

To: Mayor Himmelrich and Santa Monica City Council

From: NOMA

Re: Agenda item 4-A, Study Session on the Housing Element Update, Dec. 15, 2020

Dear Mayor Himmelrich and City Council,

NOMA joins with Northeast Neighbors and the Friends of Sunset Park.

Santa Monica has done an exemplary job among coastal cities in our region of providing affordable housing and we must continue to plan for affordability for our existing and future residents.

However, the RHNA allocation will not serve our City well in this continued effort.

As we study the Housing Element and the requirement from the State HCD and SCAG to plan for more than 8800 new housing units, we need to address questions that have been raised about the underlying methodology used by HCD and SCAG in the RHNA housing allocation mandates.

The state's approach to determining housing needs must be defensible and reproducible if cities are to be held accountable. The problem is that there is evidence that HCD generated RHNA housing numbers using an incorrect vacancy rate and double counting:

1) September 2020 report by the Embarcadero Institute, a Palo Alto non-profit public policy organization, entitled "Double-Counting in the Latest Housing Needs Assessment"

<https://embarcaderoinstitute.com/portfolio-items/3-5-million-california-housing-shortage-number-is-wrong-fueling-poor-policy/>

2) February 2020 Freddie Mac report entitled "The Housing Supply Shortage: State of the States."

<http://www.freddiemac.com/research/insight/20200227-the-housing-supply-shortage.page>

Given the questions raised by the Embarcadero Institute and the Freddie Mac studies, the NOMA Board joins the Board of Northeast Neighbors and Friends of Sunset Park and requests that both of these reports should be

reviewed and discussed in public as the City Council considers our RHNA number and understands our best options.

City Council should direct the City Attorney to send a letter to SCAG asking for a review of our RHNA numbers.

Further, we ask that the City Council direct Staff to research and assemble a report on those California cities that are actively mounting legal challenges to their regional RHNA allocations.

Finally, We request that City Council members participate in the California Association of Local Electeds to explore opportunities to work alongside the leaders of neighboring cities who seek to preserve local control as we continue to pursue housing affordability.

The NOMA Board