

From: [Holly Osborne](#)
To: [Lina Portolese](#)
Cc: [Matthew Hinsley](#); [Sheila Lamb](#); [Doug Boswell](#); [Rob Gaddis](#)
Subject: Fw: Questions for tonight's Planning Commission meeting. Non Agenda, and Agenda
Date: Thursday, May 19, 2022 5:34:55 PM

CAUTION: Email is from an external source; Stop, Look, and Think before opening attachments or links.

Lina:

I am sending you my notes for non-agenda and agenda. For non-agenda, could you put the article with the graph, and my remarks below, in the minutes (or attachment, or whatever it is you do.)

I will speak both during Non Agenda and Agenda. Please send this to all the commissioners, so they have the plot in front of them. (I will send it off right now to some of them, but I do not have all their email addresses.)

Thanks
Holly

Non Agenda: This article is from the Wall Street Journal; it appeared this week

Administration Eyes Affordable-Housing Needs

BY ANDREW ACKERMAN
AND NICOLE FRIEDMAN

WASHINGTON—The Biden administration on Monday announced steps aimed at addressing the U.S. shortage of entry-level homes, including expanding federally backed financing for affordable housing and directing grants toward localities that encourage construction.

Each regulatory move is technical and modest, though the administration hopes they will collectively dent the estimated shortage of millions of homes over the coming years. "While the policies cover a

wide range of issues and agencies, most are intended to do one thing: Make it easier and more economical to build affordable housing," said Jim Parrott, a former Obama administration housing adviser, who had reviewed the proposal.

The changes include encouraging greater land-use improvements at the local level by favoring jurisdictions that promote "density and rural main street revitalization" for funding from last year's infrastructure bill, according to a fact sheet distributed by the White House.

Two government agencies,

the Federal Housing Administration and the Federal Housing Finance Agency, will explore test pilots to boost financing for tiny homes to increase housing supply.

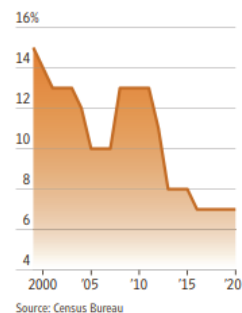
In another move to encourage construction, government-controlled mortgage company Fannie Mae will consider purchasing loans made to builders prior to construction of multi-family housing. At present, Fannie generally only buys mortgages for homes already built and certified for occupancy, which is too late for smaller builders that lack access to affordable financing.

The limited inventory of

homes has pushed up housing costs for buyers and renters alike. The median existing-home price rose 15% in March from a year earlier to \$375,300, according to the National Association of Realtors, a record high going back to 1999. The national median rent in April rose more than 16% from a year earlier, according to rental website Apartment List.

New-home construction hasn't kept up with demand, as builders took years to recover from the financial crisis and faced shortages of land and skilled labor. Those shortages and rising material costs continue to hinder builders.

Annual share of newly built single-family homes that are under 1,400 square feet



The above article from the Wall Street Journal shows that the real need is for starter homes; and shows a US wide plot as to how the number of homes < 1400 sq ft has declined. These are the homes that need to be targeted for planning in Redondo.

Or, rather, you should **not enable** developers to target the more "affordable" houses that we do have, for destruction. One way a planning commission can inadvertently target the middle class lower-end houses for destruction, is by increasing the FAR on them. This encourages developers to overbid for them, pricing out the first time buyer. This is also why, in particular, we need standards for the R1-A lots, so the structures built on them are not mega-towers, built from lot end to lot end; with questionable "mezzanines." And we need to enforce the standards we have for R1 lots.

The article mentions federal bills aimed at helping first-time buyers at the federal level. In fact, state Senator Hertzberg is introducing bills at the state-wide level to aid first time buyers. He wants to create as many home owners as possible, because "Home is where the wealth is." I believe Redondo should be practicing zoning policies that will further that goal. Senator Hertzberg can not aid first time buyers into

starter homes if homes have all been McMansionized.

Following are questions I want to ask on the AGENDA ITEM, the Catalina project.

1. If the total acreage is 1.26 acre, how much is residential foot print and how much is commercial. The residential density of 17.5 du/acre should only be applied to the residential.
2. You have 22 town homes: 16 of which are 5 bedroom and 4.5 bathrooms. For the rental market, what kind of person wants a 5 bedroom 4.5 bathroom dwelling? To whom are these homes targeted? A person who could afford that much rent, would be better off looking inland and buying.
3. I showed a plot earlier showing the decline in starter homes over the past couple decades, in the US. Yet, those are exactly what we need in Redondo. Those townhomes, in your very first, earlier plan, where you targeted 2 and 3 bedroom townhomes to SELL, would seem a much better fit for community. (In one of the sessions on the legislative floor, it was mentioned that developments that have a large owner occupied proportion have less crime and are kept neater. That has also been mentioned in numerous newspaper articles.)

Bottom line: what made you change your model to all rentals, vs owner occupied units.

Last time, A planning commissioner asked the same thing: Why aren't you building homes to sell?

4. It appears you do not have enough parking. Doesn't the Coastal commission want you to have sufficient on site parking, so that you do not take up street parking away from out of town visitors.

Holly Osborne
Redondo Beach