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, 2026

TO: Gubernatorial and Legislative Candidates

SUBJECT: Replacing RHNA

The South Bay Cities Council of Governments (SBCCOG) maintains a legislative agenda which we share with our state representatives quarterly. RHNA replacement legislation is at the top of our list for 2026. Replacement is necessary as the basic relationship between the state and the cities must be redefined in light of current conditions. RHNA establishes the framework for that relationship.

The supposed intention of the state's growth mandate is to create more affordable housing but in truth, it is a dismal failure and no one in office so far has had the courage to say that the emperor has no clothes and it's time to look for comprehensive solutions and not band aids or catering to special interests.

The current state mandates result in a neighborhood mini mall or parking lot being replaced by a 300 or 400 DU apartment building and this is unacceptable to the residents of communities like the South Bay. The public is not too dumb to understand that streets will become more congested and lines at the grocery store will get longer.

No evaluation is being made of water resources, outdated sewer lines or other infrastructure needs. Such evaluation and infrastructure improvements used to be a requirement for the developer of the property but now cities bear the responsibility to make sure that their infrastructure can accommodate these new dwelling units. And no matter what the evaluation, state mandates do not allow these critical issues to be considered. Do we have to wait for one of these to entirely break down before we realize that this is a recipe for disaster?

Maybe this would make sense if the results lead to more affordable housing but it is being realized in dribs and drabs through a density bonuses! 10 or 20 units in a 300 unit apartment building is little reward for changing a community with no plans for how the community will be impacted.

The RHNA is a good example of poor planning that is faith-based and divorced from facts on the ground:

- The rents will not be affordable except for those few below market DUs that the community pays for by even higher densities than would otherwise occur due to the density bonus provision of the RHNA program. Data shows, development cost of a dwelling unit in the South Bay was estimated to be over \$650,000 before the shocks from tariffs, labor deportation, and now disruption to the energy supply.

LOCAL GOVERNMENTS IN ACTION

Carson El Segundo Gardena Hawthorne Hermosa Beach Inglewood Lawndale Lomita
Manhattan Beach Palos Verdes Estates Rancho Palos Verdes Redondo Beach Rolling Hills
Rolling Hills Estates Torrance Los Angeles District #15 Los Angeles County

- Congestion will worsen. The stated remedy is that the new residents will use transit, walk and bike. The data show that this is not a realistic expectation. Using the LA Metro “Locus” data base, we know that the bicycle mode share in the South Bay is less than 1% and public transit mode share averages less than 3% across cities (transit peaks at around 7% in Inglewood). That means around 95% of those new residents will drive around mostly alone and in an internal combustion powered vehicle. These numbers are not a South Bay anomaly. Mode share is much lower than 10% in most areas of LA County which has more transit than most areas of the state.

We think that the gubernatorial and legislative elections are a good time to let people know that facts matter and the state has to find strategies that allow everyone to have a chance for housing that they can afford without destroying the wonderful communities that have been established throughout the state.

The basic idea of a large, centralized bureaucracy using an opaque black box of data and algorithms divorced from actual market data forecasting “need” for up to 10 years into the future is obviously inconsistent with the world of today being pounded by extreme weather, AI impacts on the job market, and an unpredictable economy.

Local jurisdictions today must be nimble and able to adapt. They must be responsible for directing their own future in this turbulent world. RHNA allocates housing construction minimums to every local jurisdiction in the state and defies good practice by failing to collect data on progress toward increased affordability and permitting no mid-term correction based on evaluation of policy performance.

The idea that the reason for unaffordability comes down to a single factor – the need for more supply – is preposterous. Housing markets are complex with rent levels having many causes, land value in particular. Land values increase when density increases undermining the prospect for apartment construction producing lower rents. Affordable housing is best built on affordable land.

The idea that housing affordability is by itself a crisis when products in every sector – food, energy, insurance, health care, medical insurance, home insurance, etc. – have become unaffordable to an increasing number of people is ludicrous. Yet all of that is predictable in a bar bell economy where a small percentage owns the vast majority of wealth and captures the largest percent of GNP growth. The economic crisis permeates the entire economic system which means it is a crisis of capitalism, not housing. In other words, the condition of unaffordability is nothing that we can just build our way out of.

RHNA and related state policies focus entirely on supply missing the point that affordability means that there is a gap between price and income. Income must be a part of any affordability strategy. Without it, increased construction will result in gentrification.

In closing, the SBCCOG’s legislative agenda for this election year will include a proposal for a new collaborative relationship between local and state jurisdictions. The outline of that proposal is that each sub-region (consisting of cities represented by a joint powers authority aka council of governments) and/or the County or metropolitan city will commit to authorizing a number of affordable dwelling units subject to: 1) with consideration to the demographics of California’s present and future population; 2) what it can afford to subsidize; 3) ability to manage within its carrying capacity; 4) a plan to address density with an effective mobility strategy; and 5) with a site consistent with the

principle of complete neighborhoods, essentially adding housing adjacent to dense clusters of essential destinations.

We understand that there is legislation to re-authorize and fund another round of REAP projects and we request that this funding be available for the growth feasibility analyses.

It is not helpful to demonize cities and their city councils who are elected by their communities to represent them. We want to partner with the state and look for solutions, not receive unrealistic mandates.

The state growth advocates use the term “NIMBY” to attack the legitimate concerns of locals seeking a collaborative role in housing construction. The County of Los Angeles voted to tax itself (Measure A, 2024) to create a fund to support housing affordability. The SBCCOG along with several other COGs in the County have formed or are forming housing trusts to invest the funds raised by the tax. While the term NIMBY should be retired as it is pejorative, those of us in LA County can hardly be characterized as opposing housing construction - we developed the funding and the organization to make it work.

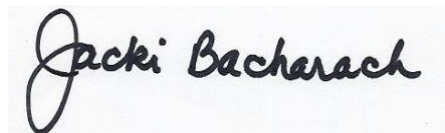
Our voters may not understand the complex policies that force them to adjust to a 400 DU apartment on their corner, but they will support a candidate with the courage to stop it and replace it with something like the rational process we are proposing. They want to participate through city hall, not a distant bureaucracy.

We are confident that there are grassroots organizations that will actively support a candidate taking on this issue.

We welcome the opportunity to have further discussions with you and your staff to describe our vision of a sustainable region, the basis for our South Bay Sustainability Strategy (SBSS). It matches complete neighborhoods with complete streets promoting the broad family of “micro-options” for local travel. The SBCCOG Board also has a formal policy of local land use control as a realistic strategy for meeting affordability and carbon reduction goals.

If you are interested in continuing this dialogue, we would welcome further discussion – possibly via zoom. We hope to hear from you.

Sincerely,

A handwritten signature in black ink that reads "Jacki Bacharach". The signature is written in a cursive, flowing style.

Executive Director
South Bay Cities Council of Governments