

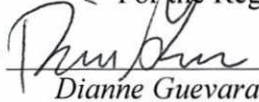
# City of South Gate

## PLANNING COMMISSION

# AGENDA BILL

For the Regular Meeting of: August 4, 2020

Management Analyst:

  
Dianne Guevara

Community Development Director:

  
Joe Perez

### SUBJECT: PRESENTATION ON LOCAL HOUSING POLICY

**PURPOSE:** To present the Planning Commission with an informational report on local housing policy. This item was added to the agenda at the request of Vice Chairperson Inzunza.

**RECOMMENDED ACTION:** Receive and file.

**ANALYSIS:** Increasing the housing inventory is a priority of California, Los Angeles County and the City, particularly as it pertains to the supply of affordable housing, as housing costs for South Gate households continue to escalate. Some local housing challenges that affect the City in increasing housing inventory include having different housing needs that are emerging, an increase demand for rental housing, and an increase in housing prices/lease rates that are out of reach for residents. Renters are particularly impacted, as approximately two out of every three South Gate renters are paying more than 30 percent of their income on housing, and rents continue to escalate at a pace of over five percent since last year. Rent control (enacted by AB 1482) will not have a material effect on reducing rents for South Gate residents.

Coupled with these local issues are the current and anticipated fair share allocation of housing production from the RHNA (Regional Housing Needs Assessment), through which the State will require thousands of new units to be built in the city. The California Department of Housing and Community Development (HCD) is still in the process of determining what the City of South Gate's next ("6th Round") fair share allocation from the Regional Housing Needs Assessment for the 8 year period beginning in 2021, the preliminary figures suggest South Gate may expect to see the need to produce 8,263 housing units, of which 2,130 (26 percent) would need to be affordable to very low income households (earning less than 50 percent of the County median income) with an almost equal amount of additional affordable units for low and moderate income households.

Since it is likely that market conditions may result in most of the new units to be listed at rents well above levels of affordability, the City is considering taking proactive actions to ensure that South Gate residents are not facing gentrification as a result of these challenges. New housing is anticipated in infill locations within South Gate, particularly in specific plan and transit-oriented development locations where residents may be less car-dependent with the development of the West Santa Ana Branch light rail line. To compliment these initiatives, the City will be considering an inclusionary housing ordinance that would require that a percentage of new housing built in South Gate is restricted for low- and moderate-income households.

A presentation will be made to provide the Planning Commission with an overview of housing policies in the City.