Housing & Demographics
In the Los Angeles Area

Presentation by Wendell Cox
Urban Land Institute: Los Angeles
19 May 2015
Los Angeles CSA Population Growth
2000-2010 BY SECTOR

- Calculated from Census Bureau Data

<table>
<thead>
<tr>
<th>Region</th>
<th>Change in Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Los Angeles</td>
<td>0</td>
</tr>
<tr>
<td>Inner Ring</td>
<td>100,000</td>
</tr>
<tr>
<td>Outer Suburbs</td>
<td>600,000</td>
</tr>
<tr>
<td>Exurbs</td>
<td>650,000</td>
</tr>
<tr>
<td>Remote</td>
<td>150,000</td>
</tr>
</tbody>
</table>
Los Angeles CSA Population Growth
2000-2010 BY SECTOR

Calculated from Census Bureau Data

Change in Population: Percentage

- Central Los Angeles
- Inner Ring
- Outer Suburbs
- Exurbs
- Remote

Bar Chart showing population growth with Remote sector having the highest increase.
11th Annual Demographia International Housing Affordability Survey: 2015
Ratings for Metropolitan Markets

Australia • Canada • China (Hong Kong) • Ireland
Japan • New Zealand • Singapore
United Kingdom • United States

With comparisons to External Indexes for China and Korea

Introduction by
Dr. Shlomo Angel
Urban Expansion Project
Stern School of Business, New York University

Data for 3rd Quarter 2014

MIDDLE INCOME HOUSING AFFORDABILITY

G-20 Priorities:

Better Standard of Living

Alleviating Poverty
Democratization of Prosperity
ASSOCIATED WITH HOME OWNERSHIP

From Levittown NY to Lakewood
House Price to Income Ratio
INTERNATIONAL: 1980s-2000s

3.0 Maximum Affordability Standard
Land Rationing is the Issue
DESTROYS HOUSING AFFORDABILITY

... the affordability of housing is overwhelmingly a function of just one thing, the extent to which governments place artificial restrictions on the supply of residential land.

Donald Brash, Governor,
Reserve Bank of New Zealand
1988-2002

Introduction to
4th Annual Demographia International Housing Affordability Survey
Middle-Income Housing Affordability

Median Multiple: Median House Price divided by Median Household Income

1950 – 1970: From Census Bureau
1980-2009: From Harvard University
2010+: From Demographia
Annual Data Begins at 1980
Middle-Income Housing Affordability

CALIFORNIA LEGISLATIVE ANALYST: MEDIAN MULTIPLE

Estimated from California Legislative Analyst's Office (LAO) modeling: MEDIAN MULTIPLE: Median house price divided by median household income

Actual

Without Excessive Regulation
CALIFORNIA: NEED TO LIBERALIZE REGULATIONS

Far from helping, they are making it particularly difficult for Latino and African American households to own a home.
Urban containment: Irreconcilable with Housing affordability
Middle-Income housing affordability likely to deteriorate without reforms. Senate Bill 375 requirements likely to worsen housing affordability.
Housing Adjusted Poverty Rates: 2013
US, CALIFORNIA, MISSISSIPPI & WEST VIRGINIA

Data from
Census Bureau

United States: 15.9%
California: 23.4%
Mississippi: 15.3%
West Virginia: 13.2%
Median Household Income: Cost of Living Adj.
BOTTOM TEN MAJOR METROPOLITAN AREAS (OF 52): 2012

San Diego, CA (#43)
Jacksonville, FL (#44)
Las Vegas, NV (#45)
Memphis, TN-MS-AR (#46)
Riverside-San Bernardino, CA (#47)
Los Angeles, CA (#48)
Orlando, FL (#49)
New Orleans, LA (#50)
Tampa-St. Petersburg, FL (#51)
Miami, FL (#52)

Data from Census Bureau & Bureau of Economic Analysis
Median Household Income: Cost of Living Adj.

TOP TEN MAJOR METROPOLITAN AREAS (OF 52): 2012

Data from Census Bureau & Bureau of Economic Analysis

San Jose, CA
Washington, DC-VA-MD-WV
Hartford, CT
Minneapolis-St. Paul, MN-WI
Boston, MA-NH
Raleigh, NC
San Francisco-Oakland, CA
Seattle, WA
Baltimore, MD
Salt Lake City, UT

$0  $25,000  $50,000  $75,000
<table>
<thead>
<tr>
<th>CITY SECTOR &amp; Relationship to City</th>
<th>Criteria 1</th>
<th>Criteria 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-WW2 Urban Core: Downtown</td>
<td>Employment density &gt;19,999 per square mile</td>
<td></td>
</tr>
<tr>
<td>(URBAN CORE-CBD) (in physical and functional city)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-WW2 Urban Core: Outside Downtown</td>
<td>In principal urban area (AND) Population density &gt;7,499 density per square mile (AND) Transit, Walk &amp; Bike Share &gt;19.9%</td>
<td>(OR) In pr. urban area (&amp;) Median year house built before 1946</td>
</tr>
<tr>
<td>(URBAN CORE-INNER RING) (in physical and functional city)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Post-WW2 Suburban : Earlier</td>
<td>Not URBAN CORE (AND) Not EXURB</td>
<td>(AND) Median year house built before 1980</td>
</tr>
<tr>
<td>(EARLIER SUBURB) (in physical and functional city)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Post-WW2 Suburban : Later</td>
<td>Not URBAN CORE (AND) Not EXURB</td>
<td>(AND) Median year house built after 1979</td>
</tr>
<tr>
<td>(LATER SUBURB) (in physical and functional city)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exurban</td>
<td>Outside 2010 principal urban area (largest urban area in the metropolitan area).</td>
<td>(OR) Under 250 density per square mile</td>
</tr>
<tr>
<td>(EXURB) (In functional city, not physical city)</td>
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</tbody>
</table>
Age 20-29 Population Distribution
2000-2011: BY FUNCTIONAL SECTOR: LOS ANGELES MSA

Major Metropolitan Areas:
- City Sector Model
- Small Area Analysis (ZCTA)

Functional Sector within Major Metropolitan Areas:
- CBD
- Inner Ring
- Earlier Suburb
- Later Suburb
- Exurb

2000 (Ages 20-29)
- CBD: 0.009
- Inner Ring: 0.255
- Earlier Suburb: 1.445
- Later Suburb: 0.064
- Exurb: 0.103

2011 (Ages 20-29)
- CBD: 0.012
- Inner Ring: 0.253
- Earlier Suburb: 1.494
- Later Suburb: 0.085
- Exurb: 0.140
Age 20-29 Share of Growth
UNITED STATES BY FUNCTIONAL SECTOR: 2000-2011

- Earlier Suburb: 14.3%
- Inner Ring: 7.9%
- CBD: 2.6%
- Exurb: 22.4%
- Later Suburb: 52.8%

Major Metropolitan Areas: City Sector
Model: Small Area Analysis (ZCTA)
Traffic Congestion by Megacity

2014 CASTROL MAGNATIC START-STOP INDEX

WORK TRIP TIME
One-Way
Los Angeles 28 Min.
Hong Kong 47 Min.

From Castrol Magnatic data
Work Trip Market Share: Transport Mode
LOS ANGELES COUNTY: 1980-2013

One Way Work Trip Market Share

- **Drive Alone**: 68.7% (1980), 72.7% (2013)
- **Car Pool**: 16.8% (1980), 10.0% (2013)
- **Transit**: 7.0% (1980), 6.9% (2013)
- **Walk**: 3.7% (1980), 2.8% (2013)
- **Other**: 2.4% (1980), 2.4% (2013)
- **Work at Home**: 1.5% (1980), 5.2% (2013)

Includes Metrolink From Census Bureau Data