Sept 15, 2016

Honorable Mayor Eric Garcetti
200 North Spring Street, Room 303
Los Angeles, CA 90012

Attention: Ray Chan, Deputy Mayor of Economic Development
Attention: Matt Szabo, Deputy Mayor for Budget and Innovation
Attention: Nicholas Maricich, Director of Planning and Housing Policy
Attention: Matt Petersen, Chief Sustainability Officer

DEPARTMENT OF CITY PLANNING – CITYWIDE POLICY PLANNING 2016
PERFORMANCE METRIC REPORT

SUMMARY
In December 2013, the Mayor issued Executive Directive 3, directing all City departments to post online data collected or generated to promote the transparency and accountability of all city government processes. Through the Mayor’s Performance Metric page and the City’s Open Data Portal, the public can track the progress of municipal agencies in fulfilling their commitments as well as develop greater insight into the functions of LA City government.

The Department of City Planning was asked to prepare two sets of data metrics. The first evaluates the Department’s development review processes by focusing on the number of entitlement cases filed and completed (available here). The second set of metrics, which is the focus of this second annual report, will focus on the evaluation of long-range plans and land use policies. Three metrics have been established by the Department, in collaboration with the Mayor’s Office, to examine progress within three critical areas:

1. Average Daily Vehicle Miles Traveled (VMT)
2. Affordable Housing Created Through Land Use Actions
3. Development Located Near Major Transit Stops
This second annual *DCP Citywide Policy Planning Performance Metric Report* looks at these local trends over the course of the prior calendar year, while VMT data will lag a year behind due to the availability of data. The inaugural report (available [here](#)) included more background and context around the selected metrics.

The Department aims to not only use the metrics to examine the effectiveness of citywide ordinances, plans and policies, but also as a tool to review shifts in housing and transportation trends. By identifying key units of measurement, the City can identify emerging trends and more effectively implement desirable planning policies.

**Performance Metric #1: Average Daily Vehicle Miles Traveled (VMT) Per Capita**

Vehicle Miles Traveled (VMT) is an important measurement of driving activity in the City. By reducing the number of miles traveled by vehicles, urban livability and mobility is improved along with important benefits to air quality, public health and greenhouse gas emissions. Given the significant recent expansion of improvements to active transportation options in Los Angeles (bike, pedestrian and public transportation), along with improved land use patterns, the expectation is that VMT will decline on a per capita basis.

Daily VMT is an average of the total number of miles traveled by all vehicles each day on principal arterials in the City of Los Angeles. This is then divided by the city’s total population for Daily VMT per Capita. Data for the figures are reported annually in the Caltrans publication, [California Public Road Data](#). The most recent figures are from calendar year 2014 (released in October 2015). Population estimates for each year are taken from the [Demographic Research Unit](#) of the [California Department of Finance](#).

**Chart 1 – Per Capita Daily Vehicle Miles Traveled (VMT) in the City of Los Angeles**

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1 It should be noted that the available Daily VMT metric is based on all travel through the City, from City residents and non-residents. Therefore, deriving an average daily per capita VMT based on just City population growth may under-estimate the change compared to a County or regional-wide viewpoint because the larger growth in total potential vehicle travelers is not accounted for.
Analysis/Conclusions
In 2014, the per capita daily VMT in the City of Los Angeles declined slightly to 10.73. The figure represents a multi-year leveling trend, after daily VMT declined by more than 9% from its peak in 2002. The overall decline since 2002 exceeds national VMT trends, which have fallen about 7.5% since their high point in 2005\textsuperscript{2}.

Mayor Eric Garcetti’s Sustainability City pLAn released in April 2015 established a citywide goal of reducing daily VMT per capita by at least 5% from 2012 levels by 2025 and 10% by 2035\textsuperscript{3}. Despite the decreases, the leveling trend in recent years (since the economy has begun to rebound) is a cause for concern.

The Department of City Planning aims to support efforts to decrease VMT by encouraging the implementation of policies, such as increased land use intensity near transit stations, streetscape plans that prioritize active transportation and the Mobility Plan, to increase the use of alternative mobility options and direct growth to transit-rich locations. The DCP also continues to actively engage with other city departments and regional agencies such as LADOT and METRO to establish a broader platform for implementing strategies that will more systematically reduce VMT within the City.

Performance Metric # 2: Affordable Housing Created through Land Use Actions

Los Angeles is the most unaffordable rental market in the United States and the mismatch of rents and housing costs has never been worse. The high cost of housing hurts our economy, erodes our diversity, works against our sustainability and equity goals as well as produces an unhealthier region as residents are forced to live further away from their jobs, increasing traffic and air pollution. To reduce the effects of these challenges, the City aspires to increase the total number of affordable housing units being produced.

The metric for affordable housing focuses on units created directly as the result of planning and zoning actions. Therefore, it focuses on mixed-income market rate housing and excludes subsidized projects, which sometimes benefit from zoning relief as well. This metric will be a good way to analyze progress in whether the Department’s land use incentives and planning actions are proving effective and/or whether new strategies are needed.

Chart 1 below shows the total number of non-subsidized affordable housing units created each year since 2006 which increased steadily from 2006 to 2009 as the density bonus program (SB 1818 - effective 2005) became more widely understood. A large jump occurred in 2009, primarily the result of approximately 100 affordable units created as part of the Playa Vista Development, as well as several other large density bonus projects.


\textsuperscript{3} It should be noted that the pLAn relies on a different data source; therefore the actual per capita VMT figures are a bit different. However the five and ten percent goals remain.
The numbers decreased as the development cycle slowed in 2010-2012, and picked up as the housing market started to rebound in 2013 and 2014.

Chart 2A. Total Number of Affordable Housing Units Created Through Land Use Incentives, 2006-2015

To put the affordable housing figures in context with total development activity, and therefore more useful, the metric converts these affordable unit totals to a percentage of the total number of market rate units each year. This helps us better understand progress, regardless of the ups and downs of the development cycle, which can distort the raw affordable unit totals.

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4 The data has been adjusted from previous report after a detailed review of Executed Covenants Data by Planning Staff. The years affected are 2008, 2011, 2012, and 2014.
Chart 2B: Affordable Housing Units Created through Land Use Incentives, as a Percentage of Total Market Rate Units, 2006-2015

Analysis/Conclusions
In 2015, under two percent of the units created in market rate developments were affordable to low-income households. This level of affordable housing creation has been largely consistent for since 2012. A few major projects that included significant numbers of affordable housing units in 2009 and 2010, along with lower overall development, skewed the figures higher in those years.

The DCP has launched several affordable housing initiatives that should result in increased non-subsidized affordable housing creation in the coming years. These include an update to the Density Bonus program, evaluating a Value Capture policy, a Permanent Supportive Housing policy, Unapproved Dwelling Unit, and CEQA Streamlining.

Performance Metric #3: Development Located Near Transit Stops

The City’s strategy to accommodate growth, as expressed in the General Plan, is to direct most new development to designated centers and corridors well served by transit and other amenities. This coincides with major transit system developments by METRO. Locating new development near transit should improve mobility, lessens vehicle miles traveled and therefore reduces air pollution and regional congestion associated with growth. The approach also protects the City's low-density neighborhoods and encourages economic opportunities, affordable housing, and an improved quality of life.
To measure the success of the City’s transit-oriented growth strategy, DCP tracks the percentage of development in proximity to major transit stops over time. Residential units are separated from non-residential square footage based on building permit data, which is available from the Department of Building and Safety from January 2001 through 2015\(^5\). For the purpose of this metric, “major transit stops” are defined as including all current and proposed rail stations (METRO, Metrolink and Amtrak), Rapid Bus Transit Stops and Transitways (e.g. the Orange Line and Silver Line). GIS software was used to map all permitted projects and determine whether they were located within 1,500 feet and/or ½ mile from the stops. These results are charted below.

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\(*\) It should be noted that the permit numbers in this report differs from totals published by DBS and the Mayor’s Office on the Los Angeles Open Data website. This is primarily because our numbers reflect the net gain in development (taking into account loss of units and square feet due to demolition and conversions), while the numbers on the Open Data site only look at the increases in development.
Analysis/Conclusions

Despite declines in 2013 and 2014, 2015 showed a dramatic increase in housing developments near transit. In 2015, 69% of net housing units produced in the City were located within 1,500 feet of major transit stops. The percentage of non-residential development near transit is much lower - just 8% in 2015. The percentage of transit-oriented residential development in Los Angeles has fluctuated widely from a low of 17% of total units within 1,500 feet of transit (in 2009) to a high of 69% (in 2015). The wide variation is largely a result of a few major projects skewing the results one way or another. The average since 2001 is 44% of total units within 1,500 feet of transit and 63% within ½ mile of transit. A general increase in projects near transit can be seen over time, particularly in the residential development category. The number of these developments has been slightly higher, on average, in the period after 2008, as opposed to before (50% vs. 39% within 1,500 feet). This may be related to the increase in areas of the City that have major transit stops as new lines are opening each year.

The City’s Sustainability pLAN calls for increasing the share of residential development near transit from 43% (in 2014) to 57% by 2025, and 65% by 2035. With the completion of planning efforts including upzoning and land use incentives near rail transit stations in the next couple years, these ambitious figures should be attainable. The City is considering additional measures to incentivize development in transit-rich areas, including changes to the Density Bonus program, CEQA streamlining for urban infill areas and switching to a VMT based metric as opposed to Level of Service (LOS) for evaluating transportation impacts under CEQA.
Please contact Matthew Glesne in the Citywide Policy section of the Department of City Planning at (213) 978-2666 for more information on this report.

Sincerely,

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