



**For Immediate Release**

October 29, 2014

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## **AT LABC SUMMIT, MAYOR GARCETTI ANNOUNCES NEW POLICIES TO ADDRESS AFFORDABLE HOUSING SHORTAGE IN LOS ANGELES**

***Speaking at the LA Business Council's annual Mayoral Summit, Mayor Garcetti  
sets a new course to ease LA's record jobs/housing imbalance***

LOS ANGELES (October 29, 2014) — Citing the expanding housing affordability gap faced by a growing number of residents throughout the City, Los Angeles Mayor Eric Garcetti – in his first major speech on housing since taking office last year – unveiled new policy proposals designed to reverse the trend in the keynote speech at the [Los Angeles Business Council's](#) 2014 Mayoral Housing, Transportation & Jobs Summit, held today at the UCLA Anderson School of Management.

New housing supply is not keeping up with growing demand, according to the Mayor, who said L.A. is facing its worst housing shortage since World War II. To address the challenge, the Mayor set a goal of building 100,000 new housing units in Los Angeles by 2021 and outlined several strategies to protect and increase the city's affordable housing supply. These strategies include building up the City's Affordable Housing Trust Fund, pursuing an innovative policy proposal to subsidize the development of affordable housing on sites currently owned by the Los Angeles County Metropolitan Transportation Authority, and expanding the overall supply of housing in Los Angeles by cutting red tape at City Hall and working with key stakeholders to institute CEQA reform.

"Increasing affordability can be accomplished by protecting and growing our stock of affordable housing, and by increasing our overall housing supply," Mayor Garcetti said in his keynote speech. "I will be a leader in the fight for state and federal housing funds, while at the same time making sure we come to the table with a stake of our own by building up our Affordable Housing Trust Fund."

"LABC enthusiastically supports Mayor Garcetti's affordable housing proposal," said LABC President Mary Leslie. "We share the Mayor's concern for the working poor and strive to promote equity and economic opportunity in Los Angeles. Creating a significant new supply of affordable housing units is a pivotal part of a comprehensive economic development strategy for Los Angeles," she said.

The Mayor's affordable housing proposal reflects the priorities of LABC members. Earlier this month, the LABC polled its membership on another part of Mayor Garcetti's economic platform – an increase in the minimum wage. The large majority of LABC members support the Mayor's minimum wage proposal *if it is part of a broader economic policy*, including increased funding for the City of Los Angeles' Affordable Housing Trust Fund, the allowance of exceptions and mitigations to the minimum wage based on independent research, passage of a meaningful reduction in the gross receipts tax, and new steps to ease the development of affordable and workforce housing near transit hubs.

“Reversing our shortage of affordable housing is critical to keeping Los Angeles attractive for both employers and talented workers,” said LABC Chairman Jacob Lipa, President of Psomas. “Working with urgency to address this challenge must be a top priority for our region to remain economically competitive.”

A report released this summer by real estate website Zillow found that metro Los Angeles has the least affordable housing market in the United States.

“The lack of affordable housing is one of LA’s most pressing impediments to maintaining a diverse, vibrant economy,” said LABC Institute Board Chair Brad Cox. “Los Angeles has one of the highest housing affordability gaps in the nation, which is why the LABC is so enthusiastic about the Mayor’s commitment to driving forward an economic policy that includes a meaningful increase in the supply of affordable housing.”

In addition to the Mayor’s keynote address, the Summit featured three panels addressing the need for affordable housing, the potential for an innovation district in downtown Los Angeles, and strategies for keeping Los Angeles competitive in an increasingly global economy. Speakers included U.S. Reps. Maxine Waters and Janice Hahn, Airbnb Regional Head of Public Policy David Owen, Brookings Institute Director of Strategic Partnerships Marek Gootman, and American Apparel Chief Manufacturing Officer Marty Bailey.

The LABC has long been a leader in advancing policies to develop workforce housing to help relieve the jobs/housing imbalance and make it easier for people to live affordably near their place of employment. Recent studies commissioned by the LABC have identified specific opportunities for developing affordable and workforce housing along public transit corridors in the San Fernando Valley, the Eastside and South Los Angeles. Last year’s [study](#) provides a detailed analysis of the opportunities and challenges associated with developing livable communities in Los Angeles, including the use of development incentives and project financing mechanisms to serve as a catalyst for the creation of workforce housing.

### **About the Los Angeles Business Council**

The Los Angeles Business Council is one of the most effective and influential advocacy and educational organizations in California. For over 70 years, the LABC has had a major impact on public policy by harnessing the power of business and government to promote environmental and economic sustainability in the Los Angeles region. For more information, visit [www.labusinesscouncil.org](http://www.labusinesscouncil.org).

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