



# City of Rolling Hills

INCORPORATED JANUARY 24, 1957

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Honorable Peggy Huang, Chair  
Regional Housing Needs Assessment Subcommittee  
Southern California Association of Governments  
900 Wilshire Blvd, Suite No. 1700  
Los Angeles, CA 90017

SENT VIA EMAIL: [housing@scag.ca.gov](mailto:housing@scag.ca.gov)

SUBJECT: 6<sup>th</sup> Cycle Proposed RHNA Methodology

Dear Chair Huang,

The City of Rolling Hills appreciates the opportunity to provide written comments to the Southern California Association of Governments (SCAG) regarding the proposed RHNA allocation methodologies. The City is submitting comments in two parts. The first part is comprised of remarks on the regional housing unit needs and additional factors that should be further developed by the California Department of Housing and Community Development (HCD) and the second part is comprised of comments related to the RHNA allocation methodology.

## REGIONAL HOUSING UNIT NEEDS

The City recognizes that there is a housing shortage in the State of California and is in support of HCD and SCAG's planning efforts for more supply. While the City supports the development of housing throughout the region, the City also promotes housing that reflect the City's character and recognizes development constraints and hazards. It is important that the process encourages a model of development that helps cities solve an existing problem in a way that will not diminish the quality of life for existing residents and is realistically attainable by cities.

The recently released HCD determination of 1,134,740 total units needed for the six-county SCAG region is staggering. The City of Rolling Hills encourages SCAG to propose to HCD a regional determination of 430,000 housing units for the 6<sup>th</sup> RHNA Cycle. This number was developed and adopted for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). Any higher need determination would potentially produce housing without the transportation network to support it, produce unintended health and safety consequences and is contrary to fundamental land use planning principles. The projected regional housing units result in excessive allocation to local jurisdictions to plan for during the 6<sup>th</sup> RHNA cycle. It is unrealistic to solve the problem by inflating the projected unit needs and expect local municipalities alone to solve the problem. The issue requires a realistic projection, a consolidated effort between jurisdictions

collaborating on housing projects where units are needed and identifying State owned properties within the SCAG region to increase housing units. As an example, the properties purchased as a part of the 710-freeway extension project are vacant and languishing. According to the Daily Breeze, there are approximately 400 housing units that have been vacated for the aforementioned project. With the elimination of the freeway extension project, the State should be looking at State owned properties to add to the desperately needed housing supply. The projected housing units for the next planning cycle should take into consideration of the number of units the State is able to plan for and reduced from the overall number to be allocated to the local municipalities.

#### PROPOSED RHNA ALLOCATION METHODOLOGIES

The housing needs for the City of Rolling Hills resulting from any of the three options are not realistic based on HCD's projected needs for the SCAG region. Using any of the three options would result in an allocation to the City of Rolling Hills that is far above any previous allocation (by a factor of 14x for Option 1, 18x for Option 2 and 7x for Option 3 over the 5<sup>th</sup> cycle allocation); and are absolutely unattainable, given the City's size and availability of vacant land. Out of the approximately 28 vacant parcels in the City, 8 are in an area determined to be geotechnically hazardous, which could not support multifamily development. Several other parcels are landlocked, others are very steep and unsuitable for development, especially at higher than single family residential density. These parcels are not available for additional growth and could not be "counted" as sites towards RHNA. AB 1397 specifies that housing elements can only list land as potential sites to accommodate new housing if that land has a realistic capacity for housing development.

The City questions the accuracy of the statistical data used in determining the housing needs. The 2010 U.S. Census Bureau reports homeowner vacancy rate for Rolling Hills at 1.4% and the rental vacancy rate at 3.4%, whereas the data collected for the RHNA process shows a vacancy rate for the City as 12.6%. Combining this with the cost burdened households would indicate that there is a need for affordable housing, as there are units available to be occupied. On the contrary, the City's vacancy rate aligns more with the US Census statistics. There are many property owners in the City that reside elsewhere for much of the year and do not rent out their properties; these owner-occupied properties should not be considered vacant units.

Another factor used across board for all jurisdictions is the housing cost burden factor. The data collected for the RHNA for Rolling Hills shows that 37.8% of owner households pay 30% or more of their income for housing; and 20.8% of owners pay more than 50% of their income for housing. In a community where the median household income is \$210,000, the data used in the RHNA allocation is questionable and inaccurate. Based on the affordability of the community the cost burden factor would not apply. Not considering the unique profile and characteristics of Rolling Hills results in an unnecessary projected housing need.

SCAG should solicit local feedback on the source data and initiate corrections and or adjustments to have more accurate allocated housing unit numbers. The comment period should be extended. The time extension would allow municipalities to the ability to review the statistics and validate the source data used to calculate allocations for each of the proposed methodologies.

Moreover, the entire City of Rolling Hills is located in the Very High Fire Hazard Severity Zone, (VHFHSZ), as designated by CalFire. None of the proposed methodologies consider Senate Bill 182, which is currently pending in the State Legislature. SB182, if passes, would amend the RHNA process to require that consideration be given to jurisdictions where the sites identified as adequate for higher density developments, in order to meet its RHNA allocation, be allotted a lower proportion of housing units. The City of Rolling Hills strongly urge that the final RHNA allocation methodology include consideration of jurisdictions located in the VHFHSZ consistent with SB182 proposal.

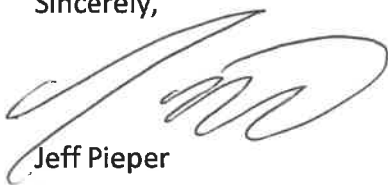
The RHNA methodologies should also include consideration of location of jobs. Adding residences near jobs reduces Vehicle Mile Travelled, (VMT) and greenhouse gas emissions, reduces cost of travel and creates much more reasonable and manageable commute. Planning for concentration of housing in job-rich areas reduces sprawl and supports state law and good planning and environmental policies. The City of Rolling Hills is a residential community with very minimal number of jobs consisting of City Hall and School District employees. The City does not have any other employment centers and there is no land available nor plans for an employment center. Placing housing in a job-poor community creates adverse impact to the environment.

There are jurisdictions that statistically cannot be grouped with larger urban cities for their allocation of housing units. Their profile is so different from the average California city that applying the same criteria or factors do not make any sense for those cities, and only lead to their failure to comply with the Housing Element law. The City of Rolling Hills is very concerned that none of the methodologies consider the unique characteristics of cities. Rolling Hills recommends that a separate methodology be developed for cities of 2,000 population or less.

In summary, the City recognizes the need to develop housing in all income categories in California and supports SCAG in its efforts to come up with a method to best address it. However, there are many factors in the process that were not considered and cause the allocations to be unrealistic and unattainable by many cities, and especially small cities. The City of Rolling Hills is looking to SCAG to strongly object to HCDs determination. The City also finds Option 3, the methodology that uses local input as the main factor in determining RHNA allocation, as a starting point to develop an alternate option that addresses data accuracy and considerations of additional factors identified above in the allocation.

If you have any comments regarding this comment letter, please contact Planning Director Yolanta Schwartz at [ys@cityofrh.net](mailto:ys@cityofrh.net) or at 310 377-1521.

Sincerely,



Jeff Pieper  
Mayor Pro Tem



Patrick Wilson  
Councilmember

cc: Rolling Hills City Council  
Elaine Jeng, P.E., City Manager  
Yolanta Schwartz, Planning Director