



September 11, 2019

Honorable Peggy Huang, Chair
Regional Housing Needs Assessment Subcommittee

Kome Ajise, Executive Director

Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, California 90017
SENT VIA EMAIL: housing@scag.ca.gov

Subject: Regional Housing Needs Assessment (RHNA) Methodology Options

Dear Honorable Chair Huang, Honorable Members of the Regional Housing Needs Assessment (RHNA) Subcommittee and Mr. Ajise;

Thank you for the opportunity to provide input on the proposed methodology for Regional Housing Needs Assessment (RHNA) Allocation. We believe that local input is the most important factor of the RHNA Allocation Formula. Our letter provides perspective and recommendations from our small local jurisdiction perspective.

The small City of La Palma comprises 1.8 square miles of suburban development in Northwestern Orange County and our land is completely developed. The State Housing and Community Development ('HCD') mandate to accommodate the HCD RHNA by rezoning property for high density residential use creates a devastating impact on the small City of La Palma; and

- Challenges the fiscal foundation of the City generated from the current mix of residential, commercial, industrial, retail, office/professional land uses,
- Requires the City to provide additional residential services without adequate revenue,
- Further reduces the already small amount of per capita recreational and open space, and
- Further escalates the City's jobs/housing imbalance by continuing to increase the La Palma residents who must travel outside the City for employment generating additional traffic and environmental impacts.

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We support and believe that it is absolutely imperative that local input be utilized in the development of the RHNA methodology. Each jurisdiction has its own unique characteristics and using a "one size fits all" approach to RHNA will have a devastating impact on the quality, character and future financial stability of each of these jurisdictions.

Smaller physical size cities must receive special consideration in RHNA methodology due to their limited physical size.

- Smaller physical size cities experience a much greater impact from RHNA allocations and have extremely limited space opportunities to accommodate mandated zoning.
- SCAG RHNA Methodology population based formulas of Options 1 and 2 ignore local input and take into consideration the "population size" of the jurisdiction. The RHNA Methodology should include a factor based on the "geographic size" of the jurisdiction versus the "population size" with additional consideration of how much of the city's "physical size" is already developed.

Upon incorporation, the Local Agency Formation Committee (LAFCO) requires cities to provide a fiscal analysis that confirms the City's ability to financially function and provide basic services for the constituency. The RHNA Methodology results will challenge the very framework of the City's foundation of compatible and interdependent zoning and land uses.

- The basic zoning land use components of the City form the financial framework for the City's fiscal strength. Additional changes to land use increasing residential land zoning will result in the reduction of employment and sales tax producing land uses that will challenge and decrease the City's overall fiscal stability.
- The primary land use within the City of La Palma is residential. The majority of La Palma land is already zoned and developed with residential uses which have resulted in extremely limited areas of non-residential land use that can provide employment or services for residents such as Retail, Commercial, Industrial, and Office Professional.
- Jobs/Housing Balance within the City has not yet been achieved. The majority of our work force leaves the City each day for employment elsewhere generating more traffic congestion and environmental impacts on the City.
- Existing park land and open space are limited for existing residents and strong concerns exist regarding increasing residents without the ability to increase open space and park land. La Palma residents have limited access to adequate park/open space due to the City's small physical size. The largest open space park area within the City is a walking path on leased land under the Power Line Right of Way and maintained by the City.
- A unique pattern of existing large non-property tax or sales tax generating institutional/educational land uses located on 118.78 acres or 13.2% of total land within the City. We have 3 elementary schools, 1 middle school and 1 high school operated by 3 different school districts. Sixty (60) acres or 6.7% of land within the City is dedicated to Flood Control Chanel/Utility zoning. The combination of these

institutional/educational and utility uses further limits opportunities for the City to balance zoning for jobs/housing and create additional local employment and open space for existing residents.

In conclusion, the small physical size of the City of La Palma necessitates our strong support for the primary use of local input and city physical size as the main components in establishing RHNA methodology.

Thank you for the opportunity to review and comment on the complex RHNA methodology and for your consideration of our comments.

Sincerely,

A handwritten signature in blue ink that reads "Laurie A. Murray". The signature is written in a cursive style with a large, looping initial "L".

Laurie A. Murray
City Manager
City of La Palma