

To Councilman Harris-Dawson and Council President Wesson:

Date: March 25, 2019

RE: Support Koretz Motion **CF 18-1226** Senate Bill 50

This Community Impact Statement is written on behalf of the Park Mesa Heights Community Council, which has learned of the disastrous impacts Senate Bill 50 will have on single-family neighborhoods, working class areas, diverse communities, and will strip cities of local control.

Residents of Park Mesa Heights and throughout the city of Los Angeles strongly oppose SB 50. This experimental bill is a demolition derby aimed directly at working class homeowners in areas including Boyle Heights and Lincoln Heights, the east and north San Fernando Valley, Northeast LA, South Los Angeles, Harbor Gateway and the Harbor Area. It encourages and financially rewards developers to become their own zoners and planners in huge swaths of Los Angeles that, under SB 50, would become Wild West zones of Density Bonus on steroids.

This complex and multi-layered bill, and has some devastating new practices it would allow. **The maximum height allowed is not, as Scott Wiener implies, 45 feet or 55 feet in single family areas, but 30 feet above that level -- you must add in the 30 feet allowed by Density Bonus under SB 50.**

This means incredible land-flipping and speculation as developers from around the globe are handed the right -- the right -- to buy and demolish entire swaths of Los Angeles homes and up-zone them to heights of up to 75 or 85 feet. Developers would also choose from their own menu of things to throw out: local development standards, setbacks for trees, yards for children, all can be chosen by developers as something they can throw out.

The Park Mesa Heights Community consist of Hyde Park, Angeles Mesa and View Heights, and is currently going through a major transformation in terms Housing and Light Rail development. We have seen an increase in so called "Affordable Housing" in a "Transit-Oriented District" in our area that is anything but Affordable! According to the globally respected UCLA Luskin School of Public Affairs economist Michael Storper, named one of the World's Most Influential Scholars, "The proof for the claim that housing is expensive primarily because of supply restrictions -- rather than changes in income distribution in the New Economy -- *is inexistent.*"

The PMHC has a large, low-income and seniors' on fixed income demographic. We are desperately trying to accommodate the homeless, which include far too many youth. The evil affect on the community of Hyde Park is more displacement and using valuable land space for something the community really needs...Economic Business Development!

Professor Storper attacks the pure guesswork underway among housing policy makers -- and we believe Wiener leads the pack. **Los Angeles has, we understand from information provided by the Department of Building and Safety and from the city's Housing Department, 70,000 to 120,000 units of UNBUILT fully permitted housing units. Investors are sitting on these approvals, flipping land, and driving up costs. In San Francisco, the City Planning Commission has found 47,000 UNBUILT fully permitted housing units.**

This is not a problem of lack of zoning capacity. The cities and counties are NOT standing in the way of housing growth. But Wiener is attempting to turn cities -- and counties -- into the problem, and as "Housing as a Human Right" has just shown, **Wiener is being heavily funded by major real estate interests.**

The city's own unbuilt zoning capacity, according to the Los Angeles City Planning Department's own data, and allows for a city of 7 million people RIGHT NOW. Our current zoning is extremely liberal and there is zero justification for upending it once again.

The PMHCC strongly oppose the reckless and utterly wrong-footed SB 50. We also oppose, a series of satellite bills from Nancy Skinner, Laura Friedman and other badly misinformed legislators who have created bills aimed at further ramping up the power that SB 50 would have to up-zone working class Los Angeles -- by broadening the up-zoning areas and handing developers the power to be their own zoners and planners.

Home ownership of a starter home -- a bungalow, an inexpensive tract home, an older home -- is the No. 1 way for working class families to build wealth and enter the middle class. This is a time-proven, undeniable truth.

Scott Wiener, caught up in the unique disaster unfolding in San Francisco due to massive land buying by big tech, cannot see how wrong he is. Wiener is a crusader, and crusaders create havoc. SB 50's impact on Los Angeles communities and wealth building among working-class families would be devastating.

One final note: **Density Bonus incentivizes one-bedroom units. SB 50 attacks family housing and replaces it with housing without children. It is an anti-family, anti-Los Angeles concept.** We must fight it with clear voices.

Please see attached chart from a San Francisco City Planning Commissioner on SB 50's devastating impact on San Francisco and cities statewide.

Sincerely,

Kahllid A. Al-Alim
President
Park Mesa Heights Community Council