ATTACHMENT
CITY OF PASADENA APPEAL
6TH CYCLE REGIONAL HOUSING NEEDS ALLOCATION

Government Code Section 65584.04(a) requires that the Southern California Association of Governments (SCAG) establish a methodology for distributing the Regional Housing Needs Allocation (RHNA) among its member cities and counties for the 6th Cycle Housing Element, and that such methodology further these objectives set forth in Government Code Section 65584(d):

(1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households.

(2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.

(3) Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.

(4) Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.

(5) Affirmatively furthering fair housing.

The City of Pasadena has reviewed SCAG's final RHNA methodology approved on March 5, 2020 and the resultant RHNA allocations. The City has also reviewed the *6th Cycle RHNA Appeal Procedures* published by SCAG, including the bases for appeal established by SCAG.   Through this review, the City has identified discrepancies demonstrating that the methodology and its application run counter to specific objectives required by Government Code Section 65584(d), namely that the methodology and its application fail to:

- Increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner;
- Promote and encourage efficient development patterns, thus hindering the region's ability to achieve greenhouse gas reductions targets provided by the State Air Resources Board; and
- Promote an improved intraregional relationship between jobs and housing, particularly an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.

BASES FOR APPEAL

The City of Pasadena hereby files this appeal based on two criteria adopted by SCAG:

A. **Methodology** – SCAG failed to determine the City of Pasadena's share of the regional housing need in accordance with the information described in the Final RHNA Methodology established and approved by SCAG, and in a manner that does not further and does undermine three of the five objectives listed in Government Code Section 65584(d).

B. **Changed Circumstances Regarding Housing Needs of a Private University** – Since April 30, 2019, Fuller Theological Seminary (a private graduate-level university) has made the decision not to construct any additional housing for faculty and students, housing that had been accounted for in the City's growth projections. This condition warrants consideration in the RHNA calculation.

A. **Appeal Factor #1 – Failed Methodology Application**

1. **Disproportionate Distribution**

One of the key RHNA objectives is to increase the supply of housing throughout the region in an *equitable manner*. The City of Pasadena contests that the application of the adopted RHNA methodology fails to achieve this objective of equitable distribution.

Within the San Gabriel Valley Council of Governments (SGVCOG), several communities consistently receive apparent preferential treatment in the RHNA process, allowing those cities to continue to shoulder less than a fair-share responsibility for the region's growing housing needs. For the 6th cycle, almost two-thirds of the RHNA allocation is based upon existing regional need. Much of this need has been created and exacerbated by long-standing policies of some of Pasadena's neighbors to prevent the development of housing that would open their communities to lower-income residents, many of whom work in low-wage jobs in those cities' homes, stores, and restaurants. The current RHNA methodology does nothing to entice these cities to change their practices or require them to make up for the lack of housing built in the past. Instead, the current existing need allocations burden those communities like Pasadena which have been most productive in building housing that the city and broader region need.

Communities within the same subregional COG, while they are not identical, do share many characteristics and locational/market conditions. The discrepancies in RHNA allocation among the SGVCOG communities have continued to further the exclusiveness of certain communities and exacerbated existing housing needs in others.

The 6th cycle RHNA includes two new existing needs components—overcrowding and cost burden. These two components constitute more than 60 percent of the 6th cycle RHNA and they are results of historical shortfalls in housing construction, especially affordable housing construction. Within the SGVCOG area, Pasadena has been a producer of housing and affordable housing. Unfortunately, the City's diligence is rewarded with additional burden.

The RHNA allocation is not a fair representation of the work by some cities like Pasadena to meet the housing needs of its communities. The sections that follow use the data points from SCAG's RHNA methodology dataset to illustrate how some of Pasadena's neighbors in the San Gabriel Valley and

Arroyo Verdugo subregions have maintained economic exclusivity and racial homogeneity, to the detriment of the broader region's goals regarding equity and access.

Some of the historically more exclusive neighbors have the highest housing costs in the region, the fewest available affordable rental units, and the least number of multi-family units. Even in these "exclusive" cities, one in three households is burdened by the costs of housing. The ratio of low-wage jobs to affordable housing is exponentially higher in some of these cities than that of the region. Yet, these communities have issued the fewest number of development permits over the last two decades—permits needed to provide for the growing need in their cities and in the region for affordable housing.

Housing Affordability. Some of Pasadena's most exclusive neighbors in region have some of the highest median housing prices and largest proportion of mortgages of $4,000 per month or greater. Chart 1 on the following page highlights the cities in the San Gabriel Valley and Arroyo Verdugo subregions which had the highest median sale price in 2018. It also shows which of these communities have the fewest affordable rental units; while the regional average is 78.5 percent of units $2,000 or below, several cities have fewer than 30 percent of rental units that are affordable. Some have no or very few rentals available below $1,500.

Low Wage Jobs (LWJ) to Affordable Housing (AH). Looking at these same cities, the ratio of available affordable housing to the number of low-wage jobs in these communities is off the charts. SCAG's LWJ-AH ratio is 0.94, or less than one low-wage job per affordable unit. Several of Pasadena's neighbors have many fewer affordable units than low-wage jobs in their jurisdictions.

Cost Burdened Households. Unsurprisingly, these same communities have some of the lowest numbers of cost burdened households in the region (see yellow highlighted columns in Chart 2 below). However, while not as high as the region, more than one-third or more of households in most cities in the region pay 30 percent or more of their incomes toward housing costs.

Percent of Extremely Low-Income Residents. Some of Pasadena's more exclusive neighbors have the fewest rates of extremely low-income residents across the San Gabriel Valley; in several cities, less than 10 percent of residents are considered extremely low income (see Chart 2). Those cities highlighted in red in Chart 2 represent the jurisdictions that have the lowest representation of households in poverty and/or extremely low-income residents.

Chart 1: Housing Cost, and Jobs to Housing ratios, SGV and AV cities

City	Median Housing Sale Price, 2018	Mortgage $4000+ per month	Percent of rental units with rents below $2000 per month	Jobs to Housing Ratio (2015/ 2017)*	Low Wage Jobs to Affordable Housing Units (2015/ 2017)*
Alhambra	$641,250	3.9%	85.5%	0.80	0.69
Arcadia	$1,050,000	21.4%	73.3%	1.34	2.39
Azusa	$468,250	4.2%	83.7%	1.29	1.19
Baldwin Park	$445,000	0.5%	83.6%	0.99	0.92
Bradbury	$1,355,000	37.9%	5.3%	0.34	5.80
Burbank	$755,000	10.7%	72.6%	3.36	4.27
Covina	$525,000	2.9%	81.0%	1.27	1.37
Diamond Bar	$660,000	6.9%	48.3%	0.95	6.89
Duarte	$490,000	1.7%	75.0%	1.50	1.52
El Monte	$510,500	0.5%	93.1%	0.93	0.43
Glendale	$790,000	15.8%	79.1%	1.17	0.95
Glendora	$587,000	6.8%	69.2%	0.89	2.03
Industry	$275,000	0.0%	95.6%	804.33	156.75
Irwindale	$460,000	0.0%	77.1%	41.87	30.21
La Cañada Flintridge	$1,735,000	44.3%	20.1%	0.85	16.76
La Puente	$465,000	0.0%	85.0%	0.50	0.62
Monrovia	$685,000	9.0%	80.6%	1.30	0.97
Montebello	$505,000	1.6%	91.2%	1.09	0.69
Monterey Park	$608,000	2.8%	80.6%	1.46	1.15
Pasadena	$807,000	16.8%	68.5%	1.87	1.34
Pomona	$424,000	0.8%	88.7%	1.06	0.68
Rosemead	$570,500	4.0%	86.7%	1.04	0.97
San Dimas	$590,000	4.5%	64.9%	1.55	3.56
San Gabriel	$745,000	5.8%	79.6%	0.93	1.01
San Marino	$2,117,500	39.2%	25.2%	0.74	764.00
Sierra Madre	$959,500	23.9%	81.9%	0.48	0.64
South El Monte	$497,500	0.7%	91.1%	2.89	1.68
South Pasadena	$1,095,000	28.4%	75.3%	0.64	1.05
Temple City	$798,000	5.6%	72.3%	0.52	1.07
Walnut	$746,000	10.7%	28.9%	0.88	13.24
West Covina	$545,000	3.3%	79.3%	0.83	1.96
				SCAG 1.16	0.94

* These are SCAG calculations based upon historical jobs data from U.S. Census Bureau's LEHD Origin-Destination Employment Statistics Data (LODES version 7.3) Workplace Area Characteristics (WAC) Primary Jobs data files for 2015, and historical housing data from U.S. Census Bureau's 2013-2017 American Community Survey 5-Year Estimates; see SCAG's Final RHNA Data Appendix, March 5, 2020, pp.195-204.

Chart 2: Housing Cost burden for Extremely Low-Income Residents and Households in Poverty

City	%of HHs low income and cost burdened (income below median, 30%+ housing costs	Total cost burdened HHs	Residents: Nonwhite ELI%	Residents: ELI%	% HHs in Poverty	% Black NonH HHs	% Hispanic HHs
Alhambra	28.8%	43%	19.5%	21.9%	7.8%	2.0%	32.7%
Arcadia	19.0%	38%	10.5%	14.2%	6.1%	1.7%	10.9%
Azusa	27.5%	43%	14.7%	17.3%	8.8%	3.3%	57.1%
Baldwin Park	29.3%	45%	17.2%	18.6%	10.2%	1.5%	69.7%
Bradbury	6.8%	39%	5.5%	9.6%	5.5%	3.4%	9.6%
Burbank	22.7%	44%	5.7%	17.5%	4.0%	2.4%	20.1%
Covina	21.8%	41%	8.5%	12.8%	4.4%	4.5%	47.9%
Diamond Bar	16.1%	35%	6.4%	8.0%	3.9%	4.9%	15.7%
Duarte	21.8%	40%	11.5%	15.9%	5.2%	7.6%	33.7%
El Monte	41.6%	54%	27.7%	29.5%	13.8%	0.6%	62.6%
Glendale	31.7%	49%	5.4%	22.6%	7.9%	1.5%	15.1%
Glendora	17.3%	37%	4.2%	11.7%	5.0%	2.0%	24.3%
Industry	9.8%	20%	0.0%	9.8%	7.3%	0.0%	34.1%
Irwindale	28.3%	46%	10.0%	10.0%	4.5%	0.0%	87.7%
La Cañada Flintridge	10.4%	34%	2.2%	4.6%	1.8%	0.0%	5.6%
La Puente	27.2%	41%	18.8%	19.1%	13.3%	1.1%	78.6%
Monrovia	23.5%	42%	9.6%	14.9%	4.1%	8.3%	30.0%
Montebello	34.7%	49%	19.7%	23.2%	8.3%	0.9%	73.3%
Monterey Park	29.8%	45%	22.4%	23.3%	8.6%	0.5%	24.1%
Pasadena	23.7%	42%	11.9%	18.4%	5.5%	11.1%	23.5%
Pomona	32.9%	48%	18.7%	22.5%	12.6%	8.0%	60.6%
Rosemead	36.0%	49%	26.1%	27.4%	11.4%	0.2%	33.4%
San Dimas	18.0%	38%	7.5%	13.5%	3.6%	3.2%	26.3%
San Gabriel	29.6%	46%	17.0%	18.9%	7.4%	1.0%	23.8%
San Marino	11.3%	37%	6.0%	11.6%	6.1%	0.5%	5.5%
Sierra Madre	12.0%	32%	1.2%	7.4%	2.7%	1.5%	11.3%
South El Monte	35.0%	48%	23.8%	25.6%	11.5%	0.0%	82.3%
South Pasadena	16.1%	37%	6.7%	12.6%	3.7%	3.2%	18.5%
Temple City	22.7%	41%	14.4%	18.6%	7.4%	0.7%	17.7%
Walnut	13.1%	35%	9.7%	10.2%	4.6%	3.0%	18.9%
West Covina	21.7%	41%	11.3%	13.7%	5.2%	5.2%	46.8%

Race and Ethnicity. Looking at the race and ethnicity of residents in neighboring cities, these numbers are even starker. Chart 2 above shows that several of Pasadena's economically exclusive neighbors are also racially homogenous. Figure 1 below shows where white and non-white extremely low-income residents reside in the San Gabriel Valley and Arroyo Verdugo subregions, and which jurisdictions have the lowest rates of nonwhite extremely low-income residents in their communities.

Figure 1: Extremely Low-Income (ELI) Residents by Race/Ethnicity
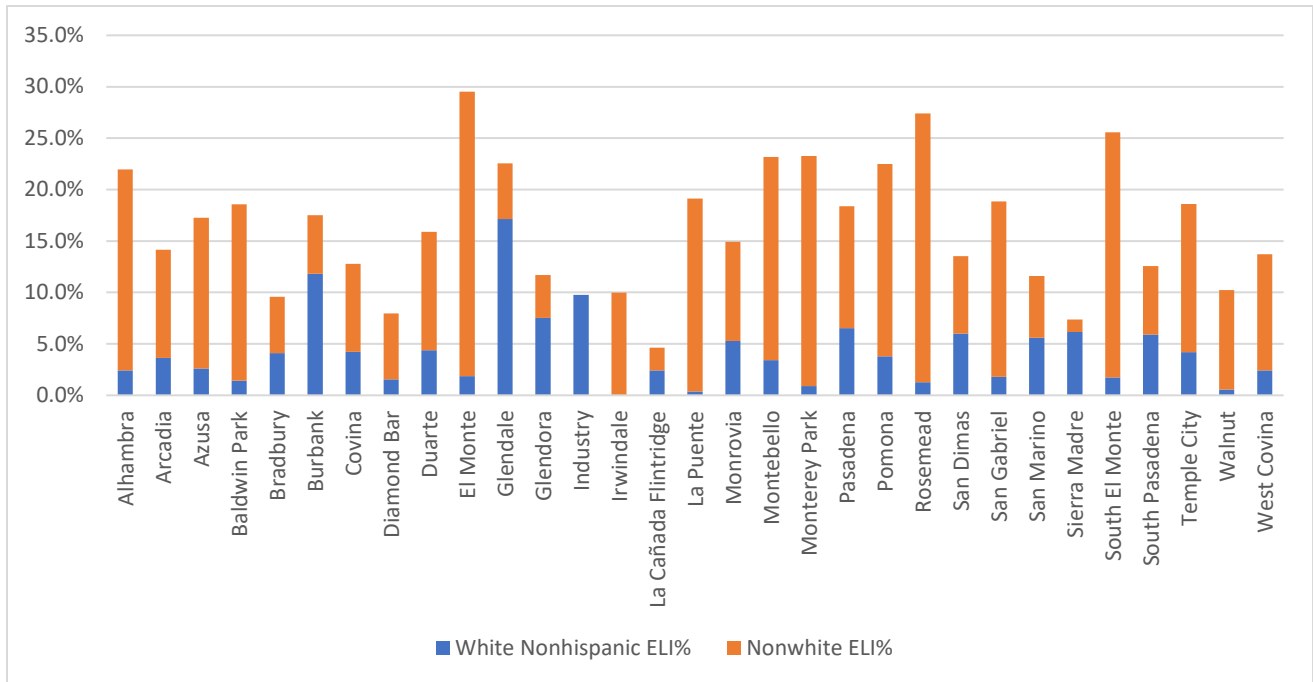
Ownership Versus Rentals. Another way to look at whether neighboring cities are doing their part is to look at the makeup of housing in their cities. In Chart 3 below, data highlighted in yellow represent more than 80 percent of available housing stock as owner or rental occupied units. Cities with a majority of owner-occupied units may price out a fairly large segment of the population who cannot afford the down payment to buy a home, especially one in these more expensive communities.

Vacancy Rates. The vacancy rates listed in Chart 3 show the demand for housing in these communities, as well as their ability to provide enough housing to meet local demand. The vacancy rate for rentals and for sale units highlighted in red show several cities with rates near or at zero percent, well below the regional average of 3.0 percent for rentals, and 1.0 percent for units for sale. The State of California's Housing and Community Development Department recommends a 5.0 percent rental units vacancy rate and 1.5 percent vacancy rate for units for sale.

Chart 3: Owner and Renter Occupied Units - Rental and Vacancy Rates

City	Owner Occupied Total units	Renter Occupied Total Units	Percent Rentals of Subregion	Vacancy Rate (Rentals)	Vacancy Rate (For Sale)
Alhambra	39.1%	60.9%	6.5%	1.3%	1.4%
Arcadia	59.0%	41.0%	2.9%	3.7%	1.3%
Azusa	52.1%	47.9%	2.2%	2.6%	2.7%
Baldwin Park	56.3%	43.7%	2.8%	2.4%	0.9%
Bradbury	80.5%	19.5%	0.0%	7.0%	9.8%
Burbank	41.8%	58.2%	8.7%	2.7%	1.0%
Covina	55.6%	44.4%	2.5%	2.2%	2.0%
Diamond Bar	75.8%	24.2%	1.5%	3.9%	0.9%
Duarte	64.4%	35.6%	0.9%	4.6%	0.7%
El Monte	41.2%	58.8%	6.3%	4.3%	1.3%
Glendale	32.9%	67.1%	18.0%	2.6%	0.3%
Glendora	70.1%	29.9%	1.8%	4.5%	0.8%
Industry	17.1%	82.9%	0.0%	0.0%	0.0%
Irwindale	72.4%	27.6%	0.0%	0.0%	0.0%
La Cañada Flintridge	89.5%	10.5%	0.3%	3.8%	0.5%
La Puente	57.8%	42.2%	1.4%	2.3%	0.9%
Monrovia	46.8%	53.2%	2.5%	4.2%	0.4%
Montebello	43.3%	56.7%	4.0%	5.2%	0.1%
Monterey Park	52.2%	47.8%	3.4%	1.6%	0.5%
Pasadena	43.0%	57.0%	11.2%	3.3%	1.6%
Pomona	52.3%	47.7%	6.8%	1.7%	1.6%
Rosemead	47.7%	52.3%	2.8%	1.6%	0.0%
San Dimas	72.1%	27.9%	1.2%	4.7%	2.0%
San Gabriel	44.6%	55.4%	2.4%	3.1%	2.2%
San Marino	86.4%	13.6%	0.2%	0.0%	0.0%
Sierra Madre	62.0%	38.0%	0.6%	5.3%	1.8%
South El Monte	47.6%	52.4%	1.0%	1.8%	0.0%
South Pasadena	46.7%	53.3%	1.9%	5.1%	2.3%
Temple City	60.4%	39.6%	1.6%	3.2%	1.1%
Walnut	84.8%	15.2%	0.5%	3.1%	0.4%
West Covina	64.1%	35.9%	4.0%	5.1%	0.5%
Total	**50.4%**	**49.6%**	**100.0%**	**3.0%**	**1.0%**

Overcrowding. Chart 4 below shows that several exclusive cities are not experiencing as high rates of renter overcrowding as other less well-off neighbors, and they also have far fewer larger households, especially among families looking for rental units.

Chart 4: Overcrowding and Large Households

| City	Percent Overcrowding, Owner Occupied Units	Percent Overcrowding, Renter Occupied Units	Percent Overcrowding, All units	Percent Rental Households with 5+ people	Percent Owner Households with 5+ people
Alhambra	6.2%	15.6%	11.9%	5.7%	4.3%
Arcadia	1.3%	6.6%	3.5%	3.4%	7.2%
Azusa	7.6%	19.4%	13.2%	11.0%	9.2%
Baldwin Park	15.4%	25.6%	19.9%	13.1%	16.3%
Bradbury	0.0%	0.0%	0.0%	1.7%	9.9%
Burbank	2.4%	7.4%	5.3%	3.3%	3.3%
Covina	3.0%	11.5%	6.8%	7.7%	8.5%
Diamond Bar	1.7%	7.8%	3.1%	3.5%	8.6%
Duarte	7.6%	6.8%	7.3%	4.8%	10.8%
El Monte	11.1%	28.0%	21.0%	15.9%	10.5%
Glendale	3.0%	9.0%	7.0%	4.1%	3.2%
Glendora	2.5%	7.1%	3.9%	3.7%	7.9%
Industry	0.0%	16.2%	13.4%	28.0%	6.1%
Irwindale	5.1%	14.3%	7.6%	7.1%	20.7%
La Cañada Flintridge	1.0%	2.5%	1.1%	1.2%	10.6%
La Puente	13.4%	26.2%	18.8%	14.3%	20.3%
Monrovia	1.5%	7.8%	4.8%	6.6%	3.9%
Montebello	5.0%	18.0%	12.4%	9.7%	7.2%
Monterey Park	4.2%	17.0%	10.3%	6.0%	5.2%
Pasadena	2.1%	9.1%	6.1%	4.7%	3.6%
Pomona	10.5%	24.8%	17.3%	13.0%	13.0%
Rosemead	11.3%	27.4%	19.7%	12.0%	10.1%
San Dimas	2.9%	1.8%	2.6%	3.2%	9.3%
San Gabriel	7.1%	12.1%	9.8%	7.6%	7.2%
San Marino	0.7%	3.4%	1.1%	1.8%	5.4%
Sierra Madre	2.7%	1.5%	2.3%	0.5%	4.7%
South El Monte	11.0%	26.6%	19.2%	17.2%	12.2%
South Pasadena	0.9%	4.0%	2.5%	2.2%	3.4%
Temple City	4.3%	15.4%	8.7%	5.0%	8.5%
Walnut	1.4%	7.7%	2.4%	3.8%	11.7%
West Covina	4.1%	15.2%	8.1%	7.4%	12.6%
Total	**5.0%**	**13.9%**	**9.4%**	**6.9%**	**7.5%**

Change in Housing Units. Looking at the number of housing units in these communities over the last two decades, one can see which of Pasadena's neighbors have been taking on their fair share of developing the housing the region needs. Chart 5 below displays the total change in units from 2000 to 2020 among single-family and multi-family units in the region. Pasadena has developed the most units of multi-family housing among cities in San Gabriel Valley and Arroyo Verdugo, and the second largest number of single-family units. More exclusive neighbors have developed far less. Some communities highlighted in red have had negative unit changes over this period.

Chart 5: Change in Single-Family and Multi-Family Units and Permits Issued

| City	Single Family Units: Change, 2000 to 2020	Multi-Family Units: Change, 2000 to 2020	Total Permits Issued, 2000 to 2018	Permits per 1000 Residents, 2000 to 2018	Proportion of total permits by City	Total Multi-Family Permits Issued, 2000 to 2018	Proportion of total Multi-Family permits by City
Alhambra	1678	129	696	8.0	3.0%	528	3.8%
Arcadia	1531	-238	1191	21.4	5.1%	226	1.6%
Azusa	1249	424	1006	21.2	4.3%	306	2.2%
Baldwin Park	485	161	605	7.8	2.6%	83	0.6%
Bradbury	88	9	54	53.4	0.2%	0	0.0%
Burbank	182	1926	1852	17.8	7.9%	1495	10.8%
Covina	711	-213	239	4.9	1.0%	83	0.6%
Diamond Bar	222	584	258	4.5	1.1%	0	0.0%
Duarte	495	126	141	6.5	0.6%	44	0.3%
El Monte	2108	-381	1670	14.0	7.1%	929	6.7%
Glendale	1568	5785	2575	12.9	11.0%	2396	17.3%
Glendora	1180	376	1071	20.8	4.6%	749	5.4%
Industry	-66	6	12	15.2	0.1%	0	0.0%
Irwindale	46	-12	15	10.0	0.1%	0	0.0%
La Cañada Flintridge	44	39	182	8.7	0.8%	3	0.0%
La Puente	354	-46	178	4.1	0.8%	16	0.0%
Monrovia	1012	72	838	22.1	3.6%	587	4.2%
Montebello	544	58	187	3.0	0.8%	138	1.0%
Monterey Park	455	507	620	9.9	2.6%	249	1.8%
Pasadena	1691	6873	4444	32.2	18.9%	4133	29.8%
Pomona	793	1158	1404	9.0	6.0%	577	4.2%
Rosemead	910	42	476	8.5	2.0%	138	1.0%
San Dimas	-542	334	115	3.1	0.5%	0	0.0%
San Gabriel	1033	-342	346	8.4	1.5%	61	0.4%
San Marino	41	23	79	6.0	0.3%	2	0.0%
Sierra Madre	280	-50	85	7.8	0.4%	51	0.4%
South El Monte	376	-34	138	6.4	0.6%	4	0.0%
South Pasadena	-30	353	114	4.5	0.5%	46	0.3%
Temple City	682	-36	823	23.5	3.5%	247	1.8%
Walnut	559	104	403	13.3	1.7%	0	0.0%
West Covina	560	304	961	9.0	4.1%	520	3.8%

Total Permits Issued. Chart 5 on the previous page and the graphs below show which cities have been issuing the most and the least number of permits over the last two decades. Pasadena accounts for nearly 19 percent of all permits issued between 2000 and 2018 and has issued a total of 32 permits per 1,000 residents between 2000 and 2018 (see Graph 2 below). Several cities in the region have issued fewer than 100 single or multi-family permits during this period and represent less than one percent of the total permits issued in the San Gabriel Valley and Arroyo Verdugo subregions over this time.

Figure 2: Total Permits per 1,000 Residents
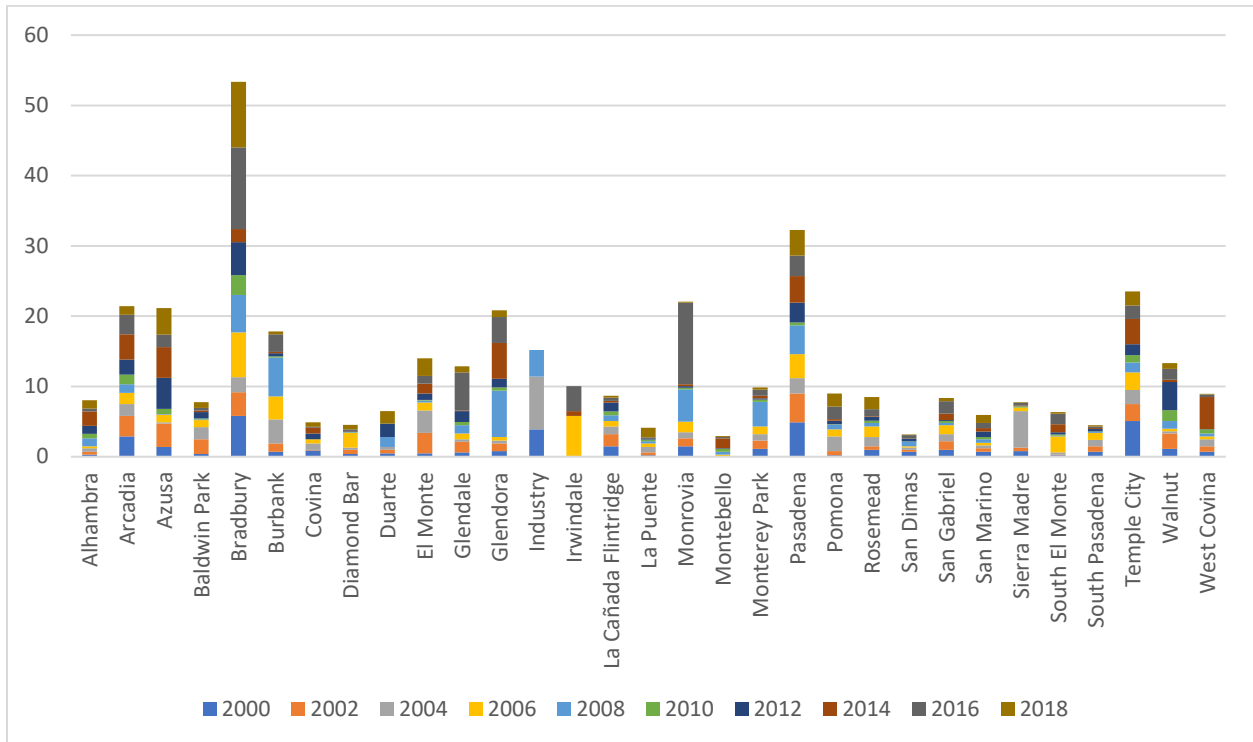
Pasadena accounts for nearly one in three of all multi-family permits in the region issued between 2000 and 2018 (see green highlight in Chart 5 above and Figure 3 below). Only two other cities—Burbank and Glendale—come close. Pasadena's immediate neighbors have issued very few multi-family permits in the last two decades (see Figure 3).

Figure 3: Total Multi-Family Permits Issued, 2000 to 2018
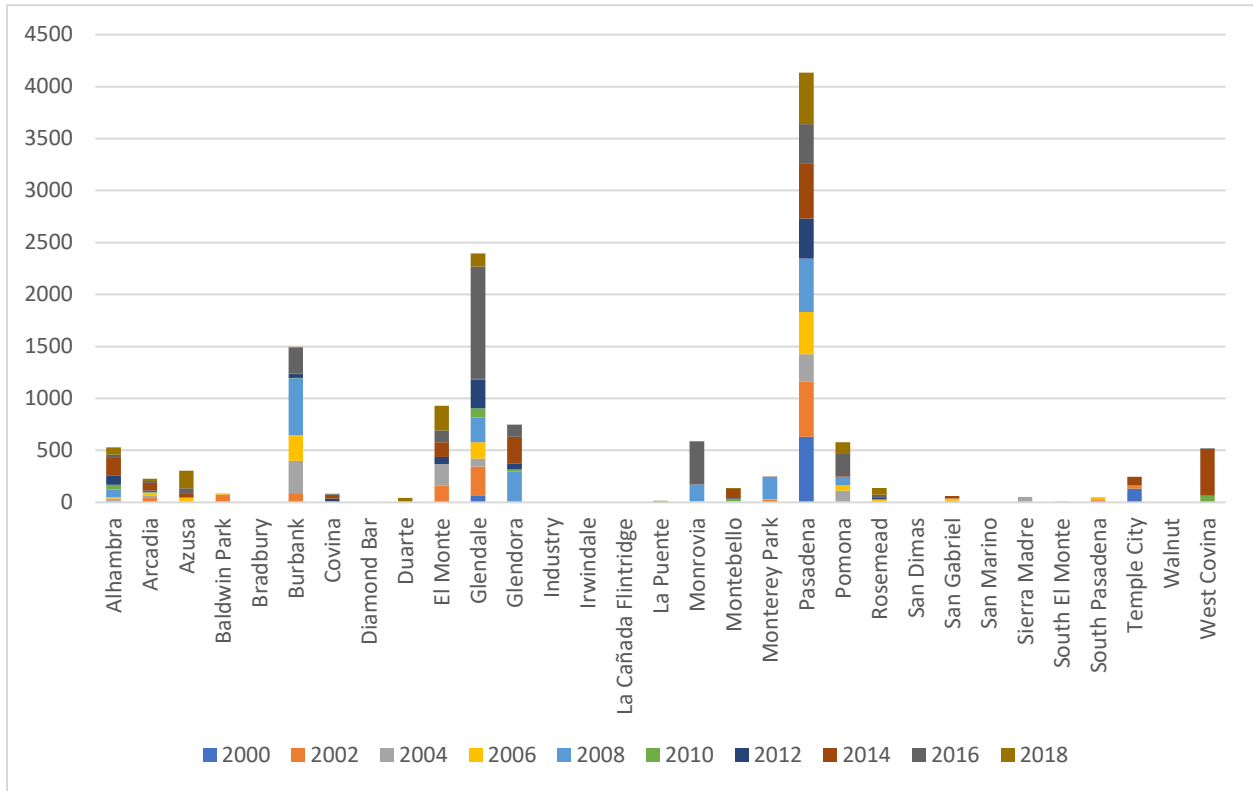
To address these shortfalls in an equitable manner and to ensure that the San Gabriel Valley and Arroyo Verdugo subregions do not repeat the same mistakes as in previous RHNA cycles, communities that had an easy pass in the past should be assigned a heavier responsibility in the 6th cycle.

FAIR SHARE REDUCTION REQUEST

The sum of "discounts" from "fair proportional share" among the 18 jurisdictions in the SGVCOG is 14,776 units (Column 7 in Chart 6 below). The City of Pasadena's RHNA represents 10.97 percent of the SGVCOG RHNA. The City requests a reduction of **1,621 units,** assuming a proportional distribution of these "discounts" would occur among the 28 members of the SGVCOG.

Chart 6: Proportional Fair Share versus RHNA

City	Pop (2020)	% of Pasadena Pop	6th RHNA	% of SGVCOG RHNA	Proportional 6th RHNA based on Population	Difference RHNA from Proportionally Fair Allocation	2010 population	5th cycle RHNA	Proportional 5th RHNA based on Population	Difference RHNA from Proportionally Fair Allocation
Pasadena	144,842	100%	9,408	10.97%	9,408	██████	137,122	1,332	1,332	██████
Alhambra	86,792	59.92%	6,808	7.94%	5,637	1,171	83,089	1,492	807	685
Arcadia	57,212	39.50%	3,206	3.74%	3,716	(510)	56,364	1,054	548	506
Azusa	49,658	34.28%	2,646	3.09%	3,225	(579)	46,361	779	450	329
Baldwin Park	76,252	52.64%	1,996	2.33%	4,953	(2,957)	75,390	557	732	(175)
Bradbury	1,052	0.73%	41	0.05%	68	(27)	1,048	2	10	(8)
Covina	48,846	33.72%	1,905	2.22%	3,173	(1,268)	47,796	230	464	(234)
Diamond Bar	57,177	39.48%	2,516	2.93%	3,714	(1,198)	55,544	1,146	540	606
Duarte	21,673	14.96%	886	1.03%	1,408	(522)	21,321	337	207	130
El Monte	116,675	80.55%	8,481	9.89%	7,578	903	113,475	2,142	1,102	1,040
Glendora	52,067	35.95%	2,270	2.65%	3,382	(1,112)	50,073	646	486	160
Industry	427	0.29%	17	0.02%	28	(11)	451	0	4	(4)
Irwindale	1,434	0.99%	118	0.14%	93	25	1,422	15	14	1
La Puente	40,568	28.01%	1,924	2.24%	2,635	(711)	39,816	818	387	431
Monrovia	37,935	26.19%	1,665	1.94%	2,464	(799)	36,590	389	355	34
Montebello	63,544	43.87%	5,174	6.03%	4,127	1,047	62,500	1,066	607	459
Monterey Park	60,734	41.93%	5,245	6.12%	3,945	1,300	60,269	815	585	230
Pomona	154,817	106.89%	10,534	12.28%	10,056	478	149,058	3,626	1,448	2,178
Rosemead	54,363	37.53%	4,601	5.37%	3,531	1,070	53,764	602	522	80
San Dimas	33,945	23.44%	1,245	1.45%	2,205	(960)	33,371	463	324	139
San Gabriel	40,104	27.69%	3,017	3.52%	2,605	412	39,718	930	386	544
San Marino	13,087	9.04%	397	0.46%	850	(453)	13,147	2	128	(126)
Sierra Madre	10,816	7.47%	204	0.24%	703	(499)	10,917	55	106	(51)
South El Monte	21,204	14.64%	576	0.67%	1,377	(801)	20,116	172	195	(23)
South Pasadena	25,458	17.58%	2,062	2.40%	1,654	408	25,619	63	249	(186)
Temple City	36,150	24.96%	2,182	2.54%	2,348	(166)	35,558	603	345	258
Walnut	29,929	20.66%	1,292	1.51%	1,944	(652)	29,172	908	283	625
West Covina	105,999	73.18%	5,334	6.22%	6,885	(1,551)	106,098	831	1,031	(200)
			0.0649535			(14,776)			0.00971398	
			85,750	100.00%						

2. Residual Need

The RHNA methodology includes a redistribution of the *residual need*, which is defined as the increment of RHNA above the total housing need (RHNA) in excess of household growth between 2020 and 2045. For extremely disadvantaged communities (DACs), the residual need is subtracted from these communities' RHNA and added to other jurisdictions. In some case, between the "discounts" from disproportionate share and the elimination of residual need, a community's RHNA could be less than 50 percent of what it would have otherwise been assigned. While the City of Pasadena recognizes the challenges these DACs may face, relieving these communities from any responsibility to address their existing housing needs seems inappropriate.

Furthermore, SCAG's methodology is to keep the residual needs within each county, not within each subregion. This means the "excess need" in one subregion can be shifted to another subregion, as in the case of the SGVCOG. The eliminated residual need from SGVCOG is 2,946 unit, yet the subregion received a redistribution of 4,235 units. This shifting of housing needs is not consistent with the RHNA and RTP/SCS objectives to achieve jobs/housing balance, reduce vehicle miles traveled, and attain greenhouse gas reduction targets.

Chart 7: Residual Need

City	Pop (2020)	% of Pasadena Pop	6th RHNA	% of SGVCOG RHNA	Proportional 6th RHNA based on Population	Difference RHNA from Proportionally Fair Allocation	SCAG Residual	SCAG Redistributed
Pasadena	144,842	100%	9,408	10.97%	9,408	█	0	577
Alhambra	86,792	59.92%	6,808	7.94%	5,637	1,171	0	525
Arcadia	57,212	39.50%	3,206	3.74%	3,716	(510)	0	141
Azusa	49,658	34.28%	2,646	3.09%	3,225	(579)	0	150
Baldwin Park	76,252	52.64%	1,996	2.33%	4,953	(2,957)	1,566	0
Bradbury	1,052	0.73%	41	0.05%	68	(27)	0	2
Covina	48,846	33.72%	1,905	2.22%	3,173	(1,268)	0	135
Diamond Bar	57,177	39.48%	2,516	2.93%	3,714	(1,198)	0	130
Duarte	21,673	14.96%	886	1.03%	1,408	(522)	0	58
El Monte	116,675	80.55%	8,481	9.89%	7,578	903	468	0
Glendora	52,067	35.95%	2,270	2.65%	3,382	(1,112)	0	140
Industry	427	0.29%	17	0.02%	28	(11)	0	1
Irwindale	1,434	0.99%	118	0.14%	93	25	40	0
La Puente	40,568	28.01%	1,924	2.24%	2,635	(711)	0	154
Monrovia	37,935	26.19%	1,665	1.94%	2,464	(799)	0	92
Montebello	63,544	43.87%	5,174	6.03%	4,127	1,047	0	386
Monterey Park	60,734	41.93%	5,245	6.12%	3,945	1,300	0	386
Pomona	154,817	106.89%	10,534	12.28%	10,056	478	0	0
Rosemead	54,363	37.53%	4,601	5.37%	3,531	1,070	0	333
San Dimas	33,945	23.44%	1,245	1.45%	2,205	(960)	0	103
San Gabriel	40,104	27.69%	3,017	3.52%	2,605	412	0	167
San Marino	13,087	9.04%	397	0.46%	850	(453)	0	29
Sierra Madre	10,816	7.47%	204	0.24%	703	(499)	0	15
South El Monte	21,204	14.64%	576	0.67%	1,377	(801)	872	0
South Pasadena	25,458	17.58%	2,062	2.40%	1,654	408	0	154
Temple City	36,150	24.96%	2,182	2.54%	2,348	(166)	0	90
Walnut	29,929	20.66%	1,292	1.51%	1,944	(652)	0	100
West Covina	105,999	73.18%	5,334	6.22%	6,885	(1,551)	0	366
			0.0649535			(14,776)	2,946	4,235
		85,750	100.00%					

RESIDUAL NEED REDUCTION REQUEST

The City of Pasadena requests that the residual need be contained within the same subregion to ensure consistency with State and SCAG objectives. The City requests a reduction of **176 units** in residual redistribution from 577 units to 401 units, taking a proportional reduction.

B. Appeal Factor #2 - Changed Circumstances and Housing Needs of a Private University

The City of Pasadena is home to five colleges and universities: Pasadena City College, Pacific Oaks College, Art Center College of Design, California Institute of Technology, and Fuller Theological Seminary. The latter three have adopted master plans that include housing components for students and faculty. The growth plans of these institutions are accounted for in Pasadena's General Plan, as they contribute significant local jobs and place demands on the housing stock.

At the time the General Plan was adopted in 2015, Fuller Theological Seminary, which offers Master's-level and higher degrees, was an integral part of the Pasadena community, and its 2006 Master Plan adopted by the City of Pasadena supported the college's plan to build an additional 514 residential units for faculty and students; approximately 264 units exist today. In 2018, however, Fuller initiated a process to relocate its Pasadena campus to the city of Pomona, largely to reduce financial stress. Restriction on the sale and reuse of the Pasadena campus properties, as dictated by the Master Plan, stalled and eventually put a stop to the move. Fuller will remain in Pasadena for the foreseeable future, but college officials have indicated that no new housing construction will occur due to declining enrollment and a reduction in offered programs.

This change in circumstances—declining enrollment at Fuller and reduced housing growth needs—means that demand for lower-income and moderate-income housing units will be reduced. This factor needs to be accounted for in SCAG's methodology.

CHANGED CIRCUMSTANCES REDUCTION REQUEST

The City of Pasadena requests that the growth needs associated with Fuller Theological Seminary's modified growth plan be accounted for in the methodology. The delta between the number of existing units—264— and the 514 new units allowed by the Master Plan is 250 units, most of which would be occupied by lower-income households. Pasadena requests a RHNA reduction of 250 units due to these changed circumstances.

RHNA REDUCTION REQUEST

Based on the above discussion and analysis, the City of Pasadena argues that a reduction in its RHNA by **2,047 units** can be supported to: 1) distribute housing in an equitable manner that furthers efficient development patterns, better achieves low-wage jobs/affordable housing balance, and moves the region toward achieving greenhouse gas reduction targets; and 2) account for changed circumstances regarding reduced growth needs.