September 12, 2019

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

Subject: **Proposed Regional Housing Needs Assessment (RHNA) Allocation Methodology**

Honorable Chair Huang and Honorable Subcommittee Members,

The City of El Monte (City) appreciates the opportunity to provide formal written comments to the Southern California Association of Governments (SCAG) on the Proposed Regional Housing Needs Assessment (RHNA) Allocation Methodology for the sixth RHNA Housing Cycle. While the City is in good faith and committed to doing its part in addressing the statewide housing crisis in compliance with applicable laws, the City is concerned about SCAG's proposed RHNA allocation methodology options.

In using the RHNA Proposed Methodology Estimate Tool provided by SCAG, the City was able generate a general estimate of the draft RHNA allocation under the three options outlined in the proposed RHNA methodology released by SCAG on August 1, 2019. Since then, SCAG received a regional determination of 1.3 million housing units. The City used this number to estimate the total RHNA under the three options, which are listed as follows:

- Option 1: 8,667
- Option 2: 8,990
- Option 3: 9,816

As shown above, Option 1 yielded the lowest RHNA number for the City, Option 3 provided the second lowest RHNA number, and Option 2 provided the highest RHNA number for the City. Option 1 would be favorable to the City in that it estimated the lowest RHNA Allocation. However, based on the 1.3 million regional determination by HCD, these numbers pose concern, as it quadruples the City's RHNA Allocation of 2,142 units for 2013 - 2021, which may not be feasible or realistic to construct during the eight year period of the 6th cycle (2021-2029).

The City understands that the proposed RHNA distribution methodology is based on population, proximity to transit, jobs-housing fit, and opportunity indices. However, it is unclear why the City of El Monte's estimated RHNA number is significantly higher than other surrounding jurisdictions, especially since the City of El Monte has been active in producing affordable residential units.

The City is committed to providing new housing for all income levels. Between 2013 and 2018, the City has produced 1,070 housing units of the total RHNA Allocation for 2013-2021. The City has taken steps to generate additional housing by updating the El Monte Municipal Code to encourage the development of accessory dwelling units and partnering with affordable housing developers.

In addition to the 1,070 units produced, the City is particularly proud to have worked with affordable housing developers and to be the home of 55 new apartments units for homeless and low income Veterans (Baldwin Rose Apartments, 4102-4156 Baldwin Ave). Additionally, the City recently entitled a project for the development of 53 affordable housing units for homeless Veterans and low income families near the City's Metrolink Station (Cesar Chavez Foundation, 3650 Center Avenue) and 51 affordable housing units at 3436 Tyler Avenue (Domus Development Company).

Furthermore, the City is processing a supportive housing development of 17 units at 2642 Tyler Avenue by LifeArk. LifeArk was awarded the Housing Innovation Challenge by Los Angeles County Homeless Initiative, which sought new ideas to accelerate the building of housing. LifeArk's award winning idea is to manufacture a building system using composite polymer molding technology, which would be assembled quickly to form dwelling unit suitable for most lots. LifeArk's partner, Illumination Foundation, would be providing social services to support homeless individuals transitioning into housing in their community and thrive. The goal would be to house homeless individuals and save time and money in the development process. The City is open to considering this type of alternative housing to assist in providing housing for those in need.

In considering SCAG'S calculation methods, the City feels that there are a number of challenges that the HCD and RHNA Allocation does not consider when calculating this number such as the availability of land and the rising cost of construction labor and materials. The City has also learned from the affordable housing developers that additional funding sources are necessary for the on-going social and mental health services that need to be provided in conjunction for those (Veterans, homeless and low income families) that are in need of affordable housing. Further, cities have become increasingly limited in resources and staffing, which was exacerbated with the elimination of the Redevelopment Agencies.

The City would like to request that SCAG takes into consideration RHNA Allocation Methodology that factors beyond the City's control (including but not limited to the City being built out, availability of land, and the rising cost of construction labor and materials) into consideration and not fault cities, like El Monte, that otherwise are making good faith effort and

progress in providing much needed housing. Also, please take into account the number of low to very low units that have been produced in the City of El Monte. In 2020, the City is estimated to have 1,356 units constructed, with 424 very low income units.

The City of El Monte appreciates your consideration of our comments provided in this letter. The City of El Monte shares SCAG's and the State of California's goals to address the complexities of the housing crisis. Should you need any additional clarification or questions, please contact Nancy Lee, Senior Planner at (626) 580-2096 or nlee@elmonteca.gov.

Sincerely,

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BD/nl

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