



**Residential Permitting
Trends in LA
Q3 2023 Update**



The economic environment for housing development in Los Angeles has changed dramatically since early 2022. Back then, a combination of low interest rates, multi-decade lows in apartment vacancy rates, and a booming job market were encouraging developers to add more housing throughout the city.^{[1][2][3]} This was especially the case in Council Districts 10, 13, and 14.

Things have changed though as the Federal Reserve has aggressively raised interest rates, the job market has cooled, and a score of labor disputes have made the environment less desirable for development throughout most of the city with notable exceptions for Council Districts 1, 8, 10, and 13. All have been approved for more permitted residential units so far this year compared to the same period of last year.^{[4][5][6]}

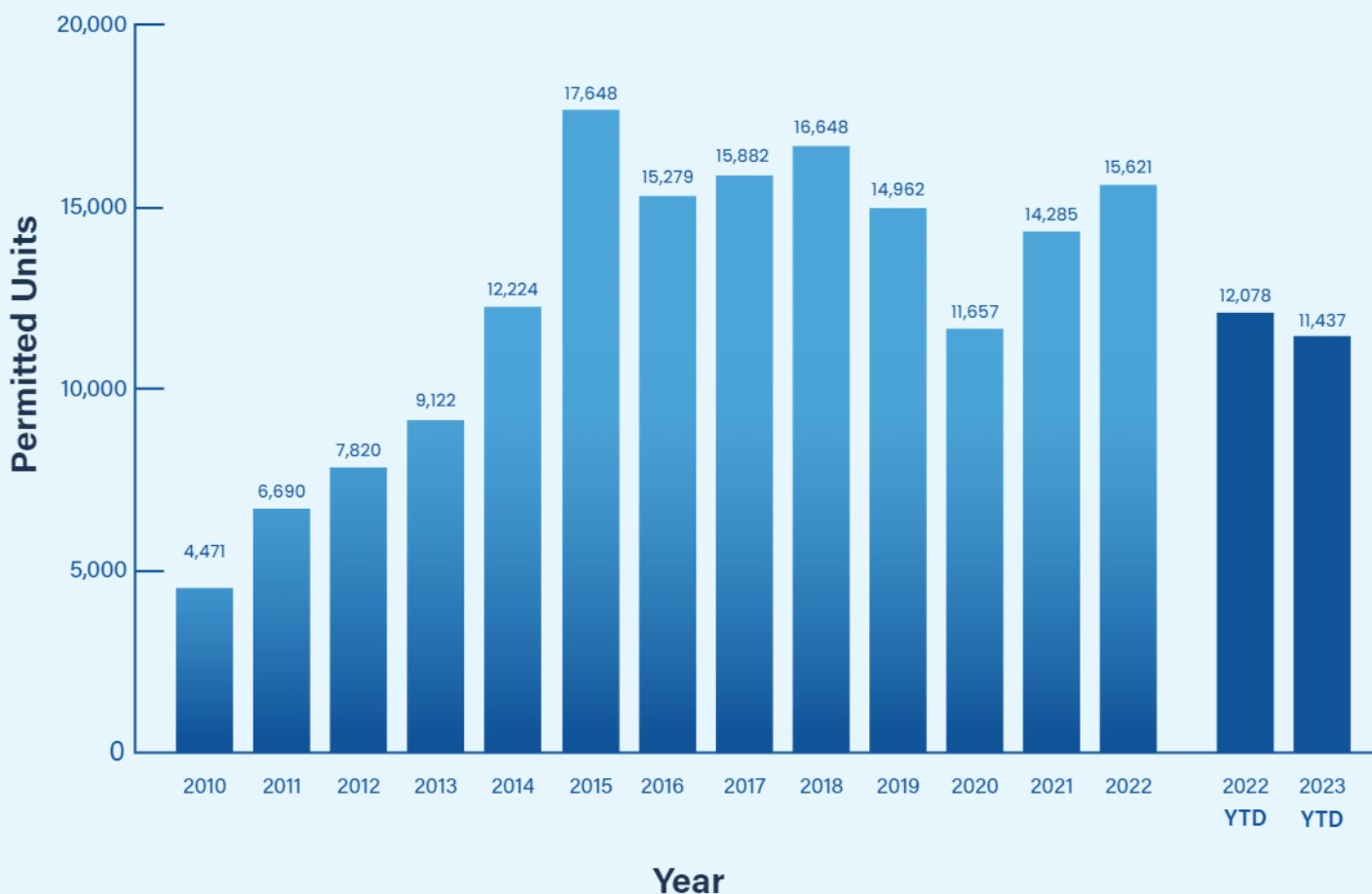
While interest rates are likely to remain fairly high for a while, the other factors that have been contributing to this decline in permitting are likely to go away or be mitigated, likely leading to a resurgence in the residential permitting numbers.^[7] After all, LA's housing market remains extremely supply-constrained due to many decades of underbuilding.^[8] Additionally, the shortage of deed-restricted affordable housing, redlining, and other racist and exclusionary policies will keep LA's housing and homelessness challenges acute even if the overall permitting of housing drastically accelerates.^{[9][10]}

Using data from the Los Angeles Department of Building and Safety (LADBS), the remainder of the report will analyze the total residential permitted units citywide and by LA City Council District through the first three quarters of this year and compare them to the same period last year.^[11] Please note that this analysis is not meant to be comprehensive, but instead to provide a high-level look at trends in residential permitting in Los Angeles. Please reach out to us if you are interested in a more specific neighborhood-level or construction type analysis.

Citywide

Throughout the City of Los Angeles, 11,437 residential units were permitted through the first three quarters (January to September) of this year. This represents a fall of 5.3% or 641 units in absolute terms through the same period last year. To reach the same level of permitting that the city had for the entirety of last year of 15,621 units, 4,184 total units must be permitted by the end of the year.

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 Euinisses Hernandez, Council District 1 (CD1) covers all or parts of 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.^[12]

Through the first three quarters of this year, the city has approved 1,049 residential units in CD1. This represents an increase of 24.1% or 204 units in absolute terms compared to the same period of last year. It is worth noting that what we are seeing in CD1 is bucking the citywide trend of a decline in permitting year-over-year. To reach the same level of permitting that took place during the entirety of 2022, just 351 units have to be permitted in the final quarter.

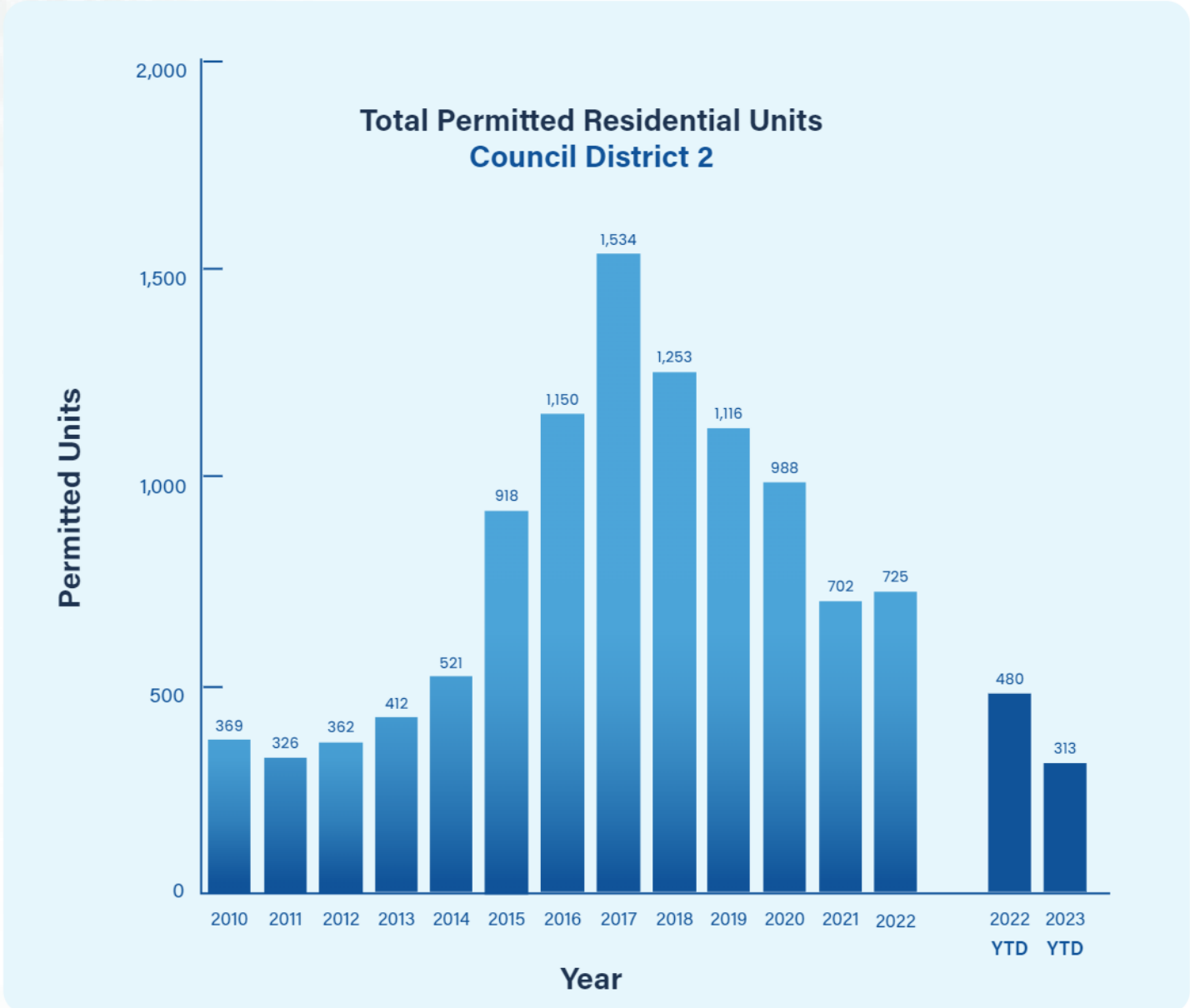


Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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 three quarters of this year, the city has approved 313 residential units in CD2. This represents a decrease of 34.8% or 167 fewer units compared to the same period of last year. While the entirety of LA is experiencing a fall in permitting, the drop in CD2 has been more severe. To reach the same level of permitting that took place during the entirety of 2022, 412 units must be permitted in the final quarter.

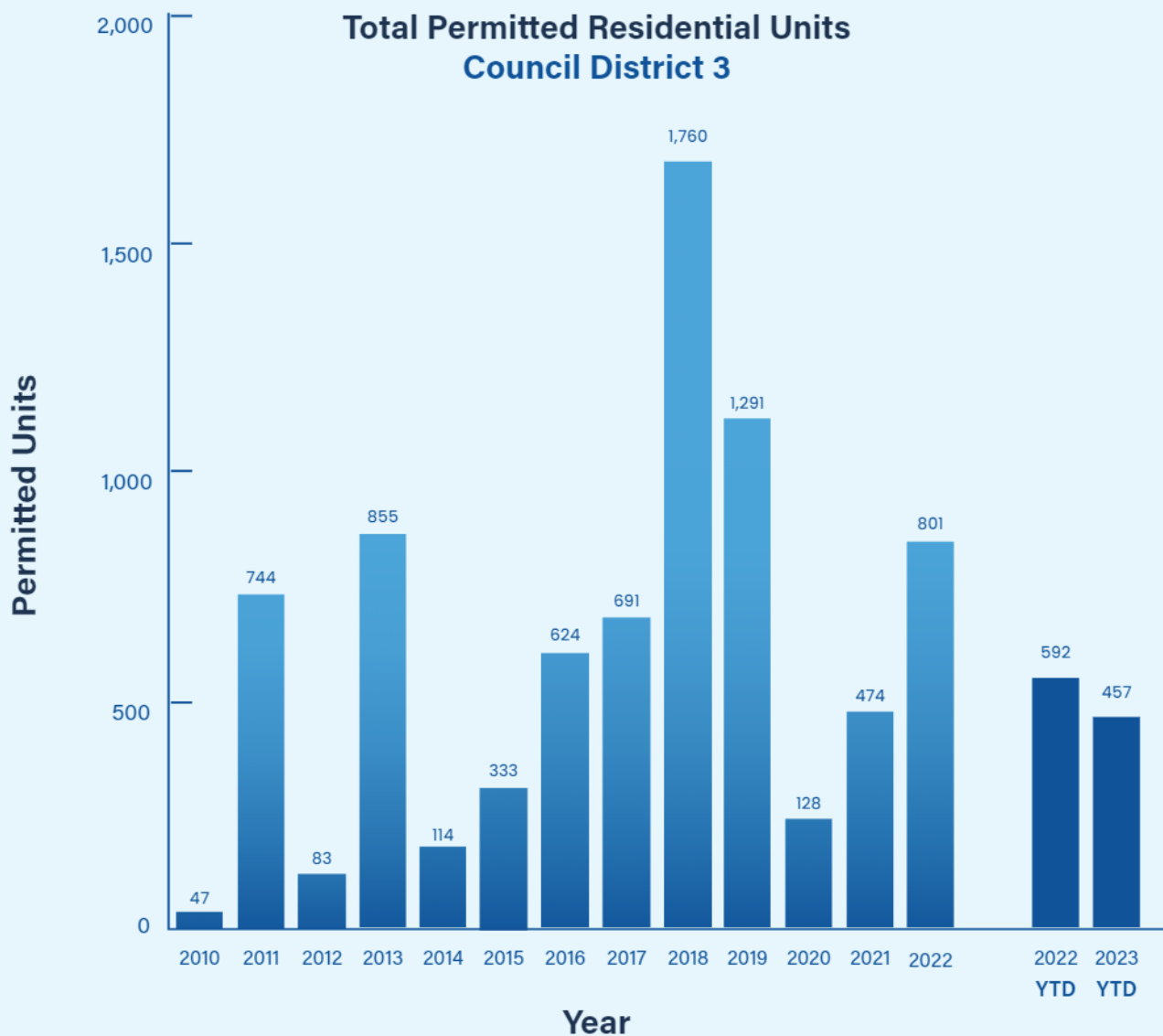


Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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 three quarters of this year, the city has approved 457 residential units in CD3. This represents a fall of 22.8% or 135 units compared to the same period last year. The rate of decline in permitting in CD3 has been more severe than the citywide trend. To reach the same level of permitting that took place during the entirety of 2022 in CD3, 344 more units must be permitted through the end of the year.

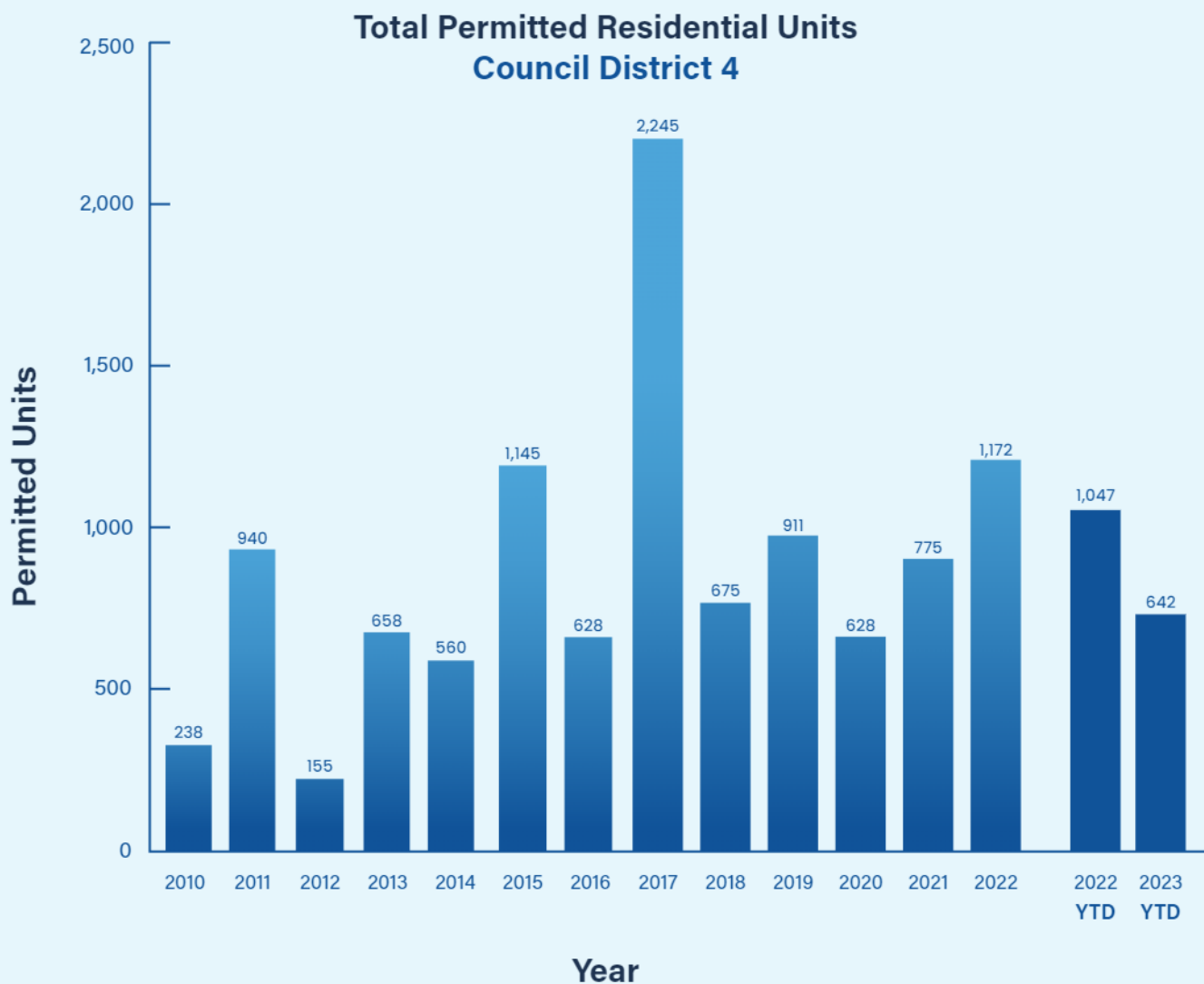


Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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, Silver Lake, Reseda, Sherman Oaks, Studio City, and Cahuenga Pass.

Through the first three quarters of this year, the city has approved 642 residential units in CD4. This represents a decrease of 38.7% or 405 units compared to the same period last year. It is worth noting that the fall in permitting in CD4 is more severe than the citywide trend. To reach the same level of permitting that took place during the entirety of 2022, 530 more units must be permitted in the final quarter.

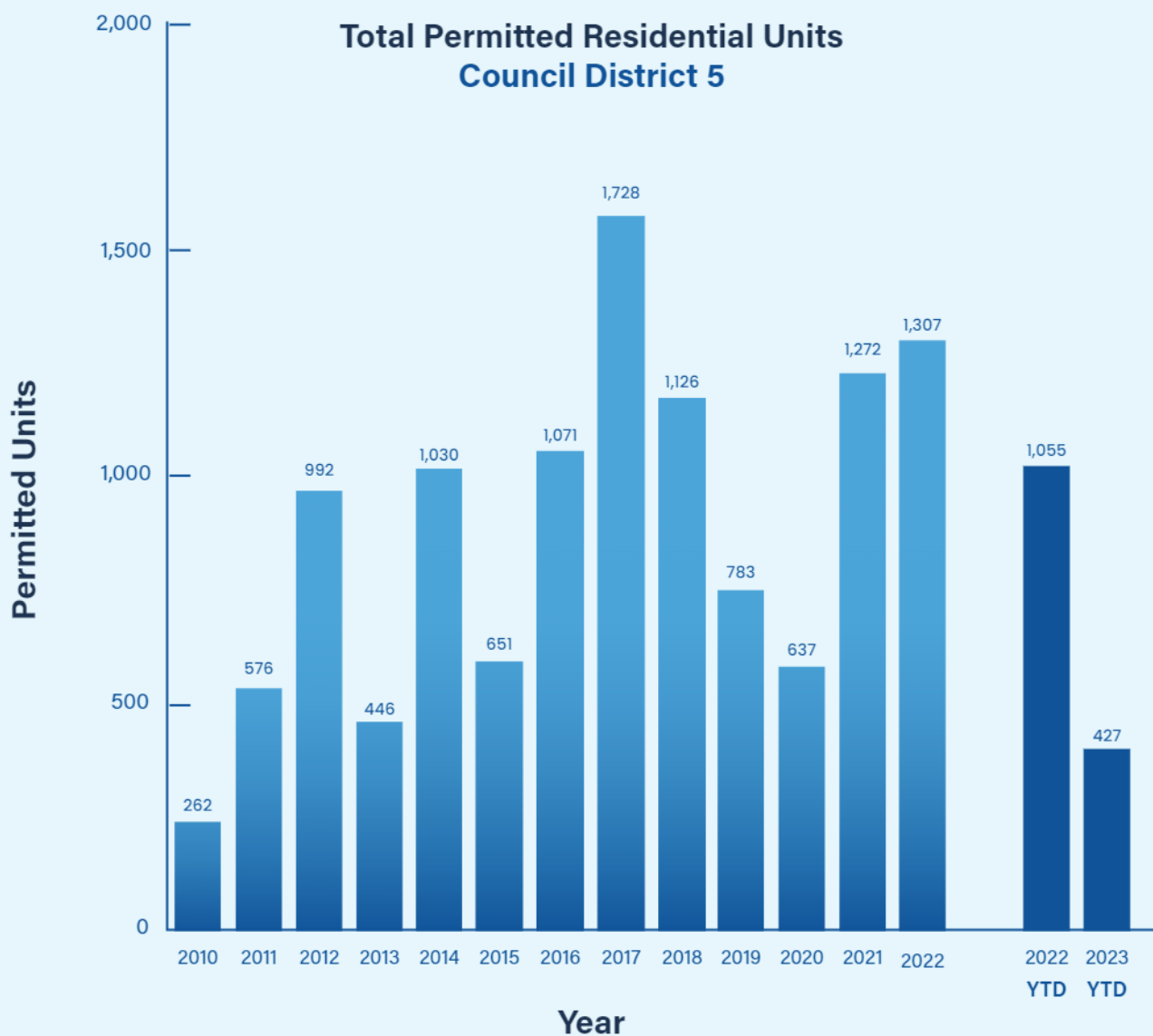


Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 5

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

Through the first three quarters of this year, the city has approved 425 residential units in CD5. This represents a decrease of 59.5% or 628 units compared to the same period of last year. It is worth noting that the fall in permitting in CD5 has been more severe than in the city as a whole. To reach the same level of permitting that took place during the entirety of 2022, 880 more units must be permitted in the final quarter.



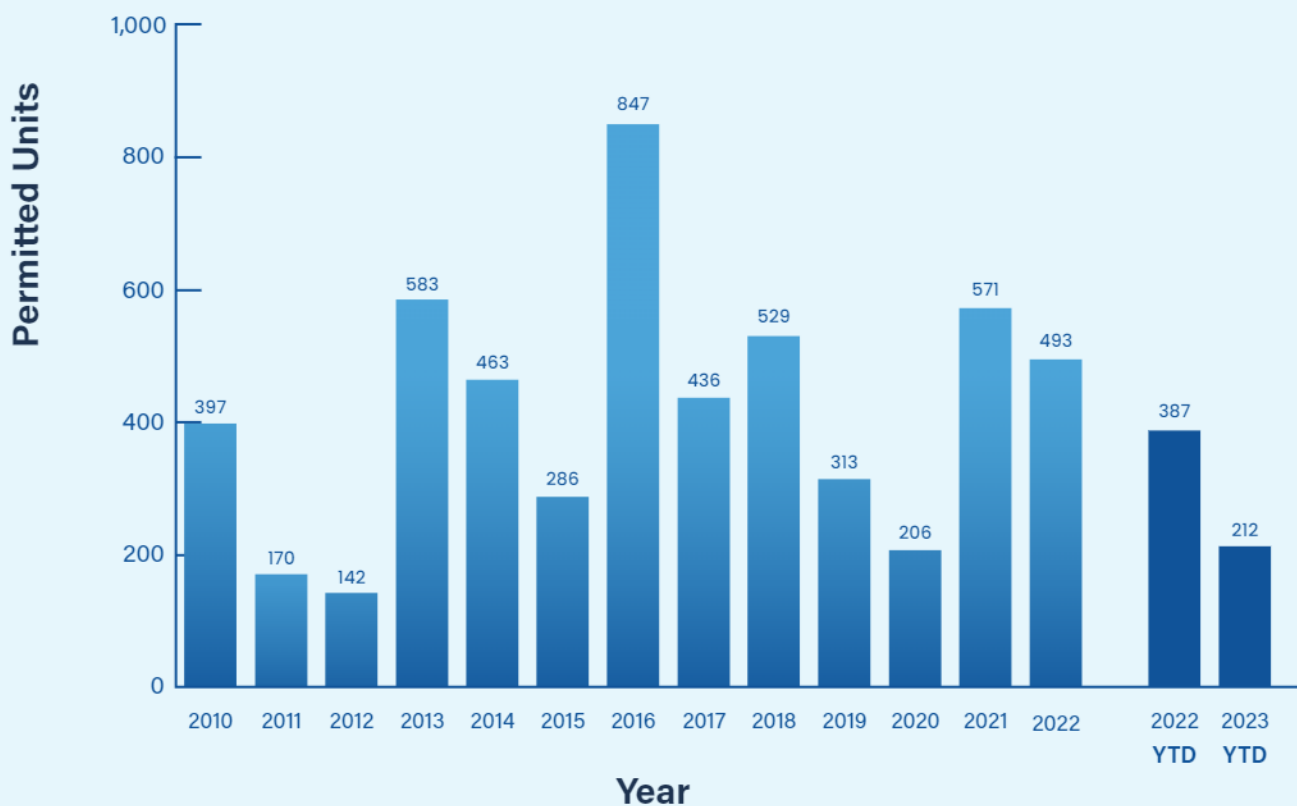
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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 three quarters of this year, the city has approved 212 residential units in CD6. This represents a fall of 45.2% or 175 units compared to the same period last year. It is worth noting that the decline in residential permitting in CD6 is more severe than the citywide trend. To reach the same level of permitting that took place during the entirety of 2022 in CD6, 281 units must be permitted in the final quarter.

Total Permitted Residential Units Council District 6

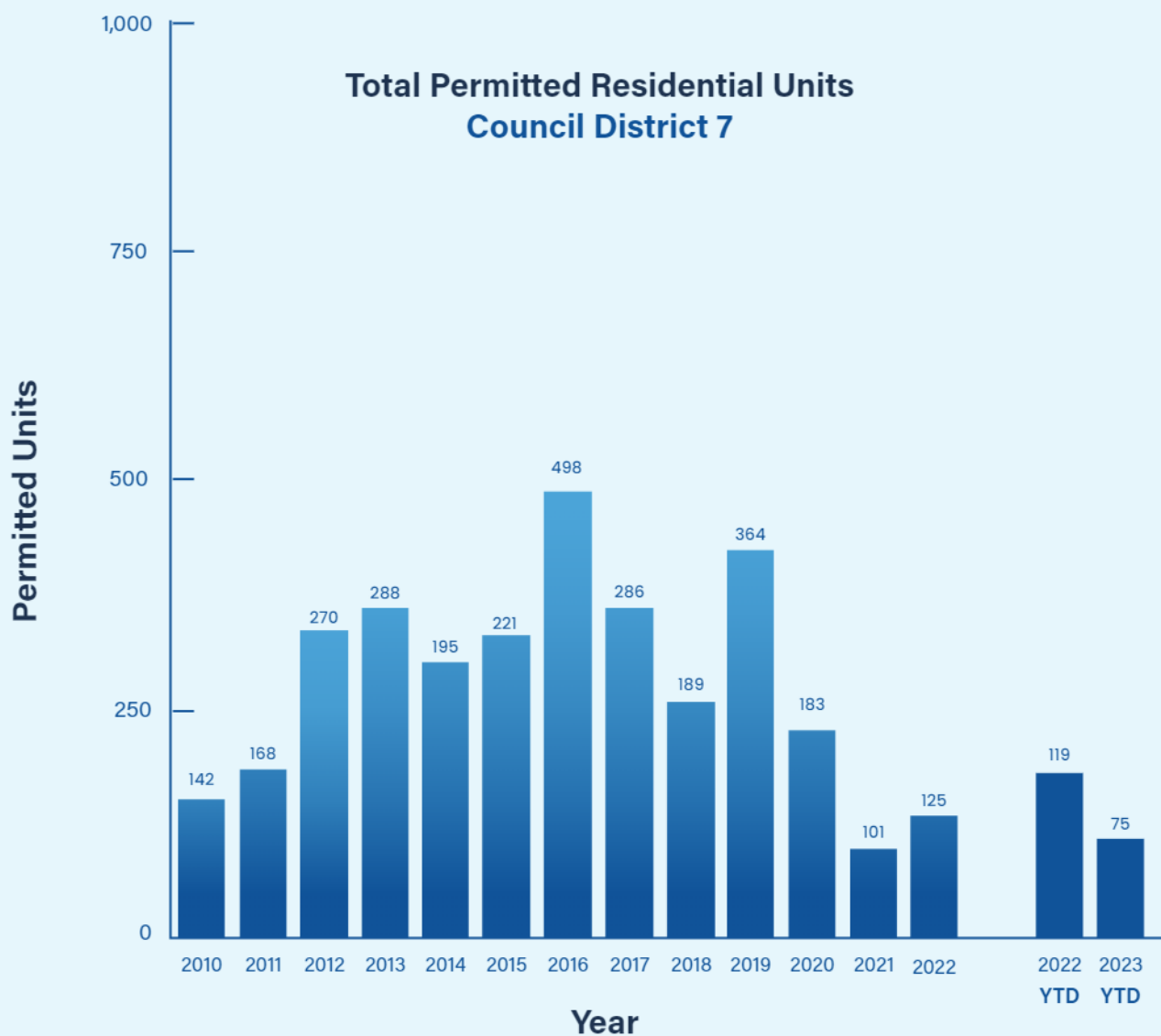


Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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 three quarters of this year, the city has approved 75 residential units in CD7. This represents a decline of 37% or 44 units compared to the same period last year. It is worth noting that the decline in permitting in CD7 has been more severe than the citywide decline. To reach the same level of permitting that took place during the entirety of 2022, 50 units must be permitted in the final quarter in CD7.



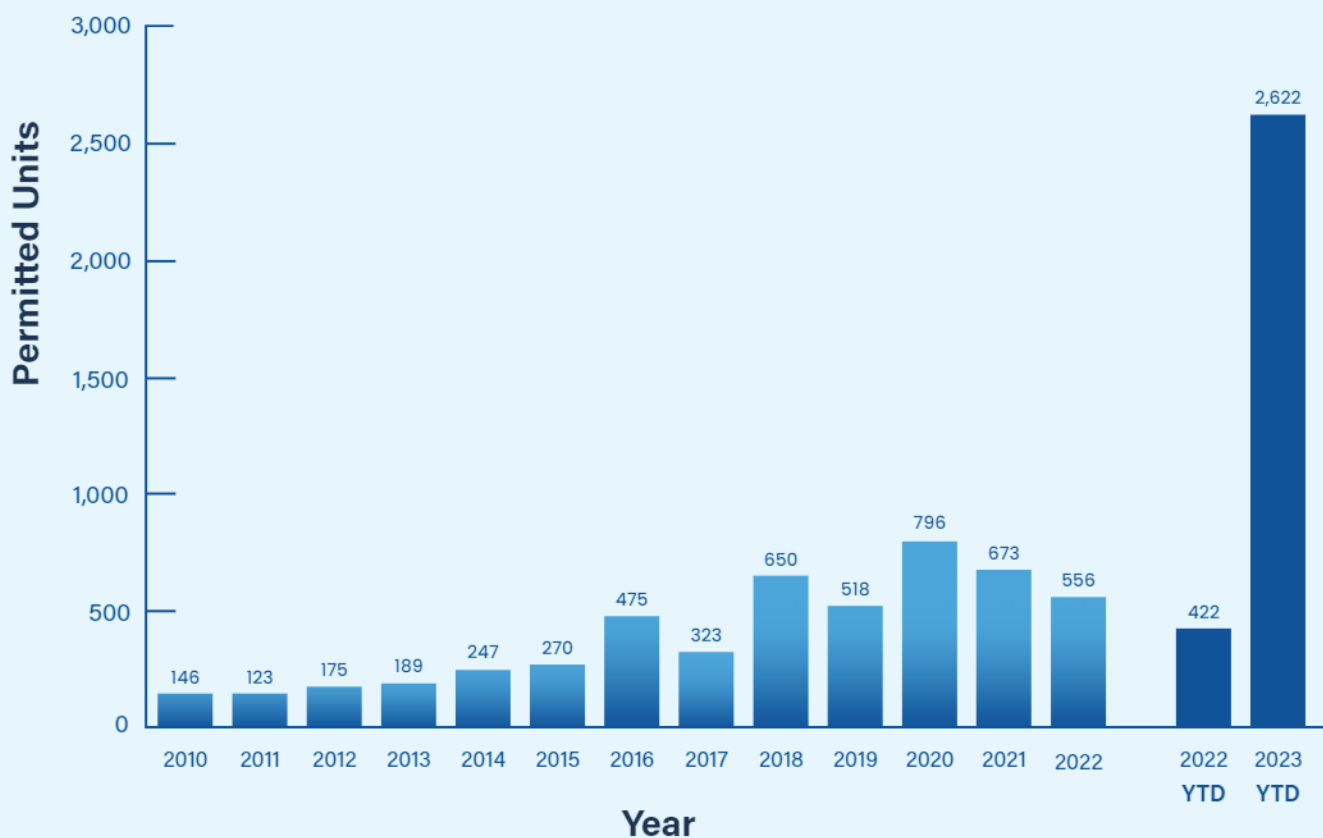
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 8

Currently represented by Councilmember Marqueece Harris-Dawson, Council District 8 (CD8) covers all or parts of 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 three quarters of this year, the city has approved 2,622 residential units in CD8. This represents an increase of 521.3% or 2,200 units compared to the same period last year. Noteworthy, CD8 is one of the few council districts that are experiencing an uptick in residential permitting this year.

Total Permitted Residential Units Council District 8



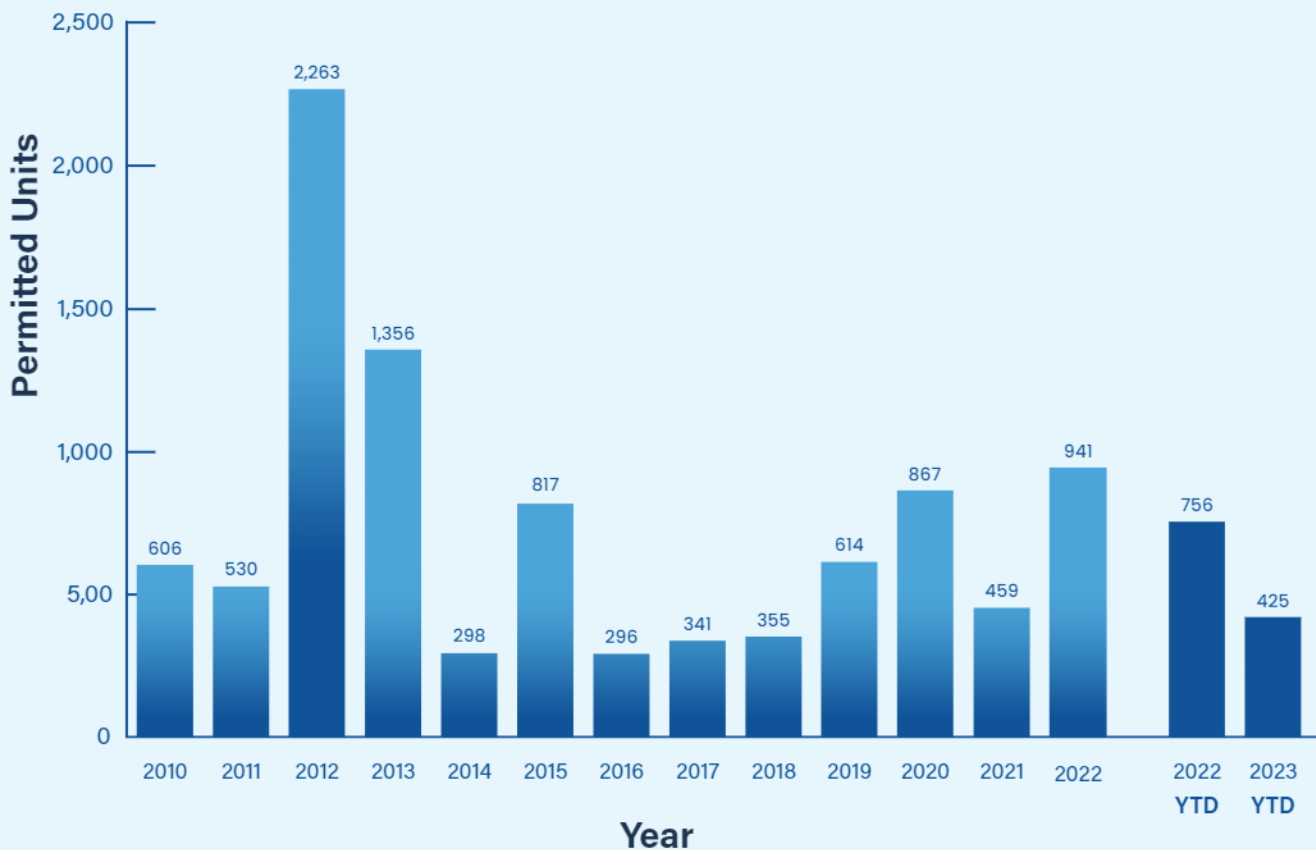
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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 three quarters of this year, the city has approved 425 residential units in CD9. This represents a decline of 43.8% or 331 units compared to the same period last year. It is worth noting that residential permitting fell at a greater rate in CD9 than the citywide decline of 5.3%. To reach the same level of permitting that took place during the entirety of 2022, 516 units must be permitted in the final quarter.

Total Permitted Residential Units Council District 9



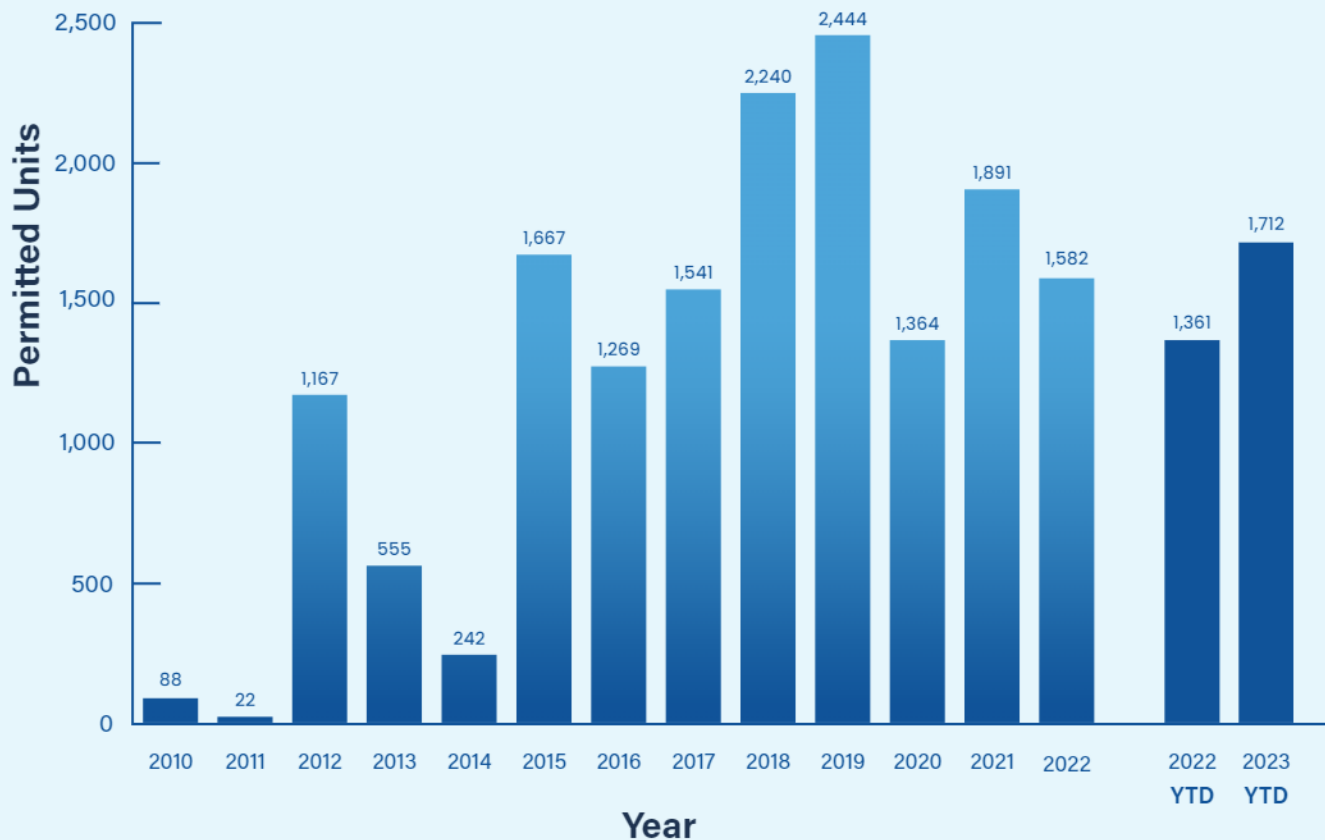
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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 three quarters of this year, the city has approved 1,712 residential units in CD10. This represents an increase of 25.8% or 351 units compared to the same period last year. It is worth noting that CD10 is permitting more units this year, bucking the citywide trend.

Total Permitted Residential Units Council District 10



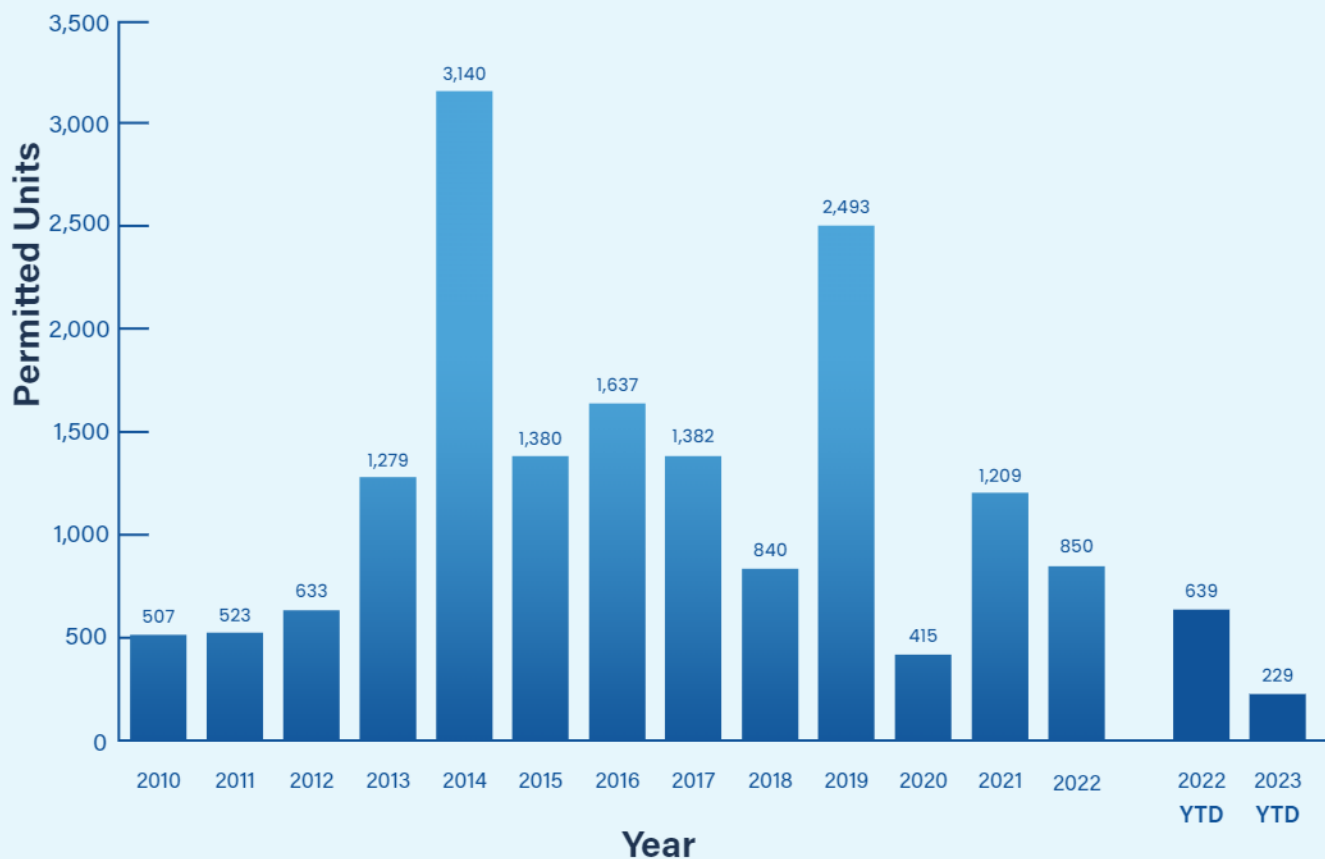
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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 three quarters of this year, the city has approved 229 residential units in CD11. This represents a decline of 64.2% or 410 units compared to the same period last year. Noteworthy, CD11 has seen a more severe fall in residential permitting so far this year compared to the city as a whole. To reach the same level of permitting that took place during the entirety of 2022, 621 units must be permitted in the final quarter in CD11.

Total Permitted Residential Units Council District 11



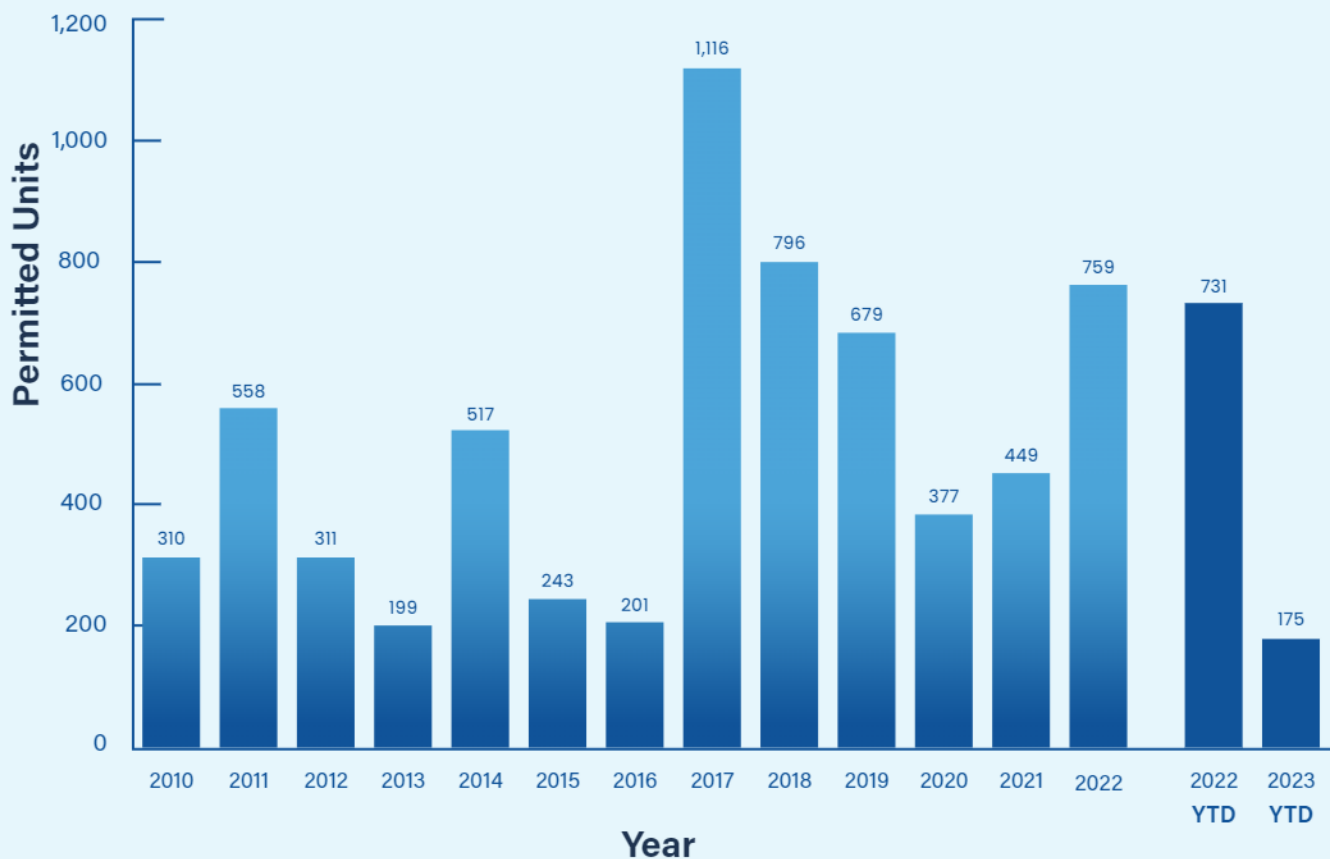
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 12

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

Through the first three quarters of this year, the city has approved 175 residential units in CD12. This represents a fall of 76.1% or 556 units compared to the same period last year. It is worth noting that CD12 has also experienced a fall in permitting greater than the city as a whole so far this year. To reach the same level of permitting that took place during the entirety of 2022, 584 more units must be permitted in the final quarter in CD12.

Total Permitted Residential Units Council District 12



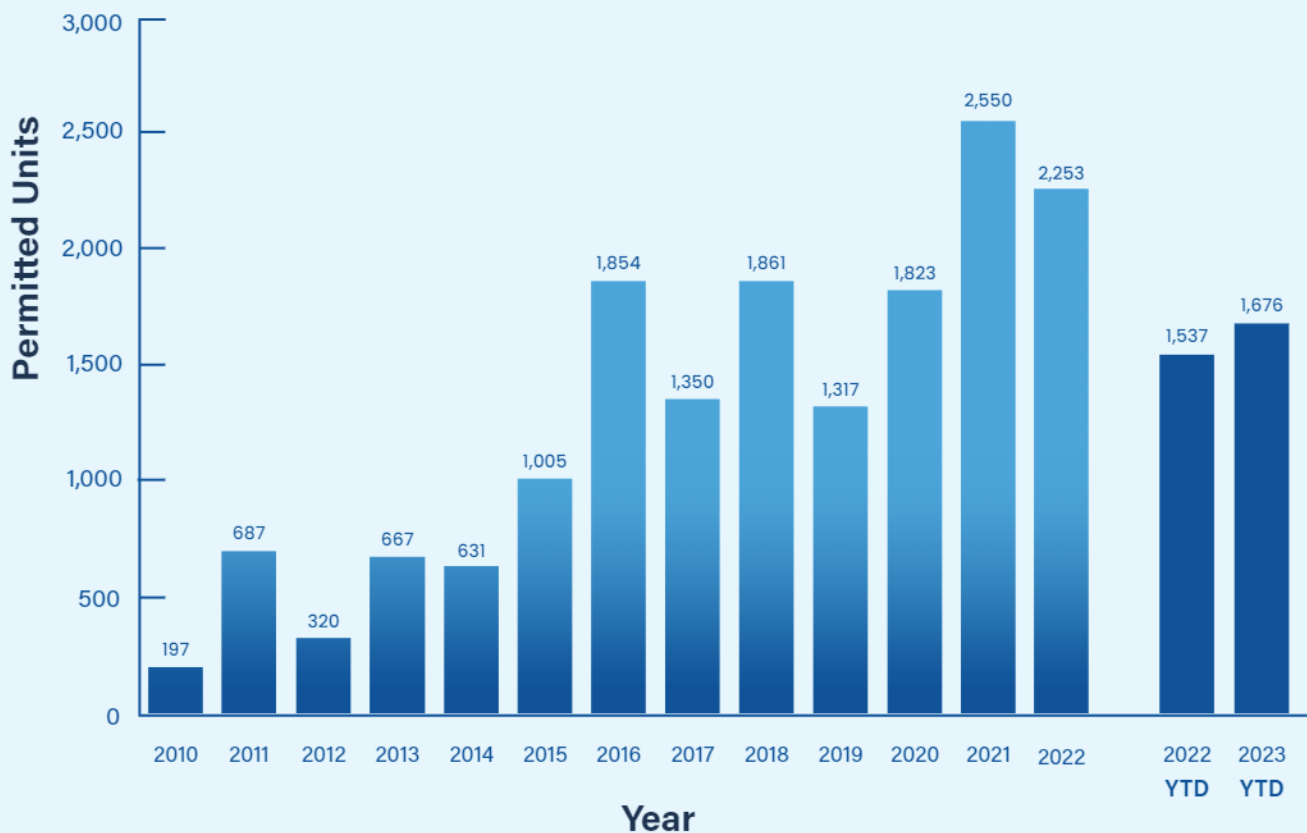
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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, Ridgewood-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 three quarters of this year, the city has approved 1,676 residential units in CD13. This represents an increase of 9% or 139 units compared to the same period last year. It is worth noting that CD 13 is one of the few council districts that have approved more housing so far this year compared to the same period last year. To reach the same level of permitting that took place during the entirety of 2022 in CD13, 577 units must be permitted in the final quarter.

Total Permitted Residential Units Council District 13



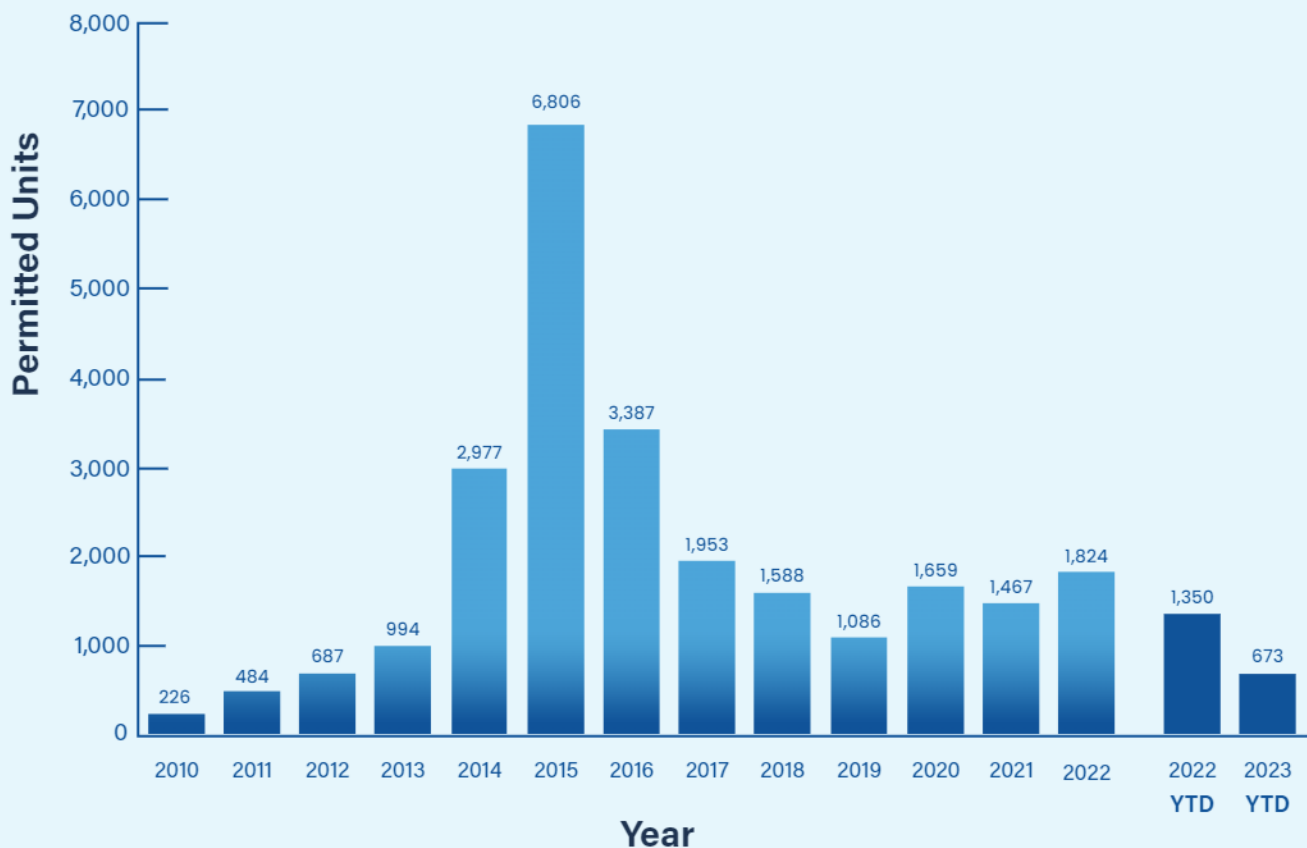
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

City Council District 14

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

Through the first three quarters of this year, the city has approved 673 residential units in CD14. This represents a decline of 50.1% or 677 units compared to the same period last year. Noteworthy, the fall in residential permitting in CD14 has been more severe than the citywide trend. To reach the same level of permitting that took place during the entirety of 2022, 1,151 more units must be permitted in the final quarter in CD14.

Total Permitted Residential Units Council District 14



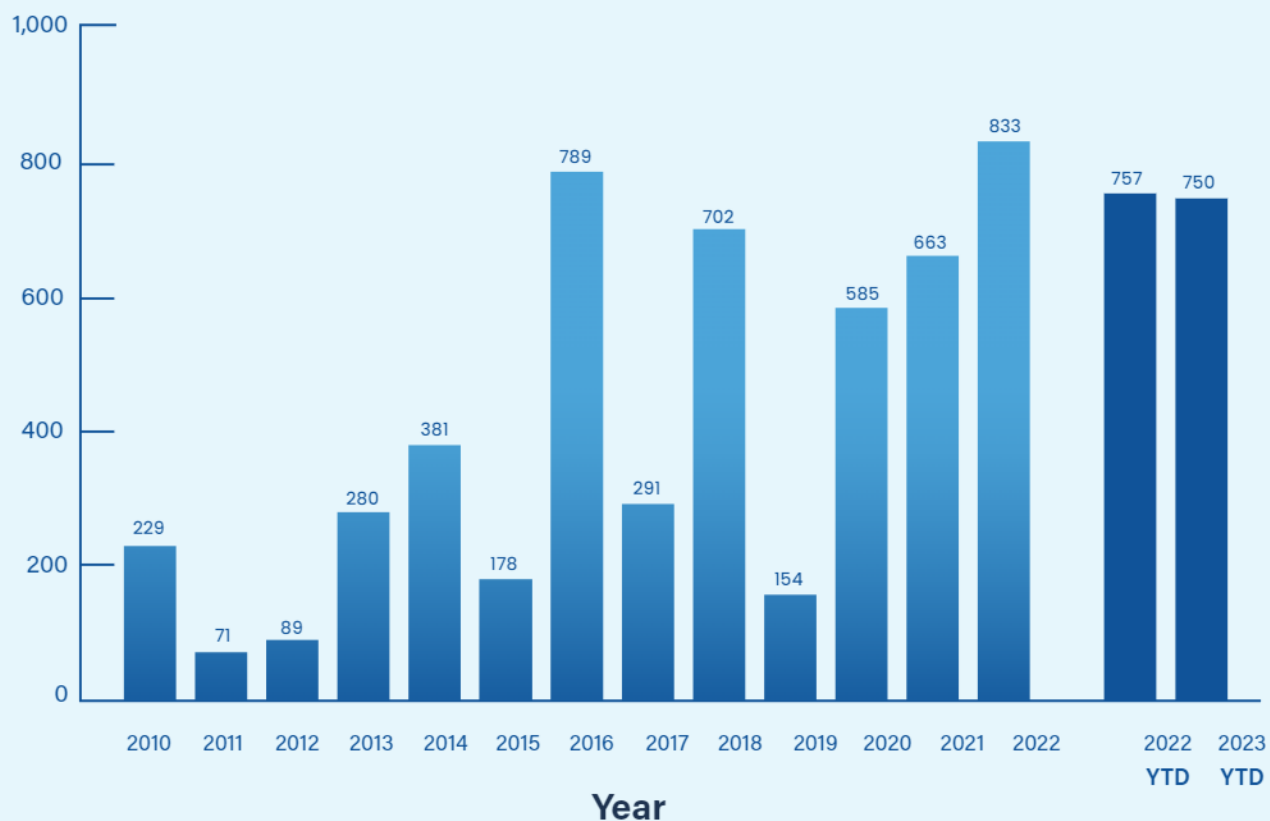
Source: LA Department of Building and Safety, Analysis by Hilgard Analytics

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 three quarters of this year, the city has approved 750 residential units in CD15. This represents a decline of 0.9% or 7 units compared to the same period last year. It is worth noting that the fall in permitting in CD15 is slightly less than the citywide decline of 5.3%. To reach the same level of permitting that took place during the entirety of 2022 in CD15, 83 more units must be permitted in the final quarter.

Total Permitted Residential Units Council District 15



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

About the Author

Shoshana “Shosh” Baum is a Southern California-based urban planner, economic researcher, and community engagement professional. She currently is the Founder & CEO of Hilgard Analytics, a rising real estate and economic development research firm, and serves on the City of West Hollywood’s Transgender Advisory Board.

They previously served as the Research Analyst at the Southwest Mountain States Regional Council of Carpenters, where they performed a multitude of complex planning and economic research tasks to inform contract negotiations, legislative initiatives, and other activities across the organization and helped expand the union to cover almost the entirety of the Western United States.

Prior, she completed countless housing, demographic, and sectoral employment studies at Beacon Economics, founded and served as the first President of the Westside Young Democrats, and was one of the leading organizers for Westwood Forward, the successful campaign that created a new neighborhood council to better represent the UCLA community in municipal affairs.

Shosh is a proud Double Bruin and holds degrees in Political Science (BA) and Urban and Regional Planning (MURP) from UCLA. During graduate school, she held internships and research positions with the Southern California Association of Governments, the City of Los Angeles (Council District 4), and the Lewis Center for Regional Policy Studies.

About Hilgard Analytics

Hilgard Analytics is a rising 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 toward 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.

1. <https://fred.stlouisfed.org/series/FEDFUNDS>
2. <https://www.latimes.com/california/story/2023-05-03/apartment-rent-guide-southern-california-los-angeles-orange-county>
3. <https://www.latimes.com/politics/story/2022-01-07/ahead-of-omicron-surge-december-hiring-adds-t-millions-of-jobs-in-2021>
4. <https://www.latimes.com/california/story/2023-08-17/mortgage-rates-surge-past-7-hit-highest-level-since-2002>
5. <https://www.latimes.com/business/story/2023-07-09/us-labor-market-starting-to-show-cracks-here-are-the-signs>
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8. <https://www.latimes.com/california/story/2023-09-18/the-california-conundrum-more-homes-fewer-people-and-still-high-housing-costs>
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