



**SOUTH PASADENA  
TENANTS UNION**

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March 9, 2021

South Pasadena Planning Commission

Public Comment Regarding Agenda No. 1, Recommendation to City Council to Adopt an Inclusionary Housing Ordinance

The South Pasadena Tenants Union (SPTU) supported the Planning Department's inclusionary housing ordinance introduced at the January 26, 2021 meeting of the Planning Commission. Since then, we have been building support in the community for its key provisions: 1) a robust 20% set aside for affordable units in larger developments, and 2) the requirement that all but the smallest projects must develop on-site units rather than pay in-lieu-of fees. (*See Public Comment to City Council, March 3, 2021*).

**The Planning Department revised the draft ordinance in ways that will undermine its efficacy in affordable housing production.**

First, in terms of satisfying the 20% affordability set aside, the revised ordinance excludes any bonus units added pursuant to state law. The previous draft read, "All residential developments subject to this division shall include a minimum number of the required inclusionary units, calculated based on the total number of market rate units, *including* units allowed through a density bonus." The exclusion of bonus density units in calculating the number of affordable units required means that **the real set aside for affordable units will be less than 20%** anytime developers pursue a density increase under state or local law.

**This revision to the IHO will create a major shortfall in the development of affordable housing throughout the city of South Pasadena.** Given the city's RHNA allocation of 1,151 affordable units and its claim that it lacks space in which to build them, **every unit counts**. The City of Pasadena – which the Planning Memo holds up as an example of a successful inclusionary housing ordinance with a 20% affordability set aside – requires 20% of *all* units developed, including density bonus units, to be affordable.

Second, the revised ordinance provides that inclusionary units that are for sale will "be provided at the moderate income level." The ordinance allows rental of for-sale inclusionary housing units. Taken together, these provisions **create a loophole wherein developers will rent "for-sale" inclusionary housing units to moderate income individuals**.

South Pasadena does not have a deficit in rental housing stock that is affordable to moderate income individuals. It has a major deficit in housing affordable to Lower, Very Low and Extremely Low Income households. The loophole works at cross purposes with the ordinance's goal of shoring up production of deeply affordable housing.

South Pasadenans support inclusionary housing. The South Pasadena Tenants Union has put its weight behind the ordinance, not because we liked everything about the first draft, (*see* SPTU January 26, 2021 comment to Planning Commission), but because we are willing to compromise in favor of a 20% affordability set aside that will produce deeply affordable units to low-income residents. For the reasons outlined above, **the revised draft does not have SPTU's support.**

We demand the Planning Commissioners revise the ordinance to:

- 1) Require 20% of all units, including any bonus density units, to be affordable; and
- 2) Require all inclusionary housing units offered for rent—whether for-sale or not—be offered at Lower, Very Low or Extremely Low Income level.

Thank you for your consideration.

Anne Bagasao  
Ella Hushagen  
John Srebalus  
Helen Tran

March 3, 2021

General Public Comment, Open Session

We heartily applaud South Pasadena's Planning Department for proposing an inclusionary zoning ordinance. We are asking the Councilmembers to endorse key components of the draft ordinance, and instruct the Planning Commission to move swiftly to finalize its recommendation.

The Planning Department's ordinance will maximize affordable housing development in the city. New housing developments with more than 10 units will be required to include between 15% to 20% affordable units, and developments with more than 25 units will have to build 20% affordable units. These robust requirements for affordable development are on par with what the city of Pasadena requires. Pasadena has observed no disincentive to development since strengthening its inclusionary zoning ordinance.<sup>1</sup>

We support the Planning Department's decision to allow developments with three or fewer units to pay in-lieu of fees rather than develop affordable units. This provision will optimize South Pasadena's development of affordable housing by not taking smaller developments with four or more units off the table. In-lieu of fees are generally ineffective. Small cities face special challenges in collecting and leveraging such fees to develop affordable housing.

It is imperative for South Pasadena to adopt an aggressive ordinance, and quickly. First, and most critically, your constituents in South Pasadena support development of affordable housing. The pandemic has illustrated the grave public health crisis caused by a lack of affordable housing in our broader community: people forced to crowd into apartments and houses to make the rent are infected with and die from COVID-19 at significantly higher rates than people who do not live in overcrowded housing.<sup>2</sup> COVID-19 deaths in our greater Los Angeles County are disproportionately impacting Black and Latinx households—increasing by 1000% from November to January—due largely to overcrowded housing and the lack of affordable housing which increases the spread of the virus.<sup>3</sup> This is neither the first nor last public health crisis we will face. The city's moral responsibility to build affordable housing has never been more stark.

Second, the city has fallen far behind in the production of affordable housing. ***In six years, from 2013-2019, the city produced merely 10 affordable units*** out of 93 total units. The city has approved a number of developments in the heart of downtown that contain zero affordable units, like Mission Bell and Seven Patios. The ordinance is designed to make up ground on this disappointing record.

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<sup>1</sup> PASADENA NOW, January 25, 2021, "Developers Not Discouraged by Inclusionary Housing Ordinance Amendment." Available online at <https://www.pasadenanow.com/main/developers-not-discouraged-by-inclusionary-housing-ordinance-amendment/>

<sup>2</sup> Mejia, Brittany, LOS ANGELES TIMES, January 29, 2021, "When coronavirus invaded their small apartment, children desperately tried to protect dad." Available online at <https://www.latimes.com/california/story/2021-01-29/how-overcrowded-housing-led-to-covid-death-la-family>

<sup>3</sup> Lin, Rong-Gong & Money, Luke, LOS ANGELES TIMES, January 30, 2021, "Latino COVID-19 deaths hit 'horrifying' levels, up 1,000% since November in L.A. County." Available online at <https://www.latimes.com/california/story/2021-01-29/la-latino-covid-19-deaths-up-1000-percent-since-november>

Finally, South Pasadena appealed its RHNA allocation on the basis that the city is built out and no room remains for new construction. The appeal was unsuccessful; the city would be prudent to operate as though the RHNA allocation will stand. If space is a precious commodity, South Pasadena must optimize remaining sites to develop 1,151 affordable units required by state law.

At the Planning Commission meeting, a number of the commissioners expressed concern that the ordinance seemed rushed. It is not. Inclusionary zoning has been on the city's agenda since 2018. There have been multiple stakeholder meetings about it. The commissioners have previously lamented their inability to require developers to build affordable units without an inclusionary zoning ordinance.

We agree with Commissioner Padilla, who appealed to her colleagues that, "speaking from [her] heart," the inclusionary zoning ordinance is the most critical work the Planning Commission has before it. Commissioner Padilla urged her colleagues to be bold. She cast doubt on fears that the ordinance will deter developers from building in South Pasadena. After all, South Pasadena has the trifecta of outstanding schools, metro access, and walkable streets.

We ask the Council to direct the Planning Commission to recommend the Planning Department's inclusionary zoning ordinance at its next upcoming meeting, and send it to the City Council for first reading by **March 17, 2021**.

Signed,

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|---------------------------|--------------------------|
| 1. Sean Abajian           | 24. Stephanie Ehrlich    |
| 2. Alexander Aquino       | 25. Betty Emirharian     |
| 3. Ahilan Arulanantham    | 26. Sarah Erlich         |
| 4. Kiera Atkinson         | 27. Margaret Farrand     |
| 5. Anne Bagasao           | 28. Tzung-lin Fu         |
| 6. Kerrie Barbato         | 29. Will Hoadley-Brill   |
| 7. Matthew Barbato        | 30. Laboni Hoq           |
| 8. Chris Becker           | 31. Che Hurley           |
| 9. Robin Becker           | 32. Ella Hushagen        |
| 10. Sierra Betinis        | 33. Phung Huynh          |
| 11. Katrina Bleckley      | 34. Amy Davis Jones      |
| 12. Felicie Borredon      | 35. Mariana Huerta Jones |
| 13. Laurent Borredon      | 36. Amber Jaeger         |
| 14. Anny Celsi            | 37. Sam Jaeger           |
| 15. Amber Chen            | 38. Cassandra Kaldor     |
| 16. Janna Conner-Niclaes  | 39. William Kelly        |
| 17. Frederick Eberhardt   | 40. Afshin Ketabi        |
| 18. Jonathan M. Eisenberg | 41. Caroline Kimbel      |
| 19. Barbara Eisenstein    | 42. Kristen Kuhlman      |
| 20. Richard Elbaum        | 43. Caitlin Lainoff      |
| 21. Owen Ellickson        | 44. Alexandria Levitt    |
| 22. Alan Ehrlich          | 45. Jacinta Linke        |
| 23. Justin Ehrlich        | 46. Tony Lockhart        |

47. Sofia Lopez
48. Tiana Lopez
49. Elena Mann
50. Ian Marshall
51. Jan Marshall
52. Richard Marshall
53. Robin Meyer
54. Abby McCrate
55. Jenny Munninopas
56. Adam Murray
57. Ayaka Nakaji
58. Raf Niclaes
59. Joanne Nuckols
60. Carla Obert
61. Gayle Oswald
62. John Oswald
63. Victoria Patterson
64. Noah Perez-Silverman
65. Sarah Perez-Silverman
66. Myron Dean Quon

67. Alexandra Ramirez
68. Minoli Ratnatunga
69. Courtney Rojas
70. Allie Schreiner
71. Barrett Schreiner
72. Andrea Seigel
73. Delaine Shane
74. Alexandra Shannon
75. Sean Singleton
76. Allison Smith
77. Christopher Smith
78. John Srebalus
79. Levi Srebalus
80. Kathleen Telser
81. Andrew Terhune
82. Casssandra Terhune
83. Amy Turk
84. Helen Tran
85. Roya Yasharpour
86. Jean Yu



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## Attachment 2

January 26, 2021

South Pasadena Planning Commission Special Meeting  
Public Comment Regarding Agenda No. 3

We heartily applaud South Pasadena's Planning Department for proposing an inclusionary zoning ordinance. It will undoubtedly make a big impact in the development of affordable housing in the city.

The South Pasadena Tenants Union proposes a number of amendments to the draft ordinance to increase its impact.

1) **Preserve affordability into the future.** The ordinance requires affordable units to be deed-restricted as affordable for 55 years. South Pasadena appealed its RHNA allocation to SCAG in part because the city is already built out, and there is no space for large new developments. If that is so, how will South Pasadena address affordable housing requirements in 55 years as deed restrictions on units expire?

There is no basis to believe that California's affordable housing crisis will be any less acute in 55 years. During the coming 55 years, climate change is all but certain to place a higher premium on housing as coastal erosion, fires and excessive inland temperatures drive people from their homes.

Allowing affordability restrictions to sunset is just kicking the can down the road. We recommend that South Pasadena require deed restriction on affordable units into perpetuity, as Pasadena did in its inclusionary zoning ordinance—with no significant deterrent effect on new development in Pasadena.

2) **Strengthen requirements for off-site affordable units.**

(a) We are concerned about the possibility that developers will opt for off-site development of affordable units, but delay development of those units for years without consequence. We urge Planning to add language to the ordinance that requires the off-site affordable units to obtain certificate of occupancy before the city will issue the certificate of occupancy for the principal site. For example, the Los Angeles County inclusionary zoning ordinance provides, "where affordable housing set-aside units are provided off-site...such units shall obtain a certificate of occupancy from the [Department] prior to the issuance of the final certificate of occupancy for the principal project."

(b) The ordinance should contain a provision preventing the off-site units for one development to count for the inclusionary zoning requirements at the off-site building. In short, there are no two-for-one deals on developing affordable units. All developments must separately satisfy the ordinance's requirements.

(c) The city should consider how to use in lieu of agreements with developers to rehabilitate vacant CalTrans houses as affordable rental housing.

3) **Provide for implementation and monitoring.** The staff memorandum says, "South Pasadena does not currently administer an affordable housing production program, and introducing a program would require an intensive investment of resources." We are concerned that if the city does not allocate any resources to implement and monitor compliance with the ordinance—either using city staff or a contract with an area non-profit organization—the ordinance will be ineffective. Without enforcement, affordable units may sit empty or be filled by tenants who are not income-qualified.

4) **Require developers to include some extremely low-income units.** The staff memorandum recognizes that developers, left to their devices, will primarily develop units for low-income and very low-income renters, and will not develop units for extremely low-income tenants. The memo suggests the city will work with affordable housing developers for 100% affordable developments to remedy this. But, given space constraints and the city's challenges in offering attractive financial incentives to affordable housing developers, the city should embrace alternatives to encourage development of units affordable to extremely low-income tenants.

Los Angeles County's ordinance achieves this by requiring a set aside at an average affordability of 40% Average Median Income. The city could alternatively extend the existing requirement for larger developments with 51 or more units (*i.e.*, 10% low-income and 10% extremely or very low income) to mid-size developments with 26-50 units.

5) **Ensure fair housing.** The ordinance requires that off-site affordable units be within 1500' of the primary development in a 'comparable neighborhood' as determined by the Planning Commission. This is a good way to prevent developers from perpetuating segregation by income and race in our community. The ordinance should ask the Planning Commission to consider, when determining whether affordable units are in a comparable neighborhood, to take into account the city's affirmative obligation to further fair housing.

6) **Maintain existing affordable units.** The ordinance should include a 1:1 replacement requirement, so that if a development demolishes any existing affordable housing, those units will be replaced. If no such requirement exists, a development could demolish 10 affordable units, build a new 10-unit project with two affordable units, and we would have a net loss of eight affordable units.

Thank you for your consideration.

Anne Bagasao  
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