



## Office of the City Manager

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**MICHAEL S. FLAD**  
CITY MANAGER

February 27, 2020

Kome Ajise, Executive Director  
Southern California Association of Governments  
900 Wilshire Boulevard, Suite 1700  
Los Angeles, CA 90017

***RE: Request by the City of South Gate that SCAG's CEHD Committee and Regional Council amend the Alternative RHNA Methodology for the 6th Cycle***

Dear Mr. Ajise:

The City of South Gate requests that the Southern California Association of Governments' (SCAG) Community, Economic and Human Development (CEHD) policy committee and Regional Council amend the recently adopted RHNA methodology in a clear transparent manner and reinstate criteria that reflect local input. The City of South Gate recently submitted a letter dated January 20, 2020, which expressed our concerns over the process by which the SCAG Regional Council adopted the Alternative RHNA Methodology introduced by the City of Riverside and explained the reasons why South Gate opposed the adopted Alternative RHNA Methodology. The letter also proposed methods to amend the RHNA Methodology so that allocations are fair and can, with reasonable effort, be achieved. The City also supports the methodology proposed by the City of Cerritos in a letter dated February 4, 2020.

#### City of South Gate Concerns and Proposed Amendments

The City is willing to provide its fair share of the regional housing need, however, South Gate's proposed 6th Cycle allocation of 8,232 housing units is over 550% of the City's 5th Cycle RHNA (1,262 units). To achieve this goal, the City of South Gate would have to increase its current housing stock by 33% in the next 8 years. As stated in previous written comments to SCAG, the City of South Gate requests that the Regional Board approve a RHNA methodology that includes the following factors:

#### Include Household Growth Factors (Per City of Cerritos' Proposed RHNA Methodology)

The City of South Gate supports the City of Cerritos' recently submitted proposal, dated February 4, 2020, which recommends that household growth forecasts be reintroduced back into the calculations for the existing need as follows: household growth (33.3%), job accessibility (33.3%), and population within high quality transit areas (33.3%). These household growth projections are an important factor in that the projections reflect the unique characteristics of each jurisdiction.



Moreover, these growth projections more closely aligns the RHNA with the development pattern established within Connect SoCal as required by state statute. Finally, as stated in the staff-recommended RHNA methodology staff report for the November 7, 2019, Regional Council meeting, the reintroduction of household growth into the existing need calculation would further the five objectives of state housing law.

#### Recognize Existing Density of Local Jurisdictions

The City of South Gate (at 20.6 persons per acre) is 250 percent more dense than the regional average (8.3 persons per acre). As a densely populated community, the City already has higher burdens on its infrastructure and roads, open space, schools, and other services. Coupled with the City's lower income population, the City struggles to provide adequate services for its existing population. It would be a significantly inequitable allocation if cities received any allocation with a methodology factor based on population share without taking into account density. And the State RHNA law per Government Code Section 65584 requires the RHNA allocation methodology increase housing supply "in an equitable manner."

Less dense cities have more land area to accommodate future housing. By definition, cities with equal population size but less density (population per acre) would have a larger total city land area (assuming that any protected/non-developable areas are equal or accounted for) to address future growth demands. For instance, two cities with equal population would get the same allocation for any methodology factor using population share factor, but if one city is 250% more dense than the average SCAG density (such as South Gate), then the less dense city would have 250% or 2.5 times more area to accommodate the housing than the higher density city. (Example: City A with 20 persons per acre has the same population in 100 acres [2,000 people] as City B with 8 persons per acre would have in 250 acres [2,000 people] which is 2.5 times larger land area to more easily accommodate added housing).

#### Include an Environmental Justice Factor

The City of South Gate urges SCAG to consider the application of CalEnviroScreen or other comparable local tool if available, to determine RHNA allocation. This well-established environmental justice mapping tool identifies those communities most affected by various sources of pollution, both mobile and stationary. This is especially critical as most High Quality Transit Areas (HQTAs) fall within the top 25 percent of the CalEnviroScreen score, which translates to "disadvantaged communities." Incorporating an environmental justice factor into the RHNA methodology will help mitigate the overconcentration of lower income households who are exposed to various health risks from pollutants.

The California Environmental Protection Agency (CalEPA) has designated the City of South Gate as part of the "Disadvantaged Communities" list which make up 25% of the highest scoring census tracts with socioeconomic, public health and environmental hazard criteria. The City of South Gate has been identified to be disproportionately impacted by environmental pollution and other hazards that can lead to negative public health effects, exposure, or environmental degradation. CalEPA and the Office of Environmental Health Hazard Assessment (OEHHA) has also identified South Gate to fall in the bottom 5th percentile of cities with the most potential for health risks stemming from pollution. An increase in housing density in these and nearby areas has the potential to negatively exacerbate the existing and formidable health problems faced by our residents.



For South Gate, 16 percent of the City's land has been developed as industrial uses and heavy truck traffic frequents the Firestone and Atlantic Boulevards, as well as along the 710-Freeway. CalEnviroScreen indicates much of the City is already exposed to high levels of environmental hazards.

Cities throughout the Gateway Cities COG region face additional challenges beyond land dedicated to industrial uses and density constraints. The majority of cities and unincorporated communities in the Gateway Cities COG region are identified as both disadvantaged and low-income communities by SB 535 through OEHHA's CalEnviro Screen 3.0 and AB 1550 through CARB's Priority Population Maps respectively, and in many cases are also in the top five-percent of the most disadvantaged locations in the state when environmental hazards, health and socioeconomic factors are considered. Environmental justice demands that we address these hazards and conditions but also informs that we cannot continue to concentrate new housing in these areas until existing infrastructure and health issues are addressed. Due to economic changes over time, many Gateway Cities are also already housing-rich and jobs-poor, meaning creation of new housing would exacerbate rather than correct jobs-housing imbalances in this region. We note that RHNA methodologies for other MPOs, including ABAG, account for employment rather than simply transit and population in determining allocations.

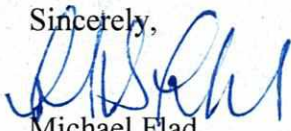
#### Support Efforts to Renew the Appeal of the State's Regional Allocation

Furthermore, we are also requesting that SCAG object again to the Department of Housing and Community Development (HCD) in that they did not follow state law with the regional determination [see Government Code Section 65584.01(a)]. Even the Department of Finance recently updated its population projections and show a significant decrease since their previous forecast. Governor Newsom has also stated that his commitment to building 3.5 million homes by 2025 was a "stretch goal" and that the state would soon be releasing a more pragmatic estimate of the housing needs by region. The regional determination of 1.34 million housing units combined with an inequitable RHNA methodology are setting up local jurisdictions for failure to comply with state housing law.

We request that the CEHD committee and Regional Council consider these recommendations prior to the adoption of the RHNA. We recognize that there are time constraints established by state law; however, the RHNA will have significant impacts on jurisdictions over the next decade. Therefore, it is imperative that the RHNA be finalized in a way that is equitable and attainable in responding to the housing crisis.

We appreciate your consideration and look forward to working with SCAG on the RHNA process. Please feel free to contact Joe Perez at (323) 563-9566 or [jperez@sogate.org](mailto:jperez@sogate.org) if you have any questions.

Sincerely,



Michael Flad  
City Manager

