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October 23, 2020

RHNA Appeals Board
Southern California Association of Governments
900 Wishire Blvd., Ste. 1700
Los Angeles, CA 90017

Subject: Regional Housing Needs Assessment (RHNA) Appeal

Dear RHNA Appeals Board Members:

The City of San Dimas appreciates the opportunity to appeal the 1,245 RHNA housing units allocated to our City for the 6th Housing Element Update Cycle. The City of San Dimas understands and supports the need to construct additional housing within our State, but strongly believes that local input is imperative in generating a successful plan. We feel the RHNA methodology lacks certain considerations that would have a devastating impact not only on our jurisdiction, but the character of all jurisdictions within our region. The City of San Dimas is a built-out city and any new developments can only happen with the demolition of existing developed properties that mainly consist of commercial, office or industrial developments. Therefore, the demolition of these properties would create an imbalance between jobs and housing in our community. We recognize the challenge of establishing an equitable methodology to redistribute the 1.34 million housing units among 197 jurisdictions; however, the decision to cast aside the previous cooperative input and progress between Southern California Association of Governments (SCAG) and local jurisdictions is truly disappointing.

Local input ensures consistency between RHNA and the Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS) (also known as Connect SoCal) as required by Government Code Section 65584.04(m). As currently proposed, the draft RHNA methodology calculation would not be consistent with the development patterns proposed in the Connect SoCal Plan and its Program Environmental Impact Report (PEIR). For example, Connect SoCal projects approximately 200 households to be developed over the next 25 years in the City of San Dimas; however, the draft RHNA assigns 1,245 housing units within the next eight-year planning cycle (2021-2029). The City of San Dimas requests that SCAG amend the RHNA methodology to reinstate local input as a planning factor within the methodology calculation. 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. There are three areas the City is basing its appeal of our RHNA obligation:

1. Adopted Methodology;

2. Availability of land suitable for urban development or for conversion to residential use; and
3. Lands that are protected from urban development under existing federal or state programs.

We request that the RHNA Appeals Board reduce the City of San Dimas' RHNA allocation of 1,245 residential units. It is imperative that the RHNA be finalized in a way that is equitable and attainable by all communities in responding to the State's housing crisis.

The City recognizes and appreciates the time and effort provided by everyone on this important and complex issue and for your consideration of our appeal. Please let me know if you need any additional clarification or have any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "H. Noh", is written over a light blue circular stamp.

Henry K. Noh
Director of Community Development

Cc: City Council
Brad McKinney, Acting City Manager

**Revision Request
Sixth Cycle Regional Housing Needs Assessment**

**Submitted by: City of San Dimas
Contact: Henry Noh, Community Development Director
October 22, 2020**

To the RHNA Appeals Board:

As you may be aware, over the past several years the City of San Dimas has taken great interest in SCAG's preparation of the region's growth forecast and its relationship to the Regional Housing Needs Assessment (RHNA). The City appreciates SCAG's efforts in working with local jurisdictions and giving us the opportunity to comment on the Draft RHNA numbers and methodology.

Upon reviewing SCAG's Draft RHNA allocation, the City believes that there is a need for a reduction. This need is based upon 2 of the local planning factors outlined in Govt. Code 65584.04(e) and the fact that the current allocation is disproportional to the RHNA allocation that SCAG developed in 2014. While the City's request may seem to be insignificant when considering the magnitude of the RHNA allocation region wide, it is imperative for a small City such as San Dimas to ensure that its projected need is as accurate as possible as it has a direct relationship to the City's efforts in development. We also believe the trend in household growth, employment growth and building activity are overstated.

Item 1:

"Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029)

We feel that local input has been an important part of the SCAG's RHNA planning process. It allows us, as a city, to provide a real perspective of local housing opportunities and constraints at the city level. Each city is different and a one-size-fits-all RHNA allocation factor does not allow each city to identify areas that are difficult to develop and/or not is compatible for residential uses. Local input provides the backbone, linking the RHNA to the RTP/SCS by supporting the Sustainable Communities Strategy in identifying areas within the region sufficient to house and eight-year projection of the regional housing need.

We support the bottom-up approach SCAG previously used to derive local input over a 1 ½ year long process in which SCAG solicited input from all 197 local jurisdictions on population, housing, and employment for 2016-2045; parcel level General Plan uses; existing 2016 Land Uses; and Zoning; in addition to the extensive surveys collected on policies and best practices incorporated into local planning. By utilizing local input, Connect SoCal, integrates transportation and land use planning, which gives a better picture of each city's development capabilities.

The City of San Dimas submitted projected growth number to SCAG staff as part of the Connect SoCal process, in addition to the RHNA process. The selected RHNA methodology therefore should ensure that any number assigned to the city captures, at a minimum, the number of units our city identified through the local planning process.

After conducting our research and review of resources that were used or developed from SCAG, for example, the Pre-Certified Local Housing Data for San Dimas document. The information in the

document confirms trends that are decreasing in population and housing from 2015 to 2020. The table on Population Trend 2000-2020 showed that over this period, San Dimas had an annual growth rate of -0.2% compared to the 0.7% for the region.

The Local Housing Data document also shared estimates of Employment by Industry that was derived by the American Community Survey 2014-2018 5-year estimates. The document shared an employed number of 16,535 but did not share that the margin of error totaled approximately 3,484, which brings the employed number down to approximately 13,051, closer to the number that the City shared are part of our local input (see Attachment A). I've also attached a Labor Market Snapshot from the EDD of where we are at as of September 2020 (see Table 1)

Table 1:

State of California					Employment Development Department	
October 16, 2020					Labor Market Information Division	
March 2019 Benchmark					http://www.labormarketinfo.edd.ca.gov	
					(916) 262-2162	
Monthly Labor Force Data for Cities and Census Designated Places (CDP)						
September 2020 - Preliminary						
Data Not Seasonally Adjusted						
	Labor	Employ-	Unemployment		Census Ratios	
Area Name	Force	ment	Number	Rate	Emp	Unemp
Los Angeles County	4,942,400	4,196,300	746,100	15.1%	1.000000	1.000000
San Dimas city	16,800	14,800	2,000	12.1%	N/A	N/A

Another category that is low are our homelessness numbers that ranged from 0 to 11 during the last 5 years.

The California housing market will continue to recover very from high unemployment and a tough economic environment. The building activity in the City is very slow. After reviewing our permit records, we show activity from January 1, 2014 to December 31, 2019, with only 52 permits pulled for new building development in total (see Table 2).

Table 2:

<u>Year</u>	<u># New Built</u>
2014	3
2015	7
2016	18
2017	7
2018	2
2019	15

We wanted to share these statistics to show how important that the local input process is to our city. It's important to us that we let it known that there will be significant repercussions for us because the allocation distribution is not a achievable. An allocation approach that emphasizes the factors that are critical for our city and being able to achieve is what we are hopeful for.

Item 2.c:

“Availability of land suitable for urban development or for conversion to residential use.” Although there is some vacant land remaining in the City, a large portion of the land is constrained by existing geological unstable areas that are within the City's boundary, steep slopes that prohibit development and utility connections, and other public lands that would not permit residential developments since they serve to protect State and federally protected habitat. This area encompasses approximately 500 acres in the northern San Dimas Foothills. Further, steep slopes and valleys that contain “Blue Line Streams” as defined by the U.S. Army Corp of Engineers are prevalent throughout this area. Many private property lots adjoin the Angeles National Forest. The Northern Foothills area includes seven canyons and associated ridges. Wildlife currently travel north, east and south through the canyons and ridges. The area includes essential habitat linkages, five permanent water sources, water recharge, provides critical open space, a vital habitat for sensitive and endangered species, and a critical corridor buffer between the urban edge and the Angeles National Forest.

The topography and potential for landslides further limits the availability for additional development and housing. As such, these physical constraints to development limit the City's ability to provide the housing opportunities identified by SCAG.

The city was also provided a spreadsheet from SCAG staff requesting us to review and comment on the 200+ infill and vacant parcels that they saw as available for housing development (See Attachment B). After review of the parcels, just about 90% of these parcels were privately owned with primary homes located on the parcels. The other 10% were publicly owned by LA City Department of Water and Power; LA County Flood Control District (flood channel area); Park & Ride Parking Lot; and a couple of other parcels that were since sold for commercial development.

The land uses should be developable and usable areas. Many of the parcels that we reviewed from SCAG were unsuitable or unavailable for residential uses and should not be included in the area denominator.

Item 2.d:

“Lands protected from urban development under existing federal or state programs”

Most of the Northern Foothills areas in San Dimas are home to endangered, threatened and rare plant and animal species as outlined by the California Department of Fish and Game. These areas are also part of the SEA (Significant Ecological Area). These properties are the last significant undeveloped hillside parcels remaining in private hands. They include major sensitive species habitat for endangered plants and wildlife as well as critical watershed open space and view shed resources for the City. The City's ability to provide the housing opportunities identified by SCAG cannot be accomplished due to these limitations which are consistent the local planning factors outlined in the 6th RHNA Cycle Appeals Procedures.

In addition, during the RHNA planning period, our population growth rate is only expected to increase approximately 1% and our employment growth rate to increase approximately 6%. Our allocation numbers should reflect these figures and be revised to a much lower amount.

The City is requesting a revision to our allocations by taking a closer look at the City's growth trends (past and future). The City hopes that the Appeals Board will consider our request for review and reduce our allocation to show proportionality that reflects our historical, current and future needs.

We understand at this time, there are no penalties for a city not to reach its RHNA target. However, based upon the continuing housing crisis in the State and proposed legislation, we would expect that in the future, there may be legislation that would penalize a City for non-compliance. In lieu of this potentiality, we are requesting these revisions to our allocations. *(See attached Growth Map-Transportation Analysis Zones – Attachment C)*

In summary, the City believes that it is very important for SCAG to take into consideration the issues raised within this Appeal request. The City appreciates the opportunity to work with SCAG in addressing the RHNA allocations.