OH, MAN...
IT'S EVEN WORSE THAN I THOUGHT.
"I enjoyed your short presentation at Preservation PA the other afternoon. It was as interesting as the topic would allow."
The Attributions of Historic Preservation in Los Angeles

Room to Grow
Affordable
Diverse
Stable
Dense
Cost Effective
Sustainable
Economic Driver
The Basics

- 80% of LA Buildings more than 50 years old
- Not everything over 50 years old is “historic”
- 1,180 Historic-Cultural Monuments
- 35 Historic Preservation Overlay Zones (HPOZ)
- 26 National Register Historic Districts
- 195 Individual National Register Properties
- 3.1% of Population lives in HPOZs
- 1.8% of Jobs are in HPOZs
The Basics

Type of Construction Activity by # of Permits
2002 - 2017

Rest of the City
- Addition, 16.4%
- Rehabilitation, 71.2%
- Demolition, 4.3%
- New Construction, 8.1%

HPOZ
- Addition, 12.8%
- Rehabilitation, 81.7%
- Demolition, 1.9%
- New Construction, 3.6%
The Basics

Type of Construction Activity by $  
2002 - 2017

Rest of the City
- Addition, 15.7%
- Rehabilitation, 26.0%
- New Construction, 57.9%
- Demolition, 0.4%

HPOZ
- Addition, 34.2%
- Rehabilitation, 43.8%
- New Construction, 21.8%
- Demolition, 0.2%
### The Basics

#### Average Project Approvals per Year – 2008 - 2017

<table>
<thead>
<tr>
<th>Category</th>
<th>Approvals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conforming work on contributing structure</td>
<td>420</td>
</tr>
<tr>
<td>Conforming work on non-contributing structure</td>
<td>104</td>
</tr>
<tr>
<td>Certificate of Appropriateness</td>
<td>43</td>
</tr>
<tr>
<td>Certificate of Compatibility</td>
<td>11</td>
</tr>
<tr>
<td>Accessory Dwelling Units (since 2017)</td>
<td>98</td>
</tr>
</tbody>
</table>
The Concept of Revealed Preference
Room to Grow

LA PARCELS AND LAND AREA

Currently Designated
Add'l Identified by Survey LA
Available

<table>
<thead>
<tr>
<th></th>
<th># Parcels</th>
<th>% of Parcels</th>
<th>% of Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>HCM*</td>
<td>1,180</td>
<td>0.1%</td>
<td>1.0%</td>
</tr>
<tr>
<td>HOPZ**</td>
<td>21,284</td>
<td>2.4%</td>
<td>1.8%</td>
</tr>
<tr>
<td>NR Listed***</td>
<td>2,302</td>
<td>0.3%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Survey LA</td>
<td>30,549</td>
<td>3.4%</td>
<td>4.5%</td>
</tr>
<tr>
<td>TOTAL</td>
<td>55,315</td>
<td>6.2%</td>
<td>7.6%</td>
</tr>
</tbody>
</table>

*Historic-Cultural Monument
**Historic Preservation Overlay Zone
***National Register of Historic Places
Affordable

HOUSEHOLDS SPENDING MORE THAN 45% OF INCOME ON HOUSING AND TRANSPORTATION

HPOZ: 49.1%
REST OF CITY: 68.5%
Monthly Rent for Studio Apartment By Age

Affordable
Rental Affordability

Affordable

Units affordable for a 2 person household at 80% AMI
- HPOZ: 51.3%
- Rest Of City: 44.6%

Units affordable for a 4 person household at 80% AMI
- HPOZ: 22.6%
- Rest Of City: 16.2%
GENTRIFIED AREAS, 2000–2015

LEGEND
- HPOZ
- Gentrified Areas, 2000–2015

Affordable

GENTRIFICATION IN PROGRESS
THERE’LL BE CUPCAKES!
Diverse

Latinx 2017

- HPOZ: 54.4%
- Rest of City: 47.9%
Diverse

Race 2016

- **White**: Rest of City 39%, HPOZ 37%
- **Asian**: Rest of City 11%, HPOZ 14%
- **Black**: Rest of City 9%, HPOZ 10%
- **Other**: Rest of City 29%, HPOZ 39%

**Rest of City**

- White: 51%
- Asian: 11%
- Black: 9%
- Other: 29%

**HPOZ**

- White: 37%
- Asian: 14%
- Black: 10%
- Other: 29%
Diverse

Age Distribution 2016

HPOZ  Rest of City
Millennials and Historic Houses Nationwide

- Millennials as Share of All Home Buyers: 34.0%
- Millennials as Buyers of Houses Pre-1912: 59.0%
- Millennials as Buyers of Houses 1912-1960: 44.0%
Household Income 2016

- **Less than $25,000**: HPOZ 29.4%, Rest of City 25.4%
- **$25-50,000**: HPOZ 24.3%, Rest of City 22.2%
- **$50-75,000**: HPOZ 16.0%, Rest of City 15.9%
- **$75-100,000**: HPOZ 10.6%, Rest of City 8.9%
- **$100-150,000**: HPOZ 8.9%, Rest of City 12.4%
- **$150-200,000**: HPOZ 4.8%, Rest of City 5.6%
- **$200,000 or more**: HPOZ 7.6%, Rest of City 7.9%

HPOZ vs Rest of City

- Diverse
Density
(Population per Square Mile)

- HPOZ: 15,240
- Rest of City: 8,724
<table>
<thead>
<tr>
<th></th>
<th>Land Area Zoned Residential</th>
<th>Land Area Zoned Exclusively Single Family</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HPOZ</strong></td>
<td>80%</td>
<td>39%</td>
</tr>
<tr>
<td><strong>Rest of City</strong></td>
<td>47%</td>
<td>37%</td>
</tr>
<tr>
<td></td>
<td>HOPZ</td>
<td>Rest of the City</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-----------</td>
<td>------------------</td>
</tr>
<tr>
<td>Median Year Built</td>
<td>1929</td>
<td>1957</td>
</tr>
<tr>
<td>Average Square Footage</td>
<td>2,079</td>
<td>3,010</td>
</tr>
<tr>
<td>Average # Bedrooms</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Average Land Value</td>
<td>$383,119</td>
<td>$389,943</td>
</tr>
<tr>
<td>Average Improvement Value</td>
<td>$170,105</td>
<td>$318,101</td>
</tr>
<tr>
<td>Average Total Value</td>
<td>$555,623</td>
<td>$708,044</td>
</tr>
<tr>
<td>Average Value/Square Foot</td>
<td>$226.29</td>
<td>$253.23</td>
</tr>
</tbody>
</table>

Dense
Dense

% Transit Ridership

- HPOZ: 24.3%
- Rest of City: 16.0%
One-third of all HPOZ single-family properties have less than 40% lot coverage. Therefore more than 3400 properties could accommodate one or more ADUs.
An Alternative Path to Density – Redevelop Strip Centers

• 675 Strip malls in Los Angeles
• Consume 24,000,000 square feet of ground
• 7,237,000 square feet of leasable area
• Average strip mall, 10,755 square foot building on 35,814 square feet of land
• If redeveloped as 4-5 story structures, could provide equal amount of commercial space PLUS 63,416 apartments (850 s.f. each) plus one parking space per unit
Two Units: 14%
Five or More Units: 39%
Four Units: 9%
Single Family Residence: 31%

HPOZ:
- Three Units: 7%
- Two Units: 14%
- Single Family Residence: 31%
- Five or More Units: 39%

Rest of the City:
- Single Family Residence: 85%
- Three Units: 2%
- Four Units: 2%
- Five or More Units: 5%
Stable

Long Term Residents (Moved in before 1990)

- Rest of the City: 11.4%
- HPOZ: 11.6%
% of Renters that Moved in before 2010

- HPOZ: 43.1%
- Rest of City: 38.6%

Renters who Moved in Prior to 2000

- HPOZ: 16.7%
- Rest of the City: 14.0%
Cost Effective

Hard Costs & Soft Costs

Historic Rehabilitation and New Construction

Historic Rehabilitation

New Construction

Hard Costs

Soft Costs

<table>
<thead>
<tr>
<th>Cost</th>
<th>Historic Rehabilitation</th>
<th>New Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard</td>
<td>$0</td>
<td>$200</td>
</tr>
<tr>
<td>Costs</td>
<td>$50</td>
<td>$250</td>
</tr>
<tr>
<td>Soft</td>
<td>$100</td>
<td>$300</td>
</tr>
</tbody>
</table>
Available Tools

- Federal Rehabilitation Tax Credit
- New California Historic Tax Credit
- Mills Act
- LA Adaptive Reuse Ordinance
- Seismic Retrofit Cost Recovery Program
Making cities sustainable means creating career and business opportunities, safe and affordable housing, and building resilient societies and economies. United National Sustainable Development Goals
A quarter of everything dumped in LA landfills is from construction debris.

The demolition of a 2000 square foot house in Los Angeles generates 295 cubic yards of debris, weighing 84 tons.
YEAR BUILT IN RELATION TO PERCENT TREE CANOPY FOR SINGLE-FAMILY RESIDENTIAL HOMES IN LOS ANGELES COUNTY

SOURCE: “Los Angeles County Tree Canopy Assessment,” TreePeople, 2016
Economic Driver

Job Growth 2005 - 2015

- HPOZs: 25.5%
- National Register Districts: 54.8%
- Rest of Los Angeles: 15.2%
Growth in Arts Related Jobs 2005-2015

- HPOZ: 35.0%
- Rest of the City: 20.0%
Share of Knowledge Worker Jobs in HDOZs

- Administration: 3.3%
- Finance and Insurance: 3.0%
- Other Services: 3.0%
- Health Care: 2.9%
- Real Estate: 2.4%
- Share of All Jobs: 1.8%
Change in Value per Square Foot
2000 = 100

- HPOZ
- Rest of City
### Economic Driver

#### Historic Office Buildings and the 21st Century Economy

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Office</td>
<td>37.6%</td>
</tr>
<tr>
<td>Creative/Loft</td>
<td>45.1%</td>
</tr>
<tr>
<td>Office Live/Work</td>
<td>49.4%</td>
</tr>
<tr>
<td>Industrial Live/Work</td>
<td>68.0%</td>
</tr>
</tbody>
</table>

**Pre-1950 Buildings**
Average Office Building Vacancy 2014-2018

- Buildings Constructed before 1960: 9.8%
- Buildings Constructed 1960-2018: 12.6%

Average Vacancy – Loft-Creative Buildings 2014-2018

- Built Prior to 1960: 14.6%
- Built 1960-2018: 19.2%
Conclusion....

Preservation is positive for the City and people of Los Angeles in multiple ways.
Thank you very much