

Make Sure Housing Remains Top Priority in 2018

As 2017 comes to a close and we look back on the policy and business issues that took center stage locally and statewide, perhaps the most important among them was the attention given to our housing shortage and affordability crisis. This issue has steadily grown every year since the Great Recession, and has now reached the point

where it is impacting nearly 50 percent of our residents.

It will be essential to keep housing at the top of the priority list as families continue to struggle with escalating costs. The ability to provide housing that residents can afford is critical to our region's

long-term economic development efforts. Businesses looking to locate or expand in greater Los Angeles are dependent on the ability of their employees to find quality housing that won't break their budgets.

During the past year, in an effort to help address the myriad housing affordability challenges, Sacramento lawmakers passed 15 housing-related bills. Provisions ranged from financial incentives for low-income housing development to streamlining local government approval processes for new residential plans.

Yet the beneficial impacts of those bills may not be felt for years due to the sheer magnitude of the crisis and time it will take for these new laws to fully take effect. One state government analysis identified a current shortage of 1.5 million low-income rental units alone. Last month, a forecast by the Southern California Association of Governments indicated that Los Angeles County will see this housing shortage grow even worse over the next 20 years.

Amidst this challenging backdrop, it was a major victory when the long-fought development proposal at Newhall Ranch in the Santa Clarita Valley was finally resolved, making way for 21,500 new residential units plus retail, office space, parks and open space set-asides. This achievement marks a positive turning point for the region, and will provide a

wide array of housing types, from low-income apartment units and senior housing to single-family homes.

The ambitious Newhall plan is being shepherded by FivePoint, one of the largest and most dynamic developers in California. All told, the company is developing about 40,000 residential units and 21 million square feet of commercial space across three projects: Newhall Ranch in the Santa Clarita Valley; Great Park Neighborhoods in Irvine; and The San Francisco Shipyard at the site of the former Candlestick Park in San Francisco.

For Southern California, the re-approval by the state and L.A. County Supervisors of the Newhall Ranch plan is among the most significant advances in 2017 to address our severe housing shortage and contribute to environmental sustainability at the same time. The team from FivePoint set a high bar by establishing a "net zero" standard at Newhall for greenhouse gas emissions, thanks to plans for extensive investments in renewable power generation, electric vehicle infrastructure and energy efficiency innovations.

Adding thousands of residential units close to the growing employment centers in Santa Clarita and the San Fernando Valley will make a significant dent in our housing shortage, but it is not enough. We must continue to identify new opportunities to add to our housing supply in Southern California, particularly in Los Angeles County. In the city of Los Angeles, the ongoing Community Plan updates provide a meaningful opportunity for infill housing, especially along transportation corridors that are rapidly coming to life thanks to Metro's work to expand the rail network.

As we enter the New Year, let's take stock of some of the housing successes we achieved in 2017, while recognizing that new solutions to our housing shortage and affordability crisis must continue to be a top priority. Affordable housing is one of the cornerstones for maintaining the long-term health and vibrancy of our wonderful region.

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