From: Stephanie Palencia

Sent: Friday, July 5, 2019 11:54 AM

To: Regional Housing
Subject: Housing@scag.ca.gov

Dear Southern California Association of Governments,

I ask that the Southern California Association of Governments (SCAG) housing assessment for the Southern California region be determined to be 2.7 million or higher to reflect actual housing needs.

Due to increasing restrictions on housing development, the Los Angeles region now finds itself deep into a severe housing emergency. This housing crisis is causing a breakdown in Los Angeles' ability to function as displacement, homelessness, and traffic gridlock continue to worsen. The State Housing Element Law through the RHNA process is intended to ensure cities plan for sufficient housing to accommodate growth. SCAG's implementation of this law has failed to do so.

The lack of homes is at the heart of this housing affordability crisis. Los Angeles needs 516,946 units of additional affordable housing just to meet the needs of today's low-income renters. The current zoned capacity, however, of the City of Los Angeles would provide, at absolute maximum, only about 300,000 units of primarily market-rate housing.

Therefore, strong leadership and direction are needed to guide a clear path forward in the Southern California region for a rapid increase in housing. The RHNA process is the opportunity for our leaders to set housing goals that can be met through local planning processes and lead us out of this housing crisis. For these reasons, I ask that SCAG, the Department of Housing and Community Development (HCD), and policymakers at all levels of government support an appropriate and forward-thinking housing assessment of 2.7 million units for the SCAG region.

Below is the methodology that meets the expectations of the revision to the State Housing Element Law under SB 828, breaking with previously overly-conservative approaches:

SCAG already has a zoned capacity of over 1.1 million housing units (calculated by adding up numbers in cities' housing elements)

The projected need exclusively from population growth is roughly 430,000 units of housing. SB 828 requires consideration of the "percentage of households that are overcrowded and the overcrowding rate for a comparable housing market" and the "percentage of households that are cost burdened and the rate of housing cost burden for a healthy housing market."

The SCAG region currently has 6,073,761 households.

According to SCAG data (page 53 of this packet), we have an overcrowding rate of 9.8% compared to the national rate of 3.4%. A conservative approach would bring our overcrowding rate down to 3.4% by making space for 388,720 housing units. However, the correct goal should be to relieve our overcrowded and rent-burdened households by aiming to reduce overcrowding to 0% by planning for 595,228 housing units.

Of our regions' 2,889,288 renter households, 58% are rent-burdened compared to 38% nationally. We should aim to minimize the number of rent-burdened households to 0% by planning for 1,675,787 housing units.

The total regional need adds projected need, overcrowding, and cost burden to reach the following appropriate total: 430,000+595,000+1,676,000= 2.7 million units of housing.

In addition to this number, it is important to also consider how it will be allocated to cities. Increasing zoned capacity in locations with less demand will not help us address this housing emergency because it will not result in new housing construction. Additionally, the estimated need for zoned capacity must account for the fact that zoned capacity is not the same as actual housing units - much of it will not be built out. Therefore, increases to zoned capacity must be ambitious in order to realize the needed housing built.

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Stephanie Palencia

Gardena CA 90249