

South Bay Cities Council of Governments

November 19, 2020

TO: SBCCOG Board of Directors

FROM: SBCCOG Steering Committee

SUBJECT: SBCCOG's proposals to SCAG for Regional Early Action Planning (REAP) Grant funding

Adherence to Strategic Plan:

Goal A: Environment, Transportation, and Economic Development. Facilitate, implement, and/or educate members and others about environmental, transportation, and economic development programs that benefit the South Bay.

Background

The REAP funds are intended to increase local planning to accelerate housing production to increase housing supply to meet the 6th cycle of RHNA.

The sub-regional COGs are the eligible recipients of the funds in order to provide technical assistance and capacity building to support local agencies. The REAP program will augment and complement funds awarded directly to local jurisdictions by SB 2 and the Local Early Action Program (LEAP).

Amount of Funding

Funding limits are based on the RHNA allocations and vary between sub-regions. While the final RHNA numbers have not been released, the SBCCOG will be eligible for over \$600,000. If the SBCCOG does not apply, those funds will be re-allocated to other sub-regions. It is a "use it or lose it" program. Applications are due by November 30, 2020.

Key Requirement

Projects proposed must have a clear relationship to housing policy that will support new construction. Changes in zoning code and incorporation into the Housing Element are examples.

Projects Under Consideration

SBCCOG staff has been working with the Community Development Directors to determine what types of projects would be most helpful to their cities and the subregion. The accompanying memo summarizes the scopes and the cities interested in participating.

An update on the progress of these proposals will be provided at the meeting.

RECOMMENDATION

Approve proceeding with the 4 projects for submittal to SCAG.

	Project/Activity Name	Estimated Cost	Phase 1 funding	Phase 2 funding
1	Commercial property analysis to promote housing	\$325,000	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2	ADU analysis focusing on trends & affordability to promote housing	\$ 75,000	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4	SB 330 compliance	\$ 38,000	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5	Education and outreach	\$ 50,000	<input type="checkbox"/>	<input checked="" type="checkbox"/>

\$112,000 unallocated at this time

1) Commercial property analysis to promote housing

Lead: SBCCOG, Wally Siembab and consultants

Participating cities: El Segundo, Hermosa Beach, Manhattan Beach, Redondo Beach

SBCCOG’s project will identify, working with participating cities, commercial properties – strip arterials, regional malls, office buildings, and industrial parks – that are strong candidates for redevelopment into housing.

This analysis will be conducted in cities that commit to considering the results as a guide to re-zoning, incorporating into new housing elements, or generally meeting RHNA targets.

The SBCCOG will work with SCAG staff, city staff, market analysts, commercial realtors and housing developers in order to present participating cities with target properties for redevelopment into housing in quantities that will meet their RHNA requirements. The methodology will be documented and shared with South Bay cities who are not participating in this REAP project, and with other sub-regional COGs and cities in the SCAG region. Sustainability issues will also be considered such as transportation.

2) ADU analysis focusing on trends & affordability to promote housing

Lead: SBCCOG, Wally Siembab & Jorge Gamboa (UCLA Capstone student)

Participating cities: El Segundo, Gardena, Gardena, Hawthorne, Hermosa Beach, Manhattan Beach, Redondo Beach, Rolling Hills

Assess ADU trends in participating cities to determine the extent to which RHNA targets will be met through ADUs. Cost of rentals? Affordable? Pre-approved plans or target outreach to homeowners would be eligible as well as supporting financing or other direct assistance. Also identifying the transportation behavior of ADU occupants to establish whether new infrastructure is needed to make ADUs more sustainable. Consider conducting water and sewer infrastructure studies to confirm and plan for growth.

SCAG and HCD will be able to offer some technical assistance but when is not known.

3) SB330 Compliance

Lead: Redondo Beach

Participating cities: Hawthorne, Hermosa Beach, Manhattan Beach

The provisions in SB 330 that protect existing rental units caused a chilling effect on development in several municipalities within the South Bay Cities Council of Governments region. Many obsolete and legal nonconforming properties, in terms of residential densities, are ripe for reinvestment/redevelopment, due to age and condition, but also to more modern development standards enabling newer housing configurations. Determination of protected status and a method for owners of limited means to waive their relocation benefits and right of first refusal would enable construction of new houses with accessory dwelling units as supplemental housing. A uniform reporting mechanism will help produce affordable housing units and prevent displacement of residents and households.

The deliverables and tasks for this activity are preparation of supplemental forms and legal review of documents. Together with the HCD Preliminary Application Form, the additional information will help document existing affordable dwelling units. By verifying the protected status of units, developers would be required to produce housing units of comparable size to those existing that provide affordable housing to low and very-low income households. Identifying units that house low and very-low income residents assists residents who are displaced to have adequate time to find alternative housing and facilitates community stability with the offer of comparable housing at an affordable rent. The expected outcome of the project is to assist in providing clear direction to developers who intend to remove existing, small housing units, but are uncertain of how to navigate SB330.

4) Education and Community Outreach

Co-Leads: Lomita & Hermosa Beach

Need outreach and education for community, elected officials and Planning Commissions for housing related legislation and housing element process and requirements that cities must meet. We understand that other subregions have proposed doing short videos. We would like to see those proposals to see if we can build on their work for the South Bay cities. Lower income areas would be targeted.