

# South Bay Cities Council of Governments

July 7, 2023

To: SBCCOG Steering Committee

From: Jacki Bacharach, Executive Director  
Jonathan Pacheco Bell, Senior Project Manager

Re: Summary of RHNA Reform Comments

## BACKGROUND

In 2022, the Southern California Association of Governments (SCAG) initiated a public call for comments on reforming the Regional Housing Needs Assessment (RHNA) process due to several stakeholder concerns. Public comments were sent to SCAG during the 6<sup>th</sup> cycle RHNA and SCAG staff conducted stakeholder outreach last summer to collect comments on reform. SCAG prepared draft recommendations for review by the Community, Economic, Human Development (CEHD) Committee for further approval by the Regional Council this summer. The approved recommendations will be included in a comment letter to the California Department of Housing and Community Development (HCD) on statewide RHNA reform.

Below is a high-level summary of comments on RHNA reform, including comments from the cities of Gardena, Rancho Palos Verdes, and Redondo Beach in the South Bay.

## SUMMARY OF RHNA REFORM COMMENTS

### **Regional Determination**

- One cycle is not enough to address growing housing needs.
- Regional determination process needs more transparency.
- Regional determination should include factors such as jobs, land availability, and market considerations.

### **Methodology**

- Improvements to the methodology are recommended including:
  - Consider that land is unavailable for development.
  - Provide clarity on what is a Disadvantaged Community.
  - Show stronger jobs/housing relationship.
  - Consider telework impacting housing needs.
  - Provide more time for jurisdictions to review the methodology.

### **Appeals**

- Limit appeals to jurisdictions appealing only *their* allocation, not other cities' allocations.
- Provide clarity on the components of a viable appeal.
- Appeals should have a chance and not be a perfunctory act.

## **Housing Elements**

- State should provide funding to build affordable housing to satisfy RHNA allocation and Housing Element implementation.
- More time is needed between release of final RHNA allocation and Housing Element adoption deadline.
- State Housing Element law does not factor in actual challenges of building affordable units.

Below summarizes comment letters from the cities of Gardena, Rancho Palos Verdes, and Redondo Beach in the South Bay.

### **Gardena**

- Gardena's RHNA allocation was 5,735 units – Very low income: 1,485, Low: 761, Moderate: 894, Above moderate: 2,595. In this built-out city, SCAG's methodology provided for a 27% increase in housing units in an 8-year period. Future methodologies need to be consistent with SCAG's projected growth to have credibility.
- RHNA allocation assigned to Gardena destroys the city's jobs/housing balance. The only way to accommodate the RHNA allocation is to place high density housing overlays over 195 acres of commercial and industrial uses, which reduces city jobs undercutting this jobs/housing balance.

### **Rancho Palos Verdes**

- RHNA allocation places an almost impossible burden on a community in a Very High Fire Severity Zone.
- Acting State Auditor's audit of the RHNA process found numerous errors by HCD causing over-estimates for RHNA that burden this community.

### **Redondo Beach**

- Methodology should have a local zoning factor to acknowledge jurisdictions that already up-zoned for more density. The current methodology pressures cities that have already up-zoned to increase density more than cities that have not taken such steps. For decades, Redondo Beach has up-zoned a majority of originally planned Single Family residential neighborhoods into Multiple Family zoned neighborhoods. This is unique in our SBCCOG subregion. RHNA needs to account for that.
- Methodology should recognize the existing population density of a jurisdiction. As a densely populated and built-out community, Redondo Beach has higher burdens on infrastructure, including roads, open space and parks, schools, sewer and drainage facilities, and other services. Without considering existing density, jurisdictions with higher population density can be disproportionately impacted.
- There needs to be more flexibility in what will be counted as housing to meet RHNA. For example, eligible sites from SB 9 lot splits cannot be counted toward RHNA, and assisted living is permanent housing not counted toward RHNA.
- An existing High Quality Transit Area that already has significant housing should be factored in to maintain balance between these and underdeveloped HQTAs.
- Jobs-to-Household Ratios should be considered when adding housing in a higher density city like Redondo Beach with a lower than average Jobs-to-Household Ratio like

Redondo Beach, which worsens the city's Jobs-to-Household Ratio and reduces developable areas for job producing land uses.

RECOMMENDATION

- Receive and file.