



## CITY OF SOUTH PASADENA

OFFICE OF THE CITY MANAGER  
1414 MISSION STREET, SOUTH PASADENA, CA 91030  
TEL: (626) 403-7210 • FAX: (626) 403-7211  
WWW.SOUTHPASADENACA.GOV

September 10, 2019

Honorable Peggy Huang, Chair  
Community, Economic and Human Development Policy Committee  
Regional Housing Needs Assessment Subcommittee  
Southern California Association of Governments  
900 Wilshire Blvd., Suite 1700  
Los Angeles, CA 90017

### **Subject: Draft Regional Housing Needs Assessment Methodology Options**

On behalf of the City of South Pasadena (City) I appreciate the opportunity to provide comments on the Southern California Association of Governments' (SCAG) proposed methodologies for the draft Regional Housing Needs Assessment (RHNA). The City is eager to work cooperatively with SCAG to improve the availability of affordable housing within the context of the City and its applicable development constraints.

#### *Affordable Housing Efforts*

For over five decades the threat of the State Route 710 (SR-710) North Project has minimized economic investment opportunities in the City. Consequently, the City has experienced minimal development, including the development housing, during this period. In spite of this, over fifty-percent of the City's population is comprised of renters. The recent declaration of the Transportation System Management/Transportation Demand Management Alternative as the Preferred Alternative for the SR-710 North Project has slowly opened the City to new investment opportunities. As a result the City has taken the provision and maintenance of affordable housing seriously by developing policy initiatives and engaging non-profits. The City is currently working on developing two key initiatives to increase the affordable housing stock: 1) adoption of an Inclusionary Housing Ordinance and 2) revisions to the City's Accessory Dwelling Unit (ADU) Ordinance to reduce restrictions. In addition, the City is developing two tenant protection programs to further enhance the quality of life for its renters: 1) Tenant Relocation and 3) Occupancy Inspection. Despite numerous constraints, the City has approved new ADU's, and conversion of existing structures to ADU's for the purpose of providing much needed affordable housing. The City is attempting to partner with other Housing Related Entities to work with the California Department of Transportation's Affordable Sales Program to provide additional affordable housing units with the SR-710 surplus properties.

#### *RHNA Allocation Methodology*

The City supports the use of a RHNA allocation methodology that allocates projected housing need based, in part, on the jurisdictions' historic growth and replacement need. This provides the

best representation of local conditions and sets a realistic goal for future development. However, SCAG must recognize that cities with very low population growth over the past several decades are not capable of shouldering the housing crisis. The City's population has remained relatively stagnant and the population growth in the City is lower than the Los Angeles County growth rate. Of the three allocation methodologies, the City would recommend further consideration of Option 3 due to its ability to account for local estimated household growth. The City does not recommend the use of Options 1 or 2 due to the emphasis on total population and the lack of consideration for historic growth patterns. Historic growth patterns provide context background regarding each jurisdiction's local conditions and its ability to provide development opportunities. Failing to account for this factors leaves the analysis incomplete and violates the statutory requirement to consider local input from each City as part of the RHNA process. (Gov't Code, § 65584.04, subd. (b)(4).) The City urges SCAG to adopt an approach based on historic growth more broadly, instead of using generic regional growth factors or relying on the jurisdiction's share of regional population.

*Social Equity Multiplier*

The City recognizes the need for social equity to mitigate the overconcentration of income categories in certain areas. However, the 150 percent social equity multiplier is untenable. It applies a top-down approach to mandate additional housing at certain income levels in certain areas, with no recognition of legitimate constraints on local development opportunities. The proposed 150 percent multiplier is excessive, out of alignment with the housing market, and is not based on a statutory requirement. SCAG's analysis does not demonstrate why this method is appropriate, required, or how it would actually promote additional affordable housing. Market conditions – not zoning – are the main constraint on very low, low, and moderate-income housing in jurisdictions with higher average incomes and thus higher land values. Without significant State funding to subsidize development costs, there is little cities can do to overcome market preferences for market-rate housing. Imposing a social equity multiplier will not result in additional affordable housing units.

The City appreciates your consideration of these requests and looks forward to working collaboratively with SCAG to provide safe, affordable, livable housing for its residents. This goal can be achieved if SCAG works with local jurisdictions to assess and allocate the RHNA based on local conditions and historic development patterns. If you have any questions or comments please feel free to contact Margaret Lin, Manager of Long Range Planning and Economic Development at [MLin@SouthPasadenaCA.gov](mailto:MLin@SouthPasadenaCA.gov) or (626) 4403-7236.

Sincerely,



Stephanie DeWolfe  
South Pasadena City Manager

cc: South Pasadena City Council

