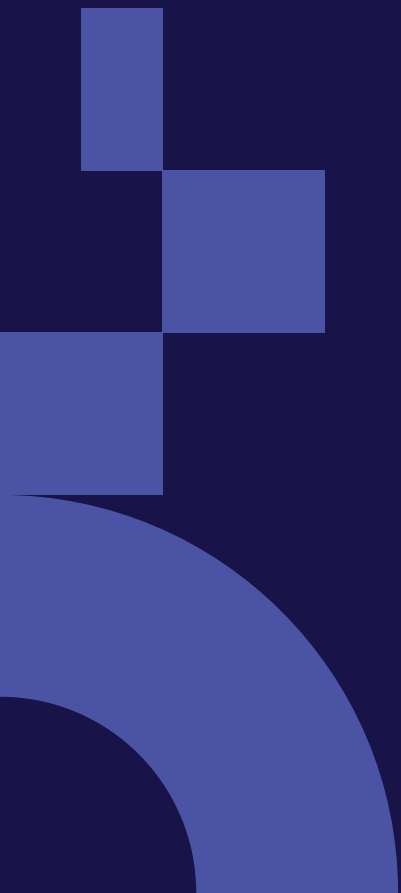


Residential Permitting in the City of Los Angeles: Q2 2024 Update



2024

REPORT

Using data from the Los Angeles Department of Building and Safety (LADBS), this report analyzes the total residential permitted units citywide and by LA City Council District through the first two quarters of this year (2024) and compares them to the same period of time last year (2023).^[1] Additionally, by cross-referencing Executive Directive 1 (ED1) City Planning approval data with LADBS permit data using the primary listed address, this report assesses the number of ED1 approvals that led to permitted units citywide and by City Council District. Please note that this analysis is not meant to be comprehensive, but instead provide a high-level look at trends in residential permitting in Los Angeles.

In 2023, Los Angeles faced a tough environment for housing production as the Federal Reserve aggressively raised interest rates to curb inflation, labor disputes were abound, and the implementation of Measure ULA made conditions less desirable for development throughout most of the city.^{[2][3][4][5]} The pace has not picked up this year; new residential units are being approved at an even slower rate through the first half of 2024 compared to the first half of last year citywide. Despite citywide declines, six council districts did buck the trend and increased their level of permitting. Additionally, while over 10,000 units across Los Angeles were approved for ED1 status, only a small (but increasing) percentage of those approvals led to final permits to begin new unit construction since the ED1 program began.

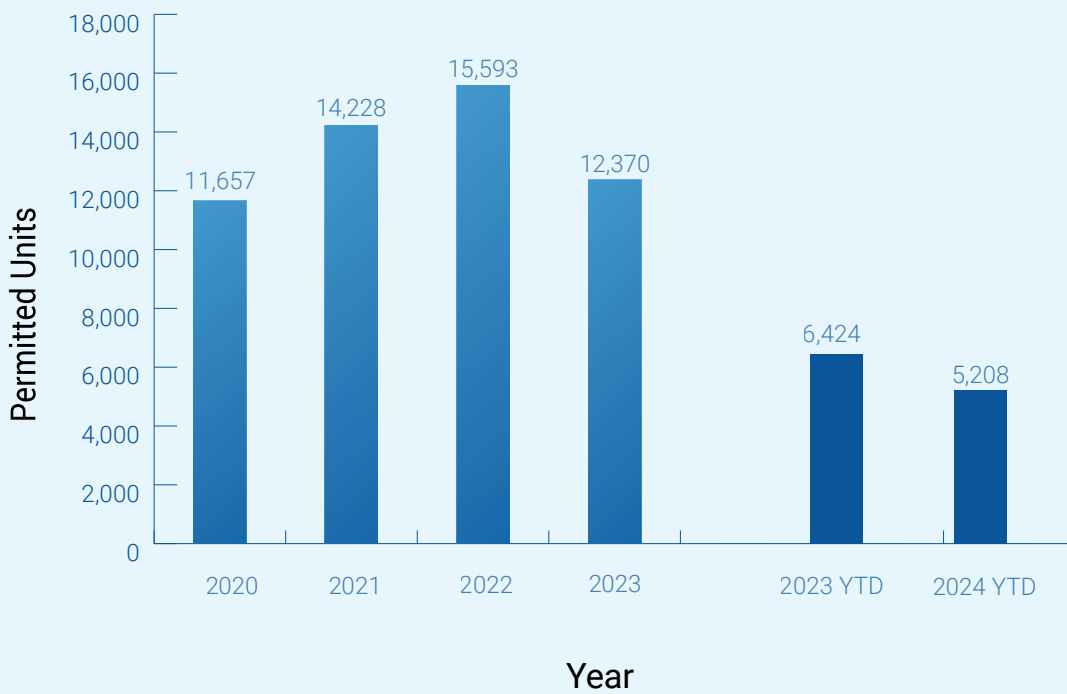
The continued fall in citywide permitting is somewhat unexpected as interest rates have leveled off, local employment numbers have continued to climb, and it was theorized that developers might adjust to Measure ULA by now.^{[6][7]} Even if the pace of residential permitting were to improve going forward, the shortage of deed-restricted affordable housing, historic redlining, and other exclusionary policies will keep LA's housing and homelessness challenges acute for an extended period.^{[8][9][10]}

Please reach out to Hilgard Analytics and Zenith Economics if you are interested in a more specific neighborhood level, permit type, ED1, or construction type analysis.

Throughout the City of Los Angeles, 5,208 residential units were permitted through the first half (January to June) of 2024. This represents a fall of 18.9%, or 1,216 units in absolute terms, relative to the same time period last year.

This analysis also looked at the number of ED1 approved residential units permitted. Through the first half of 2024, 588 such units were fully permitted citywide, which represents 11% of all units, and that number is significantly up from the 84 ED1 eligible residential units permitted through the same time period of last year. There are likely to be more ED1-approved units receiving final construction permits going forward, as Hilgard Analytics and Zenith Economics identified 25 projects that received ED1 approval and have also received permits for demolitions or grading, which are often intermediate steps taken before the final construction permit, alongside many more ED1 eligible projects which are still going through the approval and permitting processes.

**Total Permitted Residential Units
City of Los Angeles**



Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 1

Currently represented by Councilmember Eunisses Hernandez, Council District 1 (CD1) covers all or parts of the Glassell Park, Cypress Park, Highland Park, Mount Washington, Solano Canyon, Elysian Park, Echo Park, Angelino Heights, Temple Beaudry, Chinatown, Downtown, Westlake, Rampart Village, Lincoln Heights, Montecito Heights, Pico Union, University Park, Victor Heights, and Koreatown neighborhoods.^[10]

Through the first half of this year, the City has approved 407 residential units of housing in CD1. This represents a decrease of 23.2%, or 123 units in absolute terms, compared to the same time period last year. This is a faster rate of decline than the citywide level. While CD1 has had 899 proposed units deemed ED1 eligible by the City Planning Department, none of those units have become fully permitted to actually start construction since the program started in December of 2022 through the first half of 2024.



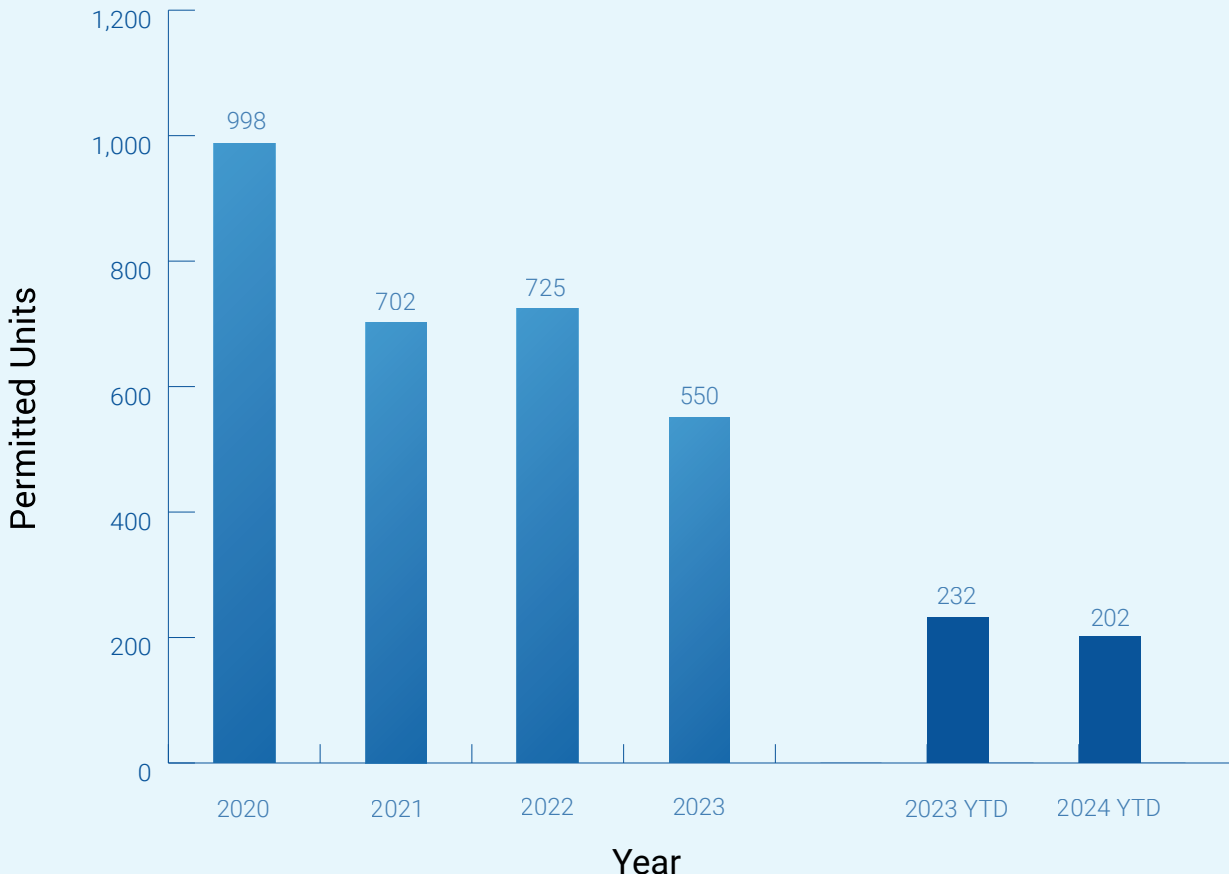
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 2

Currently represented by Council President Paul Krekorian, Council District 2 (CD2) covers all or parts of the San Fernando Valley neighborhoods of North Hollywood, Studio City, Sun Valley, Valley Glen, Valley Village, Van Nuys, and Toluca Lake.

Through the first half of this year, the City has approved 202 residential units of housing in CD2. This represents a decrease of 12.9%, or 30 less units, compared to the same period of last year. Additionally, there were 17 ED1 eligible units permitted in the first half of 2024. This is up from zero units in CD2 through the same time period of last year.

**Total Permitted Residential Units
Council District 2**



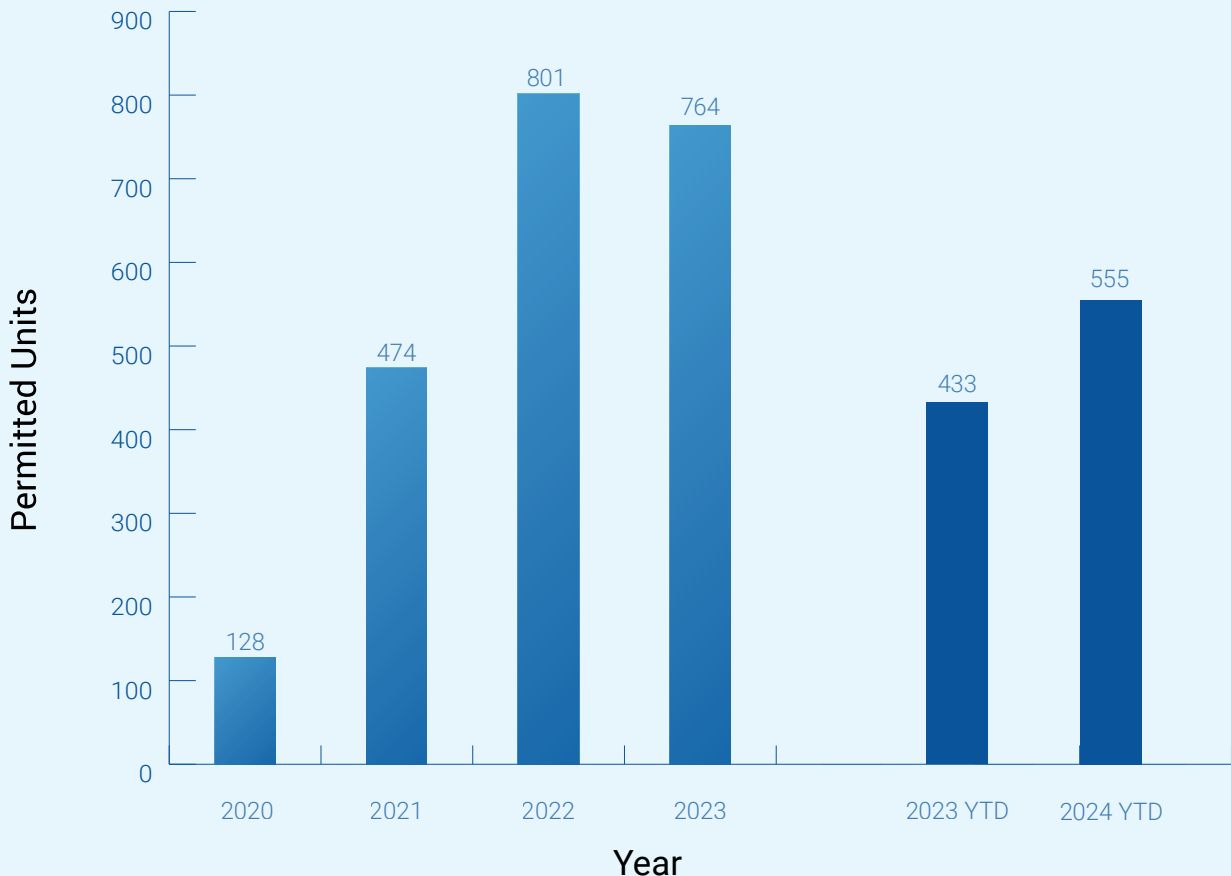
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 3

Currently represented by Councilmember Bob Blumenfield, Council District 3 (CD3) covers all or parts of the West San Fernando Valley neighborhoods of Canoga Park, Tarzana, Reseda, Winnetka, and Woodland Hills.

Through the first half of this year, the City has approved 555 residential units of housing in CD3. This represents an increase of 28.2%, or 122 units, compared to the same time period last year. Council District 3 is one of the districts that has bucked the citywide trend of a decreased rate of permitting in the first half of 2024. While CD3 has had 401 ED1 eligible units fully permitted in other time periods, no units became fully permitted to actually start construction in the first half of 2023 or 2024.

**Total Permitted Residential Units
Council District 3**



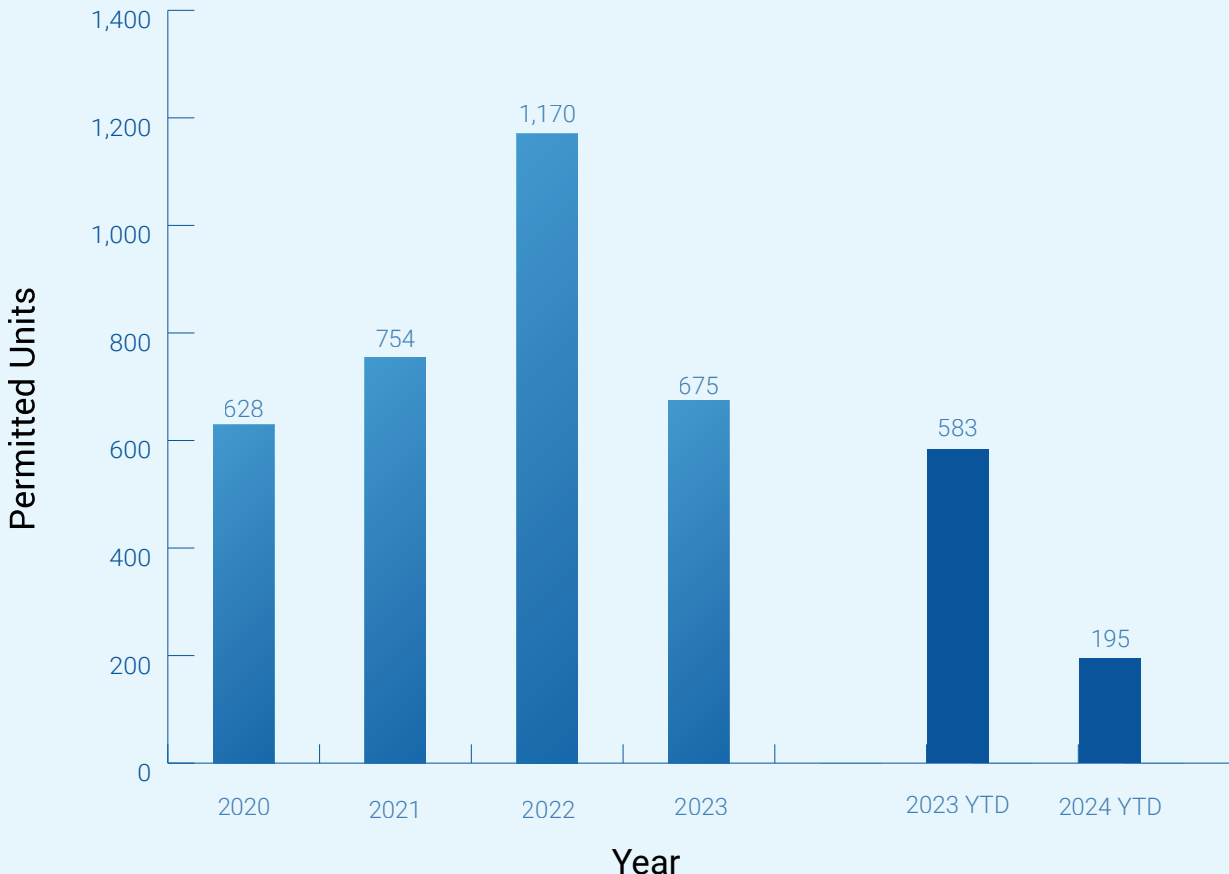
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 4

Currently represented by Councilmember Nithya Raman, Council District 4 (CD4) is geographically expansive and covers all or parts of the neighborhoods of Encino, Hollywood Hills, Los Feliz, and Silver Lake, Reseda, Sherman Oaks, Studio City, and Cahuenga Pass.

Through the first three half of this year, the City has approved 195 residential units of housing in CD4. This represents a decrease of 66.6% or 388 units through the same period last year. The fall in the rate of permitting in CD4 is several times the rate of the fall citywide. While CD4 has had 616 proposed units deemed ED1 eligible by the City Planning Department, none of those units have become fully permitted to actually start construction since the program started in December of 2022 through the first half of 2024.

**Total Permitted Residential Units
Council District 4**



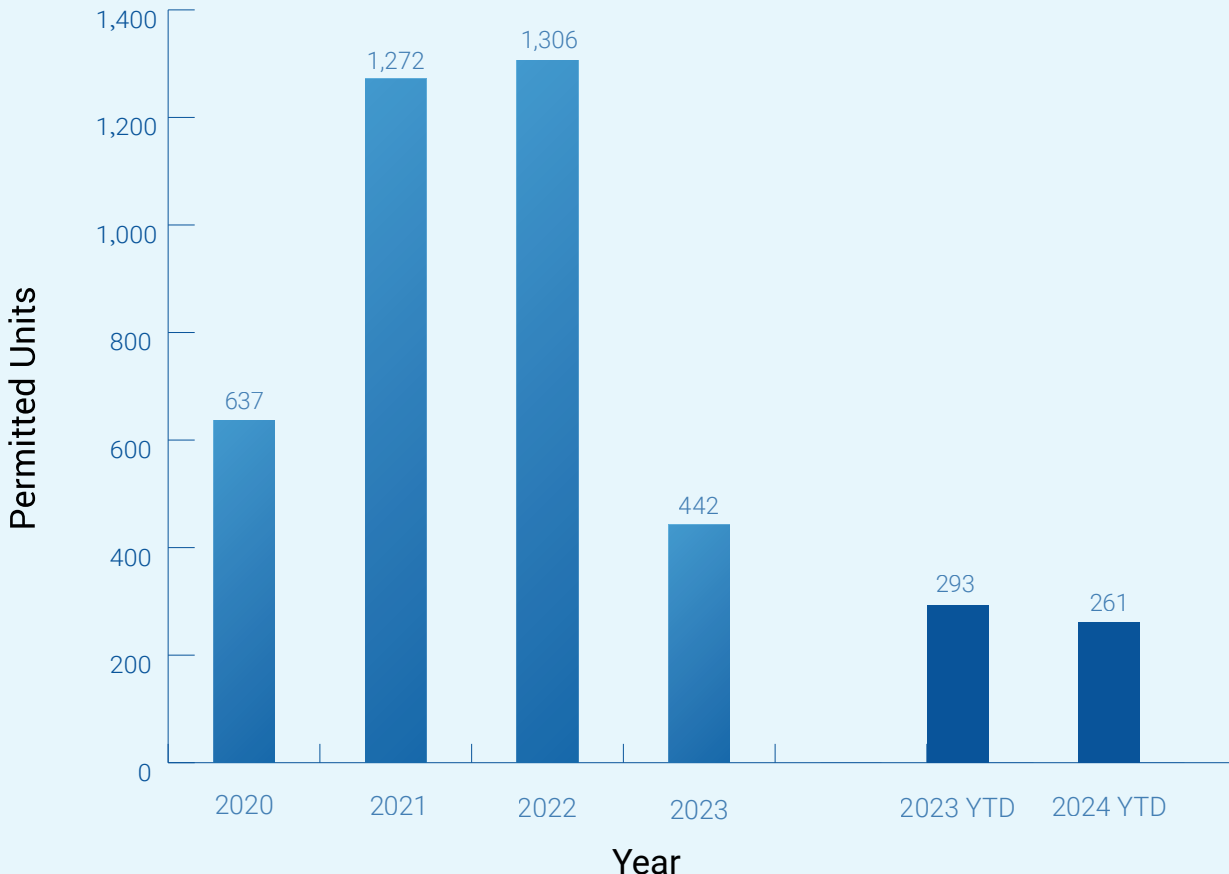
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 5

Currently represented by Councilmember Katy Yaroslavsky, Council District 5 (CD5) covers all or parts of the Westside neighborhoods of Bel Air-Beverly Crest, Greater Wilshire, Mid-City West, Palms, Pico, South Robertson, Westside, and Westwood.

Through the first half of this year, the City has approved 261 residential units of housing in CD5. This represents a decrease of 10.9%, or 32 units, compared to the same period of time last year. The decrease in the rate of permitting in CD5 is slightly less than the citywide level. While CD5 has had 496 proposed units deemed ED1 eligible by the City Planning Department, none of those units have become fully permitted to actually start construction since the program started in December of 2022 through the first half of 2024.

**Total Permitted Residential Units
Council District 5**



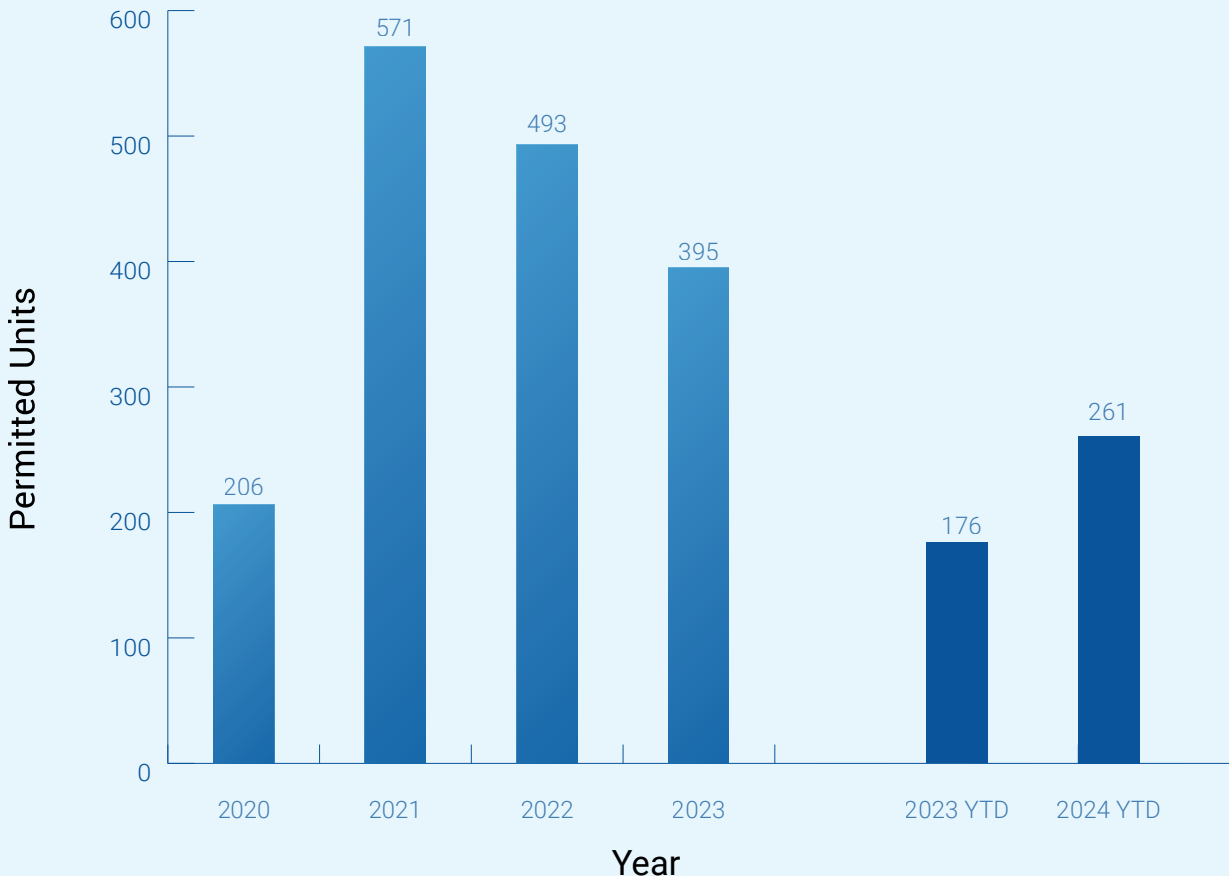
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 6

Currently represented by Councilmember Imelda Padilla, Council District 6 (CD6) covers all or parts of the San Fernando Valley neighborhoods of Arleta, Van Nuys, Sun Valley, North Hollywood, Lake Balboa, North Hills, and Panorama City.

Through the first half of this year, the City has approved 261 residential units of housing in CD6. This represents an increase of 48.3%, or 85 units, compared to the same period last year. The increase in the rate of residential permitting in CD6 bucks the citywide trend of declining permitting levels. While CD6 has had 41 ED1 eligible units fully permitted in other time periods, no units became fully permitted to actually start construction in the first half of 2023 or 2024.

**Total Permitted Residential Units
Council District 6**



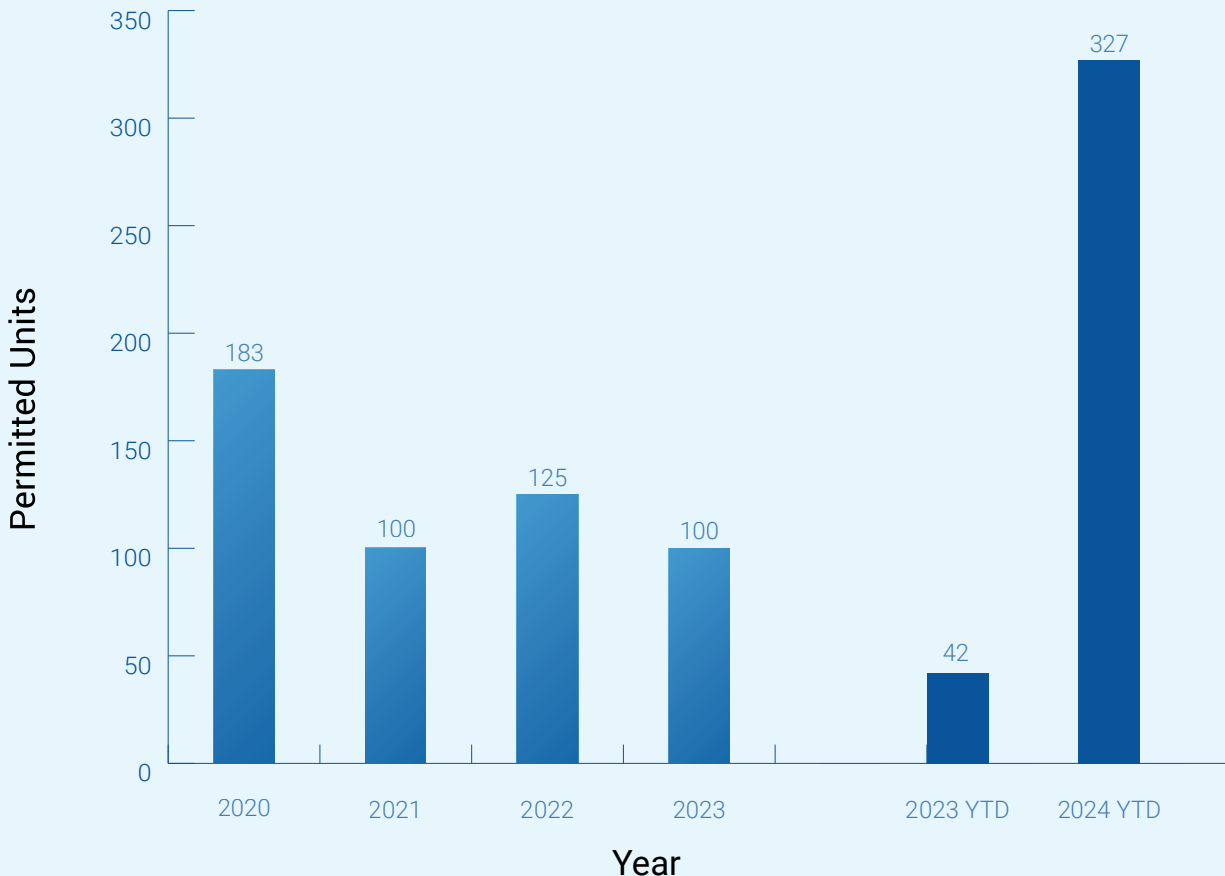
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 7

Currently represented by Councilmember Monica Rodriguez, Council District 7 (CD7) covers all or parts of the San Fernando Valley neighborhoods of North Hills, Sylmar, Mission Hills, Pacoima, Lake View Terrace, Sunland-Tujunga, Shadow Hills, and La Tuna Canyon.

Through the first half of this year, the City has approved 327 residential units of housing in CD7. This represents an increase of 678.6%, or 285 units, compared to the same time period last year. The uptick in the rate of permitting in CD7 bucks the citywide trend of a decline in permitting levels. While CD7 has had 401 proposed units deemed ED1 eligible by the City Planning Department, none of those units have become fully permitted to actually start construction since the program started in December of 2022 through the first half of 2024.

Total Permitted Residential Units Council District 7



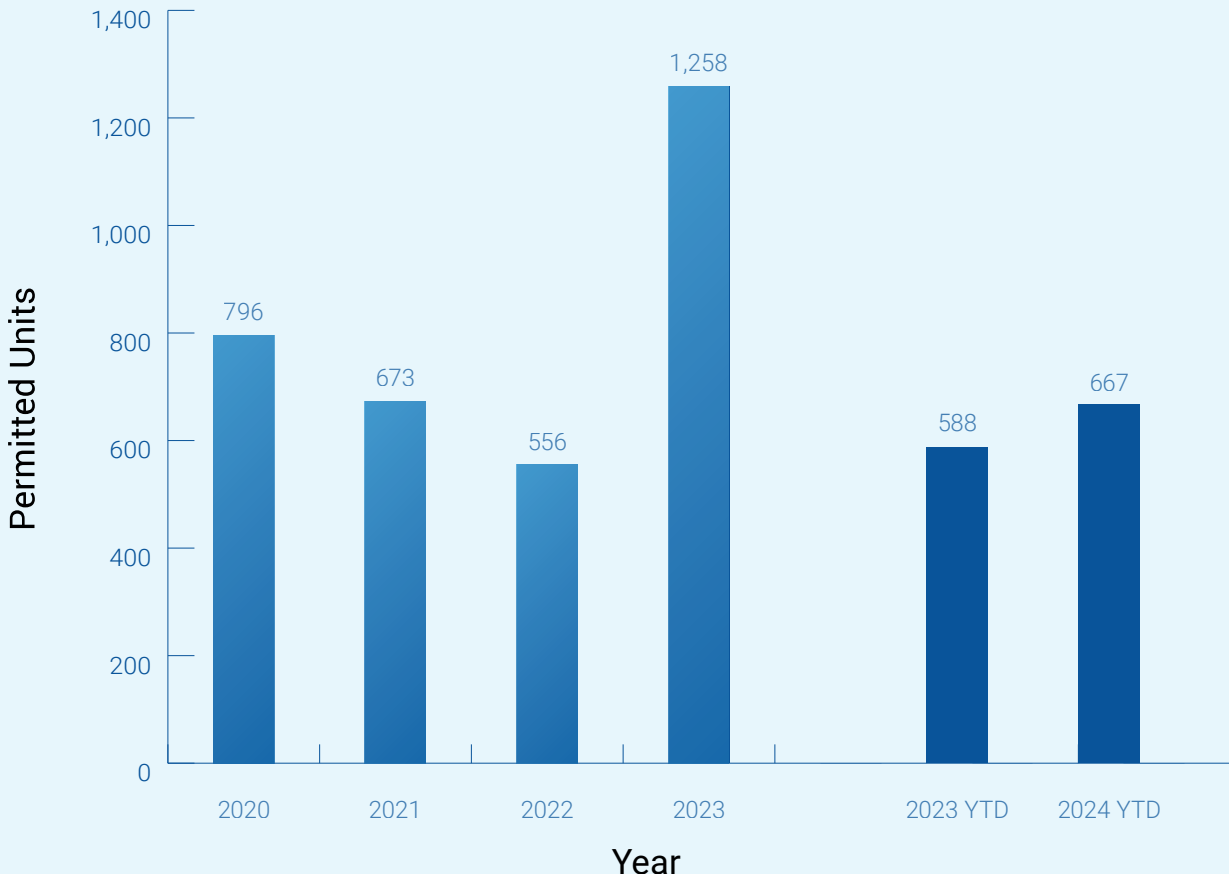
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 8

Currently represented by Councilmember Marqueece Harris-Dawson, Council District 8 (CD8) covers all or parts of the South Los Angeles, Baldwin Hills, Watts, Vermont Knolls, King Estates, Canterbury Knolls, Park Mesa Heights, Hyde Park, Chesterfield Square, Vermont Vista, Green Meadows, View Heights, and West Park Terrace neighborhoods in South LA.

Through the first half of this year, the City has approved 667 residential units of housing in CD8. This represents an increase of 13.4%, or 79 units, compared to the same time period last year. The uptick in permitting in CD8 bucks the citywide trend of declining permitting rates. Additionally, there were 293 ED1 eligible units permitted in the first half of 2024. This is up from 84 units through the same time period of last year.

**Total Permitted Residential Units
Council District 8**



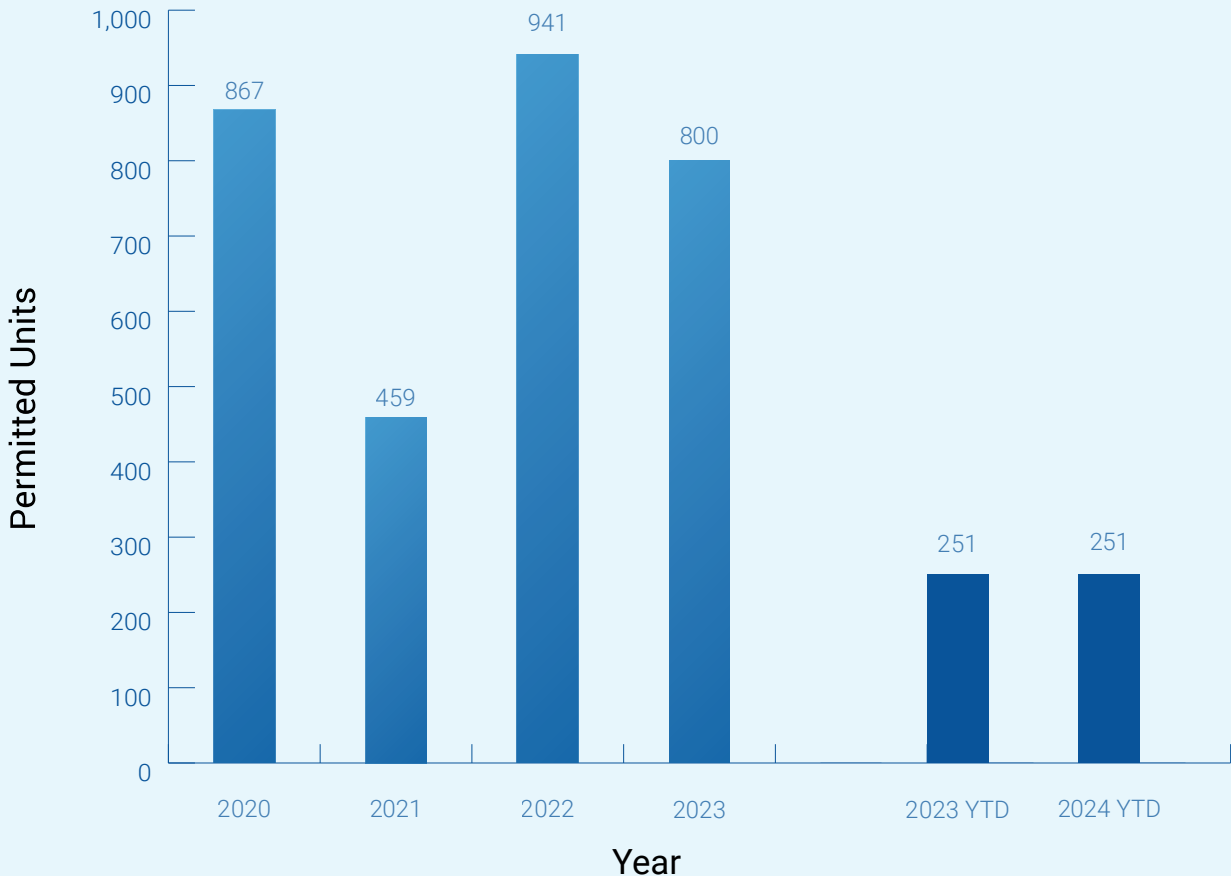
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 9

Currently represented by Councilmember Curren Price, Council District 9 (CD9) covers all or parts of the South LA neighborhoods of Vermont Square, the Central-Alameda Corridor, Green Meadows, Downtown, Exposition Park, and the USC campus.

Through the first half of this year, the City has approved 251 residential units of housing in CD9. This is the exact same level of permitting through the same time period of last year experienced in the district. While CD9 has had 26 ED1 eligible units fully permitted in other time periods, no units became fully permitted to actually start construction in the first half of 2023 or 2024.

**Total Permitted Residential Units
Council District 9**



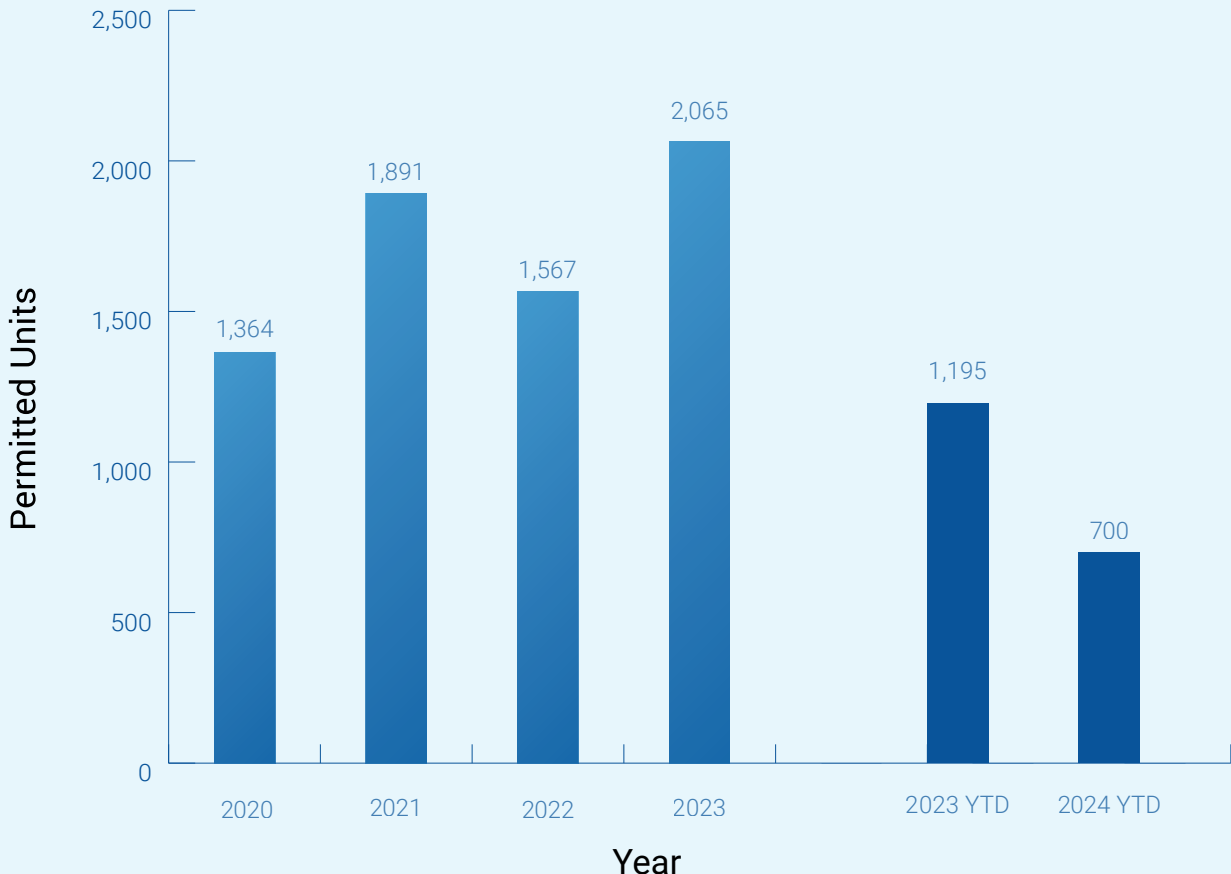
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 10

Currently represented by Councilmember Heather Hutt, Council District 10 (CD10) covers all or parts of the Arlington Heights, Koreatown, Mid-City, Olympic Park, Palms, South Robertson, West Adams, West Pico, and Wilshire Center neighborhoods.

Through the first half of this year, the City has approved 700 residential units of housing in CD10. This represents a decline of 41.4%, or 495 units, compared to the same time period of last year. CD10 has seen sharper declines in the rate of housing permitting than the city compared to previous rates of production seen over the same period last year. Additionally, there were 170 ED1 eligible units permitted in the first half of 2024. This is up from zero approved units through the same time period of last year.

**Total Permitted Residential Units
Council District 10**



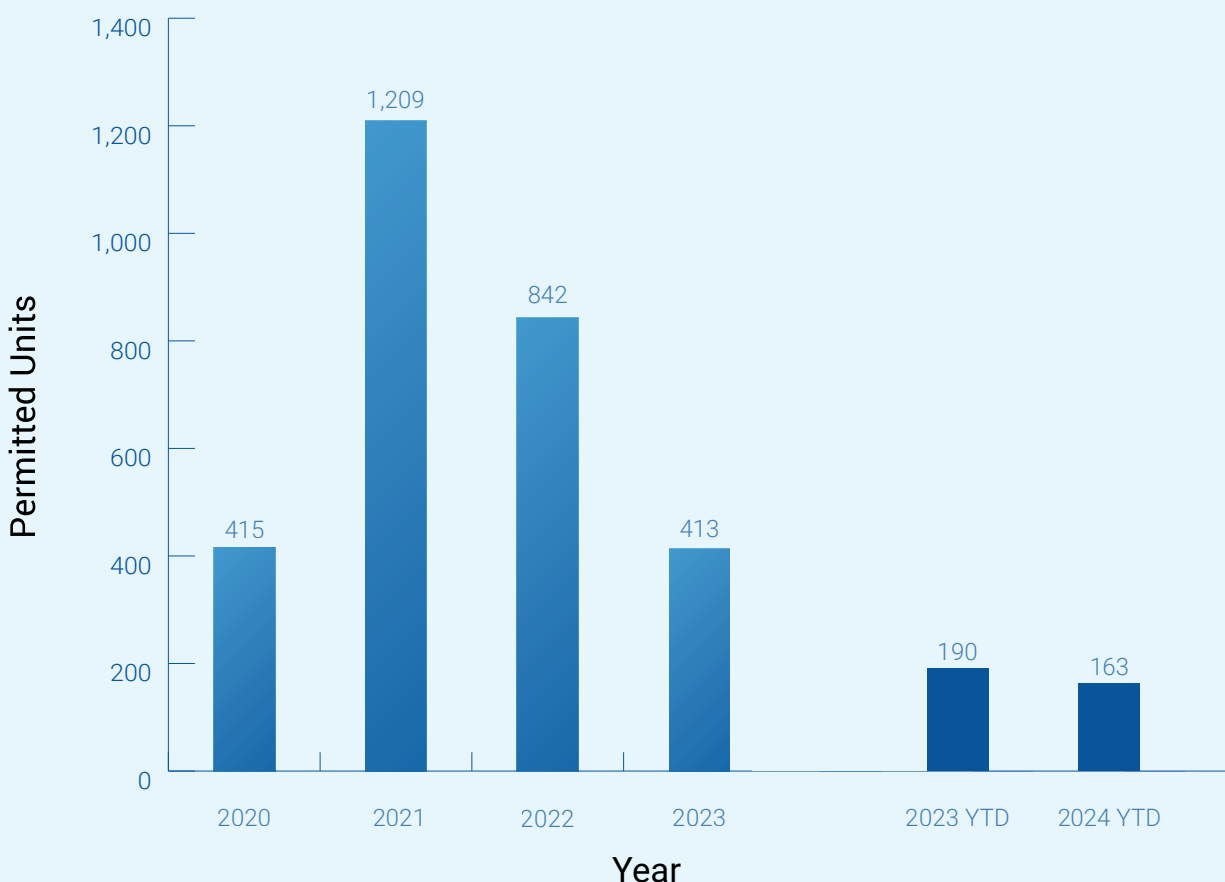
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 11

Currently represented by Councilmember Traci Park, Council District 11 (CD11) covers all or parts of the Westside neighborhoods of Venice, Mar Vista, Westchester, Playa del Rey, Brentwood, Del Rey, Playa Vista, Ladera, Sawtelle, and the Pacific Palisades.

Through the first half of this year, the City has approved 163 residential units of housing in CD11. This represents a decline of 14.2%, or 27 units, compared to the same time period last year. Noteworthy, CD11's declining rate of permitting is slightly better than the citywide level. Additionally, there were 44 ED1 eligible units permitted in the first half of 2024. This is up from zero approved units through the same time period of last year.

**Total Permitted Residential Units
Council District 11**



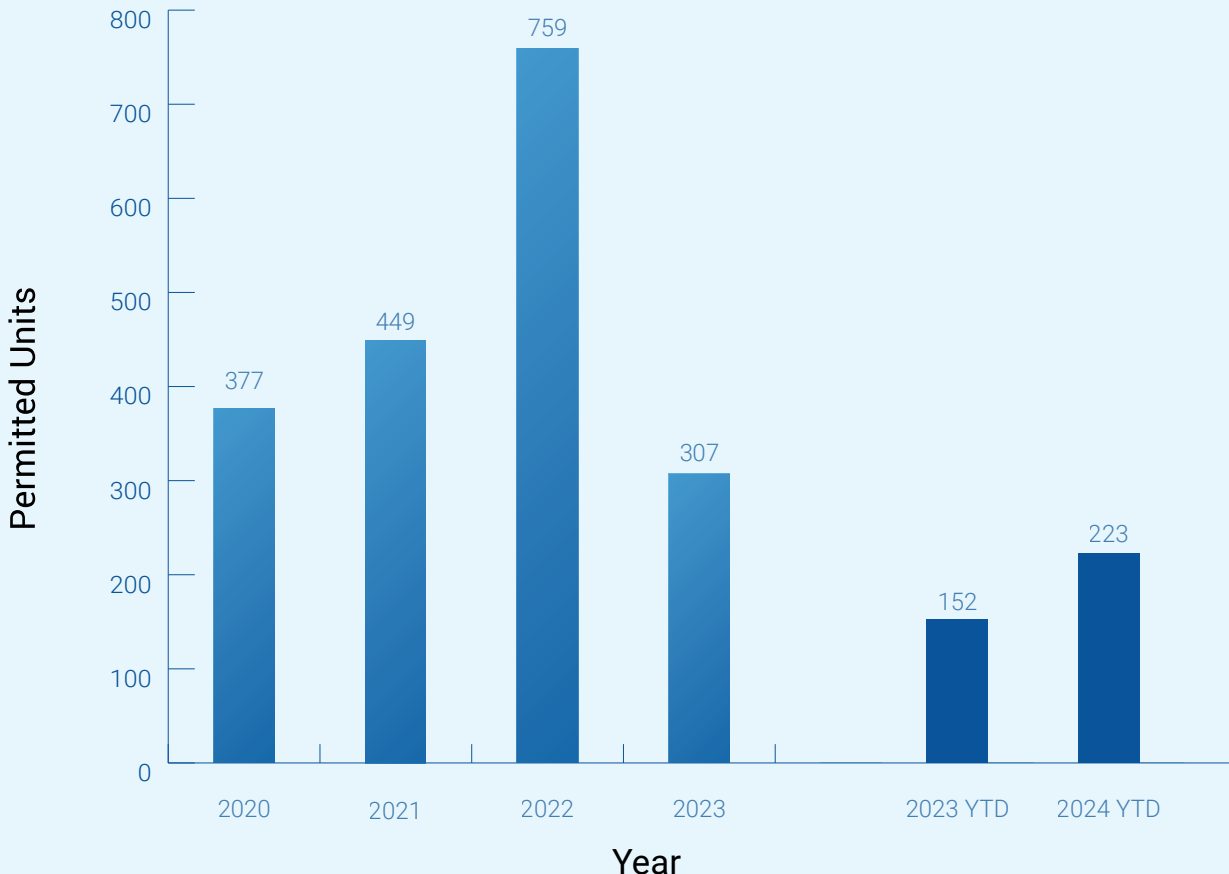
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 12

Currently represented by John Lee, Council District 12 (CD12) includes all of the San Fernando Valley neighborhoods of Northridge, Chatsworth, Granada Hills, West Hills, Porter Ranch, Sherwood Forest, and portions of North Hills and Reseda.

Through the first half of this year, the City has approved 223 residential units of housing in CD12. This represents an increase of 46.7%, or 223 units, compared to the same time period last year. CD12 has outpaced the citywide trend of a declined rate of permitting. While CD12 has had 15 proposed units deemed ED1 eligible by the City Planning Department, none of those units have become fully permitted to actually start construction since the program started in December of 2022 through the first half of 2024.

**Total Permitted Residential Units
Council District 12**



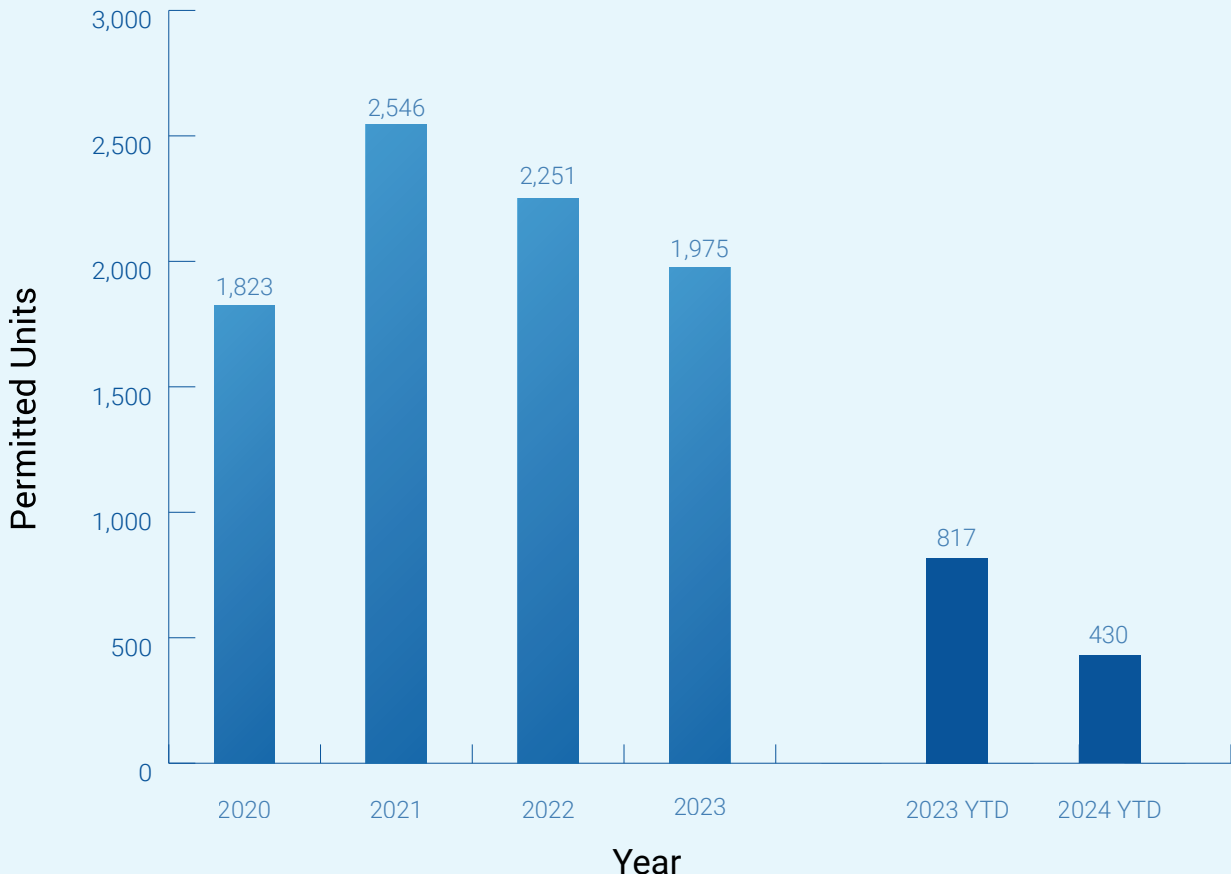
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 13

Currently represented by Councilmember Hugo Soto-Martinez, Council District 13 (CD13) covers all or parts of the neighborhoods of Atwater Village, East Hollywood, Echo Park, Elysian Valley, Glassell Park, Historic Filipinotown, Hollywood, Larchmont Village, Little Armenia, Melrose Hill, Rampart Village, Ridge-wood-Wilton, Silver Lake, Spaulding Square, St. Andrews Square, Sunset Square, Thai Town, Verdugo Village, Virgil Village, Western-Wilton, Westlake, Wilshire Center, and Windsor Square.

Through the first half of this year, the City has approved 430 residential units of housing in CD13. This represents a decline of 47.4%, or 387 units, compared to the same time period of last year. It is worth noting that CD13's fall in permitting is more severe than the citywide level. Additionally, there were 64 ED1 eligible units permitted in the first half of 2024. This is up from zero approved units through the same time period of last year.

**Total Permitted Residential Units
Council District 13**



Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

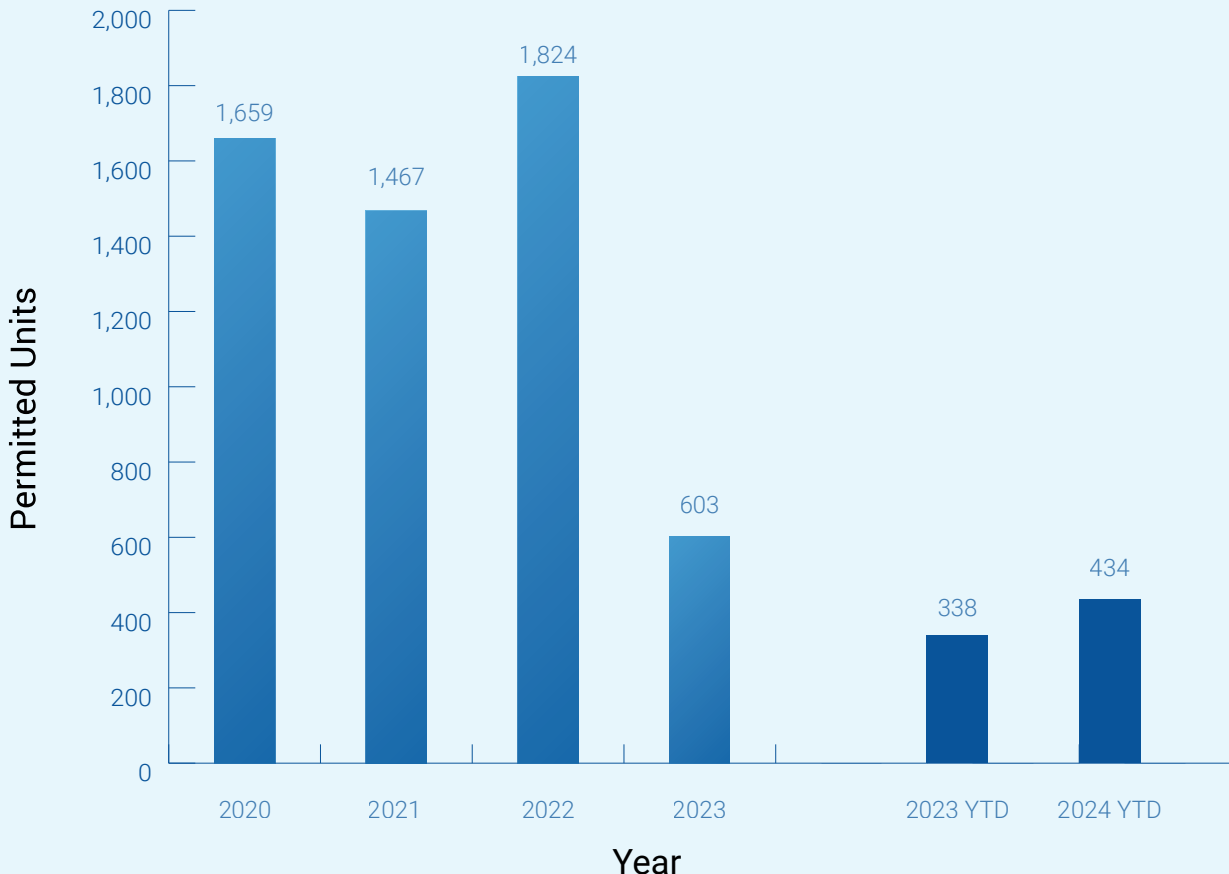
City Council District 14

Currently represented by Councilmember Kevin de Leon, Council District 14 (CD14) covers all or parts of the Boyle Heights, Lincoln Heights, Downtown, El Sereno, and Northeast LA neighborhoods.

Through the first half of this year, the City has approved 434 residential units of housing in CD14. This represents an increase of 28.4%, or 96 units, compared to the same time period of last year.

Noteworthy, the increase in the CD14 rate of permitting bucks the citywide trend of declining permitting levels. While CD14 has had 517 proposed units deemed ED1 eligible by the City Planning Department, none of those units have become fully permitted to actually start construction since the program started in December of 2022 through the first half of 2024.

**Total Permitted Residential Units
Council District 14**



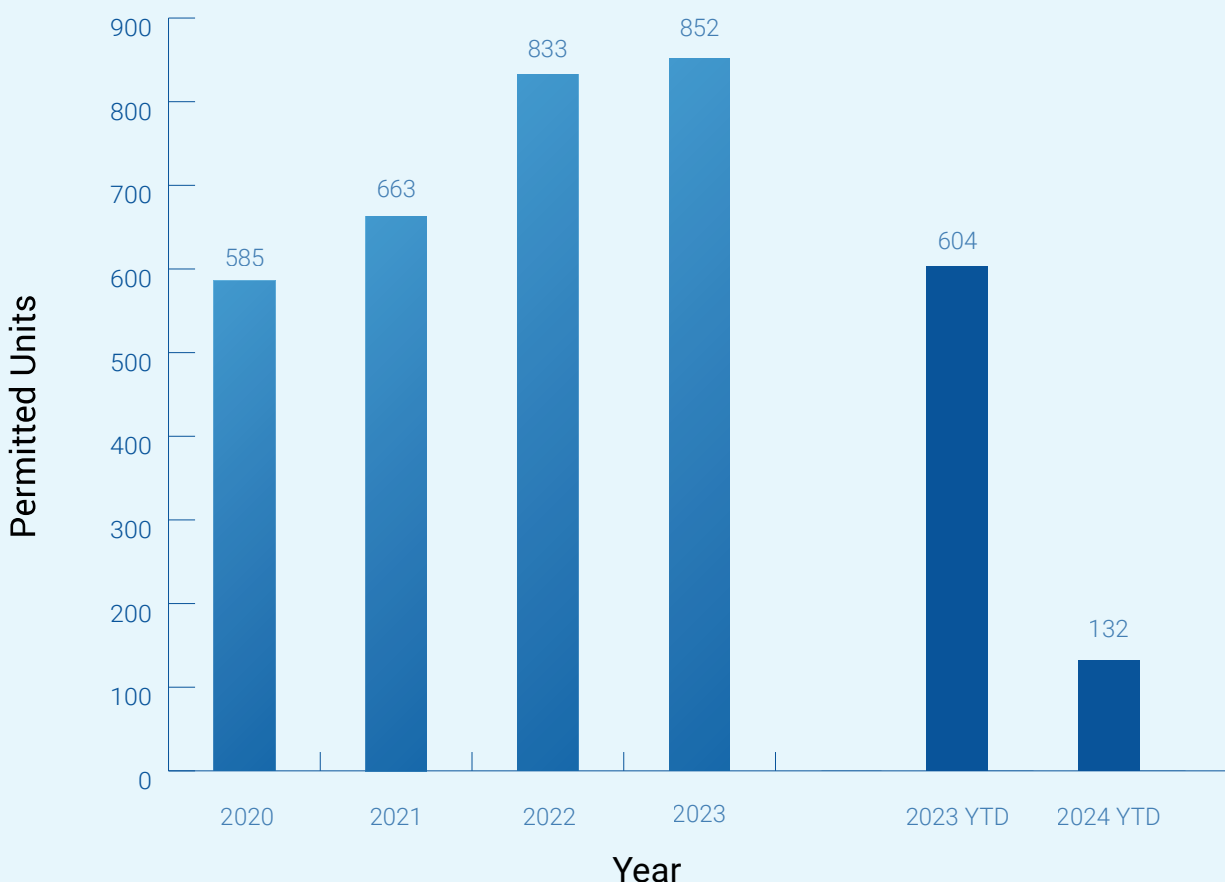
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 15

Currently represented by Councilmember Tim McOsker, Council District 15 (CD15) covers all or parts of the Watts, San Pedro, Harbor Gateway, Harbor City, and Wilmington neighborhoods.

Through the first half of this year, the City has approved 132 residential units of housing in CD15. This represents a decline of 78.1%, or 472 units, compared to the same time period of last year. It is worth noting that the fall in permitting in CD15 is more severe than the citywide level. While CD15 has had 180 proposed units deemed ED1 eligible by the City Planning Department, none of these units have become fully permitted to actually start construction since the program started in December of 2022 through the first half of 2024.

Total Permitted Residential Units Council District 15



Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

About Hilgard Analytics

Hilgard Analytics is a socially conscious real estate and economic development research firm that specializes in the use of data to guide individuals and organizations through their present challenges and navigate towards a strategically charted future.

In the heart of our organization resides a team of experts skilled in urban planning, economic research, and community engagement. Our proficiencies span across a multitude of sectors encompassing government bodies, private developers, non-profit entities, and community groups.

About Zenith Economics

Zenith Economics, LLC is an independent economic research and consulting firm that provides precise, data-first economic analysis. Stories are more important than ever, and Zenith is uniquely positioned, with forward-thinking leadership and relevant economic expertise, to find and tell the stories hiding in the data.

Zenith Economics specializes in Economic Impact Studies, Land Use Policy, and Economic Insights.

About the Authors

Joshua Baum - Principal at Hilgard Analytics

jbaum@hilgard-analytics.com | www.hilgard-analytics.com

Joshua Baum is an urban planner, economic researcher, and community engagement professional. They are currently Principal at Hilgard Analytics and Director of Public Policy & Community Development at Zenith Economics.

Prior to their current role, Baum completed countless housing, demographic, and sectoral employment studies at Beacon Economics. Baum has also conducted extensive work and research with the Western States Regional Council of Carpenters, the Southern California Association of Governments, the City of Los Angeles, and the Lewis Center for Regional Policy Studies.

Joshua Baum is a proud Double Bruin and holds degrees in Political Science (BA) and Urban and Regional Planning (MURP) from UCLA

Samuel Maury-Holmes - Founder at Zenith Economics

sam@zenithecon.com | www.zenithecon.com

Samuel Maury-Holmes, founder of Zenith Economics, LLC, is an established thought leader in Economic Impact Analysis, venture capital and artificial intelligence, and Land Use Policy. He has given economic talks at events like the 2023 California Economic Summit and provided commentary to a variety of media outlets.

Mr. Maury-Holmes is one of the few people to obtain IMPLAN Certified Economist accreditation, recognizing him as one of the foremost global experts on input-output modelling for Economic Impact analysis. He has been the main author or a contributing author on dozens of Economic and Social Impact reports, often related to Land Use Policy or land use investment decisions, and successfully led all elements of research for both public-sector and private-sector clients for broad economic research work.

Previously, Mr. Maury-Holmes was the Practice Lead of Economic, Fiscal, and Social Impact Analysis at Beacon Economics. Mr. Maury-Holmes is a graduate of Los Angeles' Occidental College with a degree in Economics.

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