

South Bay Cities Council of Governments June 2, 2020

Housing Policy Principles

The California Legislature has for several years been passing housing bills that, while different from each other, collectively are focused on the same outcome: Urbanizing the coastal suburbs by directing housing density to transit stops and station. Recently this emphasis on creating urban densities has expanded to include densifying by-right single-family neighborhoods. This is a simple strategy trying to address a complex problem. The strategy of the SBCCOG is to maintain the suburban life style while adding work force housing in a way that will be sustainable (with zero carbon mobility) and resilient.

The following are a set of “principles” for our cities, sister organizations and the League of California Cities to consider when commenting on legislative proposals.

I. SBCCOG Opposes:

1. The State policy should not over-ride local zoning ordinances and General Plans.

- Local authority over housing development is required in order to address the complex interaction between new housing and low carbon mobility.
- Local planning is essential to sustainable and resilient neighborhoods.
- By-right development removes the public interest from the decisions.
- No one policy applied statewide can be successful; one size does not fit all

2. The State should not adopt legislation that will add density to single family neighborhoods (R-1 up-zoning).

- There is no empirical evidence to support the underlying assumption that densifying single-family neighborhoods will reduce the average cost of housing and increase the supply of affordable housing in the sub-regions with the highest land values; reduce congestion as employees gain access to affordable housing and relocate closer to job centers, and by saving VMT will also reduce GHG emissions and criteria pollutants.
- Congestion reduction is one of the justifications for the policy, yet dense formerly single family neighborhoods are virtually all auto-dependent. Densifying them will add vehicles to the road and increase congestion.
- There are better locations than single family neighborhoods for adding workforce housing to suburban cities.
- COVID-19 has exacerbated the general public’s aversion to housing density and any other situation that will add to the risk of disease transmission.

3. The State should stop linking housing development solely to transit-adjacent locations – known as transit oriented development (TOD)

- Public transit ridership has been declining nationally, and in LA County in particular for over a decade.
- COVID-19 has devastated remaining transit ridership because it requires congregating in close quarters. It could take years to recover, if ever as we know it today.
- Authorizing housing density adjacent to a bus stop or rail station as if that will minimize car trips is an ineffective strategy. There are zero emission mobility alternatives.
- Also, the legislation is making the distance to the bus stop or rail station ½ mile which by any metric is not considered attractive for taking transit.

II. SBCCOG Requests that the State pause adopting new housing policy pending the following:

4. The State should evaluate recent densification by-right policies before proceeding with new ones.

- The state has already overridden local zoning in single-family with a by-right policy of Accessory Dwelling Units allowing up to 3 units on a lot and should evaluate its effects before proceeding further.
- The Office of Planning and Research should evaluate the impact on housing supply and price at various locations before stimulating additional housing, especially including an even more invasive policy for re-developing single family neighborhoods by-right

5. COVID-19 has changed everything: the way we live, work, shop, access services, etc. New housing policies should wait until the markets have stabilized once the recovery is underway.

- Jobs drive the demand for housing and we may find that the housing shortage is much less than estimated since many of the jobs may take decades to return. COVID-19 should stimulate a revised growth forecast in order to certify or amend the 3.5 million projected housing demand.
- Housing prices, the primary goal of density, are fluctuating, in part because of the furloughs but also because of increased telework. Many employers are committing to making telework permanent.

This is an example of ongoing rent declines: Business Insider reported June 1, 2020 that so far San Francisco rents have declined 10% and Mountain View 16%. Out-migration is underway.

6. The ability of local governments to absorb more costs should be evaluated before requiring more development.

- Municipal budgets have been hit hard to COVID-19; housing adds to the municipal costs since the associated revenues are less than the cost of delivering services. This cost burden should not be increased until municipal funding has stabilized – federal and state support for cities has not been established.

7. The State should study the carrying capacity of sub-regions targeted for increased housing density

- Built out sub-regions like the South Bay do not have unlimited resources. For example, a 2003 SBCCOG study of carrying capacity found a significant deficiency of parks in one of our cities which was addressed after the study. Sewers, solid waste, electric grid, etc. should be evaluated before requiring more growth.

III. SBCCOG recommends:

8. In order to develop workforce housing in suburbs, the State should adopt policies to redevelop under-achieving commercial retail and office parks along arterial strips, not densify single family neighborhoods

- Cities will need to cope with immediate vacancies from COVID-19 and worse in the long term as workplace and retail practices change.
- Single family neighborhoods are stable and should be left alone. Commercial areas are where the challenges and the opportunities will be found. Don't mess-up what's working.

9. The State should support local demonstrations of a new building form – the neighborhood center

- SBCCOG Research identified that dense clusters of destinations at the center of neighborhoods will encourage walking, cycling and local use vehicles.
- The State should develop policies supporting demonstration projects of neighborhood centers in built-out suburbs -- referred to as Neighborhood Oriented Development (NOD)

10. The State should develop housing in other areas like the Antelope Valley and build them as “complete neighborhoods” not sprawling housing tracts.

- Policy discussions rest on a false dichotomy – the only alternative to density is “sprawl.”
- COVID-19 adaptations have demonstrated the ability of digital technology to allow remote work, education, health care, government and retail.
- Jobs, services and housing can be developed outside of the coastal suburbs in a way that relies on zero emission mobility and will not cause congestion. Design guidelines will prevent sprawl.
- Affordable housing is most effectively built on affordable land and outside the coastal suburbs is where the least expensive land can be found

IV. Policy options outside of the housing silo can help reduce the impact of housing development on congestion and the environment.

11. The State should help the County Transportation Agencies, Metropolitan Planning Organizations, the sub-regional Workforce Investment Boards or a new organization operate a region-wide telework program.

- Institutionalizing telework requires regional leadership. There was formerly such an organization that facilitated ridesharing. Telework should be next.

12. The State should support sub-regional COGs leading the development of public fiber-optic networks to help local governments cut costs and deliver services to remote constituents.

- Early lessons learned from the home confinement are that connectivity and personal digital equipment were lacking, especially for distance education and telework
- Broadband networks are truly the streets and highways of the future, and essential to support telework, distance education, tele-medicine, e-government and other travel-saving activities.
- Costs of commercial high-speed data services and Internet access are beyond what many cities can afford.

13. Develop a Clean Vehicle Rebate Program (CVRP) for Zero Emission Local Use Vehicles (LUVs) (micro-mobility)

Micro-mobility and its reliance on local use vehicles is the key to making suburbs sustainable (carbon free). The California Air Resources Board provides subsidies only for full speed vehicles powered by Lithium-Ion batteries, thereby missing the opportunity to dramatically increase the number of EVs in use.

These principles are based on findings from the following:

SBCCOG's Research and Demonstration Program, begun in 2003 dealing with travel and land use:

- Core project was a 5 year study of the travel behavior of households living within ½ mile of 8 commercial centers;
- followed by Neighborhood Electric Vehicle Demonstration, Full speed Battery Electric Vehicle Demonstration, and simulation of the economic impacts of the land use strategy;
- followed by Board adoption of the Sustainable South Bay Strategy (SSBS),
- which became the basis for the land use and transportation chapters of the Climate Action Plans for the SBCCOG and cities –
- and now the SBCCOG is implementing strategies in the Climate Action Plan including the Local Travel Network and the South Bay Fiber Network

These comments on the direction of state housing policies are offered from the perspective of the SSBS.