



July 20, 2021

Leigh Anne Jones, Chair
Planning Commission
City of Claremont
225 Second Street
Claremont, CA 91711

Dear Commissioner Jones:

The board of Housing Claremont is an advocate for an effective revision to the City of Claremont's Inclusive Housing Ordinance (ISO) that will have a real effect on increasing the availability of affordable housing in our city. The current ISO has been ineffective both in terms of the number of units constructed and the total lack of low income unit availability. As the staff report for item 2 makes clear on page 3, since the original 2006 ISO was enacted only 46 moderate income units have been constructed and sold in Claremont. **That's an average of only 3 moderate income units per year.** No low income units have been sold in this period. These results fall extremely short of the pressing need for housing in our city. The 2021-29 Regional Housing Needs Allocation (RHNA) for Claremont indicates the state has assessed 1,163 units to be planned at moderate income or below. **That's nearly 150 units per year for the next eight years.** The evidence is clear: we need an ISO that will meet the dire need for affordable housing.

The staff advocates keeping the ISO rate at 15% of new projects, because above this level the state Housing and Community Development (HCD) can review city ISOs. The staff report states that this "can potentially extend and complicate the approval process" for the city's current RHNA assessment. **However, we think this should not preclude some exploration of an increased ratio and a tiered approach to affordability.** For example, the city of Pasadena's ISO is 20% of newly constructed rental units, and offers three levels of affordability: 5% of units set aside for those 50% of area median income (AMI), 5% for 80% AMI, and 10% for 120% of AMI. This approach is more inclusive and makes a larger impact on the overall availability of affordable units.

The staff proposes changing the current ISO in two main ways: shifting rental ISO requirements for housing projects from "moderate" to "low" income renters; and creating a new income category for affordable for-sale units. We agree with the staff recommendation to shift income requirements down for renters. The proposed for-sale unit "low or moderate" category would make city-designated affordable units available for purchase to anyone making 120% of our area's median income. For a family of four in Los Angeles County, this would mean an annual income as high as \$92,760 would qualify. For an income 110% of average, that would

mean qualifying for buying a three-bedroom townhome at a price of \$331,700, which is \$298,300 below the market price of \$600,000 (see Attachment E, Table 2). While this example illustrates the terrible scale of the housing shortage and the extreme price of housing in the city, it also suggests that the new income category proposed will likely create little opportunity for those earning below median income to buy housing in Claremont.

We encourage the Planning Commission to explore ways in which Additional Dwelling Units (ADU) can be incorporated into the city's revised ISO. Currently ADUs added to a new housing development are "deemed affordable" for purposes of the RHNA. However, there is no income requirement for renting these units and no guarantee that they will even be rented. ADUs can easily be integrated into new home construction, either within floorplans or as detached structures, and if the ISO applied to ADUs it would mean that a percentage could be offered at affordable rates. We believe ADUs represent an excellent opportunity for increasing the stock of affordable housing in areas of Claremont that are traditionally dominated by expensive single family housing.

We hope to be a part of the conversation as the new ISO design works through your Commission and on to the City Council, so please do reach out with your own thoughts and ideas.

Sincerely,

A handwritten signature in black ink that reads "Zachary Courser". The signature is written in a cursive, flowing style.

Zachary Courser
President, Housing Claremont