

September 7, 2023

**RE: City of Long Beach's Priorities for RHNA Reform**

Dear Regional Council Members:

On behalf of the City of Long Beach, I want to thank you for your efforts to gather feedback about the Regional Housing Needs Allocation (RHNA) process and potential areas for improvement. Long Beach is proud of our efforts to attract and encourage housing development throughout the city, and we appreciate the opportunity to share our priorities for RHNA reform.

Long Beach was the first large jurisdiction in the SCAG region to have its 6<sup>th</sup> Cycle Housing Element Update certified by the California Department of Housing and Community Development (HCD), in April 2022. We developed a roadmap for accommodating projected housing demand, increasing housing production, improving housing affordability, preserving existing affordable housing, improving housing conditions and tenant protections, and facilitating development of housing for all income levels. The Housing Element further introduced new strategies to address documented fair housing disparities in Long Beach. For these efforts, the City received the Comprehensive Plan (Large Jurisdiction) Award of Excellence from the American Planning Association, Los Angeles.

The City was also recently recognized by the State as a local government agency that is committed to policies and practices that remove barriers to housing production, receiving the Prohousing Designation from HCD in July 2023. This recognition illustrates that our City is taking on the challenge of increasing housing production, especially affordable housing. Long Beach has supported the development of 530 new interim housing units since 2020 and nearly 600 new affordable housing units over the past five years, with another 760 affordable units in the development pipeline. The City also adopted inclusionary zoning and tenant assistance policies to further support housing stability.

Despite these accomplishments, Long Beach and many other jurisdictions have faced significant challenges to meet RHNA objectives, and we appreciate SCAG's efforts to identify opportunities to improve the RHNA process. The City would like to emphasize two areas for RHNA reform, in particular:

- **Trade and Transfer Options:** SCAG's proposed recommendations for RHNA reform include the potential to reinstate a trade and transfer of RHNA units between jurisdictions with limitations so that it also furthers State housing objectives, such as affirmatively furthering fair housing. Cities in the Gateway Cities region have expressed an interest in allowing for this option as well.
  - Long Beach is not supportive of this recommendation, except in limited circumstances. Trading typically disadvantages larger cities that are already producing more than their share of housing in the region and working to prevent and address homelessness. In the previous RHNA cycle, one in every two affordable units built in the Gateway Cities region was built in Long Beach, while our City represents only one-quarter of the region's population. Within limits, trading could benefit the region, if it allows more jurisdictions to meet their affordable housing development requirements. It is critical that any trade and transfer of units does not decrease the overall production in a specific geographic area, otherwise this process would simply undermine the regional methodology through other means.



- **Distribution Methodology:** SCAG’s proposal also includes a recommendation to consider different distribution methodologies, assumptions, and factors, including assignment of housing need to individual jurisdictions instead of a single formula, other definitions for job access, adjustments for disadvantaged communities, and more.
  - Long Beach appreciates SCAG’s efforts to account for a myriad of factors in the previous regional distribution methodology, such as proximity to transit and jobs. We encourage SCAG to further consider evaluation of past production levels, rewarding jurisdictions that have previously overproduced and holding jurisdictions that have historically underproduced accountable to RHNA requirements. Moreover, Long Beach recommends a stronger equity adjustment that places more affordable housing units in high-income cities, in an effort to expand affordability across the region.

Thank you for the opportunity to provide Long Beach’s perspective on potential ways to reform the RHNA process to expand housing production throughout the SCAG region.

Sincerely,



THOMAS B. MODICA  
City Manager

