
<http://www.latimes.com/news/opinion/la-oe-parks9apr09,0,4663440.story?coll=la-opinion-center>

April 9, 2007 LA Times Op-Ed by Bernard Parks

Don't impede condo conversions

The outcry ignores a real need for more chances at homeownership.

By Bernard C. Parks

BERNARD C. PARKS represents the 8th District on the L.A. City Council.

April 9, 2007

THE CITY COUNCIL'S recent debate over whether (and how) to allow condominium conversions in Los Angeles may seem complicated, but actually, the answer is obvious: As long as there are tenant protections built into the process, condo conversions shouldn't be restricted.

During our discussions, many of the city's elected officials expressed concerns about how many apartments were being converted into condos and said they would rather see a slower, more deliberate process. Proponents of a full moratorium on condo conversions argued that conversions hurt renters by forcing them out of their apartments into homelessness.

Frankly, that's a bit dramatic.

In my district, and in other parts of South Los Angeles, condo conversions — with tenant protections such as the increased relocation fees the council voted for last week — are an important and effective way to upgrade the aging housing stock and to encourage homeownership. Like other forms of asset building, homeownership is key to revitalizing South Los Angeles and the city as a whole.

The reason L.A. has so many renters is that there aren't enough affordable homes at every income level, and because of how hard it is to accumulate sufficient funds for a down payment and closing costs.

The result: First-time home buyers and low- and middle-income residents have limited options.

Allowing property owners or developers to remove rent-controlled apartments from the market and to convert these properties into market-rate condominium housing also has raised concerns that the supply of affordable housing will disappear.

But the 8th District, which I represent, is actually saturated with rent-controlled housing and "affordable" apartments. It has long been and continues to be a location of choice for student and senior housing.

The real problem in the 8th District is a shortage of single-family homes or other asset-building opportunities. Hundreds of government workers and young African American and Latino professionals would like to live in South Los Angeles, but because the quality of the rentals does not meet their expectations and needs, they choose to live elsewhere. They can find the quality they want and the option to buy in the more affordable areas such as Riverside and the Antelope Valley. Purchasing a converted condominium may be the best option to allow the upcoming generation to have a stake in Los Angeles.

The market's natural ability to adjust itself to meet the needs of supply and demand cannot be overlooked. When the supply of condominiums or market-rate rentals rises, then the demand is satisfied, which results in lower prices.

Such a simple concept is lost in the outcry of those who claim that relocating renters to create a supply of market-rate housing is a life-ending phenomenon. Relocation can be stressful, but a life of paying rent with no expectation of achieving homeownership is ultimately more dangerous.

Homeownership is the American dream. Residents of South Los Angeles deserve options that fall outside of the "affordable housing" bracket of apartments for rent. We should support any plan that gives these residents the chance to own a home and become stakeholders in the community.

The 8th District has one of the lowest rates of homeownership in the city. The City Council should be adopting policies that promote homeownership and support property ownership, not ones that make this American dream unattainable.