

SBCCOG Policy Recommendations on State Housing Legislation **April 13, 2020**

Principle

In addition to the housing crisis, climate and public health crises are also formidable challenges that require immediate policy responses. Any new development, especially housing, must be planned strategically to reduce GHG emissions from travel and build resilient neighborhoods. A single state-wide location policy -- housing adjacent to transit corridors or as added density in existing single-family neighborhoods allowed by-right-- may increase housing supply but will not address sustainability or resilience. Development must be context sensitive. Protecting the community against threats that include climate change and infectious diseases requires robust, state-supported planning expertise at the local and sub-regional levels

Recommendations

Based on that principle, the SBCCOG requests that the Legislature and the Governor adopt the following positions in relation to new housing legislation as well as existing housing policy:

1. Certify the South Bay's "Neighborhood Oriented Development Strategy" (NOD) as a legitimate alternative to "Transit Oriented Development (TOD)."
- NOD is the product of a 15 year research and demonstration program (funded incrementally by SCAG, SCAQMD, LA Metro, CEC, and Caltrans) and is the basis for the Land Use – Transportation chapter of the SBCCOG's Climate Action Plan (funded by the California Strategic Growth Council).
 - It will reconfigure commercial destinations into neighborhood centers while redeveloping commercial parcels into housing.
 - Our models show that the NOD strategy will reduce GHG emissions, criteria pollutants and congestion in the South Bay and add infrastructure that will help neighborhoods adapt to and recover from disruption.
 - Transit mode share is less than 3% in the South Bay so TOD will be an ineffective sustainability strategy even if transit trips doubled.
 - NOD implementation needs state certification as TOD currently dominates state policies across all departments.

LOCAL GOVERNMENTS IN ACTION

2. Integrate narrowly crafted housing policy with non-housing initiatives in order to achieve sustainable and resilient development.

- High volumes of affordable housing served by zero emission mobility systems require a package of mutually reinforcing policies and programs that do not specifically address housing.
 - For example, the housing “package” should include initiatives that support broadband network development and access, regional telework, the micro-commute, dispersal of jobs, micro-mobility, brownfield cleanup and more.
 - The ad hoc adaptations to the COVID-19 virus such as tele-medicine and distance education should be institutionalized as part of the housing policy package.
- Complex goals require multiple tools. Silos are the enemy of sustainability and resilience.

3. Mandate building a greater percentage of affordable housing on affordable land located outside of the metropolitan core in jurisdictions with vacant land.

- The reason often cited for not building on the periphery is the resulting “sprawl.”
 - Sprawl is an auto dependent development pattern with spatially separated residential tracts, retail malls and employment centers.
 - It is possible to plan and zone for compact, complete neighborhoods with high rates of walking and zero emission personal mobility outside the “core” – the opposite of sprawl.
 - In fact, the NOD strategy can be established in places with any amount of vacant land more easily than by retrofitting built-out places.
 - The long journey to work is one often cited component of the sprawl pattern, however the COVID 19 virus is demonstrating that physical access to job centers is an anachronism for many.
 - Policies that support regional telework initiatives and the “micro-commute” can facilitate housing outside the metro core without producing VMT.
- The land value inside the metro core requires large public subsidies in order to build affordable housing; density bonuses in exchange for below market units produce too little and give away too much.
- Affordable housing is most efficiently developed on affordable land, especially since there are affordable means for addressing the resulting access and mobility challenges.

4. Delay legislation that would over-ride local zoning and allow “by-right” development, especially in single family neighborhoods.
 - SB 902 improves on its predecessor proposal SB50, but “density by-right” lacks strong supportive empirical evidence.
 - Housing development will affect quality of life in a neighborhood for 100 years and must be carefully planned; the current proposals to increase supply lack the granularity necessary for successful implementation.
 - The SBCCOG requests the state pause the process pending completion of the following critical studies:
 - A. Evaluate the “density by-right” development strategy as a civic experiment and evaluate relevant data that will inform legislation. Confirm that it produces the desired housing volumes while avoiding the negative consequences feared by the current residents – from gentrification to congestion – in all contexts.
 - Policy should be based on science more than on politically negotiated provisions.
 - Evaluate the outcomes in other jurisdictions that have previously adopted “density by-right” development policies, e.g., City of Minneapolis, MN, State of Oregon.
 - Evaluate the impact of the California ADU ordinance, expanded on January 1, 2020 – which is a starter version of “density by-right” policy that over-rides single family zoning. It would be prudent to learn how it’s doing so far before proceeding with an even more invasive policy.
 - Going forward, any housing legislation should include funding for a representative sample of jurisdictions to collect data for HCD to evaluate success in terms of DUs added by size and price, quality of life metrics and contributions to sustainability and resilience.
 - B. Fund a pilot study of the “carrying capacity” in the South Bay sub-region as a step toward evaluating whether RHNA target calculations should include an assessment of what each sub-region needs to protect quality of life while absorbing growth.
- In order to meet housing targets, cities must be aware of which services and resources will require additional investment and which cannot feasibly be expanded.
 - Sewer condition and capacity, solid waste capacity, water supplies, school capacity, fire services, etc. should be assessed as part of the process of assigning targets.
 - For example, the original South Bay carrying capacity study (from 2003) led to one of our cities buying land to develop parks in order to address a deficiency.
- Residents opposing growth are typically labeled NIMBYs, yet some part of that opposition is based in the rational concern that the consequences of growth have not been thought out and appropriately mitigated.

- Assessing the carrying capacity of a jurisdiction may be one way to address those concerns and eventually retire the NIMBY label – and make RHNA more collaborative as a bonus.
- C. Evaluate the risk that density poses for viral infection in case of subsequent epidemics.
- A national conversation has begun about the risk of density to public health. Legislation should be informed by this discussion.
 - When more people inhabit or pass-through the same volume of space the probability of disease transmission grows.
 - Apartment lobbies, door handles, call buttons, hallways, and elevators as well as adjacent sidewalks and parks all increase risk of infection.
 - Public transit vehicles, stations and on-street stops are also potentially dangerous.
 - Before increasing density, especially in transit-oriented neighborhoods and single-family neighborhoods, the risk should be studied, quantified and used as the basis for housing policy.
- D. Delay housing legislation until the COVID-19 epidemic in California has been controlled and the extent of economic damage can be assessed.
- It is only sensible to delay major housing legislation until some level of clarity about the economic impacts and paths to recovery are known; unless there is strong evidence that the initiative will support sustainability and/or resilience.
 - Since the pandemic is far from controlled, it is impossible to forecast when parts of the economy will restart.
 - Based on previous recessions or depressions, it may take years for the labor market to fully recover and for jobs to return to previous levels.
 - The return of the virus in Asia with renewed isolating policies suggests that the California economy may not begin recovering until 2021.
 - Housing markets are in flux, many of the original assumptions underlying the “density by-right” legislation no longer hold.
 - For example, rental prices in Los Angeles have declined for the first time in 10 years. It’s too early to know the post-recovery impact on rents and vacancy rates, especially since housing demand follows jobs.
 - The financial strength of local jurisdictions may have declined to the point that additional housing could push some into bankruptcy. Housing – at almost any density – just doesn’t provide the revenue to support the services that housing requires.
 - It is simply prudent to proceed only once the economy has begun to stabilize.