

UCLA ECONOMIC LETTER

REAL ESTATE AND THE MACROECONOMY



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Monthly condensed analyses of crucial real estate and economic issues offered by the UCLA Anderson Forecast and UCLA Ziman Center for Real Estate. Here, Dana Cuff, Director, cityLAB-UCLA; and Professor, UCLA Architecture & Urban Design, and UCLA Luskin School of Public Affairs, Dept. of Urban Planning, reflects on the competing planning proposals confronting Los Angeles, which were examined at UCLA Ziman Center's recent forum. Complete video documentation of the forum can be found at this Ziman Center [web post](#).

Designing a Denser L.A.

Three Ways to Improve the City's Planning

By [Dana Cuff](#)

There are two competing ballot propositions in Los Angeles, one called Build Better L.A. and the other, the Neighborhood Integrity Initiative. Each would take the reins of development out of the hands of the City, to control urban growth instead by proposition. The Ziman Center's April 27 Forum, "Never Let a Good Crisis Go to Waste," shined a bright light on the issues, where I represented the perspective of urban and architectural design.

"The end of sprawl and the housing crisis have produced "hyper-opportunistic development." Sites of every sort are targeted for building as densely as possible, to meet an almost unlimited demand."

We do have a crisis, not because we have two propositions but because we have two competing visions of the city of Los Angeles neither of which is explicit in the initiatives at hand. The first vision is that L.A. is a suburban paradise that needs to be preserved; the second vision is that L.A. is an evolving metropolis that needs to become

more *fair, green, and strategically dense* – these descriptors comprise a good definition of sustainability. If the first narrative is impossible, the second is unlikely. More to the point, almost no one argues against fair or green, but that last term, density, is the root of much contention. To aim for a sustainable city is to recognize that not all density is created equal. More intense, dense development is not only necessary, but can actually improve Los Angeles through good design and planning.

What has pushed us to give up on design and planning and put our hope in propositions? A number of historic changes in Los Angeles are at the heart of the problem. First and foremost, suburban expansion at the city's periphery died with the old millennium, leading to growth at the center and more generally to the repopulation of the existing city. This is exactly what the urban intelligentsia of Southern California has been advocating for decades, without predicting the dire side effects that now accompany this transformation. The most egregious factor is our present affordable housing shortage – a bonafide crisis by all measures. In 2014, the Ziman Center published research showing that in Los Angeles, the gap between rent and wages is greater than any other major American city; that people on average spend 47% of wages on housing; and that it is the most difficult major metro area in which to buy a home, requiring 9 years of earnings.

The end of sprawl and the housing crisis have produced what I call “hyper-opportunistic development.” Sites of every sort are targeted for building as densely as possible, to meet an almost unlimited demand. For example, at the end of 2015 some 25,000 units were in construction or planned in downtown Los Angeles alone. But hyper-opportunistic development comes with other problematic characteristics: projects are built quickly, cheaply, and *without public interest*; poor neighborhoods of color and industrial zones are threatened with gentrification (think of Boyle Heights and the Arts District); and overdevelopment threatens middle-class neighborhoods.

One point of agreement in Los Angeles is that our planning culture (government agencies as well as local political practices) is both historically weak and currently broken, producing a high degree of unpredictability in the development process, -- the opposite of what planning intends. The next generation of planning doctrine must incorporate meaningful local participation, and overcome the current dilemma that local opposition stops good and bad projects alike. It is patently clear on all sides that we must restructure design and planning in the city. But we cannot do this by propositions -- particularly ones that systematically limit growth-- without exacerbating our housing crisis, hyper-opportunistic development, and unpredictability.

Planning for the next era of life in Los Angeles must start with leadership that embraces the following “good design” principles: the city will grow; not all density is created equal; communities deserve a voice in their different futures; and improving quality of life depends upon robust regulation. To achieve this vision, I offer a three-point plan to restructure current planning practices.

First, as Mayor Garcetti recently stated, our community plans must be updated, and I would add that their structures need updating as well. Present community plans are out of date and too slow in the making, but equally important: they lack beneficial specificity. Their primary mechanisms are land-use and floor-area-ratio (FAR) – very rough tools that are not even as specific as zoning regulations. Instead, community plans need to create “implementing ordinances” or something like specific plan overlays, that embed clear, definitive guidelines to regulate building envelopes, height limits, energy conservation, open space requirements, and design guidelines (including setbacks, style, materials, landscape, preservation of existing architectural and neighborhood resources). Likewise, a coordinated set of community plans would guide strategic growth that is well-located around transit, with mixed-use and affordable housing, to create walkable neighborhoods that decrease reliance on cars.

Second, all communities of Los Angeles deserve design review in which good design in the public interest is upheld. As we grow denser, our quality of life depends upon increased attention to ground-level design for pedestrian activity, landscape, and accessible public amenities, and above that, to the skyline, shadow-casting, and view-corridors. Aesthetics are an important constituent of design review along with environmental concerns, landscape, open space, and the public good. Currently, design review is uneven (areas such as Westwood and Hancock Park/Miracle Mile have design review boards) with broad and non-binding guidelines. The process needs expansion and teeth.

Lastly, we need to *codify* the public benefits of increased development. As such, the regulatory context should not be abandoned but reinforced and upgraded. Updating our 1946 zoning code as Re:code LA is doing, is a critical step that could be taken ten steps further to create real performance standards that cumulatively contribute to an increase in open space, decrease in the use of cars, and reduction in water and energy use. Higher density development should include extensive provisions for affordable housing, green space, and public amenities.

It is ironic that very large projects such as the Palladium Residences in Hollywood spark political backlash, when the lion's share of housing developments in the city are under 30 units. This ubiquitous growth creates the pressure that needs relief, but that will require more very large projects, well-placed and well-designed. If we can do this it would reduce conflict, uncertainty, and move Los Angeles toward a more fair, green, and strategically dense city.