

# South Bay Cities: Restock Sustainable Pathways to Housing

SBCCOG Board Meeting Presentation  
May 2026

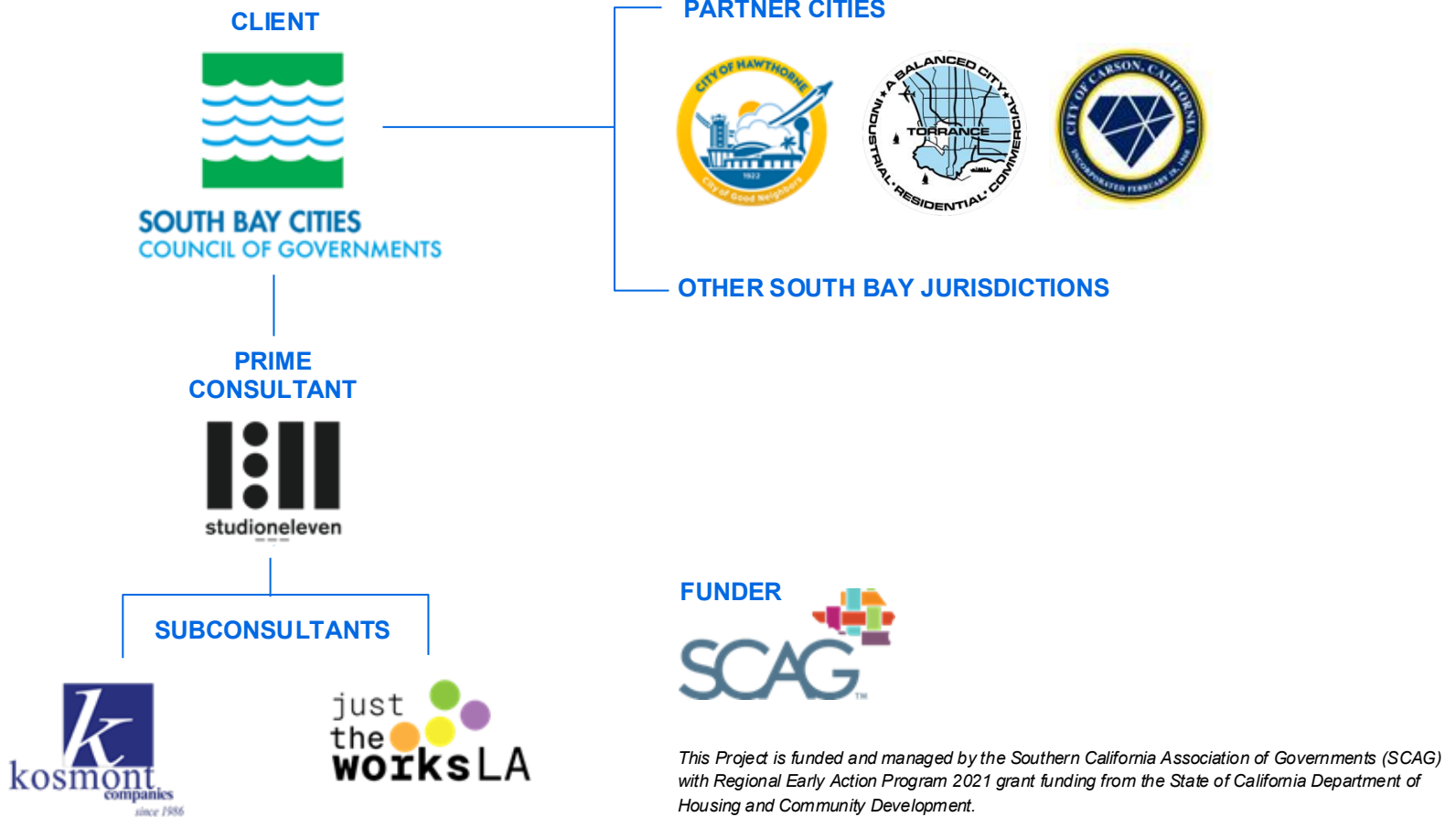


This Project is funded and managed by the Southern California Association of Governments (SCAG) with Regional Early Action Program 2021 grant funding from the State of California Department of Housing and Community Development.

Partner  
Cities:



# PROJECT TEAM



# PROJECT OVERVIEW

**PROVIDE**



A strategic roadmap for redevelopment of underutilized commercial sites to housing + an inventory of potential sites in the South Bay for future Housing Element Updates

**BUILD ON**



Insights from previous SBCCOG and SCAG REAP 1.0 studies for commercial to residential conversion in the South Bay

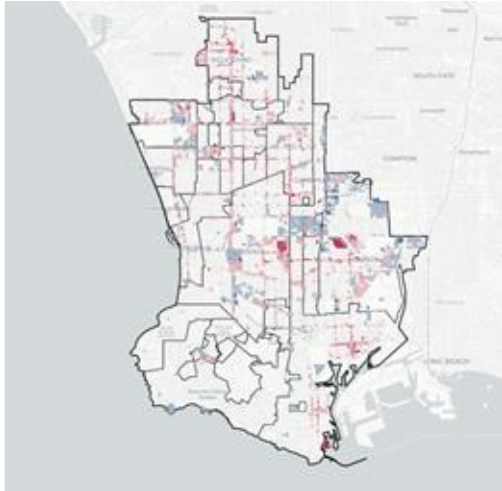
**ADVANCE**



Regional sustainability, housing production, and affordability goals

# STUDY COMPONENTS

## 1 SUB-REGIONAL SITES INVENTORY



## 2 SITE TESTFITS & PRO FORMA ANALYSIS



## 3 DEVELOPER INPUT & CASE STUDIES



# KEY STUDY TAKEAWAYS



## **Housing Redevelopment Follows Market Strength**

New housing is most likely to occur in areas with strong underlying market conditions



## **Some Commercial Site Types are More Attractive for Conversion**

A significant share of RHNA capacity can be accommodated on underutilized commercial sites – but certain site types are more consistently viable than others



## **Feasibility Depends on Housing Type and Parking, Not Just Density**

Successful housing projects depend on the right mix of building type, site conditions, and parking strategy— not just higher density



## **Quality of Place and Design can Expand Suitability & Feasibility**

Housing feasibility is strongly tied to market conditions – but quality of place and design can expand where it works



## **Affordable Housing Requires Public Intervention**

Affordable housing on commercial sites will require land strategies, subsidy, and public-private partnerships

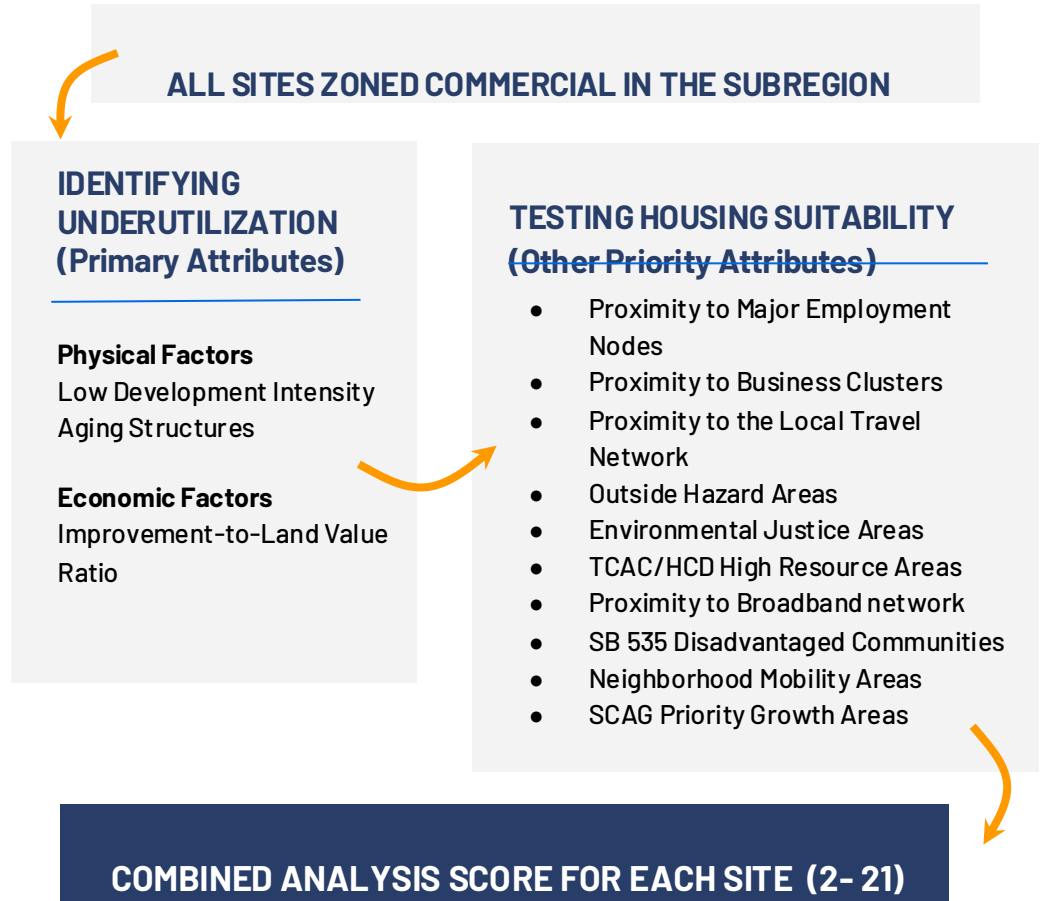


## **Regulatory Certainty and Process Shape Outcomes**

Regulatory certainty, process speed, and local capacity are critical to unlocking commercial site redevelopment

# 1 SITES INVENTORY TOOL

- Defining commercial underutilized properties:  
**Development intensity, and/or economic performance falls below defined thresholds**
- Testing for suitability for housing based on SBCCOG and regional sustainable housing priorities
- Weighted scoring methodology to prioritize key attributes
- Ground-truthing and hand-selected inventory of 80+ sites from sites scoring in the top quarter



# 1 SITES INVENTORY TOOL

SBCCOG Underutilized Properties Beta v6

About Sign out

## LAYERS

Selection V2

VS Analysis

This analysis identifies underutilized commercial sites across SBCCOG member cities that hold strong potential for infill housing development, in alignment with local zoning and market feasibility.

10,045 Total Sites



2 - 5

5 - 10

10 - 15

15 - 21

VS Palos Verdes Peninsula Analysis

This analysis identifies underutilized commercial sites in the Palos Verdes Peninsula.

526 Total Sites

## PARTNER CITY SITES

This layer shows the properties selected by partner cities for study

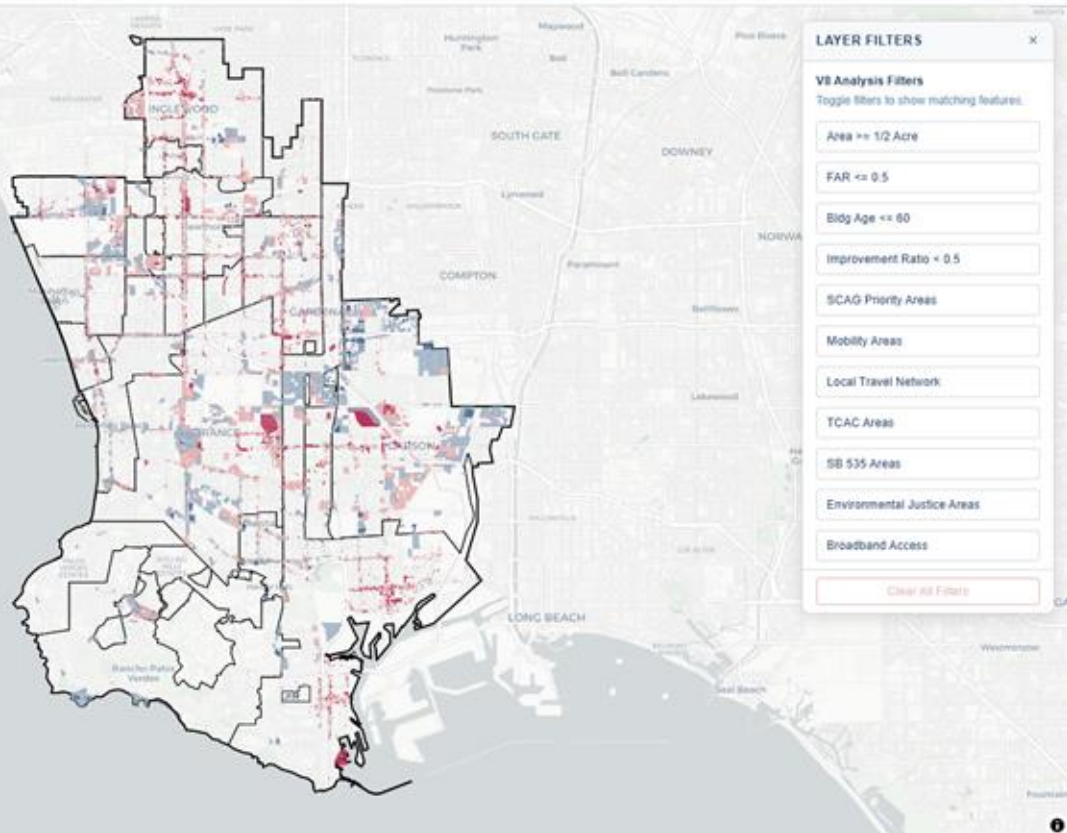
Partner City Sites

Partner City Sites

## HOUSING ELEMENT SITES

This layer sites identified in the Housing Element from partner cities

Housing Element Sites



## LAYER FILTERS

### VS Analysis Filters

Toggle filters to show matching features.

Area  $\geq$  1/2 Acre

FAR  $\leq$  0.5

Blgd Age  $\leq$  60

Improvement Ratio  $<$  0.5

SCAG Priority Areas

Mobility Areas

Local Travel Network

TCAC Areas

SB 535 Areas

Environmental Justice Areas

Broadband Access

Clear All Filters

# 2 SITE TESTFITS - SITES FROM INVENTORY

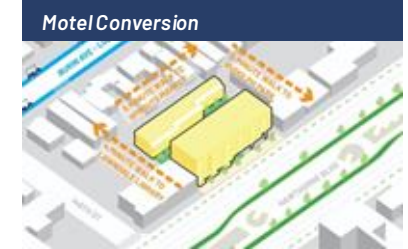
- 7 sites shortlisted from inventory
- A variety of commercial site types, sizes, and locations selected for study
- Each site tested with several housing types for feasibility of market-rate development:
  - Townhomes
  - 3 - 4 story flats with surface or tuck-under parking
  - 4 - 5 story flats with podium or garage parking
- Feasibility of inclusionary units tested against Residual Land Value



Inglewood



Gardena



Lawndale



El Segundo



Wilmington



Lomita



LA County

# 2 SITE TESTFITS - 6 ADDITIONAL SITES FROM PARTNER CITIES

Corridor Small Lot Redevelopment



Strip Center Redevelopment



Strip Center Neighborhood Infill



Mall Outparcel Redevelopment



Extra Large Surface Lot



Long, Shallow Corridor Site



Carson

Torrance

Hawthorne

## 2 EXAMPLE SITE- HAWTHORNE: BACKGROUND DATA

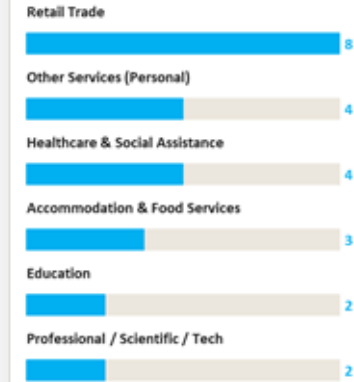
- Background and context data for each selected site including:
  - Existing networks and connections including proximity to transit and Local Travel Network
  - Existing businesses within 0.5 miles (5 minute walk)
  - Planning and Zoning requirements
  - Neighborhood character

### EXISTING CONTEXT



- Local Travel Network (existing)
- Business within 0.5 miles (existing)

### BUSINESS MIX



### PLANNING BACKGROUND

- Part of 6th Cycle Housing Element Inventory
- 30 du/ac (CM Zone)
- City Parking Req'd: 1 space for 0-1BR; 2 spaces for 2 - 3 BR
- Site is within a High Quality Transit Corridor

# 2 EXAMPLE SITE- HAWTHORNE: TYPOLOGY AND PROFORMA STUDIES

## For Sale: Likely Viable



### **Townhomes**

32 units | 20 du/ac

Average Unit Size: 1600 sft

#### **Affordability:**

For Sale: \$205K - \$225K per year

## Lease and Sale: Potentially Viable



### **3 - 4 Story Apartments**

62 units | 39 du/ac

Average Unit Size: 850 sft

#### **Affordability:**

For Rent: \$110K - \$168K per year

## Not Considered Viable



### **5 Story Apartments w/ Garage**

99 units | 62 du/ac

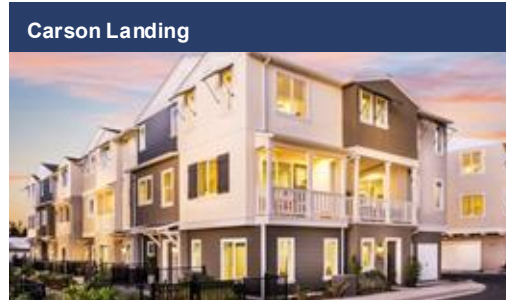
Average Unit Size: 850 sft

#### **Affordability:**

For Rent: \$110K - \$168K per year

# 3 DEVELOPER FEEDBACK & CASE STUDIES

- **Market:** Current conditions favor lower-to mid-density housing products (e.g., townhomes and walk-up apartments) in many locations.
- **Program:** Retail with multifamily housing above is difficult to pencil in lower-rent markets.
- **Parking:** Zero-parking for housing is not currently desirable in most South Bay contexts due to limited transit and continued car dependence.
- **Process:** Non-by-right approvals significantly discourage development, as uncertain timelines affect financing.
- **Design:** Walkability and proximity to amenities improve attractiveness of new housing development
- **Affordability:** Delivering affordable housing generally requires significant public subsidy.



Carson Landing

*Townhomes - \$400-500 PSF*



Airo South Bay

*\$3.42 / SF Avg Rent*



West Carson Villas

*Tax Credit Deal / 30-60% AMI*



Cocoon, Gardena

*\$4.89 / SF Avg Rent (All Studios)*



Gable House

*Under Construction \$5.00+ / SF Avg Rent Expected*

# RECOMMENDATIONS FROM CONSULTANT TEAM FOR SOUTH BAY CITIES



## Focus on high-opportunity sites within destination areas

Focus on where housing can reinforce existing destinations and support more walkable, mixed-use environments.



## Enable a range of housing types

Support mid-density and “missing middle” housing that align with local market conditions and can be delivered without triggering costly construction types.



## Rethink development and mobility together

Pilot mobility innovations appropriate for the South Bay that reduce expensive parking demand.



## Invest in quality of the place and urban design

Cities can support housing by investing in the public realm and reinforcing corridor identity and destination clusters.



## Use public tools to unlock affordable housing production

Leverage public land, funding, reduced fees, and partnerships to address feasibility gaps.



## Improve certainty and reduce risk

Streamlining approvals is essential and should be paired with reduced bureaucratic red tape.

# Discussion