refinements. As noted on FEIR page 2-2: “Changes to the policy document include, but are not limited to, the changes summarized herein.” Thus the FEIR does not provide a full disclosure of the changes made.

b. Lack of a Stable Inventory of Adequate Sites for Housing

As noted on pages 2-1 to 2-5 of the FEIR:

“Inventory of Adequate Sites for Housing

The Inventory of Adequate Sites for Housing in Chapter 4 and associated Appendices were revised to address comments from HCD and comply with the requirements in state law, as well as to reflect the most current information regarding individual components of the Inventory. This includes the following revisions:

- Revised Appendix 4.2 and Appendix 4.3 (pipeline development through private and publicly- funded development projects) to reflect current pipeline development anticipated to be completed during the planning period;
- Revised assumptions regarding pipeline development completion rates, based on detailed review of historical data trends;
- Revised Appendix 4.1 (vacant and non-vacant sites analysis) to remove sites with expected pipeline development potential, so as to eliminate duplication;
- Revised Accessory Dwelling Unit (ADU) estimates to be consistent with data previously reported to HCD;
- Revised assumptions regarding additional, non-site specific development potential associated with public programs such as Project Homekey and the City’s public land development efforts; and

- Added a new Appendix 4.8 listing potential City-owned sites that could be considered for the Public Land Program.”

As a result of these revisions, the overall anticipated development potential identified in the Draft Housing Element was adjusted, reflecting a total development potential of 230,947 units, of which 72,640 are lower income.

c. Lack of An Accurate Stable or Finite Rezoning Program

In the FEIR both the inventory of candidate sites and the amount of rezoning has changed. In addition, the inventory is merely a list of candidate sites, not the list of actual sites to be rezoned, and is thus subject to further change. As explained on FEIR page 2-4 to 2-5:

“Rezoning Program and Inventory of Candidate Sites for Rezoning

The policy document includes revisions to Chapter 4 to provide a more detailed description of the proposed Rezoning Program (Program 121) previously included in the July 2021 draft Housing Element Update and described in the Draft EIR. In addition, the revised Housing Element Update includes a new Appendix 4.7 (Candidate Sites for Rezoning), which identifies potential sites for future rezoning, along with state-required information on each of the properties, including the realistic number of housing units that can be accommodated on each site as a result of the various rezoning strategies. Sites were selected based on the criteria included in the Rezoning Program description. **Sites will not be rezoned as part of the Proposed Project, but rather are identified for further refinement and consideration as part of the implementation of the Rezoning Program prior to the October 2024 adoption deadline.**

A total of at least 243,254 potential sites containing 1,432,059 units are identified as part of the Rezoning Program. Of these, at least 36,446 sites containing 591,726 units have been identified as meeting the state law criteria as lower-income, meaning they can accommodate at least 16 units per site and can include minimum densities of at least 20 units/acre. **The Inventory of Candidate Sites for Rezoning lists many more sites and potential units than are necessary to satisfy the RHNA requirements. This expansive approach is purposeful to allow the flexibility for future refinement of the rezoning strategies and sites. As such, sites included on the list should be considered as potential sites for rezoning consideration, not a final list of sites that will be**

rezoned. Other sites may be added, and listed sites may be removed or amended. A public review process will help guide future recommendations as to which sites are rezoned at which densities, but should follow the Housing Element’s objective of an equitable rezoning program that furthers fair housing goals.” (Emphasis added.)

d. Changes to the Amount of Up-Zoning Included in the Proposed Project

As shown on FEIR page 4.1, the changes made to the Inventory of Adequate Sites resulted in a reduction in the projected development capacity and thus an increase in the amount of up-zoning to be included in the proposed project:

The Inventory of Adequate Sites for Housing identifies a total development potential of ~~230,947~~ ~~266,647~~—units, which is insufficient capacity to accommodate both the RHNA Allocation of 456,643 units and the City’s target capacity of 486,379 units. As a result, the Housing Element identifies a shortfall at all income levels and a total rezoning need of ~~255,432~~ ~~249,732~~—units, including rezoning to accommodate a shortfall of ~~130,553~~ ~~121,881~~—lower income units, ~~72,993~~ ~~72,639~~—moderate income units, and ~~51,887~~ ~~25,212~~—above moderate-income units. As a result, the Rezoning Program must create at least ~~255,432~~ ~~249,732~~—units of new capacity by October 2024.

The basis and analysis used to arrive at these revised numbers is not adequately described, and the information necessary to allow public review of the basis of the changes is thus not included in the FEIR. The project description in the EIR is thus not accurate, stable or finite. The EIR thus violates a fundamental requirement of CEQA. The project with such fundamentally changed characteristics, including potential significant impacts, requires recirculation for public comment.

2. CEQA’s Critical Procedural Mandates Were Violated By The City’s Failure To Timely Release The Final EIR, Revised Plan Documents, and Findings of Overriding Consideration.

As outlined in our previous letter, the City’s agenda for the City Planning Commission (“CPC”) meeting consideration of the project included a recommendation that the City Council certify the Final EIR. But contrary to the meeting agenda and CEQA procedure, the CPC took action to recommend approval of the Project, and certification of the Final EIR without release of the Final EIR.

It was impossible for the CPC to have exercised independent judgment in approving action to recommend that City Council certify the Final EIR: the City had not released the Final EIR to the public, so the CPC could have had no opportunity to even thumb through the Final EIR to form an independent opinion the Final EIR ought to be certified as in compliance with CEQA.

Furthermore, if the City Planning staff somehow released the Final EIR to members of the CPC without release of the same information to public, the City has violated Government Code Section 54957.5 which mandates that a public agency immediately release a document delivered to more than a majority of a legislative body with 72 hours of a meeting. The action of the CPC to recommend City Council certify the Final EIR was a failure to proceed in accordance with law invalidating the CPC's action in recommending project approval and certification of an EIR is had not even seen.

The City Clerk then scheduled hearing on only the Housing Element amendments and certification of the EIR at the Housing Committee of City Council. Although the matter was posting on the agenda for the Housing Committee to consider recommendation of certification of the EIR, once again the Final EIR was not released for public review until literally as the 3:00 p.m. meeting began. Client representatives of AHF watched City Council File No. 21-1230 as the Final EIR was added at the meeting time of 3:00 p.m.

While the City enjoys a presumption of regularity, no reasonable person can believe that the Council committee members had any time to review the Final EIR, the responses to comments on the Housing Element, or the partial appendices posted in the Council File by the time the meeting began. Nonetheless, engaging in this fiction, the Housing Committee voted to recommend approval of the Project and certification of a Final EIR its members could not have seen or reviewed. From these facts, it is clear the Final EIR was complete and ready for release to the public long before the Housing Committee meeting, yet City officials refused to release it so the public could review the responses to comments and submit informed written and oral testimony at the meeting. This is a failure to proceed in accordance with law.

Now the City Clerk has scheduled hearing on all three General Plan Elements (Housing, Safety and Health) before the Planning and Land Use Management Committee. Even as of submission of this letter, the City has failed to circulate the Final EIR via the State Clearinghouse. **Attached at Exhibit B.**

3. Fatal Flaws In The Regression Models Undermine Any Conclusion Rezoning Is Required To Meet RHNA Mandates.

The preparation of any review of the Housing Element, or any Community Plan should begin, as a matter of good planning practice, with the calculation of the unit residential density capacity of the existing zoning for the plan area. For the Housing Element, this inquiry should be a review of all zoning of the City. But the City Planning Department refuses to calculate or show the public the calculation of the zoning capacity of the City. If it did, the public would know that even the unrealistic Regional Housing Needs Assessment goal of 459,000 units of new housing can be accommodated by the existing zoning available, especially within the commercially zoned transit corridors of the City.

In his Housing Element comments, former City Planner Dick Platkin makes this correct observation about the capacity of the City's zoning to accommodate the RHNA

requirements without any requirement for the upzoning currently proposed:

“It has been 25 year since the Los Angeles Department of City Planning (LADCP) last calculated the buildout of LA’s adopted zoning ordinances. This analysis was part of the 1996 General Plan Framework Element’s Environmental Impact Report. In 1996 LA’s population was 3.5 million people, and its zoning build out population was 7.2 million people (FEIR Chapter 7, Table T-1F, Summary of Alternatives by Community Plan Area). Since then, Los Angeles adopted an Accessory Dwelling Unit (ADU) ordinance and two Density Bonus ordinances, SB 1181 and TOC Guidelines. Together they lifted LA’s theoretical zoning build out population to around 9,000,000 people, or more than double LA’s current population of 3.9 million people, according to the 2020 U.S. Census.

Much of this zoning is on under-utilized commercial streets. Their zoning automatically allows R3 and R4 apartments, all of it on transit corridors, with permitted densities of 70 to 100 units per acre. They could easily accommodate the Housing Element’s Very-Low and Low-Income housing requirements, per SCAG’s RHNA allocation to Los Angeles, without any discretionary actions to allow even greater densities. The combination of existing zoning and new density bonus laws that encourage Low and Very-Low income housing would allow most of the existing one and two story commercial buildings on these transit corridors to be replaced by three to six story apartment and/or mixed use retail-residential buildings. These in-fill buildings could consist of Low and Very-Low income apartments.” (See Platkin comments attached as **Exhibit C**.)

As observed in our October 27, 2021 letter to City Council, the regression analysis performed to predict reasonable housing development based upon current zoning within the City appeared to have serious irregularities. We retained Dr. Laura Simms, PhD of the University of Michigan Climate & Space Sciences & Engineering Department and of Augsburg University Department of Mathematics, Statistics, and Computer Science and Department of Physics to review the regression modeling used by the City to support a conclusion that rezoning of significant portions of the City was required in order for the City to meet the Regional Housing Needs Assessment mandates for the next Housing Element Cycle (2021-2029).

Dr. Simm’s task was to review (1) the adequacy of the documentation provided to the public to determine the extent to which the public or reviewing state agencies could independently verify the modeling results, (2) the extent to which the regression model design conforms to best practices of the profession, and (3) the accuracy of the modeling results and level of confidence that the model predicts a reliable result for use by the City in its contention that rezoning of portions of the City are necessary to accommodate growth during the next Housing Element planning period.

As documented in her report attached as **Exhibit D**, Dr. Simms found serious problems in all three areas of inquiry. Dr. Simms concluded that regression model “does not provide the crucial support that planners would need to determine if rezoning was necessary to accommodate projected growth during the relevant period of time” and that “[t]here is insufficient statistical information provided for the public to evaluate the modeling.” Her analysis details how: the choice of variables affects the utility of the model; that statistical test that determine the influence of variables are completely missing from the report; that the validation of the models is insufficient; that no validation of the predictions by income type (low, moderate and above moderate) is provided; and that there are problems with the model validation. She concluded that given the “lack of disclosure of the design of the models, the lack of credible validation of the models, and the failure to utilize confidence intervals to assure the models are reasonably reliable as a future predictor of development of housing without rezoning the City’s documentation . . . does not constitute substantial evidence that these models accurately reflect a reliable prediction of future housing development.”

The City’s justification to then rezone substantial portions of the City rests upon the faulty regression analysis of future probable development under the City’s current zoning. Because the modeling lacks validation, there is literally to no way to say the City’s future probable development projection is not actually much higher, and therefore the “need” to rezone (upzone) is much less or not required at all. For this result, there has been a failure to comply with both State Planning statutes governing the Housing Element process and CEQA.

4. **Appendix 4.7 Lists Five Times The Parcels Necessary To Meet The City’s Bogus Rezoning Needs: Imperiling TOC And Requiring An Inclusionary Housing Requirement Back-Stop.**

Even if the City’s claimed “need” to rezone more land in the City was grounded in reality, which it is not according to independent analysis of the City’s regression modeling, the City has no substantial basis for conducting rezoning at all when, as Mr. Platkin correctly observes, the residential unit density allowed by right within the City’s commercial corridors could be identified as areas where such development ought to be incentivized. However, the City has failed to identify incentivized commercial corridor development as a less environmentally impactful alternative to the Project analyzed in the EIR. This is a failure to provide a reasonable range of Project alternatives for consideration by the public and City Council.

Instead, the City insists on pursuing rezoning (upzoning) of areas of the City that are the most desirable and lucrative for the City Council’s real estate developer supporters. Former Hollywood Community Planner Fran Offenhauser, who has reviewed these appendices in some detail, reports: The City’s rezoning parcel lists contain a potential capacity **more than 5 times that required** to reach the RHNA goals imposed on the City! The City’s rezoning parcel list includes the site of Grumman’s Chinese Theatre – now designated with a residential housing target on its back. In other words, the potential rezoning proposed under the Housing Element is wildly untethered to a principled study, credible regression analysis, reasonable justification, or just plain

reality. This is a broad-based upzoning of the City masquerading as a “planning exercise.”

One thing is certain if upzoning of more potential luxury housing sites occur as proposed in the Project: uncontrolled development of above-moderate income/luxury housing will occur -- without any obligation or incentive for developers to subject themselves to the affordable housing required by Transit Oriented Communities (“TOC”). In other words, as former City Planner Mr. Platkin predicts, developers will build on the upzoned areas without need to provide any affordable units at all.

AHF addressed this problem in its October 27, 2021 letter to City Council members. If any upzoning is adopted by the City as a strategy, to assure affordable units are included for every income level, an immediate inclusionary housing ordinance must be enacted by the City Council as well. Upzoning, **especially more than five times required by the RHNA**, will lead to abandonment of TOC requests. In order to back- stop possible loss of the TOC incentive program (and in fact, replace it), a city-wide inclusionary housing requirement must be imposed to end the wildly disproportionate approval of above-moderate income/luxury housing compared to affordable units. The City must not continue to follow the path proposed by its planners.

5. The City’s Failure To Involve The Public In General Plan Amendment Review Processes Violates State Planning Code Requirements Necessitating Remedial Reopening Of The Public Participation Process.

The lack of transparency in the City’s General Plan and CEQA processes has been evident throughout. The State Housing and Community Development Department’s comments on compliance with Planning Law public participation requirements is substantial evidence that the City has cut the public out of the general planning process by dropping massive plans and revisions at the last minute – all with the result that no reasonable person can review the proposals or changes and comment on them.

Council File 12-1230 contains evidence from Barbara Broide pointing out that the system of official City Neighborhood Councils have been cut out of notices making it impossible for the City’s charter-created input entities from providing input. This is further substantial evidence of ongoing violations of basic public transparency and participation requirements of the state planning process.

Furthermore, it appears that the City undertook no formal notification process to the public when it decided to amend the Health Element of the City’s General Plan. The City attempts to skirt the issue by claiming the amendments are technical changes. Every amendment of a General Plan is a technical change. The City is playing semantic games to downplay the significance of the amendment of the Health Element – acting as if it can spring a General Plan amendment on the public with no notice at all. This is not consistent with the public participation and notice requirements of the State Planning Law.

Furthermore, as documented above, even today after the City Planning Commission meeting, the City Council Housing Committee meeting on October 27, 2021, and now today's PLUM Committee meeting, the public has not seen the Final EIR including all of the supporting appendices, nor has the State Clearinghouse. We have to assume that the City has failed to also provide commenting agencies with the responses to their comments. If the public continues to be denied access to the Final EIR and the revised plan documents, its ability to review the proposed changes and meaningfully participate in all public meetings conducted by the City has been impermissibly thwarted.

For all of these reasons as well as other failures to outreach and allow meaningful public participation, the City has failed to proceed in accordance with law.

6. The City's Statement of Overriding Considerations Were Not Reasonably Available For Public Review And Comment Prior to the PLUM Meeting.

Yesterday afternoon, the City purported to notify the public of the availability of the Statement of Overriding Considerations. The City's drop of these findings at the eleventh hour telegraphs an ongoing intent to deprive the public of its guaranteed right of meaningful participation in the environmental review and planning process of the City. Furthermore, the findings are not supported with substantial evidence and the overriding considerations do not justify the extraordinary list of significant impacts of the Project. Indeed the failure to reasonably circulate a reasonable range of alternatives, and to consider them, establishes that the Statement of Overriding Consideration is unsupported, and the City has failed to proceed in accordance with law.

Most sincerely,



Attachments

Exhibit A - FEIR Appendices I, J and K

Exhibit B - CEQANet Record for EIR printed morning of 11/2/2021 showing no FEIR
has been posted

Exhibit C - Platkin Comment Letter

Exhibit D - Simms Report

cc: Vince Bertoni, Planning Director (vince.bertoni@lacity.org)
Nicolas Maricich, Principal Planner (Nicholas.maricich@lacity.org)
housingelement@lacity.org

Attachments

Exhibit A - FEIR Appendices I, J and K

Exhibit B - CEQANet Record for EIR printed morning of 11/2/2021 showing no FEIR has been posted

Exhibit C - Platkin Comment Letter

Exhibit D - Simms Report

Exhibit A

Appendix I

Updated Draft Housing Element Update (October 2021)

The *Updated* Draft Housing Element Update (October 2021) is available to download using the following link:

<https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=21-1230>

Appendix J

Updated Draft Safety Element Update (October 2021)

The *Updated* Draft Safety Element Update (October 2021) is available to download using the following link:

<https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=20-1213>

Appendix K

Listing of Amendments to the Plan for a Healthy Los Angeles (October 2021)

The Listing of Amendments to the Plan for a Healthy Los Angeles is available to download using the following link:

<https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=15-0103-S3>

Exhibit B

SCH Number 2021010130

Project Info

Title	Los Angeles Citywide Housing Element 2021-2029 Update and Safety Element Update
Description	The project involves updates to the City of Los Angeles General Plan Housing Element and Safety Element, and a Rezoning Program for the creation of additional housing units. The Housing Element Update will: further the goal of meeting the existing and projected housing needs of all family income levels of the community through the construction and operation of 420,327 housing units; provide evidence of the City's ability to accommodate the Regional Housing Needs Assessment (RHNA) Allocation of 456,643 housing units through the year 2029; and identify a Rezoning Program that will create at least 219,732 housing units of new capacity by October 2024 to accommodate both the City's RHNA Allocation and target capacity of 486,379 housing units. The Safety Element Update will formally integrate related long-range planning efforts to ensure compliance with State law, including additions to goals, policies, and objectives to better address climate change; integration of updated background information and mapping; and incorporation and update of various programs. The project also involves a targeted update to the Plan for a Healthy Los Angeles to clarify that it is the City's General Plan Element containing environmental justice goals and policies for the City, in compliance with SB 1000.

[Download CSV](#)[New Search](#)

2 documents in project

Type	Lead/Public Agency	Received	Title
EIR	City of Los Angeles	7/22/2021	Los Angeles Citywide Housing Element 2021-2029 Update and Safety Element Update
NOP	City of Los Angeles	1/13/2021	Los Angeles Citywide Housing Element 2021-2029 Update and Safety Element Update

Exhibit C

To: Los Angeles City Planning Commission
Re: Testimony on the draft Los Angeles Housing Element
CPC-2020-1365-GPA
CPC-2021-5499-GPA
CEQA: ENV-2020-6762-EIR; SCH. NO. 2021010130
Date: October 14, 2021
From: Richard H. Platkin, AICP
Co-Chair, Greater Fairfax Residents Association
rhplatkin@gmail.com
213-308-6354
6400 W. 5th Street, Los Angeles, CA 90048-4710

The Draft Housing Element represents an unsuccessful response to three contradictory realities.

First, LA is vastly over-zoned. It has been 25 years since the Los Angeles Department of City Planning (LADCP) last calculated the buildout of LA's adopted zoning ordinances. This analysis was part of the 1996 [General Plan Framework Element's Environmental Impact Report](#). In 1996 LA's population was 3.5 million people, and its zoning build out population was 7.2 million people ([FEIR Chapter 7, Table T-1F, Summary of Alternatives by Community Plan Area](#)). Since then, Los Angeles adopted an Accessory Dwelling Unit (ADU) ordinance and two Density Bonus ordinances, SB 1181 and TOC Guidelines. Together they lifted LA's theoretical zoning build out population to around 9,000,000 people, or more than double LA's current population of 3.9 million people, according to the 2020 U.S. Census.

Much of this zoning is on under-utilized commercial streets. Their zoning automatically allows R3 and R4 apartments, all of it on transit corridors, with permitted densities of 70 to 100 units per acre. They could easily accommodate the Housing Element's Very-Low and Low-Income housing requirements, [per SCAG's RHNA allocation to Los Angeles](#), without any discretionary actions to allow even greater densities. The combination of existing zoning and new density bonus laws that encourage Low and Very-Low income housing would allow most of the existing one and two story commercial buildings on these transit corridors to be replaced by three to six story apartment and/or mixed use retail-residential buildings. These in-fill buildings could consist of Low and Very-Low income apartments. In fact, the General Plan Framework Element's [Chapter Two](#) states:

"While [the Framework's] housing capacity is more constrained than commercial and industrial uses, the Plan's capacity for growth considerably exceeds any realistic market requirements for the future. For example, there is sufficient capacity for retail and office commercial uses for over 100 years even at optimistic, pre-recession, market growth rates."

Second, most of this available zoning is under-utilized because private sector developers prefer to build in neighborhoods where their expensive apartment buildings generate the highest profits. According to the [LA Development Map](#), these current hot spots are Downtown Los Angeles (DTLA), Westlake, Koreatown, Hollywood, Miracle Mile, the Beverly Center-Pacific

Design Center corridor, Valley Village, and Warner Center. Furthermore, if the zoning the developers require for their mega-projects is not immediately available, they can apply for discretionary zoning waivers, which [City Hall decision makers grant in 90 percent of cases](#).

Third, the draft Housing Element tries to reconcile these contradictory realities with a model from the UC Berkeley-affiliated but [private sector financed](#) Turner Center. The Turner Center model downplays most available zoning, and it conveniently concludes that LA should up-zone in the popular neighborhoods where, quite understandably, private developers prefer to build their expensive and most profitable apartments.

These are some of the methods that the Housing Element model uses to produce exactly what these real estate developers want: up-zoning in neighborhoods that their business models and financial advisors identify. If/when the City Council the Housing Element's, its policies, as implemented through land use ordinances, would save the developers considerable time and money. As a result, the City Council adoption of the 2021-2029 Housing Element would allow their Return on Investment (ROI) to substantially increase.

- 1) **The Turner Center/s model is based on 13 variables.** In combination, they are supposed to reveal the likelihood that any of the 700,000 parcels in Los Angeles that permit residential uses, would be developed at Lower-Income, Moderate-Income, and Above-Moderate-Income levels within the Housing Element's nine year 2021-2029 time period.
- 2) **The draft Housing Element's Chapter 4 claims that all developable sites have sufficient water, sewer, and dry utilities.** This claim is not credible because LA's infrastructure is already at the breaking point. The city's bumpy streets and sidewalks have become an obstacle course, while broken water mains and electric grid blackouts regularly occur. Furthermore, the Department of City Planning has still not established the *infrastructure monitoring unit* that the City Council-adopted 1996 General Plan Framework Element required. Likewise, per the Framework Element's stipulations, LA's Department of City Planning has not prepared a required annual report on user demand and capacity of LA's infrastructure and public services since 1999. This may explain why the draft Housing Element's claim that all developable sites have sufficient infrastructure is immediately contradicted by its next sentence, "*The City's infrastructure capacity and availability are being analyzed in the environmental analysis prepared for this update to the Housing Element.*" When it comes to the affordable housing crisis, the draft Housing Element's commitment to up-zoning supersedes sound planning principles, in particular as the Framework's policy of ensuring sufficient infrastructure capacity prior to up-zoning that increases permitted densities ([General Plan Framework Element Objective 3.3](#)).
- 3) **Because most housing built in Los Angeles results from private investment,** and because investors choose to build the more profitable Above-Moderate-Income housing, the model reveals a major shortfall (Table 4.17) of 130,000 Lower-Income units and 73,000 Moderate-Income units. Given these findings, the obvious question ought

to be why the private sector produces so few Lower-Income and Moderate-Income units. *Could it be the low profits and low incomes of potential renters and buyers?* The obvious policy response should then be strategies to meet these huge unmet housing needs with non-market, publicly funded housing and by increasing wages among prospective tenants. This makes far more sense than the draft Housing Element's Program 121 of widescale but unmonitored up-zoning, based on the dubious claim that widescale up-zoning will somehow fill the low income housing shortfall.

Furthermore, because zoning laws cannot mandate the rent structure of apartments constructed after 1978, there is no way that the City Hall could prevent developers of Above-Moderate-Income housing from taking advantage of up-zoning, especially in affluent neighborhoods, to build market and even luxury projects. While a comprehensive monitoring program could quickly detect this misuse of the 2021-2019 Housing Element's up-zoning, this appears to be a missing component of the new Housing Element.

- 4) **To meet the shortfall in all housing categories, the Housing Element extensively relies on [enhanced density bonus ordinances](#).** They are renamed Community Plan Implementation Ordinances, but still based on the [legally precarious Transit Oriented Community Guidelines](#). Assuming that these ordinances would be adopted through the 16 Community Plan Updates now underway, there will be considerable hurdles. First, LA's Department of Housing and Community Investment (HCID) does not physically inspect any SB 1818 or TOC apartment projects to confirm that developer-pledged low-income rental units exist. Second, the registry of these low income units is unreliable. In fact, the HCID registry indicates that there are no available density bonus units available in Los Angeles. Third, HCID does not maintain a registry of vetted Extremely-Low-Income, Very-Low-Income, and Low-Income tenants that landlords could refer to when conducting financial checks of prospective tenants.

Until the Housing Element can overcome the political barriers and legal challenges in adopting Community Plan Updates with attached up-zoning and Community Plan Implementation Ordinances, the Housing Element could not successfully address the forecast shortfall in Lower-Income and Moderate-Income units.

There are also serious shortcomings with the Turner Center's model that Los Angeles City Planning (LADCP) is relying on for its 2021-2029 Housing Element:

- 1) **Monitoring.** The City of LA has no ongoing monitoring program to determine if the model's assumptions and forecasts are correct and if any of the regression model's 13 variables should be changed.
- 2) **Limits of regression analysis.** Regression analysis is based on extracting causal connections from correlations. While regression lines can extend these statistical relationships into the future, they cannot anticipate and self-correct for the unpredictable historical events that often confound models. For example, the 1996

General Plan, relying on SCAG's regression-based population model, predicted a 2010 Los Angeles population of 4.3 million residents. Yet, in 2021 LA's population is only 3,900,000 people [based on the 2020 census](#), and no one knows if or when Los Angeles will eventually reach SCAG's prediction of 4.3 million people.

This is because of the weakness of regression models. They cannot readily respond to Pandemics, civil disturbances like 1965 and 1992, recessions, depressions, wars, and climate change induced mega-storms. Parcel levels forecasts from the Turner Center's model also cannot anticipate new government and state housing programs, new tax laws, fluctuations in interest rates, future labor contracts, supply chain breakdowns, changes in consumer housing preferences, amended building codes, inflated transportation costs, and sudden technological breakthroughs. This is why forecasts based on trend analysis often fall short, and why they must be continuously monitored and amended to properly work.

- 3) Inherent weakness of changing zoning laws.** Up-zoning, including density bonuses and tax breaks, cannot force investors and developers to build and operate anything, especially lower-priced housing. In fact, the market housing that it builds eliminates more existing low-income housing than it creates. That is why up-zoning results in gentrification, not a reduction of homelessness, over-crowding, and out-migration.
- 4) Planning out of sequence.** Up-zoning ordinances are not integrated into the planning process, and they therefore often overlook important planning issues. Even though the General Plan Framework's Policies 3.3.1 and 3.3.2 require up-zoning to be based on available infrastructure, the draft Housing Element's extensive up-zoning side-steps this requirement and, therefore, jeopardizes LA's already precarious public services and infrastructure.

City Hall's arcane political processes will determine how much of the proposed Housing Element becomes adopted policy. But, even if the Housing Element survives this hurdle, it will not easily overcome the next barriers, that we live in complicated and difficult to predict times.

Exhibit D

**Memorandum Re: Statistical Analysis and Interpretation of Regression Methodology
City of Los Angeles Housing Element**

Prepared by: Laura Simms, Ph.D.
University of Michigan
Climate & Space Sciences & Engineering

Augsburg University
Department of Mathematics, Statistics, and Computer Science
Department of Physics

To:

Channel Law Group
8383 Wilshire Blvd., Suite 750
Beverly Hills, CA 90211

RE: City of Los Angeles Housing Element - Assessment of Regression Analysis Used to Calculate
Rezoning Need

31 Oct 2021

You requested that I review the Regression Analysis and the documentation utilized by the City of Los Angeles in connection with its latest Housing Element Update for 2021-2029. In particular, I reviewed (1) the adequacy of the documentation provided to the public to determine the extent to which the public or reviewing state agencies could independently verify the modeling results, (2) the extent to which the regression model design conforms to best practices of the profession, and (3) accuracy of the modeling results and level of confidence that the model predicts a reliable result for use by the City in its contention that rezoning of portions of the City are necessary to accommodate growth during the next Housing Element planning period.

I have decades of experience in designing and conducting regression analysis in the academic fields of biology and physics, however, regression analysis is a commonly used predictive tool across a broad spectrum of academic areas of inquiry. The tools of regression analysis are well-defined and known to those who use it in their research and work. Therefore, my review of the regression analysis models developed and used by the City of Los Angeles to predict future likely development examined a number of basic and important factors of good practice in the design and application of regression analysis.

In the Overview, I have summarized a number of key issues in the design and disclosure of the modeling information to the public. Immediately, following this overview, I have provided more detailed analysis of particular modeling factors.

OVERVIEW

The City's modeling created several models to predict housing development, but Model 1 (consisting of 2 regressions) is the one on which most of their report is based.

In reviewing the regression methodology presented in the Housing Element Update for Los Angeles City Planning, I have considered whether the prediction model asks the questions policy makers might want answered, or whether it is merely a model that provides a "black box" prediction of housing development. In other words, is the model transparent in terms of which factors drive housing development, or does it merely present a result without any way of knowing which factors are most important? I have also considered whether there is evidence presented that the model accurately describes the data, whether there is enough information to assess the strength of the model, and whether the model can be expected to apply in the future if there are changes in policy or conditions.

I concluded that the information in the report does not provide the crucial support that planners would need to determine if rezoning was necessary to accommodate projected growth during the relevant period of time. The major focus of the regression methodology portion is the production of a model that can somewhat accurately predict past behavior. However, the choice of variables appears to be driven by what was available rather than what would guide future policy. And even of these, none are assessed for their degree of influence in the models.

There is insufficient statistical information provided for the public to evaluate the modeling. For instance, there is very little information on how well the predictor variables explain the data. No significance tests are reported: there are no p-values for individual predictors nor any reliable tests of goodness of fit for each model. Coefficients for each predictor variable should also be provided so readers can assess whether they make sense and how much each factor matters.

The model described in Appendix 4.6 (Model 1) does not clearly state the research question nor provide an answer to any hypotheses tested. Leaving out the hypothesis tests (p-values) means there is no opportunity to understand the key factors at work. Anything that might inform policy decisions appears to have been left out.

The use of "adjustment factors" to limit the data being predicted may present serious issues. These factors do not appear to be applied during the building of the model (Appendix 4.6), suggesting that these models do not account for these reductions in the data. The result of this is that the training data would be vastly different from the validation data. In that case, none of the predictions could be expected to have anything to do with reality, as described by the models. This is a *serious* flaw and would invalidate anything predicted from the model.

Several predictor variables cover large ranges: using zip code level mean housing value is not very specific. Could these not be determined for smaller areas?

There is no presentation of the response within income level groups. For example, does lower income housing respond differently than other housing groups to these various influences? Testing for this could easily be inserted into the current logistic models with interaction terms. Not having this information seriously reduces the utility of this model.

Predictions should be presented with confidence intervals, not just means. A single number gives no information on how accurate the model may be.

There is no validation of the model. There is an attempt at validating Step 1 of Model 1, but even this validation effort lacks credibility as it appears to validate only the first step of this model (Step 1). (Note that validation is perhaps not required for assessing the model, but if one is going to make the attempt, it should at least validate the full model.)

None of these models are adequate to make accurate predictions within each housing grouping (lower, moderate, and above moderate) and there is no attempt at validating within group.

There is no plan proposed to adjust the models to new conditions such as changes in tax or interest rates. Nor does there appear to be any plan to monitor whether pledged density bonus housing is actually developed and rented to low-income tenants after permits are granted.

MODELING FACTORS

1. Choice of Variables Affects Utility of the Model

How were predictive variables chosen? The most useful model would be one that used variables that could be changed by possible policy modifications – in other words, those that would answer questions policy makers may be interested in. These can, of course, be combined with factors needed to control for excessive variation in the data to produce the best model. However, if variables are only chosen for the latter reason, because it results in good predictions out of the model, then the model is determining which questions can be asked. It does not answer the questions that policy makers might have. A model that predicts an answer that no one needs is a useless model.

2. Statistical Tests That Determine Influence of Variables are Missing

However, even if included variables are the ones policy makers have an interest in, their level of influence is not reported. In other words, the pertinent questions are not being answered. There are no relevant tests of statistical significance to determine which variables actually drive the outcome. Significance tests of each variable should be given so that readers can assess which factors might have any relevance in policy decisions.

Without these hypothesis tests, the results of these models are useless for policy decisions.

Coefficients for each predictor variable should also be provided. As these are logistic regression models, there should be some discussion of transforming the log-odds coefficients back into probabilities so that the reader has a sense of what influence each variable has. This would help in assessing whether the model has any real-world applicability and to consider what variables have been left out of the model that could have been profitably included to inform policy decisions.

There are also no goodness-of-fit tests for whole models. These are basic statistics that show how well a model performs in describing the variation in the data. McFadden's R^2 for logistic regression models is given, but this is not the correct test to use. McFadden's (and in fact, any R^2 from a logistic regression) is

not comparable to the more familiar R^2 usually given for linear regression. The usual R^2 represents the fraction of variation explained by the model. McFadden's R^2 for logistic regression does not do this.

While a McFadden R^2 between 0.2-0.4 may suggest a good fit (McFadden, 1977),¹ there is disagreement about that, and simulations of the statistic suggest that it can take on wildly different values depending on small changes in circumstance. These are problems with any R^2 calculated for logistic regression (McFadden or otherwise). The use of the term " R^2 " for any of these statistics is unfortunate as it leads one to believe it measures the same thing as an actual R^2 . If this were linear regression, the reporting of the R^2 would be somewhat helpful in assessing the overall explanatory value of the model, but McFadden's R^2 (and any of the so-called R^2 statistics one can use for logistic regression) are not as easily interpreted.

However, beyond this, the McFadden R^2 is not an appropriate statistic for this situation, as it is more suited to comparing nested models (i.e., comparing a full model with all variables vs. the same model/dataset with fewer variables). This is not how it's being used here, and it certainly does not give any information about how much of the variation in the data is being modeled (as the more typical R^2 would do). In any case, the 0.126 value of the first model falls below what McFadden himself believed to be an indication of good fit. The 0.038 value for the second model (referenced in footnote 22) is very low no matter which R^2 it is. Nor is it clear which model the 0.126 R^2 refers to. Is it only step 1 of Model 1? If so, why is it not reported for step 2 and what is the number for step 2? If it does refer to both steps, which are separate regression models, how was a single statistic calculated for the two models?

There are several more correct statistics that could assess the overall goodness-of-fit of a logistic regression (the deviance test, for example) but these are not given. However, just providing the full coefficient tables for both regressions (with p-values for each variable) would address the issue of whether any of these models have any explanatory power at all. But such tables were not provided for public review.

3. Validation of the Models is Insufficient

Ignoring whether the models are asking the appropriate questions (i.e., including and providing assessments of the correct variables of interest), the model still appears to be only weakly predictive of outcomes in the test (validation) dataset.

I can find only a single validation prediction from the model (Appendix 4.6-17), predicting 2010 units developed. It's noted that this is quite close to the actual value in the 2010 test set, but no confidence interval is given. Also, no predictions are made for the various groupings. Does the accuracy hold for areas of high income vs low income? Does this single prediction answer any question that planners might have about these variables and about other variables that were not included?

Why was only 2010 used as the test set? Did other years give less accurate predictions? The way this is reported, it appears each year is a single observation. If so, this would mean the sample size for building the model is (impossibly) lower than the number of predictor variables.

¹ McFadden, D., 1977, Cowles Foundation Discussion Paper No. 474 (footnote on page 35) available at: <https://cowles.yale.edu/sites/default/files/files/pub/d04/d0474.pdf>

The model should, more appropriately, be validated by using all observations in the test set, not the aggregate over a single year. I believe this is the point of including the ROC (receiver operating characteristic) curve. However, a ROC curve is difficult to interpret for readers who don't have experience with them. It would be better to also provide a truth table as these are easier to interpret.

That the prediction of a single year (2010) barely brings the AUC (area under the curve) into the "excellent" category (as categorized by a single authority) is not much of an endorsement of the predictive ability of this model. First, what happened in the other years? Second, determining whether the AUC is "good" or "excellent" is somewhat dependent on the cost of making mistakes, an assessment of which is not presented here. (As a side note, models I have made with this low of an AUC were not effective enough to use in a situation where reasonably accurate answers were needed.)

In any case, this presentation of the ROC curve is only shown for Step 1, which is really only half of Model 1. It does not provide *any* information about how well the whole model works.

Consequently, there is no validation of the full model presented at all. This only validates Step 1.

Besides this, I would argue that the validation of the model (which is not actually given) is of much less importance than providing significance tests of the variables within the model.

4. Details of Group Responses Are Important

I found no validation of predictions of housing builds *within* each category (i.e., of low vs high income housing). For policy decisions, this is an extremely important piece of information that should come out of this model.

There is mention that the model may differ in intercept between parcels with 1-4, 5-50 and >50 base-zoned units, however no predictions are made for individual groups. Nor is any mention made of how these intercepts vary. Which is larger? Is it what would be expected? If not, why not?

However, I would go one step further. The interaction terms between grouped variables with other variables should have been tested. This would give information on not only whether the intercepts varied between groups, but the response (slope) to the other variables. Without this, this model is nearly useless, particularly here as applied over a large area with a range of incomes, available parcels, etc.

5. Predictions Should Use Same Sample Characteristics as the Model

It is not clear that any of the "adjustment factors" used on the validation dataset were previously applied to the training set data. The reduction of the data using these adjustment factors is not mentioned in the Appendix (4.6) describing the building of the model. This suggests that the data used to build the model is very different from that being used for predictions – *so different, in fact, that the model would have virtually no applicability to future data.*

CONCLUSION

The main model (Model 1) utilized as part of the Los Angeles Housing Element EIR and Planning Process is likely of little use in making planning decisions. It simply doesn't answer the questions posed, nor does it do a particularly good job of explaining what influences the outcomes of the modeling.

There is little evidence that the model accurately describes the data or that, as a result, it is particularly accurate in making predictions.

Based upon the lack of disclosure of the design of the models, the lack of credible validation of the models, and the failure to utilize confidence intervals to assure the models are reasonably reliable as a future predictor of development of housing without rezoning, the City's documentation I reviewed does not constitute substantial evidence that these models accurately reflect a reliable prediction of future housing development. Accordingly, the data output constitutes unreliable information on which to base a prediction of housing development over the next eight years.

Sincerely,

/s/ Laura Simms

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- 15+ years in physics research, specializing in modeling particle transport and wave activity and the statistical analysis of large datasets
- Lead author on numerous published research papers using regression, time series analysis, machine learning techniques, and survival analysis, as well as spectral analysis of magnetospheric waves
- Proficient in MATLAB, R, SPSS, SAS, IDL and other languages
- Ph.D. in ecology
- Master's degrees in statistics and entomology
- Coursework equivalent to B.S. in Physics as non-degree student
- 5+ years teaching experience in statistics and biology

Software expertise

MATLAB

R

SPSS

SAS

FORTRAN

IDL

Python

Illustrator

Areas of expertise in statistical analysis

Machine learning

Model validation

Clustering methods

Linear and nonlinear regression modeling

Logistic regression

Non-parametric tests

Time series analysis

Spatial data analysis

Survival analysis

Research Experience

2021 - Visiting Research Scientist (University of Michigan)

ARMAX and neural network models of low energy electrons in the magnetosphere. Model validation using ROC analysis and STONE curves.

2001 – present Researcher (Augsburg University)

Prediction of waves and high-energy electrons in the magnetosphere using regression, time series analysis, logistic regression, and machine learning

1989 - 1996 Research Assistant (with Lowell Getz, Biology, University of Illinois)

Analysis of vole population data using survival analysis and regression

1986 – 1989 Statistical/Computing Consultant (Agricultural Economics, University of Illinois)

1983-1985 Research Assistant (with Gilbert Waldbauer, Entomology, University of Illinois)

Insect mimicry; dietary choices

Teaching Experience

2017-present *Instructor - Augsburg University*

Statistical Linear Models

Statistics for STEM Majors

Applied Algebra

1983-1994 *Teaching Assistant - University of Illinois, Urbana-Champaign*

Environmental Biology

Genetics

Introductory Biology

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1996 Ph.D., Ecology

Thesis: Host plant selection by the common sooty wing skipper (*Pholisora catullus*) when presented with host species of varying quality

1987 M.S., Statistics

1985 M.S., Entomology

Thesis: Inheritance of variable instar number in the corn earworm (*Heliothis zea*)

University of California, San Diego

1981 B.A., Biology (minors in Chemistry and Music)

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2000-2002 Completed coursework equivalent to B.S. in Physics as non-degree student

Awards

1983-1986 National Science Foundation Pre-Doctoral Fellowship

1982-1983 University of Illinois Pre-Doctoral Fellowship

1977 National Merit Scholar

Publications

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Communication from Public

Name: Fix The City

Date Submitted: 11/02/2021 08:52 AM

Council File No: 21-1230

Comments for Public Posting: Fix the City incorporates by reference all public comments submitted on the Housing, Safety and Health Elements and requests that this matter not come to the Council until the public has 10 days to review the FEIR. Merely increasing density does not deliver affordable housing. It leads to displacement of low-income residents. The City failed to make required findings of adequacy under various Community Plans for adequacy of emergency services, public services, and infrastructure, and threatened water supply due to the third year of an historic drought. Densification adds to the heat island effect and contributes to global warming and displacement of low-income residents. RSO units are not being replaced as required by state law . Conclusory comments that staff have plans and monitor and evaluate are not a substitute for substantial evidence of adequacy and providing benchmarks to measure adequacy. General Plan Framework "Mitigation Through Policy," Policy 3.3.2 requires adequate city services and infrastructure prior to any discretionary increase in density or intensity, such as increased density under the Housing Element before you. There is no finding of consistency with GPF 3.3.2. This mitigation policy was adopted as a mandatory condition of approval for the General Plan Framework in 2001. These three amendments to the General Plan fail to comply with those community plans, e.g., WLA and Wilshire Community Plans and are therefore inconsistent with the Land Use Element of the General Plan. We also request that the record be held open until the FEIR is released to the public. The Council must not certify the EIR until the FEIR is made available to the public. There is no FEIR available. Please provide standards/benchmarks for adequacy for infrastructure and emergency services in the Safety Element and the Health Element. Increasing density increases the cost of land and thus housing. The premise behind the Housing Element is that if more housing is built, increased supply will lower rents. This is a failed policy. Given the fact that California is losing a seat in Congress, the need to increase density is not supported by the Census. The current General Plan can accommodate several additional million residents without increasing density. What Los Angeles needs is AFFORDABLE HOUSING. That is what the Housing Element needs to address. Please evaluate (1) mandating inclusionary

affordable housing for all multi-family projects, similar to other major cities; (2) a vacancy tax; (3) banning short-term rentals; and (4) a pilot program in urban homesteading. Subsidizing luxury projects is not the solution to the homeless crisis nor the affordability crisis. HCID is not enforcing the requirement to replace RSO units (e.g., 10757 Wilkins Avenue). DCP needs to review the Housing data on Zimas to see projects have RSO registered units and require replacement. Please provide analysis and substantial evidence of compliance with LAMC 11.5.8. There is no evidence of adequacy, nor is there a definition or measure of adequacy provided in the EIR analysis. LAFD response times are deteriorating, and there are no plans or funding to provide adequate services, personnel, facilities or equipment. At a time of increased drought, the threat of wildfires in the city means that the city will go from inadequate service to life-threatening inadequate service. Before approving increased density or intensity, the city must meet its first responsibility, which is protecting public safety. Fix the City has provided extensive data and analysis of inadequate city services and infrastructure. These documents are in the possession of the Planning Department. In addition, the LA Grand Jury, the City Comptroller, and third party consultant have all identified serious deficiencies in LAFD service. We also object to the failure of the Safety Element to require compliance 50-foot off-site seismic investigations in Alquist Priolo Fault Zones (or a 50-foot exclusion zone in the absence of a 50-foot off-site investigation), failure to require trenching to investigate faults when sites are vacant, and reliance of an out-dated state seismic map in NavigateLA.org, which has resulted in lack of required seismic investigation of newly-found fault traces, in violation of the Alquist-Priolo Act. Fix the City is presently litigating these seismic violations for 10400 Santa Monica Boulevard and 1741 Malcolm/1772 Glendon Avenue. How will increased density impact air quality? Los Angeles is in a non-attainment area under the SIP. Increased density and congestion increases air pollution. Please correlate increased density with changes in air quality. Please assure lower-income residents receive equal treatment regarding toxic abatement (e.g., Eagle Heights) in the Health Element. Analyze air quality impacts of drivers searching for parking near their homes, and the neighborhood intrusion it creates.