

How can we build 5,346 [sic] homes if we don't allow builders to come in, in the downtown, to build something that can help us to qualify by this request from the State.

---**Tony Wu**, Councilmember  
City Council Meeting, August 16, 2022

PLANNING

### **Yard for Sale. Developers Wanted.**

Imagine a full-service hotel with 150+ rooms, a roof-top pool, lounge, restaurant and meeting and banquet space. Add 300 mixed condos and townhomes, first floor retail and restaurants, subterranean parking along with parking garages, and a walking path adjacent to the flood control for residents and hotel guests. The project just described is not a fantasy. It describes an actual project the City Council majority recently considered for city property at 811 S. Sunset Ave—*the property where the City Yard, Fire Station 1, and the former Chamber of Commerce building are located.*

- Although the specific project just described did not occur, it, or a similar project, can occur because the City Council is actively negotiating the sale of the property. A sale is possible because the City Council majority declared this 8.27 acre of city-owned property *surplus*, property that is no longer needed.
- Selling city property that is actually used to support city maintenance operations and a fire station as surplus property is a disingenuous game. Since the City Yard and Fire Station 1 must be relocated to other areas of the city, the property at 811 S. Sunset Ave. really is not surplus.
- Selling the city-owned property for a major housing and retail development will fundamentally transform this area of the city. The City has not identified where the new City Yard and new Fire Station 1 will be located. Will it be next to you?

### **Our Concern**

Among Councilman Tony Wu's stated reasons at the August 16, 2022 City Council meeting to sell the city yard was to generate revenue and add housing to help meet the City's Regional Housing Needs Assessment (RHNA) housing goal, a State requirement for all cities. A word about RHNA:

- RHNA requires cities have ordinances that facilitate increasing housing density for all income categories within their city.
- RHNA is why cities facilitate building mixed-use high density projects on defunct commercial properties, former school districts, adding accessory dwelling units (ADUs) to single-family homes, dividing single-family lots, etc.

<b>NUMBER OF HOUSING UNITS ASSIGNED TO WEST COVINA 2021-2029</b>	
<b>INCOME CATEGORY</b>	<b>HOUSING UNITS</b>
Very Low	1,649
Low	848
Moderate	863
Above Moderate	1,974
<b>Total</b>	<b>5,334</b>
Source: City of West Covina. Housing Element Update (6 <sup>th</sup> cycle). 06/29/23 jp	

- RHNA requires a good faith effort ensuring “the City establishes policies, procedures, and incentives in its land use planning and redevelopment activities that result in the maintenance and expansion of the housing supply . . . ” RHNA does not require cities to sell publicly-owned property.
- RHNA does not require cities to meet their RHNA goal because government cannot force developers to purchase property and build houses.

***RHNA is a planning target, not a construction quota or tool as the City Council majority would like us to think.***

The slide features the City of West Covina logo in the top left and the text 'RHNA' in the top right. The main title is 'RHNA requirements in State law'. It lists two categories: 'Planning' and 'Production'. Under 'Planning', there are three bullet points: 'City must ensure that plans and development regulations can accommodate the RHNA allocation in all income categories', '30 units/acre assumed appropriate for lower-income housing', and 'Housing Element must demonstrate “adequate sites”'. Under 'Production', there are two bullet points: 'Cities are not required to achieve the RHNA allocation' and 'If housing production falls short of the RHNA, streamlined permit processing required for some projects'. A red arrow points from the left margin to the 'Production' section.

City of West Covina. October 27, 2021 Townhall Meeting  
2021-2029 Housing Element Presentation.

The City Council majority have shown little to no inclination to control overspending. Any revenue gained from the sale of the city yard will be spent. That’s happened before. Years ago, for instance, a previous city council sold a portion of a park in the Shadow Oaks area to a housing developer. The revenue from that sale was absorbed into West Covina’s spending practices a long time ago. Another city council attempted to sell part of the civic center for a medical office. A group of residents stopped that sale through the courts. Selling assets to pay for operations is not responsible.

### **Changes We Would Like to See**

When city property is sold, it is gone forever. When the city’s needs change—and they do change over time—future city councils will be forced to address the ramifications of the lost property. In a landlock city such as ours, the consequences will be dire. ***Although the State of California is pushing converting California’s suburban cities into dense urban cities, our city council does not need expedite the transformation. Simply stated, the City Yard should not be sold. Expenditures should be controlled to stay within projected annual revenue increases, e.g., property tax, sales tax, etc. Resident quality of life should be respected.***

### **Additional Information**

City of West Covina. (2021, October 27). Town Hall Meeting. *2021-29 Housing Element* at <https://www.westcovina.org/departments/community-development/planning-division/general-plan/housing-element-update>.

City of West Covina. (2022, August 16). Regular Council Meeting. *Agenda Item 2. Staff Report: Consideration of Exclusive Negotiation Agreement for the City Yard Project in the in the City of West Covina* at <https://www.westcovina.org/departments/city-clerk/agendas-and-meetings/current-meetings-and-agendas>.

City of West Covina. (2022, August 16). Regular Council Meeting. Agenda Item 2 Discussion on YouTube at <https://www.youtube.com/watch?v=e8IUatFfGvE&t=2886s>. Timestamp: 48:07.