



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017
T: (213) 236-1800
www.scag.ca.gov

REGIONAL COUNCIL OFFICERS

President
Rex Richardson, Long Beach

First Vice President
Clint Lorimore, Eastvale

Second Vice President
Jan C. Harnik, Riverside County
Transportation Commission

Immediate Past President
Alan D. Wapner, San Bernardino
County Transportation Authority

COMMITTEE CHAIRS

Executive/Administration
Rex Richardson, Long Beach

Community, Economic &
Human Development
Jorge Marquez, Covina

Energy & Environment
David Pollock, Moorpark

Transportation
Cheryl Viegas-Walker, El Centro

SPECIAL MEETING

REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) APPEALS BOARD PUBLIC HEARING

Remote Participation Only

Wednesday, January 13, 2021

9:00 a.m. – 3:00 p.m.

To Participate on Your Computer:

<https://scag.zoom.us/j/91702781766>

To Participate by Phone:

Call-in Number: 1-669-900-6833

Meeting ID: 917 0278 1766

***Please see next page for detailed
instructions on how to participate in the meeting.***

PUBLIC ADVISORY

Given recent public health directives limiting public gatherings due to the threat of COVID-19 and in compliance with the Governor's recent Executive Order N-29-20, the meeting will be held telephonically and electronically.

If members of the public wish to review the attachments or have any questions on any of the agenda items related to RHNA, please send an email to housing@scag.ca.gov. Agendas and Minutes are also available at: www.scag.ca.gov/committees.

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency's essential public information and services. You can request such assistance by calling (213) 236-1959. We request at least 72 hours (three days) notice to provide reasonable accommodations and will make every effort to arrange for assistance as soon as possible.



Instructions for Public Comments

You may submit public comments in two (2) ways:

1. Submit written comments via email to: housing@scag.ca.gov by 5pm on Tuesday, January 12, 2021.

All written comments received after 5pm on Tuesday, January 12, 2021 will be announced and included as part of the official record of the meeting.

2. If participating via Zoom or phone, during the Public Comment Period, use the “raise hand” function on your computer or *9 by phone and wait for SCAG staff to announce your name/phone number. SCAG staff will unmute your line when it is your turn to speak. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.

If unable to connect by Zoom or phone and you wish to make a comment, you may submit written comments via email to: housing@scag.ca.gov.

In accordance with SCAG’s Regional Council Policy, Article VI, Section H and California Government Code Section 54957.9, if a SCAG meeting is “willfully interrupted” and the “orderly conduct of the meeting” becomes unfeasible, the presiding officer or the Chair of the legislative body may order the removal of the individuals who are disrupting the meeting.



Instructions for Participating in the Meeting

SCAG is providing multiple options to view or participate in the meeting:

To Participate and Provide Verbal Comments on Your Computer

1. Click the following link: <https://scag.zoom.us/j/91702781766>
2. If Zoom is not already installed on your computer, click “Download & Run Zoom” on the launch page and press “Run” when prompted by your browser. If Zoom has previously been installed on your computer, please allow a few moments for the application to launch automatically.
3. Select “Join Audio via Computer.”
4. The virtual conference room will open. If you receive a message reading, “Please wait for the host to start this meeting,” simply remain in the room until the meeting begins.
5. During the Public Comment Period, use the “raise hand” function located in the participants’ window and wait for SCAG staff to announce your name. SCAG staff will unmute your line when it is your turn to speak. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.

To Listen and Provide Verbal Comments by Phone

1. Call **(669) 900-6833** to access the conference room. Given high call volumes recently experienced by Zoom, please continue dialing until you connect successfully.
2. Enter the **Meeting ID: 917 0278 1766**, followed by #.
3. Indicate that you are a participant by pressing # to continue.
4. You will hear audio of the meeting in progress. Remain on the line if the meeting has not yet started.
6. During the Public Comment Period, press *9 to add yourself to the queue and wait for SCAG staff to announce your name/phone number. SCAG staff will unmute your line when it is your turn to speak. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.



REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) APPEALS BOARD PUBLIC HEARING SPECIAL MEETING AGENDA

RHNA APPEALS BOARD MEMBERS – RHNA 6TH CYCLE

VOTING MEMBERS

Representing Imperial County

Primary: Hon. Cheryl Viegas-Walker, El Centro
Alternate: Sup. Luis Plancarte, Imperial County

Representing Los Angeles County

Primary: Hon. Margaret Finlay, Duarte
Alternate: Hon. Rex Richardson, Long Beach

Representing Orange County

Primary: Hon. Wendy Bucknum, Mission Viejo
Alternate: **CHAIR** Peggy Huang, Yorba Linda, TCA

Representing Riverside County

Primary: Hon. Russell Betts, Desert Hot Springs
Alternate: Hon. Rey SJ Santos, Beaumont

Representing San Bernardino County

Primary: Hon. Deborah Robertson, Rialto
Alternate: Hon. Larry McCallon, Highland

Representing Ventura County

Primary: Sup. Carmen Ramirez, Ventura County
Alternate: Hon. Mike Judge, Simi Valley, VCTC



REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) APPEALS BOARD

PUBLIC HEARING – SPECIAL MEETING AGENDA

Southern California Association of Governments
Remote Participation Only
Wednesday, January 13, 2021
9:00 AM – 3:00 PM

CALL TO ORDER AND PLEDGE OF ALLEGIANCE *(The Honorable Peggy Huang, Chair)*

PUBLIC COMMENT PERIOD

Members of the public are encouraged to submit written comments by sending an email to: housing@scag.ca.gov by 5pm on Tuesday, January 12, 2021. Such comments will be transmitted to members of the legislative body and posted on SCAG's website prior to the meeting. Written comments received after 5pm on January 12, 2021 will be announced and included as part of the official record of the meeting. Members of the public wishing to verbally address the RHNA Appeals Board will be allowed up to 3 minutes to speak, with the presiding officer retaining discretion to adjust time limits as necessary to ensure efficient and orderly conduct of the meeting. The presiding officer has the discretion to reduce the time limit based upon the number of comments received and may limit the total time for all public comments to twenty (20) minutes.

Click [here](#) to access the list of written Public Comments received as of 1/5/2021, or see the attachment.

All comments submitted are posted online at <https://scag.ca.gov/rhna-comments>.

ACTION ITEM/S

1. Public Hearings to Consider Appeals Submitted by Jurisdictions Related to the 6th Cycle Draft RHNA Allocations
(Kome Ajise, Executive Director)

RECOMMENDED ACTION:

Review the appeals submitted by seven (7) jurisdictions regarding their respective 6th cycle Draft RHNA Allocations; review corresponding staff recommendations as reflected in the staff reports; receive public comments; hear arguments by appellants and staff responses; and take action to grant, partially grant, or deny each appeal.

The Chair has the discretion to determine the order of appeals heard.

Schedule

- 1.1 City of Agoura Hills*
 - 1.2 City of Torrance*
 - 1.3 City of Gardena*
 - 1.4 City of Lawndale*
-



- 1.5 City of Redondo Beach*
- 1.6 County of Rancho Palos Verdes*
- 1.7 City of Beverly Hills*

*** For each appeal, the general time allocation is as the following with Chair's discretion to grant extension as needed:**

- Initial Arguments (5 min)
- Staff Response (5 min)
- Rebuttal (3 min)

For more information, please see Appeals Hearing Procedures in the Attachment.

ADJOURNMENT

The Public Hearing to hear submitted appeals to the 6th cycle Regional Housing Needs Assessment (RHNA) Allocations will continue on January 15, 2021.

ATTACHMENT - Appeals Hearing Procedures**(Per Adopted 6th Cycle RHNA Appeals Procedures Section G)**

The hearing(s) shall be conducted to provide applicants and jurisdictions that did not file appeals but are the subject of an appeal, with the opportunity to make their case regarding a change in their draft regional housing need allocation or another 7 jurisdiction's allocation, with the burden on the applicants to prove their case. The appeals hearings will be organized by the specific jurisdiction subject to an appeal or appeals and will adhere to the following procedures:

1. Initial Arguments

Applicants who have filed an appeal for a particular jurisdiction will have an opportunity to present their request and reasons to grant the appeal. In the event of multiple appeals filed for a single jurisdiction, the subject jurisdiction will present their argument first if it has filed an appeal on its own draft RHNA allocation. Applicants may present their case either on their own, or in coordination with other applicants, but each applicant shall be allotted five (5) minutes each. If the subject jurisdiction did not file an appeal on its own draft RHNA allocation, it will be given an opportunity to present after all applicants have provided initial arguments on their filed appeals. Any presentation from the jurisdiction who did not appeal but is the subject of the appeal is limited to five (5) minutes unless it is responding to more than one appeal, in which case the jurisdiction is limited to eight (8) minutes.

2. Staff Response

After initial arguments are presented, SCAG staff will present their recommendation to approve or deny the appeals filed for the subject jurisdiction. The staff response is limited to five (5) minutes.

3. Rebuttal

Applicants and the jurisdiction who did not file an appeal but is the subject of the appeal may elect to provide a rebuttal but are limited to the arguments and evidence presented in the staff response. Each applicant and the subject jurisdiction that did not file an appeal on its own draft RHNA allocation will be allotted three (3) minutes each for a rebuttal.

4. Extension of Time Allotment

The Chair of the Appeals Board may elect to grant additional time for any presentation, staff response, or rebuttal in the interest of due process and equity.

5. Appeal Board Discussion and Determination



After arguments and rebuttals are presented, the RHNA Appeals Board may ask questions of applicants, the subject jurisdiction (if present), and SCAG staff. The Chair of the Appeals Board may request that questions from the Appeals Board be asked prior to a discussion among Appeals Board members. Any voting Board member may make a motion regarding the appeal(s) for the subject jurisdiction.

The Appeals Board is encouraged to make a single determination on the subject jurisdiction after hearing all arguments and presentations on each subject jurisdiction. The RHNA Appeals Board need not adhere to formal evidentiary rules and procedures in conducting the hearing. An appealing jurisdiction may choose to have technical staff present its case at the hearing. At a minimum, technical staff should be available at the hearing to answer any questions of the RHNA Appeals Board.

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
10/11/2018	City of Beverly Hills	Hon. John Mirisch	Subcommittee membership
12/2/2018	City of Mission Viejo	Gail Shiomoto-Lohr	Subcommittee charter, subregional delegation, growth forecast
1/17/2019	City of Beverly Hills	Hon. John Mirisch	Urban sprawl
2/4/2019	City of Beverly Hills	Hon. John Mirisch	Role of housing supply, single family homes, subcommittee membership
3/11/2019	City of Beverly Hills	Hon. John Mirisch	Subcommittee membership, upzoning, single family homes
3/30/2019	City of Beverly Hills	Hon. John Mirisch	Upzoning, urbanism, density
5/2/2019	Central Cities Association of Los Angeles	Jessica Lall	Regional Determination
5/6/2019	City of Irvine	Marika Poynter	Regional determination, existing need distribution, social equity adjustment
5/20/2019	City of Redondo Beach	Sean Scully	Existing housing need and zoning
5/23/2019	UCLA Luskin School of Public Affairs	Paavo Monkkonen	Zoning, housing prices, and regulation
5/28/2019	Orange County Council of Governments (OCCOG)	Hon. Stacy Berry	Regional determination consultation package
5/29/2019	City of Anaheim	Chris Zapata	Regional determination consultation package
5/31/2019	City of Yorba Linda	David Brantley	Regional determination consultation package
6/1/2019	City of Mission Viejo		Regional determination consultation package; distribution methodology
6/3/2019	City of Newport Beach	Seimone Jurjjs	Regional determination consultation package
6/3/2019	UCLA	Paavo Monkkonen	Regional determination consultation package
6/4/2019	City of Tustin	Elizabeth Binsack	Regional determination consultation package
6/4/2019		Henry Fung	Public outreach and engagement; regional determination consultation package
6/5/2019		Hunter Owens	Regional determination consultation package
6/5/2019	City of Santa Ana	Kristine Ridge	Regional determination consultation package
6/5/2019	City of Newport Beach	Seimone Jurjjs	Regional determination consultation package
6/5/2019	City of Calabasas	Mayor David Shapiro	RHNA methodology
6/5/2019		Vyki Englert	Regional determination consultation package
6/5/2019		Juan Lopez	Regional determination consultation package
6/5/2019		Louis Mirante	Regional determination consultation package
6/5/2019		Carter Rubin	Regional determination consultation package
6/6/2019		Hon. Meghan Sahli-Wells, City of Culver City	Regional determination consultation package
6/5/2019		Andy Freeland	Regional determination consultation package
6/5/2019		Eve Bachrach	Regional determination consultation package
6/6/2019		Emily Groendyke	Regional determination consultation package
6/6/2019		Timothy Hayes	Regional determination consultation package
6/6/2019		Carter Moon	Regional determination consultation package
6/6/2019		Jesse Lerner-Kinglake	Regional determination consultation package
6/6/2019		Alex Fisch	Regional determination consultation package
6/6/2019		Jed Lowenthal	Regional determination consultation package
6/6/2019	City of Moorpark	Karen Vaughn	Proposed RHNA Methodology
6/6/2019	City of La Habra	Jim Gomez	Regional determination package
6/6/2019	County of Orange	Supervisor Donald Wagner	Regional determination package
6/18/2019		Thomas Glaz	Proposed RHNA methodology
6/18/2019		Brendan Regulinski	Proposed RHNA methodology
6/18/2019		Chris Palencia	Proposed RHNA methodology
6/19/2019		Henry Fung	Action on regional determination; proposed RHNA methodology; public hearing and outreach process
6/21/2019		Glenn Egelko	Subcommittee member remarks
6/22/2019		Donna Smith	Proposed RHNA methodology
6/24/2019		Fred Zimmerman	Regional determination package
6/24/2019		Antoine Wakim	Regional determination package

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
6/24/2019		Darrell Clarke	Regional determination package
6/24/2019		Marcos Rodriguez Maciel	Regional determination package
6/24/2019		Taylor Hallam	Regional determination package
6/24/2019		Phil Lord	Regional determination package
6/24/2019		Edwin Woll	Regional determination package
6/24/2019		Steven Guerry	Regional determination package
6/24/2019		Prabhu Reddy	Regional determination package
6/24/2019		Judd Schoenholtz	Regional determination package
6/24/2019		Bret Contreras	Regional determination package
6/24/2019		Mark Montiel	Regional determination package
6/24/2019		Hardy Wronske	Regional determination package
6/24/2019		William Wright	Regional determination package
6/24/2019		Nicholas Burns III	Regional determination package
6/24/2019		Brendan Regulinski	Regional determination package
6/24/2019		Gabe Rose	Regional determination package
6/24/2019		Sean McKenna	Regional determination package
6/24/2019		Lolita Nurmamade	Regional determination package
6/24/2019		Paul Moorman	Regional determination package
6/24/2019		Ryan Welch	Regional determination package
6/24/2019		Gerald Lam	Regional determination package
6/24/2019		Carol Gordon	Regional determination package
6/24/2019		Anthony Dedousis	Regional determination package
6/24/2019		Christopher Cooper	Regional determination package
6/24/2019		Colin Frederick	Regional determination package
6/24/2019		Joe Goldman	Regional determination package
6/24/2019		David Douglass-Jaimes	Regional determination package
6/24/2019		Liz Barillas	Regional determination package
6/24/2019		Andy Freeland	Regional determination package
6/24/2019		Grayson Peters	Regional determination package
6/24/2019		Andrew Oliver	Regional determination package
6/24/2019		Kyle Jenkins	Regional determination package
6/24/2019		Matthew Ruscigno	Regional determination package
6/24/2019		Amar Billoo	Regional determination package
6/24/2019		Joshua Blumenkopf	Regional determination package
6/24/2019		Leonora Camner	Regional determination package
6/24/2019		Ryan Tanaka	Regional determination package
6/24/2019		Partho Kalyani	Regional determination package
6/24/2019		Victoria Englert	Regional determination package
6/24/2019		Josh Albrektsen	Regional determination package
6/24/2019		Matt Stauffer	Regional determination package
6/24/2019		Brooks Dunn	Regional determination package
6/24/2019		Nancy Barba	Regional determination package
6/24/2019		Sandra Madera	Regional determination package
6/25/2019		Gregory Dina	Regional determination package
6/25/2019		Brent Gaisford	Regional determination package
6/25/2019		Andrew Kerr	Regional determination package
6/25/2019		Hunter Owens	Regional determination package
6/25/2019		Alexander Murray	Regional determination package
6/25/2019		Eric Hayes	Regional determination package
6/25/2019		Brent Stoll	Regional determination package
6/25/2019		Matthew Dixon	Regional determination package

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
6/25/2019		Mark Yetter	Regional determination package
6/25/2019		Chase Engelhardt	Regional determination package
6/25/2019		Hugh Martinez	Regional determination package
6/25/2019		Christopher Palencia	Regional determination package
6/25/2019		Nathan Pope	Regional determination package
6/25/2019		Lauren Borchard	Regional determination package
6/25/2019		Shane Philips	Regional determination package
6/25/2019		Alexander Naylor	Regional determination package
6/25/2019		Andy May	Regional determination package
6/25/2019		Jon Dearing	Regional determination package
6/25/2019		David Barboza	Regional determination package
6/26/2019		Sofia Tablada	Regional determination package
6/26/2019		Amanda Wilson	Regional determination package
6/26/2019		Mike Bettinardi	Regional determination package
6/26/2019		Emily Skehan	Regional determination package
6/26/2019	City of Long Beach	Patrick West	Proposed RHNA methodology
6/27/2019		Jesse Silva	Regional determination package
6/27/2019		Ryan Rubin	Regional determination package
6/27/2019	City of Garden Grove	Mayor Steve Jones	Regional determination package; proposed RHNA methodology
6/27/2019	County of Los Angeles	Amy Bodek	Proposed RHNA methodology
6/28/2019		Maggie Rattay	Regional determination package
6/28/2019		Brittney Hojo	Regional determination package
6/28/2019		Thomas Irwin	Regional determination package
6/28/2019		Steph Pavon	Regional determination package
7/3/2019		Tyler Lindberg	Regional determination package
7/3/2019		Ji Son	Regional determination package
7/3/2019		David Kitani	Regional determination package
7/3/2019		Chase Andre	Regional determination package
7/3/2019		Taily Pulido	Regional determination package
7/5/2019		Stephanie Palencia	Regional determination package
7/6/2019		Charlie Stigler	Regional determination package
7/8/2019		Chris Rattay	Regional determination package
7/9/2019		Holly Osborne	Proposed RHNA Methodology
7/9/2019	City of Ojai	James Vega	Proposed RHNA Methodology
7/10/2019	City of South Gate	Joe Perez	Proposed RHNA Methodology
7/11/2019	City of Malibu	Reva Feldman	Proposed RHNA Methodology
7/16/2019	City of Los Angeles, 15 th District	Aksel Palacios	Affordable Housing Solutions
7/17/2019	City of Culver City	Mayor Meghan Sahli-Wells	Regional Determination
7/18/2019	League of Women Voters of Los Angeles	Sandra Trutt	Zoning and Homelessness
7/18/2019	County of Riverside	Juan Perez	Proposed RHNA allocation
7/19/2019	League of Women Voters of Los Angeles County	Marge Nichols	Regional Determination
7/20/2019		Therese Mufic Neustaedter	Regional Determination
7/23/2019	County of Ventura – Board of Supervisors	Supervisor Steve Bennett	Proposed RHNA Methodology
7/25/2019		Jose Palencia	Regional Determination
7/27/2019		Henry Fung	Proposed RHNA Methodology
7/29/2019		Paavo Monkkonen	Proposed RHNA Methodology
7/29/2019		Paavo Monkkonen	Proposed RHNA Methodology
7/29/2019	Endangered Habitats League	Dan Silver	Proposed RHNA methodology
7/31/2019	League of Women Voters Los Angeles County	Marge Nichols	Regional Determination; Proposed RHNA Methodology
7/31/2019	City of Beverly Hills	Mayor John Mirisch	Proposed RHNA Methodology

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
7/31/2019	City of Beverly Hills	Mayor John Mirisch	Proposed RHNA Methodology
7/31/2019		Assm. Richard Bloom	Proposed RHNA Methodology
8/1/2019	League of Women Voters Santa Monica	Natalya Zernitskaya	Proposed RHNA Methodology
8/1/2019	City of Malibu	Bonnie Blue	Proposed RHNA Methodology; SB 182
8/1/2019	People for Housing OC	Elizabeth Hansburg	Regional Determination
8/1/2019	City of Big Bear Lake	Jeff Matthieu	Proposed RHNA Methodology
8/2/2019		Donna Smith	?
8/4/2019		Gary Drucker	Proposed RHNA Methodology
8/5/2019		Valerie Fontaine	Proposed RHNA Methodology
8/5/2019		Jay Ross	Proposed RHNA Methodology
8/7/2019		Miriam Cantor	Proposed RHNA Methodology
8/8/2019		Jonathan Baty	Population growth
8/12/2019		City of Yucaipa	Proposed RHNA methodology
8/12/2019		Paul Lundquist	?
8/12/2019		Leonora Camner	Proposed RHNA Methodology
8/12/2019		Ryan Tanaka	Proposed RHNA Methodology
8/12/2019		Jesse Silva	Proposed RHNA Methodology
8/12/2019		Joshua Gray-Emmer	Proposed RHNA Methodology
8/12/2019		Chase Engelhardt	Proposed RHNA Methodology
8/12/2019		Drew Heckathorn	Proposed RHNA Methodology
8/12/2019		Liz Barillas	Proposed RHNA Methodology
8/12/2019		Jonah Bliss	Proposed RHNA Methodology
8/12/2019		Angus Beverly	Proposed RHNA Methodology
8/12/2019		Gregory Dina	Proposed RHNA Methodology
8/12/2019		Eduardo Mendoza	Proposed RHNA Methodology
8/12/2019		Carol Gordon	Proposed RHNA Methodology
8/12/2019		Joanne Leavitt	Proposed RHNA Methodology
8/12/2019		Mark Yetter	Proposed RHNA Methodology
8/12/2019		Meredith Jung	Proposed RHNA Methodology
8/12/2019		Nicholas Burns III	Proposed RHNA Methodology
8/12/2019		Judd Scoenholtz	Proposed RHNA Methodology
8/12/2019		Lee Benson	Proposed RHNA Methodology
8/12/2019		Kate Poisson	Proposed RHNA Methodology
8/12/2019		Joshua Blumenkopf	Proposed RHNA Methodology
8/12/2019		Anthony Dedousis	Proposed RHNA Methodology
8/12/2019		Christopher Tausanovitch	Proposed RHNA Methodology
8/12/2019		Emerson Dameron	Proposed RHNA Methodology
8/12/2019		Grayson Peters	Proposed RHNA Methodology
8/12/2019		Tami Kagan-Abrams	Proposed RHNA Methodology
8/12/2019		Lauren Borchard	Proposed RHNA Methodology
8/12/2019		Alec Mitchell	Proposed RHNA Methodology
8/12/2019		Andy Freeland	Proposed RHNA Methodology
8/12/2019		Michelle Castelletto	Proposed RHNA Methodology
8/12/2019		Brent Gaisford	Proposed RHNA Methodology
8/12/2019		Rebecca Muli	Proposed RHNA Methodology
8/12/2019		Ryan Welch	Proposed RHNA Methodology
8/12/2019		Prabhu Reddy	Proposed RHNA Methodology
8/12/2019		Matthew Dixon	Proposed RHNA Methodology
8/12/2019		Richard Hofmeister	Proposed RHNA Methodology
8/12/2019		David Barboza	Proposed RHNA Methodology

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
8/12/2019		Michael Drowsky	Proposed RHNA Methodology
8/12/2019		Allison Wong	Proposed RHNA Methodology
8/13/2019		Justin Jones	Proposed RHNA Methodology
8/13/2019		Yurhe Lim	Proposed RHNA Methodology
8/13/2019		Ryan Koyanagi	Proposed RHNA Methodology
8/13/2019		William Wright	Proposed RHNA Methodology
8/13/2019		Norma Guzman	Proposed RHNA Methodology
8/13/2019		Mary Vaiden	Proposed RHNA Methodology
8/13/2019		Andy May	Proposed RHNA Methodology
8/13/2019		Gerald Lam	Proposed RHNA Methodology
8/13/2019		Kelly Koldus	Proposed RHNA Methodology
8/13/2019		Thomas Irwin	Proposed RHNA Methodology
8/14/2019		Susan Decker	Proposed RHNA Methodology
8/14/2019		Michael Busse	Proposed RHNA Methodology
8/14/2019		Rosa Flores	Proposed RHNA Methodology
8/14/2019		Pedro Juarez	Proposed RHNA Methodology
8/14/2019		Zennon Ulyate-Crow	Proposed RHNA Methodology
8/16/2019		Ron Javorsky	
8/16/2019	County of Riverside	Robert Flores	RHNA Public Outreach
8/17/2019		Marianne Buchanan	
8/17/2019		Carolyn Byrnes	Other
8/17/2019		Sharon Willkins	
8/17/2019		Natalya Zernitskaya	Proposed RHNA Methodology
8/19/2019		Kawauna Reed	
8/19/2019		Hon. Manuel Chavez (Costa Mesa Councilmember, District 4)	Proposed RHNA Methodology
		Cassius Rutherford (Parks Commissioner, Costa Mesa)	
		Chris Gaarder (Planning Commission Chair, Fullerton)	
		Brandon Whalen-Castellanos (Transportation Commission Chair, Fullerton)	
		Luis Aleman (Parks Commission, Santa Ana)	
8/19/2019		Theopilis Hester	Proposed RHNA Methodology
8/20/2019	City of Santa Monica	Rick Cole	Proposed RHNA Methodology
8/20/2019	City of Rancho Palos Verdes	Octavio Silva	Proposed RHNA Methodology
8/20/2019	City of Yorba Linda	Mayor Tara Campbell	Proposed RHNA Methodology
8/22/2019	City of Redondo Beach	Mayor William Brand	Proposed RHNA Methodology
8/22/2019	Orange County Council of Governments (OCCOG)	Marnie O. Primmer	Proposed RHNA Methodology
8/23/2019		Bruce Szekes	Public Outreach
8/23/2019	Center for Demographic Research		Proposed RHNA Methodology
8/23/2019		Laura Smith	Housing Distribution
8/23/2019	City of Beverly Hills	Mayor John Mirisch	Proposed RHNA Methodology
8/24/2019		Sharon Commins	Proposed RHNA Methodology
8/26/2019	City of El Segundo		Proposed RHNA Methodology
8/26/2019		Sean McKenna	Proposed RHNA Methodology
8/26/2019		Mark Chenevey	Proposed RHNA Methodology
8/26/2019		Derek Ryder	Proposed RHNA Methodology
8/26/2019	City of Long Beach	Patrick West	Proposed RHNA Methodology
8/27/2019	City of Mission Viejo	Elaine Lister	Proposed RHNA Methodology data correction
8/27/2019		Shawn Danino	Proposed RHNA Methodology
8/27/2019		Jeffery Alvarez	Proposed RHNA Methodology
8/27/2019		Claudia Vu	Proposed RHNA Methodology

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
8/27/2019		Laila Delgado	Proposed RHNA Methodology
8/27/2019		Madeline Swim	Proposed RHNA Methodology
8/27/2019		Nicholas Paganini	Proposed RHNA Methodology
8/27/2019		David Aldama	Proposed RHNA Methodology
8/27/2019		Hannah Winnie	Proposed RHNA Methodology
8/27/2019		Akif Khan	Proposed RHNA Methodology
8/27/2019		Gianna Lum	Proposed RHNA Methodology
8/27/2019		Bradley Ewing	Proposed RHNA Methodology
8/27/2019		Anne Martin	Proposed RHNA Methodology
8/27/2019		Mysten Walker	Proposed RHNA Methodology
8/27/2019		Verity Freebern	Proposed RHNA Methodology
8/27/2019		Ryan Oillataguerre	Proposed RHNA Methodology
8/27/2019		Emma Desopo	Proposed RHNA Methodology
8/27/2019		Elyssa Medina	Proposed RHNA Methodology
8/27/2019		Judith Trujillo	Proposed RHNA Methodology
8/27/2019		Kenia Agaton	Proposed RHNA Methodology
8/27/2019	OC Business Council	Alicia Berhow	Proposed RHNA Methodology
8/27/2019	Palms Neighborhood Council	Eryn Block	Proposed RHNA Methodology
8/27/2019	County of Riverside	Juan Perez	Proposed RHNA Methodology
8/28/2019		Sophia Parmisano	Proposed RHNA Methodology
8/28/2019		Anthony Castelletto	Proposed RHNA Methodology
8/28/2019		Minh Le	Proposed RHNA Methodology
8/28/2019		Carol Luong	Proposed RHNA Methodology
8/28/2019		Chitra Patel	Proposed RHNA Methodology
8/28/2019		Misha Ponnuraju	Proposed RHNA Methodology
8/27/2019		Griffin McDaniel	Proposed RHNA Methodology
8/28/2019		Lauren Walker	Proposed RHNA Methodology
8/28/2019		Robert Flores	Proposed RHNA Methodology
8/28/2019		Hailey Maxwell	Proposed RHNA Methodology
8/28/2019		Carey Kayser	Proposed RHNA Methodology
8/28/2019		Annie Bickerton	Proposed RHNA Methodology
8/29/2019	City of Fullerton	Matt Foulkes	Proposed RHNA Methodology
8/29/2019	City of Norco	Steve King	Proposed RHNA Methodology
8/29/2019	City of Signal Hill	Mayor Lori Wood	Proposed RHNA Methodology
8/29/2019	SCANPH	Francisco Martinez	Proposed RHNA Methodology
8/29/2019		Ross Heckmann	Proposed RHNA Methodology
8/30/2019		Dottie Alexanian	Proposed RHNA Methodology
8/30/2019		Judith Deutsch	Proposed RHNA Methodology
8/30/2019	City of Tustin	Elizabeth Binsack	Proposed RHNA Methodology
8/30/2019	City of Menifee	Cheryl Kitzerow	Proposed RHNA Methodology
8/31/2019		Paavo Monkkonen	Proposed RHNA Methodology
8/31/2019		Paavo Monkkonen and 27 professors	Proposed RHNA Methodology
8/31/2019		Ryan Kelly	Proposed RHNA Methodology
8/31/2019		Hydee Feldstein	Proposed RHNA Methodology
8/31/2019		Alex Ivina	Proposed RHNA Methodology
8/31/2019		Steve Rogers	Proposed RHNA Methodology
8/31/2019		Phil Davis	Proposed RHNA Methodology
8/31/2019		Kathy Hersh	Proposed RHNA Methodology
9/1/2019		Jane Demian	Proposed RHNA Methodology
9/1/2019		Diana Stiller	Proposed RHNA Methodology
9/1/2019		Paula Bourges	Proposed RHNA Methodology

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
9/1/2019		Raymond Goldstone	Proposed RHNA Methodology
9/1/2019		Christopher Palencia	Proposed RHNA Methodology
9/2/2019		Doris Roach	Proposed RHNA Methodology
9/3/2019		Judy Saunders	Proposed RHNA Methodology
9/3/2019		Susan Ashbrook	Proposed RHNA Methodology
9/3/2019		Marcelo & Irene Olavarria	Proposed RHNA Methodology
9/3/2019		Margret Healy	Proposed RHNA Methodology
9/3/2019		Genie Saffren	Proposed RHNA Methodology
9/3/2019	City of Rancho Santa Margarita	Cheryl Kuta	Proposed RHNA Methodology
9/3/2019	City of Corona	Joanne Coletta	Proposed RHNA Methodology
9/3/2019	City of Desert Hot Springs	Rebecca Deming	Proposed RHNA Methodology
9/3/2019		Karen Boyarsky	Regional Determination
9/3/2019		Nancee L.	Proposed RHNA Methodology
9/3/2019		Tracy St. Claire	Regional Determination
9/4/2019		Shelly Carlo	Housing Distribution
9/4/2019		Bill Zimmerman	Proposed RHNA Methodology
9/4/2019		Mark Vallianatos	Proposed RHNA Methodology
9/4/2019		Marilyn Frost	Housing Distribution
9/4/2019		Matthew Stevens	Proposed RHNA Methodology
9/4/2019		Georgianne Cowan	Regional Determination
9/4/2019		Lisa Schecter	Regional Determination
9/4/2019		Carol Watkins	Regional Determination
9/4/2019		Mark Robbins	Regional Determination
9/4/2019		Susan Horn	Regional Determination
9/4/2019		Barbara Broide	Regional Determination
9/4/2019		Joseph Sherwood	Regional Determination
9/4/2019		Linda Sherwood	Regional Determination
9/4/2019		Darren Swimmer	Regional Determination
9/4/2019		Lee Zeldin	Regional Determination
9/4/2019		Nancy Rae Stone	Regional Determination
9/4/2019		Rachael Gordon	Regional Determination
9/4/2019		Martha Singer	Regional Determination
9/4/2019		Laurie Balustein	Regional Determination
9/4/2019		Henry Fung	Regional Determination
9/4/2019		Brad Pennington	Regional Determination
9/4/2019		Mike Javadi	Regional Determination
9/4/2019		Lauren Thomas	Regional Determination
9/4/2019		Keith Solomon	Regional Determination
9/4/2019		Linda Blank	Regional Determination
9/4/2019		Valerie Brucker	Regional Determination
9/4/2019		Craig Rich	Regional Determination
9/4/2019		Wansun Song	Regional Determination
9/4/2019		Robert Seligman	Regional Determination
9/4/2019	City of Newport Beach	Seimone Jurjis	Regional Determination
9/4/2019	City of Calabasas	Mayor David Shapiro	Regional Determination
9/4/2019		Paul Soroudi	Regional Determination
9/4/2019		Terrence Gomes	Regional Determination
9/4/2019		Kimberly Fox	Regional Determination
9/4/2019		Mra Tun	Regional Determination
9/4/2019		Laura Levine Lacter	Regional Determination
9/4/2019		Stephen Resnick	Regional Determination

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
9/4/2019		Kimberly Christensen	Regional Determination
9/4/2019		Rita Villa	Regional Determination
9/4/2019	City of San Clemente	James Makshanoff	Proposed RHNA Methodology
9/4/2019	City of Beaumont	Julio Martinez	Proposed RHNA Methodology
9/4/2019	City of Hawthorne	Arnold Shadbeh	Proposed RHNA Methodology
9/5/2019	City of Murrieta	Mayor Kelly Seyarto	Proposed RHNA Methodology
9/5/2019	City of Canyon Lake	Jim Morrissey	Proposed RHNA Methodology
9/5/2019		Hunter Owens	Proposed RHNA Methodology
9/5/2019		Stephen Twining	Regional Determination
9/5/2019		Paul Callinan	Regional Determination
9/5/2019		C. McAlpin	Regional Determination
9/5/2019		Isabel Janken	Regional Determination
9/5/2019		Ann Hayman	Regional Determination
9/5/2019		Meg Sullivan	Housing Production
9/5/2019	City of Moreno Valley	Patty Nevins	Proposed RHNA Methodology
9/5/2019		Massy Mortazavi	Regional Determination
9/5/2019		Fred Golan	Regional Determination
9/5/2019		Debbie & Howard Nussbaum	Regional Determination
9/5/2019		Devony Hastings	Regional Determination
9/5/2019	League of Women Voters of Los Angeles County	Marge Nichols	RHNA Methodology
9/5/2019		Larry Blugrind	Housing Distribution
9/5/2019		Terry Tegnazian	Regional Determination
9/5/2019	Gateway Cities Council of Governments (GCCOG)	M. Diane DuBois	RHNA Methodology
9/5/2019		Denson Fujikawa	Other
9/5/2019		Tracy Fitzgerald	Regional Determination
9/5/2019	City of Pomona	Anita Gutierrez	Proposed RHNA Methodology
9/5/2019		Minhlinh Nguyen	Regional Determination
9/5/2019		Anita Gutierrez	Proposed RHNA Methodology
9/5/2019	City of Fountain Valley	Steve Nagel	Proposed RHNA Methodology
9/5/2019	City of Camarillo	Kevin Kildee	Proposed RHNA Methodology
9/5/2019		Denson Fujikawa	Other
9/6/2019	City of Sierra Madre	Gabriel Engeland	Proposed RHNA Methodology
9/6/2019	City of Laguna Hills	Donald White	Proposed RHNA Methodology
9/6/2019		David Oliver	Regional Determination
9/6/2019	City of Chino Hills	Joann Lombardo	Proposed RHNA Methodology
9/7/2019		David Ting	Regional Determination
9/9/2019	City of Azusa	Sergio Gonzalez	Proposed RHNA Methodology
9/9/2019	City of Alhambra	Jessica Binnquist	Proposed RHNA Methodology
9/9/2019	Los Angeles Chamber of Commerce	Maria Salinas	RHNA Methodology
9/9/2019	City of Ranchos Palos Verdes	Octavio Silva	Proposed RHNA Methodology
9/9/2019		Kathy Whooley	Regional Determination
	San Gabriel Valley Council of Governments		
9/9/2019	(SGVCOG)	Cynthia Sternquist	Proposed RHNA Methodology
9/9/2019		Matthew Hinsley	Regional Determination
9/9/2019	City of Agoura Hills	Greg Ramirez	Proposed RHNA Methodology
9/10/2019	City of Redondo Beach	Laura Emdee	Regional Determination
9/10/2019		Jessica Sandoval	Proposed RHNA Methodology
9/10/2019	City of Redondo Beach	Bill Brand	Proposed RHNA Methodology
9/10/2019		Yesenia Medina	Regional Determination

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
9/10/2019		Jeannette Mazul	Regional Determination
9/10/2019		Jocelyne Irineo	Proposed RHNA Methodology
9/10/2019		Cristina Resendez	Proposed RHNA Methodology
9/10/2019		Carla Bucio	Proposed RHNA Methodology
9/10/2019	City of Redondo Beach	Bill Brand	Proposed RHNA Methodology
9/10/2019	City of Redondo Beach	Laura Emdee	Proposed RHNA Methodology
9/10/2019	City of Garden Grove	Steve Jones	Proposed RHNA Methodology
9/10/2019		Henry Fung	Overall RHNA Process
9/10/2019	City of San Marino	Aldo Cervantes	Proposed RHNA Methodology
9/10/2019	City of South Gate	Jorge Morales	Proposed RHNA Methodology
9/10/2019	City of Torrance	Patrick Furey	Proposed RHNA Methodology
9/10/2019	City of Rancho Cucamonga	John Gillison	Proposed RHNA Methodology
9/10/2019		Jeannette Mazul	Affordable Housing
9/10/2019		Tina Kim	Proposed RHNA Methodology
9/11/2019	City of South Pasadena	Stephanie DeWolfe	Proposed RHNA Methodology
9/11/2019	City of Glendora	Jeff Kugel	Proposed RHNA Methodology
9/11/2019	City of Ojai	John F. Johnson	Proposed RHNA Methodology
9/11/2019	City of Oxnard	Tim Flynn	Proposed RHNA Methodology
9/11/2019	City of Westlake Village	Ned E. Davis	Proposed RHNA Methodology
9/11/2019	City of Cerritos	Art Gallucci	Proposed RHNA Methodology
9/11/2019	City of Hemet	Christopher Lopez	Proposed RHNA Methodology
9/11/2019	City of La Palma	Laurie Murray	Proposed RHNA Methodology
9/11/2019	City of Bell	Ali Saleh	Proposed RHNA Methodology
9/11/2019		Karen Rivera	Regional Determination
9/11/2019		David Coffin	Regional Determination
9/12/2019	City of Lomita	Alicia Velasco	Proposed RHNA Methodology
9/12/2019	City of Wildomar	Matthew Bassi	Proposed RHNA Methodology
9/12/2019	City of Aliso Viejo	David Doyle	Proposed RHNA Methodology
9/12/2019	City of Commerce	Vilko Domic	Proposed RHNA Methodology
9/12/2019	City of El Monte	Betty Donavanik	Proposed RHNA Methodology
9/12/2019	South Bay Cities Council of Governments (SBCCOG)	Christian Horvath	Proposed RHNA Methodology
9/12/2019	City of Huntington Beach	Dave Kiff	Proposed RHNA Methodology
9/12/2019	City of Rosemead	Gloria Molleda	Proposed RHNA Methodology
9/12/2019	City of Dana Point	Matt Schneider	Proposed RHNA Methodology
9/12/2019	City of Placentia	Rhonda Shader	Proposed RHNA Methodology
9/12/2019	City of Palos Verdes Estates	Carolynn Petru	Proposed RHNA Methodology
9/12/2019	City of Palmdale	Mark Oyler	Proposed RHNA Methodology
9/12/2019	City of Hawthorne	Alejandro Vargas	Proposed RHNA Methodology
9/12/2019	City of Irvine	Mayor Christina L. Shea	Proposed RHNA Methodology
9/12/2019	City of Walnut	Rob Wishner	Proposed RHNA Methodology
9/12/2019	City of Maywood	Jennifer Vasquez	Proposed RHNA Methodology
9/12/2019	City of Culver City	Meghan Sahli-Wells	Proposed RHNA Methodology
9/12/2019	City of Buena Park	Joel Rosen	Proposed RHNA Methodology
9/12/2019	City of Santa Clarita	Thomas Cole	Proposed RHNA Methodology
9/12/2019	City of Temecula	Luke Watson	Proposed RHNA Methodology
9/12/2019	City of Lake Elsinore	Richard MacHott	Proposed RHNA Methodology
9/12/2019	City of San Dimas	Ken Duran	Proposed RHNA Methodology
9/12/2019	City of Irwindale	William Tam	Proposed RHNA Methodology
9/12/2019	City of Santa Ana	Kristine Ridge	Proposed RHNA Methodology
9/12/2019	City of La Mirada	Jeff Boynton	Proposed RHNA Methodology

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
9/12/2019	City of Anaheim	Chris Zapata	Proposed RHNA Methodology
9/12/2019	City of Costa Mesa	Lori Ann Farrell Harrison	Proposed RHNA Methodology
9/12/2019	City of Huntington Park	Sergio Infanzon	Proposed RHNA Methodology
9/12/2019	Westside Neighborhood Council	Terri Tippit	Proposed RHNA Methodology
9/12/2019	City of Eastvale	Bryan Jones	Proposed RHNA Methodology
9/12/2019		John Birkett	Regional Determination
9/12/2019		Lourdes Petersen	Regional Determination
9/12/2019		Jesse Silva	Proposed RHNA Methodology
9/12/2019		Anne Hilborn	Proposed RHNA Methodology
9/12/2019		Henry Fung	Proposed RHNA Methodology
9/13/2019		Holly Osborne	Proposed RHNA Methodology
9/13/2019		Niall Huffman	Proposed RHNA Methodology
9/13/2019		Michael Hoskinson	Proposed RHNA Methodology
San Bernardino County Transportation			
9/13/2019	Authority/Council of Governments (SBCTA/SBCOG)	Darcy McNaboe	Proposed RHNA Methodology
9/13/2019	City of Downey	Aldo Schindler	Proposed RHNA Methodology
9/13/2019	City of Bellflower	Elizabeth Corpuz	Proposed RHNA Methodology
9/13/2019	City of Lakewood	Abel Avalos	Proposed RHNA Methodology
9/13/2019	City of Orange	Rick Otto	Proposed RHNA Methodology
9/13/2019	City of Paramount	John Carver	Proposed RHNA Methodology
9/13/2019	City of Rolling Hills	Jeff Pieper	Proposed RHNA Methodology
9/13/2019	City of San Fernando	Nick Kimball	Proposed RHNA Methodology
9/13/2019	City of Mission Viejo	Dennis Wilberg	Proposed RHNA Methodology
9/13/2019	City of Moorpark	Karen Vaughn	Proposed RHNA Methodology
9/13/2019	American Planning Association (CA Chapter)	Eric Phillips	Proposed RHNA Methodology
9/13/2019	County of Ventura	David Ward	Proposed RHNA Methodology
9/13/2019	City of Chino	Nicholas Liguori	Proposed RHNA Methodology
9/13/2019	One Step A La Vez	Kate English	Housing Development
American Planning Association (Los Angeles Section)			
9/13/2019		Ryan Kurtzman	Proposed RHNA Methodology
9/13/2019	City of Laguna Beach	Scott Drapkin	Proposed RHNA Methodology
9/13/2019	Santa Monicans for Renters' Rights	Patricia Hoffman and Denny Zane	Proposed RHNA Methodology
Western Riverside Council of Governments (WRCOG)			
9/13/2019		Rick Bishop	Proposed RHNA Methodology
9/13/2019	City of Los Angeles	Mayor Eric Garcetti	Proposed RHNA Methodology
9/13/2019	City of West Hollywood	Mayor John D'Amico	Proposed RHNA Methodology
9/13/2019	City of San Juan Capistrano	Joel Rojas	Proposed RHNA Methodology
9/13/2019	City of Thousand Oaks	Mark Towne	Proposed RHNA Methodology
9/13/2019	City of Newport Beach	Seimone Jurjis	Proposed RHNA Methodology
9/13/2019	City of Laguna Niguel	Jonathan Orduna	Proposed RHNA Methodology
9/13/2019	County of San Bernardino	Terri Rahhal	Proposed RHNA Methodology
9/13/2019	City of Indio	Kevin Snyder	Proposed RHNA Methodology
9/13/2019	City of Avalon	Anni Marshall	Proposed RHNA Methodology
9/13/2019	City of Burbank	Patrick Prescott	Proposed RHNA Methodology
9/13/2019	City of Santa Monica Housing Commission	Michael Soloff	Proposed RHNA Methodology
9/13/2019	City of Riverside	Jay Eastman	Proposed RHNA Methodology
9/13/2019	City of Whittier	Conal McNamara	Proposed RHNA Methodology
9/13/2019	City of San Gabriel	Arminé Chaparyan	Proposed RHNA Methodology
9/13/2019	City of San Buenaventura (Ventura)	Peter Gilli	Proposed RHNA Methodology
9/13/2019	City of Temple City	Scott Reimers	Proposed RHNA Methodology

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
9/13/2019	City of Palm Desert	Ryan Stendell	Proposed RHNA Methodology
9/13/2019	City of Monterey Park	Ron Bow	Proposed RHNA Methodology
9/13/2019	LA Thrives Et Al. (19 total organizations)	LA Thrives Et Al. (19 total organizations)	Proposed RHNA Methodology
9/13/2019	Leadership Council for Justice and Accountability Et Al. (7 total organizations)	Leadership Council for Justice and Accountability Et Al. (7 total organizations)	Proposed RHNA Methodology
9/13/2019	Southern California Business Coalition (7 total organizations)	Southern California Business Coalition (7 total organizations)	Proposed RHNA Methodology
9/15/2019		Michelle Schumacher	Other
9/30/2019	Homeowners of Encino	Eliot Cohen	Proposed RHNA Methodology
9/30/2019		Trudy Sokol	Other
10/1/2019	City of Barstow	Michael Massimini	Proposed RHNA Methodology
10/2/2019	County of Orange	Supervisor Donald Wagner	Draft RHNA Methodology
10/3/2019	County of Riverside	Charissa Leach	Draft RHNA Methodology
10/4/2019	City of Irvine	Mayor Christina L. Shea	Draft RHNA Methodology
10/6/2019	UCLA Luskin School of Public Affairs	Paavo Monkkonen	Draft RHNA Methodology
10/7/2019	City of Costa Mesa	Lori Ann Farrell Harrison	Draft RHNA Methodology
10/8/2019	South Bay Cities Council of Governments (SBCCOG)	Christian Horvath	Draft RHNA Methodology
10/9/2019	Del Rey Residents Association	Tara Walden	Other
10/10/2019		Karen Davis Ferlauto	Other
10/11/2019	Abundant Housing LA	David Bonaccorsi	Draft RHNA Methodology
10/11/2019	City of Oxnard	Mayor Tim Flynn	Draft RHNA Methodology
10/16/2019	County of Riverside	Charissa Leach	Draft RHNA Methodology
10/21/2019	City of Newport Beach	Seimone Jurjis	Draft RHNA Methodology
	San Bernardino County Transportation Authority/Council of Governments (SBCTA/SBCOG)		
10/21/2019		Ray Wolfe	Draft RHNA Methodology
10/23/2019		Barbara Broide	Draft RHNA Methodology
10/23/2019	County of Riverside	Supervisor Kevin Jeffries	Draft RHNA Methodology
10/25/2019		Robert Flores	Draft RHNA Methodology
10/25/2019		Reed Bernet	Draft RHNA Methodology
10/29/2019	Rancho Palos Verdes	Ana Mihranian	Draft RHNA Methodology
10/28/2019		Warren Hogg	Draft RHNA Methodology
10/29/2019	City of Coachella	Luis Lopez	Draft RHNA Methodology
10/31/2019		Marilyn Brown	Purpose of RHNA
		Mayor Rusty Bailey (City of Riverside) Supervisor Karen Spiegel (County of Riverside) Mayor Frank Navarro (City of Colton)	
11/1/2019		Hon. Toni Momberger (City of Redlands)	Draft RHNA Methodology
11/1/2019	City of Los Angeles, 4th District	Hon. David Ryu	Draft RHNA Methodology
11/4/2019	Central Cities Association of Los Angeles	Jessica Lall	Draft RHNA Methodology
11/5/2019	Orange County Council of Governments (OCCOG)	Marnie O. Primmer	Draft RHNA Methodology
11/5/2019	City of Gardena	Mayor Tasha Cerda	Draft RHNA Methodology
11/5/2019	City of Los Angeles	Vincent P. Bertoni and Kevin J. Keller	Draft RHNA Methodology
11/5/2019	City of Huntington Beach	Oliver Chi	Draft RHNA Methodology
11/6/2019	City of Hemet	Christopher Lopez	Draft RHNA Methodology
11/6/2019	City of Chino	Nicholos S. Liguori	Draft RHNA Methodology
11/6/2019	City of Menifee	Cheryl Kitzerow	Draft RHNA Methodology
11/6/2019	County of Los Angeles	Sachi A. Hamai	Draft RHNA Methodology
11/6/2019	City of Newport Beach	Seimone Jurjis	Draft RHNA Methodology

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
11/6/2019	City of Fontana	Michael Milhiser	Draft RHNA Methodology
11/6/2019	City of Chino Hills	Joann Lombardo	Draft RHNA Methodology
11/6/2019		Henry Fung	Regional Determination
11/6/2019	City of Costa Mesa	Barry Curtis	Draft RHNA Methodology
11/7/2019	City of Temple City	Scott Reimers	Draft RHNA Methodology
11/8/2019	Gateway Cities Council of Governments (GCCOG)	Nancy Pfeffer	Draft RHNA Methodology
11/20/2019	City of Huntington Beach	Michael Gates, Mayor Erik Peterson, and Mayor Pro Tem Lyn Semeta	Draft RHNA Methodology
12/12/2019		Holly Osborne	Draft RHNA Methodology
12/12/2019	City of Tustin	Allan Bernstein	Draft RHNA Methodology
12/19/2019	City of Fountain Valley	Mayor Cheryl Brothers	Draft RHNA Methodology
12/16/2019	City of Chino Hills	Joann Lombardo	Draft RHNA Methodology
12/20/2019	City of Cerritos	Naresh Solanki	Draft RHNA Methodology
1/23/2020		Karen Farley	Draft RHNA Methodology
1/23/2020		Steve Stowell	Draft RHNA Methodology
1/27/2020		Janet Chang	Draft RHNA Methodology
1/29/2020	City of Downey	Mayor Blanca Pacheco	Draft RHNA Methodology
2/4/2020	City of Cerritos	Mayor Naresh Solanki	Draft RHNA Methodology
2/6/2020		Steve Davey	Draft RHNA Methodology
2/6/2020		Connie Bryant	Draft RHNA Methodology
2/6/2020		Tom Wright	Draft RHNA Methodology
2/10/2020	City of Irvine	Marika Poynter	Draft Appeals Procedures
2/10/2020	City of Laguna Hills	David Chantarangsu	Draft Appeals Procedures
2/10/2020	City of Mission Viejo	Gail Shiomoto-Lohr	Draft Appeals Procedures
2/10/2020	City of Santa Ana	Melanie McCann	Draft Appeals Procedures
2/10/2020	City of Oxnard (amended)	Elyssa Vasquez	Draft Appeals Procedures
2/10/2020		Jennifer Denmark	Draft Appeals Procedures
2/12/2020		Janice and Ricardo Lim	Draft RHNA Methodology
2/18/2020	City of Lakewood	Thaddeus McCormack	Draft RHNA Methodology
2/18/2020	OCCOG	Marnie O. Primmer	Regional Determination Objection
2/18/2020		Nancy Norman	Draft RHNA Methodology
2/18/2020		Sepeedeh Ahadiat	Draft RHNA Methodology
2/18/2020		Nas Ahadiat	Draft RHNA Methodology
2/19/2020		Dave Latter	Draft RHNA Methodology
2/19/2020		Vikki Bujold-Peterson	Draft RHNA Methodology
2/19/2020	City of Yorba Linda	David Brantley	Draft RHNA Methodology
2/21/2020	City of Newport Beach	Will O'Neill	Draft RHNA Methodology
2/20/2020	City of Rancho Santa Margarita	Cheryl Kuta	Draft RHNA Methodology
2/20/2020	City of Huntington Beach	Oliver Chi	Draft RHNA Methodology
2/20/2020	City of South Gate	Joe Perez	Draft RHNA Methodology
2/20/2020	City of West Hollywood	John Leonard	Draft RHNA Methodology
2/20/2020	City of Cerritos	Art Gallucci	Draft RHNA Methodology
2/22/2020		Colleen Johnson	Draft RHNA Methodology
2/23/2020		Nancy Pleskot	Other
2/23/2020		Susan Decker	Draft RHNA Methodology
2/23/2020		Scott Nathan	Housing Development
2/20/2020	City of Irvine	Pete Carmichael	Draft RHNA Methodology
2/20/2020	City of Anaheim	Ted White	Draft RHNA Methodology
2/24/2020	City of Anaheim	Trevor O'Neil	Draft RHNA Methodology
2/25/2020		Vito Mancini	Draft RHNA Methodology
2/25/2020		Henry Fung	CEHD Meeting Agenda

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
2/25/2020	City of Rosemead	Margaret Clark and Gloria Molleda	Draft RHNA Methodology
2/26/2020	City of Fullerton	Kenneth Domer	Draft RHNA Methodology
2/26/2020		Henry Fung	Draft RHNA Methodology
2/26/2020	City of Alhambra	Jessica Binnquist	Draft RHNA Methodology
2/26/2020		Holly Osborne	Draft RHNA Methodology
2/26/2020	City of La Mirada	Jeff Boynton	Draft RHNA Methodology
2/26/2020	City of Garden Grove	Steven Jones	Draft RHNA Methodology
2/26/2020		Mehta Sunil	Draft RHNA Methodology
2/26/2020	City of Gardena	Tasha Cerda	Draft RHNA Methodology
2/27/2020		Jaimee Suh	Draft RHNA Methodology
2/27/2020	City of South Pasadena	Robert S. Joe	Draft RHNA Methodology
2/27/2020	City of South Gate	Michael Flad	Draft RHNA Methodology
2/27/2020	City of Walnut	Rob Wishner	Draft RHNA Methodology
2/27/2020	City of La Verne	Eric Scherer	Draft RHNA Methodology
2/28/2020		Kari Geosano	Draft RHNA Methodology
2/28/2020	City of Torrance	Danny E. Santana	Draft RHNA Methodology
2/28/2020	City of Laguna Hills	Janine Heft	Draft RHNA Methodology
3/1/2020		Scott Pisano	Draft RHNA Methodology
3/2/2020	City of Bradbury	Richard T. Hale, Jr.	Draft RHNA Methodology
3/2/2020	City of La Mirada	Jeff Boynton	Draft RHNA Methodology
3/2/2020	City of Norco	Steve King	Draft RHNA Methodology
3/2/2020	City of Seal Beach	Les Johnson	Draft RHNA Methodology
3/3/2020	City of Torrance	Danny E. Santana	Draft RHNA Methodology
3/3/2020	City of Cerritos	Art Gallucci	Draft RHNA Methodology
3/3/2020	City of San Dimas	Ken Duran	Draft RHNA Methodology
3/3/2020	City of La Palma	Peter Kim	Draft RHNA Methodology
3/3/2020	City of Newport Beach	Will O'Neill	Draft RHNA Methodology
3/3/2020	City of Rancho Palos Verdes	Terry Rodrigue	Draft RHNA Methodology
3/4/2020		Brian Johnson	Draft RHNA Methodology
3/4/2020	City of Riverside	William R. "Rusty" Bailey (City of Riverside), Frank Navarro (City of Colton), Larry K. McCallon (City of Highland), Deborah Robertson (City of Rialto), Carmen Ramirez (City of Oxnard), Steve Manos (City of Lake Elsinore), Karen S. Spiegel (County of Riverside)	Draft RHNA Methodology
3/4/2020	City of Monterey Park	Ron Bow	Draft RHNA Methodology
3/4/2020		Holly Osborne	Draft RHNA Methodology
3/4/2020	City of La Puente	Bob Lindsey	Draft RHNA Methodology
3/4/2020	City of Huntington Beach	Oliver Chi	Draft RHNA Methodology
3/4/2020	City of Eastvale	Bryan Jones	Draft RHNA Methodology
3/4/2020	City of Lake Forest	Neeke Moatizedi	Draft RHNA Methodology
3/4/2020	City of Chino Hills	Ray Marquez	Draft RHNA Methodology
3/4/2020	City of La Puente	Bob Lindsey	Draft RHNA Methodology
3/5/2020	City of Costa Mesa	Barry Curtis	Draft RHNA Methodology
3/12/2020	City of Fountain Valley	(unsigned)	Proposed Housing Legislative Amendments
3/14/2020		Amy Wasson	RHNA Methodology
4/27/2020	OCCOG	Hon. Trevor O'Neil	RHNA Methodology
5/5/2020		Holly Osborne	RHNA Methodology
5/5/2020		Holly Osborne	RHNA Methodology (2nd letter received)
11/4/2020	City of Beverly Hills	Lester J. Friedman	RHNA Litigation Committee
11/9/2020	City of Lakewood	Todd Rogers	RHNA Litigation Committee
11/10/2020	City of Rosemead	Sandra Armenta	RHNA Litigation Committee
11/10/2020	City of Gardena	Tasha Cerda	RHNA Litigation Committee

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
11/11/2020	City of Cypress	Rob Johnson	Comment from Jurisdiction on filed appeal: City of Santa Ana
11/11/2020	City of Cypress	Rob Johnson	RHNA Litigation Committee
11/12/2020	City of Torrance	Patrick J. Furey	RHNA Litigation Committee
11/13/2020	City of Whittier	Joe Vinatieri	RHNA Litigation Committee
11/16/2020	City of Rancho Santa Margarita	Bradley J. McGirr	RHNA Litigation Committee
11/16/2020	City of Pico Rivera	Gustavo Camacho	RHNA Litigation Committee
11/16/2020	City of Pico Rivera	Steve Carmona	RHNA Litigation Committee
11/16/2020	City of Glendora	Michael Allawos	RHNA Litigation Committee
11/17/2020	City of Beverly Hills	George Chavez	RHNA Litigation Committee
11/17/2020	City of Lawndale	Robert Pullen-Miles	RHNA Litigation Committee
11/17/2020	City of Norwalk	Jennifer Perez	RHNA Litigation Committee
11/17/2020	City of Redondo Beach	William Brand	RHNA Litigation Committee
11/17/2020	City of San Fernando	Joel Fajardo	RHNA Litigation Committee
11/17/2020	City of Fountain Valley	Cheryl Brothers	RHNA Litigation Committee
11/17/2020	City of Laguna Beach	Bob Whalen	RHNA Litigation Committee
11/18/2020	City of Cerritos	Frank Aurelio Yokoyama	RHNA Litigation Committee
11/18/2020	City of Rancho Palos Verdes	Ara Michael Mhuranian	RHNA Litigation Committee
11/18/2020	City of Pasadena	Steve Mermell	RHNA Litigation Committee
11/18/2020	City of Lomita	James Gazeley	RHNA Litigation Committee
11/18/2020	City of Westminster	Sherry Johnson	RHNA Litigation Committee
11/18/2020	City of Temple City	Bryan Cook	RHNA Litigation Committee
11/20/2020	South Bay Cities Council of Governments	Olivia Valentine	RHNA Litigation Committee
11/24/2020	City of Calipatria	Jim Spellins	RHNA Litigation Committee
11/24/2020	City of Chino	Nicholas S. Liguori	RHNA Litigation Committee
11/30/2020	City of Irvine	Christina Shea	RHNA Litigation Committee
11/30/2020	City of Signal Hill	Robert Copeland	RHNA Litigation Committee
12/1/2020	City of Yorba Linda	Mark Pulone	Comment from Jurisdiction on filed appeal: City of Yorba Linda
12/1/2020	Orange County Mayors	21 Orange County mayors	RHNA Litigation Committee
12/2/2020	City of Rancho Santa Margarita	Bradley J. McGirr	Comment from Jurisdiction on filed appeal: City of Santa Ana
12/3/2020	City of Long Beach	Christopher Koontz	Comment from Jurisdiction on filed appeal: All appeals
12/4/2020		Kevin Yang	Public comment on filed appeal: City of Yorba Linda
12/9/2020	City of Yorba Linda	Mark Pulone	Comment from Jurisdiction on filed appeal: City of Yorba Linda
12/10/2020	City of Whittier	Jeffrey S. Adams	Comment from Jurisdiction on filed appeal: All appeals
12/10/2020	California Department of Housing and Community Development (HCD)	Megan Kirkeby	Comment from California Department of Housing & Community Development on filed appeal: All appeals
12/10/2020	City of Corona	Joanne Coletta	Comment from Jurisdiction on filed appeal: City of Hemet and County of Riverside
12/10/2020	City of Santa Ana	Kristine Ridge	Comment from Jurisdiction on filed appeal: City of Santa Ana
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Costa Mesa
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: County of Orange
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Fountain Valley
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Fullerton
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Garden Grove
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Irvine
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: La Palma
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Laguna Beach
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Laguna Hills
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Los Alamitos
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Mission Viejo
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Newport Beach
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Rancho Santa Margarita

Written Comments Received on the 6th Cycle RHNA (as of 1/5/21)

Date of Letter	Organization	Name	Topic(s)
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Tustin
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Westminster
12/10/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Yorba Linda
12/18/2020	Public Law Center	Alexis Mondares and Richard Walker	Public comment on filed appeal: Orange County jurisdictions
12/21/2020	City of Yorba Linda	Mark Pulone	Response to comment from Public Law Center (12/10/20)
12/24/2020		Holly Osborne	RHNA Methodology
1/4/2021		Henry Fung	RHNA Litigation Committee
1/5/2021	City of Yorba Linda	Nate Farnsworth	Public comment on filed appeal: Fontana; Pico Rivera; San Dimas; Yorba Linda
1/5/2021	City of Chino Hills	Joann Lombardo	Public comment on filed appeal: Chino Hills

[All comments are posted online at https://scag.ca.gov/rhna-comments.](https://scag.ca.gov/rhna-comments)

Comments can be submitted to: housing@scag.ca.gov



AGENDA ITEM 1.1 REPORT

Southern California Association of Governments
k h \

January 13, 2021

To: Regional Housing Needs Assessment Subcommittee (RHNA)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Roland Ok, Program Manager
(213) 236-1819, ok@scag.ca.gov

Subject: Appeal of the Draft RHNA Allocation for the City of Agoura Hills

RECOMMENDATION:

Deny the appeal filed by the City of Agoura Hills to reduce the Draft RHNA Allocation by 106 units.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

SUMMARY OF APPEAL(S):

The City of Agoura Hills requests a reduction of its RHNA allocation by 106 units (from 318 units to 212 units) based on changed circumstances, specifically from reports of effects from the Woolsey Fire, which occurred in November 2018.

RATIONALE FOR STAFF RECOMMENDATION:

Staff have reviewed the appeal and recommend no change to the City of Agoura Hills’ RHNA allocation.

The City contends that while the Woolsey Fire occurred in November 2018 (within the timeframe within which input opportunities remained for the City regarding Connect SoCal and the RHNA methodology), two reports concerning the fire were published after April 2019 and constitute a changed circumstance. Both reports describe anticipated wildfire threats facing California and prescribe de-prioritizing residential development in areas of extreme risk and prioritizing infill development and overall housing production in more urban and low-risk regions. The City provided a CalFire map indicating that approximately two-thirds of the jurisdiction is classified as a Very High Fire Hazard Severity Zone (VHFHSZ), justifying the reduction of the draft RHNA allocation by two-thirds. However, no evidence is provided to demonstrate the assertion that Draft RHNA Allocation cannot be accommodated in the urban core where the City indicates it will concentrate planned

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California’s Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous

development.

BACKGROUND:

Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the adoption of Connect SoCal on September 3, 2020, the City of Agoura Hills received draft RHNA allocations on September 11, 2020. A summary is below.

Total RHNA for the City of Agoura Hills: 318 units

Very Low Income: 127 units

Low Income: 72 units

Moderate Income: 55 units

Above Moderate Income: 64 units

Additional background related to the Draft RHNA Allocation is included in Attachment 1.

Summary of Comments Received during 45-day Comment Period

No comments were received from local jurisdictions or HCD during the 45-day public comment period described in Government Code section 65584.05(c) which specifically regard the appeal filed for the City of Agoura Hills. Three comments were received which relate to appeals filed generally:

- HCD submitted a comment on December 10, 2020 delineating the statutory basis for RHNA appeals and the requirement that any appeals granted must include written findings regarding how revisions are necessary to further RHNA's statutory objectives.
- The City of Whittier submitted a comment on December 10, 2020 supporting surrounding cities in their appeals but expressing concern that additional units may be applied to Whittier if reallocated from cities which are successful in their appeals.
- The City of Long Beach submitted a comment on December 3, 2020 indicating their view that the RHNA allocation process was fair and transparent, their support for evaluating appeals on their merits (specifically those from the Gateway Council of Governments), and their opposition to any action which would result in a transfer of additional units to Long Beach.

ANALYSIS:

Issue 1: Changed circumstances [Government Code Section 65584.05(b)].

Agoura Hills contends that because two-thirds of the City is designated by CAL FIRE as a Very High Fire Hazard Severity Zone (VHFHSZ), the City's total RHNA allocation should be reduced by one-third. This would reduce the City's total RHNA allocation by 106 units, from 318 to 212 units. Agoura Hills argues that this reduction will allow the City to concentrate planned housing in the urbanized core, where there is a lower fire risk, and thereby prioritize infill development, encourage the protection of environmental resources, and seek to promote land use patterns that reduce greenhouse gas emissions.

SCAG Staff Response: SCAG does not dispute that the City (and other jurisdictions) are in areas that are at risk of wildfires. However, pursuant to Government Code Section 65584.04(e)(2)(B), SCAG “may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality” (which includes the land use policies in its General Plan). “Available land suitable for urban development or conversion to residential use, as expressed in 65584.04(e)(2)(“), is not restricted to vacant sites; rather, it specifically indicates that underutilized land, opportunities for infill development, and increased residential densities are a component of available land. As indicated by HCD in its December 10, 2020 comment letter (HCD Letter):

“In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.” (HCD Letter at p. 2).

As such, the City can consider other opportunities for development. This includes the availability of underutilized land, opportunities for infill development and increased residential densities, or alternative zoning and density. Alternative development opportunities should be explored further and could possibly provide the land needed to zone for the City's projected growth.

Note that while zoning and capacity analysis is used to meet RHNA need, they should not be used to determine RHNA need at the jurisdictional level. Per the adopted RHNA methodology, RHNA need at the jurisdictional level is determined by projected household growth, transit access, and job access. Housing need, both existing and projected need, is independent of zoning and other related land use restrictions, and in some cases is exacerbated by these very same restrictions. Thus, land use capacity that is restricted by factors unrelated to existing or projected housing need cannot determine existing or projected housing need.

The Woolsey Fire occurred in November 2018, prior to the April 30, 2019 survey deadline for information considered by the Draft RHNA Methodology. The nine housing units lost in Agoura Hills in the Woolsey Fire were therefore accounted for in the Draft RHNA Methodology replacement

need. The two reports cited in the City's appeal that constitute a changed circumstance make the case for strengthening land use practices and de-prioritizing new development in areas of the most extreme fire risk. As both the CAL FIRE map (See Attachment 2) and the appeal indicate, the urbanized core of Agoura Hills is not designated as a high fire risk zone. The City has not provided evidence that an agency or organization such as the California Department of Forestry and Fire Protection or FEMA has determined housing is unsuitable in these areas. Additionally, Agoura Hills has not provided evidence that it cannot plan for its assigned Draft RHNA Allocation in the urbanized core, which the City described as more suitable for future housing development and is at lower risk for wildfires.

For these reasons, SCAG staff does not recommend a reduction to the jurisdiction's Draft RHNA Allocation.

FISCAL IMPACT:

Work associated with this item is included in the current FY20-21 Overall Work Program (300-4872Y0.02: Regional Housing Needs Assessment).

ATTACHMENT(S):

1. Attachment 1_Local Input and Development of Draft RHNA Allocation (City of Agoura Hills)
2. Attachment 2_Appeal Form and Supporting Documentation
3. Attachment 3_Data Input & Verification Form (City of Agoura Hills)
4. Attachment 4_HCD final 6th Cycle Housing Need Determination for the SCAG Region
5. Attachment 5_Comments Received During the Comment Period (General)

Attachment 1: Local Input and Development of Draft RHNA Allocation

This attachment sets forth the nature and timing of the opportunities which the City of Agoura Hills had to provide information and local input on SCAG's growth forecast, the RHNA methodology, and the Growth Vision of the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal). It also describes how the RHNA Methodology development process integrates this information in order to develop the City of Agoura Hills Draft RHNA Allocation.

1. Local Input

a. Bottom-Up Local Input and Envisioning Process

On October 31, 2017, SCAG took the first step toward developing draft RHNA allocations by initiating the Bottom-Up Local Input and Envisioning Process. At the direction of the Regional Council, the objective of this process was to seek local input and data to prepare for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS and later referred to as Connect SoCal) and the 6th cycle of RHNA.¹ Each jurisdiction was provided with a package of land use, transportation, environmental, and growth forecast data for review and revision which was due on October 1, 2018.² While the local input process materials focus principally on jurisdiction-level and Transportation Analysis Zone (TAZ) level growth, input on specific parcels, sites, and project areas were welcomed and integrated into SCAG's growth forecast as well as data on other elements. SCAG met one-on-one with all 197 local jurisdictions between November 2017 and July 2018 and provided training opportunities and staff support. Following input from SCAG's Technical Working Group (TWG), the Connect SoCal growth forecast reflected precisely the jurisdiction-level growth totals provided during this process.

The local input data included SCAG's preliminary growth forecast information. For the City of Agoura Hills, the anticipated number of households in 2020 was 7,655 and in 2030 was 8,069 (growth of 414 households). In March 2018, SCAG staff met with local jurisdiction staff to discuss the Bottom-Up Local Input and Envisioning Process and answer questions.

Input from the City of Agoura Hills on the growth forecast was received on September 19, 2018. Following input, household totals were 7,496 in 2020 and 7,656 in 2030, for a reduced household growth during this period of 160.

¹ While the RTP/SCS and RHNA share data elements, they are distinct processes. The RTP/SCS growth forecast provides an assessment of reasonably foreseeable future patterns of employment, population, and household growth in the region given demographic and economic trends, and existing local and regional policy priorities. The RHNA identifies anticipated housing need over a specified eight-year period and requires that local jurisdictions make available sufficient zoned capacity to accommodate this need. A further discussion of the relationship between these processes can be found in Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

² A detailed list of data during this process reviewed can be found in each jurisdiction's Draft Data/Map Book at <http://scagrtpsc.net/Pages/DataMapBooks.aspx>

b. Submitted RHNA methodology surveys

On March 19, 2019, SCAG distributed a packet of methodology surveys, which included the local planning factor survey, Affirmatively Furthering Fair Housing (AFFH) survey, and replacement need survey, to SCAG jurisdictions' Community Development Directors. SCAG reviewed all submitted responses as part of the development of the Draft RHNA Methodology. The Agoura Hills submitted the following surveys prior to the adoption of the Draft RHNA Methodology:

- Local planning factor survey
- Affirmatively Furthering Fair Housing (AFFH) survey
- Replacement need survey
- No survey was submitted to SCAG

c. Connect SoCal Growth Vision and Additional Refinements

Beginning in May 2018, SCAG's Sustainable Communities Working Group began the process of developing growth scenarios for the SCAG region. The culmination of this work was the development of the Connect SoCal Growth Vision, which directly uses jurisdictional-level growth projections from the Bottom-Up Local Input and Envisioning process, and also features strategies for growth at the TAZ-level that help to reduce greenhouse gas emissions (GHG) from automobiles and light trucks to achieve Southern California's GHG reduction target, approved by the California Air Resources Board (CARB) in accordance with state planning law. Additional detail regarding the Connect SoCal Growth Vision, specifically the Transportation Analysis Zone (TAZ, or neighborhood) level projections is found at <https://www.connectsocial.org/Documents/DataMapBooks/Growth-Vision-Methodology.pdf>.

As a result of these strategies, in some jurisdictions growth at the TAZ-level differed from locally anticipated growth conveyed during the Bottom-Up Local Input and Envisioning Process.

As such, SCAG provided two additional opportunities for all local jurisdictions to make TAZ-level technical refinements on the topics of general plan capacities and entitlements. During the release of the draft Connect SoCal Plan, jurisdictions were notified on October 31, 2019 that SCAG would accept additional refinements until December 11, 2019. Following the Regional Council's decision to delay full adoption of Connect SoCal for 120 days due to the COVID-19 pandemic, all jurisdictions were again notified on May 26, 2020 that SCAG would accept additional refinements until June 9, 2020.

Connect SoCal Growth Vision data have been available to local jurisdiction staff during the entirety of this process through SCAG's Scenario Planning Model Data Management Site (SPM-DM) at <http://spmddm.scag.ca.gov> and updates were shared with local jurisdictions on technical refinements to the data in February 2020 and August 2020 to share the results of both review opportunities. The

City of Agoura Hill's TAZ-level data utilized in the Connect SoCal Growth Vision matches input provided during the Bottom-Up Local Input and Envisioning Process.

2. Development of Final RHNA Methodology

SCAG convened the first meeting of the RHNA Subcommittee in October 2018. In their subsequent monthly meetings, this body reviewed and advised on the development of SCAG's 6th cycle RHNA process, including the development of the RHNA methodology. Per Government Code 65584.04(a), SCAG must develop a RHNA methodology which furthers the five statutory objectives of RHNA:

(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 (Govt. Code § 65584(d)).

As explained in more detail below, the Draft RHNA Methodology (which was adopted as the Final RHNA Methodology) set forth the policy factors, data sources, and calculations which would be used to generate draft RHNA allocations for all local jurisdictions. Following extensive debate and public comment, SCAG's Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019 and provide it to HCD for review. Per Government Code 65584.04(i), HCD is vested with the authority to determine whether a methodology furthers the objectives set forth in Government Code section 65584(d). On January 13, 2020, HCD found that the Draft RHNA Methodology furthers these five statutory objectives of RHNA. Specifically, HCD noted that:

"This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes.

In particular, HCD applauds the use of the objective factors specifically linked the statutory objectives in the existing need methodology.” (Letter from HCD to SCAG dated January 13, 2020 at <https://scag.ca.gov/sites/main/files/file-attachments/hcd-review-rc-approved-draft-rhna-methodology.pdf?1602190239>).

On March 5, 2020, again following extensive debate and public comment, the Regional Council voted to approve the Draft RHNA Methodology as the Final RHNA Methodology. Unlike SCAG’s 5th cycle RHNA methodology which relies almost entirely on the household growth component of the RTP/SCS, SCAG’s 6th cycle RHNA methodology consists of two primary elements: “projected need” which includes the number of housing units required to accommodate anticipated population growth over the 8-year RHNA planning period and “existing need,” which refers to the number of housing units required to accommodate excess or unsatisfied housing demand experienced by the region’s current population.³ Furthermore, the Final RHNA methodology utilizes measures of 2045 job accessibility and High Quality Transit Area (HQTA) population measures based on TAZ-level projections in the Connect SoCal Growth Vision.

More specifically, the Final RHNA Methodology considers three primary factors in determining a local jurisdiction’s total housing need which are primarily based on data from Connect SoCal’s aforementioned Bottom-Up Local Input and Envisioning Process:

- Forecasted growth over 2020-2030 (projected need)
- Transit accessibility in 2045 (existing need)
- Job accessibility in 2045 (existing need)

The methodology is described in further detail at <http://scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Methodology-030520.pdf>

3. Final RHNA Methodology and Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the 120-day delay due to the Covid-19 pandemic, SCAG adopted Connect SoCal on September 3, 2020, and the City of Redondo Beach received its Draft RHNA Allocation on September 11, 2020. Application of the RHNA methodology yields the Draft RHNA Allocations for the City of Agoura Hills as summarized in the data and in the tables below.

³ Legislative changes in 2018 modified the nature of the regional housing need determination for the 6th cycle of RHNA by adding measures of household overcrowding and housing cost burden to the list of factors to be considered by HCD for the determination of housing need. These new measures are not included in the Connect SoCal Growth Forecast because they are not direct inputs to the growth forecasting process and are independent of employment and population projections. In contrast, they reflect additional latent housing needs in the current population (i.e. “existing need”) and would not result in a change in regional population. For further discussion see Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

City of Agoura Hills Statistics and Inputs		Calculation of Draft RHNA Allocation for Agoura Hills	
Forecasted household (HH) growth, RHNA period: <i>(2020-2030 Household Growth * 0.825)</i>	132	Forecasted household (HH) growth, RHNA period:	132
Percent of households who are renting:	26%	Vacancy Adjustment: <i>(5% for renter households and 1.5% for owner households)</i>	3
Housing unit loss from demolition (2009-18):	9	Replacement Need:	9
Adjusted forecasted household growth, 2020-2045: <i>(Local input growth forecast total adjusted by the difference between the RHNA determination and SCAG's regional 2020-2045 forecast, +4%)</i>	436	TOTAL PROJECTED NEED:	144
Percent of regional jobs accessible in 30 mins (2045): <i>(From the jurisdiction's median TAZ)</i>	4.62%	Existing need due to job accessibility (50%):	159
Jobs accessible from the jurisdiction's median TAZ (2045): <i>(Based on Connect SoCal's 2045 regional forecast of 10.049M jobs)</i>	464,000	Existing need due to HQTa pop. share (50%):	0
Share of region's job accessibility (population weighted):	0.04%	Net residual factor for existing need:	15
		<i>(Negative values reflect a cap on lower-resourced community with good job and/or transit access. Positive values represent the amount being redistributed to higher-resourced communities based on their job and/or transit access)</i>	
Jurisdiction's HQTa population (2045):	-	TOTAL EXISTING NEED:	173
Share of region's HQTa population (2045):	0.00%	TOTAL RHNA FOR THE CITY OF AGOURA HILLS:	318
Share of population in low/very low-resource tracts:	0.00%	Very-low income (<50% of AMI):	127
Share of population in very high-resource tracts:	100.00%	Low income (50-80% of AMI):	72
Social equity adjustment:	180%	Moderate income (80-120% of AMI):	55
		Above moderate income (>120% of AMI)	64

The transit accessibility measure is based on the population anticipated to live in High-Quality Transit Areas (HQTAs) in 2045 based on Connect SoCal's designation of high-quality transit areas and population forecasts. With a forecasted 2045 population of 0 living within HQTAs, the City of Agoura Hills represents 0.00% of the SCAG region's HQTa population, which is the basis for allocating housing units based on transit accessibility.

Job accessibility is defined as the jurisdiction's share of regional jobs accessible within a 30-minute drive commute. Since over 80 percent of the region's workers live and work in different jurisdictions, the RHNA methodology uses a measure based on Connect SoCal's travel demand model output for the year 2045 rather than assigning housing units based on the number of jobs with a specific jurisdiction. Specifically, the share of future (2045) regional jobs which can be reached in a 30-minute automobile commute from the local jurisdiction's median TAZ is used as to allocate housing units

based on transit accessibility. From the City of Agoura Hill's median TAZ, it will be possible to reach 4.62% of the region's jobs in 2045 within a 30-minute automobile commute (464,000 based on Connect SoCal's 2045 regional job forecast of 10,049,000 jobs).

An additional factor is included in the methodology to account for RHNA Objective #5 to Affirmatively Further Fair Housing (AFFH). Several jurisdictions in the region which are considered disadvantaged communities (DACs) on the basis of access to opportunity measures (described further in the RHNA methodology document), but which also score highly in job and transit access, may have their total RHNA allocations capped based on their long-range (2045) household forecast. This additional housing need, referred to as residual, is then reallocated to non-DAC jurisdictions in order to ensure housing units are placed in higher-resourced communities consistent with AFFH principles. This reallocation is based on the job and transit access measures described above, and results in an additional 15 units assigned to the Agoura Hills

Please note that the above represents only a partial description of key data and calculations in the RHNA methodology.

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG June 15, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Date: _____ Jurisdiction Subject to This Appeal Filing: _____
(to file another appeal, please use another form)

Filing Party (Jurisdiction or HCD)

Filing Party Contact Name

Filing Party Email:

APPEAL AUTHORIZED BY:

Name: _____

PLEASE SELECT BELOW:

- Mayor
- Chief Administrative Office
- City Manager
- Chair of County Board of Supervisors
- Planning Director
- Other: _____

BASES FOR APPEAL

- Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029)
- Local Planning Factors and/or Information Related to Affirmatively Furthering Fair Housing (See Government Code Section 65584.04 (b)(2) and (e))
 - Existing or projected jobs-housing balance
 - Sewer or water infrastructure constraints for additional development
 - Availability of land suitable for urban development or for conversion to residential use
 - Lands protected from urban development under existing federal or state programs
 - County policies to preserve prime agricultural land
 - Distribution of household growth assumed for purposes of comparable Regional Transportation Plans
 - County-city agreements to direct growth toward incorporated areas of County
 - Loss of units contained in assisted housing developments
 - High housing cost burdens
 - The rate of overcrowding
 - Housing needs of farmworkers
 - Housing needs generated by the presence of a university campus within a jurisdiction
 - Loss of units during a state of emergency
 - The region's greenhouse gas emissions targets
 - Affirmatively furthering fair housing
- Changed Circumstances (Per Government Code Section 65584.05(b), appeals based on change of circumstance can only be made by the jurisdiction or jurisdictions where the change in circumstance occurred)

FOR STAFF USE ONLY:

Date: _____ Hearing Date: _____ Planner: _____

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG June 15, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Brief statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 (please refer to Exhibit C of the Appeals Guidelines):

Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

Brief Description of Appeal Request and Desired Outcome:

Number of units requested to be reduced or added to the jurisdiction's draft RHNA allocation (circle one):

Reduced _____ Added _____

List of Supporting Documentation, by Title and Number of Pages

(Numbers may be continued to accommodate additional supporting documentation):

- 1.
- 2.
- 3.

FOR STAFF USE ONLY:

Date _____

Hearing Date: _____

Planner: _____

ATTACHMENT A

City of Agoura Hills

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form

Brief Statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584:

As described more fully under, “Brief Description of Appeal Request and Desired Outcome,” the City of Agoura Hills respectfully appeals the RHNA number of 318 housing units provided by SCAG for the Sixth Cycle, primarily due to: wildfire concerns; the acknowledgement at the State and Los Angeles County level that new development in fire prone areas should be reconsidered; and the fact that most of the City is within a Very High Fire Hazard Severity Zone (VHFHSZ).

A reduction in units would continue to be consistent with the equity-related objectives in Government Code Section 65584(d), as described below, and would better support the objectives in subparagraph (2) of Section 65584(d), which prioritizes infill development, encourages the protection of environmental resources, and seeks to promote land use patterns that reduce greenhouse gas emissions.

- (1) The reduced RHNA number would allow the City to direct new housing units to the center, more urbanized part of the City where there are some vacant infill lots and lots feasible for redevelopment. This would better protect environmentally sensitive lands and reduce fire-related concerns since much of the City contains hillside properties that contain native habitat, and even significant ecological areas. However, even many of the vacant infill lots and the lots that are feasible for redevelopment in the center of the City are located in the VHFHSZ, and the entire City is located in an area prone to fire. Placing more residents in the urban portions of the community where there are bus lines and more compact development would assist in supporting socioeconomic equity and greenhouse gas reduction, but it still would place new development in fire-prone areas and create concerns regarding emergency evacuation. Decreasing the City’s RHNA obligation would allow the City to direct future housing development to the more urban areas of the City, without overloading evacuation routes in fire emergencies. In addition, a reduction in RHNA for the City of Agoura Hills would result in a more efficient development pattern and lower greenhouse gas emissions region-wide by placing more of the region’s housing in areas closer to job centers.
- (2) The City of Agoura Hills would continue to accommodate a mix of housing types and affordability, even with a slightly reduced RHNA number. The requested decrease in units would be across all income categories such that the City would still be responsible for providing a mix of units at all affordability levels.

Brief Description of Appeal Request and Desired Outcome:

The City of Agoura Hills respectfully appeals the RHNA number of 318 residential units provided by SCAG for the Sixth Cycle, and is requesting a reduction in the City’s total RHNA allocation for the Sixth Cycle. The City acknowledges its responsibility to accommodate additional units to address the statewide housing shortage, and the City is planning for such units. At the same time, we believe the full 318 units is not practical or appropriate due to the fact that the majority of the City land area (approximately 2/3 of all of the City’s land area) is within a Very High Fire Hazard Severity Zone (VHFHSZ), per CAL FIRE mapping (see Supporting Document No. 1).

The City is requesting a reduction in RHNA from 318 to 212 housing units. The methodology used in determining this new number is based on the land area in the City that is considered VHFHSZ, an estimated two-thirds of the land, and a desire to minimize development in this zone. Therefore, we are requesting a proportional decrease in RHNA. We understand that the Final RHNA Methodology includes two components: “Total Projected Need” and “Total Existing Need.” Using SCAG’s RHNA data for Agoura Hills of “Existing Need Due to Job Accessibility” of 159 units, 2/3 of that amount (generally estimated to be in the VHFHSZ) is about 106. The difference between 159 and 106 is 53 units, which is the proposed revised number of “Existing Need Due to Job Accessibility” units. After combining the 53 units with the “Net Residual Factor for Existing Need,” the “Total Existing Need” is 68 units. Combining the “Total Existing Need” of 68 with the “Total Projected Need” of 144 calculated by SCAG, the result is a total 212 RHNA. This is a decrease in 66 percent from the original 318 units to the City-proposed 212 units.

While the CAL FIRE map itself is not new since April 30, 2019, new information about the vulnerability of the area along the Ventura County/Los Angeles County border for future wildfires has become available since April 30, 2019. The entire City is within historic wildland fire pathways. As the fires in 2020 have demonstrated, the effect of climate change has increased fire risk in California statewide. Whereas the City used to be able to rely on mutual aid agreements with other jurisdictions, the State’s experience in 2020 demonstrates how multiple fire incidents occurring simultaneously has become more frequent, stretching the State’s fire response resources and exacerbating the effects of each fire incident. As governmental entities across the State have begun to emphasize in the last 18 months (as described below), reducing development in the State’s most fire-prone areas is a priority for future land use development.

Recent analysis of the Woolsey Fire, which occurred in November 2018 and significantly affected the City of Agoura Hills, supports the City’s request for a reduction in the City’s RHNA allocation. The *County of Los Angeles After Action Review of the Woolsey Fire Incident, which was issued on November 17, 2019*, (see Supporting Document No. 2) indicates, “While the Woolsey Fire disaster presented unprecedented challenges, it was still a single, focused incident; it was not Countywide. Imagine the challenges after a great earthquake or similar wide ranging event” (p. 1). The report further indicates, “There must also be an ongoing public policy discussion regarding significant development in Very High or High Fire Hazard Severity areas” (p. 1). Lastly, page 2 of the document states (with our emphasis):

*As terrible as the Woolsey Fire was, it was not the largest megafire in California. We cannot expect that all population growth in Very High or High Fire Hazard Severity areas can be protected simply by increasing resilience¹ to wildfire and by adding more fire engines. Even if the current fire weather cycle stops, it will return. Governor Gavin Newsom’s Strike Force Team, on April 12, 2019, observed that **it is critical** to ‘Make*

*communities more resilient by considering updating codes that govern defensible space, encouraging cost-effective hardening of homes, strengthening evacuation, encourage other emergency planning, and **improving land use practice to reduce the damage to life and property from wildfires.***”

¹Hardening buildings, fuels treatment, and vegetation management

Similarly, the Governor Newsom Strike Force Report, *Wildfires and Climate Change: California’s Energy Future* (April 12, 2019) (Supporting Document No. 3) states on page 14 (with our emphasis):

*The Governor has made housing production and affordability a key priority. California already has strong standards to reduce VMT. The strike force recommends that at the state and regional level, governments and planners incorporate CAL FIRE’s fire risk projections and the fire projection information in the Adaption Clearinghouse and Fourth Climate Assessment into short-term and long-term planning, **and begin to de-prioritize new development in areas of the most extreme fire risk.** In turn, more urban and lower-risk regions in the state must prioritize increasing infill development and overall housing production.*

We are seeking a reduction in the RHNA of 318 so that the necessary housing units can be accommodated in the more developed, urban portion of the City (see CAL FIRE map), and more importantly, that more of the region’s units be accommodated in the less fire-prone areas of the region as a whole.

The entire City for practical purposes is within a fire-prone area, and an estimated 2/3 of the City is formally designated as being located within the VHFHSZ. The non-VHFHSZ portion of the City likely is categorized as such because it is already developed with urban uses. However, as we have seen in the past two years, many suburban areas in fire-prone areas have experienced devastating losses, despite the “developed nature” of those areas. We believe that denser housing development should not be concentrated outside of the center urban area in the City, but the center urban area is almost fully developed, and redevelopment opportunities are minimal because the existing development is relatively new and not ripe for turnover. While there are a few sites where housing units could be focused, many of the vacant and theoretically developable sites are in the more natural areas, which are most vulnerable to wildfires. In light of the State’s interest in revising land use patterns to de-prioritize new development in fire-prone areas, we think a reduction in the City’s RHNA allocation is warranted.

Data Input and Verification Form
Bottom-Up Local Input and Envisioning Process
2020 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

Date: September 24, 2018

Page 1

A - Contact & Background Information

This Represents Communication: From the Jurisdiction of City of Agoura Hills to SCAG

Jurisdiction Contact Person: Doug Hooper
Position: Planning Director
Email: dhooper@ci.agoura-hills.ca.us
Phone: (818) 597-7342

Background Information:
 I am my Jurisdiction's City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (submitting on behalf of a jurisdiction's governing body)
 I am a staff person from a local jurisdiction, submitting input under supervision of one of the persons identified above (see appropriate signature below)

Additional Background, if any, based upon Previous Communications:

B - Action Items

We are seeking to (select all that apply):

Submit to SCAG:
 Provide Input on SCAG's Core Geographic Data
 Provide Input on SCAG's Core Demographic Data
 Provide Input on Supplemental Data Elements
 Other, please specify _____

C - Data Type

With Relation to SCAG s:

Core Geographic Data:
 General Plan Land Use
 Zoning
 Existing Land Use
 Specific Plan Land Use
 Endangered Species and Plants*
 Open Space and Parks*
 Flood Areas*
 Natural Community and Habitat Conservation Plans*
 Farmland*
 Coastal Inundation (Sea Level Rise)*
 Major Stops and High Quality Transit Corridors*
 Transit Priority Areas*
 Regional Bikeways
 Regional Truck Routes
 City Boundary*
 Sphere of Influence*
 Census Tracts**
 Transportation Analysis Zone (TAZ) Boundaries**
 Entitlements
 Potential Infill Sites

Core Demographic Data:
 Population
 Households
 Employment
 Year:
 2016
 2020
 2030 (Input needed at jurisdictional level only)
 2035
 2045
 Geographic Level:
 Jurisdictional Level
 Transportation Analysis Zone (TAZ)
 Other Geographic Level (Please Specify): _____

Supplemental Data Elements (available for review June 2018):

<input type="checkbox"/> Zoning Overlay Areas	<input type="checkbox"/> Corridor Plans
<input type="checkbox"/> Community Design Overlays	<input type="checkbox"/> Special Districts
<input type="checkbox"/> Community Land Trusts	<input type="checkbox"/> Bike/Ped Volume Data***
<input type="checkbox"/> Historic Preservation Areas	<input checked="" type="checkbox"/> Ped Trails/Sidewalk Data***
<input type="checkbox"/> Bike Sharing Facilities	<input type="checkbox"/> Public Health Data***
<input type="checkbox"/> Bike Stations	
<input type="checkbox"/> Car-Sharing Parking Sites	
<input type="checkbox"/> Joint Public/Private Developments for Affordable Housing	
<input type="checkbox"/> Areas with Reduced Parking Minimums and Maximums	

* These data elements are maintained by local, state, or federal entities, and SCAG will forward input received from jurisdictions to the appropriate source

** These data elements are being provided as reference information as they are not open to revision (TAZ Boundaries and Census Tracts)

*** For these elements, SCAG is looking to obtain any available data, local review not needed

Attachment: Attachment 3_Data Input & Verification Form (City of Agoura Hills) (Appeal of the Draft RHNA Allocation for the City of Agoura Hills)

Input on SCAG's Core Geographic Data (select all that apply):

- We have reviewed the selected Core Geographic Data and verify their accuracy
- We cannot verify the accuracy of certain data items at this time and would like to suggest the revisions described above

x D. Hoyer, Doug Hooper, Planning Director
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body)

Input on SCAG's Core Demographic Data (select all that apply):

- We have reviewed SCAG's Jurisdictional Level Demographic Data and can provide official approval
- We have reviewed SCAG's Tier 2 TAZ Demographic Data and can provide official approval
- We cannot provide official approval at this time, and would like to suggest revisions to the jurisdictional-level figures listed below with the following considerations (please select a reason and provide comments below. Optionally, documentation can also be submitted to SCAG)

- Infrastructure Capacity (e.g. sewer or water capacity)
- Available Land Capacity
- Special Housing Needs (e.g. farmworkers, student dormitories, etc.)
- Market Conditions (e.g. high number of residential vacancies)
- Historical Trends (e.g. Census and/or historical data)
- Economic Constraints (e.g. retail center closure)
- Other Factors (please specify)**** _____

	2016	2020	2030	2035	2045
Population					
Households					
Employment					

- We cannot provide official approval at this time, and would like to suggest revisions to the TAZ-level figures with the following considerations (please submit TAZ-level figures as an attachment to this form, select a reason, and provide comments below. Optionally, documentation can also be submitted to SCAG)

- Infrastructure Capacity (e.g. sewer or water capacity)
- Available Land Capacity
- Special Housing Needs (e.g. farmworkers, student dormitories)
- Market Conditions (e.g. high number of residential vacancies)
- Historical Trends (e.g. Census and/or historical data)
- Economic Constraints (e.g. retail center closure)
- Other Factors (please specify)**** _____

x D. Hoyer, Doug Hooper, Planning Director
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body)

**** Per State housing law, jurisdictions cannot use any ordinance, policy, voter-approved measure, or standard to justify a determination or reduction in share of regional housing need

Input on SCAG's Supplemental Data Elements (select all that apply):

- We have reviewed the selected Supplemental Data Elements and verify their accuracy
- We cannot verify the accuracy of the data at this time and would like to suggest the revisions described above
- We would like to submit supplemental data items for SCAG's database

x D. Hoyer, Doug Hooper, Planning Director
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body)

Comments (if applicable): Please reference enclosed September 24, 2018 letter, growth forecast responses and recommendations, and map revisions.

D - Description of Action Items

E - Method of Submission

Input was Submitted to SCAG via (select all that apply):

- SCAG's Scenario Planning Model - Data Management Site
- Email to SCAG's RTPLocalInput@scag.ca.gov
- In person communication with SCAG staff
- Hard copies that have been mailed to SCAG's offices
- Other, please specify _____

x D. Hoyer, Doug Hooper, Planning Director
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body)

Attachment: Attachment 3_Data Input & Verification Form (City of Agoura Hills) (Appeal of the Draft RHNA Allocation for the City of Agoura

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



October 15, 2019

Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise,

RE: Final Regional Housing Need Assessment

The California Department of Housing and Community Development (HCD) has received and reviewed your objection to the Southern California Association of Governments (SCAG)'s Regional Housing Needs Assessment (RHNA) provided on August 22, 2019. Pursuant to Government Code (Gov. Code) section 65584.01(c)(3), HCD is reporting the results of its review and consideration, along with a final written determination of SCAG's RHNA and explanation of methodology and inputs.

As a reminder, there are several reasons for the increase in SCAG's 6th cycle Regional Housing Needs Assessment (RHNA) as compared to the 5th cycle. First, as allowed under Gov. Code 65584.01(b)(2), the 6th cycle RHNA applied housing need adjustment factors to the region's total projected households, thus capturing existing and projected need. Second, overcrowding and cost burden adjustments were added by statute between 5th and 6th cycle; increasing RHNA in regions where incidents of these housing need indicators were especially high. SCAG's overcrowding rate is 10.11%, 6.76% higher than the national average. SCAG's cost burden rate is 69.88% for lower income households, and 18.65% for higher income households, 10.88% and 8.70% higher than the national average respectively. Third, the 5th cycle RHNA for the SCAG region was impacted by the recession and was significantly lower than SCAG's 4th cycle RHNA.

This RHNA methodology establishes the minimum number of homes needed to house the region's anticipated growth and brings these housing need indicators more in line with other communities, but does not solve for these housing needs. Further, RHNA is ultimately a requirement that the region zone sufficiently in order for these homes to have the potential to be built, but it is not a requirement or guarantee that these homes will be built. In this sense, the RHNA assigned by HCD is already a product of moderation and compromise; a minimum, not a maximum amount of planning needed for the SCAG region.

For these reasons HCD has not altered its RHNA approach based on SCAG's objection. However, the cost burden data input has been updated following SCAG's objection due to the availability of more recent data. Attachment 1 displays the minimum RHNA of **1,341,827** total homes among four income categories for SCAG to distribute among its local governments. Attachment 2 explains the methodology applied pursuant to Gov. Code section 65584.01.

The following briefly responds to each of the points raised in SCAG's objection:

Use of SCAG's Population Forecast

SCAG's overall population estimates for the end of the projection period exceed Department of Finance's (DOF) population projections by 1.32%, however the SCAG household projection derived from this population forecast is 1.96% lower than DOF's household projection. This is a result of SCAG's population forecast containing 3,812,391 under 15-year old persons, compared to DOF's population projection containing 3,292,955 under 15-year old persons; 519,436 more persons within the SCAG forecast that are anticipated to form no households. In this one age category, DOF's projections differ from SCAG's forecast by 15.8%.

Due to a greater than 1.5% difference in the population forecast assessment of under 15-year olds (15.8%), and the resulting difference in projected households (1.96%), HCD maintains the use of the DOF projection in the final RHNA.

Use of Comparable Regions

While the statute allows for the council of government to determine and provide the comparable regions to be used for benchmarking against overcrowding and cost burden, Gov. Code 65584.01(b)(2) also allows HCD to "accept or reject information provided by the council of governments or modify its own assumptions or methodology based on this information." Ultimately, HCD did not find the proposed comparable regions an effective benchmark to compare SCAG's overcrowding and cost burden metrics to. HCD used the national average as the comparison benchmark, which had been used previously throughout 6th cycle prior to the addition of comparable region language into the statute starting in January 2019. As the housing crisis is experienced nationally, even the national average does not express an ideal overcrowding or cost burden rate; we can do more to reduce and eliminate these worst-case housing needs.

Vacancy Rate

No changes have been made to the vacancy rate standard used by HCD for the 6th cycle RHNA methodology.

Replacement Need

No changes have been made to the replacement need minimum of adjustment .5%. This accounts for replacement homes needed to account for homes potentially lost during the projection period.

Household Growth Anticipated on Tribal Lands

No changes have been made to reduce the number of households planned in the SCAG region by the amount of household growth expected on tribal lands. The region should plan for these homes outside of tribal lands.

Overlap between Overcrowding and Cost Burden

No changes have been made to overcrowding and cost burden methodology. Both factors are allowed statutorily, and both are applied conservatively in the current methodology.

Data Sources

No changes have been made to the data sources used in the methodology. 5-year American Community Survey data allows for lower margin of error rates and is the preferred data source used throughout this cycle. With regard to cost burden rates, HCD continues to use the Comprehensive Housing Affordability Strategy, known as CHAS data. These are custom tabulations of American Community Survey requested by the U.S. Department of Housing and Urban Development. These custom tabulations display cost burden by income categories, such as lower income, households at or below 80% area median income; rather than a specific income, such as \$50,000. The definition of lower income shifts by region and CHAS data accommodates for that shift. The 2013-2016 CHAS data became available August 9, 2019, shortly prior to the issuance of SCAG's RHNA determination so that data is now used in this RHNA.

Next Steps

As you know, SCAG is responsible for adopting a RHNA allocation methodology for the *projection* period beginning June 30, 2021 and ending October 15, 2029. Pursuant to Gov. Code section 65584(d), SCAG's RHNA allocation methodology must further the following objectives:

- (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.

Pursuant to Gov. Code section 65584.04(e), to the extent data is available, SCAG shall include the factors listed in Gov. Code section 65584.04(e)(1-12) to develop its RHNA allocation methodology. Pursuant to Gov. Code section 65584.04(f), SCAG must explain in writing how each of these factors was incorporated into the RHNA allocation methodology and how the methodology furthers the statutory objectives described above. Pursuant to Gov. Code section 65584.04(h), SCAG must consult with HCD and submit its draft allocation methodology to HCD for review.

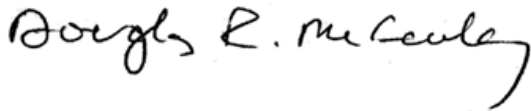
HCD appreciates the active role of SCAG staff in providing data and input throughout the consultation period. HCD especially thanks Ping Chang, Ma'Ayn Johnson, Kevin Kane, and Sarah Jepson.

HCD looks forward to its continued partnership with SCAG to assist SCAG's member jurisdictions meet and exceed the planning and production of the region's housing need. Just a few of the support opportunities available for the SCAG region this cycle include:

- SB 2 Planning Grants and Technical Assistance (application deadline November 30, 2019)
- Regional and Local Early Action Planning Grants
- Permanent Local Housing Allocation

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Assistant Deputy Director for Fair Housing, at megan.kirkeby@hcd.ca.gov.

Sincerely,



Douglas R. McCauley
Acting Director

Enclosures

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION

SCAG: June 30, 2021 – October 15, 2029 (8.3 years)

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	26.2%	351,796
Low	15.4%	206,807
Moderate	16.7%	223,957
Above-Moderate	41.7%	559,267
Total	100.0%	1,341,827
* Extremely-Low	14.5%	Included in Very-Low Category

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et.seq.). Percents are derived based on ACS reported household income brackets and regional median income, then adjusted based on the percent of cost-burdened households in the region compared with the percent of cost burdened households nationally.

ATTACHMENT 2

**HCD REGIONAL HOUSING NEED DETERMINATION
SCAG: June 30, 2021 – October 15, 2029 (8.3 years)**

Methodology

SCAG: June 30, 2021-October 15, 2029 (8.3 Years) HCD Determined Population, Households, & Housing Need					
1.	Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029				20,455,355
2.	<i>- Group Quarters Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029</i>				-363,635
3.	Household (HH) Population: October 15, 2029				20,079,930
	Household Formation Groups	HCD Adjusted DOF Projected HH Population	DOF HH Formation Rates	HCD Adjusted DOF Projected Households	
		20,079,930		6,801,760	
	under 15 years	3,292,955	n/a	n/a	
	15 – 24 years	2,735,490	6.45%	176,500	
	25 – 34 years	2,526,620	32.54%	822,045	
	35 – 44 years	2,460,805	44.23%	1,088,305	
	45 – 54 years	2,502,190	47.16%	1,180,075	
	55 – 64 years	2,399,180	50.82%	1,219,180	
	65 – 74 years	2,238,605	52.54%	1,176,130	
	75 – 84 years	1,379,335	57.96%	799,455	
	85+	544,750	62.43%	340,070	
4.	Projected Households (Occupied Unit Stock)				6,801,760
5.	+ Vacancy Adjustment (2.63%)				178,896
6.	+ Overcrowding Adjustment (6.76%)				459,917
7.	+ Replacement Adjustment (.50%)				34,010
8.	<i>- Occupied Units (HHs) estimated (June 30, 2021)</i>				-6,250,261
9.	+ Cost Burden Adjustment (Lower Income: 10.63%, Moderate and Above Moderate Income: 9.28%)				117,505
6th Cycle Regional Housing Need Assessment (RHNA)					1,341,827

Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Government Code Section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment based on the difference between a standard 5% vacancy rate and the region's current "for rent and sale" vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% and region's current vacancy rate (2.37%) based on the 2013-2017 5-year American Community Survey (ACS) data. For SCAG that difference is 2.63%.
6. Overcrowding Adjustment: In region's where overcrowding is greater than the U.S overcrowding rate of 3.35%, HCD applies an adjustment based on the amount the region's overcrowding rate (10.11%) exceeds the U.S. overcrowding rate (3.35%) based on the 2013-2017 5-year ACS data. For SCAG that difference is 6.76%.

Continued on next page

7. Replacement Adjustment: HCD applies a replacement adjustment between .5% & 5% to total housing stock based on the current 10-year average of demolitions in the region's local

government annual reports to Department of Finance (DOF). For SCAG, the 10-year average is .14%, and SCAG's consultation package provided additional data on this input indicating it may be closer to .41%; in either data source the estimate is below the minimum replacement adjustment so the minimum adjustment factor of .5% is applied.

8. Occupied Units: Reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2021).
9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the nation. The very-low and low income RHNA is increased by the percent difference ($69.88\% - 59.01\% = 10.88\%$) between the region and the national average cost burden rate for households earning 80% of area median income and below, then this difference is applied to very low- and low-income RHNA proportionate to the share of the population these groups currently represent. The moderate and above-moderate income RHNA is increased by the percent difference ($18.65\% - 9.94\% = 8.70\%$) between the region and the national average cost burden rate for households earning above 80% Area Median Income, then this difference is applied to moderate and above moderate income RHNA proportionate to the share of the population these groups currently represent. Data is from 2013-2016 Comprehensive Housing Affordability Strategy (CHAS).

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Ave
Sacramento, CA 95833-1829
916) 263-2911 FAX: (916) 263-7453
www.hcd.ca.gov



December 10, 2020

Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise:

RE: Comment on Appeals of the Draft Regional Housing Need Allocation (RHNA) Plan

Thank you for the opportunity to comment on the 52 appeals Southern California Association of Governments (SCAG) has received regarding the draft RHNA plan. The appeal process is an important phase in the development of a RHNA plan that ensures that all relevant factors and circumstances are considered.

The only circumstances under which a jurisdiction can appeal are:

- 65584.05(b)(1): The council of governments failed to adequately consider the information regarding the factors listed in subdivision (e) of section 65584.04.
- 65584.05(b)(2): The council of governments failed to determine the share of the regional housing need in a manner that furthers the intent of the objectives listed in subdivision (d) of section 65584.
- 65584.05(b)(3): A significant unforeseen change in circumstances occurred in the local jurisdiction that merits a revision of the information submitted pursuant to subdivision (e) of Section 65584.04.

The California Department of Housing and Community Development (HCD) urges SCAG to only consider appeals that meet these criteria.

Per Government Code section 65584.05(e)(1), SCAG's final determination on whether to accept, reject, or modify any appeal must be accompanied by written findings, including how the final determination is based upon the adopted RHNA allocation methodology, and how any revisions are necessary to further the statutory objectives of RHNA described in Government Code section 65584(d).

Among the appeals based on Government Code section 65584.05(b)(1), several appeals state that SCAG failed to consider the factor described in Government Code section 65584.04(e)(2)(B), citing the lack of land suitable for development as a basis for the appeal. However, this section states the council of governments may not limit its consideration of suitable housing sites to existing zoning and land use restrictions and must consider the potential for increased development under alternative zoning and

land use restrictions. Any comparable data or documentation supporting this appeal should contain an analysis of not only land suitable for urban development, but land for conversion to residential use, the availability of underutilized land, and opportunity for infill development and increased residential densities. In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.

With regard to appeals submitted related to Government Code section 65584.05(b)(2), that SCAG failed to determine the RHNA in a manner that furthers the statutory objectives, it should be noted that HCD reviewed SCAG's draft allocation methodology and found that the draft RHNA allocation methodology furthered the statutory objectives described in Government Code section 65584.

Among the appeals based on Government Code section 65584.05(b)(2), several contend that the cap on units allocated to extremely disadvantaged communities (DACs) does not further RHNA's statutory objectives. This cap furthers the statutory objective to affirmatively further fair housing by allocating more units to high opportunity areas and fewer units to low resource communities, and concentrated areas of poverty with high levels of segregation. Due to the inclusion of this factor, as well as the use of TCAC/HCD Opportunity Maps, SCAG's methodology allocates 14 of the top 15 highest shares of lower-income RHNA to jurisdictions with over 99.95 percent High and Highest Resource areas. With the exceptions of two jurisdictions, the 31 jurisdictions with the highest share of lower-income RHNA are all over 95 percent High and Highest Resource areas. Any weakening of these inputs to the methodology could risk not fulfilling the statutory objective to affirmatively further fair housing.

Several appeals argue that SCAG's RHNA allocation methodology does not adequately promote access to jobs and transit, as required in objectives two and three. HCD's review of SCAG's RHNA methodology found the allocation does further the environmental principles of objective two. SCAG's overall allocation includes significant weight related to the location of high-quality transit areas and the regional distribution of jobs that can be accessed within a 30-minute driving commutes. Regarding objective three, HCD's analysis as to whether jobs-housing fit was furthered by SCAG's draft methodology found that across all jurisdictions there is generally good alignment between low-wage jobs and lower-income RHNA, with all but 15 jurisdictions within a half percent plus or minus difference between their share of lower-income RHNA for the region and their percentage low-wage jobs for the region.

Several appeals are based upon the provision described in Government Code section 65584.05(b)(3), arguing that the COVID-19 pandemic represents a significant and unforeseen change in circumstances that will affect future population and job growth. Ensuring everyone has a home is critical to public health. Reducing and preventing overcrowding and homelessness are essential concerns for every community. The COVID-19 pandemic has only increased the importance that each community is planning for sufficient affordable housing.

Lastly, several appeals state that the Regional Housing Needs Determination (RHND) HCD provided to the SCAG region is too large. SCAG submitted an objection to the RHND at the appropriate time and through the appropriate process. HCD considered those objections and [determined the final RHND for 6th Housing Element Cycle for the SCAG region on October 15, 2019](#). There are no further appeal procedures available to alter the SCAG region's RHND for this cycle. Government Code section 65584.05(b) does not allow local governments to appeal the RHND during the 45-day period following receipt of the draft allocation.

HCD acknowledges that many local governments will need to plan for more housing than in the prior cycle to accommodate a RHND that more fully captures the housing need and as the statutory objectives of RHNA shift more housing planning near jobs, transit, and resources. The Southern California region's housing crisis requires each jurisdiction to plan for the housing needs of their community and the region. In recognition of this effort there are more resources available than ever before to support jurisdictions as they prepare to update their 6th cycle housing elements:

- SB 2 Planning Grants – \$123 million one-time allocation to cities and counties
- SB 2 Planning Grants Technical Assistance offered to all jurisdictions
- Regional and Local Early Action Planning Grants – \$238 million one-time allocation for local and regional governments
- SB 2 Permanent Local Housing Allocation – approximately \$175 million annually in ongoing funding for local governments to increase affordable housing stock

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Deputy Director, megan.kirkeby@hcd.ca.gov.



Megan Kirkeby
Deputy Director



City of Whittier

13230 Penn Street, Whittier, California 90602-1716
(562) 567-9320 Fax (562) 567-2872 www.cityofwhittier.org

Electronically Transmitted to: Housing@scag.ca.gov

December 10, 2020

RHNA Appeals Committee
Southern California Association of Governments
900 Wilshire Blvd, Suite 1700
Los Angeles, CA 90017

SUBJECT: City of Whittier's Comments on Appeals to the Sixth Cycle Regional Housing Needs Assessment (RHNA) Allocation

Honorable Chair and Honorable Committee Members:

The City of Whittier ("City") appreciates the challenges that are inherent in allocating 1,341,827 housing units by the thousands (a 226% increase above the baseline 412,137 unit) to cities across Southern California, especially in built-out cities. However, the City is deeply concerned its housing allocation of 3,431 units from the State Department of Housing and Community Development ("HCD") and the Southern California Association of Government's ("SCAG") unit distribution methodology, along with recent housing legislation will fundamentally abridge the City's ability to develop effective land-use policies that are appropriate for managing the community's actual needs. The 878 units in the 5th cycle RHNA allocation has been increased by 290% to 3,431 units in the current 6th cycle. Particularly challenging in the 6th cycle, is the number of low and very low-income units (1,558) which combined with the moderate and above moderate unit totals forces unplanned and unnecessary residential densification of the community.

The affordable units are an unfunded mandate with very limited regional or State financial support for their development. Considering the affordable housing subsidies typically range from \$50,000 to \$250,000 per unit, the overall funding requirements could range from \$78,000,000 to \$390,000,000 which is clearly beyond the reach of the City of Whittier in that the City's general fund budget is just \$72,000,000 which already include \$2,000,000 annually to house the City's unsheltered residents in transitional housing. Additionally, the City only receives 7.5% of each property tax dollar to provide general services including police and library services.

The City is currently in the process of updating its Housing Element as well as the General Plan to incorporate the current RHNA allocation, so Whittier is acutely aware of the various housing needs as well as the potential obstacles, such as aging infrastructure and unplanned density, to creating the requisite housing within a city that

is essentially built out. The changes in the State's housing laws (SB 35, SB 166 and AB 1397) have created additional constraints for the agencies and may severely impact the City's ability to accomplish our regional and local housing goals.

Since development in Whittier began more than 130 years ago, the City is virtually built-out with little developable vacant land outside of its designated open space areas that are dedicated to accommodating existing and future residents. While the City has made significant efforts through its specific plans to densify existing corridors and districts, the majority of Whittier's remaining single-family residential neighborhoods cannot accommodate similar densification. Furthermore, the hills north of Whittier contain regional open space, sensitive habitat and wildlife areas that must be preserved in perpetuity. There are also significant infrastructure and water service constraints that impact Whittier's ability to produce significantly more housing. Although these facts may not be desirable, they must be pragmatically accounted for and mitigated by not further increasing Whittier's share of housing units contained in SCAG's 6th Cycle RHNA. The final RHNA allocation and methodology must be fair and equitable while reflecting the capacity for reasonable housing unit construction.

As with many other cities, the City is concerned about the current allocation, but an even greater concern is that additional units may be applied to the City if reallocated from cities that are successful in their appeals. To that end, the City believes the appeal process itself was unclear as to the potential ramifications to other cities and not fully understood.

Although we fully support the surrounding cities in their appeals, the potential for additional units being applied to the City would exacerbate the problems described herein and in Whittier's September 13, 2019 letter to SCAG.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Jeffery S. Adams
Director of Community Development

File

From: Christopher Koontz <Christopher.Koontz@longbeach.gov>
Sent: Thursday, December 3, 2020 11:14 AM
To: Regional Housing
Subject: RHNA Appeals

Categories: Response Required, Record

Good morning,

The purpose of this email is to provide the City of Long Beach’s position in regards to pending RHNA appeals before SCAG. The City of Long Beach seeks to meet its housing needs and obligations for the benefit of Long Beach residents and the region. Our allocation was extremely large and presents a planning and financing challenge for the City. Nonetheless we chose not to appeal our allocation because the allocation process was fair and transparent including taking the City of Long Beach’s input into consideration.

We oppose and will not accept any transfer of additional allocation due to the pending appeals. We note that within our area, the Gateway COG, appeals are pending from Bellflower, Cerritos, Downey, Huntington Park, La Mirada, Lakewood, Pico Rivera, and South Gate. Each of these appeals should be evaluated by SCAG on the merits, however Long Beach opposes any transfer of allocation to our City. It would be inappropriate to transfer a further burden to Long Beach when we have already accepted a large allocation and have done more than many cities in the region to accommodate housing growth under the current RHNA cycle, including fully meeting our market-rate RHNA allocation.

The City of Long Beach will continue to work with SCAG and our neighbor jurisdictions to address the housing needs of our residents.

We thank you for consideration and please do not hesitate to contact the City regarding our position.

Christopher Koontz, AICP
Deputy Director

Development Services
411 W. Ocean Blvd., 3rd Floor | Long Beach, CA 90802
Office: 562.570.6288 | Fax: 562.570.6068





AGENDA ITEM 1.2 REPORT

Southern California Association of Governments
k h \
January 13, 2021

To: Regional Housing Needs Assessment Subcommittee (RHNA)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Roland Ok, Program Manager
(213) 236-1819, ok@scag.ca.gov

Subject: Appeal of the Draft RHNA Allocation for the City of Torrance

RECOMMENDATION

Deny the appeal filed by the City of Torrance to reduce its Draft RHNA Allocation by 2,700 units.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

SUMMARY OF APPEAL(S):

The City of Torrance requests a reduction of its RHNA allocation by 2,700 units (from 4,928 units to 2,228 units) based on:

1. Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021 – 2029) - failure to consider growth projections consistent with the Connect SoCal Plan.
2. Availability of land suitable for urban development or for conversion to residential use - Torrance does not have available vacant land to accommodate its RHNA allocation.
3. Lands protected from urban development under existing federal or state programs – failure to consider coastal zone, land use constraints due to existing Airport Environmental Land Use Plans, protected natural lands, geomorphic conditions and lands dedicated to refinery and chemical production.
4. Distribution of household growth assumed for purposes of comparable Regional Transportation Plans - the Draft RHNA Allocation is inconsistent with the growth forecast for Connect SoCal.
5. Changed circumstances - COVID-19 presents an unforeseen changed circumstance that has severely impacted the City's economy and impacted the development capacity of the private housing market.

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California's Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous

RATIONALE FOR STAFF RECOMMENDATION:

Staff have reviewed the appeal(s) and recommend no change to the City of Torrance' RHNA allocation.

Issue 1 and 4: While the City contests the validity of the data, measures, or inputs used in the RHNA Methodology, the City fails to recognize that SCAG has allocated total regional housing need ("existing need" and "projected need") consistent with the Connect SoCal development pattern. SCAG has reviewed a wide range of reports to develop the RHNA Methodology, and SCAG does not have the authority to appeal the regional determination. The City has not provided evidence that density would result in overcrowding, nor has the City provided evidence that it could not accommodate higher density housing. As such, SCAG does not recommend granting an appeal on this basis.

Issue 2 and 3: the City has not provided evidence that it cannot accommodate zoning within the listed areas (Coastal Zone, Airport Land Use Area Plans, Areas of Seismic Activity, etc.) nor has the City provided evidence that agencies who oversee said areas have rendered a decision that would prevent the jurisdiction from providing necessary infrastructure. Also, the City has not provided evidence that other lands are not available to meet the RHNA allocation. As such, SCAG does not recommend granting an appeal on these bases.

Issue 5: Impacts from COVID-19 are not unique to any single SCAG jurisdiction and the City has not provided evidence that housing need within Torrance is disproportionately impacted in comparison to the rest of the SCAG region. As such, we do not recommend granting an appeal on these bases.

BACKGROUND:**Draft RHNA Allocation**

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the adoption of Connect SoCal on September 3, 2020, the City of Torrance received its Draft RHNA Allocation on September 11, 2020. A summary is provided below:

Total RHNA Allocation for the City of Torrance: 4,928

Very Low Income: 1,617

Low Income: 845

Moderate Income: 851

Above Moderate Income: 1,615

Additional background related to the Draft RHNA Allocation is included in Attachment 1.

Summary of Comments Received during 45-day Comment Period

No comments were received from local jurisdictions or HCD during the 45-day public comment period described in Government Code section 65584.05(c) which specifically regard the appeal filed for the City of Torrance. Three comments were received which relate to appeals filed generally:

- HCD submitted a comment on December 10, 2020 delineating the statutory basis for RHNA appeals and the requirement that any appeals granted must include written findings regarding how revisions are necessary to further RHNA's statutory objectives.
- The City of Whittier submitted a comment on December 10, 2020 supporting surrounding cities in their appeals but expressing concern that additional units may be applied to Whittier if reallocated from cities which are successful in their appeals.
- The City of Long Beach submitted a comment on December 3, 2020 indicating their view that the RHNA allocation process was fair and transparent, their support for evaluating appeals on their merits (specifically those from the Gateway Council of Governments), and their opposition to any action which would result in a transfer of additional units to Long Beach.

ANALYSIS:

Issue 1 and 4: Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029) [Government Code Section 65584.05 (b)(2)] and distribution of household growth assumed for purposes of comparable Regional Transportation Plans [Government Code Section 65584.04(e)(3)].

Torrance claims that SCAG's methodology fails to consider growth projections consistent with the Connect SoCal Plan. Torrance states that the Draft RHNA allocation is inconsistent with the development patterns assumed in the Connect SoCal Plan, and such inconsistencies in forecasting growth demonstrate the failure of the methodology to consider local factors and exhibits severe inconsistencies with future growth projections.

SCAG Staff Response: SCAG's final regional determination of approximately 1.34 million units was issued by HCD on October 15, 2019 per state housing law. The regional determination is not a basis for appeal per adopted RHNA Appeals Procedures as it is not within the authority of the Appeals Board to make any changes to HCD's regional housing needs determination. Only improper application of the methodology is grounds for an appeal. An example of an improper application of the adopted methodology might be a data error which was identified by a local jurisdiction.

Adopted by the SCAG Regional Council on March 5, 2020, the RHNA Allocation Methodology uses SCAG's Growth Forecast as the basis to determine the projected household need component of a jurisdiction's draft RHNA allocation. Integrated Growth Forecast process was derived through a

two-year process from October 2017 through December 2019 that was based on local input review through surveys and individual meetings with SCAG jurisdictions. As indicated in the background section of this report, SCAG staff fully considered the input provided by the City of Torrance during the development of the Integrated Growth Forecast and incorporated this input into the development of projected need for the City's draft RHNA Allocation.

The 6th Cycle RHNA regional housing need total of 1,341,827 units, as determined by HCD, consists of both "projected need" and "existing need". "Projected need" is intended to accommodate the growth of population and households between 2021-2029, and "existing need" reflects additional latent housing needs in the existing population. On January 13, 2020, HCD's finding that SCAG's draft RHNA methodology (which was later adopted as the final RHNA methodology in March) furthered the statutory objectives of RHNA, reflected that the determination is separated into "projected need" and "existing need" components. Projected need is based on the household growth for the comparable RHNA period (2021 to 2029) of the regional transportation plan.

SCAG has allocated both "projected need" and "existing need" consistent with the development pattern in the 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy ("Connect SoCal"). The Connect SoCal Forecasted Regional Development Pattern is shown on Exhibit 1 of the Sustainable Communities Strategy Technical Report, p. 13. Specifically, the development pattern includes priority growth areas, incorporated areas, job centers, entitled projects and sphere of influence which together would accommodate 95% of the growth till 2045. The development pattern reflects the strategies and policies contained in Connect SoCal. The "projected need" portion of the 6th Cycle RHNA is based on the Connect SoCal Growth Forecast and is consistent with the Connect SoCal development pattern. Specifically, each jurisdictional-level growth forecast of households is translated into "projected need" of housing units after adjusting for two factors of vacancy need and replacement needs.

The "existing need" portion, though not part of the Sustainable Communities Strategy, is also allocated consistent with the Connect SoCal development pattern. Specifically, based on SCAG's adopted RHNA methodology, "existing need" is allocated based on transit and job access (i.e., assign 50% based on jurisdiction's share of the region's population within HQTAs and 50% based on a jurisdiction's share of the region's jobs that can be accessed within a 30- minute commute). Accordingly, this allocation is aligned with the strategies and policies underlying the development pattern in the SCS.

In summary, SCAG has allocated total regional housing need ("existing need" and "projected need") consistent with the Connect SoCal development pattern. For this reason, SCAG staff does not recommend a reduction to the City's Draft RHNA Allocation based on this factor.

Issue 2: Availability of land suitable for urban development or for conversion to residential use [Government Code Section 65584.04(e)(2)(B)].

Torrance claims that SCAG failed to consider local planning factors, namely the availability of land suitable for urban development or conversion to residential use. Torrance states that the City has minimal appropriate, available vacant land to accommodate its RHNA Allocation. Torrance states that the City has 55.59 acres of available land to accommodate housing, whereas its RHNA Allocation (4,928 units) would require 164 acres, with a density range of 30 dwelling units per acre. To accommodate the 4,928 units within the 55.59 available acres, the City would be required to permit a minimum zoning requirement of a 100 units/per acre, which they believe is unreasonable, pursuant to the analysis under AB 1397. Further, Torrance states that high density development would go against the health, safety, welfare and economic integrity of its residents due to factors such as the COVID-19 pandemic.

SCAG Staff Response: Pursuant to Government Code Section 65584.04(e)(2)(B), SCAG “may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality” (which includes the land use policies in its General Plan). “Available land suitable for urban development or conversion to residential use,” as expressed in 65584.04(e)(2)(B), is not restricted to vacant sites; rather, it specifically indicates that underutilized land, opportunities for infill development, and increased residential densities are a component of “available” land. As indicated by HCD in its December 10, 2020 comment letter (HCD Letter):

“In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.” (HCD Letter at p. 2).

As such, the City can consider other opportunities for development. This includes the availability of underutilized land, opportunities for infill development and increased residential densities, or alternative zoning and density. Alternative development opportunities should be explored further and could possibly provide the land needed to zone for the City’s projected growth.

Note that while zoning and capacity analysis is used to meet RHNA need, they should not be used to allocate RHNA need. Per the adopted RHNA Methodology, RHNA need is determined by projected household growth, transit access, and job access. Housing need, both existing and projected need, is independent of zoning and other related land use restrictions, and in some cases is exacerbated by these very same restrictions. Thus, land use capacity that is restricted by factors unrelated to existing or projected housing need cannot determine existing or projected housing need.

SCAG acknowledges that AB 1397 modifies the housing element update process in Government Code Section 65583 and requires stronger justification for using certain types of sites to meet RHNA need, particularly nonvacant sites. While these statutory changes have increased the extent of analysis or supportive policy required to demonstrate development likelihood, they do not preclude the consideration of non-vacant sites. For example, page 25 of HCD's June 10, 2020 Housing Element Site Inventory Guidebook¹ covering Government Code Section 65583.2 states:

The inventory analysis should describe development and/or redevelopment trends in the community as it relates to nonvacant sites, i.e., the rate at which similar sites have been redeveloped. This could include a description of the local government's track record and specific role in encouraging and facilitating redevelopment, adaptive reuse, or recycling to residential or more intensive residential uses. If the local government does not have any examples of recent recycling or redevelopment, the housing element should describe current or planned efforts (via new programs) to encourage and facilitate this type of development (e.g., providing incentives to encourage lot consolidation or assemblage to facilitate increased residential-development capacity). The results of the analysis should be reflected in the capacity calculation described in Part C, above.

Beyond this guidance on how to demonstrate site suitability, HCD's sites inventory memo details how accessory dwelling units (ADUs), junior accessory dwelling units (JADUs), and even other options are available to satisfy the sites requirement in the housing element (page 32):

"In consultation with HCD, other alternatives may be considered such as motel conversions, adaptive reuse of existing buildings, or legalization of units not previously reported to the Department of Finance."

While conditions such as overcrowding can be correlated with public health concerns, increased density is not a synonym for overcrowding. Overcrowding is defined as more than 1.01 persons per room in a housing unit and a jurisdiction can increase its density without resulting in overcrowded housing units. One of the objectives of increasing housing supply is to reduce overcrowding and ironically, planning for fewer housing units than needed may in fact result in overcrowding.

Additionally, while it is up to the individual jurisdiction to determine the optimal density to accommodate its housing need, provided that a residential unit meets all California Building Health and Safety Code requirements, there is not a maximum density limit that would result in a need to reduce a RHNA Allocation.

¹ https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf

For these reasons, SCAG staff does not recommend a reduction to the jurisdiction's RHNA Allocation based on these factors.

Issue 3: Lands protected from urban development under existing federal or state programs [Government Code Section 65584.04(e)(2)(C)].

Torrance claims that SCAG failed to consider local planning factors, namely lands preserved or protected from Urban Development Under Federal or State Programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis. Torrance notes that coastal zones, land constraints due to existing Airport Environmental Land Use Plans (AELUP, protected natural lands, geomorphic conditions and lands dedicated to refinery and chemical production were not considered. Overall, Torrance believes that approximately 1,758 acres of land are unsuitable to be zoned for housing.

Coastal Zone: Torrance notes that 123 acres of the City is within the Coastal Zone, and subject to the Coastal Act which is designed to encourage local jurisdictions to create Local Coastal Programs (LCP), which would be considered the legislative equivalent of the City's General Plan for areas within the Coastal Zone. While Torrance' Coast Zone has yet to be designated as an LCP, a high RHNA allocation would require the adoption of an LCP, and the rezoning to allow for higher density residential uses. However, Torrance states that rezoning to allow for higher density would undermine the Coastal Act's requirements for coastal access, coastal views and protection of visitor servicing uses. Therefore, Torrance states that high RHNA allocation and rezoning in coastal areas may force the City to violate the Coastal Act.

Airport Area: Torrance states that the City's Airport Area contains approximately 369 acres of land that are restricted for future development. Torrance states that the Airport Area is restricted and unsuitable for residential uses due to noise impacts and height limitations imposed by the Airport Land Commission (ALUC). Torrance claims that the ALUC is likely to oppose future rezoning efforts for increased residential development within the Airport Area due to said restrictions.

Protected Natural Lands: Torrance states that approximately 44.86 acres of land is designated as protected lands and cannot be utilized for residential development.

Seismic Hazards, Landslide and Liquefaction Zones: Torrance states that lands within the southwest portion of the City (which include vacant lands) are susceptible to seismic hazards, liquefaction and related ground failure including landslides, and are not suitable for development.

Refinery and Chemical Production: Torrance states that approximately 1,057 acres are dedicated to refinery and chemical production and are considered critical infrastructure and not suitable for housing.

SCAG Staff Response: As discussed above, per Government Code Section 65584.04(e)(2)(B), SCAG is not permitted to limit its consideration of suitable housing sites or land suitable for urban development to a jurisdiction's existing zoning and land use policies and restrictions (which includes the land use policies in its General Plan). State law requires that the consideration of the availability of land suitable for urban development must include other types of land use opportunities other than vacant land. The City can consider other opportunities for development. This includes the availability of underutilized land, opportunities for infill development and increased residential densities, or alternative zoning and density. Alternative development opportunities should be explored further and could possibly provide the land needed to zone for the City's projected growth.

Additionally, zoning and capacity analysis is used to meet RHNA need, not determine it. Per the adopted RHNA methodology, RHNA need at the jurisdictional level is determined principally by projected household growth, transit access, and job access. Housing need, both existing and projected need, is independent of zoning and other related land use restrictions, and in some cases is exacerbated by these very same restrictions. Thus, land use capacity that is restricted by factors unrelated to existing or projected housing need cannot determine existing or projected housing need.

Further, it should be presumed that when providing local input on household growth in the Growth Forecast, planning factors such as lands protected by federal and state programs have already been accounted for prior to the local input submitted to SCAG. No evidence was submitted that these areas have changed. In addition, while the jurisdiction has indicated it cannot accommodate units in these specific areas, no evidence has been provided that the jurisdiction cannot accommodate its RHNA allocation in other areas. The presence of protected open space alone does not reduce housing need nor does it preclude a jurisdiction from accommodating its housing need elsewhere. For the reasons, SCAG staff does not recommend a reduction to the jurisdiction's RHNA Allocation based on this factor.

Regarding areas in the Coastal Zone, in response to similar arguments made by the cities of Coronado and Solana Beach in their RHNA allocation appeals earlier this year,

“Coastal Commission Executive Director Jack Ainsworth said that while there are some constraints in the coastal zone related to increases in housing density around areas vulnerable to sea level rise and erosion, that doesn't mean that there are not areas within the coastal zone where significant increases in housing density are possible.

‘To make a blanket statement that the Coastal Commission would not approve increases in housing density is simply not accurate,’ he wrote. “Over the past year or so, the Commission has demonstrated our commitment to increasing housing density through individual permitting actions and our local coastal program planning efforts with local governments.’”²

In fact, the California Coastal Act encourages the protection of housing opportunities for individuals of low and moderate incomes (Public Resources Code section 30604). Furthermore, the Coastal Act does not allow residential densities to be reduced (including projects making use of density bonuses) unless the density cannot feasibly be accommodated in conformity with the Local Coastal Program (Public Resources Code section 30604(f)). The Coastal Act also encourages the minimization of vehicle miles traveled (Public Resources Code section 30253(e)). In addition, in April 2020, the Coastal Commission recently issued new guidance on the “Implementation of New ADU [accessory dwelling units] Laws”.³

Regarding areas affected by seismic activity, while SCAG staff does not dispute that there may be areas at risk of seismic activity, liquefaction or landslides in the jurisdiction, the jurisdiction has not provided evidence that an agency or organization such as FEMA has determined housing is unsuitable in these areas. Additionally, the jurisdiction has not provided evidence that it cannot plan for its assigned Draft RHNA Allocation in other areas of the jurisdiction that are not at risk for seismic activities. For these reasons, SCAG staff does not recommend a reduction to the jurisdiction’s draft RHNA allocation.

Issue 5: Changed circumstances [Government Code Section 65584.05(b)].

Torrance claims that the COVID-19 pandemic has had an impact on the City’s economy and as such, job opportunities have diminished and population growth rates are likely to drop to historically low levels, and as such the housing shortage maybe grossly overestimated.

SCAG Staff Response: SCAG recognizes that COVID-19 presents unforeseen circumstances and that local governments have been affected by significant unemployment. However, these facts, as presented by the City, do not “merit a revision of the information submitted pursuant to subdivision

² *San Diego County cities push back on state-mandated housing goals*, San Diego Union Tribune, January 14, 2020 (<https://www.sandiegouniontribune.com/business/growth-development/story/2020-01-14/sandag-housing>).

³ Memo from John Ainsworth to Planning Directors of Coastal Cities and Counties dated April 21, 2020 re: Implementation of New ADU Laws (<https://documents.coastal.ca.gov/assets/rflg/California%20Coastal%20Commission%20ADU%20Memo%20dated%20042120.pdf>).

(b) of Section 65584.04.” (Govt. Code § 65584.05(b)(3)). Furthermore, Section 65584.05(b) requires that:

“Appeals shall be based upon comparable data available for all affected jurisdictions and accepted planning methodology, and supported by adequate documentation, and shall include a statement as to why the revision is necessary to further the intent of the objectives listed in subdivision (d) of Section 65584.”

SCAG’s Regional Council delayed the adoption of its 2020-2045 RTP/SCS by 120 days in order to assess the extent to which long-range forecasts of population, households, and employment may be impacted by COVID-19; however, the document’s long-range (2045) forecast of population, employment, and household growth remained unchanged. The Demographics and Growth Forecast Technical Report⁴ outlines the process for forecasting long-range employment growth which involves understanding national growth trends and regional competitiveness, i.e. the SCAG’s region share of national jobs. Short-term economic forecasts commenting on COVID-19 impacts generally do not provide a basis for changes in the region’s long-term competitiveness or the region’s employment outlook for 2023-2045. As such, SCAG’s assessment is that comparable data would not suggest long-range regional employment declines.

The COVID-19 pandemic has had various impacts throughout Southern California; however, it has not resulted in a slowdown in major construction nor has it resulted in a decrease in a demand for housing or housing need. Southern California home prices continue to increase (+2.6 percent from August to September 2020) led by Los Angeles (+10.4 percent) and Ventura (+6.2 percent) counties. Demand for housing as quantified by the RHNA Allocation is a need that covers an 8-year period, not simply for impacts that are in the immediate near-term. Moreover, impacts from COVID-19 are not unique to any single SCAG jurisdiction and no evidence has been provided in the appeal that indicates that housing need within jurisdiction is disproportionately impacted in comparison to the rest of the SCAG region. For these reasons, SCAG staff does not recommend a reduction to the jurisdiction’s Draft RHNA Allocation.

FISCAL IMPACT:

Work associated with this item is included in the current FY 2020-21 Overall Work Program (300-4872Y0.02: Regional Housing Needs Assessment).

ATTACHMENT(S):

1. Attachment 1_Local Input and Development of Draft RHNA Allocation (City of Torrance)
2. Attachment 2_Appeal Form and Supporting Documentation
3. Attachment 3_Data Input and Verification Form (City of Torrance)
4. Attachment 4_HCD final 6th Cycle Housing Need Determination for the SCAG Region

⁴ See https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Demographics-And-Growth-Forecast.pdf



5. Attachment 5_Comments Received During the Comment Period (General)

Southern California Association of Governments
Remote Participation Only
City of Torrance RHNA Appeal
January 13, 2020

Attachment 1: Local Input and) evelopment of Draft RHNA Allocation

This attachment sets forth the nature and timing of the opportunities which the City of Fontana had to provide information and local input on SCAG’s growth forecast, the RHNA methodology, and the Growth Vision of the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal). It also describes how the RHNA Methodology development process integrates this information in order to develop the City of Torrance’s Draft RHNA Allocation.

1. Local Input

a. Bottom-Up Local Input and Envisioning Process

On October 31, 2017, SCAG took the first step toward developing draft RHNA allocations by initiating the Bottom-Up Local Input and Envisioning Process. At the direction of the Regional Council, the objective of this process was to seek local input and data to prepare for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal) and the 6th cycle of RHNA.¹ Each jurisdiction was provided with a package of land use, transportation, environmental, and growth forecast data for review and revision which was due on October 1, 2018.² While the local input process materials focus principally on jurisdiction-level and Transportation Analysis Zone (TAZ) level growth, input on specific parcels, sites, and project areas were welcomed and integrated into SCAG’s growth forecast as well as data on other elements. SCAG met one-on-one with all 197 local jurisdictions between November 2017 and July 2018 and provided training opportunities and staff support. Following input from SCAG’s Technical Working Group (TWG), the Connect SoCal growth forecast reflected precisely the jurisdiction-level growth totals provided during this process.

The local input data included SCAG’s preliminary growth forecast information. For the City of Torrance, the anticipated number of households in 2020 was 57,166 and in 2030 was 60,216 (growth of 3,050 households). On June 11, 2018, SCAG staff met with staff from the City of Torrance to discuss the Bottom-Up Local Input and Envisioning Process and answer questions. Following input, household totals were 55,862 in 2020 and 56,408 in 2030, for a reduced household growth during this period of 546.

¹ While the RTP/SCS and RHNA share data elements, they are distinct processes. The RTP/SCS growth forecast provides an assessment of reasonably foreseeable future patterns of employment, population, and household growth in the region given demographic and economic trends, and existing local and regional policy priorities. The RHNA identifies anticipated housing need over a specified eight-year period and requires that local jurisdictions make available sufficient zoned capacity to accommodate this need. A further discussion of the relationship between these processes can be found in Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

² A detailed list of data during this process reviewed can be found in each jurisdiction’s Draft Data/Map Book at <http://scagrtpsc.net/Pages/DataMapBooks.aspx>

b. RHNA methodology surveys

On March 19, 2019, SCAG distributed a packet of methodology surveys, which included the local planning factor survey, Affirmatively Furthering Fair Housing (AFFH) survey, and replacement need survey, to SCAG jurisdictions’ Community Development Directors. SCAG reviewed all submitted responses as part of the development of the draft RHNA methodology. The City of Torrance submitted the following surveys prior to the adoption of the Draft RHNA Methodology:

- Local planning factor survey
- Affirmatively Furthering Fair Housing (AFFH) survey
- Replacement need survey
- No survey was submitted to SCAG

c. Connect SoCal Growth Vision and Additional Refinements

Beginning in May 2018, SCAG’s Sustainable Communities Working Group began the process of developing growth scenarios for the SCAG region. The culmination of this work was the development of the Connect SoCal Growth Vision, which directly uses jurisdictional-level growth projections from the Bottom-Up Local Input and Envisioning process, and also features strategies for growth at the TAZ-level that help to reduce greenhouse gas emissions (GHG) from automobiles and light trucks to achieve Southern California’s GHG reduction target, approved by the California Air Resources Board (CARB) in accordance with state planning law. Additional detail regarding the Connect SoCal Growth Vision, specifically the Transportation Analysis Zone (TAZ, or neighborhood) level projections is found at <https://www.connectsocial.org/Documents/DataMapBooks/Growth-Vision-Methodology.pdf>.

As a result of these strategies, in some jurisdictions growth at the TAZ-level differed from locally anticipated growth conveyed during the Bottom-Up Local Input and Envisioning Process.

As such, SCAG provided two additional opportunities for all local jurisdictions to make TAZ-level technical refinements on the topics of general plan capacities and entitlements. During the release of the draft Connect SoCal Plan, jurisdictions were notified on October 31, 2019 that SCAG would accept additional refinements until December 11, 2019. Following the Regional Council’s decision to delay full adoption of Connect SoCal for 120 days due to the COVID-19 pandemic, all jurisdictions were again notified on May 26, 2020 that SCAG would accept additional refinements until June 9, 2020.

Connect SoCal Growth Vision data have been available to local jurisdiction staff during the entirety of this process through SCAG’s Scenario Planning Model Data Management Site (SPM-DM) at <http://spmdm.scag.ca.gov> and updates were shared with local jurisdictions on technical refinements to the data in February 2020 and August 2020 to share the results of both review opportunities. The City of Torrance’s TAZ-level data utilized in the Connect SoCal Growth Vision matches input provided during the Bottom-Up Local Input and Envisioning Process.

2. Development of the Final RHNA Methodology

SCAG convened the first meeting of the RHNA Subcommittee in October 2018. In their subsequent monthly meetings, this body reviewed and advised on the development of SCAG’s 6th cycle RHNA process, including the development of the RHNA methodology. Per Government Code 65584.04(a), SCAG must develop a RHNA methodology which furthers the five statutory objectives of RHNA:

(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 (Govt. Code § 65584(d)).

As explained in more detail below, the Draft RHNA Methodology (which was adopted as the Final RHNA Methodology) set forth the policy factors, data sources, and calculations which would be used to generate draft RHNA allocations for all local jurisdictions. Following extensive debate and public comment, SCAG’s Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019 and provide it to HCD for review. Per Government Code 65584.04(i), HCD is vested with the authority to determine whether a methodology furthers the objectives set forth in Government Code section 65584(d). On January 13, 2020, HCD found that the Draft RHNA Methodology furthers these five statutory objectives of RHNA. Specifically, HCD noted that:

“This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes. In particular, HCD applauds the use of the objective factors specifically linked the statutory objectives in the existing need methodology.” (Letter from HCD to SCAG

dated January 13, 2020 at <https://scag.ca.gov/sites/main/files/file-attachments/hcd-review-rc-approved-draft-rhna-methodology.pdf?1602190239>).

On March 5, 2020, again following extensive debate and public comment, the Regional Council voted to approve the Draft RHNA Methodology as the Final RHNA Methodology. Unlike SCAG's 5th cycle RHNA methodology which relies almost entirely on the household growth component of the RTP/SCS, SCAG's 6th cycle RHNA methodology consists of two primary elements: "projected need" which includes the number of housing units required to accommodate anticipated population growth over the 8-year RHNA planning period and "existing need," which refers to the number of housing units required to accommodate excess or unsatisfied housing demand experienced by the region's current population.³ Furthermore, the Final RHNA methodology utilizes measures of 2045 job accessibility and High Quality Transit Area (HQTA) population measures based on TAZ-level projections in the Connect SoCal Growth Vision.

More specifically, the Final RHNA Methodology considers three primary factors in determining a local jurisdiction's total housing need which are primarily based on data from Connect SoCal's aforementioned Bottom-Up Local Input and Envisioning Process:

- Forecasted growth over 2020-2030 (projected need)
- Transit accessibility in 2045 (existing need)
- Job accessibility in 2045 (existing need)

The methodology is described in further detail at <http://scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Methodology-030520.pdf>

3. Final RHNA Methodology and Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the 120-day delay due to the Covid-19 pandemic, SCAG adopted Connect SoCal on September 3, 2020, and the City of Redondo Beach received its Draft RHNA Allocation on September 11, 2020. Application of the RHNA methodology yields the Draft RHNA Allocations for the City of Torrance as summarized in the data and in the tables below.

³ Legislative changes in 2018 modified the nature of the regional housing need determination for the 6th cycle of RHNA by adding measures of household overcrowding and housing cost burden to the list of factors to be considered by HCD for the determination of housing need. These new measures are not included in the Connect SoCal Growth Forecast because they are not direct inputs to the growth forecasting process and are independent of employment and population projections. In contrast, they reflect additional latent housing needs in the current population (i.e., "existing need") and would not result in a change in regional population. For further discussion see Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

City of Torrance Statistics and Inputs		Calculation of Draft RHNA Allocation for Torrance	
Forecasted household (HH) growth, RHNA period: <i>(2020-2030 Household Growth * 0.825)</i>	450	Forecasted household (HH) growth, RHNA period:	450
Percent of households who are renting:	45%	Vacancy Adjustment: <i>(5% for renter households and 1.5% for owner households)</i>	14
Housing unit loss from demolition (2009-18):	118	Replacement Need:	118
Adjusted forecasted household growth, 2020-2045: <i>(Local input growth forecast total adjusted by the difference between the RHNA determination and SCAG's regional 2020-2045 forecast, +4%)</i>	1,474	TOTAL PROJECTED NEED:	582
Percent of regional jobs accessible in 30 mins (2045): <i>(From the jurisdiction's median TAZ)</i>	11.00%	Existing need due to job accessibility (50%):	2,585
Jobs accessible from the jurisdiction's median TAZ (2045): <i>(Based on Connect SoCal's 2045 regional forecast of 10.049M jobs)</i>	1,105,000	Existing need due to HQTAs pop. share (50%):	1,386
Share of region's job accessibility (population weighted):	0.62%	Net residual factor for existing need: <i>(Negative values reflect a cap on lower-resourced community with good job and/or transit access. Positive values represent the amount being redistributed to higher-resourced communities based on their job and/or transit access)</i>	375
Jurisdiction's HQTAs population (2045):	33,891	TOTAL EXISTING NEED:	4,346
Share of region's HQTAs population (2045):	0.33%	TOTAL RHNA FOR THE CITY OF TORRANCE:	4,928
Share of population in low/very low-resource tracts:	0.01%	Very-low income (<50% of AMI):	1,617
Share of population in very high-resource tracts:	76.19%	Low income (50-80% of AMI):	845
Social equity adjustment:	160%	Moderate income (80-120% of AMI):	851
		Above moderate income (>120% of AMI)	1,615

The transit accessibility measure is based on the population anticipated to live in 'High Quality Transit Areas' (HQTAs) in 2045 based on Connect SoCal's designation of HQTAs and population forecasts. With a forecasted 2045 population of 33,891 living within HQTAs, Torrance represents 0.33% of the SCAG region's HQTAs population, which is the basis for allocating housing units based on transit accessibility.

Job accessibility is defined as the jurisdiction's share of regional jobs accessible within a 30-minute commute. Since over 80 percent of the region's workers live and work in different jurisdictions, the RHNA methodology uses a measure based on Connect SoCal's travel demand model output for the year 2045 rather than assigning housing units based on the number of jobs within a specific jurisdiction. Specifically, the share of future (2045) regional jobs which can be reached in a 30-minute automobile commute from the local jurisdiction's median TAZ is used as to allocate housing units

based on job accessibility. From the City of Torrance median TAZ, it will be possible to reach 11% of the region's jobs in 2045 within a 30-minute automobile commute (1,105,000 jobs), based on Connect SoCal's 2045 regional job forecast of 10,049,000 jobs.

An additional factor is included in the methodology to account for RHNA Objective #5 to Affirmatively Further Fair Housing (AFFH). Several jurisdictions in the region which are considered disadvantaged communities (DACs) on the basis of access to opportunity measures (described further in the RHNA methodology document), but which also score highly in job and transit access, may have their total RHNA allocations capped based on their long-range (2045) household forecast. This additional housing need, referred to as residual, is then reallocated to non-DAC jurisdictions in order to ensure housing units are placed in higher-resourced communities consistent with AFFH principles. This reallocation is based on the job and transit access measures described above, and results in an additional 375 units assigned to the City of Torrance.

Please note that the above represents only a partial description of key data and calculations in the RHNA methodology. The attached maps provide further detail regarding transit and job access measures.

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Date: 10/22/20 Jurisdiction Subject to This Appeal Filing:
(to file another appeal, please use another form)
City of Torrance

Filing Party (Jurisdiction or HCD)
City of Torrance

Filing Party Contact Name: Danny E. Santana Filing Party Email: DSantana@TorranceCA.gov

APPEAL AUTHORIZED BY:

Name: Patrick J. Furey

PLEASE SELECT BELOW:

- Mayor
- Chief Administrative Office
- City Manager
- Chair of County Board of Supervisors
- Planning Director
- Other: _____

BASES FOR APPEAL

- Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029)
- Local Planning Factors and/or Information Related to Affirmatively Furthering Fair Housing (See Government Code Section 65584.04 (b)(2) and (e))
 - Existing or projected jobs-housing balance
 - Sewer or water infrastructure constraints for additional development
 - Availability of land suitable for urban development or for conversion to residential use
 - Lands protected from urban development under existing federal or state programs
 - County policies to preserve prime agricultural land
 - Distribution of household growth assumed for purposes of comparable Regional Transportation Plans
 - County-city agreements to direct growth toward incorporated areas of County
 - Loss of units contained in assisted housing developments
 - High housing cost burdens
 - The rate of overcrowding
 - Housing needs of farmworkers
 - Housing needs generated by the presence of a university campus within a jurisdiction
 - Loss of units during a state of emergency
 - The region's greenhouse gas emissions targets
 - Affirmatively furthering fair housing
- Changed Circumstances (Per Government Code Section 65584.05(b), appeals based on change of circumstance can only be made by the jurisdiction or jurisdictions where the change in circumstance occurred)

FOR STAFF USE ONLY:

Date: _____ Hearing Date: _____ Planner: _____

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Brief statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 (please refer to Exhibit C of the Appeals Guidelines):

Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

See attached Appeal Letter.

Section 65584(d)(1)- The Draft RHNA Allocation for Torrance undermines this objective as it does not assign housing unit growth need in an equitable manner. The allocation is a marked increase in allocations from prior RHNA planning cycles and a disproportionately higher amount of lower income need to the community, based upon a flawed methodology that is inconsistent with regional growth forecasts at the regional, state and federal level.

Section 65584(d)(2)- The Draft RHNA Allocation undermines this objective as it does not properly consider lands that are precluded from development and lands subject to a variety of environmental and safety constraints. The future use of these lands does not supportive of the efficient utilization of land to encourage and support efficient development patterns in Torrance.

Brief Description of Appeal Request and Desired Outcome:

See attached Appeal Letter.

The appeal is based on the following grounds: 1) Local Planning Factors- a variety of local factors directly impact future housing production; 2) Methodology to develop RHNA Allocations for Torrance; and 3) Changed Circumstances subsequent to the development of the RHNA Methodology.

The City of Torrance is requesting a RHNA reduction from 4,928 units to 2,228 units.

Number of units requested to be reduced or added to the jurisdiction's draft RHNA allocation (circle one):

Reduced 2,700 Added _____

List of Supporting Documentation, by Title and Number of Pages

(Numbers may be continued to accommodate additional supporting documentation):

1. City of Torrance Appeal of the Sixth Cycle Draft RHNA Allocation - 30 Pages
2. Attachment A - Prior RHNA Methodology Correspondence - 8 Pages
- 3.

FOR STAFF USE ONLY:

Date _____ Hearing Date: _____ Planner: _____



CITY OF
T O R R A N C E

PATRICK J. FUREY
MAYOR

October 20, 2020

Mr. Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

CITY COUNCIL MEMBERS
HEIDI ANN ASHCRAFT
GEORGE CHEN
TIM GOODRICH
MIKE GRIFFITHS
SHARON KALANI
AURELIO MATTUCCI

Subject: City of Torrance Appeal of the Sixth Cycle Draft Regional Housing Needs Assessment (RHNA) Allocation.

Dear Mr. Ajise:

On behalf of our residents, and in accordance with applicable Government Code Section 65584.05, the City of Torrance (City) hereby submits this appeal to the Southern California Association of Governments (SCAG) Draft Regional Housing Needs Assessment (RHNA) Final Allocation (Final RHNA Allocation), received September 11, 2020, for the Sixth Housing Element Cycle (2021-2029) (referred to herein as the 6th Cycle).

A revision to the Final Draft Allocation is necessary to further the intent of the statutorily mandated objectives listed in Government Code Section 65584(d). In addition, this appeal is consistent with, and not to the detriment of, the development pattern in the applicable sustainable communities strategy (SCAG's Connect SoCal Plan) developed pursuant to Government Code Section 65080(b)(2) as explained herein. This appeal is based on the following grounds:

- 1) **Local Planning Factors** - SCAG failed to adequately consider the information previously submitted by the City of Torrance that articulated a variety of local factors that directly influence housing production;
- 2) **Methodology**- SCAG failed to determine the share of the regional housing need in accordance with the information described in, and the methodology established pursuant to Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in Government Code Section 65584(d); and
- 3) **Changed Circumstances**- A significant and unforeseen change in circumstances has occurred that supports revisions to the information submitted pursuant to Government Code Section 65584.04(b).

- 3) **Changed Circumstances**- A significant and unforeseen change in circumstances has occurred that supports revisions to the information submitted pursuant to Government Code Section 65584.04(b).

Grounds for the City of Torrance Appeal

1	Local Planning Factors	SCAG failed to adequately consider the information submitted pursuant to Section 65584.04(b).
<i>Lands Preserved or Protected from Urban Development Under Federal or State Programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis</i>		

The City has several major constraints on existing lands that severely limit or totally restrict the city’s ability to accommodate growth to the extent identified in the Draft Allocations.

Local planning factors demonstrate severe limitations in the City’s ability to accommodate the Draft RHNA allocations. The City provided written correspondence to SCAG during the RHNA Methodology process which articulated these concerns

The City of Torrance has a number of legitimate and justifiable claims to demonstrate the SCAG’s failure to adequately consider local factors. The failure to adequately address these local factors further undermines Govt. Code Section 65588(d).

The following factors, pursuant to Govt. Code Section 65584.04(e), are relevant to determine the City of Torrance’s ability to accommodate growth and were not adjusted for in the Draft Allocation.

(a) Local Factor: Coastal Zone Limitations Not Considered in Methodology

Although SCAG is not permitted to limit its considerations of suitable housing sites to a jurisdiction’s existing zoning and land use policies, and the cities should consider other opportunities for development such as the availability of underutilized land or infill development with increased residential densities, SCAG should consider a city’s ability to rezone or increase densities for residential development when subject to jurisdiction of other agencies, such as the California Coastal Commission. For Torrance, 123 acres of the City, as shown in **Exhibit A: Coastal Zone Boundary**, is within the Coastal Zone and is subject to the oversight by the California Coastal Commission.

A major goal of the California Coastal Act is to assure the priority for coastal-dependent and coastal-related development over other development in the Coastal Zone, which is a constraint on residential development, particularly in areas on or near the shoreline.

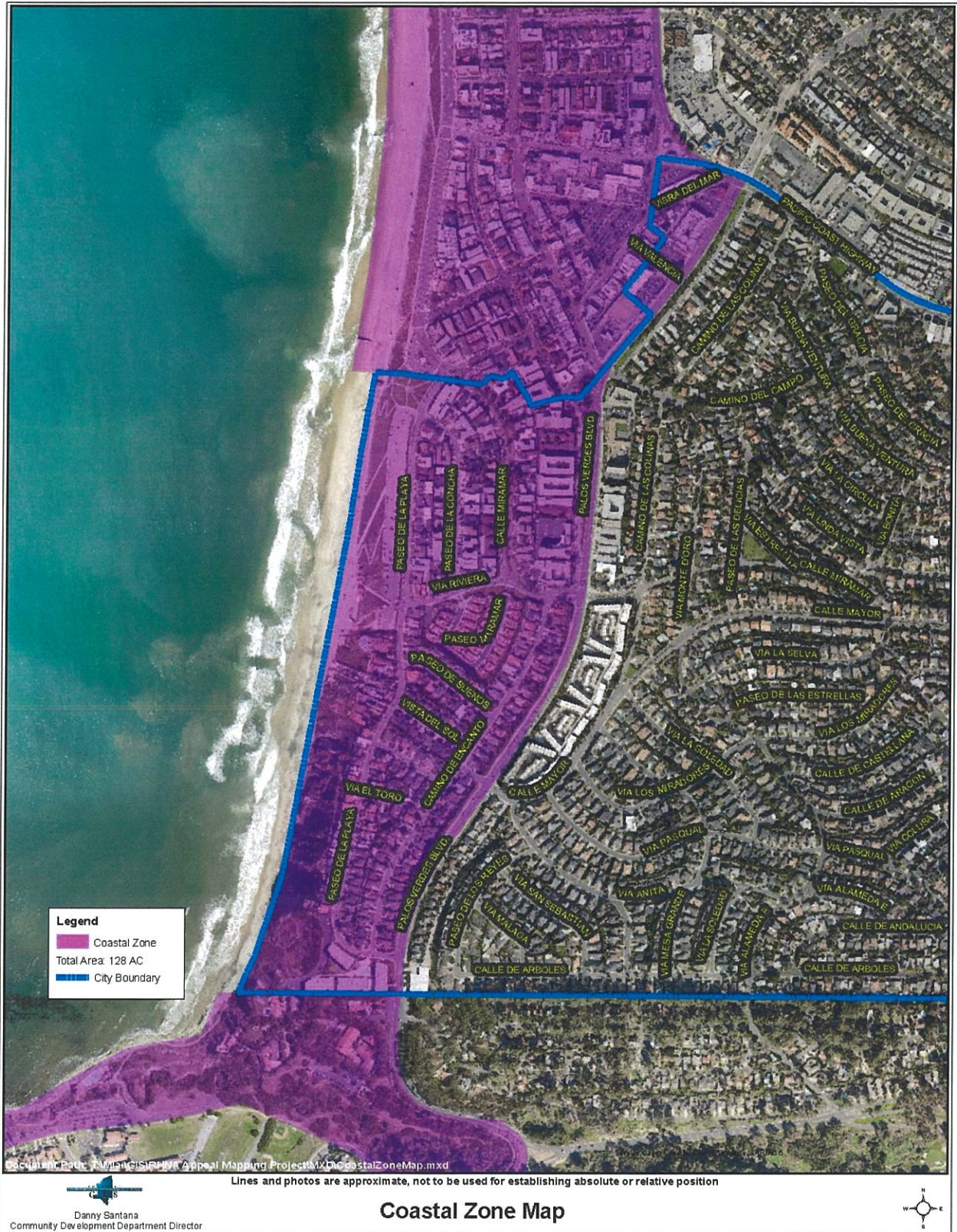


Exhibit A
Coastal Zone Boundary

In 1972, California voters passed Proposition 20, the Coastal Zone Conservation Act. The Coastal Zone Conservation Act to protect public access to the coast, to promote visitor-serving uses and to limit residential development and speculation along the coast. The Coastal Act was subsequently adopted in 1976 and the California Coastal Commission was formed to administer Coastal Act.

The Coastal Act is umbrella legislation designed to encourage local governments to create Local Coastal Programs (LCPs) to govern decisions that determine the short- and long-term conservation and use of coastal resources. While the City does not currently have an adopted LCP, it would be considered the legislative equivalent of the City's General Plan for areas within the Coastal Zone. Local Coastal Programs are obligated by statute to be consistent with the policies of Coastal Act and protect public access and coastal resources. While Torrance does not have an adopted LCP, the City must comply with the requirements or limitations imposed by the Coastal Act.

Therefore, the extraordinarily high RHNA allocations for Torrance may require pursuing significant new high-density, multi-family housing within the Coastal Zone and would require Coastal Commission certification of a Local Coastal Program (LCP). The LCP would include rezoning to allow higher density residential uses in commercial and visitor-serving zones, increasing height, floor area ratio, and density allowances, and reductions in off-street parking standards that would directly undermine the Coastal Act's requirements for coastal access, coastal views, and protection of visitor-serving uses. While SCAG is permitted to consider Torrance's ability to change its zoning, it cannot require members to violate other laws to do so.

(b) Local Factor: Airport Environs Land Use Plan (AELUP)

The City's Airport Area contains approximately 369 acres of land that will be restricted from future development, as shown in **Exhibit B: Airport Lands**. Lands located within the Airport Planning Area for Zamperini Field, otherwise known as Torrance Municipal Airport (TOA) area subject to the development restrictions of the Torrance Airport Environs Land Use Plan (AELUP) limit the ability to develop residential units. Any amendment to the City's General Plan or zoning, including the rezoning for residential use, requires the review by the Airport Land Use Commission (ALUC). Due to restrictions associated with noise and safety, it is unlikely the Airport influence areas will be adjusted to accommodate the potential of residential development in the future.

Residential development of the Airport Area is restricted due to the noise impacts of TOA. Much of the southwestern portion of the airport area is located in the TOA Environs Land Use Plan (AELUP) 65 dBA CNEL, which is unsuitable for residential and other "noise-sensitive" uses.

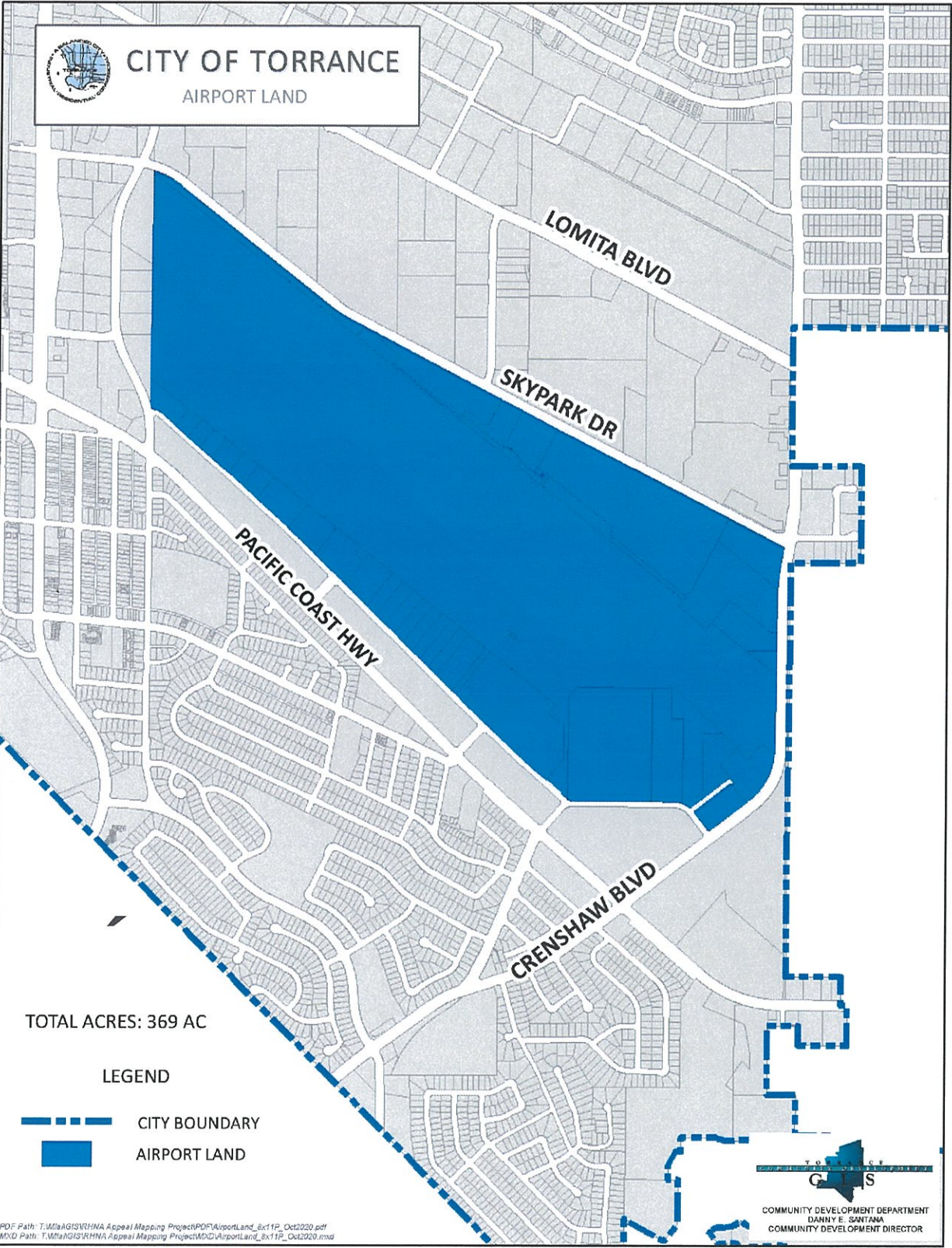
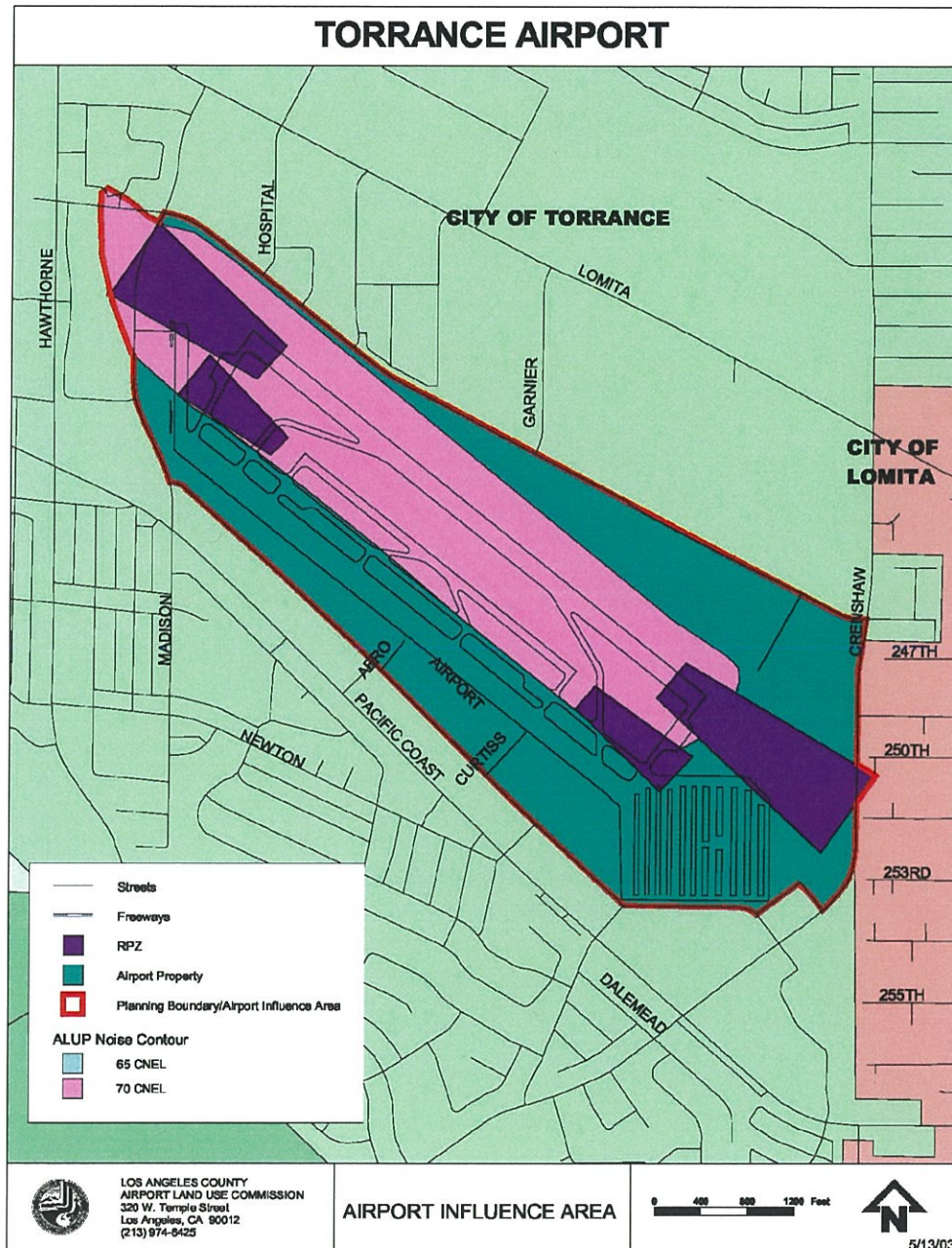


Exhibit B
Airport Lands

Additionally, there are building restrictions and height limitations imposed by the Airport Land Use Commission. According to the Airport Land Use Plan for TOA, there are portions within the Torrance Airport influence area that restrict or limit the development or any residential development. As shown in **Exhibit C: Airport Safety Zones**, approximately 65 acres of additional land adjacent have restrictions for residential development.



Attachment: Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Torrance)

Exhibit C
Airport Safety Zones

Requisite analysis for 6th Cycle housing elements will require review of adequacy of sites based upon known environmental factors, including noise and safety impacts. The limitation of the use of these sites further limit the ability for the City of Torrance to accommodate future residential growth.

The City anticipates ALUC will oppose future rezoning efforts for increased residential development in the Airport Area due to its inherent conflicts with residential development project. Due to proximity to the Airport, ALUC may find future projects in the Airport Influence area to be inconsistent due to the potential for complaints from future residents and safety impacts within and directly outside the identifies safety zones.

(c) Local Factor: Lands Protected and/or Precluded from Development Activity

i. Protected Natural Lands

Approximately 44.86 acres of land in the city is designated as protected land, which contains environmentally sensitive habitat areas and cannot be utilized for residential development. These areas are identified in ***Exhibit D: Protected Lands***

Madrona Marsh is an important wildlife habitat area in Torrance. The distinctive vernal marsh has been designated as a permanent ecological reserve since 1986. The protected lands will be a preserved in perpetuity, eliminated the potential for future residential development on the site.

Various retention and detention basins (sumps), certain parkland on other sites preclude the development of residential development, including:

- Entradero Park – significant natural open space
- Henrietta Marsh – vernal marsh
- Los Arboles Park – Natural areas with native landscape
- Torrance Beach – shoreline and tidal systems
- Walteria Detention Basin – Seasonal Lake and wetlands
- Various Detention Basins – Sumps provide seasonal natural habitat

Several of the natural communities that occur in Torrance are designated rare by the California Department of Fish and Wildlife (CDFW) and are easily disturbed or degraded by human activity and therefore are presumed to meet the definition of Environmental Sensitive Habitat Area (ESHA) under the Coastal Act.

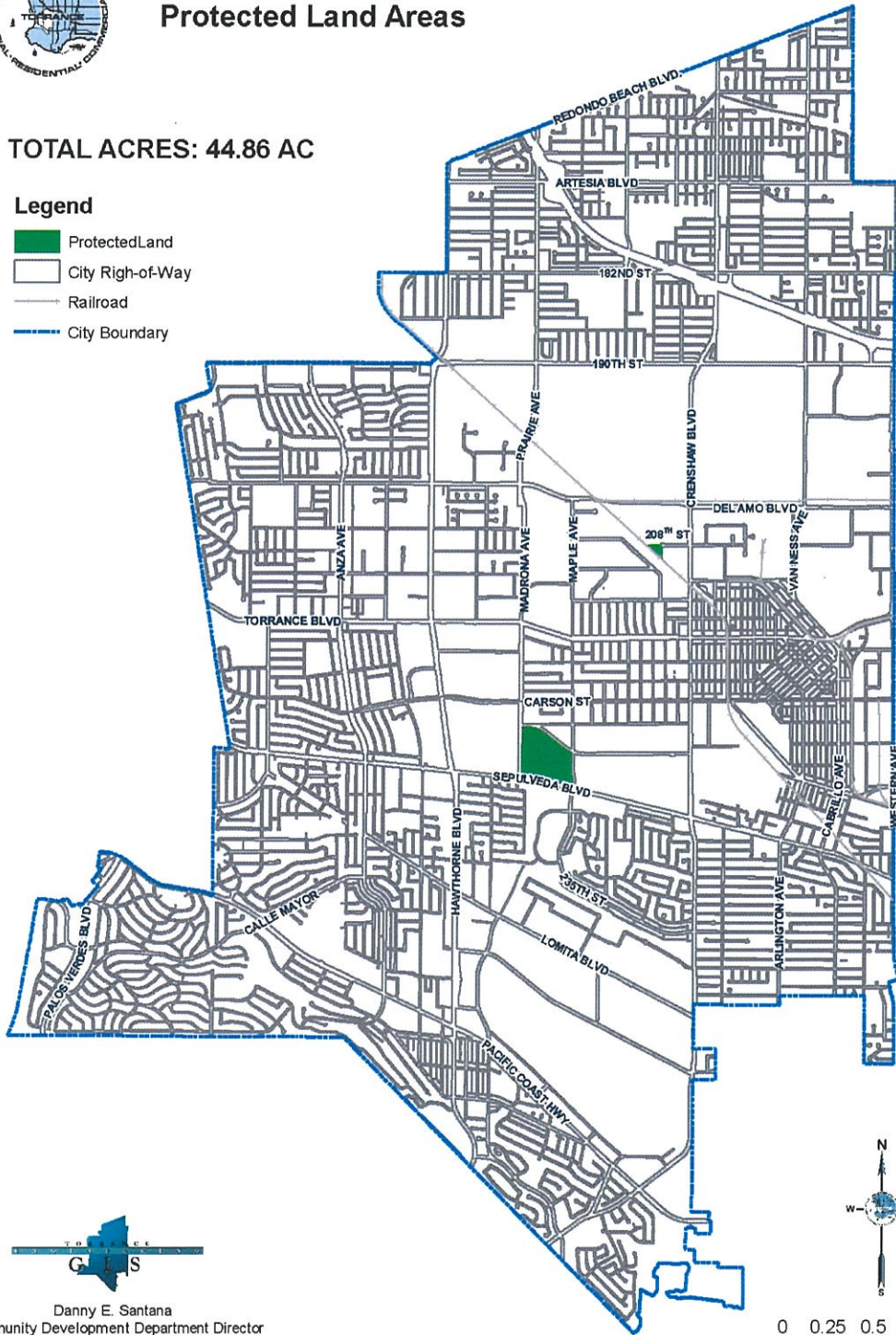


Protected Land Areas

TOTAL ACRES: 44.86 AC

Legend

- Protected Land
- City Right-of-Way
- Railroad
- City Boundary



Danny E. Santana
Community Development Department Director



Document Path: T:\Mia\GIS\RHNA Appeal Mapping Project\MXD\ProtectedLandAreas.mxd

ii. Seismic Hazards, Landslide and Liquefaction Zones

Strong ground shaking can result in liquefaction. Liquefaction, a geologic process that causes ground failure, typically occurs in loose, saturated sediments primarily of sandy composition. Areas of Torrance, especially in areas to the southwest of the City, possess areas susceptible to seismic hazards, liquefaction and related ground failure including landslide. As shown in **Figure E** and **Figure F**, much of these hazard areas also are in areas where vacant land with potential for residential development could occur but are limited by these hazards.

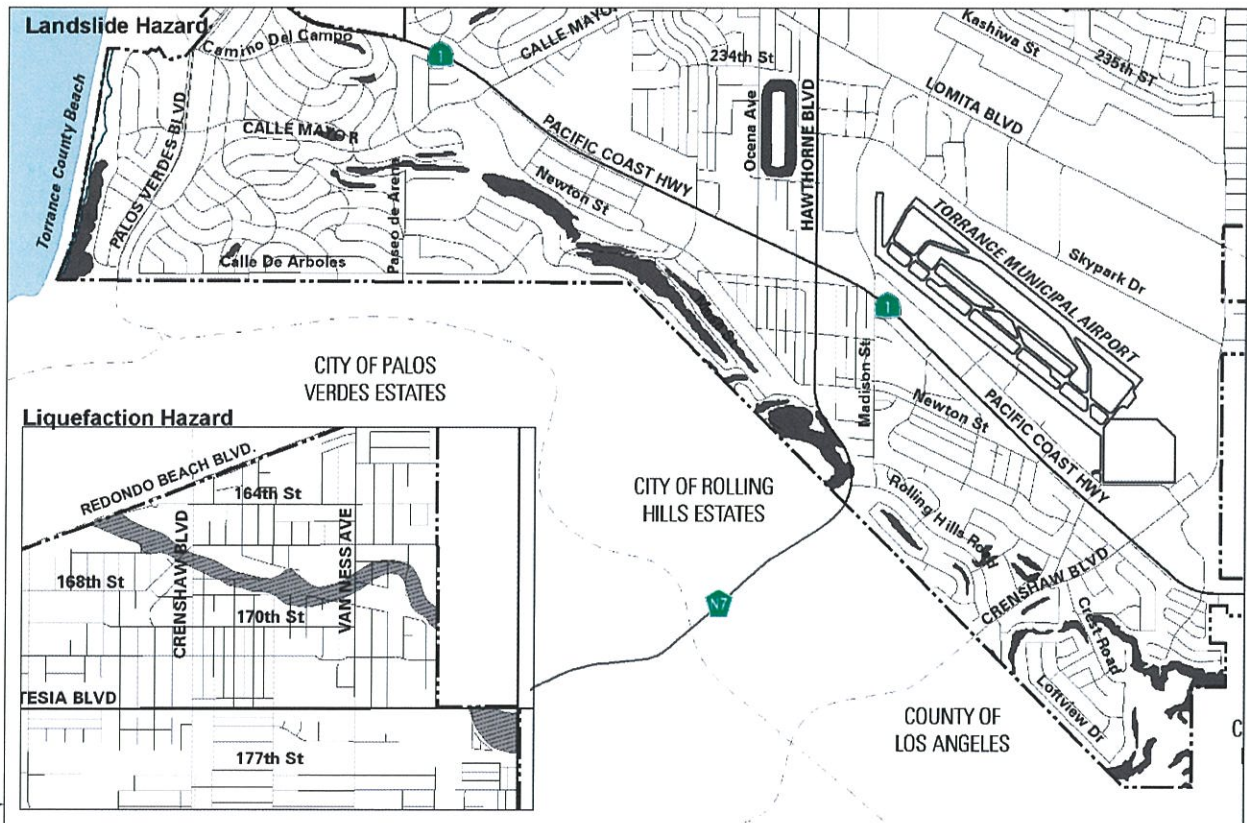
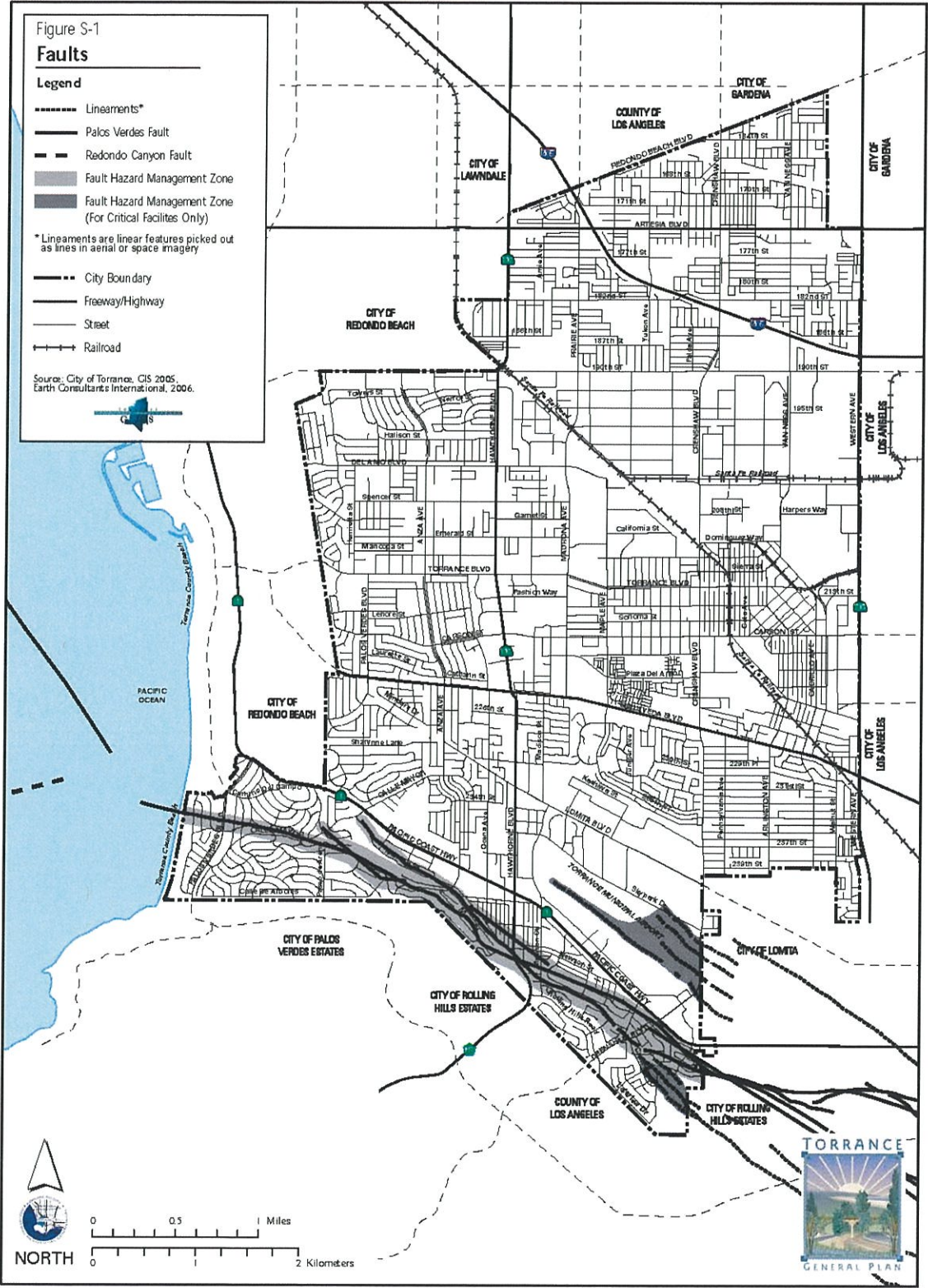


Exhibit E Landslide and Liquefaction Hazards

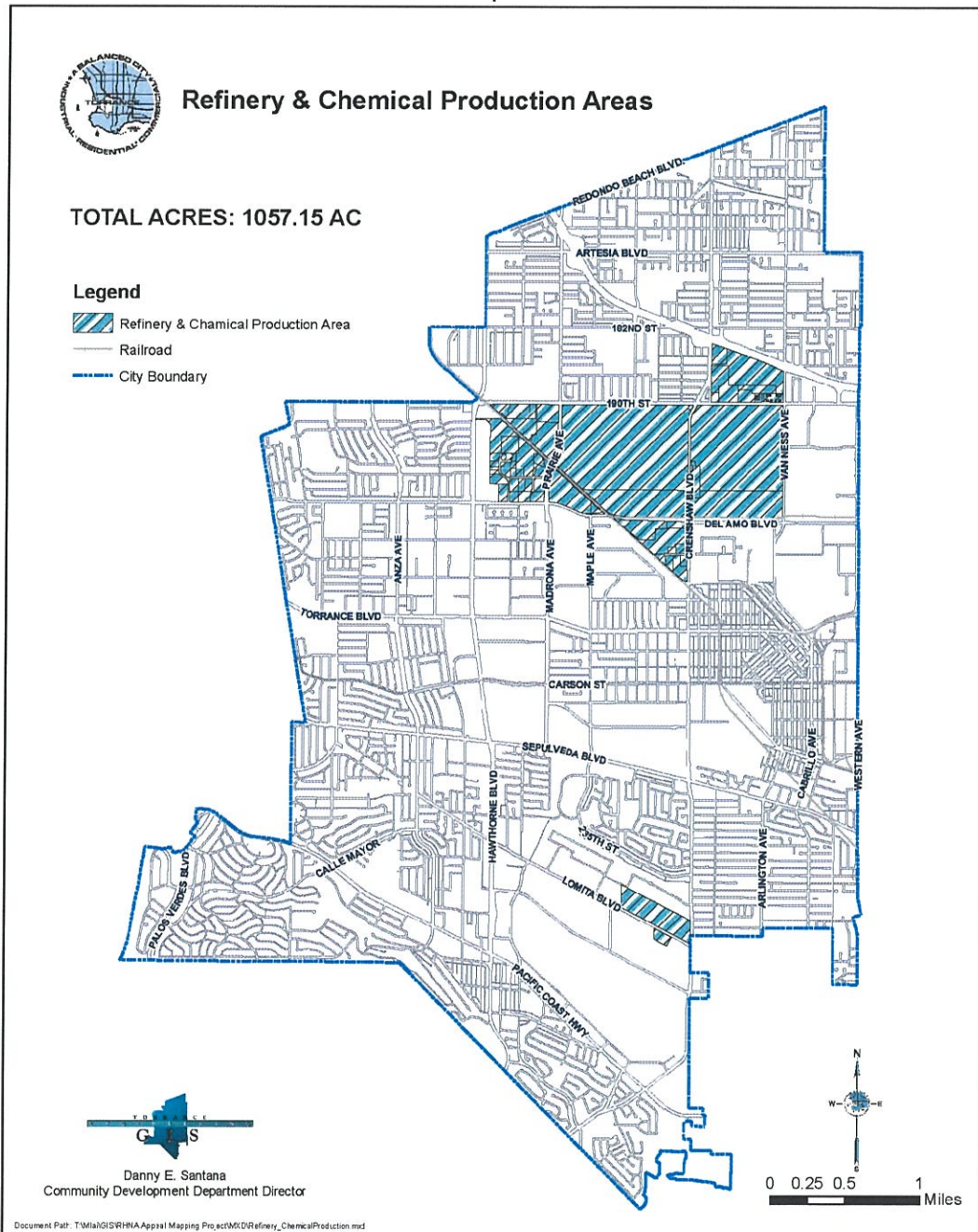


CITY OF TORRANCE GENERAL PLAN

Attachment: Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Torrance)

iii. Refinery and Chemical Production

Approximately 1,057 acres in Torrance are dedicated to refinery and chemical production. As shown in **Figure G: Refinery and Chemical Production**, the refinery produces gasoline, diesel, jet fuel, liquified petroleum and related products. Due to the critical nature of this infrastructure and the innate conflicts this infrastructure has with the development of housing, its is highly unlikely that the refinery area and supporting facilities will accommodate residential development in the future.



(d) Summary of Land Use Constraints

When the City of Torrance compiles all lands exhibiting constraints that severely limit or restrict residential development within its jurisdiction, a considerable amount of land is not available to accommodate the RHNA allocation of 4,928 units for the 2021-2029 planning period. **Exhibit H: Summary of Available Vacant Lands** illustrates the lands currently available to accommodate future residential growth.

The current SCAG RHNA methodology does not permit the consideration of existing hazards as a criteria when identifying land to accommodate future growth. This would be an important consideration in Torrance as many sites that might normally be deemed viable are constrained by these hazard considerations. There is precedent that permits the consideration of constraints in determining available land. The Draft Methodologies for the Association of Bay Area Governments (ABAG), a 10% adjustment factor is permitted to accommodate the considerations of hazards into the determination of RHNA Allocations. The SCAG methodology does not, but should, permit this factor as it results in an overstated RHNA for the City of Torrance.

Table A provides a statistical summary of the acreage subject to identified constraints, demonstrating the significant amount of land. Of the 20.53 square miles of total land in the City of Torrance, approximately 2.74 square miles (13.3%) of these parcels are subject to the constraints illustrated in this section.

Table A
Statistical Summary of Land Use Constraints

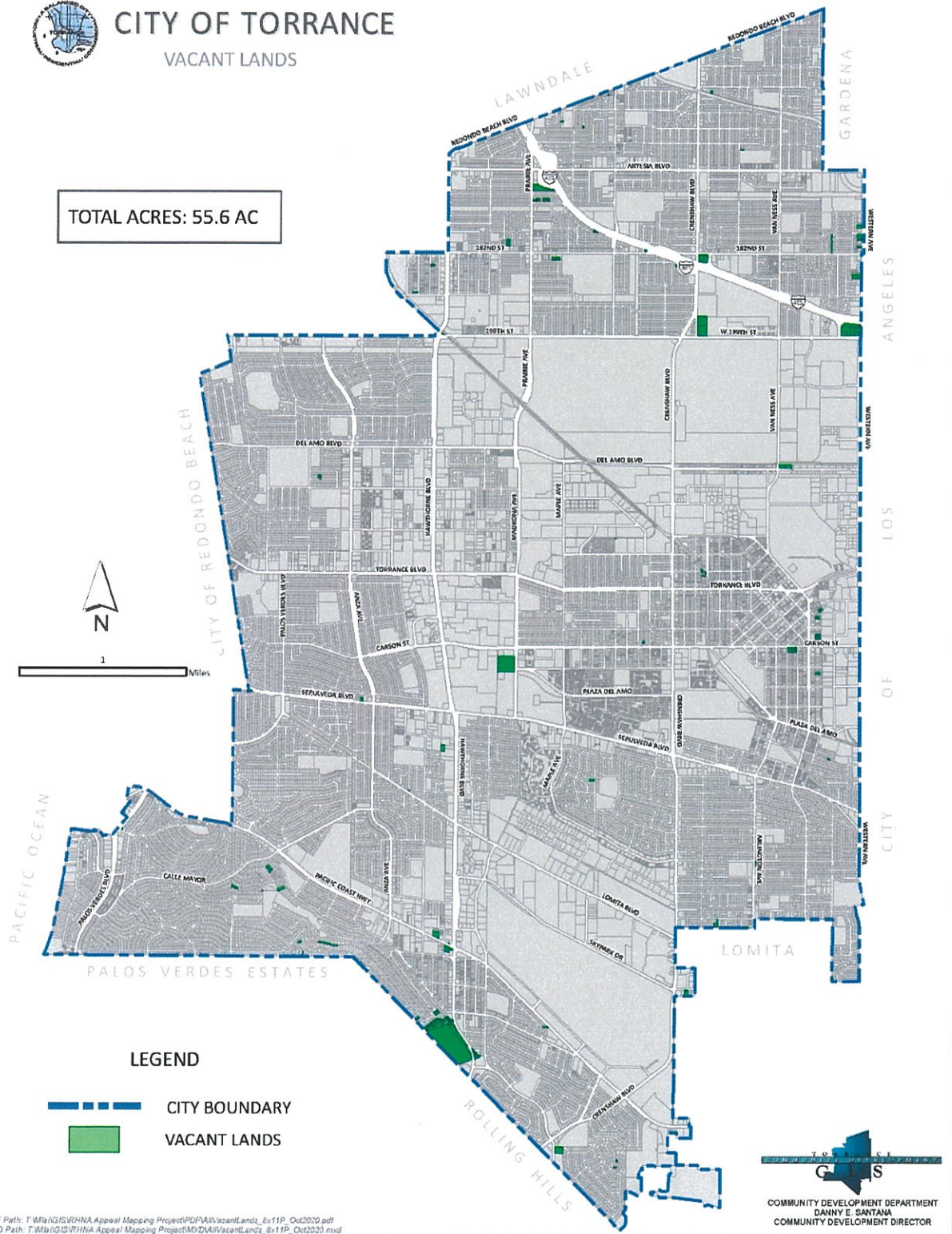
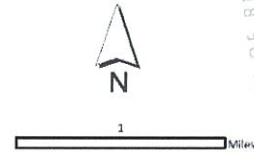
Land Use Constraint	Acreage	Key Constraint Factors
Coastal Zone	123 Acres	<i>Coastal Zone Limitations</i>
Airport Area	434 Acres	<i>Development Exclusions</i>
Habitat Conservation Areas	44.86 Acres	<i>Protected Lands Preclusions</i>
Refinery and Production	1,057 Acres	<i>Safety Preclusions</i>
Seismic Hazards	100 Acres	<i>Seismic Hazards</i>
TOTAL	1,758.86 ACRES	



CITY OF TORRANCE

VACANT LANDS

TOTAL ACRES: 55.6 AC



- LEGEND**
- CITY BOUNDARY
 - VACANT LANDS



COMMUNITY DEVELOPMENT DEPARTMENT
DANNY E. SANTANA
COMMUNITY DEVELOPMENT DIRECTOR

PDF Path: T:\M&I\GIS\RHNA Appeal Mapping Project\PDF\A\VacantLands_8x11P_Oct2020.pdf
MXD Path: T:\M&I\GIS\RHNA Appeal Mapping Project\MXD\A\VacantLands_8x11P_Oct2020.mxd

Exhibit H
Summary of Vacant Lands

2	Local Planning Factors	<i>SCAG failed to adequately consider the information submitted pursuant to Section 65584.04(b).</i>
<i>Availability of Land Suitable for Urban Development or for Conversion to Residential Use, the Availability of Underutilized Land, and Opportunities for Infill Development and Increased Residential Densities</i>		

In consideration of all local factors that limit the use of land to accommodate the City’s Draft RHNA allocations, future growth must be accommodated on lands not subject to identified constraints. These include all residential and non-residentially designated land including:

- Residential
- Commercial/Retail
- Business Park
- Industrial

(a) Severe Limitations of Available Vacant Land

The City has minimal appropriate, available vacant land to accommodate future growth anticipated in the Draft RHNA. The only remaining land considered vacant are lands within the City’s Sphere of Influence and cannot be considered when identifying adequate sites for residential development unless they are anticipated to be incorporated in the planning period.

Recently enacted AB 1397 modified Government Code section 65580,65583 and 65583.2. Generally, jurisdictions must demonstrate the following:

- *Land Inventory Sites Must Be “Available” and May Only Include Non-Vacant Sites with Realistic Development Potential (Govt Code Section 65583).*
- *Sites in the Land Inventory Must Have Demonstrated Potential for Development (Govt Code Section 65583(a)(3))*

These provisions in state law requires the City to explicitly demonstrate the availability of vacant lands to accommodate future housing growth need.

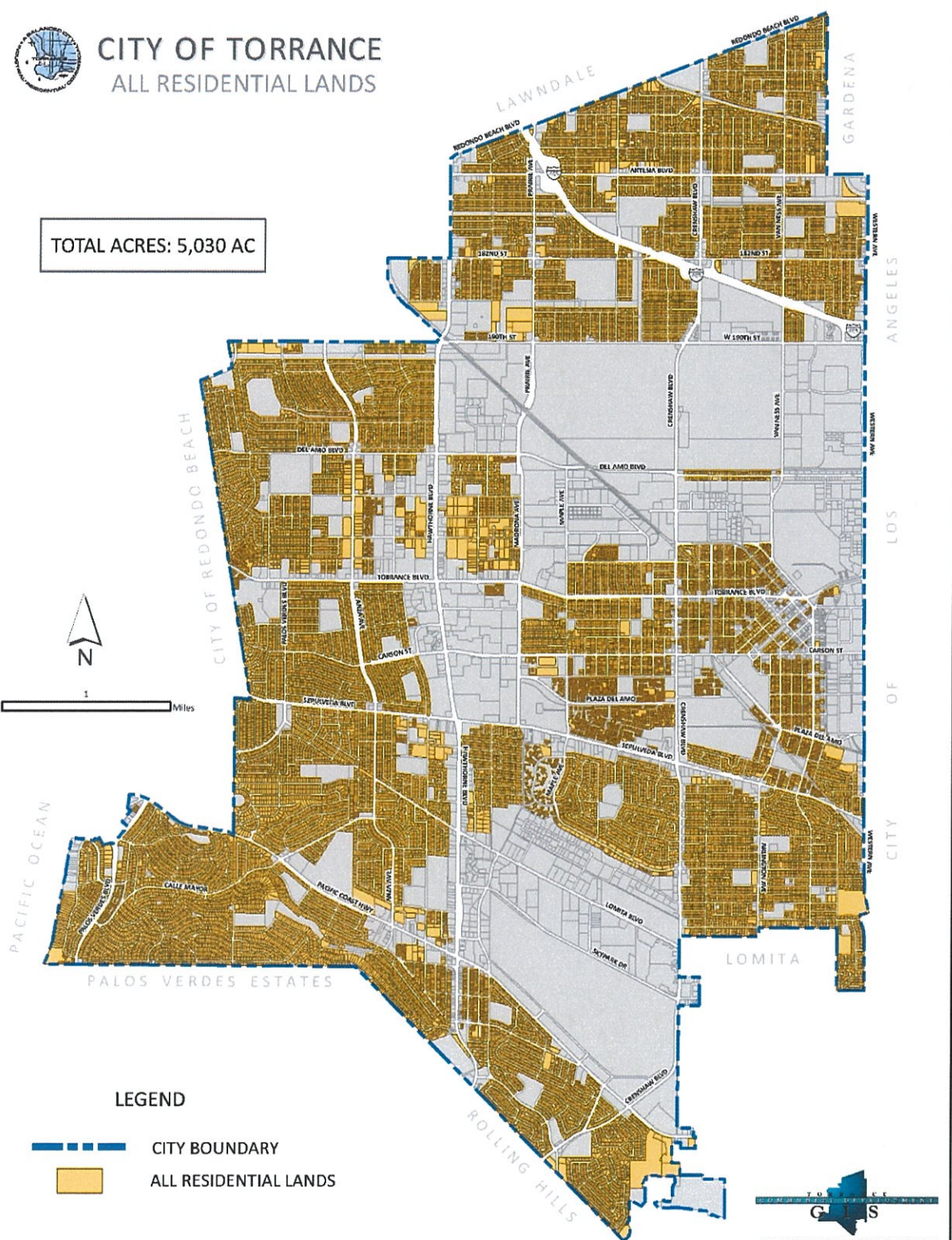
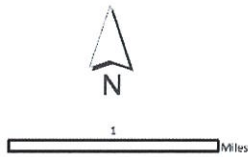
(b) Existing Residential Land

There is approximately 29.8 acres of vacant residential land not subject to the constraints listed in **Table A**. As shown in **Exhibit I and Exhibit J**, the majority of existing residential land consists of currently developed properties. There is limited vacant land currently available to provide additional opportunities for residential development. Therefore, future residential development must be accommodated on infill, reuse and redevelopment of these existing residential properties.



CITY OF TORRANCE
ALL RESIDENTIAL LANDS

TOTAL ACRES: 5,030 AC



LEGEND

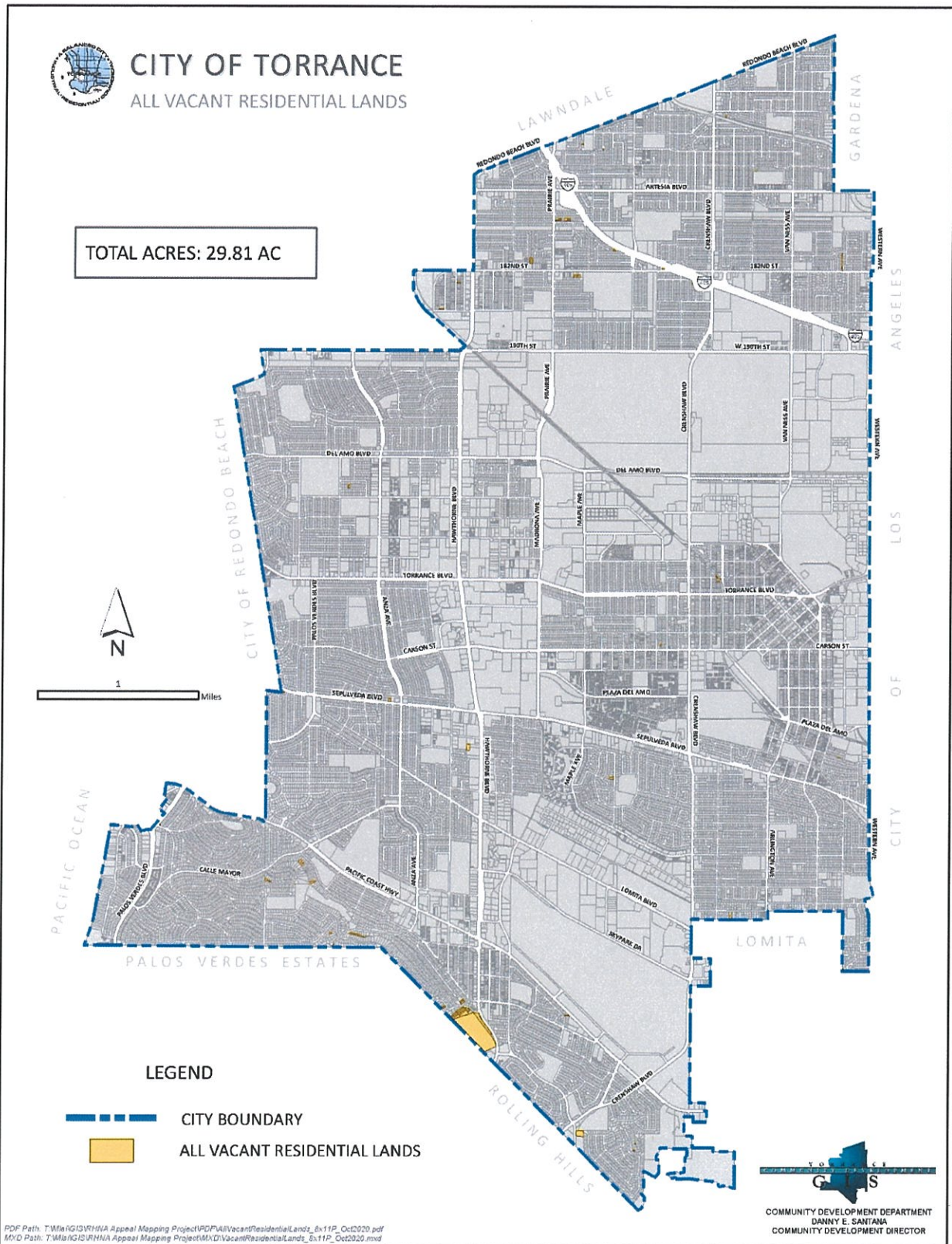
- CITY BOUNDARY
- ALL RESIDENTIAL LANDS



COMMUNITY DEVELOPMENT DEPARTMENT
DANNY E. SANTANA
COMMUNITY DEVELOPMENT DIRECTOR

PDF Path: T:\WANG\VRHNA Appeal Mapping Project\POPA\ResidentialLands_8x11P_Oct2020.pdf
MXD Path: T:\WANG\VRHNA Appeal Mapping Project\MXD\ResidentialLands_8x11P_Oct2020.mxd

Exhibit I
Summary of Residential Land



Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Torrance)

(c) Existing Commercial/Retail Lands

There is approximately 1,458 acres of commercial/retail land in Torrance. As shown in **Exhibit K and Exhibit L**, much of the existing commercial and retail lands in the city are built out and highly utilized, with only 19.75 acres currently vacant. As the primary generator of employment in the City, these lands possess some of the most successful and viable investments in the region.

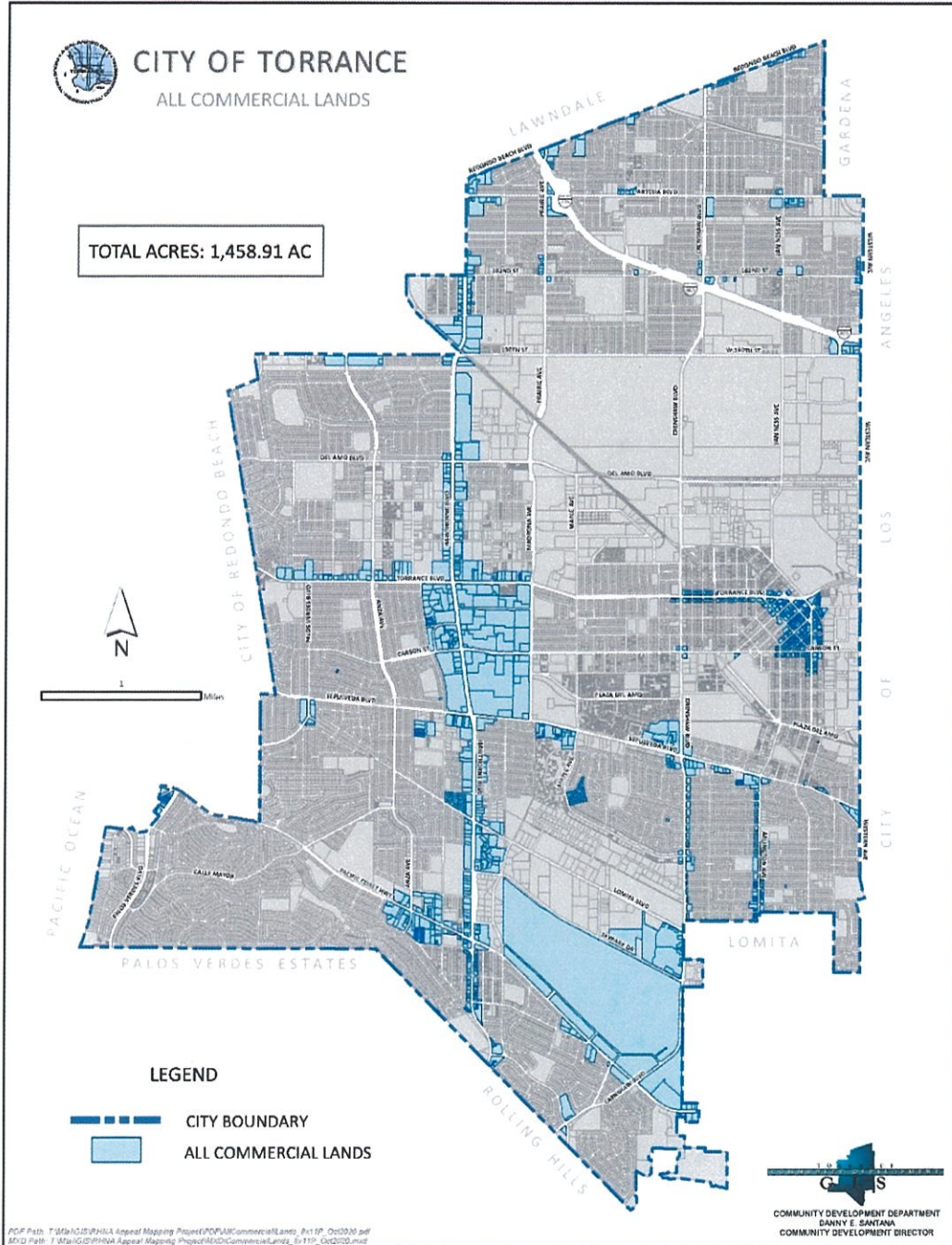
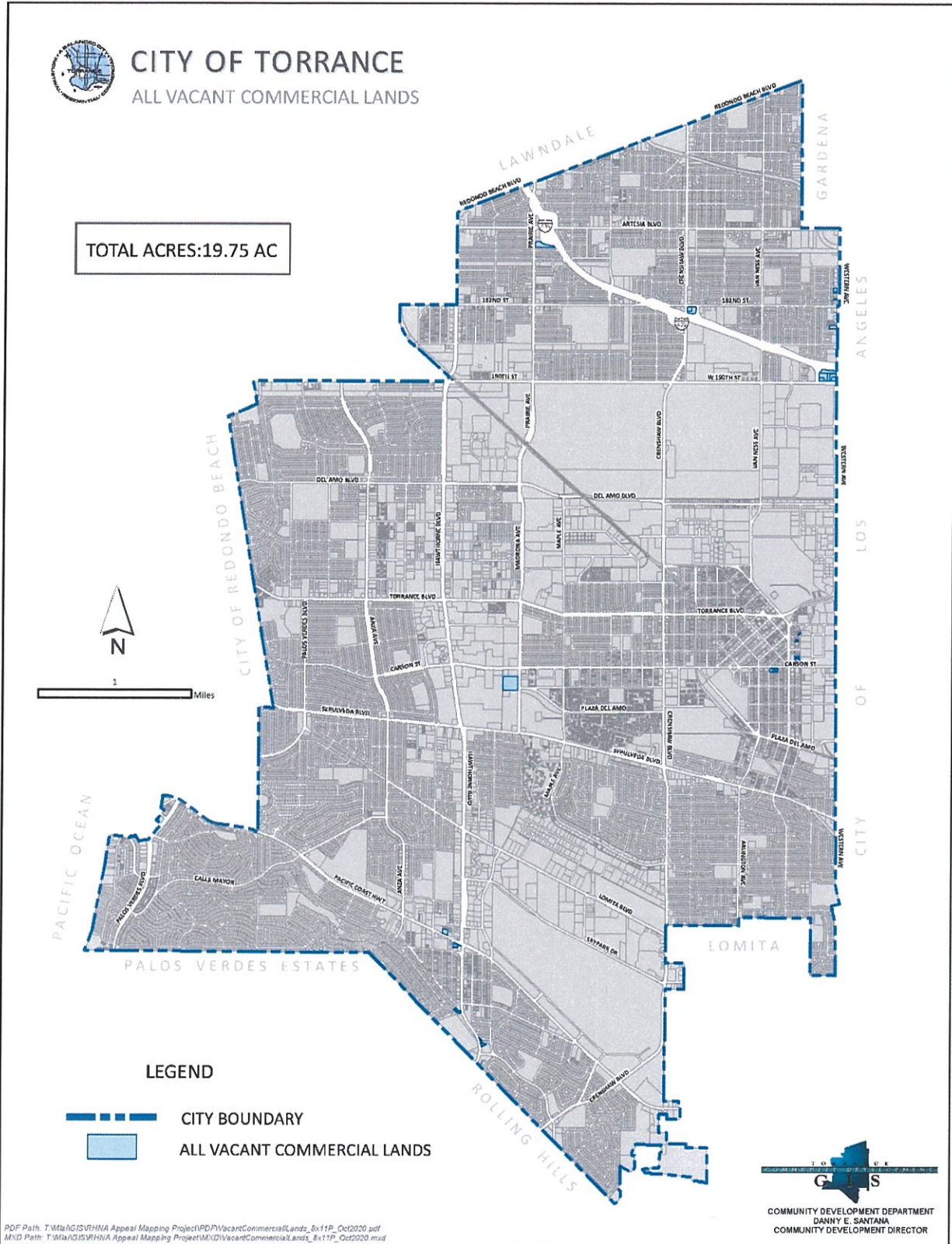


Exhibit K
Summary of Commercial/Retail Land



PDF Path: T:\MapGIS\RHNA Appeal Mapping Project\VPD\IVacantCommercialLands_8x11P_Oct2020.pdf
 MXD Path: T:\MapGIS\RHNA Appeal Mapping Project\MXD\IVacantCommercialLands_8x11P_Oct2020.mxd

Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Torrance)

Exhibit L
Summary of Vacant Commercial/Retail Land

Significant redevelopment of these sites to accommodate the RHNA allocations is highly unlikely, as most of the sites consist of viable commercial space and/or possess high land values that are not conducive to redevelopment potential.

(d) Existing Light Industrial Lands

There is approximately 336 acres of industrial land in the City of Torrance. As shown in **Exhibit M and Exhibit N**, much of this land is located in areas that are experiencing stable, economically favorable land uses that are not likely to change significantly over the RHNA planning period. Only 6.04 acres of Industrial land is considered vacant. While the City acknowledges there will be opportunities in these areas, it does not consider these opportunities as the most feasible or economically sound option .

(e) Comparative Analysis of Density Needed to Accommodate RHNA Growth Analysis

As described in **Table B**, the City must transition up to 164 acres of existing developed high value land to accommodate future growth need. Therefore, the City must demonstrate that 4,928 residential land must be accommodated by transitioning existing development for these 4,928 units over the 8-year planning period. It is unreasonable to assume the City will be able to justify this extent of sites, pursuant to the analysis required under AB 1397.

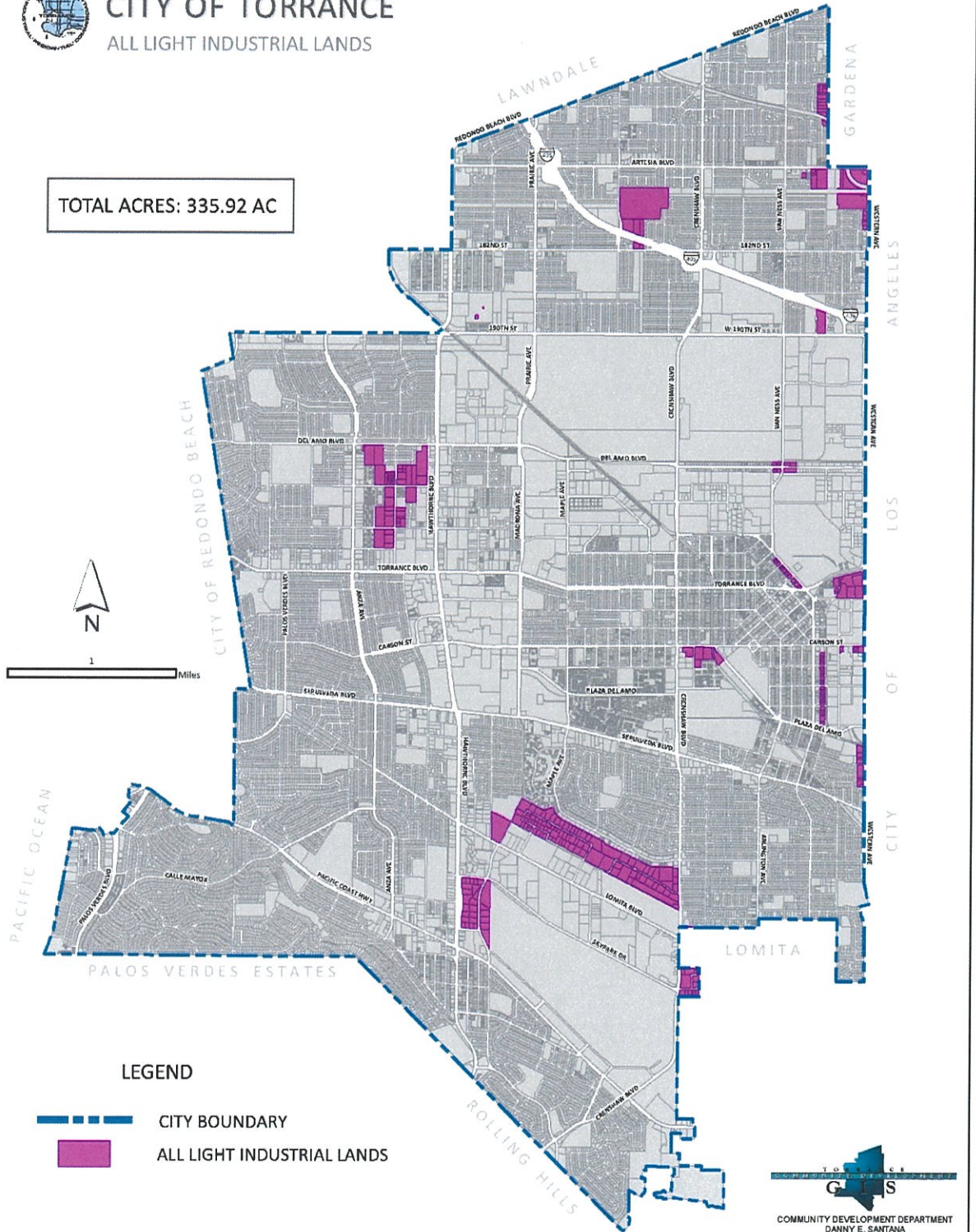
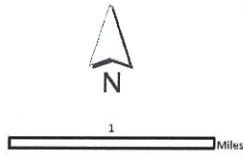
Table B
Comparison of Densities Versus RHNA Growth Allocation

Density Range	RHNA Allocation	Acreage Needed to Accommodate Growth
30 Dwelling Units/Acre	4,928 units	164.0 acres
60 Dwelling Units/Acre	4,928 units	82.1 acres
100 Dwelling Units/Acre	4,928 units	49.2 acres
150 Dwelling Units/Acre	4,928 units	32.8 acres
200 Dwelling Units/Acre	4,928 units	24.6 acres



CITY OF TORRANCE
ALL LIGHT INDUSTRIAL LANDS

TOTAL ACRES: 335.92 AC



LEGEND

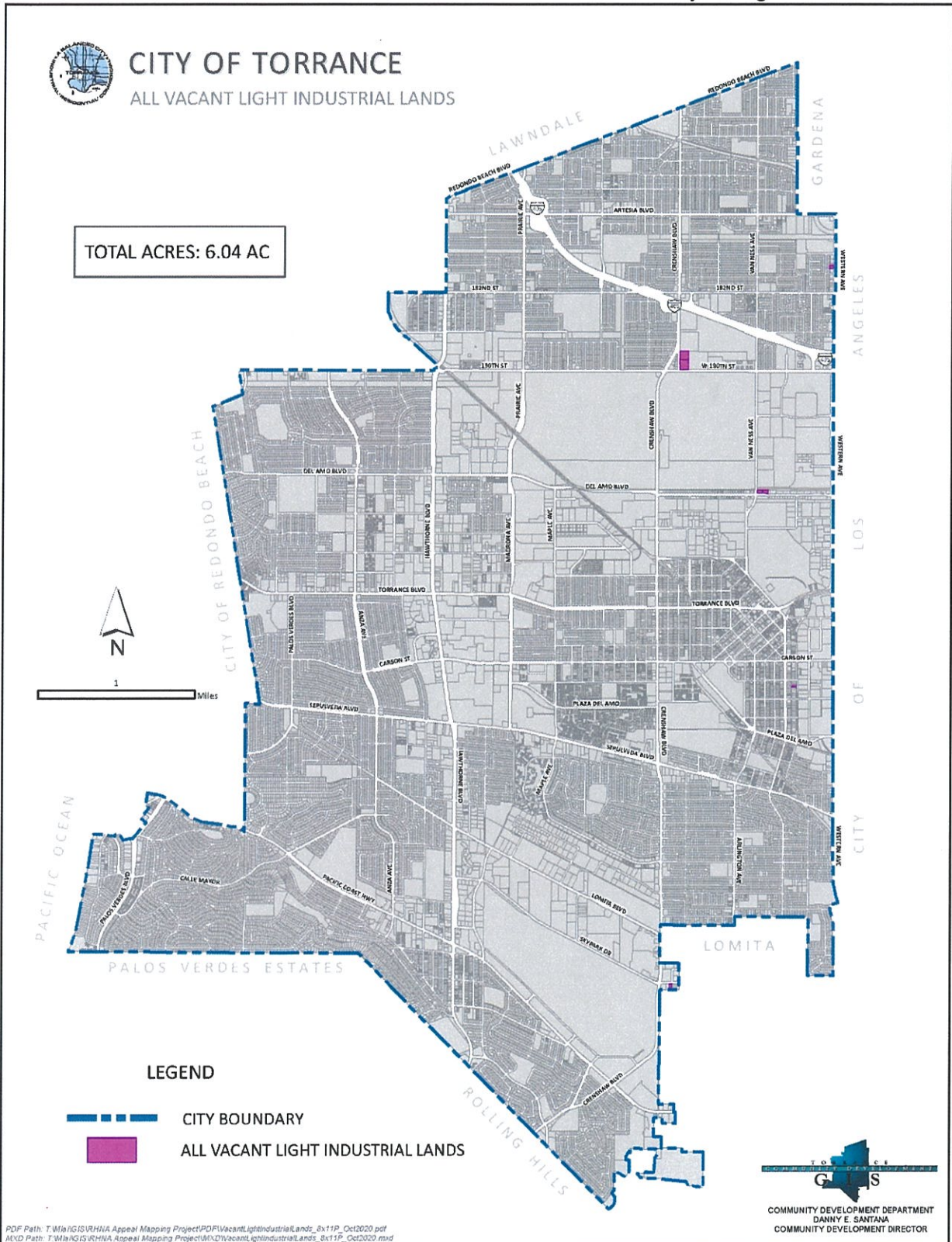
- CITY BOUNDARY
- ALL LIGHT INDUSTRIAL LANDS



COMMUNITY DEVELOPMENT DEPARTMENT
DANNY E. SANTANA
COMMUNITY DEVELOPMENT DIRECTOR

PDF Path: T:\Mia\GIS\RHNA Appeal Mapping Project\PDF\LightIndustrialLands_8x11P_Oct2020.pdf
MXD Path: T:\Mia\GIS\RHNA Appeal Mapping Project\MXD\LightIndustrialLands_8x11P_Oct2020.mxd

Exhibit M
Summary of Light Industrial Land



Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Torrance)

(f) Density Considerations and Resiliency Planning

The unique land use conditions in Torrance have historically affected the ability for the City to effectively respond and recover from a variety of natural and human events. These include flood, fire, sea level rise, and public health. The City has conducted extensive analysis of threats and the proper mitigation of these threats through resiliency planning to identify, mitigate and respond to them.

In response to the recent COVID-19 pandemic, the City must consider contingency planning to ensure the health, safety, welfare and economic integrity of our residents can be addressed through appropriate land use considerations. These considerations include density and land uses. To provide for local resiliency and effective response to future pandemics and the need for social distancing, considerations related to development design and open space will be critical factors in future contingency planning.

As social distancing should allow for residents, children and pets the ability to recreate, exercise and provide a level of social interaction and movement, the provision of adequate open spaces through parks, open space and urban spaces will have an effect on urban densities. Coupled with the need to accommodate 4,928 dwelling units within infill development, this will pose considerable challenges in designing development that meets appropriate criteria.

3	Methodology	<i>SCAG failed to determine the share of the regional housing need in accordance with the information described in, and the methodology established pursuant to Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in Section 65584(d).</i>
----------	--------------------	--

(a) The Methodology Fails to Consider Growth Projections Consistent with the SoCal Connect Plan

SCAG failed to adequately consider local household growth factors and utilized growth projections inconsistent with the SoCal Connect Plan.

Using projected household growth consistent with the Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS) (Connect SoCal) is consistent with State law. However, the Draft RHNA Allocation is inconsistent with the development patterns assumed in the Connect SoCal Plan. These forecasts are to be developed in conjunction with local input. The City of Torrance asserts the profound inconsistency in forecasting growth demonstrate the failure of the methodology to consider local factors and exhibits severe inconsistencies with future growth projections.

According to SCAG’s *Connect SoCal Plan, Appendix 1- Demographics and Growth Forecast*¹, the City of Torrance’s household growth is forecast to reach 57,300 in 2045. Comparatively, the American Community Survey 2018 5-year estimates the City of Torrance currently has 54,360 households.

As shown in **Table C** below, forecasts for households through 2045 are expected to be 57,300 according to the SoCal Connect Plan. If this is amortized over the forecast period (2018-2045), it equates to approximately 108 households per year of growth.

The City of Torrance draft allocation is 4,928 units for the period 2012-2029. If this is amortized over the planning period (2021-2029), it equates to approximately 616 households per year growth.

This demonstrates the unrealistic assumption that the City of Torrance would exceed its total 2045 forecast household growth within the 2021-2029 Housing Element planning period. Specifically, Torrance would reach household estimate for 2045 approximately 20 years earlier than forecast.

Table C
Comparison of Household Growth Rates
SoCal Connect vs. RHNA

SoCal Connect Forecast Growth	SoCal Connect Forecast Year	Average Per year growth rate 2018-2045	RHNA Estimate Total Growth Need	RHNA Forecast Year	Average Per year growth rate 2021-2029
2,670	2045	108 HH/year	4,928	2029	616 HH/year

Source: SoCal Connect Plan, 2021-2029 Final Draft RHNA Allocations.

The City of Torrance contends that the household formation defined in the RHNA far exceeds any reasonable projection for growth during the 2021-2029 Housing Element planning period. SCAG’s SoCal Connect Plan’s 2045 growth forecast, stated in the SoCal Connect Plan is inconsistent and directly undermines the validity of the assumptions in the Draft RHNA Allocations

This discrepancy demonstrates the RHNA allocation undermines Government Code Section 65584(d)(1) by failing to provide the distribution of units in an equitable manner. As demonstrated by the household growth rate is increased by a factor of 570% above SoCal Connect forecasts. The City of Torrance contends that a realistic estimate of future growth need should be directly tied to realistic projections of household formation, consistent with SCAG’s own projections in the SoCal Connect Plan.

¹ Connect SoCal (2020 - 2045 Regional Transportation Plan/Sustainable Communities Strategy) Appendix 1, Table 14.

(b) The Final Draft RHNA Allocation for Torrance Directly Undermines Government Code 65588(d)(1) and Government Code 65588(d)(2)

Government Code 65588(d) defines five specific objectives the RHNA allocation plan shall further. In particular, 65588(d)(1) objective of *“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”* is dependent on the availability of suitable land to various location within the City.

The City is very limited in appropriate and available vacant land and must accommodate almost all future growth need on infill parcels. Therefore, significant impact will occur to the City’s non-residential land uses as these sites must be used to accommodate the growth identified in the Draft RHNA allocations. Even at residential densities far above historical averages for the City and the South Bay area, the amount of land necessary to accommodate residential growth at the levels identified in the Draft RHNA allocations would require the City to sacrifice a significant percentage of job-creating uses, retail and industrial land. Furthermore, the majority of this land will not be justifiable as adequate sites pursuant to the strict adequate sites requirements of AB 1397. Requisite analysis to determine if these sites are viable is stated on the State Department of Housing and Community Development’s “Building Blocks” website². Considerations include:

- i. **Existing Uses** – *“The housing element must demonstrate non-vacant and/or underutilized sites in the inventory that can be realistically developed with residential uses or more-intensive residential uses at densities appropriate to accommodate the regional housing need (by income) within the planning period.... The condition or age of existing uses and the potential for such uses to be discontinued and replaced with housing (within the planning period) are important factors in determining “realistic” development potential....”*

It is the burden of the City of Torrance to demonstrate the realistic development potential of infill sites by income category. The ability to identify adequate acreage to rezone to permit new residential development on land that is *“...realistically developed with residential uses or more-intensive residential uses at densities appropriate to accommodate the regional housing need (by income) within the planning period....”* will be an insurmountable task that will be primarily influenced by current market conditions, the viability and sustainability of existing non-residential uses and the likelihood of existing stable investments to transition to new residential uses. Many of these existing non-residential lands are limited by constraints imposed by lease provisions, financing provisions and other encumbrances tied to the land that can severely limit or preclude the the ability to transition to new uses.

² <https://www.hcd.ca.gov/community-development/building-blocks/site-inventory-analysis/analysis-of-sites-and-zoning.shtml#realistic>.

- ii. Development Trends** – *“The inventory analysis should describe recent development and/or redevelopment trends in the community. The housing element should also include a description of the local government’s track record and specific role in encouraging and facilitating redevelopment, adaptive reuse, or recycling to residential or more-intense residential uses. If the local government does not have any examples of recent recycling or redevelopment, the housing element should describe current or planned efforts (via new programs) to encourage and facilitate this type of development (e.g. providing incentives to encourage lot consolidation or assemblage to facilitate increased residential-development capacity)”*

Development trends cannot be considered solely at the regional or state level. All development in Torrance is affected by the local market. Due to local market conditions, value of the land and construction costs, infill development transitioning to affordable housing is heavily influenced by existing development activity. The general costs to bring affordable residential development in the Torrance market area does not justify the transition to existing developed land to transition. Torrance currently has a limited history that can demonstrate successful transitioning of viable existing commercial development into residential development projects.

- iii. Market Conditions** – *“Housing market conditions also play a vital role in determining the feasibility or realistic potential of non-vacant sites and/or underutilized sites for residential development. The housing element should evaluate the impact of local market conditions on redevelopment or reuse strategies. For example, high land and construction costs, combined with a limited supply of available and developable land may indicate conditions “ripe” for more-intensive, compact and infill development or redevelopment and reuse”*

As required by statute, the City of Torrance must demonstrate that market conditions “...evaluate the impact of local market conditions on redevelopment or reuse strategies...”. Local market conditions play a significant role in the feasibility of transitioning existing viable commercial uses to residential. Due to the combination of high construction costs, high land values and the scarcity of vacant land, residential development projects must provide for a pro-forma that justifies and supports redevelopment. In addition, severe limitations on the ability of existing commercial/industrial investments to redevelop existing investments would have significant negative affect on project feasibility. Therefore, the ability to structure complex, multi-tranche financing to accommodate affordable housing given these market conditions will be almost insurmountable.

The Final Draft RHNA Allocations fail to consider the implications of existing law governing Housing Elements. Specifically, the requirements of state law that Torrance will be subject to in determining the adequacy of housing sites to accommodate future housing growth directly conflict with the ability of the City to accommodate the current draft RHNA allocation. This creates a scenario where the City cannot accommodate the level of RHNA growth need based on the inability to justify these sites pursuant to statutory provisions.

In review the Housing Element for compliance with state law, the following factors severely limit the sites that can be considered for future growth:

iv. *Realistic Development Capacity* - *Realistic development capacity calculation accounts for minimum density requirements, land use controls, site improvements, and typical densities of existing or approved projects at similar income levels, and access to current, or planned, water, sewer, and dry utilities. (GC 65583.2(c)(1) and(2)).*

The City of Torrance must demonstrate realistic development capacity for a large percentage of existing viable land with existing stable land uses in the City. This is infeasible as the City would essentially have to consider a large portion of existing job-generating uses to transition to residential uses and must prove these sites are a viable to transition during the planning period.

v. *Realistic Capacity of Non-Vacant Sites* - *The realistic capacity methodology analyzes the extent the existing use may impede additional residential development, the jurisdiction's past experience converting existing uses to higher density residential development, current market demand for the existing use, analysis of existing leases or other contracts that would perpetuate the existing use or prevent additional residential development, development trends, market conditions, and incentives or standards that encourage development. (GC 65583.2(g)(1)).*

Existing uses are a major impediment to the development of future residential use in Torrance to the extent identified in RHNA. This would require the City to analyze all private lease agreements and contracts to determine site feasibility. This is both impractical and infeasible. Additionally, market factors must consider the actual ability of the site to transition during the planning period. Many of the infill sites must be accommodated on existing commercial/industrial lands, which have long term financing provisions with severe penalties if they are breached. Even with incentives, by right development and other regulatory relief, a site could not redevelop due to these restrictions.

vi. *"Substantial Evidence" Requirement* - *If non-vacant sites accommodate 50% or more of the lower-income need, the housing element must describe "substantial evidence" that the existing use does not constitute an impediment for additional residential use on the site. Absent substantial evidence, the existing use is deemed an impediment to additional residential development during the planning period. (GC 65583.2(g)(2)).*

As the City of Torrance has an extremely limited inventory of vacant lands available to accommodate growth, most future development will occur on sites identified on non-vacant sites. The substantial evidence requirement will be difficult, if not impossible to achieve. If more than 50% of the lower income need is accommodated on sites currently in use, before the site could be identified as one available for housing,

Torrance must overcome the presumption by showing: 1) past experience with converting the existing type of use to higher density residential development, 2) the current market demand for the current use will not impede redevelopment, and 3) existing leases or contracts would not legally prevent redevelopment of the site. Each of these criteria could not be currently met by the City.

4	Changed Circumstances	<i>A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted pursuant to Section 65584. 04(b).</i>
----------	------------------------------	--

The COVID-19 Pandemic has had a demonstrable impact on Torrance’s economy. The pandemic was unforeseen during the development of regional RHNA methodology and will have lasting impacts to Torrance’s economy and housing market. Additionally, population growth trends in California have recently been revised to reflect a substantially lower rate of population growth in the region.

Prior to COVID-19, Torrance enjoyed a robust and diversified economy. With the restrictions imposed and ongoing during the pandemic, these restrictions have significantly impacted all aspects of Torrance’s economy. With many job opportunities that existed prior to the pandemic that are now gone or severely impacted, it is estimated it will take years to return to pre-COVID levels. Because this was an unforeseen circumstance, the impacts to the economy of the City and consequently to the housing market are profound and should be a consideration when evaluating realistic growth potential over the 8-year RHNA planning period.

The state of California is also experiencing population growth rates at historically low levels. Recent downward revisions by the Department of Finance illustrates the rate of population growth rate throughout California is slowing and at a faster rate than anticipated. In the last three years, the state has experienced the lowest population growth rates on record since 1900. Population growth is directly tied to household formation. The flattening of the population growth curve is contrary to the rate of growth identified in the Final Draft RHNA allocation. Furthermore, according to Freddie Mac’s February 2020 report, “*The Housing Supply Shortage: State of the States*,” their research indicates that “...California has a shortage of 820,000 housing units statewide. These statewide growth needs exceed the growth estimates for the SCAG regional alone. History suggests that California's shortage may be grossly overestimated if interstate migration is considered.”³

³ Freddie Mac, “The Housing Supply Shortage: State of the States” February 2020, Page 6.

Summary of Contributing Factors Justifying Modifications to the City of Torrance's RHNA Allocations

Based on the evidence provided herein, the Draft Allocation undermines Government Code Section 65584(d) by failing to support the goals identified therein. Further, the substantial growth need allocated to the City of Torrance, when applying current statutory requirements, will preclude the City from complying with law and be unfairly affected by the failure to enact these laws. The Draft Allocation and methodology used to develop it needs to be revised so that it fulfills the objectives identified in the Government Code.

The City of Torrance has compiled all development contributing factors to summarize the severe limitations the City to accommodate the Final Draft RHNA Allocation. The City is severely limited in the availability of land of accommodate the unrealistic growth forecast identified in the Draft RHNA allocations.

Remaining land available to accommodate future growth will be mainly focused on infill development on parcels with existing development, including existing residential zoned land and non-residential land that must be rezoned to accommodate residential development.

The future growth of residential will require the execution of the substantial evidence clause in state housing law to demonstrate the viability of infill sites. This evidence may include:

- Age of Existing Structures
- Developer Interest
- Past Experience in Developing Infill Property
- Existing Lease Provisions
- Environmental and Infrastructure Constraints

The City will not be able to justify the use of these infill sites in the Housing Element to accommodate the level of need shown in the Draft RHNA allocations.

CONCLUSION

The City of Torrance is committed to accommodating the existing and future needs of its residents. While we are committed to contributing to our collective local, regional and state needs for housing, we have demonstrated that the City’s Draft RHNA Allocation is unrealistic, excessive and based on faulty assumptions that can have grave consequences to the City and its residents. The City, therefore, respectfully objects to the Final Draft RHNA Allocation and methodology used and requests the RHNA Allocation be revised so that it fulfils the objectives identified in the Government Code.

Pursuant to Govt. Code Section 65584.05(b), the City of Torrance states the following revisions to the Final Draft RHNA Allocations are necessary to further the intent of the objectives stated in Govt. Code Section 65584(d). **Table D** illustrates recommended modifications.

**Table D
Summary of RHNA Reductions**

Government Code Requirements	Requested RHNA Reduction
<p>Section 65584(d)(1) - <i>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.</i></p> <p>Reason- The Draft RHNA allocation undermines this objective as it does not assign housing unit growth need in an equitable manner. The allocation is a marked increase in allocations from prior RHNA planning cycles and a disproportionately higher amount of lower income need to the community, based upon a flawed methodology that is inconsistent with regional growth forecasts at the regional, state and federal level.</p>	-2540
<p>Section 65584(d)(2) - <i>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.</i></p> <p>Reason- The Draft RHNA Allocation undermines this objective as it does not properly consider lands that are designated for the protection of natural resources, protected lands precluded from development and lands subject to high fire severity. Furthermore, the use of these lands is not supportive of the efficient utilization of land to encourage and supportive efficient development patterns.</p>	-160
TOTAL	-2,700

Table E summarizes the City of Torrance’s recommended RHNA allocation by income category: The recommended 6th Cycle RHNA allocations acknowledges the need to accommodate future growth in the City, pursuant to consistently applied regional growth forecasts and represents a 153% increase from 5th Cycle RHNA allocations

**Table E
Summary of Recommended RHNA Allocations for Torrance**

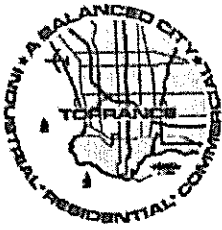
Income Category	September 3, 2020 Final Draft SCAG RHNA Allocation	Torrance Recommended RHNA Allocation
Very Low	1,617 Units	732 Units
Low	845 Units	383 Units
Moderate	851 Units	381 Units
Above Moderate	1,615 Units	732 Units
TOTAL	4,928 Units	2,228 Units

Respectfully Submitted,



Patrick J. Furey, Mayor
City of Torrance

cc: City Council Members, City of Torrance
Aram Chaparyan, City Manager
Patrick Q. Sullivan City Attorney



CITY OF
TORRANCE

Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Blvd. Suite 1700
Los Angeles CA 90017

RE: Request to the Southern California Association of Governments to Amend the Regional Housing Needs Assessment Methodology for the 6th Cycle.

Dear Mr. Ajise:

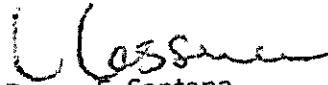
The City of Torrance requests that SCAG amend the RHNA methodology to reinstate local input as a factor in the existing need calculation. The City of Cerritos recently submitted a proposal dated February 4, 2020, which recommends that household growth forecasts be reintroduced back into the calculations for existing need. These household growth projections are an important factor in that it takes into consideration the unique characteristics of each jurisdiction. Moreover, these growth projections area more closely aligns the RHNA with the development pattern established within the Connect So Cal Plan as required by state law. Finally, as stated in the staff recommended RHNA methodology staff report for the November 7, 2019, Regional Council meeting, the reintroduction of household growth into the existing need would further the five objectives of state housing law.

We are also requesting that SCAF object again to the Department of Housing and Community Development (HCD) in that they did not follow state law with regard to the regional determination. The regional determination of 1.34 million housing units, combined with an inequitable RHNA methodology are setting up local jurisdictions for failure to comply with state housing law.

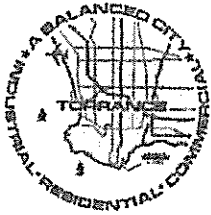
We request that the SCAG RHNA Subcommittee; Community, Economic and Human Development Committee; and Regional Council consider these two recommendations prior to the adoption of the RHNA.

The City of Torrance recognizes the need for the accommodation of housing in areas that are physically suitable for housing development. While we would prefer the Hybrid Methodology advocated by SCAG staff earlier in the process, we would be willing to compromise and accept the Cerritos methodology as it reintroduces local input. Torrance looks forward to the ability to prepare a Housing Element that complies with state law and provides for the accommodation of housing within our community.

Sincerely,


 Danny E. Santana
 Community Development Director

3/3/2020



CITY OF TORRANCE

COMMUNITY DEVELOPMENT DEPARTMENT

DANNY E. SANTANA
COMMUNITY DEVELOPMENT
DIRECTOR

18 February 2020

Bill Jahn, President
Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Blvd, Suite 1700
Los Angeles, CA 90017

SUBJECT: REQUEST TO AMEND THE REGIONAL HOUSING NEEDS ASSESSMENT (RHNA)
METHODOLOGY FOR THE 6TH CYCLE

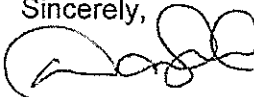
On February 4, 2020, the City Council of the City of Torrance adopted the attached resolution objecting to the modified methodology adopted for allocation of dwelling units under the 6th Cycle Regional Housing Needs Assessment process.

The modified RHNA allocation methodology, as well as the manner in which it was approved by the SCAG Regional Council, undermine the integrity of what is mandated to be a collaborative RHNA process, negating months of local participation, conducted in good faith. It poses a significant threat of lasting damage to the City of Torrance if permitted to stand.

The City Council therefore publicly states its opposition to the modified RHNA allocation methodology approved by the SCAG Regional Council and requests intervention on the part of HCD to direct SCAG to reconsider its action given the related lack of specificity, lack of supporting documentation, lack of vetting by SCAG staff, and near total absence of stakeholder engagement. The modified RHNA allocation methodology approved by the SCAG Regional Council effectively sets up many jurisdictions, including the City of Torrance, to fail to achieve compliance with State housing laws.

The City Council of the City of Torrance recommends that the 6th Cycle RHNA allocation be based on the Hybrid Methodology analyzed and advocated by SCAG staff as it was the result of a public vetting process, allowed for local input and facilitated greater local control of planning decisions.

The City of Torrance looks forward to working with SCAG and HCD to ensure a fair, attainable and reasonable RHNA allocation.

Sincerely,


Danny E. Santana
Community Development Director

Attachment: Resolution Dated February 4, 2020

Attachment: Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Torrance)

RESOLUTION NO. 2020-07

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TORRANCE, CALIFORNIA, OPPOSING THE MODIFIED REGIONAL HOUSING NEEDS ASSESSMENT ALLOCATION METHODOLOGY APPROVED BY THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) REGIONAL COUNCIL

WHEREAS, California State housing law requires that each city and county plan for existing and future housing needs in accordance with the outcome of the Regional Housing Needs Assessment (RHNA) process; and

WHEREAS, the Southern California Association of Governments (SCAG) is responsible for developing a uniform methodology for the distribution of the RHNA allocation among member cities and counties; and

WHEREAS, a transparent and collaborative approach to regional planning, involving opportunity for informed stakeholder input and thoughtful deliberation, is critical to achieving desirable and equitable outcomes; and

WHEREAS, SCAG staff has recognized the importance of using the (Draft) Connect SoCal regional plan, SCAG's Regional Transportation Plan/Sustainable Communities Strategy, as informing the RHNA methodology to ensure that Connect SoCal and RHNA can proceed in parallel; and

WHEREAS, SCAG staff also recognized that no single jurisdiction should be over-burdened with the region's existing needs (RHNA Subcommittee Meeting staff report - October 7, 2019); and

WHEREAS, SCAG staff examined a number of different methodologies to allocate the RHNA numbers; and

WHEREAS, the SCAG process to develop the allocation methodology for the 6th cycle RHNA, covering the planning period from October 2021 through October 2029, included opportunities for stakeholder engagement throughout, including detailed discussion of three draft allocation methodology options during a series of public meetings and hearings intended to ensure robust participation by the public and affected agencies; and

WHEREAS, SCAG staff recommended a methodology (Option 4) in the RHNA Subcommittee Staff Report for October 7, 2019, that allocated 50 percent (50%) of the projected and existing need based upon the household growth rate between 2020 and 2030 for projected household need, and between 2030 and 2045 for existing household need; and

WHEREAS, on October 7, 2019, the SCAG RHNA subcommittee specifically rejected what has been referred to as the "Coastal Cities" methodology that greatly reduced the housing allocations to Riverside and San Bernardino counties and recommended the staff recommendation to the Community, Economic and Human Development (UCEHD") Committee; and

WHEREAS, SCAG staff recommended the hybrid methodology (Option 4) to the CEHD Committee in the Staff Report for October 21, 2019; and

WHEREAS, the CEHD Committee unanimously recommended that the Regional Council submit the draft RHNA methodology to HCD; and

WHEREAS, based on a request by members of the Regional Council to look at the motion that was defeated at the RHNA subcommittee meeting, SCAG staff provided an alternative methodology which eliminated the share of existing need based on household growth and eliminated the cap on RHNA allocation to a jurisdiction's 2045 household growth; and

WHEREAS, SCAG staff still recommended the hybrid methodology to the full Regional Board; and

WHEREAS, despite the recommendation of staff, the RHNA Subcommittee and the CEHD Committee, the Regional Board approved the alternative methodology which eliminates forecasted growth as a consideration; and

WHEREAS, modified RHNA allocation methodology fails completely to take into account the first of the three major aims of the RHNA process as described by HCD: "The regional housing needs allocation (RHNA) Plan should promote the following objectives: Increase the housing supply and the mix of housing types, tenure (rental or ownership), and affordability in all cities and counties within the region in an equitable manner"; and

WHEREAS, the City of Torrance did not receive sufficient or adequate advance notice that SCAG would entertain a substantially modified, legally unsupported methodology. To the contrary, SCAG had consistently and repeatedly set forth certain methodologies upon which the City of Torrance has relied in developing its plans and position on the RHNA allocation process; and

WHEREAS, the modified methodology fails to adequately account for local input and growth forecast data and, due to the late introduction by substitute motion, was unable to be fully analyzed for potential impacts by SCAG staff before a vote of the Regional Council; and

WHEREAS, the ramifications of this abrupt, unvetted and non-transparent methodology shift are further compounded by and should be viewed in the context of recently passed State housing laws with which local jurisdictions are obligated to comply. Examples include, but are not limited to, SB 35 streamlining requirements, which preempt full exercise of local land use authority over development applications proposing affordable housing production for jurisdictions that fail to make sufficient progress toward meeting their RHNA allocations; and

WHEREAS, in sum, the modified RHNA allocation methodology approved by the SCAG Regional Council effectively sets up many jurisdictions, including the City of Torrance, to fail to achieve compliance with State housing laws; and

WHEREAS, the City Council of the City of Torrance recommends that the 6th Cycle RHNA allocation be based on the Hybrid Methodology analyzed and advocated by SCAG staff as it was the result of a public input process, allowed for local input and facilitated greater local control of planning decisions; and

WHEREAS, should the Coast City Methodology be approved, the City Council authorizes staff to submit an appeal to SCAG for its RHNA calculation.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF TORRANCE DOES HEREBY RESOLVE AS FOLLOWS:

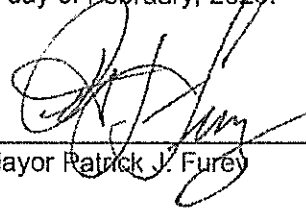
SECTION 1. The recitals provided in this Resolution are incorporated into the operative part of this resolution.

SECTION 2. The City Council is a strong advocate of local control as the best means to protect the City of Torrance, its residents and business owners, and promote the goals and priorities of the community. The modified RHNA allocation methodology, as well as the manner in which it was approved by the SCAG Regional Council, undermine the integrity of what is mandated to be a collaborative RHNA process, negating months of local participation conducted in good faith and posing a significant threat of lasting damage to the City of Torrance if permitted to stand. The City Council therefore publicly states its opposition to the modified RHNA allocation methodology approved by the SCAG Regional Council and requests intervention on the part of HCD to direct SCAG to reconsider its action given the related lack of specificity, lack of supporting documentation, lack of vetting by SCAG staff, and near total absence of stakeholder engagement.

SECTION 3. The City Manager is hereby directed to provide notification to HCD of the City Council's action, provided in Section 2 above, concerning the modified RHNA allocation methodology and related SCAG Regional Council approval process.


SECTION 4. This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

INTRODUCED, APPROVED, and ADOPTED this 4th day of February, 2020.

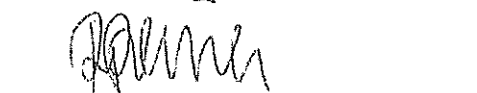


Mayor Patrick J. Furey

APPROVED AS TO FORM:
PATRICK Q. SULLIVAN, City Attorney


Tatia Y. Strader, Assistant City Attorney

ATTEST:


Rebecca Poirier, MMC, City Clerk


TORRANCE CITY COUNCIL RESOLUTION NO. 2020-07

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)
CITY OF TORRANCE) ss

I, Rebecca Poirier, City Clerk of the City of Torrance, California, do hereby certify that the foregoing resolution was duly introduced, approved, and adopted by the City Council of the City of Torrance at a regular meeting of said Council held on the 4th day of February, 2020 by the following roll call vote:

AYES: COUNCILMEMBERS Chen, Goodrich, Griffiths, Herring, Rizzo, and Mayor Furey.
NOES: COUNCILMEMBERS None.
ABSTAIN: COUNCILMEMBERS None.
ABSENT: COUNCILMEMBERS Mattucci.

Date: 2/11/2020



Rebecca Poirier, MMC
City Clerk of the City of Torrance



CITY OF
T O R R A N C E

PATRICK J. FUREY
MAYOR

CITY COUNCIL MEMBERS
GEORGE K. CHEN
TIM GOODRICH
MIKE GRIFFITHS
MILTON S. HERRING, I
AURELIO MATTUCCI
GEOFF RIZZO

September 10, 2019

Southern California Association of Governments
900 Wilshire Blvd, Suite 1700
Los Angeles, CA 90017

Re: Regional Housing Needs Assessment (RHNA) Methodology and Regional House Needs Determination

The City of Torrance appreciates the opportunity to provide comments on the Regional Housing Needs Assessment (RHNA) draft methodology options for the Southern California Association of Governments (SCAG) region.

Before deciding on the RHNA methodology, the City of Torrance urges SCAG to appeal the Regional Housing Needs Determination issued by California Department of Housing and Community Development (HCD) for the 6th Cycle RHNA. With a relatively low level of housing development activity during the current housing cycle, which has occurred during a time of improved economic conditions, it is not realistic to assume HCD's regional need determination of 1,344,740 will be attainable, particularly if an economic slowdown were to occur. Utilizing the methodology options provided by SCAG, the City of Torrance may not identify enough available sites in the city to accommodate 2,392 to 9,568 housing units in the next housing cycle. This scenario likely occurs in other jurisdictions in the SCAG region. Therefore, the City of Torrance recommends that SCAG appeal HCD's Regional Housing Needs Determination and that the RHNA methodology used by HCD should be reviewed to ensure the allocation of housing units are not grossly overestimated and concentrated in the SCAG region.

Based on our review of the three RHNA draft methodology options, the City of Torrance supports Option 3 as the preferred option for the region. While none of the methodologies are perfect, Option 3 utilizes local input, is the least complex, and is the most reasonable of the three options. The City of Torrance strongly opposes Option 1 and Option 2 as each result in unattainable allocations, and Option 2 ignores local input.

The City of Torrance urges SCAG to adopt a RHNA allocation methodology for the 6th Cycle RHNA that reflects local input, is reasonable, and that allows communities to have local control over housing development. Not doing so may result in a RHNA allocation that is not achievable and one that will jeopardize the region's ability to successfully address California's housing crisis.

The City of Torrance appreciates SCAG effort and time on this complex issue and certainly understands that creating a methodology that is fair and equitable for all jurisdictions in the SCAG region is challenging. Thank you again for the opportunity to provide feedback on this process.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick J. Furey". The signature is fluid and cursive, with a long, sweeping tail on the final letter.

Patrick J. Furey
Mayor, City of Torrance

Data Input and Verification Form
Bottom-Up Local Input and Envisioning Process
2020 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

Date: 10/01/2018

Page 1

From the Jurisdiction of City of Torrance to SCAG

Jurisdiction Contact Person: Gregg D. Lodan
Position: Planning Manager, Community Development Department
Email: glodan@torranceca.gov
Phone: (310) 618-5990

Background Information:
 I am my Jurisdiction's City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (submitting on behalf of a jurisdiction's governing body)
 I am a staff person from a local jurisdiction, submitting input under supervision of one of the persons identified above (see appropriate signature below)

Additional Background, if any, based upon Previous Communications:

We are seeking to (select all that apply):

Submit to SCAG:

- Provide Input on SCAG's Core Geographic Data Other, please specify _____
 Provide Input on SCAG's Core Demographic Data _____
 Provide Input on Supplemental Data Elements _____

Core Geographic Data:

- General Plan Land Use
 Zoning
 Existing Land Use Specific Plan
 Land Use Endangered Species
 Land Plants* Open Space and
 Parks*
 Flood Areas*
 Natural Community and Habitat Conservation Plans*
 Farmland*
 Coastal Inundation (Sea Level Rise)*
 Major Stops and High Quality Transit Corridors*
 Transit Priority Areas*
 Regional Bikeways
 Regional Truck Routes
 City Boundary*
 Sphere of Influence*
 Census Tracts**
 Transportation Analysis Zone (TAZ) Boundaries**
 Entitlements
 Potential Infill Sites

Core Demographic Data:

- Population
 Households
 Employment
Year:
 2016
 2020
 2030 (input needed at jurisdictional level only)
 2035
 2045
Geographic Level:
 Jurisdictional Level
 Transportation Analysis Zone (TAZ)
 Other Geographic Level (Please Specify):

Supplemental Data Elements (available for review June 2018):

- | | |
|---|--|
| <input type="checkbox"/> Zoning Overlay Areas | <input type="checkbox"/> Corridor Plans |
| <input type="checkbox"/> Community Design Overlays | <input type="checkbox"/> Special Districts |
| <input type="checkbox"/> Community Land Trusts | <input type="checkbox"/> Bike/Ped Volume Data*** |
| <input type="checkbox"/> Historic Preservation Areas | <input type="checkbox"/> Ped Trails/Sidewalk Data*** |
| <input type="checkbox"/> Bike Sharing Facilities | <input type="checkbox"/> Public Health Data*** |
| <input type="checkbox"/> Bike Stations | |
| <input type="checkbox"/> Car-Sharing Parking Sites | |
| <input type="checkbox"/> Joint Public/Private Developments for Affordable Housing | |
| <input type="checkbox"/> Areas with Reduced Parking Minimums and Maximums | |

* These data elements are maintained by local, state, or federal entities, and SCAG will forward input received from jurisdictions to the appropriate source

** These data elements are being provided as reference information as they are not open to revision (TAZ Boundaries and Census Tracts)

*** For these elements, SCAG is looking to obtain any available data; local review not needed

A - Contact & Background Information

B - Action Items

C - Data Type

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



October 15, 2019

Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise,

RE: Final Regional Housing Need Assessment

The California Department of Housing and Community Development (HCD) has received and reviewed your objection to the Southern California Association of Governments (SCAG)'s Regional Housing Needs Assessment (RHNA) provided on August 22, 2019. Pursuant to Government Code (Gov. Code) section 65584.01(c)(3), HCD is reporting the results of its review and consideration, along with a final written determination of SCAG's RHNA and explanation of methodology and inputs.

As a reminder, there are several reasons for the increase in SCAG's 6th cycle Regional Housing Needs Assessment (RHNA) as compared to the 5th cycle. First, as allowed under Gov. Code 65584.01(b)(2), the 6th cycle RHNA applied housing need adjustment factors to the region's total projected households, thus capturing existing and projected need. Second, overcrowding and cost burden adjustments were added by statute between 5th and 6th cycle; increasing RHNA in regions where incidents of these housing need indicators were especially high. SCAG's overcrowding rate is 10.11%, 6.76% higher than the national average. SCAG's cost burden rate is 69.88% for lower income households, and 18.65% for higher income households, 10.88% and 8.70% higher than the national average respectively. Third, the 5th cycle RHNA for the SCAG region was impacted by the recession and was significantly lower than SCAG's 4th cycle RHNA.

This RHNA methodology establishes the minimum number of homes needed to house the region's anticipated growth and brings these housing need indicators more in line with other communities, but does not solve for these housing needs. Further, RHNA is ultimately a requirement that the region zone sufficiently in order for these homes to have the potential to be built, but it is not a requirement or guarantee that these homes will be built. In this sense, the RHNA assigned by HCD is already a product of moderation and compromise; a minimum, not a maximum amount of planning needed for the SCAG region.

For these reasons HCD has not altered its RHNA approach based on SCAG's objection. However, the cost burden data input has been updated following SCAG's objection due to the availability of more recent data. Attachment 1 displays the minimum RHNA of **1,341,827** total homes among four income categories for SCAG to distribute among its local governments. Attachment 2 explains the methodology applied pursuant to Gov. Code section 65584.01.

The following briefly responds to each of the points raised in SCAG's objection:

Use of SCAG's Population Forecast

SCAG's overall population estimates for the end of the projection period exceed Department of Finance's (DOF) population projections by 1.32%, however the SCAG household projection derived from this population forecast is 1.96% lower than DOF's household projection. This is a result of SCAG's population forecast containing 3,812,391 under 15-year old persons, compared to DOF's population projection containing 3,292,955 under 15-year old persons; 519,436 more persons within the SCAG forecast that are anticipated to form no households. In this one age category, DOF's projections differ from SCAG's forecast by 15.8%.

Due to a greater than 1.5% difference in the population forecast assessment of under 15-year olds (15.8%), and the resulting difference in projected households (1.96%), HCD maintains the use of the DOF projection in the final RHNA.

Use of Comparable Regions

While the statute allows for the council of government to determine and provide the comparable regions to be used for benchmarking against overcrowding and cost burden, Gov. Code 65584.01(b)(2) also allows HCD to "accept or reject information provided by the council of governments or modify its own assumptions or methodology based on this information." Ultimately, HCD did not find the proposed comparable regions an effective benchmark to compare SCAG's overcrowding and cost burden metrics to. HCD used the national average as the comparison benchmark, which had been used previously throughout 6th cycle prior to the addition of comparable region language into the statute starting in January 2019. As the housing crisis is experienced nationally, even the national average does not express an ideal overcrowding or cost burden rate; we can do more to reduce and eliminate these worst-case housing needs.

Vacancy Rate

No changes have been made to the vacancy rate standard used by HCD for the 6th cycle RHNA methodology.

Replacement Need

No changes have been made to the replacement need minimum of adjustment .5%. This accounts for replacement homes needed to account for homes potentially lost during the projection period.

Household Growth Anticipated on Tribal Lands

No changes have been made to reduce the number of households planned in the SCAG region by the amount of household growth expected on tribal lands. The region should plan for these homes outside of tribal lands.

Overlap between Overcrowding and Cost Burden

No changes have been made to overcrowding and cost burden methodology. Both factors are allowed statutorily, and both are applied conservatively in the current methodology.

Data Sources

No changes have been made to the data sources used in the methodology. 5-year American Community Survey data allows for lower margin of error rates and is the preferred data source used throughout this cycle. With regard to cost burden rates, HCD continues to use the Comprehensive Housing Affordability Strategy, known as CHAS data. These are custom tabulations of American Community Survey requested by the U.S. Department of Housing and Urban Development. These custom tabulations display cost burden by income categories, such as lower income, households at or below 80% area median income; rather than a specific income, such as \$50,000. The definition of lower income shifts by region and CHAS data accommodates for that shift. The 2013-2016 CHAS data became available August 9, 2019, shortly prior to the issuance of SCAG's RHNA determination so that data is now used in this RHNA.

Next Steps

As you know, SCAG is responsible for adopting a RHNA allocation methodology for the *projection* period beginning June 30, 2021 and ending October 15, 2029. Pursuant to Gov. Code section 65584(d), SCAG's RHNA allocation methodology must further the following objectives:

- (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.

Pursuant to Gov. Code section 65584.04(e), to the extent data is available, SCAG shall include the factors listed in Gov. Code section 65584.04(e)(1-12) to develop its RHNA allocation methodology. Pursuant to Gov. Code section 65584.04(f), SCAG must explain in writing how each of these factors was incorporated into the RHNA allocation methodology and how the methodology furthers the statutory objectives described above. Pursuant to Gov. Code section 65584.04(h), SCAG must consult with HCD and submit its draft allocation methodology to HCD for review.

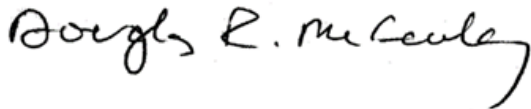
HCD appreciates the active role of SCAG staff in providing data and input throughout the consultation period. HCD especially thanks Ping Chang, Ma'Ayn Johnson, Kevin Kane, and Sarah Jepson.

HCD looks forward to its continued partnership with SCAG to assist SCAG's member jurisdictions meet and exceed the planning and production of the region's housing need. Just a few of the support opportunities available for the SCAG region this cycle include:

- SB 2 Planning Grants and Technical Assistance (application deadline November 30, 2019)
- Regional and Local Early Action Planning Grants
- Permanent Local Housing Allocation

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Assistant Deputy Director for Fair Housing, at megan.kirkeby@hcd.ca.gov.

Sincerely,



Douglas R. McCauley
Acting Director

Enclosures

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION

SCAG: June 30, 2021 – October 15, 2029 (8.3 years)

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	26.2%	351,796
Low	15.4%	206,807
Moderate	16.7%	223,957
Above-Moderate	41.7%	559,267
Total	100.0%	1,341,827
* Extremely-Low	14.5%	Included in Very-Low Category

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et.seq.). Percents are derived based on ACS reported household income brackets and regional median income, then adjusted based on the percent of cost-burdened households in the region compared with the percent of cost burdened households nationally.

ATTACHMENT 2

**HCD REGIONAL HOUSING NEED DETERMINATION
SCAG: June 30, 2021 – October 15, 2029 (8.3 years)**

Methodology

SCAG: June 30, 2021-October 15, 2029 (8.3 Years) HCD Determined Population, Households, & Housing Need					
1.	Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029				20,455,355
2.	<i>- Group Quarters Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029</i>				-363,635
3.	Household (HH) Population: October 15, 2029				20,079,930
	Household Formation Groups	HCD Adjusted DOF Projected HH Population	DOF HH Formation Rates	HCD Adjusted DOF Projected Households	
		20,079,930		6,801,760	
	under 15 years	3,292,955	n/a	n/a	
	15 – 24 years	2,735,490	6.45%	176,500	
	25 – 34 years	2,526,620	32.54%	822,045	
	35 – 44 years	2,460,805	44.23%	1,088,305	
	45 – 54 years	2,502,190	47.16%	1,180,075	
	55 – 64 years	2,399,180	50.82%	1,219,180	
	65 – 74 years	2,238,605	52.54%	1,176,130	
	75 – 84 years	1,379,335	57.96%	799,455	
	85+	544,750	62.43%	340,070	
4.	Projected Households (Occupied Unit Stock)				6,801,760
5.	+ Vacancy Adjustment (2.63%)				178,896
6.	+ Overcrowding Adjustment (6.76%)				459,917
7.	+ Replacement Adjustment (.50%)				34,010
8.	<i>- Occupied Units (HHs) estimated (June 30, 2021)</i>				-6,250,261
9.	+ Cost Burden Adjustment (Lower Income: 10.63%, Moderate and Above Moderate Income: 9.28%)				117,505
6th Cycle Regional Housing Need Assessment (RHNA)					1,341,827

Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Government Code Section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment based on the difference between a standard 5% vacancy rate and the region's current "for rent and sale" vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% and region's current vacancy rate (2.37%) based on the 2013-2017 5-year American Community Survey (ACS) data. For SCAG that difference is 2.63%.
6. Overcrowding Adjustment: In region's where overcrowding is greater than the U.S overcrowding rate of 3.35%, HCD applies an adjustment based on the amount the region's overcrowding rate (10.11%) exceeds the U.S. overcrowding rate (3.35%) based on the 2013-2017 5-year ACS data. For SCAG that difference is 6.76%.

Continued on next page

7. Replacement Adjustment: HCD applies a replacement adjustment between .5% & 5% to total housing stock based on the current 10-year average of demolitions in the region's local

government annual reports to Department of Finance (DOF). For SCAG, the 10-year average is .14%, and SCAG's consultation package provided additional data on this input indicating it may be closer to .41%; in either data source the estimate is below the minimum replacement adjustment so the minimum adjustment factor of .5% is applied.

8. Occupied Units: Reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2021).
9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the nation. The very-low and low income RHNA is increased by the percent difference ($69.88\% - 59.01\% = 10.88\%$) between the region and the national average cost burden rate for households earning 80% of area median income and below, then this difference is applied to very low- and low-income RHNA proportionate to the share of the population these groups currently represent. The moderate and above-moderate income RHNA is increased by the percent difference ($18.65\% - 9.94\% = 8.70\%$) between the region and the national average cost burden rate for households earning above 80% Area Median Income, then this difference is applied to moderate and above moderate income RHNA proportionate to the share of the population these groups currently represent. Data is from 2013-2016 Comprehensive Housing Affordability Strategy (CHAS).

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Ave
Sacramento, CA 95833-1829
916) 263-2911 FAX: (916) 263-7453
www.hcd.ca.gov



December 10, 2020

Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise:

RE: Comment on Appeals of the Draft Regional Housing Need Allocation (RHNA) Plan

Thank you for the opportunity to comment on the 52 appeals Southern California Association of Governments (SCAG) has received regarding the draft RHNA plan. The appeal process is an important phase in the development of a RHNA plan that ensures that all relevant factors and circumstances are considered.

The only circumstances under which a jurisdiction can appeal are:

- 65584.05(b)(1): The council of governments failed to adequately consider the information regarding the factors listed in subdivision (e) of section 65584.04.
- 65584.05(b)(2): The council of governments failed to determine the share of the regional housing need in a manner that furthers the intent of the objectives listed in subdivision (d) of section 65584.
- 65584.05(b)(3): A significant unforeseen change in circumstances occurred in the local jurisdiction that merits a revision of the information submitted pursuant to subdivision (e) of Section 65584.04.

The California Department of Housing and Community Development (HCD) urges SCAG to only consider appeals that meet these criteria.

Per Government Code section 65584.05(e)(1), SCAG's final determination on whether to accept, reject, or modify any appeal must be accompanied by written findings, including how the final determination is based upon the adopted RHNA allocation methodology, and how any revisions are necessary to further the statutory objectives of RHNA described in Government Code section 65584(d).

Among the appeals based on Government Code section 65584.05(b)(1), several appeals state that SCAG failed to consider the factor described in Government Code section 65584.04(e)(2)(B), citing the lack of land suitable for development as a basis for the appeal. However, this section states the council of governments may not limit its consideration of suitable housing sites to existing zoning and land use restrictions and must consider the potential for increased development under alternative zoning and

land use restrictions. Any comparable data or documentation supporting this appeal should contain an analysis of not only land suitable for urban development, but land for conversion to residential use, the availability of underutilized land, and opportunity for infill development and increased residential densities. In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.

With regard to appeals submitted related to Government Code section 65584.05(b)(2), that SCAG failed to determine the RHNA in a manner that furthers the statutory objectives, it should be noted that HCD reviewed SCAG's draft allocation methodology and found that the draft RHNA allocation methodology furthered the statutory objectives described in Government Code section 65584.

Among the appeals based on Government Code section 65584.05(b)(2), several contend that the cap on units allocated to extremely disadvantaged communities (DACs) does not further RHNA's statutory objectives. This cap furthers the statutory objective to affirmatively further fair housing by allocating more units to high opportunity areas and fewer units to low resource communities, and concentrated areas of poverty with high levels of segregation. Due to the inclusion of this factor, as well as the use of TCAC/HCD Opportunity Maps, SCAG's methodology allocates 14 of the top 15 highest shares of lower-income RHNA to jurisdictions with over 99.95 percent High and Highest Resource areas. With the exceptions of two jurisdictions, the 31 jurisdictions with the highest share of lower-income RHNA are all over 95 percent High and Highest Resource areas. Any weakening of these inputs to the methodology could risk not fulfilling the statutory objective to affirmatively further fair housing.

Several appeals argue that SCAG's RHNA allocation methodology does not adequately promote access to jobs and transit, as required in objectives two and three. HCD's review of SCAG's RHNA methodology found the allocation does further the environmental principles of objective two. SCAG's overall allocation includes significant weight related to the location of high-quality transit areas and the regional distribution of jobs that can be accessed within a 30-minute driving commutes. Regarding objective three, HCD's analysis as to whether jobs-housing fit was furthered by SCAG's draft methodology found that across all jurisdictions there is generally good alignment between low-wage jobs and lower-income RHNA, with all but 15 jurisdictions within a half percent plus or minus difference between their share of lower-income RHNA for the region and their percentage low-wage jobs for the region.

Several appeals are based upon the provision described in Government Code section 65584.05(b)(3), arguing that the COVID-19 pandemic represents a significant and unforeseen change in circumstances that will affect future population and job growth. Ensuring everyone has a home is critical to public health. Reducing and preventing overcrowding and homelessness are essential concerns for every community. The COVID-19 pandemic has only increased the importance that each community is planning for sufficient affordable housing.

Lastly, several appeals state that the Regional Housing Needs Determination (RHND) HCD provided to the SCAG region is too large. SCAG submitted an objection to the RHND at the appropriate time and through the appropriate process. HCD considered those objections and [determined the final RHND for 6th Housing Element Cycle for the SCAG region on October 15, 2019](#). There are no further appeal procedures available to alter the SCAG region's RHND for this cycle. Government Code section 65584.05(b) does not allow local governments to appeal the RHND during the 45-day period following receipt of the draft allocation.

HCD acknowledges that many local governments will need to plan for more housing than in the prior cycle to accommodate a RHND that more fully captures the housing need and as the statutory objectives of RHNA shift more housing planning near jobs, transit, and resources. The Southern California region's housing crisis requires each jurisdiction to plan for the housing needs of their community and the region. In recognition of this effort there are more resources available than ever before to support jurisdictions as they prepare to update their 6th cycle housing elements:

- SB 2 Planning Grants – \$123 million one-time allocation to cities and counties
- SB 2 Planning Grants Technical Assistance offered to all jurisdictions
- Regional and Local Early Action Planning Grants – \$238 million one-time allocation for local and regional governments
- SB 2 Permanent Local Housing Allocation – approximately \$175 million annually in ongoing funding for local governments to increase affordable housing stock

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Deputy Director, megan.kirkeby@hcd.ca.gov.



Megan Kirkeby
Deputy Director



City of Whittier

13230 Penn Street, Whittier, California 90602-1716
(562) 567-9320 Fax (562) 567-2872 www.cityofwhittier.org

Electronically Transmitted to: Housing@scag.ca.gov

December 10, 2020

RHNA Appeals Committee
Southern California Association of Governments
900 Wilshire Blvd, Suite 1700
Los Angeles, CA 90017

SUBJECT: City of Whittier's Comments on Appeals to the Sixth Cycle Regional Housing Needs Assessment (RHNA) Allocation

Honorable Chair and Honorable Committee Members:

The City of Whittier ("City") appreciates the challenges that are inherent in allocating 1,341,827 housing units by the thousands (a 226% increase above the baseline 412,137 unit) to cities across Southern California, especially in built-out cities. However, the City is deeply concerned its housing allocation of 3,431 units from the State Department of Housing and Community Development ("HCD") and the Southern California Association of Government's ("SCAG") unit distribution methodology, along with recent housing legislation will fundamentally abridge the City's ability to develop effective land-use policies that are appropriate for managing the community's actual needs. The 878 units in the 5th cycle RHNA allocation has been increased by 290% to 3,431 units in the current 6th cycle. Particularly challenging in the 6th cycle, is the number of low and very low-income units (1,558) which combined with the moderate and above moderate unit totals forces unplanned and unnecessary residential densification of the community.

The affordable units are an unfunded mandate with very limited regional or State financial support for their development. Considering the affordable housing subsidies typically range from \$50,000 to \$250,000 per unit, the overall funding requirements could range from \$78,000,000 to \$390,000,000 which is clearly beyond the reach of the City of Whittier in that the City's general fund budget is just \$72,000,000 which already include \$2,000,000 annually to house the City's unsheltered residents in transitional housing. Additionally, the City only receives 7.5% of each property tax dollar to provide general services including police and library services.

The City is currently in the process of updating its Housing Element as well as the General Plan to incorporate the current RHNA allocation, so Whittier is acutely aware of the various housing needs as well as the potential obstacles, such as aging infrastructure and unplanned density, to creating the requisite housing within a city that

is essentially built out. The changes in the State's housing laws (SB 35, SB 166 and AB 1397) have created additional constraints for the agencies and may severely impact the City's ability to accomplish our regional and local housing goals.

Since development in Whittier began more than 130 years ago, the City is virtually built-out with little developable vacant land outside of its designated open space areas that are dedicated to accommodating existing and future residents. While the City has made significant efforts through its specific plans to densify existing corridors and districts, the majority of Whittier's remaining single-family residential neighborhoods cannot accommodate similar densification. Furthermore, the hills north of Whittier contain regional open space, sensitive habitat and wildlife areas that must be preserved in perpetuity. There are also significant infrastructure and water service constraints that impact Whittier's ability to produce significantly more housing. Although these facts may not be desirable, they must be pragmatically accounted for and mitigated by not further increasing Whittier's share of housing units contained in SCAG's 6th Cycle RHNA. The final RHNA allocation and methodology must be fair and equitable while reflecting the capacity for reasonable housing unit construction.

As with many other cities, the City is concerned about the current allocation, but an even greater concern is that additional units may be applied to the City if reallocated from cities that are successful in their appeals. To that end, the City believes the appeal process itself was unclear as to the potential ramifications to other cities and not fully understood.

Although we fully support the surrounding cities in their appeals, the potential for additional units being applied to the City would exacerbate the problems described herein and in Whittier's September 13, 2019 letter to SCAG.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Jeffery S. Adams
Director of Community Development

File

From: Christopher Koontz <Christopher.Koontz@longbeach.gov>
Sent: Thursday, December 3, 2020 11:14 AM
To: Regional Housing
Subject: RHNA Appeals

Categories: Response Required, Record

Good morning,

The purpose of this email is to provide the City of Long Beach's position in regards to pending RHNA appeals before SCAG. The City of Long Beach seeks to meet its housing needs and obligations for the benefit of Long Beach residents and the region. Our allocation was extremely large and presents a planning and financing challenge for the City. Nonetheless we chose not to appeal our allocation because the allocation process was fair and transparent including taking the City of Long Beach's input into consideration.

We oppose and will not accept any transfer of additional allocation due to the pending appeals. We note that within our area, the Gateway COG, appeals are pending from Bellflower, Cerritos, Downey, Huntington Park, La Mirada, Lakewood, Pico Rivera, and South Gate. Each of these appeals should be evaluated by SCAG on the merits, however Long Beach opposes any transfer of allocation to our City. It would be inappropriate to transfer a further burden to Long Beach when we have already accepted a large allocation and have done more than many cities in the region to accommodate housing growth under the current RHNA cycle, including fully meeting our market-rate RHNA allocation.

The City of Long Beach will continue to work with SCAG and our neighbor jurisdictions to address the housing needs of our residents.

We thank you for consideration and please do not hesitate to contact the City regarding our position.

Christopher Koontz, AICP
Deputy Director

Development Services
411 W. Ocean Blvd., 3rd Floor | Long Beach, CA 90802
Office: 562.570.6288 | Fax: 562.570.6068





AGENDA ITEM 1.3
REPORT

Southern California Association of Governments
k h \
January 13, 2021

To: Regional Housing Needs Assessment Subcommittee (RHNA)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Roland Ok, Program Manager,
(213) 236-1819, ok@scag.ca.gov

Subject: Appeal of the Draft RHNA Allocation for the City of Gardena

RECOMMENDATION:

Deny the appeal filed by the City of Gardena to reduce the Draft RHNA Allocation by 1,144 units.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

SUMMARY OF APPEAL(S):

The City of Gardena requests a reduction of its RHNA allocation by 1,144 units (from 5,721 units to 4,577 units) based on:

- 1) Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021 – 2029) - principles of affirmatively further fair housing were not applied appropriately and the City received a higher share total allocation.
- 2) Availability of land suitable for urban development or for conversion to residential use – the City does not have available land suitable for additional housing nor can they accommodate higher-density housing.
- 3) Affirmatively furthering fair housing - the City received a disproportionate amount of very low-and low-income housing, and when compared to other cities in the South Bay region.

RATIONALE FOR STAFF RECOMMENDATION:

Staff have reviewed the appeal(s) and recommend no change to the City of Gardena RHNA allocation.

Issues 1 and 3: The City has not provided evidence that the RHNA methodology disproportionately added an overconcentration of lower income households to the City nor that its total allocation is too high. As such, we do not recommend granting an appeal on these bases.

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California’s Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous

Issue 2: The City has not provided evidence that it could not identify opportunity areas to provide for additional housing. As such, we do not recommend granting an appeal on these bases.

BACKGROUND:

Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the adoption of Connect SoCal on September 3, 2020, all local jurisdictions received draft RHNA allocations on September 11, 2020. A summary is below.

Total RHNA Allocation for the City of Gardena: 5,721

Very Low Income: 1,481

Low Income: 759

Moderate Income: 892

Above Moderate Income: 2,589

Additional background related to the Draft RHNA Allocation is included in Attachment 1.

Summary of Comments Received during 45-day Comment Period

No comments were received from local jurisdictions or HCD during the 45-day public comment period described in Government Code section 65584.05(c) which specifically regard the appeal filed for the City of Gardena. Three comments were received which relate to appeals filed generally:

- HCD submitted a comment on December 10, 2020 delineating the statutory basis for RHNA appeals and the requirement that any appeals granted must include written findings regarding how revisions are necessary to further RHNA's statutory objectives.
- The City of Whittier submitted a comment on December 10, 2020 supporting surrounding cities in their appeals but expressing concern that additional units may be applied to Whittier if reallocated from cities which are successful in their appeals.
- The City of Long Beach submitted a comment on December 3, 2020 indicating their view that the RHNA allocation process was fair and transparent, their support for evaluating appeals on their merits (specifically those from the Gateway Council of Governments), and their opposition to any action which would result in a transfer of additional units to Long Beach.

ANALYSIS:***Issues 1 and 3: Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029) [Government Code Section 65584.05 (b)(2)] and affirmatively furthering fair housing.***

The City of Gardena argues that it has received a higher share of RHNA numbers that exceed other cities within the South Bay Cities COG region. The City states that out of the 15 cities in the South Bay region, Gardena has the third highest proportion of very-low-income percentage (29%), the fourth highest percentage of minority population (90.3%), the third highest percentage living below the poverty line (15%). The City argues that the combined effect of allocating Gardena a large RHNA obligation and existing concentration of low-income households would further exacerbate the current inequalities in access to opportunities, which would contract the principle to affirmatively further fair housing.

SCAG Staff Response: SCAG’s final regional determination of approximately 1.34 million units was issued by HCD on October 15, 2019 per state housing law. The regional determination is not a basis for appeal per adopted RHNA Appeals Procedures as it is not within the authority of the Appeals Board to make any changes to HCD’s regional housing needs determination. Only improper application of the methodology is grounds for an appeal. An example of an improper application of the adopted methodology might be a data error which was identified by a local jurisdiction.

With respect to the statutory objectives, SCAG used objective measures to advance certain principles, but since local and regional conditions vary tremendously across the state and over time, there are few consistent quantitative standards which can be used to evaluate all aspects of the methodology. Ultimately, however, the RHNA statute vests HCD with the authority to decide whether statutory objectives have been met.

As described in Attachment 1: Local Input and Development of Draft RHNA Allocation, the Final RHNA Methodology was adopted by the Regional Council on March 5, 2020 and describes the various policy factors whereby housing unit need is to be allocated across the region—for example, anticipated growth, access to jobs and transit, and vacancy. The methodology makes extensive use of locally reviewed input data and describes data sources and how they are calculated in detail. On January 13, 2020, the RHNA methodology was found by HCD to further the five statutory objectives¹ in large part due to its use of objective factors and as such cannot consider factors differently in one jurisdiction versus another.

¹ The objectives are: 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-

Whether a jurisdiction's Draft RHNA Allocation is higher or lower depends on these factors as reflected in the data (see Attachment 1 for further details) – principally its growth forecast, job access, and transit access. The City includes a table of several nearby cities which compares their Draft RHNA Allocations versus their existing housing stocks and current populations, arguing that Gardena's RHNA number is unfairly high compared to its neighbors when making these comparisons. However, the City's Draft RHNA Allocation is the outcome of the policy factors used to allocate RHNA. For example, while Torrance has a lower Draft RHNA Allocation compared to its existing housing stock, this is because compared to Gardena it has poorer job access (11.00% versus 16.99% of the region's future jobs accessible within 30 minutes) and less future population in HQTAs (0.33% of the region's versus 0.63%). As such, the Methodology is applied equally – the underlying policy factors differ between these cities and RHNA as a percentage of existing housing stock or existing population are not policy factors considered in SCAG's adopted Final RHNA Methodology.

One of the five objectives of RHNA law is to ensure that the RHNA allocation plan allocates “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”.

While SCAG staff accepts the assertion that the jurisdiction has a currently disproportionately high percentage of lower income households in comparison to its surrounding cities and counties, the RHNA methodology addresses this disparity through its social equity adjustment and inclusion of access to resources as an influencing factor.

To further the objectives of allocating a lower proportion of households by income and affirmatively furthering fair housing (AFFH), the RHNA methodology includes a minimum 150 percent social equity adjustment and an additional 10 to 30 percent added in areas with significant populations that are defined as very low or very high resource areas, referred to as an AFFH adjustment. A social equity adjustment ensures that jurisdictions accommodate their fair share of each income category. It does so by adjusting current household income distribution in comparison to county distribution. The result is that jurisdictions that have a higher concentration of lower income households than the county will receive lower percentages of RHNA for the lower income categories. For the City of Gardena, 26% of the jurisdiction's draft RHNA allocation is assigned for the very low-income category, which is lower than its current 29% and lower than the county distribution of 28%. Thus, the Final RHNA Methodology, and by extension the jurisdiction's Draft RHNA Allocation, has already considered this objective to ensure that there is not an overconcentration of lower income

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 (Govt. Code § 65584(d)).

households in these currently impacted areas. For this reason, SCAG staff does not recommend a reduction to the jurisdiction's Draft RHNA Allocation based on this factor.

Issue 2: Availability of land suitable for urban development or for conversion to residential use [Government Code Section 65584.04(e)(2)(B)].

The City of Gardena claims that SCAG failed to address the availability of land suitable for urban development or conversion to residential use. Gardena states that the City has minimal appropriate, available vacant land to accommodate its RHNA allocation. The City argues that the only way to accommodate its allocation is by placing a housing overly on commercial and industrial zones (of which 88 acres is available would be available for housing). According to the City, this would cause a jobs-housing imbalance, overcrowding, create a loss of revenue, and result in high density housing (65 units/acre) in already poverty-stricken areas.

SCAG Staff Response: Pursuant to Government Code Section 65584.04(e)(2)(B), SCAG “may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality” (which includes the land use policies in its General Plan). “Available land suitable for urban development or conversion to residential use,” as expressed in 65584.04(e)(2)(B), is not restricted to vacant sites; rather, it specifically indicates that underutilized land, opportunities for infill development, and increased residential densities are a component of “available” land. As indicated by HCD in its December 10, 2020 comment letter (HCD Letter):

“In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.” (HCD Letter at p. 2).

As such, the City can consider other opportunities for development. This includes the availability of underutilized land, opportunities for infill development and increased residential densities, or alternative zoning and density. While the City's initial assessment of 88 acres for housing is acknowledged, alternative development opportunities should be explored further and could possibly provide the land needed to zone for the City's projected growth.

Note that while zoning and capacity analysis is used to meet RHNA need, they should not be used to determine RHNA need at the jurisdictional level. Per the adopted RHNA methodology, RHNA need at the jurisdictional level is determined by projected household growth, transit access, and job access. Housing need, both existing and projected need, is independent of zoning and other related land use restrictions, and in some cases is exacerbated by these very same restrictions. Thus, land

use capacity that is restricted by factors unrelated to existing or projected housing need cannot determine existing or projected housing need.

The City's concern regarding jobs-housing imbalance is acknowledged. However, the adopted RHNA methodology includes a calculation of job accessibility as one of the factors to determine a jurisdiction's draft RHNA allocation. Job accessibility is defined as the jurisdiction's share of regional jobs accessible within a 30-minute drive commute (additional details are found in the adopted RHNA methodology). This is not a measure of the number of jobs within a jurisdiction; rather, it is a measure of how many jobs can be accessed by a jurisdiction's residents, which can include jobs outside of the jurisdiction. Over 80 percent of SCAG region workers live and work in different jurisdictions, which calls for an approach to the region's job housing relationship through the measurement of access rather than number of jobs within a certain jurisdiction. Limiting a jobs housing balance solely within jurisdictions can effectively worsen a regional jobs housing balance and thus SCAG staff does not recommend a reduction/increase to the jurisdiction's draft RHNA allocation based on this factor.

While SCAG acknowledges Gardena's concerns regarding overcrowding, overcrowding is defined as more than 1.01 persons per room (not bedroom) in a housing unit and as part of the regional determination, HCD applied an overcrowding component. Similar to cost-burden, overcrowding is caused by an accumulated housing supply deficit and is considered an indicator of regional existing housing need. However, it is impossible to determine how and why the overcrowding is occurring in a particular jurisdiction. A jurisdiction that has an overcrowding rate higher than the regional average might be issuing more residential permits than the regional average while the surrounding jurisdictions might not have overcrowding issues but issue fewer permits than the regional average. Because overcrowding is already addressed as a regional existing need and at a jurisdictional level may not be a cause of existing need, SCAG staff does not recommend a change to the jurisdiction's Draft RHNA Allocation based on this factor.

FISCAL IMPACT:

Work associated with this item is included in the current FY20-21 Overall Work Program (300-4872Y0.02: Regional Housing Needs Assessment).

ATTACHMENT(S):

1. Attachment 1_Local Input and Development of Draft RHNA Allocation (City of Gardena)
2. Attachment 2_Appeal Form and Supporting Documentation
3. Attachment 3_Data Input and Verification Form (City of Gardena)
4. Attachment 4_HCD final 6th Cycle Housing Need Determination for the SCAG Region
5. Attachment 5_Comments Received During the Comment Period (General)

Attachment 1: Local Input and Development of Draft RHNA Allocation

This attachment sets forth the nature and timing of the opportunities which the City of Gardena had to provide information and local input on SCAG’s growth forecast, the RHNA methodology, and the Growth Vision of the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal). It also describes how the RHNA Methodology development process integrates this information in order to develop the City of Gardena’s Draft RHNA Allocation.

1. Local Input

a. Bottom-Up Local Input and Envisioning Process

On October 31, 2017, SCAG took the first step toward developing draft RHNA allocations by initiating the Bottom-Up Local Input and Envisioning Process. At the direction of the Regional Council, the objective of this process was to seek local input and data to prepare for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal) and the 6th cycle of RHNA.¹ Each jurisdiction was provided with a package of land use, transportation, environmental, and growth forecast data for review and revision which was due on October 1, 2018.² While the local input process materials focus principally on jurisdiction-level and Transportation Analysis Zone (TAZ) level growth, input on specific parcels, sites, and project areas were welcomed and integrated into SCAG’s growth forecast as well as data on other elements. SCAG met one-on-one with all 197 local jurisdictions between November 2017 and July 2018 and provided training opportunities and staff support. Following input from SCAG’s Technical Working Group (TWG), the Connect SoCal growth forecast reflected precisely the jurisdiction-level growth totals provided during this process.

The local input data included SCAG’s preliminary growth forecast information. For the City of Gardena, the anticipated number of households in 2020 was 21,333 and in 2030 was 22,414 (growth of 1,081 households). On April 26, 2018, SCAG staff met with staff from the City of Gardena to discuss the Bottom-Up Local Input and Envisioning Process and answer questions. Input from the City of Gardena on the growth forecast was received in September 2018. Following input, household totals remained the same.

¹ While the RTP/SCS and RHNA share data elements, they are distinct processes. The RTP/SCS growth forecast provides an assessment of reasonably foreseeable future patterns of employment, population, and household growth in the region given demographic and economic trends, and existing local and regional policy priorities. The RHNA identifies anticipated housing need over a specified eight-year period and requires that local jurisdictions make available sufficient zoned capacity to accommodate this need. A further discussion of the relationship between these processes can be found in Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

² A detailed list of data during this process reviewed can be found in each jurisdiction’s Draft Data/Map Book at <http://scagrtpsc.net/Pages/DataMapBooks.aspx>

b. RHNA Methodology Surveys

On March 19, 2019, SCAG distributed a packet of methodology surveys, which included the local planning factor survey, Affirmatively Furthering Fair Housing (AFFH) survey, and replacement need survey, to SCAG jurisdictions' Community Development Directors. SCAG reviewed all submitted responses as part of the development of the draft RHNA methodology. The City of Gardena submitted the following surveys prior to the adoption of the Draft RHNA Methodology:

- Local planning factor survey
- Affirmatively Furthering Fair Housing (AFFH) survey
- Replacement need survey
- No survey was submitted to SCAG

c. Connect SoCal Growth Vision and Additional Refinements

Beginning in May 2018, SCAG's Sustainable Communities Working Group began the process of developing growth scenarios for the SCAG region. The culmination of this work was the development of the Connect SoCal Growth Vision, which directly uses jurisdictional-level growth projections from the Bottom-Up Local Input and Envisioning process, and also features strategies for growth at the TAZ-level that help to reduce greenhouse gas emissions (GHG) from automobiles and light trucks to achieve Southern California's GHG reduction target, approved by the California Air Resources Board (CARB) in accordance with state planning law. Additional detail regarding the Connect SoCal Growth Vision, specifically the Transportation Analysis Zone (TAZ, or neighborhood) level projections is found at <https://www.connectsocial.org/Documents/DataMapBooks/Growth-Vision-Methodology.pdf>.

As a result of these strategies, in some jurisdictions growth at the TAZ-level differed from locally anticipated growth conveyed during the Bottom-Up Local Input and Envisioning Process.

As such, SCAG provided two additional opportunities for all local jurisdictions to make TAZ-level technical refinements on the topics of general plan capacities and entitlements. During the release of the draft Connect SoCal Plan, jurisdictions were notified on October 31, 2019 that SCAG would accept additional refinements until December 11, 2019. Following the Regional Council's decision to delay full adoption of Connect SoCal for 120 days due to the COVID-19 pandemic, all jurisdictions were again notified on May 26, 2020 that SCAG would accept additional refinements until June 9, 2020.

Connect SoCal Growth Vision data have been available to local jurisdiction staff during the entirety of this process through SCAG's Scenario Planning Model Data Management Site (SPM-DM) at <http://spmddm.scag.ca.gov> and updates were shared with local jurisdictions on technical refinements to the data in February 2020 and August 2020 to share the results of both review opportunities. The City of Gardena's TAZ-level data utilized in the Connect SoCal Growth Vision matches input provided during the Bottom-Up Local Input and Envisioning Process.

2. Development of Final RHNA Methodology

SCAG convened the first meeting of the RHNA Subcommittee in October 2018. In their subsequent monthly meetings, this body reviewed and advised on the development of SCAG’s 6th cycle RHNA process, including the development of the RHNA methodology. Per Government Code 65584.04(a), SCAG must develop a RHNA methodology which furthers the five statutory objectives of RHNA:

(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 (Govt. Code § 65584(d)).

As explained in more detail below, the Draft RHNA Methodology (which was adopted as the Final RHNA Methodology) set forth the policy factors, data sources, and calculations which would be used to generate draft RHNA allocations for all local jurisdictions. Following extensive debate and public comment, SCAG’s Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019 and provide it to HCD for review. Per Government Code 65584.04(i), HCD is vested with the authority to determine whether a methodology furthers the objectives set forth in Government Code section 65584(d). On January 13, 2020, HCD found that the Draft RHNA Methodology furthers these five statutory objectives of RHNA. Specifically, HCD noted that:

“This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes. In particular, HCD applauds the use of the objective factors specifically linked the statutory objectives in the existing need methodology.” (Letter from HCD to SCAG

dated January 13, 2020 at <https://scag.ca.gov/sites/main/files/file-attachments/hcd-review-rc-approved-draft-rhna-methodology.pdf?1602190239>).

On March 5, 2020, again following extensive debate and public comment, the Regional Council voted to approve the Draft RHNA Methodology as the Final RHNA Methodology. Unlike SCAG’s 5th cycle RHNA methodology which relies almost entirely on the household growth component of the RTP/SCS, SCAG’s 6th cycle RHNA methodology consists of two primary elements: “projected need” which includes the number of housing units required to accommodate anticipated population growth over the 8-year RHNA planning period and “existing need,” which refers to the number of housing units required to accommodate excess or unsatisfied housing demand experienced by the region’s current population.³ Furthermore, the Final RHNA methodology utilizes measures of 2045 job accessibility and High Quality Transit Area (HQTA) population measures based on TAZ-level projections in the Connect SoCal Growth Vision.

More specifically, the Final RHNA Methodology considers three primary factors in determining a local jurisdiction’s total housing need which are primarily based on data from Connect SoCal’s aforementioned Bottom-Up Local Input and Envisioning Process:

- Forecasted growth over 2020-2030 (projected need)
- Transit accessibility in 2045 (existing need)
- Job accessibility in 2045 (existing need)

The methodology is described in further detail at <http://scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Methodology-030520.pdf>.

3. Final RHNA Methodology and Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the 120-day delay due to the Covid-19 pandemic, SCAG adopted Connect SoCal on September 3, 2020, and the City of Redondo Beach received its Draft RHNA Allocation on September 11, 2020. Application of the RHNA methodology yields the Draft RHNA Allocations for the City of Gardena as summarized in the data and in the tables below.

³ Legislative changes in 2018 modified the nature of the regional housing need determination for the 6th cycle of RHNA by adding measures of household overcrowding and housing cost burden to the list of factors to be considered by HCD for the determination of housing need. These new measures are not included in the Connect SoCal Growth Forecast because they are not direct inputs to the growth forecasting process and are independent of employment and population projections. In contrast, they reflect additional latent housing needs in the current population (i.e., “existing need”) and would not result in a change in regional population. For further discussion see Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

City of Gardena Statistics and Inputs		Calculation of Draft RHNA Allocation for Gardena	
Forecasted household (HH) growth, RHNA period: <i>(2020-2030 Household Growth * 0.825)</i>	892	Forecasted household (HH) growth, RHNA period:	892
Percent of households who are renting:	50%	Vacancy Adjustment: <i>(5% for renter households and 1.5% for owner households)</i>	29
Housing unit loss from demolition (2009-18):	23	Replacement Need:	23
Adjusted forecasted household growth, 2020-2045: <i>(Local input growth forecast total adjusted by the difference between the RHNA determination and SCAG's regional 2020-2045 forecast, +4%)</i>	2,452	TOTAL PROJECTED NEED:	944
Percent of regional jobs accessible in 30 mins (2045): <i>(From the jurisdiction's median TAZ)</i>	16.99%	Existing need due to job accessibility (50%):	1,713
Jobs accessible from the jurisdiction's median TAZ (2045): <i>(Based on Connect SoCal's 2045 regional forecast of 10.049M jobs)</i>	1,707,000	Existing need due to HQTa pop. share (50%):	2,652
Share of region's job accessibility (population weighted):	0.41%	Net residual factor for existing need:	412
		<i>(Negative values reflect a cap on lower-resourced community with good job and/or transit access. Positive values represent the amount being redistributed to higher-resourced communities based on their job and/or transit access)</i>	
Jurisdiction's HQTa population (2045):	64,821	TOTAL EXISTING NEED:	4,777
Share of region's HQTa population (2045):	0.63%	TOTAL RHNA FOR THE CITY OF GARDENA:	5,721
Share of population in low/very low-resource tracts:	40.21%	Very-low income (<50% of AMI):	1,481
Share of population in very high-resource tracts:	0.00%	Low income (50-80% of AMI):	759
Social equity adjustment:	150%	Moderate income (80-120% of AMI):	892
		Above moderate income (>120% of AMI)	2,589

The transit accessibility measure is based on the population anticipated to live in High-Quality Transit Areas (HQTAs) in 2045 based on Connect SoCal's designation of high-quality transit areas and population forecasts. With a forecasted 2045 population of 64,821 living within HQTAs, the City of Gardena represents 0.63% of the SCAG region's HQTa population, which is the basis for allocating housing units based on transit accessibility.

Job accessibility is defined as the jurisdiction's share of regional jobs accessible within a 30-minute drive commute. Since over 80 percent of the region's workers live and work in different jurisdictions, the RHNA methodology uses a measure based on Connect SoCal's travel demand model output for the year 2045 rather than assigning housing units based on the number of jobs with a specific jurisdiction. Specifically, the share of future (2045) regional jobs which can be reached in a 30-minute automobile commute from the local jurisdiction's median TAZ is used as to allocate housing units

based on transit accessibility. From the City of Gardena median TAZ, it will be possible to reach 16.99% of the region's jobs in 2045 within a 30-minute automobile commute (1,707,000 jobs, based on Connect SoCal's 2045 regional job forecast of 10,049,000 jobs).

An additional factor is included in the methodology to account for RHNA Objective #5 to Affirmatively Further Fair Housing (AFFH). Several jurisdictions in the region which are considered disadvantaged communities (DACs) on the basis of access to opportunity measures (described further in the RHNA methodology document), but which also score highly in job and transit access, may have their total RHNA allocations capped based on their long-range (2045) household forecast. This additional housing need, referred to as residual, is then reallocated to non-DAC jurisdictions in order to ensure housing units are placed in higher-resourced communities consistent with AFFH principles. This reallocation is based on the job and transit access measures described above, and results in an additional 412 units assigned to the City of Gardena.

Please note that the above represents only a partial description of key data and calculations in the Final RHNA Methodology. The attached maps provide further detail regarding transit and job access measures.

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Date: _____ Jurisdiction Subject to This Appeal Filing:
(to file another appeal, please use another form)

Filing Party (Jurisdiction or HCD)

Filing Party Contact Name _____ Filing Party Email: _____

APPEAL AUTHORIZED BY:

Name: _____

PLEASE SELECT BELOW:

- Mayor
- Chief Administrative Office
- City Manager
- Chair of County Board of Supervisors
- Planning Director
- Other: _____

BASES FOR APPEAL

- Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029)
- Local Planning Factors and/or Information Related to Affirmatively Furthering Fair Housing (See Government Code Section 65584.04 (b)(2) and (e))
 - Existing or projected jobs-housing balance
 - Sewer or water infrastructure constraints for additional development
 - Availability of land suitable for urban development or for conversion to residential use
 - Lands protected from urban development under existing federal or state programs
 - County policies to preserve prime agricultural land
 - Distribution of household growth assumed for purposes of comparable Regional Transportation Plans
 - County-city agreements to direct growth toward incorporated areas of County
 - Loss of units contained in assisted housing developments
 - High housing cost burdens
 - The rate of overcrowding
 - Housing needs of farmworkers
 - Housing needs generated by the presence of a university campus within a jurisdiction
 - Loss of units during a state of emergency
 - The region's greenhouse gas emissions targets
 - Affirmatively furthering fair housing
- Changed Circumstances (Per Government Code Section 65584.05(b), appeals based on change of circumstance can only be made by the jurisdiction or jurisdictions where the change in circumstance occurred)

FOR STAFF USE ONLY:

Date _____ Hearing Date: _____ Planner: _____

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Brief statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 (please refer to Exhibit C of the Appeals Guidelines):

Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

Brief Description of Appeal Request and Desired Outcome:

Number of units requested to be reduced or added to the jurisdiction's draft RHNA allocation (circle one):

Reduced _____ Added _____

List of Supporting Documentation, by Title and Number of Pages
(Numbers may be continued to accommodate additional supporting documentation):

- 1.
- 2.
- 3.

FOR STAFF USE ONLY:

Date _____

Hearing Date: _____

Planner: _____



DEPARTMENT of COMMUNITY DEVELOPMENT

1700 WEST 162nd STREET / GARDENA, CALIFORNIA 90247-3732 / WWW.CITYOFGARDENA.ORG / PHONE (310) 217-953

October 23, 2020

SCAG
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017
housing@scag.ca.gov

RE: Appeal of Sixth Cycle Regional Housing Needs Assessment

Dear Sir or Madam:

The City of Gardena appreciates the opportunity to provide a formal appeal of the regional housing needs assessment (RHNA) allocation for our City. The City appreciates the dedication and commitment that SCAG staff and each RHNA Subcommittee member has spent in addressing this complicated and important matter. As we have historically, the City of Gardena will continue to address housing in compliance with Housing Element law (Government Code Sections 65580-65598.8).

However, the City of Gardena is aggrieved by the RHNA allocation of 5,721 dwelling units shown in Table 1 and is **requesting a reduction of 1,144 units to bring the total RHNA to 4,577 units**. This would bring the ratio of RHNA allocation to housing units to 20%, which is more in line with the allocations given to the neighboring cities of Carson, Lawndale, and Inglewood (21.63% average), and the 15% average for cities with a comparable housing stock of 20,000 to 25,000 units (Attachment A). Implementing the proposed RHNA allocation of 5,721 units would be overburdening for our City and in opposition to the objectives listed in Government Code Section 65584(d).

Out of the 197 jurisdictions in the SCAG region, Gardena’s RHNA ranks 28th in terms of proportion to its existing housing stock. Of the 27 jurisdictions that rank higher, 13 are located in the Inland Empire and only 2 are smaller in size (Attachment A). We feel that Gardena is not comparable to jurisdictions in the Inland Empire that are less developed and have ample land available for housing and that Gardena does not have the available land that these other cities have.

**TABLE 1
CITY OF GARDENA’S RHNA ALLOCATION**

TOTAL	VERY LOW	LOW	MOD.	ABOVE MOD.	2020 HUs ¹	RHNA% ²
5,721	1,481	759	892	2,589	21,982	26.0%

The allocation of 5,721 units represents a 26% growth over Gardena’s existing housing stock as shown in Table 1. In comparison to 11 other cities in the SCAG region with a similar 2020 housing stock (20,000 to 25,000 units), the 26% is much higher than the 15% averaged by the other cities and Gardena is the smallest in size. At 5.9 square miles, Gardena is mostly built out. Accommodating this amount of growth is extremely burdensome and likely unobtainable.

¹ ACS 2020, Table DP04 (5-year estimate)

² RHNA% is the percentage of total RHNA divided by the number of housing units (HUs) in 2020

TASHA CERDA, Mayor / MARK E. HENDERSON, Mayor Pro Tem
PAULETTE C. FRANCIS, Councilmember / ART KASKANIAN, Councilmember / RODNEY G. TANAKA, Councilmember
MINA SEMENZA, City Clerk / J. INGRID TSUKIYAMA, City Treasurer / CLINT OSORIO, City Manager / CARMEN VASQUEZ, City Attorney

Attachment: Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Gardena)

The City contends that SCAG failed to consider information submitted on November 5, 2019 (Attachment C), relating to certain local factors outlined in Govt. Code § 65584.04(e) and information relating to affirmatively furthering fair housing pursuant to Government Code § 65584.04(b)(2) and 65584(d)(5). Specifically, the City’s housing stock increased 1.9 percent over the previous nine years in part because Gardena is among the densest communities in the South Bay region with limited area for growth.

Objective 1 states the regional housing needs allocation plan shall “Increas[e] 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.” Gardena is allocated 759 low income units and 1,481 very low income units. Out of the 89 jurisdictions in Los Angeles County, this places Gardena 13th highest in terms of a percentage of allocated low income versus its total existing housing units, and 10th highest in terms of a percentage of allocated very low income versus its total existing housing units (See Tables 2 and 3).

**TABLE 2
PERCENT OF LOW INCOME ALLOCATION TO 2020 HOUSING UNITS**

	JURISDICTION	TOTAL	LI	2020 HUs	%LI
1	Industry city	17	4	68	5.88%
2	Vernon city	9	4	76	5.26%
3	Los Angeles city	455,577	68,593	1,517,755	4.52%
4	Unincorp. Los Angeles Co.	89,842	13,661	311,204	4.39%
5	Rosemead city	4,601	636	15,059	4.22%
6	San Fernando city	1,791	273	6,598	4.14%
7	Beverly Hills city	3,096	678	16,443	4.12%
8	South Gate city	8,263	991	24,540	4.04%
9	Monterey Park city	5,245	820	21,155	3.88%
10	Artesia city	1,067	168	4,731	3.55%
11	South Pasadena city	2,062	397	11,183	3.55%
12	Montebello city	5,174	705	20,051	3.52%
13	Gardena city	5,721	759	21,982	3.45%

**TABLE 3
PERCENT OF VERY LOW INCOME ALLOCATION TO 2020 HOUSING UNITS**

	JURISDICTION	TOTAL RHNA	VLI	2020 HUs	%VLI
1	Industry city	17	6	68	8.82%
2	Irwindale city	118	36	410	8.78%
3	South Gate city	8,263	2,131	24,540	8.68%
4	Unincorp. Los Angeles Co.	89,842	25,582	311,204	8.22%
5	Rosemead city	4,601	1,151	15,059	7.64%
6	Los Angeles city	455,577	115,680	1,517,755	7.62%
7	Lawndale city	2,491	730	10,171	7.18%
8	San Fernando city	1,791	460	6,598	6.97%
9	South Pasadena city	2,062	755	11,183	6.75%
10	Gardena city	5,721	1,481	21,982	6.74%

Objective 4 states the regional housing needs allocation plan shall “Allocat[e] 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.” Additionally, the intent of Objective 5 is to affirmatively further fair housing, which means “taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.” The proposed RHNA allocation for Gardena does not fulfill these objective because Gardena’s share of RHNA is disproportionately higher than other cities in the South Bay region. Out of 15 cities, Gardena has the third highest proportion of very low income percentage (29%), the fourth highest percentage of minority population (90.3%), the third highest percentage living below the poverty line (15%), the highest percentage of RHNA units per housing units (HUs), and the second highest allocation in terms of RHNA units per square mile (970 units per square mile) as shown in Table 4.

**TABLE 4
SOUTH BAY CITIES**

City	6th RHNA	Existing %VLI Pop ³	% Minority Pop ³	% Living Below Poverty ⁴	Housing Units (2018) ⁵	RHNA% ⁶	Size (sq. mi.) ⁷	RHNA/ Sq. Mi.
Gardena	5,721	29%	90.3%	14.9%	21,441	26.7%	5.8	970
Carson	5,605	18%	92.7%	10.3%	26,113	21.5%	18.7	295
El Segundo	491	13%	36.0%	7.8%	6,975	7.0%	5.5	45
Hawthorne	1,731	30%	90.5%	15.6%	30,656	5.6%	6.1	284
Hermosa Beach	556	9%	22.8%	5.3%	10,049	5.5%	1.4	397
Inglewood	7,422	32%	96.0%	18.5%	38,354	19.4%	9.1	816
Lawndale	2,492	22%	85.0%	13.9%	10,372	24.0%	2.0	1,246
Lomita	827	23%	59.1%	11.7%	8,431	9.8%	1.9	435
Manhattan Beach	773	8%	25.7%	3.3%	15,363	5.0%	3.9	198
Redondo Beach	2,483	13%	39.6%	4.5%	29,979	8.3%	6.2	401
Torrance	4,928	17%	61.8%	7.0%	58,283	8.5%	20.5	240
Rolling Hills	44	7%	28.8%	1.6%	712	6.2%	3.0	15
Rolling Hills Estates	191	7%	44.6%	3.7%	3,134	6.1%	3.6	53
Palos Verdes Estates	198	9%	34.4%	5.4%	5,442	3.6%	4.8	41
Rancho Palos Verdes	638	11%	47.7%	4.2%	16,777	3.8%	13.5	47

The only way Gardena could accommodate the allocation is by placing a housing overlay on commercial and industrial zones. City staff has made an initial assessment of areas likely to be available and redeveloped with housing and determined that there are approximately 88 acres. However, not only would this further increase the City’s jobs-housing imbalance and create a loss in revenue, but it would place high density housing in some of the most poverty stricken census tracts as shown in Attachment B. Furthermore, even if every parcel identified were

³ ACS 2018, Table DP05 (5-year estimates); %VLI is the percentage of very low income persons
⁴ ACS 2018, Table S1701 (5-year estimates)
⁵ ACS 2018, Table DP04 (5-year estimates)
⁶ RHNA% is the percentage of total RHNA divided by the number of HUs in 2018
⁷ Census QuickFacts. <https://www.census.gov/quickfacts/fact/table/gardenacitycalifornia/PST045219>

to be in a housing overlay, it would have to accommodate a density of approximately 65 units per acre to meet the RHNA allocation of 5,721 dwelling units. The largest concentration of suitable properties is located in Census Tract 6029, which already has a high concentration of people living below the poverty line (21.6%) and a high concentration of Hispanics (74%). This area is predominantly industrial so rezoning would create land use incompatibility, a decrease in revenue, a loss in jobs, and a worsening jobs-housing imbalance. It would also place high density housing in some of the most poverty stricken census tracts in the City. The City is already considered jobs-poor with 1.08 jobs per housing unit and Gardena’s ratio of low wage jobs to affordable units is also low at 0.60. We are wondering what makes Gardena more “special” compared to other South Bay cities? Why concentrate more lower income residents in Gardena?

According to Table 5 below, if RHNA allocation is proportional to population then Gardena has the highest RHNA allocation out of all South Bay cities. As demonstrated, if Gardena’s population is used as a baseline comparison, then proportionally all other South Bay cities would have a much higher RHNA allocation, so much so that the region could be allocated an additional 33,871 units. Although it is not Gardena’s intent to further burden neighboring cities, there is a fairness issue that must be addressed and other cities should be expected to carry at least a proportional share of new housing.

**TABLE 5
PROPORTIONAL RHNA FOR SOUTH BAY CITIES
BASED ON GARDENA’S ALLOCATION**

City	Pop	% pop of Gardena	City SCAG Proposed 6th RHNA	Proportional City 6th RHNA Based on Population	RHNA from Proportionally Fair Allocation
Carson	93,604	153.34%	5,605	8,773	3,168
Lawndale	33,436	54.78%	2,491	3,134	643
Gardena	61,042	100.00%	5,721	5,721	0
Hawthorne	87,854	143.92%	1,731	8,234	6,503
Redondo Beach	67,412	110.44%	2,483	6,318	3,835
El Segundo	16,719	27.39%	491	1,567	1,076
Manhattan Beach	35,532	58.21%	773	3,330	2,557
Hermosa Beach	19,465	31.89%	556	1,824	1,268
RPV	41,928	68.69%	638	3,930	3,292
Torrance	145,182	237.84%	4,928	13,607	8,679
Lomita	20,521	33.62%	827	1,923	1,096
Palos Verdes Est	13,404	21.96%	198	1,256	1,058
Rolling Hills	1,874	3.07%	44	176	132
Rolling Hills Est	8,066	13.21%	191	756	565
Total additional units that could have been allocated to the South Bay if fair share were proportional to Gardena’ population					33,871

The City of Gardena is requesting consideration of a reduction to its 6th RHNA cycle allocation in an effort to ensure that the City is in a position to reasonably attain the objectives of Government Code Section 65584. **We are requesting a reduction of 1,144 units (20%) to bring the total RHNA to 4,577 units.** This would be more in line with the allocations given to the neighboring cities of Carson, Lawndale, and Inglewood in terms of the ratio of RHNA to housing units (21.63% average), and the 15% average for cities with a comparable housing of 20,000 to 25,000 units. The City is committed to preparing a Housing Element that meets the State’s need but also creates a positive environment that fits with the community. The City aims to promote an increase in its housing

supply and diversification in the type of housing availability throughout the City; however, the limitations of a built-out community is an obstacle that makes achieving the proposed allocation unobtainable.

One goal of Government Code Section 65584 is to promote infill and socioeconomic equity in Housing Element Updates. This is something that the City of Gardena supports and seeks to attain. However, the City’s goal is not only to promote quality housing that incorporates a mix of housing types, but to also look at long-term factors that affect its residents, current and future, in the built environment. In this regard, new housing development affects the quality of life for all residents and that is why it is important to have a fair allocation dispersal in the South Bay region.

The City of Gardena’s existing constraints and the adoption of several new housing bills (SB35, SB166, AB1397) make it very challenging to successfully update the Housing Element. . The no net loss rules will make it almost impossible for the City to find additional land to rezone if a developer does not propose affordable housing on low-income sites. The City is committed to promoting the development of a mix of housing units throughout the community to satisfy its share of the regional growth, but idealistically allocating an unobtainable number while unfairly distributing housing units in the South Bay region is unrealistic and bound for failure.

In the prior RHNA cycle, the City promoted infill and mixed use development and worked with developers to permit numerous residential developments throughout the last eight year cycle. These developments were a result of the City’s efforts of rezoning properties to allow for residential development and working with developers to streamline the process. Gardena has made every effort to accommodate new housing to support the region and will continue to do so into the next RHNA cycle. However, the City is requesting consideration to reduce its allocation so that the City can develop an attainable plan that promotes quality housing development throughout the City.

Thank you for your consideration of this matter. Without approval of this appeal, the City of Gardena will be burdened with an unrealistic and unobtainable RHNA obligation that would make it very difficult if not impossible to adopt a Housing Element that is in compliance with State goals and policies. We urge the RHNA Appeals Board to take quick action on this matter to ensure fairness in the allocation of housing units in the SCAG region.

Sincerely,

Clint Osorio
City Manager

Attachments:

- A. Table – RHNA vs. Housing Units with City Size
- B. Map – Gardena Census Tracts Showing Poverty Level and Minority Population
- C. Letter from Mayor Tasha Cerda to SCAG dated November 5, 2019

cc: Raymond Barragan, Community Development Director
John F. Signo, AICP, Senior Planner
Amanda Acuna, Senior Planner
Lisa Kranitz, Assistant City Attorney

**RHNA vs. Housing Units with City Size
Attachment A**

Jurisdiction	County	Total	VL	L	M	AM	2020 HUs	RHNA%	City Size in Sq. Miles*
Coachella city	Riverside	7,867	1,030	997	1,364	4,476	10,631	74.0%	30.08
Calimesa city	Riverside	2,013	494	275	378	866	4,269	47.2%	14.86
Calexico city	Imperial	4,856	1,276	653	612	2,315	10,898	44.6%	8.62
Ontario city	San Bernardino	20,805	5,625	3,279	3,322	8,579	51,283	40.6%	50
Perris city	Riverside	7,786	2,025	1,124	1,271	3,366	19,476	40.0%	31.68
Garden Grove city	Orange	19,122	4,155	2,795	3,204	8,968	48,257	39.6%	17.98
Adelanto city	San Bernardino	3,756	394	565	650	2,147	9,593	39.2%	52.88
Buena Park city	Orange	8,899	2,114	1,340	1,570	3,875	25,134	35.4%	10.56
Lake Elsinore city	Riverside	6,666	1,874	1,097	1,131	2,564	18,946	35.2%	43.51
Westminster city	Orange	9,737	1,876	1,470	1,781	4,610	28,002	34.8%	8.29
South Gate city	Los Angeles	8,263	2,131	991	1,171	3,970	24,540	33.7%	7.35
Desert Hot Springs city	Riverside	3,865	568	534	687	2,076	11,677	33.1%	30.61
Colton city	San Bernardino	5,420	1,314	666	904	2,536	16,581	32.7%	16.05
Fontana city	San Bernardino	17,477	5,096	2,943	3,029	6,409	55,093	31.7%	43.07
Rosemead city	Los Angeles	4,601	1,151	636	685	2,129	15,059	30.6%	5.174
Unincorporated Imperial Co.	Imperial	4,292	1,200	595	579	1,918	14,152	30.3%	
Los Angeles city	Los Angeles	455,577	115,680	68,593	74,936	196,368	1,517,755	30.0%	503
Rialto city	San Bernardino	8,252	2,212	1,203	1,368	3,469	27,595	29.9%	24.1
Unincorporated Los Angeles Co.	Los Angeles	89,842	25,582	13,661	14,151	36,448	311,204	28.9%	
Irwindale city	Los Angeles	118	36	11	16	55	410	28.8%	9.606
El Monte city	Los Angeles	8,481	1,792	851	1,230	4,608	29,588	28.7%	9.65
Unincorporated Riverside Co.	Riverside	40,768	10,399	6,648	7,371	16,350	143,000	28.5%	
Chino city	San Bernardino	6,961	2,107	1,281	1,201	2,372	25,621	27.2%	29.73
San Fernando city	Los Angeles	1,791	460	273	283	775	6,598	27.1%	2.37
Hesperia city	San Bernardino	8,135	1,916	1,228	1,406	3,585	30,152	27.0%	72.78
Costa Mesa city	Orange	11,733	2,912	1,790	2,084	4,947	43,532	27.0%	15.81
Fullerton city	Orange	13,180	3,190	1,985	2,267	5,738	49,764	26.5%	22.44
Gardena city	Los Angeles	5,721	1,481	759	892	2,589	21,982	26.0%	5.87
Montebello city	Los Angeles	5,174	1,311	705	775	2,383	20,051	25.8%	
Imperial city	Imperial	1,597	702	345	294	256	6,196	25.8%	
Placentia city	Orange	4,365	1,228	679	769	1,689	17,184	25.4%	
Pomona city	Los Angeles	10,534	2,792	1,336	1,507	4,899	41,822	25.2%	
Industry city	Los Angeles	17	6	4	2	5	68	25.0%	
Fountain Valley city	Orange	4,827	1,304	784	832	1,907	19,363	24.9%	
Beaumont city	Riverside	4,202	1,226	720	722	1,534	16,909	24.9%	
Monterey Park city	Los Angeles	5,245	1,321	820	846	2,258	21,155	24.8%	
Montclair city	San Bernardino	2,586	696	382	398	1,110	10,548	24.5%	
Lawndale city	Los Angeles	2,491	730	310	370	1,081	10,171	24.5%	
Unincorporated Orange Co.	Orange	10,381	3,131	1,862	2,035	3,353	42,433	24.5%	
Indio city	Riverside	7,793	1,788	1,167	1,312	3,526	32,539	23.9%	
Tustin city	Orange	6,765	1,720	1,043	1,129	2,873	28,257	23.9%	
Moreno Valley city	Riverside	13,596	3,769	2,047	2,161	5,619	57,523	23.6%	
Cypress city	Orange	3,927	1,147	656	622	1,502	16,631	23.6%	
Wildomar city	Riverside	2,709	796	449	433	1,031	11,584	23.4%	
El Centro city	Imperial	3,433	998	489	461	1,485	14,746	23.3%	
Pico Rivera city	Los Angeles	3,939	1,149	562	572	1,656	17,173	22.9%	
Artesia city	Los Angeles	1,067	311	168	128	460	4,731	22.6%	
San Gabriel city	Los Angeles	3,017	844	415	465	1,293	13,564	22.2%	
Irvine city	Orange	23,554	6,379	4,225	4,299	8,651	108,822	21.6%	
Alhambra city	Los Angeles	6,808	1,769	1,033	1,077	2,929	31,865	21.4%	
Victorville city	San Bernardino	8,146	1,731	1,134	1,500	3,781	38,297	21.3%	
San Jacinto city	Riverside	3,385	798	464	559	1,564	15,944	21.2%	
Carson city	Los Angeles	5,605	1,766	911	873	2,055	26,451	21.2%	
Loma Linda city	San Bernardino	2,048	522	311	352	863	9,853	20.8%	
Upland city	San Bernardino	5,673	1,580	957	1,011	2,125	28,000	20.3%	
Burbank city	Los Angeles	8,751	2,546	1,415	1,406	3,384	44,978	19.5%	
La Puente city	Los Angeles	1,924	542	275	274	833	9,889	19.5%	
Inglewood city	Los Angeles	7,422	1,808	953	1,110	3,551	38,688	19.2%	
Beverly Hills city	Los Angeles	3,096	1,005	678	601	812	16,443	18.8%	
Culver City city	Los Angeles	3,333	1,105	603	559	1,066	17,819	18.7%	
Menifee city	Riverside	6,594	1,756	1,049	1,104	2,685	35,675	18.5%	
South Pasadena city	Los Angeles	2,062	755	397	333	577	11,183	18.4%	
Downey city	Los Angeles	6,510	2,074	944	913	2,579	35,838	18.2%	

* Not all city sizes are included; only those with RHNA% greater than Gardena's
Highlighted cities are located in the South Bay area
Table sorted from highest to lowest based on RHNA%

RHNA vs. Housing Units with City Size

Riverside city	Riverside	18,415	4,849	3,057	3,133	7,376	101,414	18.2%
Azusa city	Los Angeles	2,646	759	367	382	1,138	14,651	18.1%
Hemet city	Riverside	6,450	810	730	1,171	3,739	36,067	17.9%
Norwalk city	Los Angeles	5,022	1,542	757	657	2,066	28,135	17.8%
Eastvale City	Riverside	3,022	1,142	671	634	575	17,067	17.7%
Rancho Cucamonga city	San Bernardino	10,501	3,237	1,916	2,033	3,315		17.7%
							59,440	
Temple City city	Los Angeles	2,182	628	350	369	835	12,369	17.6%
Laguna Hills city	Orange	1,980	566	353	353	708	11,298	17.5%
Los Alamitos city	Orange	767	193	118	145	311	4,414	17.4%
Santa Fe Springs city	Los Angeles	950	252	159	152	387	5,514	17.2%
Santa Monica city	Los Angeles	8,873	2,787	1,668	1,698	2,720	52,629	16.9%
Lancaster city	Los Angeles	9,002	2,218	1,192	1,325	4,267	53,397	16.9%
Brawley city	Imperial	1,423	398	210	202	613	8,538	16.7%
Glendale city	Los Angeles	13,393	3,430	2,158	2,244	5,561	81,019	16.5%
West Covina city	Los Angeles	5,334	1,649	848	863	1,974	32,919	16.2%
Huntington Beach city	Orange	13,337	3,652	2,179	2,303	5,203	82,501	16.2%
Apple Valley town	San Bernardino	4,280	1,083	599	745	1,853		15.8%
							27,077	
Anaheim city	Orange	17,411	3,757	2,391	2,939	8,324	110,745	15.7%
Barstow city	San Bernardino	1,516	172	227	299	818		15.7%
							9,645	
Jurupa Valley City	Riverside	4,485	1,204	747	729	1,805	28,735	15.6%
La Palma city	Orange	800	223	140	137	300	5,240	15.3%
West Hollywood city	Los Angeles	3,924	1,063	687	681	1,493	25,853	15.2%
Oxnard city	Ventura	8,528	1,835	1,068	1,535	4,090	56,240	15.2%
Arcadia city	Los Angeles	3,206	1,099	569	604	934	21,237	15.1%
Pasadena city	Los Angeles	9,408	2,740	1,659	1,562	3,447	62,753	15.0%
Highland city	San Bernardino	2,508	618	408	470	1,012		14.9%
							16,845	
Long Beach city	Los Angeles	26,440	7,123	4,038	4,149	11,130	177,783	14.9%
Bellflower city	Los Angeles	3,726	1,012	487	552	1,675	25,097	14.8%
Villa Park city	Orange	296	93	60	61	82	2,031	14.6%
Chino Hills city	San Bernardino	3,720	1,384	819	787	730		14.4%
							25,850	
Walnut city	Los Angeles	1,292	426	225	231	410	9,061	14.3%
Lakewood city	Los Angeles	3,914	1,293	636	652	1,333	27,598	14.2%
Yucaipa city	San Bernardino	2,859	706	492	509	1,152		14.1%
							20,339	
Palmdale city	Los Angeles	6,625	1,773	933	1,002	2,917	47,251	14.0%
Brea city	Orange	2,360	667	393	402	898	16,911	14.0%
Banning city	Riverside	1,668	316	192	279	881	12,156	13.7%
Claremont city	Los Angeles	1,707	554	309	297	547	12,521	13.6%
Calipatria city	Imperial	151	36	21	16	78	1,122	13.5%
Diamond Bar city	Los Angeles	2,516	842	433	436	805	18,800	13.4%
Grand Terrace city	San Bernardino	628	188	92	106	242		13.3%
							4,727	
Santa Clarita city	Los Angeles	10,008	3,389	1,730	1,668	3,221	77,008	13.0%
Redlands city	San Bernardino	3,507	964	614	650	1,279		12.9%
							27,129	
La Mirada city	Los Angeles	1,957	633	341	319	664	15,175	12.9%
San Bernardino city	San Bernardino	8,104	1,411	1,095	1,445	4,153		12.3%
							65,654	
Glendora city	Los Angeles	2,270	733	385	387	765	18,488	12.3%
Corona city	Riverside	6,075	1,748	1,038	1,094	2,195	49,941	12.2%
San Buenaventura (Ventura) city	Ventura	5,300	1,184	863	948	2,305	43,784	12.1%
Duarte city	Los Angeles	886	268	144	137	337	7,360	12.0%
Cathedral City city	Riverside	2,542	538	352	456	1,196	21,447	11.9%
Vernon city	Los Angeles	9	5	4	-	-	76	11.8%
Rancho Mirage city	Riverside	1,741	429	317	327	668	14,788	11.8%
Cerritos city	Los Angeles	1,903	678	344	331	550	16,204	11.7%
Whittier city	Los Angeles	3,431	1,022	536	555	1,318	29,721	11.5%
South El Monte city	Los Angeles	576	131	64	70	311	5,012	11.5%
Temecula city	Riverside	4,183	1,355	799	777	1,252	36,550	11.4%
Covina city	Los Angeles	1,905	612	267	281	745	16,820	11.3%
Moorpark city	Ventura	1,288	377	233	245	433	11,415	11.3%
Signal Hill city	Los Angeles	516	160	78	90	188	4,631	11.1%
Baldwin Park city	Los Angeles	1,996	574	275	262	885	18,048	11.1%
Monrovia city	Los Angeles	1,665	518	261	253	633	15,084	11.0%
La Verne city	Los Angeles	1,343	413	238	223	469	12,211	11.0%
Twentynine Palms city	San Bernardino	1,044	230	127	184	503		10.8%
							9,681	
Newport Beach city	Orange	4,834	1,453	928	1,048	1,405	45,060	10.7%
Stanton city	Orange	1,227	164	144	231	688	11,448	10.7%
Lake Forest city	Orange	3,228	954	541	558	1,175	30,244	10.7%

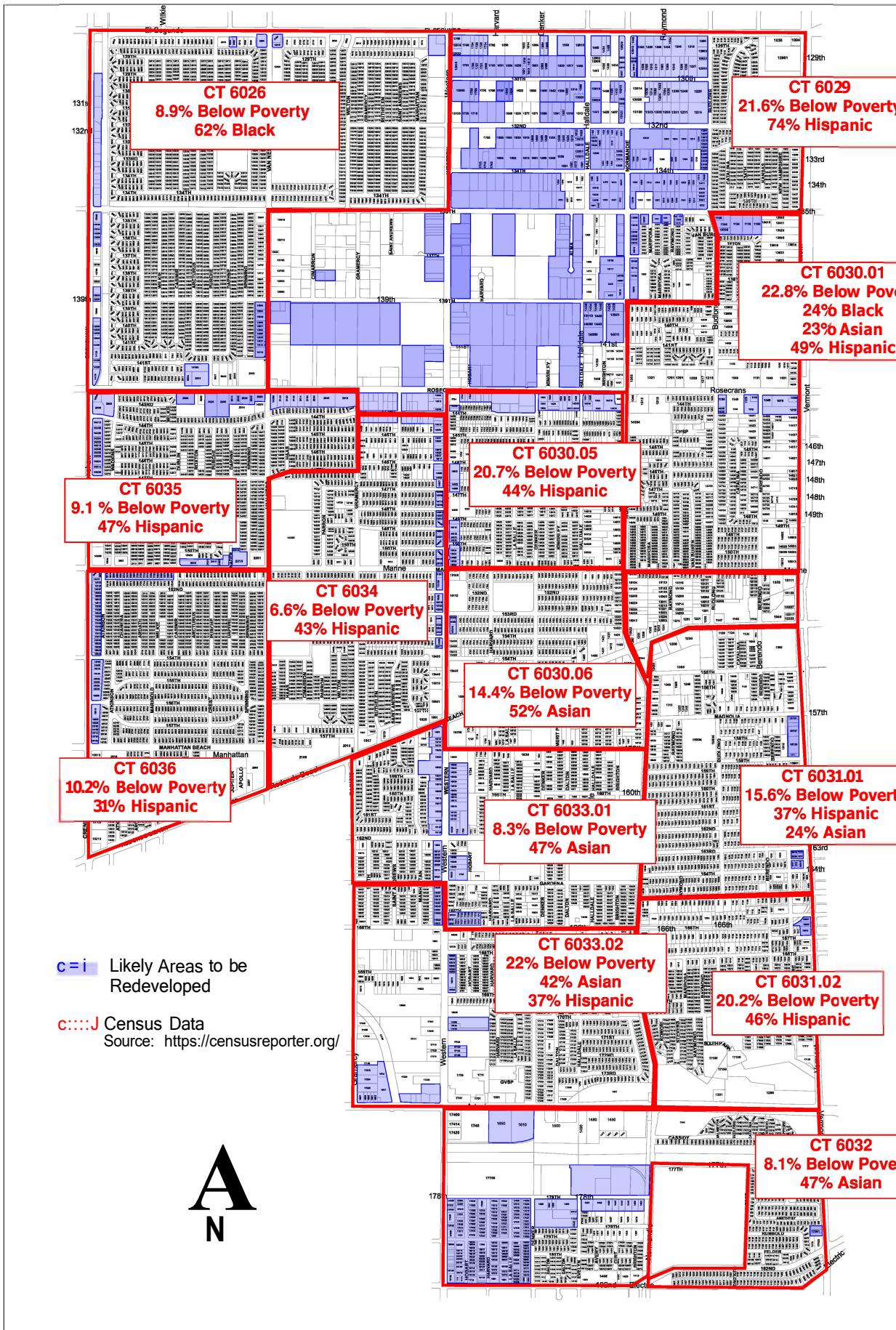
Attachment: Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Gardena)

RHNA vs. Housing Units with City Size

Huntington Park city	Los Angeles	1,601	263	196	242	900	15,228	10.5%
Lynwood city	Los Angeles	1,555	376	139	235	805	15,341	10.1%
Yorba Linda city	Orange	2,411	763	450	457	741	23,795	10.1%
Bradbury city	Los Angeles	41	16	9	9	7	408	10.0%
San Dimas city	Los Angeles	1,245	383	219	206	437	12,803	9.7%
Lomita city	Los Angeles	827	238	124	127	338	8,509	9.7%
La Habra Heights city	Los Angeles	172	78	35	31	28	1,900	9.1%
Blythe city	Riverside	493	82	71	96	244	5,469	9.0%
Hawaiian Gardens city	Los Angeles	331	61	44	46	180	3,724	8.9%
Fillmore city	Ventura	413	72	61	72	208	4,664	8.9%
San Marino city	Los Angeles	397	149	91	91	66	4,501	8.8%
Holtville city	Imperial	171	41	33	26	71	1,982	8.6%
La Cañada Flintridge city	Los Angeles	610	251	135	139	85	7,116	8.6%
Seal Beach city	Orange	1,239	257	201	238	543	14,535	8.5%
Orange city	Orange	3,927	1,064	603	676	1,584	46,079	8.5%
Torrance city	Los Angeles	4,928	1,617	845	851	1,615	58,591	8.4%
San Juan Capistrano city	Orange	1,051	269	172	183	427	12,558	8.4%
Murrieta city	Riverside	3,034	1,006	581	543	904	37,363	8.1%
Redondo Beach city	Los Angeles	2,483	933	507	489	554	30,892	8.0%
Yucca Valley town	San Bernardino	748	155	116	145	332		7.6%
							9,779	
Laguna Woods city	Orange	993	126	135	191	541	13,079	7.6%
Santa Paula city	Ventura	656	102	99	121	334	9,050	7.2%
Palm Desert city	Riverside	2,783	673	459	460	1,191	38,677	7.2%
Commerce city	Los Angeles	246	55	22	38	131	3,468	7.1%
Palm Springs city	Riverside	2,552	544	407	461	1,140	36,012	7.1%
Indian Wells city	Riverside	382	117	81	91	93	5,395	7.1%
Cudahy city	Los Angeles	392	80	36	53	223	5,780	6.8%
El Segundo city	Los Angeles	491	189	88	83	131	7,463	6.6%
Unincorporated San Bernardino Co.	San Bernardino	8,813	2,174	1,357	1,520	3,762		6.5%
							135,075	
Simi Valley city	Ventura	2,786	747	492	517	1,030	43,469	6.4%
Hidden Hills city	Los Angeles	40	17	8	9	6	632	6.3%
Mission Viejo city	Orange	2,211	672	400	396	743	34,959	6.3%
Rolling Hills city	Los Angeles	45	20	9	11	5	719	6.3%
Norco city	Riverside	454	145	85	82	142	7,329	6.2%
La Quinta city	Riverside	1,526	419	268	296	543	24,957	6.1%
Rolling Hills Estates city	Los Angeles	191	82	42	38	29	3,129	6.1%
Aliso Viejo city	Orange	1,193	389	214	205	385	20,192	5.9%
Hawthorne city	Los Angeles	1,731	444	204	249	834	30,634	5.7%
Hermosa Beach city	Los Angeles	556	231	127	105	93	10,092	5.5%
Thousand Oaks city	Ventura	2,615	733	493	531	858	48,159	5.4%
Maywood city	Los Angeles	363	54	47	55	207	6,768	5.4%
Manhattan Beach city	Los Angeles	773	322	164	155	132	15,032	5.1%
Bell Gardens city	Los Angeles	501	99	29	72	301	10,012	5.0%
Camarillo city	Ventura	1,373	352	244	270	507	27,789	4.9%
Westmorland city	Imperial	33	8	6	4	15	677	4.9%
Laguna Niguel city	Orange	1,204	347	201	223	433	26,236	4.6%
Westlake Village city	Los Angeles	142	58	29	32	23	3,371	4.2%
Agoura Hills city	Los Angeles	318	127	72	55	64	7,639	4.2%
Compton city	Los Angeles	1,001	235	121	130	515	24,637	4.1%
Sierra Madre city	Los Angeles	204	79	39	35	51	5,126	4.0%
Rancho Santa Margarita city	Orange	680	209	120	125	226	17,346	3.9%
Santa Ana city	Orange	3,087	584	361	522	1,620	78,761	3.9%
Rancho Palos Verdes city	Los Angeles	638	253	139	125	121	16,334	3.9%
La Habra city	Orange	803	192	116	130	365	20,838	3.9%
Calabasas city	Los Angeles	353	131	71	70	81	9,230	3.8%
Palos Verdes Estates city	Los Angeles	198	82	44	47	25	5,300	3.7%
San Clemente city	Orange	978	281	163	187	347	26,573	3.7%
Unincorporated Ventura Co.	Ventura	1,259	318	225	249	467	34,875	3.6%
Dana Point city	Orange	530	147	84	101	198	16,172	3.3%
Needles city	San Bernardino	87	10	11	16	50		3.0%
							2,873	
Laguna Beach city	Orange	393	117	80	79	117	13,027	3.0%
Canyon Lake city	Riverside	128	43	24	24	37	4,584	2.8%
Paramount city	Los Angeles	362	91	43	48	180	14,710	2.5%
Bell city	Los Angeles	228	43	23	29	133	9,298	2.5%
Big Bear Lake city	San Bernardino	212	50	33	37	92		2.1%
							9,950	
Ojai city	Ventura	53	13	9	10	21	3,481	1.5%
Port Hueneme city	Ventura	125	26	16	18	65	8,284	1.5%
Malibu city	Los Angeles	78	27	19	17	15	6,441	1.2%
Avalon city	Los Angeles	27	8	5	3	11	2,296	1.2%

* Not all city sizes are included; only those with RHNA% greater than Gardena's
 Highlighted cities are located in the South Bay area
 Table sorted from highest to lowest based on RHNA%

Gardena Census Tracts Showing Poverty Level and Minority Population



Attachment: Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Gardena)



Attachment C

OFFICE of the MAYOR

1700 WEST 162nd STREET / GARDENA, CALIFORNIA 90247-3732 / WWW.CITYOFGARDENA.ORG / PHONE (310) 217-9507

November 5, 2019

SUBJECT: SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS, REGIONAL HOUSING NEEDS ASSESSMENT METHODOLOGY/ALLOCATION TO THE CITY OF GARDENA

Dear SCAG Members:

The Southern California Association of Governments (SCAG) is scheduled to take a vote on the Draft allocation methodology for the Regional Housing Needs Assessment (RHNA) this Thursday, November 7, 2019. Gardena has received a copy of the letter from Los Angeles City Councilmember David Ryu to SCAG regarding this methodology. Gardena would like to go on record as being in support of Councilman Ryu's objections.

The problems outlined by Councilmember Ryu could not be more apt for the City of Gardena. Specifically, the City of Gardena currently has a population of 61,042 and 21,873 housing units. The City's population grew 3.8 percent and the housing stock increased 1.9 percent over the past nine years. Gardena is among the denser communities within the South Bay subregion, based on population per square mile. According to SCAG's data profile, Gardena has a median household income of approximately \$50,807, which is \$10,000 below Los Angeles County and \$14,000 below the SCAG region in general.

Gardena is part of the South Bay Cities COG and has been assigned draft RHNA numbers that far exceed most of the other cities in the COG's jurisdiction (see attached table). Only three cities (Carson, Gardena, and Inglewood) in the region have been required to accommodate for double-digit growth. Gardena and Inglewood are among the densest and lowest income communities in the South Bay. The combined effect of allocating Gardena a large RHNA obligation and our existing concentration of low-income households would further exacerbate the current inequalities in access to opportunities, contradictory to the Housing Element principle to affirmatively furthering fair housing. Therefore, we strongly support Councilman Ryu's recommendation on the social equity adjustment to redistribute the RHNA allocations across different jurisdictions rather than within them.

Based on the draft RHNA numbers, SCAG's methodology requires Gardena to increase its housing stock by almost 17 percent over eight years, more than 800 percent compared to past trends. Gardena does not believe that this is realistic given the size of the City and the limited amount of land available for future growth. Such a scale of growth allocation to the City would trigger significant displacement and gentrification of existing neighborhoods and residents, many of whom are lower income and would have limited financial means to relocate to another community.

As an older and established community, our infrastructure systems are not capable of handling such growth in the foreseeable future. We urge that SCAG consider a methodology that would recognize the existing density, concentration of low-income households, and jobs/housing imbalances.

Sincerely,

TASHA CERDA

Mayor

Attachment

c: Members of Gardena City Council
City Manager; Community Development Director

TASHA CERDA, Mayor / ART KASKANIAN, Mayor Pro Tem

MARK E. HENDERSON, Councilmember / DAN MEDINA, Councilmember / RODNEY G. TANAKA, Councilmember

MINA SEMENZA, City Clerk / J. INGRID TSUKIYAMA, City Treasurer / CLINT OSORIO, Interim City Manager / PETER L. WALLIN, City Attorney

Attachment: Attachment 2_Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Gardena)

LOCAL PROFILES

prepared in 2019 by

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

City	Very Low	Low	Moderate	Above Mod.	Total	Existing Housing Units - 2018	Percent Increase from 2018	Existing Pop. - 2018	City Size - in square miles	Density Per Square Mile - 2018	Median Income - 2018
Gardena	955	486	567	1,633	3,641	21,873	16.6%	61,246	5.85	10,505	\$50,807
Carson	1446	740	705	1646	4,536	26,289	17.25%	93,799	18.97	5,011	\$75,517
El Segundo	99	46	43	68	255	7,433	3.43%	16,784	5.46	3,074	\$92,942
Hawthorne	450	205	248	828	1,731	30,556	5.66%	88,772	6.09	14,601	\$47,636
Hermosa Beach	140	76	63	56	334	10,026	3.33%	19,673	1.42	13,757	\$124,849
Inglewood	1833	958	1,109	3,521	7,422	38,655	19.2%	113,559	9.09	12,520	\$46,389
Lawndale	289	122	144	418	973	10,162	9.57%	33,607	1.97	17,059	\$54,862
Lomita	133	69	70	186	458	8,489	5.39%	20,715	1.91	10,846	\$62,353
Manhattan Beach	43	22	21	18	103	15,059	.68%	35,991	3.94	9,135	\$148,899
Palos Verdes Estates*	82	44	48	26	200	5,052	3.95%	13,712	4.77	2,874	\$154,391
Rancho Palos Verdes	37	20	18	18	93	16,317	.57%	42,723	4.8	3,172	\$124,552
Redondo Beach	838	452	433	488	2,212	30,728	7.19%	68,77	6.21	11,077	\$104,548
Rolling Hills	21	9	11	7	48	719	6.67%	1,939	2.99	648	\$206,932
Rolling Hills Estates	84	43	39	30	196	3,101	6.32%	8,111	3.61	2,272	\$131,471
Torrance	850	441	441	831	2,563	58,527	4.38%	149,245	20.55	7,287	\$85,070

*Palos Verdes Estates information from 2016

Data Input and Verification Form
Bottom-Up Local Input and Envisioning Process
2020 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

Date: 27 SEPT 2018

Page 1

A - Contact & Background Information

This Represents Communication: _____ From the Jurisdiction of GARDENA to SCAG

Jurisdiction Contact Person: RAYMOND BARRAGAN
 Position: COM. DEV. MANAGER
 Email: RBARRAGAN@CITYOFGARDENA.ORG
 Phone: 626-217-9546

Background Information:
 I am my Jurisdiction's City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (submitting on behalf of a jurisdiction's governing body)
 I am a staff person from a local jurisdiction, submitting input under supervision of one of the persons identified above (see appropriate signature below)

Additional Background, if any, based upon Previous Communications: _____

B - Action Items

We are seeking to (select all that apply):

Submit to SCAG:
 Provide Input on SCAG's Core Geographic Data
 Provide Input on SCAG's Core Demographic Data
 Provide Input on Supplemental Data Elements

Other, please specify _____

C - Data Type

With Relation to SCAG's:

Core Geographic Data:
 General Plan Land Use
 Zoning
 Existing Land Use
 Specific Plan Land Use
 Endangered Species and Plants*
 Open Space and Parks*
 Flood Areas*
 Natural Community and Habitat Conservation Plans*
 Farmland*
 Coastal Inundation (Sea Level Rise)*
 Major Stops and High Quality Transit Corridors*
 Transit Priority Areas*
 Regional Bikeways
 Regional Truck Routes
 City Boundary*
 Sphere of Influence*
 Census Tracts**
 Transportation Analysis Zone (TAZ) Boundaries**
 Entitlements
 Potential Infill Sites

Core Demographic Data:
 Population
 Households
 Employment
 Year:
 2016
 2020
 2030 (Input needed at jurisdictional level only)
 2035
 2045
 Geographic Level:
 Jurisdictional Level
 Transportation Analysis Zone (TAZ)
 Other Geographic Level (Please Specify): _____

Supplemental Data Elements (available for review June 2018):
 Zoning Overlay Areas
 Community Design Overlays
 Community Land Trusts
 Historic Preservation Areas
 Bike Sharing Facilities
 Bike Stations
 Car-Sharing Parking Sites
 Joint Public/Private Developments for Affordable Housing
 Areas with Reduced Parking Minimums and Maximums
 Corridor Plans
 Special Districts
 Bike/Ped Volume Data***
 Ped Trails/Sidewalk Data***
 Public Health Data***


* These data elements are maintained by local, state, or federal entities, and SCAG will forward input received from jurisdictions to the appropriate source
 ** These data elements are being provided as reference information as they are not open to revision (TAZ Boundaries and Census Tracts)

*** For these elements, SCAG is looking to obtain any available data; local review not needed

Attachment: Attachment 3_Data Input and Verification Form (City of Gardena) (Appeal of the Draft RHNA Allocation for the City of Gardena)

Input on SCAG's Core Geographic Data (select all that apply):

- We have reviewed the selected Core Geographic Data and verify their accuracy
- We cannot verify the accuracy of certain data items at this time and would like to suggest the revisions described above

X 
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body))

Input on SCAG's Core Demographic Data (select all that apply):


- We have reviewed SCAG's Jurisdictional Level Demographic Data and can provide official approval
- We have reviewed SCAG's Tier 2 TAZ Demographic Data and can provide official approval
- We cannot provide official approval at this time, and would like to suggest revisions to the jurisdictional-level figures listed below with the following considerations (please select a reason and provide comments below. Optionally, documentation can also be submitted to SCAG)

- Infrastructure Capacity (e.g. sewer or water capacity)
- Available Land Capacity
- Special Housing Needs (e.g. farmworkers, student dormitories, etc.)
- Market Conditions (e.g. high number of residential vacancies)
- Historical Trends (e.g. Census and/or historical data)
- Economic Constraints (e.g. retail center closure)
- Other Factors (please specify)**** _____

	2016	2020	2030	2035	2045
Population					
Households					
Employment					

- We cannot provide official approval at this time, and would like to suggest revisions to the TAZ-level figures with the following considerations (please submit TAZ-level figures as an attachment to this form, select a reason, and provide comments below. Optionally, documentation can also be submitted to SCAG)


- Infrastructure Capacity (e.g. sewer or water capacity)
- Available Land Capacity
- Special Housing Needs (e.g. farmworkers, student dormitories)
- Market Conditions (e.g. high number of residential vacancies)
- Historical Trends (e.g. Census and/or historical data)
- Economic Constraints (e.g. retail center closure)
- Other Factors (please specify)**** _____

X 
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body))

**** Per State housing law, jurisdictions cannot use any ordinance, policy, voter-approved measure, or standard to justify a determination or reduction in share of regional housing need

Input on SCAG's Supplemental Data Elements (select all that apply):

- We have reviewed the selected Supplemental Data Elements and verify their accuracy
- We cannot verify the accuracy of the data at this time and would like to suggest the revisions described above
- We would like to submit supplemental data items for SCAG's database


X 
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body))

Comments (if applicable):

CUMULATIVE HOUSEHOLD GROWTH ESTIMATES LOOKED CONSISTENT WITH HISTORICAL GROWTH; HOWEVER, DISTRIBUTION WAS INCORRECT AND MODIFIED ACCORDINGLY.

Input was Submitted to SCAG via (select all that apply):

- SCAG's Scenario Planning Model - Data Management Site
- Email to SCAG's RTPLocalInput@scag.ca.gov
- In person communication with SCAG staff
- Hard copies that have been mailed to SCAG's offices
- Other, please specify _____

X 
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body))

D - Description of Action Items

E - Method of Submission

Attachment: Attachment 3_Data Input and Verification Form (City of Gardena) (Appeal of the Draft RHNA Allocation for the City of Gardena)

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



October 15, 2019

Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise,

RE: Final Regional Housing Need Assessment

The California Department of Housing and Community Development (HCD) has received and reviewed your objection to the Southern California Association of Governments (SCAG)'s Regional Housing Needs Assessment (RHNA) provided on August 22, 2019. Pursuant to Government Code (Gov. Code) section 65584.01(c)(3), HCD is reporting the results of its review and consideration, along with a final written determination of SCAG's RHNA and explanation of methodology and inputs.

As a reminder, there are several reasons for the increase in SCAG's 6th cycle Regional Housing Needs Assessment (RHNA) as compared to the 5th cycle. First, as allowed under Gov. Code 65584.01(b)(2), the 6th cycle RHNA applied housing need adjustment factors to the region's total projected households, thus capturing existing and projected need. Second, overcrowding and cost burden adjustments were added by statute between 5th and 6th cycle; increasing RHNA in regions where incidents of these housing need indicators were especially high. SCAG's overcrowding rate is 10.11%, 6.76% higher than the national average. SCAG's cost burden rate is 69.88% for lower income households, and 18.65% for higher income households, 10.88% and 8.70% higher than the national average respectively. Third, the 5th cycle RHNA for the SCAG region was impacted by the recession and was significantly lower than SCAG's 4th cycle RHNA.

This RHNA methodology establishes the minimum number of homes needed to house the region's anticipated growth and brings these housing need indicators more in line with other communities, but does not solve for these housing needs. Further, RHNA is ultimately a requirement that the region zone sufficiently in order for these homes to have the potential to be built, but it is not a requirement or guarantee that these homes will be built. In this sense, the RHNA assigned by HCD is already a product of moderation and compromise; a minimum, not a maximum amount of planning needed for the SCAG region.

For these reasons HCD has not altered its RHNA approach based on SCAG's objection. However, the cost burden data input has been updated following SCAG's objection due to the availability of more recent data. Attachment 1 displays the minimum RHNA of **1,341,827** total homes among four income categories for SCAG to distribute among its local governments. Attachment 2 explains the methodology applied pursuant to Gov. Code section 65584.01.

The following briefly responds to each of the points raised in SCAG's objection:

Use of SCAG's Population Forecast

SCAG's overall population estimates for the end of the projection period exceed Department of Finance's (DOF) population projections by 1.32%, however the SCAG household projection derived from this population forecast is 1.96% lower than DOF's household projection. This is a result of SCAG's population forecast containing 3,812,391 under 15-year old persons, compared to DOF's population projection containing 3,292,955 under 15-year old persons; 519,436 more persons within the SCAG forecast that are anticipated to form no households. In this one age category, DOF's projections differ from SCAG's forecast by 15.8%.

Due to a greater than 1.5% difference in the population forecast assessment of under 15-year olds (15.8%), and the resulting difference in projected households (1.96%), HCD maintains the use of the DOF projection in the final RHNA.

Use of Comparable Regions

While the statute allows for the council of government to determine and provide the comparable regions to be used for benchmarking against overcrowding and cost burden, Gov. Code 65584.01(b)(2) also allows HCD to "accept or reject information provided by the council of governments or modify its own assumptions or methodology based on this information." Ultimately, HCD did not find the proposed comparable regions an effective benchmark to compare SCAG's overcrowding and cost burden metrics to. HCD used the national average as the comparison benchmark, which had been used previously throughout 6th cycle prior to the addition of comparable region language into the statute starting in January 2019. As the housing crisis is experienced nationally, even the national average does not express an ideal overcrowding or cost burden rate; we can do more to reduce and eliminate these worst-case housing needs.

Vacancy Rate

No changes have been made to the vacancy rate standard used by HCD for the 6th cycle RHNA methodology.

Replacement Need

No changes have been made to the replacement need minimum of adjustment .5%. This accounts for replacement homes needed to account for homes potentially lost during the projection period.

Household Growth Anticipated on Tribal Lands

No changes have been made to reduce the number of households planned in the SCAG region by the amount of household growth expected on tribal lands. The region should plan for these homes outside of tribal lands.

Overlap between Overcrowding and Cost Burden

No changes have been made to overcrowding and cost burden methodology. Both factors are allowed statutorily, and both are applied conservatively in the current methodology.

Data Sources

No changes have been made to the data sources used in the methodology. 5-year American Community Survey data allows for lower margin of error rates and is the preferred data source used throughout this cycle. With regard to cost burden rates, HCD continues to use the Comprehensive Housing Affordability Strategy, known as CHAS data. These are custom tabulations of American Community Survey requested by the U.S. Department of Housing and Urban Development. These custom tabulations display cost burden by income categories, such as lower income, households at or below 80% area median income; rather than a specific income, such as \$50,000. The definition of lower income shifts by region and CHAS data accommodates for that shift. The 2013-2016 CHAS data became available August 9, 2019, shortly prior to the issuance of SCAG's RHNA determination so that data is now used in this RHNA.

Next Steps

As you know, SCAG is responsible for adopting a RHNA allocation methodology for the *projection* period beginning June 30, 2021 and ending October 15, 2029. Pursuant to Gov. Code section 65584(d), SCAG's RHNA allocation methodology must further the following objectives:

- (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.

Pursuant to Gov. Code section 65584.04(e), to the extent data is available, SCAG shall include the factors listed in Gov. Code section 65584.04(e)(1-12) to develop its RHNA allocation methodology. Pursuant to Gov. Code section 65584.04(f), SCAG must explain in writing how each of these factors was incorporated into the RHNA allocation methodology and how the methodology furthers the statutory objectives described above. Pursuant to Gov. Code section 65584.04(h), SCAG must consult with HCD and submit its draft allocation methodology to HCD for review.

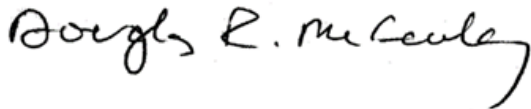
HCD appreciates the active role of SCAG staff in providing data and input throughout the consultation period. HCD especially thanks Ping Chang, Ma'Ayn Johnson, Kevin Kane, and Sarah Jepson.

HCD looks forward to its continued partnership with SCAG to assist SCAG's member jurisdictions meet and exceed the planning and production of the region's housing need. Just a few of the support opportunities available for the SCAG region this cycle include:

- SB 2 Planning Grants and Technical Assistance (application deadline November 30, 2019)
- Regional and Local Early Action Planning Grants
- Permanent Local Housing Allocation

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Assistant Deputy Director for Fair Housing, at megan.kirkeby@hcd.ca.gov.

Sincerely,



Douglas R. McCauley
Acting Director

Enclosures

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION

SCAG: June 30, 2021 – October 15, 2029 (8.3 years)

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	26.2%	351,796
Low	15.4%	206,807
Moderate	16.7%	223,957
Above-Moderate	41.7%	559,267
Total	100.0%	1,341,827
* Extremely-Low	14.5%	Included in Very-Low Category

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et.seq.). Percents are derived based on ACS reported household income brackets and regional median income, then adjusted based on the percent of cost-burdened households in the region compared with the percent of cost burdened households nationally.

ATTACHMENT 2

**HCD REGIONAL HOUSING NEED DETERMINATION
SCAG: June 30, 2021 – October 15, 2029 (8.3 years)**

Methodology

SCAG: June 30, 2021-October 15, 2029 (8.3 Years) HCD Determined Population, Households, & Housing Need					
1.	Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029				20,455,355
2.	<i>- Group Quarters Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029</i>				-363,635
3.	Household (HH) Population: October 15, 2029				20,079,930
	Household Formation Groups	HCD Adjusted DOF Projected HH Population	DOF HH Formation Rates	HCD Adjusted DOF Projected Households	
		20,079,930		6,801,760	
	under 15 years	3,292,955	n/a	n/a	
	15 – 24 years	2,735,490	6.45%	176,500	
	25 – 34 years	2,526,620	32.54%	822,045	
	35 – 44 years	2,460,805	44.23%	1,088,305	
	45 – 54 years	2,502,190	47.16%	1,180,075	
	55 – 64 years	2,399,180	50.82%	1,219,180	
	65 – 74 years	2,238,605	52.54%	1,176,130	
	75 – 84 years	1,379,335	57.96%	799,455	
	85+	544,750	62.43%	340,070	
4.	Projected Households (Occupied Unit Stock)				6,801,760
5.	+ Vacancy Adjustment (2.63%)				178,896
6.	+ Overcrowding Adjustment (6.76%)				459,917
7.	+ Replacement Adjustment (.50%)				34,010
8.	<i>- Occupied Units (HHs) estimated (June 30, 2021)</i>				-6,250,261
9.	+ Cost Burden Adjustment (Lower Income: 10.63%, Moderate and Above Moderate Income: 9.28%)				117,505
6th Cycle Regional Housing Need Assessment (RHNA)					1,341,827

Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Government Code Section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment based on the difference between a standard 5% vacancy rate and the region's current "for rent and sale" vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% and region's current vacancy rate (2.37%) based on the 2013-2017 5-year American Community Survey (ACS) data. For SCAG that difference is 2.63%.
6. Overcrowding Adjustment: In region's where overcrowding is greater than the U.S overcrowding rate of 3.35%, HCD applies an adjustment based on the amount the region's overcrowding rate (10.11%) exceeds the U.S. overcrowding rate (3.35%) based on the 2013-2017 5-year ACS data. For SCAG that difference is 6.76%.

Continued on next page

7. Replacement Adjustment: HCD applies a replacement adjustment between .5% & 5% to total housing stock based on the current 10-year average of demolitions in the region's local

government annual reports to Department of Finance (DOF). For SCAG, the 10-year average is .14%, and SCAG's consultation package provided additional data on this input indicating it may be closer to .41%; in either data source the estimate is below the minimum replacement adjustment so the minimum adjustment factor of .5% is applied.

8. Occupied Units: Reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2021).
9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the nation. The very-low and low income RHNA is increased by the percent difference ($69.88\% - 59.01\% = 10.88\%$) between the region and the national average cost burden rate for households earning 80% of area median income and below, then this difference is applied to very low- and low-income RHNA proportionate to the share of the population these groups currently represent. The moderate and above-moderate income RHNA is increased by the percent difference ($18.65\% - 9.94\% = 8.70\%$) between the region and the national average cost burden rate for households earning above 80% Area Median Income, then this difference is applied to moderate and above moderate income RHNA proportionate to the share of the population these groups currently represent. Data is from 2013-2016 Comprehensive Housing Affordability Strategy (CHAS).

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Ave
Sacramento, CA 95833-1829
916) 263-2911 FAX: (916) 263-7453
www.hcd.ca.gov



December 10, 2020

Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise:

RE: Comment on Appeals of the Draft Regional Housing Need Allocation (RHNA) Plan

Thank you for the opportunity to comment on the 52 appeals Southern California Association of Governments (SCAG) has received regarding the draft RHNA plan. The appeal process is an important phase in the development of a RHNA plan that ensures that all relevant factors and circumstances are considered.

The only circumstances under which a jurisdiction can appeal are:

- 65584.05(b)(1): The council of governments failed to adequately consider the information regarding the factors listed in subdivision (e) of section 65584.04.
- 65584.05(b)(2): The council of governments failed to determine the share of the regional housing need in a manner that furthers the intent of the objectives listed in subdivision (d) of section 65584.
- 65584.05(b)(3): A significant unforeseen change in circumstances occurred in the local jurisdiction that merits a revision of the information submitted pursuant to subdivision (e) of Section 65584.04.

The California Department of Housing and Community Development (HCD) urges SCAG to only consider appeals that meet these criteria.

Per Government Code section 65584.05(e)(1), SCAG's final determination on whether to accept, reject, or modify any appeal must be accompanied by written findings, including how the final determination is based upon the adopted RHNA allocation methodology, and how any revisions are necessary to further the statutory objectives of RHNA described in Government Code section 65584(d).

Among the appeals based on Government Code section 65584.05(b)(1), several appeals state that SCAG failed to consider the factor described in Government Code section 65584.04(e)(2)(B), citing the lack of land suitable for development as a basis for the appeal. However, this section states the council of governments may not limit its consideration of suitable housing sites to existing zoning and land use restrictions and must consider the potential for increased development under alternative zoning and

land use restrictions. Any comparable data or documentation supporting this appeal should contain an analysis of not only land suitable for urban development, but land for conversion to residential use, the availability of underutilized land, and opportunity for infill development and increased residential densities. In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.

With regard to appeals submitted related to Government Code section 65584.05(b)(2), that SCAG failed to determine the RHNA in a manner that furthers the statutory objectives, it should be noted that HCD reviewed SCAG's draft allocation methodology and found that the draft RHNA allocation methodology furthered the statutory objectives described in Government Code section 65584.

Among the appeals based on Government Code section 65584.05(b)(2), several contend that the cap on units allocated to extremely disadvantaged communities (DACs) does not further RHNA's statutory objectives. This cap furthers the statutory objective to affirmatively further fair housing by allocating more units to high opportunity areas and fewer units to low resource communities, and concentrated areas of poverty with high levels of segregation. Due to the inclusion of this factor, as well as the use of TCAC/HCD Opportunity Maps, SCAG's methodology allocates 14 of the top 15 highest shares of lower-income RHNA to jurisdictions with over 99.95 percent High and Highest Resource areas. With the exceptions of two jurisdictions, the 31 jurisdictions with the highest share of lower-income RHNA are all over 95 percent High and Highest Resource areas. Any weakening of these inputs to the methodology could risk not fulfilling the statutory objective to affirmatively further fair housing.

Several appeals argue that SCAG's RHNA allocation methodology does not adequately promote access to jobs and transit, as required in objectives two and three. HCD's review of SCAG's RHNA methodology found the allocation does further the environmental principles of objective two. SCAG's overall allocation includes significant weight related to the location of high-quality transit areas and the regional distribution of jobs that can be accessed within a 30-minute driving commutes. Regarding objective three, HCD's analysis as to whether jobs-housing fit was furthered by SCAG's draft methodology found that across all jurisdictions there is generally good alignment between low-wage jobs and lower-income RHNA, with all but 15 jurisdictions within a half percent plus or minus difference between their share of lower-income RHNA for the region and their percentage low-wage jobs for the region.

Several appeals are based upon the provision described in Government Code section 65584.05(b)(3), arguing that the COVID-19 pandemic represents a significant and unforeseen change in circumstances that will affect future population and job growth. Ensuring everyone has a home is critical to public health. Reducing and preventing overcrowding and homelessness are essential concerns for every community. The COVID-19 pandemic has only increased the importance that each community is planning for sufficient affordable housing.

Lastly, several appeals state that the Regional Housing Needs Determination (RHND) HCD provided to the SCAG region is too large. SCAG submitted an objection to the RHND at the appropriate time and through the appropriate process. HCD considered those objections and [determined the final RHND for 6th Housing Element Cycle for the SCAG region on October 15, 2019](#). There are no further appeal procedures available to alter the SCAG region's RHND for this cycle. Government Code section 65584.05(b) does not allow local governments to appeal the RHND during the 45-day period following receipt of the draft allocation.

HCD acknowledges that many local governments will need to plan for more housing than in the prior cycle to accommodate a RHND that more fully captures the housing need and as the statutory objectives of RHNA shift more housing planning near jobs, transit, and resources. The Southern California region's housing crisis requires each jurisdiction to plan for the housing needs of their community and the region. In recognition of this effort there are more resources available than ever before to support jurisdictions as they prepare to update their 6th cycle housing elements:

- SB 2 Planning Grants – \$123 million one-time allocation to cities and counties
- SB 2 Planning Grants Technical Assistance offered to all jurisdictions
- Regional and Local Early Action Planning Grants – \$238 million one-time allocation for local and regional governments
- SB 2 Permanent Local Housing Allocation – approximately \$175 million annually in ongoing funding for local governments to increase affordable housing stock

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Deputy Director, megan.kirkeby@hcd.ca.gov.



Megan Kirkeby
Deputy Director



City of Whittier

13230 Penn Street, Whittier, California 90602-1716
(562) 567-9320 Fax (562) 567-2872 www.cityofwhittier.org

Electronically Transmitted to: Housing@scag.ca.gov

December 10, 2020

RHNA Appeals Committee
Southern California Association of Governments
900 Wilshire Blvd, Suite 1700
Los Angeles, CA 90017

SUBJECT: City of Whittier's Comments on Appeals to the Sixth Cycle Regional Housing Needs Assessment (RHNA) Allocation

Honorable Chair and Honorable Committee Members:

The City of Whittier ("City") appreciates the challenges that are inherent in allocating 1,341,827 housing units by the thousands (a 226% increase above the baseline 412,137 unit) to cities across Southern California, especially in built-out cities. However, the City is deeply concerned its housing allocation of 3,431 units from the State Department of Housing and Community Development ("HCD") and the Southern California Association of Government's ("SCAG") unit distribution methodology, along with recent housing legislation will fundamentally abridge the City's ability to develop effective land-use policies that are appropriate for managing the community's actual needs. The 878 units in the 5th cycle RHNA allocation has been increased by 290% to 3,431 units in the current 6th cycle. Particularly challenging in the 6th cycle, is the number of low and very low-income units (1,558) which combined with the moderate and above moderate unit totals forces unplanned and unnecessary residential densification of the community.

The affordable units are an unfunded mandate with very limited regional or State financial support for their development. Considering the affordable housing subsidies typically range from \$50,000 to \$250,000 per unit, the overall funding requirements could range from \$78,000,000 to \$390,000,000 which is clearly beyond the reach of the City of Whittier in that the City's general fund budget is just \$72,000,000 which already include \$2,000,000 annually to house the City's unsheltered residents in transitional housing. Additionally, the City only receives 7.5% of each property tax dollar to provide general services including police and library services.

The City is currently in the process of updating its Housing Element as well as the General Plan to incorporate the current RHNA allocation, so Whittier is acutely aware of the various housing needs as well as the potential obstacles, such as aging infrastructure and unplanned density, to creating the requisite housing within a city that

is essentially built out. The changes in the State's housing laws (SB 35, SB 166 and AB 1397) have created additional constraints for the agencies and may severely impact the City's ability to accomplish our regional and local housing goals.

Since development in Whittier began more than 130 years ago, the City is virtually built-out with little developable vacant land outside of its designated open space areas that are dedicated to accommodating existing and future residents. While the City has made significant efforts through its specific plans to densify existing corridors and districts, the majority of Whittier's remaining single-family residential neighborhoods cannot accommodate similar densification. Furthermore, the hills north of Whittier contain regional open space, sensitive habitat and wildlife areas that must be preserved in perpetuity. There are also significant infrastructure and water service constraints that impact Whittier's ability to produce significantly more housing. Although these facts may not be desirable, they must be pragmatically accounted for and mitigated by not further increasing Whittier's share of housing units contained in SCAG's 6th Cycle RHNA. The final RHNA allocation and methodology must be fair and equitable while reflecting the capacity for reasonable housing unit construction.

As with many other cities, the City is concerned about the current allocation, but an even greater concern is that additional units may be applied to the City if reallocated from cities that are successful in their appeals. To that end, the City believes the appeal process itself was unclear as to the potential ramifications to other cities and not fully understood.

Although we fully support the surrounding cities in their appeals, the potential for additional units being applied to the City would exacerbate the problems described herein and in Whittier's September 13, 2019 letter to SCAG.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Jeffery S. Adams
Director of Community Development

File

From: Christopher Koontz <Christopher.Koontz@longbeach.gov>
Sent: Thursday, December 3, 2020 11:14 AM
To: Regional Housing
Subject: RHNA Appeals

Categories: Response Required, Record

Good morning,

The purpose of this email is to provide the City of Long Beach's position in regards to pending RHNA appeals before SCAG. The City of Long Beach seeks to meet its housing needs and obligations for the benefit of Long Beach residents and the region. Our allocation was extremely large and presents a planning and financing challenge for the City. Nonetheless we chose not to appeal our allocation because the allocation process was fair and transparent including taking the City of Long Beach's input into consideration.

We oppose and will not accept any transfer of additional allocation due to the pending appeals. We note that within our area, the Gateway COG, appeals are pending from Bellflower, Cerritos, Downey, Huntington Park, La Mirada, Lakewood, Pico Rivera, and South Gate. Each of these appeals should be evaluated by SCAG on the merits, however Long Beach opposes any transfer of allocation to our City. It would be inappropriate to transfer a further burden to Long Beach when we have already accepted a large allocation and have done more than many cities in the region to accommodate housing growth under the current RHNA cycle, including fully meeting our market-rate RHNA allocation.

The City of Long Beach will continue to work with SCAG and our neighbor jurisdictions to address the housing needs of our residents.

We thank you for consideration and please do not hesitate to contact the City regarding our position.

Christopher Koontz, AICP
Deputy Director

Development Services
411 W. Ocean Blvd., 3rd Floor | Long Beach, CA 90802
Office: 562.570.6288 | Fax: 562.570.6068





AGENDA ITEM 1.4
REPORT

Southern California Association of Governments
k h \
January 13, 2021

To: Regional Housing Needs Assessment Subcommittee (RHNA)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Roland Ok, Program Manager,
(213) 236-1819, ok@scag.ca.gov

Subject: Appeal of the Draft RHNA Allocation for the City of Lawndale

RECCOMENDATION:

Deny the appeal filed by the City of Lawndale (the City) to reduce the Draft RHNA Allocation by 2,200 units.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

SUMMARY OF APPEAL(S):

The City of Lawndale requests a reduction of its RHNA allocation by 2,200 units (from 2,491 units to 291 units) based on:

- 1) Application of the adopted Final RHNA methodology for the 6th Cycle RHNA (2021 – 2029) - the methodology fails to consider growth projections consistent with the Connect SoCal Plan.
- 2) Existing or projected jobs-housing balance – consistency with Connect SoCal Plan.
- 3) Availability of land suitable for urban development or for conversion to residential use – the City does not have available land suitable for housing nor can it accommodate affordable housing as funding opportunities are limited.
- 4) Distribution of household growth assumed for purposes of comparable Regional Transportation Plans – consistency with Connect SoCal Plan.
- 5) The region’s greenhouse gas emissions targets - additional housing in the absence of jobs would increase VMT and GHG emissions.
- 6) Affirmatively further fair housing - the principles of affirmatively further fair housing were not applied as the City received a disproportionately amount of very-low income housing.*

Other: The approval process for the Final RHNA Methodology violated state law - this issue is not a basis for appeal; nevertheless, the issue is addressed below.

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California’s Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous

* This issue was not checked on the Appeal Request Form, but the City's letter addresses this topic.

RATIONALE FOR STAFF RECOMMENDATION:

Staff have reviewed the appeal(s) and recommend no change to the City of Lawndale RHNA allocation.

Issues 1, 2 and 4: The City fails to recognize that SCAG has allocated total regional housing need ("existing need" and "projected need") consistent with the Connect SoCal development pattern. As such, we do not recommend granting an appeal on these basis.

Issue 3: The City did not provide evidence that it does not have land to zone for additional housing. Nor does lack of affordable housing funding preclude the City's ability to zone for housing. As such, we do not recommend granting an appeal on these bases.

Issue 5: The City did not provide evidence that the addition of housing units would increase VMT and GHG emissions. As such, we do not recommend granting an appeal on these bases.

Issue 6: The City has not provided evidence that the RHNA methodology disproportionately added an overconcentration of lower income households to the City. As such, we do not recommend granting an appeal on this basis.

Other: The City fails to provide evidence that SCAG violated state law when it adopted the Final RHNA Methodology. As such, we do not recommend granting an appeal on this basis.

BACKGROUND:

Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the adoption of Connect SoCal on September 3, 2020, all local jurisdictions received draft RHNA allocations on September 11, 2020. A summary is below.

Total RHNA Allocation for the City of Lawndale: 2,491

Very Low Income: 730

Low Income: 310

Moderate Income: 370

Above Moderate Income 1,081

Additional background related to the Draft RHNA Allocation is included in Attachment 1.

Summary of Comments Received during 45-day Comment Period

No comments were received from local jurisdictions or HCD during the 45-day public comment period described in Government Code section 65584.05(c) which specifically regard the appeal filed for the City of Lawndale. Three comments were received which relate to appeals filed generally:

- HCD submitted a comment on December 10, 2020 delineating the statutory basis for RHNA appeals and the requirement that any appeals granted must include written findings regarding how revisions are necessary to further RHNA's statutory objectives.
- The City of Whittier submitted a comment on December 10, 2020 supporting surrounding cities in their appeals but expressing concern that additional units may be applied to Whittier if reallocated from cities which are successful in their appeals.
- The City of Long Beach submitted a comment on December 3, 2020 indicating their view that the RHNA allocation process was fair and transparent, their support for evaluating appeals on their merits (specifically those from the Gateway Council of Governments), and their opposition to any action which would result in a transfer of additional units to Long Beach.

ANALYSIS:

Issues 1, 2 and 4: Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029) [Government Code Section 65584.05 (b)(2)], existing or projected jobs-housing balance [Government Code Section 65584.04(e)(1)], and distribution of household growth assumed for purposes of comparable Regional Transportation Plans [Government Code Section 65584.04(e)(3)].

The City of Lawndale claims that SCAG's methodology fails to consider growth projections consistent with the Connect SoCal Plan. The City states that the Draft RHNA Allocation is inconsistent with the development pattern assumed in the Connect SoCal Plan, and such inconsistencies in forecasting growth demonstrate the failure of the methodology to consider local factors and exhibits severe inconsistencies with future growth projections.

SCAG Staff Response: As described above and in Attachment 1: Local Input and Development of Draft RHNA Allocation, the Final RHNA methodology was adopted by the SCAG Regional Council on March 5, 2020. The RHNA Allocation Methodology uses SCAG's Growth Forecast as the basis to determine the projected household need component of a jurisdiction's draft RHNA allocation. The Integrated Growth Forecast was derived through a multi-year process beginning in October 2017 that was based on local input review through surveys and individual meetings with SCAG jurisdictions. As indicated in Attachment 1, SCAG staff fully considered the input provided by the City of Lawndale during the development of the Integrated Growth Forecast and incorporated this input into the development of projected need for the City's Draft RHNA Allocation.

However, the RHNA allocation process is a related, but separate process from the development of the RTP/SCS. While Connect SoCal is required under state planning law to identify areas sufficient to house the 8-year RHNA need pursuant to Government Code Section 65080(b)(2)(B)(iii), the RHNA allocation of housing need is a distinct process set forth under state housing law, Government Code Section 65584 *et seq.* The RHNA requirements address the mandate to plan for housing units to further statutory objectives. The RHNA establishes “minimum housing development capacity that cities and counties are to make available via their land use powers to accommodate growth within a planning period.”¹

The RHNA identifies anticipated housing need over a specified eight-year period and requires that local jurisdictions make available sufficient zoned capacity to accommodate this need. Actual housing production depends on a variety of factors external to the identification of need through RHNA—local jurisdictions frequently have sufficient zoned capacity but actual housing construction depends on market and other external forces. In contrast, the Connect SoCal Growth Forecast is an assessment of the reasonably foreseeable future pattern of growth given, among other factors described below, the availability of zoned capacity.

Legislative changes in 2018 modified the nature of the regional housing need determination for the 6th cycle of RHNA by adding measures of household overcrowding and housing cost burden to the list of factors to be considered by HCD for the determination of housing need. These new measures are not included in the Connect SoCal Growth Forecast because they are not direct inputs to the growth forecasting process and are independent of employment and population projections. They reflect additional latent housing needs in the current population (i.e., “existing need”) and do not result in a change in regional population.

Ultimately it is this difference between these processes which accounts for the difference between the reasonably foreseeable household growth rate included in Connect SoCal and the development capacity target which RHNA envisions for Lawndale.

Following adoption of SCAG’s Final RHNA allocation, local jurisdictions must update their housing elements (as needed) to provide sufficient zoned capacity for the total 6th Cycle allocation pursuant to state guidelines. Updated housing elements are due in October 2021. Pursuant to Government Code Section 65583(c)(1)(A), local jurisdictions will have until January 2025 to complete any necessary rezoning to accommodate their RHNA allocation. Until this planning work is done at the local level, it would be speculative for Connect SoCal to make assumptions about potential development levels and patterns that includes the 6th Cycle “existing need.” Once this process is complete, in future RTP/SCS development processes SCAG will re-evaluate the reasonably

¹ Concurrence in Senate Amendments, AB 1771 (Bloom), as amended August 24, 2018 Comments at p.4 (Original Committee Reference: H. & C.D.).

foreseeable future growth pattern, including the potential impact of any policy changes made in response to the 6th cycle RHNA allocations.

For further discussion see Attachment 1 as well as Connect SoCal Master Response 1 at https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocial_public-participation-appendix-2.pdf

The 6th Cycle RHNA regional housing need total of 1,341,827 units, as determined by HCD, consists of both “projected need” and “existing need”. On January 13, 2020, HCD’s finding that SCAG’s Draft RHNA Methodology (which was later adopted as the Final RHNA Methodology in March) furthered the statutory objectives of RHNA, reflected that the determination is separated into “projected need” and “existing need” components.

An additional key difference is that the RHNA process only permits SCAG to allocate jurisdiction-level totals (by income category), whereas the RTP/SCS requires SCAG to model future transportation patterns and Greenhouse Gas (GHG) impacts, which requires an estimate of *where* within the jurisdiction future growth may occur. As such, the RHNA process requires adapting Connect SoCal’s key policy direction in order to ensure that *development patterns* are generally consistent across the two processes. For example, Connect SoCal achieves its jobs-housing balance objectives in part by envisioning a set of 72 individual job centers across the region; however, this relies on within-jurisdiction prediction of the location of development. The final RHNA process adapts this concept by developing a measure of job accessibility at the jurisdiction-level—using Connect SoCal data—to ensure consistent strategic and policy direction. Similarly, half of existing need is allocated on the basis of the jurisdiction’s share of the region’s population in a High Quality Transit Area (HQTAs) in 2045 as defined in Connect SoCal. This consistent strategic and policy direction results in the Final RHNA Methodology and Draft RHNA Allocation’s consistency with the development patterns in the SCS, pursuant to Government Code section 65584.04(m)(1):

“It is the intent of the Legislature that housing planning be coordinated and integrated with the regional transportation plan. To achieve this goal, the allocation plan shall allocate housing units within the region consistent with the development pattern included in the sustainable communities strategy.”

The City is correct in its assertion that 2020-2030 household growth of 154 households forms the basis for its projected need measure. However, based on the City’s job accessibility and transit accessibility scores, nearly 95 percent of its RHNA allocation can be attributed to these existing need measures. Since the City does not demonstrate that the Methodology was improperly applied to determine its share of regional housing need or that jobs-housing balance was not considered, and since the City’s draft RHNA allocation is consistent with the RTP, SCAG staff does not recommend a reduction.

Issue 3: Availability of land suitable for urban development or for conversion to residential use [Government Code Section 65584.04(e)(2)(B)].

The City of Lawndale claims that SCAG failed to address the availability of land suitable for urban development or conversion to residential use. The City states that there is a lack of funding for affordable housing as well as loss of redevelopment funding. The City argues that in the absence of funding, the City would be forced to accommodate available lands to market rate housing. Finally, the City argues that that most of the City is built out and cannot accommodate additional housing.

SCAG Staff Response: SCAG acknowledges the City’s concern with regards to funding issues. However, it is speculative at this time to assume that the lack of affordable housing or redevelopment funds will be an on-going trend and would affect the Final RHNA Allocation Plan which reflects existing and projected housing needs for the next eight years. Also, as a procedural matter, the City fails to explain how its requested revision (downward adjustment of 2,200 units from 2,491 units to 291 units) is justified by the data presented.

Pursuant to Government Code Section 65584.04(e)(2)(B), SCAG “may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality” (which includes the land use policies in its General Plan). “Available land suitable for urban development or conversion to residential use,” as expressed in 65584.04(e)(2)(B), is not restricted to vacant sites; rather, it specifically indicates that underutilized land, opportunities for infill development, and increased residential densities are a component of “available” land. As indicated by HCD in its December 10, 2020 comment letter (HCD Letter):

“In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.” (HCD Letter at p. 2).

Furthermore, on June 10, 2020, HCD released extensive guidelines for housing element site inventories.² A wide range of adequate sites are detailed including accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs). Specifically, the guidelines indicate that (page 32):

“In consultation with HCD, other alternatives may be considered such as motel conversions, adaptive reuse of existing buildings, or legalization of units not previously reported to the Department of Finance.”

² See https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf

As such, the City can consider other opportunities for development. This includes the availability of underutilized land, opportunities for infill development and increased residential densities, or alternative zoning and density. Alternative development opportunities should be explored further and could possibly provide the land needed to zone for the City's projected growth.

Finally, it's important to note that the RHNA allocation is not a building quota, rather a jurisdiction is required to plan and zone for housing need and is not required to develop the assigned units (which includes affordable housing). For these reasons, SCAG staff does not recommend a reduction to the jurisdiction's RHNA allocation based on this factor.

Issue 5: The region's greenhouse gas emissions targets [Government Code Section 65584.04(e)(12)].

The City of Lawndale argues that adding housing units in areas where jobs are unavailable will result in increased VMT and an increase in GHG, due to a lack of significant public transit opportunities. The City claims that that most of its residents travel outside of the City for work, and additional housing will increase VMT and GHG.

SCAG Staff Response: The 6th cycle RHNA does not change the population forecast from Connect SoCal either in 2029 (end of RHNA period) or any year during the Connect SoCal growth forecast including 2035 for which Connect SoCal is required to meet the greenhouse gas emissions target. While RHNA would require housing units to address existing need during its planning period in addition to the growth forecast to address projected need, those additional units are intended to serve the existing population. Since the allocation methodology for existing need is based on transit and job access, it promotes a more efficient development pattern in utilizing public transit, reducing commute distance and contribute to further reduce per capita greenhouse gas emissions. For this reason, SCAG staff does not recommend a reduction to the jurisdiction's RHNA allocation based on this factor.

Issue 6: Affirmatively furthering fair housing.

The City of Lawndale argues that the RHNA methodology does not further fair housing, as the City already shares a large proportion of households which are disproportionately "very-low-income" to "low-income" households. The City contends that the methodology results in unfair housing, social inequities and overcrowded housing conditions.

SCAG Staff Response: While SCAG staff accepts the assertion that the jurisdiction has a currently disproportionately high percentage of lower income households in comparison to its surrounding cities and counties, the RHNA methodology addresses this disparity through its social equity adjustment and inclusion of access to resources as an influencing factor.

To further the objectives of allocating a lower proportion of households by income and affirmatively furthering fair housing (AFFH), the RHNA methodology includes a minimum 150 percent social equity adjustment and an additional 10 to 30 percent added in areas with significant populations that are defined as very low or very high resource areas, referred to as an AFFH adjustment. A social equity adjustment ensures that jurisdictions accommodate their fair share of each income category. It does so by adjusting current household income distribution in comparison to county distribution. The result is that jurisdictions that have a higher concentration of lower income households than the county will receive lower percentages of RHNA for the lower income categories. The City of Lawndale received a standard 150 percent social equity adjustment as it is not concentrated in high or low opportunity areas (no additional AFFH adjustment is needed). Lawndale has fewer very-low income households (22.43%), more low-income households (20.86%), more moderate income households (18.74%), and fewer above-moderate income households (37.96%), when compared to Los Angeles County (very-low income households (26.08%), low-income households (15.21%), moderate income households (16.15%), above moderate income households (42.57%)). In other words, Lawndale receives RHNA allocations where it has fewer households than the County by category and is consistent with objective 4 and AFFH. Thus, the RHNA methodology, and by extension the jurisdiction's draft RHNA allocation, has already considered this objective to ensure that there is not an overconcentration of lower income households in these currently impacted areas.

Further, an appeal citing RHNA methodology as its basis must appeal the application of the adopted methodology, not the methodology itself. (See also response to Issue 5 below.) The jurisdiction has not provided evidence that it has a majority of its population within areas of high segregation and poverty or low resource areas and thus cannot be considered as such under the adopted RHNA methodology. For this reason, SCAG staff does not recommend a reduction to its draft RHNA allocation based on this factor.

Other: *The City contends that SCAG violated state law when it adopted the Final RHNA Methodology.*

The City asserts that SCAG's Regional Council violated the Brown Act per Government Code Section 54953(c)(2) and denied the City's right to engage in public participation and have its local data considered in its RHNA allocation, as required under Section 65584.04(d).

SCAG Staff Response: SCAG's final regional determination of approximately 1.34 million units was issued by HCD on October 15, 2019 per state housing law. The regional determination is not a basis for appeal per adopted RHNA Appeals Procedures as it is not within the authority of the Appeals Board to make any changes to HCD's regional housing needs determination, nor is a challenge to the adopted Final RHNA Methodology a basis for appeal. Only improper application of the

methodology is grounds for an appeal. An example of an improper application of the adopted methodology might be a data error which was identified by a local jurisdiction.

The City asserts that SCAG violated the Brown Act in developing and approving the Final RHNA Methodology. This challenge to the underlying procedures in adopting the Final RHNA Methodology is not a valid basis for appeal, and therefore does not support a reduction in the Draft RHNA Allocation. Nevertheless, SCAG respectfully disagrees with the characterizations of the actions of the Regional Council and staff throughout the RHNA process as set forth by the City.

First, SCAG Regional Council took action on both the Draft and Final RHNA methodology pursuant to properly noticed agendas, and every member of the Regional Council, in addition to a significant number of members of the public, had ample opportunity to place on the record, both in writing and in person, their relevant input for the Regional Council's consideration. For example, no less than fourteen (14) letters were acknowledged on the record and these were made available for public and SCAG review prior to the Regional Council's action on the draft methodology, all in compliance with applicable law. It should also be noted that the Draft Methodology was reviewed by HCD and was found to further statutory objectives of RHNA on January 13, 2020. On March 5, 2020, SCAG Regional Council adopted the Draft Methodology as the Final Methodology.

Further, for the Draft RHNA Methodology, many members of the public offered oral testimony on the issue both in support of the original staff recommendation and in support of the alternative draft RHNA methodology that was ultimately approved after a robust discussion among the Regional Council, with staff offering input and answering questions as requested. Both methodologies had been presented in the staff report that was published in the November 7th Regional Council meeting agenda in advance of the meeting in accordance with applicable law. Finally, members of the Regional Council were given wide opportunity to offer input and comments during the course of the discussion and consideration of the item.

The November 7th Regional Council action was preceded by more than nine months of preparatory work and the regional planning process is necessarily complex and multi-faceted. That there are competing interests and priorities is not new. Since the start of the RHNA process in October 2018, SCAG staff has been committed to a fair and transparent process from the very beginning.

For these reasons, SCAG staff does not recommend a reduction to Lawndale's Draft RHNA Allocation.

FISCAL IMPACT:

Work associated with this item is included in the current FY20-21 Overall Work Program (300-4872Y0.02: Regional Housing Needs Assessment).



ATTACHMENT(S):

1. Local Input and Development of Draft RHNA Allocation (City of Lawndale)
2. Appeal Form and Supporting Documentation
3. Data Input and Verification Form (City of Lawndale)
4. HCD Final 6th Cycle Housing Need Determination for the SCAG Region
5. Comments Received During the Comment Period (General)

Attachment 1: Local Input and Development of Draft RHNA Allocation

This attachment sets forth the nature and timing of the opportunities which the City of Lawndale had to provide information and local input on SCAG's growth forecast, the RHNA methodology, and the Growth Vision of the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal). It also describes how the RHNA Methodology development process integrates this information in order to develop the City of Lawndale's Draft RHNA Allocation.

1. Local Input

a. Bottom-Up Local Input and Envisioning Process

On October 31, 2017, SCAG took the first step toward developing draft RHNA allocations by initiating the Bottom-Up Local Input and Envisioning Process. At the direction of the Regional Council, the objective of this process was to seek local input and data to prepare for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS and later referred to as Connect SoCal) and the 6th cycle of RHNA.¹ Each jurisdiction was provided with a package of land use, transportation, environmental, and growth forecast data for review and revision which was due on October 1, 2018.² While the local input process materials focus principally on jurisdiction-level and Transportation Analysis Zone (TAZ) level growth, input on specific parcels, sites, and project areas were welcomed and integrated into SCAG's growth forecast as well as data on other elements. SCAG met one-on-one with all 197 local jurisdictions between November 2017 and July 2018 and provided training opportunities and staff support. Following input from SCAG's Technical Working Group (TWG), the Connect SoCal growth forecast reflected precisely the jurisdiction-level growth totals provided during this process.

The local input data included SCAG's preliminary growth forecast information. For the City of Lawndale, the anticipated number of households in 2020 was 9,833 and in 2030 was 9,987 (growth of 154 households). On April 23, 2018, SCAG staff met with staff from the City of Lawndale to discuss the Bottom-Up Local Input and Envisioning Process and answer questions. Input from the City of Lawndale on the growth forecast was received in October 2018. Following input, household totals remained the same.

¹ While the RTP/SCS and RHNA share data elements, they are distinct processes. The RTP/SCS growth forecast provides an assessment of reasonably foreseeable future patterns of employment, population, and household growth in the region given demographic and economic trends, and existing local and regional policy priorities. The RHNA identifies anticipated housing need over a specified eight-year period and requires that local jurisdictions make available sufficient zoned capacity to accommodate this need. A further discussion of the relationship between these processes can be found in Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

² A detailed list of data during this process reviewed can be found in each jurisdiction's Draft Data/Map Book at <http://scagrtpsc.net/Pages/DataMapBooks.aspx>

b. Submitted RHNA methodology surveys

On March 19, 2019, SCAG distributed a packet of methodology surveys, which included the local planning factor survey, Affirmatively Furthering Fair Housing (AFFH) survey, and replacement need survey, to SCAG jurisdictions' Community Development Directors. SCAG reviewed all submitted responses as part of the development of the Draft RHNA Methodology. The City of Lawndale submitted the following surveys prior to the adoption of the Draft RHNA Methodology:

- Local planning factor survey
- Affirmatively Furthering Fair Housing (AFFH) survey
- Replacement need survey
- No survey was submitted to SCAG

c. Connect SoCal Growth Vision and Additional Refinements

Beginning in May 2018, SCAG's Sustainable Communities Working Group began the process of developing growth scenarios for the SCAG region. The culmination of this work was the development of the Connect SoCal Growth Vision, which directly uses jurisdictional-level growth projections from the Bottom-Up Local Input and Envisioning process, and also features strategies for growth at the TAZ-level that help to reduce greenhouse gas emissions (GHG) from automobiles and light trucks to achieve Southern California's GHG reduction target, approved by the California Air Resources Board (CARB) in accordance with state planning law. Additional detail regarding the Connect SoCal Growth Vision, specifically the Transportation Analysis Zone (TAZ, or neighborhood) level projections is found at <https://www.connectsocial.org/Documents/DataMapBooks/Growth-Vision-Methodology.pdf>.

As a result of these strategies, in some jurisdictions growth at the TAZ-level differed from locally anticipated growth conveyed during the Bottom-Up Local Input and Envisioning Process.

As such, SCAG provided two additional opportunities for all local jurisdictions to make TAZ-level technical refinements on the topics of general plan capacities and entitlements. During the release of the draft Connect SoCal Plan, jurisdictions were notified on October 31, 2019 that SCAG would accept additional refinements until December 11, 2019. Following the Regional Council's decision to delay full adoption of Connect SoCal for 120 days due to the COVID-19 pandemic, all jurisdictions were again notified on May 26, 2020 that SCAG would accept additional refinements until June 9, 2020.

Connect SoCal Growth Vision data have been available to local jurisdiction staff during the entirety of this process through SCAG's Scenario Planning Model Data Management Site (SPM-DM) at <http://spmddm.scag.ca.gov> and updates were shared with local jurisdictions on technical refinements to the data in February 2020 and August 2020 to share the results of both review opportunities. The City of Lawndale's TAZ-level data utilized in the Connect SoCal Growth Vision matches input provided during the Bottom-Up Local Input and Envisioning Process.

2. Development of the Final RHNA Methodology

SCAG convened the first meeting of the RHNA Subcommittee in October 2018. In their subsequent monthly meetings, this body reviewed and advised on the development of SCAG's 6th cycle RHNA process, including the development of the RHNA methodology. Per Government Code 65584.04(a), SCAG must develop a RHNA methodology which furthers the five statutory objectives of RHNA:

(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 (Govt. Code § 65584(d)).

As explained in more detail below, the Draft RHNA Methodology (which was adopted as the Final RHNA Methodology) set forth the policy factors, data sources, and calculations which would be used to generate draft RHNA allocations for all local jurisdictions. Following extensive debate and public comment, SCAG's Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019 and provide it to HCD for review. Per Government Code 65584.04(i), HCD is vested with the authority to determine whether a methodology furthers the objectives set forth in Government Code section 65584(d). On January 13, 2020, HCD found that the Draft RHNA Methodology furthers these five statutory objectives of RHNA. Specifically, HCD noted that:

"This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes. In particular, HCD applauds the use of the objective factors specifically linked the statutory objectives in the existing need methodology." (Letter from HCD to SCAG

dated January 13, 2020 at <https://scag.ca.gov/sites/main/files/file-attachments/hcd-review-rc-approved-draft-rhna-methodology.pdf?1602190239>).

On March 5, 2020, again following extensive debate and public comment, the Regional Council voted to approve the Draft RHNA Methodology as the Final RHNA Methodology. Unlike SCAG's 5th cycle RHNA methodology which relies almost entirely on the household growth component of the RTP/SCS, SCAG's 6th cycle RHNA methodology consists of two primary elements: "projected need" which includes the number of housing units required to accommodate anticipated population growth over the 8-year RHNA planning period and "existing need," which refers to the number of housing units required to accommodate excess or unsatisfied housing demand experienced by the region's current population.³ Furthermore, the Final RHNA methodology utilizes measures of 2045 job accessibility and High Quality Transit Area (HQTA) population measures based on TAZ-level projections in the Connect SoCal Growth Vision.

More specifically, the Final RHNA Methodology considers three primary factors in determining a local jurisdiction's total housing need which are primarily based on data from Connect SoCal's aforementioned Bottom-Up Local Input and Envisioning Process:

- Forecasted growth over 2020-2030 (projected need)
- Transit accessibility in 2045 (existing need)
- Job accessibility in 2045 (existing need)

The methodology is described in further detail at <http://scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Methodology-030520.pdf>

3. Final RHNA Methodology and Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the 120-day delay due to the COVID-19 pandemic, SCAG adopted Connect SoCal on September 3, 2020, and the City of Redondo Beach received its Draft RHNA Allocation on September 11, 2020. Application of the RHNA methodology yields the Draft RHNA Allocations for the City of Lawndale as summarized in the data and in the tables below.

³ Legislative changes in 2018 modified the nature of the regional housing need determination for the 6th cycle of RHNA by adding measures of household overcrowding and housing cost burden to the list of factors to be considered by HCD for the determination of housing need. These new measures are not included in the Connect SoCal Growth Forecast because they are not direct inputs to the growth forecasting process and are independent of employment and population projections. In contrast, they reflect additional latent housing needs in the current population (i.e. "existing need") and would not result in a change in regional population. For further discussion see Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

City of Lawndale Statistics and Inputs		Calculation of Draft RHNA Allocation for Lawndale	
Forecasted household (HH) growth, RHNA period: <i>(2020-2030 Household Growth * 0.825)</i>	127	Forecasted household (HH) growth, RHNA period:	127
Percent of households who are renting:	68%	Vacancy Adjustment: <i>(5% for renter households and 1.5% for owner households)</i>	5
Housing unit loss from demolition (2009-18):	-	Replacement Need:	-
Adjusted forecasted household growth, 2020-2045: <i>(Local input growth forecast total adjusted by the difference between the RHNA determination and SCAG's regional 2020-2045 forecast, +4%)</i>	383	TOTAL PROJECTED NEED:	132
Percent of regional jobs accessible in 30 mins (2045): <i>(From the jurisdiction's median TAZ)</i>	14.31%	Existing need due to job accessibility (50%):	756
Jobs accessible from the jurisdiction's median TAZ (2045): <i>(Based on Connect SoCal's 2045 regional forecast of 10.049M jobs)</i>	1,438,000	Existing need due to HQTa pop. share (50%):	1,400
Share of region's job accessibility (population weighted):	0.18%	Net residual factor for existing need:	204
		<i>(Negative values reflect a cap on lower-resourced community with good job and/or transit access. Positive values represent the amount being redistributed to higher-resourced communities based on their job and/or transit access)</i>	
Jurisdiction's HQTa population (2045):	34,232	TOTAL EXISTING NEED:	2,360
Share of region's HQTa population (2045):	0.33%	TOTAL RHNA FOR THE CITY OF LAWNDALE:	2,491
Share of population in low/very low-resource tracts:	0.00%	Very-low income (<50% of AMI):	730
Share of population in very high-resource tracts:	0.03%	Low income (50-80% of AMI):	310
Social equity adjustment:	150%	Moderate income (80-120% of AMI):	370
		Above moderate income (>120% of AMI)	1,081

The transit accessibility measure is based on the population anticipated to live in High-Quality Transit Areas (HQTAs) in 2045 based on Connect SoCal's designation of high-quality transit areas and population forecasts. With a forecasted 2045 population of 34,232 living within HQTAs, the City of Lawndale represents 0.33% of the SCAG region's HQTa population, which is the basis for allocating housing units based on transit accessibility.

Job accessibility is defined as the jurisdiction's share of regional jobs accessible within a 30-minute drive commute. Since over 80 percent of the region's workers live and work in different jurisdictions, the RHNA methodology uses a measure based on Connect SoCal's travel demand model output for the year 2045 rather than assigning housing units based on the number of jobs with a specific jurisdiction. Specifically, the share of future (2045) regional jobs which can be reached in a 30-minute automobile commute from the local jurisdiction's median TAZ is used as to allocate housing units

based on transit accessibility. From the City of Lawndale median TAZ, it will be possible to reach 14.31% of the region's jobs in 2045 within a 30-minute automobile commute (1,707,000 jobs, based on Connect SoCal's 2045 regional job forecast of 10,049,000 jobs).

An additional factor is included in the methodology to account for RHNA Objective #5 to Affirmatively Further Fair Housing (AFFH). Several jurisdictions in the region which are considered disadvantaged communities (DACs) on the basis of access to opportunity measures (described further in the RHNA methodology document), but which also score highly in job and transit access, may have their total RHNA allocations capped based on their long-range (2045) household forecast. This additional housing need, referred to as residual, is then reallocated to non-DAC jurisdictions in order to ensure housing units are placed in higher-resourced communities consistent with AFFH principles. This reallocation is based on the job and transit access measures described above, and results in an additional 204 units assigned to the Lawndale.

Please note that the above represents only a partial description of key data and calculations in the Final RHNA Methodology.

6th RHNA Cycle Appeals Procedures

Pursuant to Government Code section 65584.05, any local jurisdiction within the SCAG region may file an appeal to modify its allocated share or another jurisdiction's share of the regional housing need included as part of SCAG's Draft Regional Housing Needs Assessment (RHNA) Allocation Plan, hereinafter referred to as the "Draft RHNA Plan." The California Department of Housing and Community Development, hereinafter referred to as "HCD", may also file an appeal to one or more jurisdiction's draft RHNA allocation. No appeal shall be allowed relating to post-appeal reallocation adjustments made by SCAG, as further described in Section II, below.

I. APPEALS PROCESS

A. DEADLINE TO FILE

The period to file appeals shall commence on September 11, 2020¹, which shall be deemed as the date of receipt by jurisdictions and HCD of the draft RHNA Plan. In order to comply with Government Code § 65584.05(b), a jurisdiction or HCD seeking to appeal a draft allocation of the regional housing need must file an appeal by 5:00 p.m. October 26, 2020. Late appeals shall not be accepted by SCAG.

B. FORM OF APPEAL

The local jurisdiction shall state the basis and specific reasons for its appeal on the RHNA Appeal Request Form prepared by SCAG, a copy of which is attached hereto as Exhibit "A". Additional documents may be submitted by the local jurisdiction as attachments, and all such attachments should be properly labeled and numbered.

C. BASES FOR APPEAL

Local jurisdictions shall only file an appeal based upon the criteria listed below. In order to provide guidance to potential appellants, SCAG's Final RHNA Methodology for the 6th Housing Element Cycle (2021-2029) (Final RHNA Methodology) approved by SCAG's Regional Council on March 5, 2020, is attached hereto as Exhibit "B". Appeals based on "change of circumstance" can only be filed by the jurisdiction or jurisdictions where the change in circumstance occurred.

Pursuant to Government Code Section 65584.05, filed appeals must include a statement as to why the revision is necessary to further the intent of the objectives listed in Section 65584. Additionally, Government Code Section 65584.05(b) requires that all

¹ The period to file appeals shall commence on the eighth day after the Regional Council adopts the Final Connect SoCal in its entirety, and all the subsequent dates in this Appeals Procedures shall be adjusted accordingly.

filed appeals must be consistent with, and not to the detriment of, the development pattern in the sustainable communities strategy, or SCAG’s Connect SoCal Plan, pursuant to Government Code Section 65080(b)(2).

1. Methodology – That SCAG failed to determine the jurisdiction’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 furthers, and does not undermine the five objectives listed in Government Code Section 65584(d).

2. Local Planning Factors and Information Affirmatively Furthering Fair Housing (AFFH) – That SCAG failed to consider information submitted by the local jurisdiction relating to certain local factors outlined in Govt. Code § 65584.04(e) and information submitted by the local jurisdiction relating to affirmatively furthering fair housing pursuant to Government Code § 65584.04(b)(2) and 65584(d)(5) including the following:
 - a. Each jurisdiction’s existing and projected jobs and housing relationship.
 - b. The opportunities and constraints to development of additional housing in each jurisdiction, including the following:
 - (1) lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period;
 - (2) the availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities;
 - (3) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or

preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to non-agricultural uses.

- (4) County policies to preserve prime agricultural land, as defined pursuant to Government Code § 56064, within an unincorporated area, and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to non-agricultural uses.
- c. The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.
- d. Agreements between a county and cities in a county to direct growth toward incorporated areas of the county or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.
- e. The loss of units contained in assisted housing developments, as defined in Government Code § 65583(a)(9), that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.
- f. The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.
- g. The rate of overcrowding.
- h. The housing needs of farmworkers.
- i. The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.
- j. The loss of units during a state of emergency that was declared by the Governor pursuant to the California

Emergency Services Act (Chapter 7(commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis. For purposes of these guidelines, this applies to loss of units during a state of emergency occurring since October 2013 and have not yet been rebuilt or replaced by the time of the development of the draft RHNA methodology, or November 7, 2019.

- k. The region’s greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080, to be met by SCAG’s Connect SoCal Plan.
 - l. Information based upon the issues, strategies, and actions that are included, as available in an Analysis of Impediments to Fair Housing Choice or an Assessment of Fair Housing completed by any city or county or the California Department of Housing and Community Development, and in housing elements
3. Changed Circumstances – That a significant and unforeseen change in circumstance has occurred in the jurisdiction after April 30, 2019 and merits a revision of the information previously submitted by the local jurisdiction. Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.

D. LIMITS ON SCOPE OF APPEAL

Existing law explicitly limits SCAG’s scope of review of appeals. Specifically, SCAG shall not grant any appeal based upon the following:

1. Any other criteria other than the criteria in Section I.C above.
2. A local jurisdiction's existing zoning ordinance and land use restrictions, including but not limited to, the contents of the local jurisdiction's current general plan. Pursuant to Government Code Section 65584.04(e)(2)(B), SCAG may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions.
3. Any local ordinance, policy, voter-approved measure or standard limiting residential development. Pursuant to Government Code Section 65584.04(g)(1), any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits shall not be a justification for a determination or a reduction in a city's or county's share of regional housing need.
4. Prior underproduction of housing in a jurisdiction from the previous regional housing need allocation. Pursuant to Government Code Section 65584.04)(g)(2), prior underproduction of housing in a jurisdiction from the previous housing need allocation, as determined by each jurisdiction's annual production report submitted to Government Code Section 65400(a)(2)(H) cannot be used as a justification for a determination or reduction in a jurisdiction's share of the regional housing need.
5. Stable population numbers in a jurisdiction. Pursuant to Government Code Section 65584.04(g)(3), stable population growth from the previous regional housing needs cycle cannot be used as a justification for a determination or reduction in a jurisdiction's share of the regional housing need.

E. COMMENTS ON APPEALS

At the close of the appeals period as set forth in I.A., SCAG shall notify all jurisdictions within the region and HCD of all appeals and shall make all materials submitted in support of each appeal available on its website after the close of the appeals filing period. Local jurisdictions and HCD may comment on one or more appeals within the 45 days following the end of the appeals filing period. All comments must be filed by 5:00 p.m. December 10, 2020. No late comments shall be accepted by SCAG.

F. HEARING BODY

SCAG’s Regional Council has delegated the responsibility of considering appeals regarding draft allocations to the RHNA Subcommittee, also referred to as the RHNA Appeals Board. All provisions of the RHNA Subcommittee’s charter shall apply with respect to the membership and conduct of the appeal hearings. Per the RHNA Subcommittee charter, which was adopted on February 7, 2019 by the Regional Council, ex-officio members may participate as non-voting members of the RHNA Subcommittee and by extension the RHNA Appeals Board, and are not counted for purposes of a quorum. Also per the RHNA Subcommittee charter, all decisions made by the RHNA Appeals Board are considered final and will not be reviewed by the SCAG CEHD Committee or Regional Council.

G. APPEAL HEARING

SCAG shall conduct one public hearing to consider all appeals filed and comments received on the appeals no later than January 10, 2021. This public hearing may be continued (over several days if necessary) until all appeals are heard. Notice shall be provided to the appealing jurisdictions, commenting jurisdictions, and HCD at least 21 days in advance of the hearing. Per Government Code Section 65584.05(i), SCAG may extend the deadline to conduct the appeals hearing by up to thirty (30) days.

The appeal hearing may take place provided that each county is represented either by a member or alternate of the RHNA Appeals Board. Alternates are permitted to participate in the appeal hearing, provided however, that each county shall only be entitled to one vote when deciding on the appeal. Ex-officio members may participate as non-voting members of the RHNA Appeals Board and are not counted for purposes of a quorum. In alignment with the adopted RHNA Subcommittee charter, in the event the hearing involves the member’s or alternate’s respective jurisdiction, the member or alternate may elect not to participate in the discussion and vote by the RHNA Subcommittee regarding such appeal.

Due to the public health situation that began in late Winter 2020, RHNA appeals hearings may be conducted via teleconference per State-adopted emergency amendments to the Brown Act. SCAG staff will continue to apprise the public on any updates to meeting procedures and will include all information in the public noticing of the appeal hearings.

Appeal Hearing Procedures

The hearing(s) shall be conducted to provide applicants and jurisdictions that did not file appeals but are the subject of an appeal, with the opportunity to make their case regarding a change in their draft regional housing need allocation or another

jurisdiction’s allocation, with the burden on the applicants to prove their case. The appeals hearings will be organized by the specific jurisdiction subject to an appeal or appeals and will adhere to the following procedures:

1. Initial Arguments

Applicants who have filed an appeal for a particular jurisdiction will have an opportunity to present their request and reasons to grant the appeal. In the event of multiple appeals filed for a single jurisdiction, the subject jurisdiction will present their argument first if it has filed an appeal on its own draft RHNA allocation. Applicants may present their case either on their own, or in coordination with other applicants, but each applicant shall be allotted five (5) minutes each. If the subject jurisdiction did not file an appeal on its own draft RHNA allocation, it will be given an opportunity to present after all applicants have provided initial arguments on their filed appeals. Any presentation from the jurisdiction who did not appeal but is the subject of the appeal is limited to five (5) minutes unless it is responding to more than one appeal, in which case the jurisdiction is limited to eight (8) minutes.

2. Staff Response

After initial arguments are presented, SCAG staff will present their recommendation to approve or deny the appeals filed for the subject jurisdiction. The staff response is limited to five (5) minutes .

3. Rebuttal

Applicants and the jurisdiction who did not file an appeal but is the subject of the appeal may elect to provide a rebuttal but are limited to the arguments and evidence presented in the staff response. Each applicant and the subject jurisdiction that did not file an appeal on its own draft RHNA allocation will be allotted three (3) minutes each for a rebuttal.

4. Extension of Time Allotment

The Chair of the Appeals Board may elect to grant additional time for any presentation, staff response, or rebuttal in the interest of due process and equity.

5. Appeal Board Discussion and Determination

After arguments and rebuttals are presented, the RHNA Appeals Board may ask questions of applicants, the subject jurisdiction (if present), and SCAG staff. The Chair of the Appeals Board may request that questions

from the Appeals Board be asked prior to a discussion among Appeals Board members. Any voting Board member may make a motion regarding the appeal(s) for the subject jurisdiction. The Appeals Board is encouraged to make a single determination on the subject jurisdiction after hearing all arguments and presentations on each subject jurisdiction.

The RHNA Appeals Board need not adhere to formal evidentiary rules and procedures in conducting the hearing. An appealing jurisdiction may choose to have technical staff present its case at the hearing. At a minimum, technical staff should be available at the hearing to answer any questions of the RHNA Appeals Board.

H. DETERMINATION OF APPEAL

The RHNA Appeals Board shall issue a written final determination on all filed appeals after the conclusion of the public hearing(s). The written final determination shall consider all arguments and comments presented on revising the draft RHNA allocation of the subject jurisdiction and make a determination for each subject jurisdiction. The final determinations shall be based upon the information and methodology set forth in Government Code section 65584.04 and whether the revision is necessary to further the objectives listed in Government Code section 65584(d). The final determination shall include written findings as to how the determination is consistent with Government Code section 65584.05. The decision of the RHNA Appeals Board shall be final, and local jurisdictions shall have no further right to appeal.

In accordance with existing law, the final determination on an appeal by the RHNA Subcommittee may require the adjustment of allocation of a local jurisdiction that is not the subject of an appeal. Specific adjustments to jurisdictions not the subject of an appeal as a result of an appeal will be included as part of the Appeal Board’s determination. These specific adjustments may be excluded from the cumulative total adjustments required to be reallocated as described in Section II of these Appeals Guidelines if it is included as part of the appeals determination of the subject jurisdiction.

I. ALTERNATIVE DATA REQUIREMENTS

To the extent a local jurisdiction submits admissible alternative data or evidentiary documentation to SCAG in support of its appeal, such alternative data shall meet the following requirements:

1. The alternative data shall be readily available for SCAG’s review and verification. Alternative data should not be constrained for use by proprietary conditions or other conditions rendering them difficult to obtain or process.
2. The alternative data shall be accurate, current, and reasonably free from defect.
3. The alternative data shall be relevant and germane to the local jurisdiction’s basis of appeal.
4. The alternative data shall be used to support a logical analysis relating to the local jurisdiction’s request for a change to its draft regional housing need allocation.

II. POST-APPEAL REALLOCATION OF REGIONAL HOUSING NEED

In accordance with existing law (*see*, Government Code Section 65584.05(g)), after the conclusion of the appeals process, SCAG shall total the successfully appealed housing need allocations, except for adjustments made to jurisdictions not the subject of an appeal as determined by the Appeals Board in Section I.H. If the adjustments total seven percent (7%) or less of the regional housing need, SCAG shall distribute the adjustments proportionally, to all local jurisdictions. For purposes of these procedures, proportional distribution shall be based on the share of regional need after the appeals are determined and prior to the required redistribution.

If the adjustments total more than seven percent (7%) of the regional housing need, existing law requires that SCAG to develop a methodology to distribute the amount greater than seven percent to local governments. In this situation, SCAG will redistribute the amount greater than the seven percent based on the “residual” existing need calculation included in the adopted final RHNA methodology. To be consistent with the “residual” existing need calculation, successfully appealed units above the seven percent threshold will be redistributed to each county based on their proportion of total successful appeals. Fifty percent (50%) of each county’s amount above the regional seven percent will be redistributed within the county based on population within a High Quality Transit Area (HQTA) and fifty percent (50%) of the amount will be redistributed within the county based on share of regional jobs accessible. Communities designated as disadvantaged, defined in the Final RHNA Methodology as having more than fifty percent (50%) of their population in lower resource areas, will be exempt from redistribution of the amount greater than seven percent. For more information regarding the existing need distribution in the Final RHNA Methodology, please refer to Exhibit B SCAG’s adopted Final RHNA Methodology.

III. FINAL RHNA PLAN

After SCAG reallocates units to all local jurisdictions resulting from successful appeals, SCAG's Regional Council shall review and consider adoption of the Final RHNA Plan for SCAG's 6th cycle RHNA. This is scheduled to occur on February 4, 2021.

List of Exhibits

Exhibit A: RHNA Appeal Request Form

Exhibit B: Final RHNA Methodology

Exhibit C:

-) Government Code Section 65580
-) Government Code Section 65584
-) Government Code Section 65584.04
-) Government Code Section 65584.05

Exhibit D: RHNA Subcommittee Charter

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Date: _____ Jurisdiction Subject to This Appeal Filing: _____

(to file another appeal, please use another form)

Filing Party (Jurisdiction or HCD)

Filing Party Contact Name _____ Filing Party Email: _____

APPEAL AUTHORIZED BY:

Name: _____

PLEASE SELECT BELOW:

- Mayor
- Chief Administrative Office
- City Manager
- Chair of County Board of Supervisors
- Planning Director
- Other: _____

BASES FOR APPEAL

- Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029)
- Local Planning Factors and/or Information Related to Affirmatively Furthering Fair Housing (See Government Code Section 65584.04 (b)(2) and (e))
 - Existing or projected jobs-housing balance
 - Sewer or water infrastructure constraints for additional development
 - Availability of land suitable for urban development or for conversion to residential use
 - Lands protected from urban development under existing federal or state programs
 - County policies to preserve prime agricultural land
 - Distribution of household growth assumed for purposes of comparable Regional Transportation Plans
 - County-city agreements to direct growth toward incorporated areas of County
 - Loss of units contained in assisted housing developments
 - High housing cost burdens
 - The rate of overcrowding
 - Housing needs of farmworkers
 - Housing needs generated by the presence of a university campus within a jurisdiction
 - Loss of units during a state of emergency
 - The region's greenhouse gas emissions targets
 - Affirmatively furthering fair housing
- Changed Circumstances (Per Government Code Section 65584.05(b), appeals based on change of circumstance can only be made by the jurisdiction or jurisdictions where the change in circumstance occurred)

FOR STAFF USE ONLY:

Date _____ Hearing Date: _____ Planner: _____

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Brief statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 (please refer to Exhibit C of the Appeals Guidelines):

Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

Brief Description of Appeal Request and Desired Outcome:

Number of units requested to be reduced or added to the jurisdiction's draft RHNA allocation (circle one):

Reduced _____ Added _____

List of Supporting Documentation, by Title and Number of Pages
(Numbers may be continued to accommodate additional supporting documentation):

- 1.

- 2.

- 3.

FOR STAFF USE ONLY:

Date _____

Hearing Date: _____

Planner: _____

Final RHNA Methodology

EXECUTIVE SUMMARY

SCAG is required to develop a final RHNA methodology to distribute existing and projected housing need for the 6th cycle RHNA for each jurisdiction, which will cover the planning period October 2021 through October 2029. Following extensive feedback from stakeholders during the proposed methodology comment period and an extensive policy discussion, SCAG’s Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019, as described below, and provide it to the State Department of Housing and Community Development (HCD) for their statutory review. On January 13, 2020, HCD completed its review of the draft methodology and found that it furthers the five statutory objectives of RHNA and on March 4, 2020, SCAG’s Regional Council voted to approve the Final RHNA Methodology. The overall framework for this methodology is included in the table below and further described in the rest of this document.

Projected need	Existing need	Income categories
Household growth 2020-2030	Transit accessibility (HQTA population 2045)	150% social equity adjustment minimum
Future vacancy need	Job accessibility	0-30% additional adjustment for areas with lowest or highest resource concentration
Replacement need	Residual distribution within the county	

HOUSING CRISIS

There is no question that there is an ongoing housing crisis throughout the State of California. A variety of measures indicate the extent of the crisis including overcrowding and cost-burdened households, but the underlying cause is due to insufficient housing supply despite continuing population growth over recent decades.

As part of the RHNA process SCAG must develop a final RHNA methodology, which will determine each jurisdiction’s draft RHNA allocation as a share of the regional determination of existing and projected housing need provided by the California Department of Housing and Community Development (HCD). There are several requirements outlined by Government Code Section 65584.04, which will be covered in different sections of this packet:

-) Allocation methodology, per Government Code 65584.04(a)
-) How the allocation methodology furthers the objectives State housing law, per GC 65584.04(f)

-) How local planning factors are incorporated into the RHNA methodology, per GC 65584.04(f)
-) Furthering the objectives of affirmatively furthering fair housing (AFFH), per GC 65584.04(d)
-) Public engagement, per GC 65584.04(d)

Additionally, SCAG has developed a dynamic estimator tool and data appendix that contains a full set of various underlying data and assumptions to support the methodology. Due to the size of the appendix, a limited number of printed copies are available. SCAG has posted the dynamic estimator tool and full methodology appendix, on its RHNA webpage: www.scag.ca.gov/rhna.

Per State housing law, the RHNA methodology must distribute existing and projected housing need to all jurisdictions. The following section provides the final methodology for distributing projected and existing need to jurisdictions from the RHNA regional determination provided by the California Department of Housing and Community Development (HCD) pursuant to Government Code Section 65584.01.

Guiding Principles for RHNA Methodology

In addition to furthering the five objectives pursuant to Government Code 65585(d), there are several guiding principles that SCAG staff has developed to use as the basis for developing the distribution mechanism for the RHNA methodology. These principles are based on the input and guidance provided by the RHNA Subcommittee during their discussions on RHNA methodology between February 2019 and June 2019.

1. The housing crisis is a result of housing building not keeping up with growth over the last several decades. The RHNA allocation for all jurisdictions is expected to be higher than the 5th RHNA cycle.
2. Each jurisdiction must receive a fair share of their regional housing need. This includes a fair share of planning for enough housing for all income levels, and consideration of factors that indicate areas that have high and low concentration of access to opportunity.
3. It is important to emphasize the linkage to other regional planning principles to develop more efficient land use patterns, reduce greenhouse gas emissions, and improve overall quality of life.

The jurisdictional boundaries used in the recommended RHNA methodology will be based on those as of August 31, 2016. Spheres of influence in unincorporated county areas are considered within unincorporated county boundaries for purposes of RHNA.

Proposed RHNA Allocation Methodology

The proposed RHNA methodology, which was released for public review on August 1, contained three (3) options to distribute HCD's regional determination for existing and projected need for the

SCAG region. HCD provided SCAG a final regional determination of 1,341,827 units for the 6th cycle RHNA on October 15, 2019.¹

The three options were developed based on RHNA Subcommittee feedback on various factors at their meetings between February and June 2019 and feedback from stakeholders. SCAG solicited formal public comment on the three options and any other factors, modifications, or alternative options during the public comment period, which commenced on August 1 and concluded on September 13, 2019.

Four public hearings were conducted to formally receive verbal and written comments on the proposed RHNA methodology, in addition to one public information session with a total participation of approximately 250 people. Almost 250 written comments were submitted to SCAG specifically on the proposed methodology and over 35 verbal comments were shared at four (4) public hearings held in August 2019.

Draft and Final RHNA Allocation Methodology

Based on comments received during the public comment period, staff recommended a combination of the three options in the proposed methodology further enhanced by factors specifically suggested by stakeholders.

On November 7, 2019, SCAG's Regional Council voted to approve the Draft RHNA Methodology. The approved draft methodology included modifications to the staff-recommended draft methodology for calculating existing housing need to more closely align the methodology with job and transit accessibility factors.

On January 13, 2020, HCD completed their statutory review and found that SCAG's Draft RHNA Methodology furthers the five statutory objectives of RHNA, which allows SCAG to finalize the RHNA methodology and issue draft RHNA allocations to each individual jurisdiction. HCD's comment letter, which can be found at www.scag.ca.gov/rhna, notes:

"HCD has completed its review of the methodology and finds that the draft SCAG RHNA methodology furthers the five statutory objectives of RHNA. HCD acknowledges the complex task of developing a methodology to allocate RHNA to 197 diverse jurisdictions while furthering the five statutory objectives of RHNA. This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes. In particular, HCD applauds the use of objective factors specifically linked the statutory objectives in the existing need methodology."

Following this finding, staff recommended the draft RHNA methodology as the final RHNA methodology. On March 5, 2020, SCAG's Regional Council approved Resolution No. 20-619-2

¹ On September 5, 2019, the SCAG Regional Council voted to object to HCD the regional determination of 1,344,740, per Government Code Section 65584.01, that was provided on August 15, 2019. After review of SCAG's objection letter, HCD provided a final regional determination of 1,341,827 units on October 15, 2019.

adopting the Final RHNA Methodology for the Sixth Housing Element Cycle. Following the formal distribution of draft RHNA allocations based on the Final RHNA methodology and a separate appeals phase described in Government Code 65584.05 et seq., RHNA allocations will be finalized in approximately October 2020.

The next section describes the final RHNA methodology mechanism to distribute the 1,341,827 housing units determined by HCD to all SCAG jurisdictions.

Determining Existing Need and Projected Need

SCAG's final RHNA methodology starts with the total regional determination provided by HCD and separates existing need from projected need.

Projected need is considered as household growth for jurisdictions between the RHNA projection period between July 1, 2021 and October 1, 2029, in addition to a calculated future vacancy need and replacement need. For projected household growth, SCAG's Connect SoCal growth forecast for the years 2020-2030 is used as the basis for calculating projected housing unit need for the region. The anticipated growth in households over this period is multiplied by 0.825 to approximate growth during the 8.25-year RHNA projection period of July 1, 2021 to October 1, 2029.

For several jurisdictions, SCAG's growth forecast includes projected household growth on tribal land. For these jurisdictions, SCAG's estimate of household growth on tribal land from July 1, 2021 to October 1, 2029 is subtracted from the jurisdictional projected household growth (see note in the accompanying dynamic estimator tool). A vacancy adjustment of 1.5% for owner-occupied units and 5% for renter-occupied units representing healthy-market vacancy will be applied to projected household growth to determine future vacancy need. Next a replacement need is added, which is an estimate of expected replacement need over the RHNA period. **Based on these components, the regional projected need is 504,970 units.**

Existing need is considered the remainder of the regional determination after projected need is subtracted. **Based on this consideration, the regional existing need is 836,857 units.**

Determining a Jurisdiction's RHNA Allocation (Existing and Projected Need)

In determining the existing need and projected need for the region, the methodology applies a three-step process to determine a jurisdiction's RHNA allocation by income category:

1. Determine a jurisdiction's projected housing need
 - a. Assign household growth to jurisdictions based on SCAG's Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy Growth Forecast between 2020 and 2030
 - b. Calculate a jurisdiction's future vacancy need by applying a healthy market vacancy rate separately to the jurisdiction's owner and renter households
 - c. Assign a replacement need to jurisdictions based on each jurisdiction's share of regional net replacement need based on information collected from the replacement need survey submitted by local jurisdictions

2. Determine a jurisdiction’s existing housing need
 - a. Assign 50 percent of regional existing need based on a jurisdiction’s share of region’s population within the high quality transit areas (HQTAs) based on future 2045 HQTAs
 - b. Assign 50 percent of regional existing need based on a jurisdiction’s share of the region’s jobs that can be accessed within a 30-minute driving commute
 - c. For extremely disadvantaged communities (hereafter “DACs,” see definition below), identify residual existing need, which is defined herein as total housing need in excess of household growth between 2020 and 2045². DACs are jurisdictions with more than half of the population living in high segregation and poverty or low resource areas as defined by the California Tax Credit Allocation Committee (TCAC)/HCD Opportunity Index Scores further described in the document.
 - d. Reallocate residual existing need by county to non-DAC jurisdictions within the same county based on the formula in (a) and (b) above, i.e. 50% transit accessibility and 50% job accessibility.

3. Determine a jurisdiction’s total housing need
 - a. Add a jurisdiction’s projected housing need from (1) above to its existing housing need from (2) above to determine its total housing need.

4. Determine four RHNA income categories (very low, low, moderate, and above moderate)
 - a. Use a minimum 150% social equity adjustment
 - b. Add an additional percentage of social equity adjustment to jurisdictions that have a high concentration of very low or very high resource areas using the California Tax Credit Allocation Committee (TCAC)’s index scoring
 - i. Add a 10% social equity adjustment to areas that are designated as 70-80% very high or very low resource area
 - ii. Add a 20% social equity adjustment to areas that are designated as 81-90% very high or very low resource area
 - iii. Add a 30% social equity adjustment to areas that are designated as 91-100% very high or very low resource area

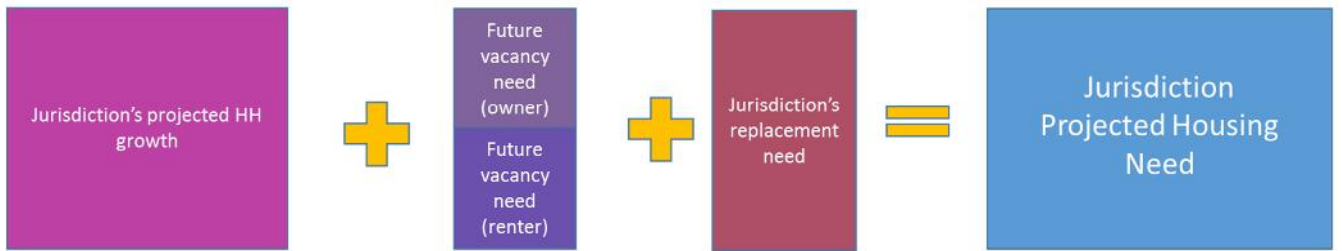
Methodology Component	Assigned units
Projected need: Household growth	466,958
Projected need: Future vacancy need	14,467
Projected need: Replacement need	23,545
Projected need subtotal	504,970

² Since HCD’s regional determination of 1,341,827 exceeds SCAG’s 2020-2045 household growth forecast of 1,297,000 by 3.46 percent, for the purposes of existing need allocation, exceeding “local input” or more accurately, Connect SoCal Growth Forecast, household growth shall mean exceeding 1.0368 times household growth.

	Percentage of Existing Need	Assigned units
Existing need: Transit accessibility	50%	418,429
Existing need: Job accessibility	50%	418,428
Existing need subtotal		836,857
Total regional need		1,341,827

Step 1: Determine Projected Housing Need

The first step of the RHNA methodology is to determine a jurisdiction’s projected need. From the regional determination, projected need is considered to be regional household growth, regional future vacancy need, and regional replacement need.



To determine a jurisdiction’s projected need, the methodology uses a three-step process:

- a. Determine the jurisdiction’s regional projected household growth based on local input
- b. Determine future vacancy need based on a jurisdiction’s existing composition of owner and renter households and apply a vacancy rate on projected household growth based on the following:
 - a. Apply a 1.5% vacancy need for owner households
 - b. Apply a 5.0% vacancy need for renter households
- c. Determine a jurisdiction’s net replacement need based on replacement need survey results

Step 1a: Projected Household Growth

SCAG’s Connect SoCal regional growth forecast reflects recent and past trends, key demographic and economic assumptions, and local, regional, state, and national policy. SCAG’s regional growth forecasting process also emphasizes the participation of local jurisdictions and other stakeholders. The growth forecast process kicked off on May 30, 2017 with a panel of experts meeting wherein fifteen academic scholars and leading practitioners in demographics and economics were invited to review key input assumptions for the growth forecast including expected job growth, labor force

participation, birth rates, immigration and household formation rates. SCAG staff then incorporated the recommendations of the panel of experts into a preliminary range of population, household, and employment growth figures for 2016, 2020, 2030, 2035, and 2045 for the region and six counties individually.

SCAG further projects jurisdiction-level and sub-jurisdiction-level employment, population, and households using several major data sources, including:

- California Department of Finance (DOF) population and household estimates;
- California Employment Development Department (EDD) jobs report by industry;
- 2015 existing land use and General Plans from local jurisdictions;
- 2010 Census and the latest ACS data (2013-2017 5-year samples);
- County assessor parcel databases;
- 2011 and 2015 Business Installment data from InfoGroup; and
- SCAG's 2016 RTP/SCS growth forecast.

On October 31, 2017, the preliminary small area (i.e. jurisdiction and sub-jurisdiction) growth forecasts were released to local jurisdictions for their comments and input. This kicked off SCAG's *Bottom-Up Local Input and Envisioning Process* which provided each local jurisdiction with their preliminary growth forecast information as well as several other data elements both produced by SCAG and other agencies which are related to the development of Connect SoCal. Data map books were generated and provided electronically and in hard copy format and included detailed parcel-level land use data, information on resource areas, farmland, transportation, geographical boundaries and the draft growth forecast. Complete information on the Data map books and the Bottom-Up Local Input and Envisioning Process can be found at <http://scagrtpscs.net/Pages/DataMapBooks.aspx>. Over the next eight months, SCAG staff conducted one-on-one meetings with all 197 local jurisdictions to explain methods and assumptions behind the jurisdiction and sub-jurisdiction growth forecast as well as to provide an opportunity to review, edit, and approve SCAG's preliminary forecast for population, employment, and households for 2016, 2020, 2030, 2035, and 2045.

Between October 2018 and February 2019, SCAG reviewed local input on the growth forecast and other data map book elements. The local input growth forecast was evaluated at the county and regional level for the base year of 2016 and the horizon year of 2045 and was found to be technically sound. Specifically, as it relates to SCAG's local input household forecast:

- The forecast generates a 2045 regional unemployment rate of 4.7 percent which is reasonable based on past trends and ensured that the forecast is balanced, i.e. there are not too many jobs for the number of anticipated workers
- The forecast generates a 2045 population-to-household ratio of 2.9 which is consistent with the preliminary forecast and reflects expert-anticipated decreases in this ratio, ensuring that there are not too many people for the anticipated number of households region-wide
- From 2020-2045, the forecast anticipates household growth of 21 percent and population growth of 15 percent, indicating an alleviation of the region's current housing shortage over this future period.

SCAG's growth forecast for the years 2020-2030 is used as the basis for calculating projected housing unit need. Because the 6th cycle RHNA projection period covers July 1, 2021 through October 15, 2029, it is necessary to adjust reported household growth between 2020 and 2030 and adjust it to an 8.25 year projection period. The anticipated growth in households over this period is multiplied by 0.825 to approximate growth during the 8.25-year RHNA projection period (July 1, 2021 to October 15, 2029).

Step 1b: Future Vacancy Need

The purpose of a future vacancy need is to ensure that there are enough vacant units to support a healthy housing market that can genuinely accommodate projected household growth. An undersupply of vacant units can prevent new households from forming or moving into a jurisdiction. Formulaically, future vacancy need is a percentage applied to the jurisdiction's household growth by tenure type (owner and renter households). While individual jurisdictions may experience different vacancy rates at different points in time, future vacancy need is independent of existing conditions and instead is a minimum need to support household growth.

To calculate a jurisdiction's future vacancy need, its proportion of owner-occupied units and renter-occupied units are determined using American Community Survey (ACS) 2013-2017 data—the most recent available at the time of the draft methodology's development. The percentages are applied to the jurisdiction's projected household growth from the previous step, which results in the number of projected households that are predicted to be owners and those that are predicted to be renters.

Next, two different vacancy rates are applied based on the regional determination provided by HCD. The recommended methodology uses 1.5 percent for owner-occupied units and a rate of 5 percent for renter-occupied units. The difference is due to the higher rates of turnover generally reported by renter units in comparison to owner-occupied units. The vacancy rates are applied to their respective tenure category to determine how many future vacant units are needed by tenure and then added together to get the total future vacancy need.

Step 1c: Replacement Need

Residential units are demolished for a variety of reasons including natural disasters, fire, or desire to construct entirely new residences. Each time a unit is demolished, a household is displaced and disrupts the jurisdiction's pattern of projected household growth. The household may choose to live in a vacant unit or leave the jurisdiction, of which both scenarios result in negative household growth through the loss of a vacant unit for a new household or subtracting from the jurisdictions number of households.

For these reasons, replacement need is a required component of the regional determination provided by HCD. The methodology's replacement need will be calculated using a jurisdiction's net replacement need based on data submitted for the replacement need survey, which was conducted between March and April 2019.

Each jurisdiction's data on historical demolitions between reporting years 2008 and 2018, which was collected from the California Department of Finance (DOF), was tabulated and provided to

jurisdictions in the replacement need survey. Jurisdictions were asked to provide data on units that replaced the reported demolished units. A net replacement need was determined based on this information for each jurisdiction.

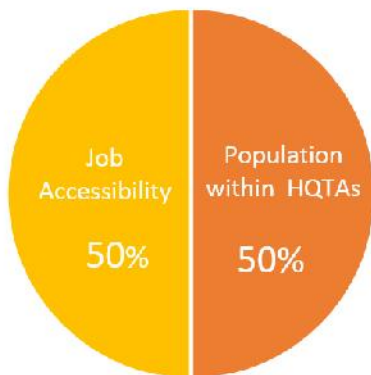
After determining each of the projected housing need components, they are combined to determine a jurisdiction’s projected housing need.

Step 2: Determine Existing Housing Need

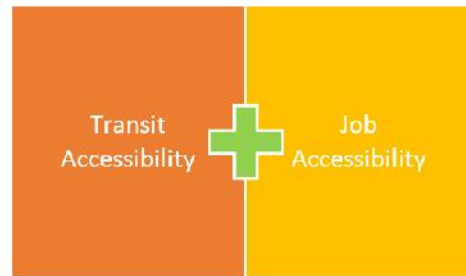
After determining a jurisdiction’s projected need, the next step is to determine a jurisdiction’s existing need. Following the above discussion and based on HCD’s determination of total regional housing need, existing need is defined as the total need minus the projected need—approximately 62 percent of the entire regional determination. SCAG’s Regional Council determined that the regional existing need be split into two parts:

-) Fifty (50) percent on population near transit (HQTAs), or 31 percent of total need
-) Fifty (50) percent on job accessibility, or 31 percent of total need

Regional Existing Need



Jurisdiction Existing Need



Step 2a: Share of Regional HQTAs Population

The next step involves the consideration of proximity to transit to distribute fifty (50) percent of the region’s existing housing need, in an effort to better align transportation and housing planning.

For several years, SCAG has developed a measure called High Quality Transit Areas (HQTAs) which are areas within a half-mile of transit stations and corridors with at least a fifteen (15) minute headway during peak hours for bus service. HQTAs are based on state statutory definitions of high-quality transit corridors (HQTcs) and major transit stops. For the development of Connect SoCal, freeway-running HQTcs have been excluded from HQTAs to better reflect the level of service they provide to nearby areas.

Planned HQTcs and major transit stops for future years are improvements that are expected to be implemented by transit agencies by the Connect SoCal horizon year of 2045. SCAG updates its inventory with the quadrennial adoption of each RTP/SCS; however, planning and environmental

impact studies may be completed by transit agencies more frequently. Therefore, HQTAs in future years reflect the best information currently available to SCAG regarding the location of future high-quality transit service accessibility. More detailed information on HQTAs-related definitions is available in the data appendix.

50 percent of the regional existing housing need will be distributed based on a jurisdiction's share of regional residential population within an HQTAs, based on the HQTAs boundaries used in the final Connect SoCal Plan anticipated to be adopted by SCAG in April 2020. Not all jurisdictions have an HQTAs within their jurisdictional boundaries and thus may not receive existing need based on this factor.

Step 2b: Job Accessibility

The concept behind job accessibility is to further the statewide housing objective and SCAG's Connect SoCal objective of improving the relationship between jobs and housing. While none of the three options presented in the proposed RHNA methodology included a factor directly based on job accessibility, an overwhelming number of public comments expressed support for the methodology to include this specific component.

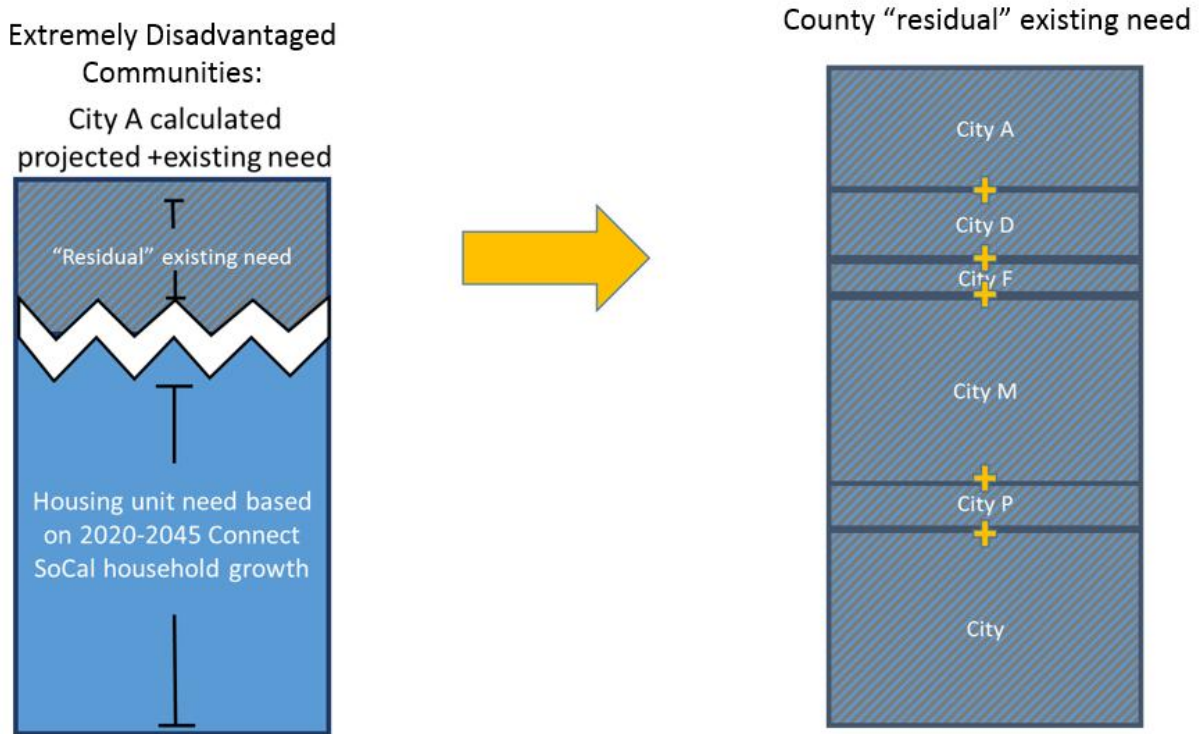
The methodology assigns fifty (50) percent of regional existing need based on job accessibility. Job accessibility is based on the share of the region's jobs accessible by a thirty (30) minute commute by car in 2045. Importantly, the RHNA methodology's job access factor is *not* based on the number of jobs within a jurisdiction from SCAG's Connect SoCal Plan or any other data source. Rather, it is a measure based on of how many jobs can be *accessed* from that jurisdiction within a 30-minute commute, which includes jobs in other jurisdictions. Since over 80 percent of SCAG region workers live and work in different jurisdictions, genuinely improving the relationship between jobs and housing necessitates an approach based on job access rather than the number of jobs in a jurisdiction.

These job accessibility data are derived at the transportation analysis zone (TAZ) level from travel demand modelling output from SCAG's final Connect SoCal Plan. SCAG realizes that in many jurisdictions, especially larger ones, job access many not be uniform in all parts of the city or county. However, since the RHNA process requires allocating housing need at the jurisdictional-level, staff reviewed several ways to measure the typical commuter's experience in each jurisdiction. Ultimately, the share of the region's jobs that could be accessed by a jurisdiction's *median TAZ* was found to be the best available measure of job accessibility for that jurisdiction. Based on this measure, in central parts of the region, residents of some jurisdictions can access as much as 23 percent of the region's jobs in a 30 minute car commute, while the average across all the region's jurisdictions was 10.5 percent.

This measure is multiplied by a jurisdiction's share of total population in order to allocate housing unit need to jurisdictions. This important step ensures that the potential beneficiaries of greater accessibility (i.e., the population in a jurisdiction with good job access) are captured in the methodology. Based on this approach, jurisdictions with limited accessibility to jobs will receive a smaller RHNA allocation based on this component.

Step 2c: "Residual" Adjustment Factor for Existing Need

In many jurisdictions defined as “disadvantaged communities (DACs)”, the calculated projected and existing need is higher than its household growth between 2020 and 2045, as determined by the SCAG Growth Forecast used in the final Connect SoCal regional plan. Those DAC jurisdictions that have a need as determined by the RHNA methodology as higher than its 2020 to 2045 household growth³ will be considered as generating “residual” existing need. Residual need will be subtracted from jurisdictional need in these cases so that the maximum a DAC jurisdiction will receive for existing need is equivalent to its 2020 to 2045 household growth. Not all DAC jurisdictions will have a residual existing need.



A county total of residual existing need will be calculated and then redistributed with the same county to non-DAC jurisdictions. The redistribution will be assigned to jurisdictions based on transit accessibility (50%) and job accessibility (50%), and will exclude DAC jurisdictions which have over 50% of their populations in very low resource areas using California Tax Credit Allocation Committee (TCAC)/HCD Opportunity Indices.

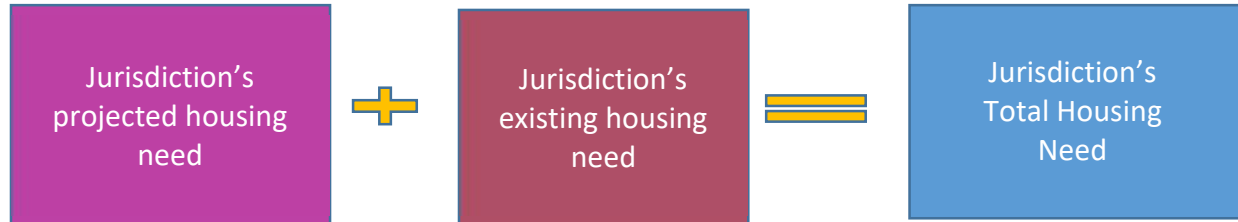
Very low resource areas are areas that have least access to opportunity as measured by indicators such as poverty levels, low wage job proximity, math and reading proficiency, and pollution levels. This mechanism will help to further AFFH objectives since residual existing RHNA need, which includes additional affordable units, will be assigned to areas that are not identified as those with the

³ Since HCD’s regional determination of 1,341,827 exceeds SCAG’s 2020-2045 household growth forecast of 1,297,000 by 3.68 percent, for the purposes of existing need allocation, exceeding “local input” or “Connect SoCal” household growth shall mean exceeding 1.0368 times household growth.

lowest resources, which will increase access to opportunity. A full discussion on the TCAC opportunity indicators is provided in the following section on social equity adjustment. Data relating to the TCAC opportunity indicator categories for each jurisdiction can be found in the RHNA methodology data appendix and in the accompanying RHNA allocation estimator tool on the RHNA webpage: www.scag.ca.gov/rhna.

Step 3: Determining Total Housing Need

After determining a jurisdiction's projected housing need from step 1 and its existing housing need from step 2, the sum of the projected and existing need becomes a jurisdiction's total housing need.



Step 4: Determining Four Income Categories through Social Equity Adjustment

After determining a jurisdiction's total RHNA allocation, the next step is to assign the total into four RHNA income categories. The four RHNA income categories are:

-) Very low (50 percent or less of the county median income);
-) Low (50-80 percent);
-) Moderate (80 to 120 percent); and
-) Above moderate (120 percent and above)

The fourth RHNA objective specifically requires that the RHNA methodology allocate a lower proportion of housing need in jurisdictions that already have a disproportionately high concentration of those households in comparison to the county distribution. Additionally, the fifth objective, affirmatively furthering fair housing (AFFH), requires that the RHNA methodology further the objectives of addressing significant disparities in housing needs and access to opportunity in order to overcome patterns of segregation.

To further these two objectives, the RHNA methodology includes a minimum 150 percent social equity adjustment and an additional 10 to 30 percent added in areas with significant populations that are defined as very low or very high resource areas, referred to as an AFFH adjustment. This determines the distribution of four income categories for each jurisdiction.

Social equity adjustment



A social equity adjustment ensures that jurisdictions accommodate their fair share of each income category. First, the percentage of each jurisdiction’s distribution of four income categories is determined using the county median income as a benchmark. For example, in Los Angeles County, a household earning less than \$30,552 annually, or 50 percent of the county median income, would be considered a very low income household. A household in Los Angeles County earning more than \$73,218 annually, or 120 percent of the county median income, would be counted in the above moderate category. The number of households in each category is summed and then a percentage of each category is then calculated.

For reference, below is the median household income by county.

-) Imperial County: \$44,779
-) Los Angeles County: \$61,015
-) Orange County: \$81,851
-) Riverside County: \$60,807
-) San Bernardino County: \$57,156
-) Ventura County: \$81,972
-) SCAG region: \$64,114

Source: American Community Survey (ACS) 2013-2017 5-year estimates

Once a jurisdiction’s household income distribution by category is determined, the percentage is compared to the county’s percentage of existing household income distribution. For example, if a jurisdiction has an existing distribution of 30 percent of very low income households while the county is 25 percent, the jurisdiction is considered as having an overconcentration of very low income households compared to the county. A social equity adjustment ensures that the jurisdiction will be assigned a smaller percentage of very low income households for its RHNA allocation than both what it and the county currently experience.

If the jurisdiction is assigned a social equity adjustment of 150 percent, the formula to calculate its very low income percentage is:

Household Income Level	Formula to Calculate City A Social Equity Adjustment of 150%
Very Low Income	$30\% - [(30\% - 25\%) \times 1.5] = 22.5\%$

In this example, 22.5 percent of the jurisdiction’s total RHNA allocation would be assigned to the very low income category. This adjustment is lower than both its existing household income distribution (30 percent) and the existing county distribution (25 percent).

The inverse occurs in higher income categories. Assuming 20 percent of a jurisdiction’s households are above moderate income while 25 percent of the county’s households are above moderate income, the jurisdiction will be assigned a distribution of 27.5 percent for above moderate income need.

Household Income Level	Formula to Calculate City A Social Equity Adjustment of 150%
Above moderate income	$20\% - [(20\% - 25\%) \times 1.5] = 27.5\%$

If the adjustment was 100 percent a jurisdiction’s distribution would be exactly the same as the County’s distribution. Conceptually a 150 percent adjustment means that the City meets the County distribution and goes beyond that threshold by 50 percent, resulting in a higher or lower distribution than the County depending on what existing conditions are in the City. The higher the adjustment, the more noticeable the difference between the jurisdiction’s existing household income distribution and its revised distribution.

The RHNA methodology recommends a minimum of 150 percent social equity adjustment with an additional 10, 20, or 30 percent added depending on whether the jurisdiction is considered a very low or very high resource area based on its Opportunity Index score.

In 2015 the U.S. Department of Housing and Urban Development (HUD) developed a set of “Opportunity Indices” to help states and localities identify factors that contribute to fair housing issues in their region and comply with the federal Fair Housing Act. In late 2017, a Task Force convened by HCD and the California Tax Credit Allocation Committee (TCAC) released an “Opportunity mapping” tool based on these HUD indices to identify areas in California that can “offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health.”⁴

The TCAC and HCD Opportunity mapping tool includes a total of eleven (11) census-tract level indices to measure exposure to opportunity in local communities. The indices are based on measures of economic, environmental, and educational opportunities within communities. Regional patterns of segregation are also identified based on this tool. Below is a summary table of the 11 indices sorted by type:

Economic	Environment	Education
Poverty	CalEnviroScreen 3.0 indicators	Math proficiency
Adult education	) Ozone	Reading proficiency
Employment	) PM2.5	High school graduation rates
Low-wage job proximity	) Diesel PM	Student poverty rate
Median home value	) Drinking water contaminates	
	) Pesticides	
	) Toxic releases from facilities	
	) Traffic density	
	) Cleanup sites	
	) Groundwater threats	
	) Hazardous waste	
	) Impaired water bodies	
	) Solid waste sites	

⁴ California Fair Housing Taskforce Revised opportunity Mapping Technology, Updated November 27, 2018: <https://www.treasurer.ca.gov/ctcac/opportunity/final-opportunity-mapping-methodology.pdf>

Based on its respective access to opportunity, each census tract is given a score that designates it under one of the following categories:

-) High segregation & poverty
-) Low resource
-) Moderate resource
-) High resource
-) Highest resource

Tract-level indices were summed to the jurisdictional-level by SCAG using area-weighted interpolation. Using 2013-2017 American Community Survey population data, SCAG determined the share of each jurisdiction’s population in each of these five categories. For example:

	Lowest Resource				Very High Resource
Opportunity Indicator Category	High segregation & poverty	Low resource	Moderate resource	High resource	Highest resource
City A Percentage of population	10%	10%	30%	30%	20%
City B Percentage of population	90%	5%	5%	0%	0%
City C Percentage of population	0%	0%	10%	15%	75%

The recommended methodology determines high resource concentration using the “very high” resource area score. The recommended methodology determines “lowest” resource areas by combining the two lowest measures. In the above table, City B would be considered to have a much higher concentration of lower resource areas than City A. City C would be considered to have a much higher concentration of highest resource areas.⁵

-) High segregation & Poverty + Low Resource = Lowest Resource
-) Highest Resource

Jurisdictions that are identified as having between 70 and 100 percent of the population within a lowest or very high resource area are assigned an additional 10 and 30 percent social equity adjustment:

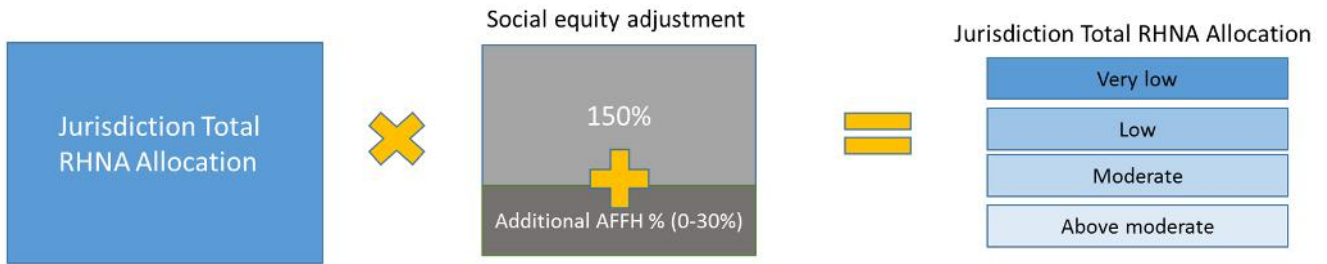
⁵ As a cross-reference, if City B has both a high job and transit accessibility it would be exempt from the redistribution of residual existing need from the RHNA methodology’s Step 2d because more than 50 percent of its population is within a very low resource area. On the other hand City A and City C, if they have a high job and transit access, would not be exempt from receiving regional residual need because they have only 20 percent and 0 percent of their respective population within a very low resource area.

Concentration of population within very low or very high resource area	Additional social equity adjustment
70-80%	+10%
80-90%	+20%
90-100%	+30%

In the example table, City B would receive an additional social equity adjustment of 30% because 95% of its population is within a lowest resource area (sum of high segregation & poverty and low resource measures). City C would receive an additional social equity adjustment of 10% because 75% of its population is within a very high resource area. City A would not receive a further adjustment because it does not have a high enough concentration of population within either the lowest or very high resource categories.

Assigning a higher social equity adjustment based on Opportunity Indices will result in a higher percentage of affordable housing units to areas that have higher resources. Concurrently, it will assign a lower percentage of affordable housing in areas where they is already an overconcentration. Because Opportunity Indices consider factors such as access to lower wage jobs, poverty rates, and school proficiency, the social equity adjustment in the RHNA methodology will result in factors beyond simply household income distribution. This additional adjustment will help to adjust the disparity in access to fair housing across the region, furthering the AFFH objective required in State housing law.

Once the social equity adjustment is determined, it is used to assign need to the four income categories.



Final Adjustments

On a regional level the final RHNA allocation plan must be the same as the regional determination, by income category, provided by HCD. The final RHNA methodology will result in slight differences, among income categories, since income categories are required to use county distributions as benchmarks and the HCD determination does not include county-level benchmarks. For this reason, after the initial income categories are determined for jurisdictions, SCAG will apply a normalization adjustment to the draft fsRHNA allocation to ensure that the regional total by income category is maintained.

Additionally, in the event that a jurisdiction receives an allocation of zero (0) units under the RHNA methodology a minimum RHNA allocation of eight (8) units would be assigned. Government Code Section 65584.04(m)(2) requires that the final RHNA allocation plan ensure that each jurisdiction receive an allocation of units for low- and very low income households. Under these circumstances, SCAG will assign those jurisdictions a minimum of four (4) units in the very low income category and four (4) units in the low income category for a draft RHNA allocation of eight (8) units.

Meeting the Objectives of RHNA

Government Code Section 65584.04(a) requires that the RHNA methodology furthers the five objectives of the Regional Housing Needs Assessment:

- (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.
 - (e) For purposes of this section, "affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

On January 13, 2020, HCD completed its review of SCAG's draft RHNA methodology and found that it furthers the five statutory objectives of RHNA.

Local Planning Factors

As part of the development of the proposed RHNA methodology, SCAG must conduct a survey of planning factors that identify local conditions and explain how each of the listed factors are incorporated into the RHNA methodology. This survey, also known as the “Local Planning Factor” survey, is a specific requirement for the RHNA methodology process and is separate from the local review process of the Growth Forecast used as the basis for determining future growth in the Connect SoCal plan.

The survey was distributed to all SCAG jurisdictions in mid-March 2019 with a posted due date of May 30, 2019. One-hundred and nine (109) jurisdictions, or approximately 55%, submitted a response to the local planning factor survey. To facilitate the conversation about local planning factors, between October 2017 and October 2018 SCAG included these factors as part of the local input survey and surveyed a binary yes/no as to whether these factors impacted jurisdictions. The formal local planning factor survey was pre-populated with the pre-survey answers to help facilitate survey response. The full packet of local planning factor surveys can be downloaded at www.scag.ca.gov/rhna.

SCAG staff reviewed each of the submitted surveys to analyze planning factors opportunities and constraints across the region. The collected information was used to ensure that the methodology will equitably distribute housing need and that underlying challenges as a region are collectively addressed.

- (1) *Each member jurisdiction’s existing and projected jobs and housing relationship. This shall include an estimate, based on readily available data, of the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate, based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.*

The RHNA methodology directly considers job accessibility and determines a portion of housing need for each jurisdiction based on this factor. Using transportation analysis zones as a basis, the percentage of jobs accessible within a 30 minute drive for a jurisdiction’s population is determined and then weighted based on the jurisdiction’s population size to determine individual shares of regional jobs accessible. Based on a review of other potential mechanisms to factor in jobs into the RHNA methodology, SCAG staff has determined that this mechanism most closely aligns with the goals of State housing law.

A supplemental analysis of the impact of the draft RHNA methodology’s impact on jobs-housing relationships and low-wage jobs-housing relationships was provided to the Regional Council on February 5, 2020.

- (2) *The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:*
- (A) *Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.*
 - (B) *The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.*
 - (C) *Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to non-agricultural uses.*
 - (D) *County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to non-agricultural uses.*

Consideration of the above planning factors have been incorporated into the Growth Forecast process and results by way of analysis of aerial land use data, general plan, parcel level property data, open space, agricultural land and resource areas, and forecast surveys distributed to local jurisdictions. The bottom-up Local Input and Envisioning Process, which is used as the basis for both RHNA and SCAG's Connect SoCal (Regional Transportation Plan/Sustainable Communities Strategy) started with an extensive outreach effort involving all local jurisdictions regarding their land use and development constraints. All local jurisdictions were invited to provide SCAG their respective growth perspective and input. The RHNA methodology directly incorporates local input on projected household growth, which should be a direct reflection of local planning factors such as lack of water or sewer capacity, FEMA-designated flood sites, and open space and agricultural land protection.

Prior RHNA cycles did not promote direct linkage to transit proximity and the methodology encourages more efficient land use patterns by utilizing existing as well as future planned transportation infrastructure and preserves areas designated as open space and agricultural

lands. In particular the inclusion of transit proximity places an increased emphasis on infill opportunities and areas that are more likely to support higher residential densities.

- (3) *The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.*

As indicated above, the Growth Forecast used as the basis for the Connect SoCal Plan is also used as the basis for projected household growth in the RHNA methodology. The weighting of a jurisdiction's population share within an HQTAs directly maximizes the use of public transportation and existing transportation infrastructure.

- (4) *Agreements between a county and cities in a county to direct growth toward incorporated areas of the county, and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.*

This planning factor has been identified through the local input process and local planning factor survey collection as affecting growth within Ventura County. The urban growth boundary, known as Save Our Agricultural Resources (SOAR), is an agreement between the County of Ventura and its incorporated cities to direct growth toward incorporated areas, and was recently extended to 2050. Based on the input collected, SCAG staff has concluded that this factor is already reflected in the RHNA methodology since it was considered and incorporated into the local input submitted by jurisdictions.

- (5) *The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583 that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.*

The conversion of low income units into non-low income units is not explicitly addressed through the distribution of existing and projected housing need. Staff has provided statistics in the RHNA methodology appendix on the potential loss of units in assisted housing developments. The loss of such units affects the proportion of affordable housing needed within a community and the region as a whole.

Local planning factor survey responses indicate that the impact of this factor is not regionally uniform. Many jurisdictions that replied some units are at-risk for losing their affordability status in the near future have indicated that they are currently reviewing and developing local resources to address the potential loss. Based on this, SCAG staff has determined that at-risk units are best addressed through providing data on these units as part of the RHNA methodology and giving local jurisdictions the discretion to address this factor and adequately plan for any at-risk unit loss in preparing their housing elements.

- (6) *The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.*

An evaluation of survey responses reveals that cost-burdened households, or those who pay at least 30 percent of their household income on housing costs, is a prevalent problem throughout the region. The RHNA methodology also includes in its appendix data from the ACS 2013-2017 on cost-burdened statistics for households who pay more than 30 percent of their income on housing by owner and renter, and for renter households who pay 50 percent or more of their income on housing. The general trend is seen in both high and low income communities, suggesting that in most of the SCAG region high housing costs are a problem for all income levels.

Nonetheless a large number of jurisdictions indicated in the survey that overpaying for housing costs disproportionately impacts lower income households in comparison to higher income households. This issue is exacerbated in areas where there is not enough affordable housing available, particularly in higher income areas. For this reason, the RHNA methodology incorporates not only a 150 percent social equity adjustment, but also uses the TCAC Opportunity Indices to distribute the RHNA allocation into the four income categories in areas identified as being the highest resource areas of the region. The Opportunity Indices include a proximity to jobs indicator, particularly for low-wage jobs, which identifies areas with a high geographical mismatch between low wage jobs and affordable housing. Increasing affordable housing supply in these areas can help alleviate cost-burden experienced by local lower income households because more affordable options will be available.

The reason for using social equity adjustment and opportunity indices to address cost-burdened households rather than assigning total need is because it is impossible to determine through the methodology how and why the cost-burden is occurring in a particular jurisdiction. Cost-burden is a symptom of housing need and not its cause. A jurisdiction might permit a high number of units but still experiences cost-burden because other jurisdictions restrict residential permitting. Or, a jurisdiction might have a large number of owner-occupied housing units that command premium pricing, causing cost-burden for high income households and especially on lower income households due to high rents from high land costs. An analysis of existing need indicators by jurisdiction, which is part of the RHNA methodology data appendix, does not reveal a single strong trend to base a distribution methodology for cost-burden and thus the RHNA methodology distributes this existing need indicator regionally using social equity adjustment and Opportunity Indices rather than to where the indicators exist.

- (7) *The rate of overcrowding.*

An evaluation of survey responses indicates that there is a variety of trends in overcrowding throughout the region. Overcrowding is defined as more than 1.01 persons per room (not bedroom) in a housing unit. Some jurisdictions have responded that overcrowding is a severe issue, particularly for lower income and/or renter households, while others have

responded that overcrowding is not an issue at all. At the regional determination level HCD applied an overcrowding component, which is a new requirement for the 6th RHNA cycle. Because

Similar to cost-burden, overcrowding is caused by an accumulated housing supply deficit and is considered an indicator of existing housing need. The reason for not assigning need directly based on this indicator is because it is impossible to determine through the methodology how and why the overcrowding is occurring in a particular jurisdiction. A jurisdiction that has an overcrowding rate higher than the regional average might be issuing more residential permits than the regional average while the surrounding jurisdictions might not have overcrowding issues but issue fewer permits than the regional average. An analysis of existing need indicators by jurisdiction, which is part of the RHNA methodology data appendix, does not reveal a single strong trend to base a distribution methodology for overcrowding and thus the methodology distributes this existing need indicator regionally rather than to where the indicators exist.

While not specifically surveyed, several jurisdictions have indicated that density has affected their jurisdictions and have requested that the methodology should consider this as a factor. While density is not directly addressed as a factor, the social equity adjustment indirectly addresses density particularly for lower income jurisdictions. In housing elements, jurisdictions most demonstrate that a site is affordable for lower income households by applying a “default density”, defined in State housing law as either 20 or 30 dwelling units per acre depending on geography and population. In other words, a site that is zoned at 30 dwelling units per acre is automatically considered as meeting the zoning need for a low income household.

However there is not a corresponding default density for above moderate income zoning. Assigning a lower percentage of lower income households than existing conditions indirectly reduces future density since the jurisdiction can zone at lower densities if it so chooses. While this result does not apply to higher income jurisdictions, directing growth toward less dense areas for the explicit purpose of reducing density is in direct contradiction to the objectives of state housing law, especially for promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development pattern.

(8) *The housing needs of farmworkers.*

The RHNA methodology appendix provides data on agricultural jobs by jurisdiction as well as workers by place of residence. The survey responses indicate that most jurisdictions do not have agricultural land or only have small agricultural operations that do not necessarily require designated farmworker housing. For the geographically concentrated areas that do have farmworker housing, responses indicate that many jurisdictions already permit or are working to allow farmworker housing by-right in the same manner as other agricultural uses are allowed. Jurisdictions that are affected by the housing needs of farmworkers can be assumed to have considered this local factor when submitting feedback on SCAG’s Growth

Forecast. A number of jurisdictions reiterated their approach in the local planning factor survey response.

Similar to at-risk units, the RHNA methodology does not include a distribution mechanism to distribute farmworker housing. However, SCAG has provided data in its RHNA methodology appendix related to this factor and encourages local jurisdictions to adequately plan for this need in their housing elements.

- (9) *The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.*

SCAG staff has prepared a map outlining the location of four-year private and public universities in the SCAG region along with enrollment numbers from the California School Campus Database (2018). Based on an evaluation of survey responses that indicated a presence of a university within their boundaries, SCAG staff concludes that most housing needs related to university enrollment are addressed and met by dormitories provided by the institution both on- and off-campus. No jurisdiction expressed concern in the surveys about student housing needs due to the presence of a university within their jurisdiction.

However, some jurisdictions have indicated outside of the survey that off-campus student housing is an important issue within their jurisdictions and are in dialogue with HCD to determine how this type of housing can be integrated into their local housing elements. Because this circumstance applies to only a handful of jurisdictions, it is recommended that housing needs generated by a public or private university be addressed in the jurisdiction's housing element if it is applicable.

- (10) *The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.*

Replacement need, defined as units that have been demolished but not yet replaced, are included as a component of projected housing need in the RHNA methodology. To determine this number, HCD reviewed historical demolition permit data between 2008 and 2017 (reporting years 2009 and 2018) as reported by the California Department of Finance (DOF), and assigned SCAG a regional replacement need of 0.5% of projected and existing need, or 34,010 units.

There have been several states of emergency declared for fires in the SCAG region that have destroyed residential units, as indicated by several jurisdictions in their local planning factor survey responses. Survey responses indicate that a total of 1,785 units have been lost regionally from fires occurring after January 1, 2018. Units lost from fires that occurred prior to January 1, 2018, have already been counted in the replacement need for the 6th RHNA cycle.

In spring 2019, SCAG conducted a replacement need survey with jurisdictions to determine units that have been replaced on the site of demolished units reported. Region wide 23,545 of the region's demolished units still needed to be replaced based on survey results. The sum of the number of units needing to be replaced based on the replacement need survey and the number of units reported as lost due to recent states of emergency, or 25,330, is lower than HCD's regional determination of replacement need of 34,010. One can reasonably conclude that units lost based on this planning factor are already included in the regional total and distributed, and thus an extra mechanism to distribute RHNA based on this factor is not necessary to meet the loss of units.

(11) *The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.*

An assessment of survey responses indicate that a number of jurisdictions in the SCAG region are developing efforts for more efficient land use patterns and zoning that would result in greenhouse gas emissions. These include a mix of high-density housing types, neighborhood based mixed-use zoning, climate action plans, and other local efforts to reduce greenhouse gas emissions at the regional level.

The RHNA methodology includes a distribution of 50 percent of regional existing need based on a jurisdiction's share of regional population within an HQT. The linkage between housing planning and transportation planning will allow for a better alignment between the RHNA allocation plan and the Connect SoCal RTP/SCS. It will promote more efficient development land use patterns, encourage transit use, and importantly reduce greenhouse gas emissions. This will in turn support local efforts already underway to support the reduction of regional greenhouse gas emissions.

Moreover the RHNA methodology includes the Growth Forecast reviewed with local input as a distribution component, particularly for projected housing need. Local input is a basis for SCAG's Connect SoCal Plan, which addresses greenhouse gas emissions at the regional level since it is used to reach the State Air Resources Board regional targets. An analysis of the consistency between the RHNA and Connect SoCal Plan is included as an attachment to this document.

(12) *Any other factors adopted by the council of governments that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions.*

No other planning factors were adopted by SCAG to review as a specific local planning factor.

Affirmatively Furthering Fair Housing (AFFH)

Among a number of changes due to recent RHNA legislation is the inclusion of affirmatively furthering fair housing (AFFH) as both an addition to the listed State housing objectives of Government Section 65588 and to the requirements of RHNA methodology as listed in Government Code Section 65584.04(b) and (c), which includes surveying jurisdictions on AFFH issues and strategies and developing a regional analysis of findings from the survey.

AFFH Survey

The AFFH survey accompanied the required local planning factor survey and was sent to all SCAG jurisdictions in mid-March 2019 with a posted due date of May 30, 2019. Ninety (90) of SCAG's 197 jurisdictions completed the AFFH survey, though some jurisdictions indicated that they would not be submitting the AFFH survey due to various reasons. The full packet of surveys submitted prior to the development of the proposed methodology packet can be downloaded at www.scag.ca.gov/rhna.

Jurisdictions were asked various questions regarding fair housing issues, strategies and actions. These questions included:

-) Describe demographic trends and patterns in your jurisdiction over the past ten years. Do any groups experience disproportionate housing needs?
-) To what extent do the following factors impact your jurisdiction by contributing to segregated housing patterns or racially or ethnically-concentrated areas of poverty?
-) To what extent do the following acts as determinants for fair housing and compliance issues in your jurisdiction?
-) What are your public outreach strategies to reach disadvantaged communities?
-) What steps has your jurisdiction undertaken to overcome historical patterns of segregation or remove barriers to equal housing opportunity?

The survey questions were based on the U.S. Department of Housing and Urban Development (HUD) Analysis of Impediments to Fair Housing Choice survey that each jurisdiction, or their designated local Housing Authority, must submit to HUD to receive Community Development Block Grant (CDBG) funds. For the AFFH survey, jurisdictions were encouraged to review their HUD-submitted surveys to obtain data and information that would be useful for submitting the AFFH survey.

Pursuant to Government Code Section 65584.04(c), the following is an analysis of the survey results.

Themes

Several demographic themes emerged throughout the SCAG region based on submitted AFFH surveys. A high number of jurisdictions indicated that their senior populations are increasing and many indicated that the fixed income typically associated with senior populations might have an effect on housing affordability. Other jurisdictions have experienced an increase in minority populations, especially among Latino and Asian groups. There is also a trend of the loss of young adults (typically younger than 30) and a decrease in the number of families with children in more suburban locations due to the rise in housing costs.

Barriers

There was a wide variety of barriers reported in the AFFH survey, though a number of jurisdictions indicated they did not have any reportable barriers to fair access to housing. Throughout the SCAG region, communities of all types reported that community opposition to all types of housing was an impediment to housing development. Sometimes the opposition occurred in existing low income and minority areas. Some jurisdictions indicated that high opportunity resource areas currently do not have a lot of affordable housing or Section 8 voucher units while at the same time, these areas have a fundamental misunderstanding of who affordable housing serves and what affordable housing buildings actually look like. Based on these responses, it appears that community opposition to housing, especially affordable housing and the associated stigma with affordable housing, is a prevalent barrier throughout the SCAG region.

Other barriers to access to fair housing are caused by high land and development costs since they contribute to very few affordable housing projects being proposed in higher opportunity areas. The high cost of housing also limits access to fair housing and is a significant contributing factor to disparities in access to opportunity. Increasing property values were reported across the region and some jurisdictions indicated that they are occurring in existing affordable neighborhoods and can contribute to gentrification and displacement. Additionally, during the economic downturn a large number of Black and Latino homeowners were disproportionately impacted by predatory lending practices and therefore entered foreclosure in higher numbers than other populations.

Other barriers reported in the AFFH survey include the lack of funding available to develop housing after the dissolution of redevelopment agencies in 2012. Moreover, some jurisdictions indicated that the lack of regional cooperation contributes to segregation.

Strategies to Overcome Barriers

All submitted AFFH surveys indicated that their respective jurisdictions employed at least a few strategies to overcome barriers to access fair housing. These strategies ranged from local planning and zoning tools to funding assistance to innovative outreach strategies.

In regard to planning and zoning tools, a number of jurisdictions indicated they have adopted inclusionary zoning ordinances or an in-lieu fee to increase the number of affordable units within their jurisdictions. Others have adopted an accessory dwelling unit (ADU) ordinance with accommodating standards to allow for higher densities in existing single-family zone neighborhoods. A few jurisdictions indicated that they have adopted an unpermitted dwelling unit (UDU) ordinance, which legalizes unpermitted units instead of removing them provided that the units meet health and safety codes. In addition to ADU and UDU ordinances, some jurisdictions have also adopted density bonuses, which allow a project to exceed existing density standards if it meets certain affordability requirements. Some responses in the survey indicate that the establishment of some of these tools and standards have reduced community opposition to projects. In addition, some jurisdictions responded that they have reduced review times for residential permit approvals and reduced or waived fees associated with affordable housing development.

To combat gentrification and displacement, some jurisdictions have established rent-stabilization ordinances while others have established a rent registry so that the jurisdiction can monitor rents

and landlord practices. Some jurisdictions have adopted relocation plans and others are actively seeking to extend affordability covenants for those that are expiring.

In regard to funding, SCAG jurisdictions provide a wide variety of support to increase the supply of affordable housing and increase access to fair housing. A number of jurisdictions provide citywide rental assistance programs for low income households and some indicated that their programs include favorable home purchasing options. Some of these programs also encourage developers to utilize the local first-time homebuyer assistance program to specifically qualify lower income applicants.

Other jurisdictions indicate that they manage housing improvement programs to ensure that their existing affordable housing stock is well maintained. Some AFFH surveys describe local multiple rental assistance programs, including Section 8 Housing Choice vouchers and financial support of tenant/landlord arbitration or mediation services.

Some jurisdictions indicated that they have focused on mobile homes as a way to increase access to fair housing. There are programs described that assist households that live in dilapidated and unsafe mobile homes in unpermitted mobile home parks by allowing the household to trade in their mobile home in exchange for a new one in a permitted mobile park. Other programs include rental assistance specifically for households who live in mobile homes.

In regard to community outreach, a large number of jurisdictions in the SCAG region have established or are seeking to establish innovative partnerships to increase access to fair housing and reduce existing barriers. Many jurisdictions work with fair housing advocacy groups such as the Housing Rights Center, which provide community workshops, counseling, and tenant-landlord mediation services. Other jurisdictions have established landlord-tenant commissions to resolve housing disputes and provide services to individuals with limited resources. Some jurisdictions have partnered with advocacy groups, such as the League of United Latin American Citizens (LULAC), to hold community-based workshops featuring simultaneous multi-lingual translations. Other innovative partnerships created by jurisdictions include those with local schools and school districts and public health institutions to engage disadvantaged groups and provide services to areas with limited resources.

A large number of jurisdictions have also indicated that they have increased their social media presence to reach more communities. Others have also increased their multi-lingual outreach efforts to ensure that limited-English proficiency populations have the opportunity to engage in local fair housing efforts.

Based on the AFFH surveys submitted by jurisdictions, while there is a wide range of barriers to fair housing opportunities in the SCAG region there is also a wide range of strategies to help overcome these barriers at the local level.

Meeting AFFH Objectives on a Regional Basis

To work towards the objective of AFFH, several benchmarks were reviewed as potential indicators of increasing access to fair housing and removing barriers that led to historical segregation patterns.

Opportunity Indices

The objectives of affirmatively furthering fair housing are to not only overcome patterns of segregation, but to also increase access to opportunity for historically marginalized groups, particularly in racially and ethnically concentrated areas of poverty. In 2015 the U.S. Department of Housing and Urban Development (HUD) developed a set of indices, known as “Opportunity Indices” to help states and jurisdictions identify factors that contribute to fair housing issues in their region and comply with the federal Fair Housing Act.

In 2015 the U.S. Department of Housing and Urban Development (HUD) developed a set of indices, known as “Opportunity Indices” to help states and jurisdictions identify factors that contribute to fair housing issues in their region and comply with the federal Fair Housing Act. In late 2017, a Task Force convened by HCD and the California Tax Credit Allocation Committee (TCAC) released an “Opportunity mapping” tool based on these HUD indices to identify areas in California that can “offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health.”

The TCAC and HCD Opportunity mapping tool includes a total of eleven (11) census-tract level indices to measure exposure to opportunity in local communities. Regional patterns of segregation can be identified based on this tool. The indices are based on indicators such as poverty levels, low wage job proximity, pollution, math and reading proficiency. Below is a summary table of the 11 indices sorted by type:

Economic	Environment	Education
Poverty	CalEnviroScreen 3.0 indicators	Math proficiency
Adult education	) Ozone	Reading proficiency
Employment	) PM2.5	High school graduation rates
Low-wage job proximity	) Diesel PM	Student poverty rate
Median home value	) Drinking water contaminates	
	) Pesticides	
	) Toxic releases from facilities	
	) Traffic density	
	) Cleanup sites	
	) Groundwater threats	
	) Hazardous waste	
	) Impaired water bodies	
	) Solid waste sites	

To further the objectives of AFFH, SCAG utilizes the Opportunity indices tool at multiple points in the RHNA methodology. Jurisdictions that have the highest concentration of population in low resource areas are exempted from receiving regional residual existing need, which will result in fewer units

assigned to areas identified as having high rates of poverty and racial segregation. Additionally, jurisdictions with the highest concentration of population within highest resource areas will receive a higher social equity adjustment, which will result in more access to opportunity for lower income households.

Public Engagement

The development of a comprehensive RHNA methodology requires comprehensive public engagement. Government Code Section 65584.04(d) requires at least one public hearing to receive oral and written comments on the proposed methodology, and also requires SCAG to distribute the proposed methodology to all jurisdictions and requesting stakeholders, along with publishing the proposed methodology on the SCAG website. The official public comment period on the proposed RHNA methodology began on August 1, 2019 after Regional Council action and concluded on September 13, 2019.

To maximize public engagement opportunities, SCAG staff hosted four public workshops to receive verbal and written comment on the proposed RHNA methodology and an additional public information session in August 2019:

-) August 15, 6-8 p.m. Public Workshop, Los Angeles (View-only webcasting available)
-) August 20, 1-3 p.m. Public Workshop, Los Angeles (Videoconference at SCAG regional offices and View-only webcasting available)
-) August 22, 1-3 p.m., Public Workshop, Irvine
-) August 27, 6-8 p.m., Public Workshop, San Bernardino (View-only webcasting available)
-) August 29, 1-3pm Public Information Session, Santa Clarita

Approximately 250 people attended the workshops in-person, at videoconference locations, or via webcast. Over 35 individual verbal comments were shared over the four workshops.

To increase participation from individuals and stakeholders that are unable to participate during regular working hours, two of the public workshops were held in the evening hours. One of the workshops was held in the Inland Empire. SCAG worked with its Environmental Justice Working Group (EJWG) and local stakeholder groups to reach out to their respective contacts in order to maximize outreach to groups representing low income, minority, and other traditionally disadvantaged populations.

Almost 250 written comments were submitted by the comment deadline and included a wide range of stakeholders. Approximately 50 percent were from local jurisdictions and subregions, and the other 50 percent were submitted by advocacy organizations, industry groups, residents and resident groups, and the general public. All of the comments received, both verbal and written, were reviewed by SCAG staff, and were used as the basis for developing the RHNA methodology.

The increased involvement by the number of jurisdictions and stakeholders beyond the municipal level compared to prior RHNA cycles indicate an increased level of interest by the public in the housing crisis and its solutions, and the efforts of SCAG to meet these interests. As part of its housing

program initiatives, SCAG will continue to reach out to not only jurisdictions, but to advocacy groups and traditionally disadvantaged communities that have not historically participated in the RHNA process and regional housing planning. These efforts will be expanded beyond the RHNA program and will be encompassed into addressing the housing crisis at the regional level and ensuring that those at the local and community level can be part of solutions to the housing crisis.

Additional RHNA Methodology Supporting Materials

Please note that additional supporting materials for the RHNA Methodology have been posted on SCAG's RHNA website at www.scag.ca.gov/rhna including Data Appendix, Local Planning Factor Survey Responses and Affirmatively Furthering Fair Housing Survey Responses.

State of California

GOVERNMENT CODE

Section 65080

65080. (a) Each transportation planning agency designated under Section 29532 or 29532.1 shall prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation system, including, but not limited to, mass transportation, highway, railroad, maritime, bicycle, pedestrian, goods movement, and aviation facilities and services. The plan shall be action-oriented and pragmatic, considering both the short-term and long-term future, and shall present clear, concise policy guidance to local and state officials. The regional transportation plan shall consider factors specified in Section 134 of Title 23 of the United States Code. Each transportation planning agency shall consider and incorporate, as appropriate, the transportation plans of cities, counties, districts, private organizations, and state and federal agencies.

(b) The regional transportation plan shall be an internally consistent document and shall include all of the following:

(1) A policy element that describes the transportation issues in the region, identifies and quantifies regional needs, and describes the desired short-range and long-range transportation goals, and pragmatic objective and policy statements. The objective and policy statements shall be consistent with the funding estimates of the financial element. The policy element of transportation planning agencies with populations that exceed 200,000 persons may quantify a set of indicators including, but not limited to, all of the following:

(A) Measures of mobility and traffic congestion, including, but not limited to, daily vehicle hours of delay per capita and vehicle miles traveled per capita.

(B) Measures of road and bridge maintenance and rehabilitation needs, including, but not limited to, roadway pavement and bridge conditions.

(C) Measures of means of travel, including, but not limited to, percentage share of all trips (work and nonwork) made by all of the following:

(i) Single occupant vehicle.

(ii) Multiple occupant vehicle or carpool.

(iii) Public transit including commuter rail and intercity rail.

(iv) Walking.

(v) Bicycling.

(D) Measures of safety and security, including, but not limited to, total injuries and fatalities assigned to each of the modes set forth in subparagraph (C).

(E) Measures of equity and accessibility, including, but not limited to, percentage of the population served by frequent and reliable public transit, with a breakdown by

income bracket, and percentage of all jobs accessible by frequent and reliable public transit service, with a breakdown by income bracket.

(F) The requirements of this section may be met using existing sources of information. No additional traffic counts, household surveys, or other sources of data shall be required.

(2) A sustainable communities strategy prepared by each metropolitan planning organization as follows:

(A) No later than September 30, 2010, the State Air Resources Board shall provide each affected region with greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035, respectively.

(i) No later than January 31, 2009, the state board shall appoint a Regional Targets Advisory Committee to recommend factors to be considered and methodologies to be used for setting greenhouse gas emission reduction targets for the affected regions. The committee shall be composed of representatives of the metropolitan planning organizations, affected air districts, the League of California Cities, the California State Association of Counties, local transportation agencies, and members of the public, including homebuilders, environmental organizations, planning organizations, environmental justice organizations, affordable housing organizations, and others. The advisory committee shall transmit a report with its recommendations to the state board no later than September 30, 2009. In recommending factors to be considered and methodologies to be used, the advisory committee may consider any relevant issues, including, but not limited to, data needs, modeling techniques, growth forecasts, the impacts of regional jobs-housing balance on interregional travel and greenhouse gas emissions, economic and demographic trends, the magnitude of greenhouse gas reduction benefits from a variety of land use and transportation strategies, and appropriate methods to describe regional targets and to monitor performance in attaining those targets. The state board shall consider the report before setting the targets.

(ii) Before setting the targets for a region, the state board shall exchange technical information with the metropolitan planning organization and the affected air district. The metropolitan planning organization may recommend a target for the region. The metropolitan planning organization shall hold at least one public workshop within the region after receipt of the report from the advisory committee. The state board shall release draft targets for each region no later than June 30, 2010.

(iii) In establishing these targets, the state board shall take into account greenhouse gas emission reductions that will be achieved by improved vehicle emission standards, changes in fuel composition, and other measures it has approved that will reduce greenhouse gas emissions in the affected regions, and prospective measures the state board plans to adopt to reduce greenhouse gas emissions from other greenhouse gas emission sources as that term is defined in subdivision (i) of Section 38505 of the Health and Safety Code and consistent with the regulations promulgated pursuant to the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), including Section 38566 of the Health and Safety Code.

(iv) The state board shall update the regional greenhouse gas emission reduction targets every eight years consistent with each metropolitan planning organization's timeframe for updating its regional transportation plan under federal law until 2050. The state board may revise the targets every four years based on changes in the factors considered under clause (iii). The state board shall exchange technical information with the Department of Transportation, metropolitan planning organizations, local governments, and affected air districts and engage in a consultative process with public and private stakeholders, before updating these targets.

(v) The greenhouse gas emission reduction targets may be expressed in gross tons, tons per capita, tons per household, or in any other metric deemed appropriate by the state board.

(B) Each metropolitan planning organization shall prepare a sustainable communities strategy, subject to the requirements of Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, including the requirement to use the most recent planning assumptions considering local general plans and other factors. The sustainable communities strategy shall (i) identify the general location of uses, residential densities, and building intensities within the region, (ii) identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period of the regional transportation plan taking into account net migration into the region, population growth, household formation and employment growth, (iii) identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Section 65584, (iv) identify a transportation network to service the transportation needs of the region, (v) gather and consider the best practically available scientific information regarding resource areas and farmland in the region as defined in subdivisions (a) and (b) of Section 65080.01, (vi) consider the state housing goals specified in Sections 65580 and 65581, (vii) set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the greenhouse gas emissions from automobiles and light trucks to achieve, if there is a feasible way to do so, the greenhouse gas emission reduction targets approved by the state board, and (viii) allow the regional transportation plan to comply with Section 176 of the federal Clean Air Act (42 U.S.C. Sec. 7506).

(C) (i) Within the jurisdiction of the Metropolitan Transportation Commission, as defined by Section 66502, the Association of Bay Area Governments shall be responsible for clauses (i), (ii), (iii), (v), and (vi) of subparagraph (B); the Metropolitan Transportation Commission shall be responsible for clauses (iv) and (viii) of subparagraph (B); and the Association of Bay Area Governments and the Metropolitan Transportation Commission shall jointly be responsible for clause (vii) of subparagraph (B).

(ii) Within the jurisdiction of the Tahoe Regional Planning Agency, as defined in Sections 66800 and 66801, the Tahoe Metropolitan Planning Organization shall use the Regional Plan for the Lake Tahoe Region as the sustainable community strategy, provided that it complies with clauses (vii) and (viii) of subparagraph (B).

(D) In the region served by the Southern California Association of Governments, a subregional council of governments and the county transportation commission may work together to propose the sustainable communities strategy and an alternative planning strategy, if one is prepared pursuant to subparagraph (I), for that subregional area. The metropolitan planning organization may adopt a framework for a subregional sustainable communities strategy or a subregional alternative planning strategy to address the intraregional land use, transportation, economic, air quality, and climate policy relationships. The metropolitan planning organization shall include the subregional sustainable communities strategy for that subregion in the regional sustainable communities strategy to the extent consistent with this section and federal law and approve the subregional alternative planning strategy, if one is prepared pursuant to subparagraph (I), for that subregional area to the extent consistent with this section. The metropolitan planning organization shall develop overall guidelines, create public participation plans pursuant to subparagraph (F), ensure coordination, resolve conflicts, make sure that the overall plan complies with applicable legal requirements, and adopt the plan for the region.

(E) The metropolitan planning organization shall conduct at least two informational meetings in each county within the region for members of the board of supervisors and city councils on the sustainable communities strategy and alternative planning strategy, if any. The metropolitan planning organization may conduct only one informational meeting if it is attended by representatives of the county board of supervisors and city council members representing a majority of the cities representing a majority of the population in the incorporated areas of that county. Notice of the meeting or meetings shall be sent to the clerk of the board of supervisors and to each city clerk. The purpose of the meeting or meetings shall be to discuss the sustainable communities strategy and the alternative planning strategy, if any, including the key land use and planning assumptions to the members of the board of supervisors and the city council members in that county and to solicit and consider their input and recommendations.

(F) Each metropolitan planning organization shall adopt a public participation plan, for development of the sustainable communities strategy and an alternative planning strategy, if any, that includes all of the following:

(i) Outreach efforts to encourage the active participation of a broad range of stakeholder groups in the planning process, consistent with the agency's adopted Federal Public Participation Plan, including, but not limited to, affordable housing advocates, transportation advocates, neighborhood and community groups, environmental advocates, home builder representatives, broad-based business organizations, landowners, commercial property interests, and homeowner associations.

(ii) Consultation with congestion management agencies, transportation agencies, and transportation commissions.

(iii) Workshops throughout the region to provide the public with the information and tools necessary to provide a clear understanding of the issues and policy choices. At least one workshop shall be held in each county in the region. For counties with a population greater than 500,000, at least three workshops shall be held. Each

workshop, to the extent practicable, shall include urban simulation computer modeling to create visual representations of the sustainable communities strategy and the alternative planning strategy.

(iv) Preparation and circulation of a draft sustainable communities strategy and an alternative planning strategy, if one is prepared, not less than 55 days before adoption of a final regional transportation plan.

(v) At least three public hearings on the draft sustainable communities strategy in the regional transportation plan and alternative planning strategy, if one is prepared. If the metropolitan transportation organization consists of a single county, at least two public hearings shall be held. To the maximum extent feasible, the hearings shall be in different parts of the region to maximize the opportunity for participation by members of the public throughout the region.

(vi) A process for enabling members of the public to provide a single request to receive notices, information, and updates.

(G) In preparing a sustainable communities strategy, the metropolitan planning organization shall consider spheres of influence that have been adopted by the local agency formation commissions within its region.

(H) Before adopting a sustainable communities strategy, the metropolitan planning organization shall quantify the reduction in greenhouse gas emissions projected to be achieved by the sustainable communities strategy and set forth the difference, if any, between the amount of that reduction and the target for the region established by the state board.

(I) If the sustainable communities strategy, prepared in compliance with subparagraph (B) or (D), is unable to reduce greenhouse gas emissions to achieve the greenhouse gas emission reduction targets established by the state board, the metropolitan planning organization shall prepare an alternative planning strategy to the sustainable communities strategy showing how those greenhouse gas emission targets would be achieved through alternative development patterns, infrastructure, or additional transportation measures or policies. The alternative planning strategy shall be a separate document from the regional transportation plan, but it may be adopted concurrently with the regional transportation plan. In preparing the alternative planning strategy, the metropolitan planning organization:

(i) Shall identify the principal impediments to achieving the targets within the sustainable communities strategy.

(ii) May include an alternative development pattern for the region pursuant to subparagraphs (B) to (G), inclusive.

(iii) Shall describe how the greenhouse gas emission reduction targets would be achieved by the alternative planning strategy, and why the development pattern, measures, and policies in the alternative planning strategy are the most practicable choices for achievement of the greenhouse gas emission reduction targets.

(iv) An alternative development pattern set forth in the alternative planning strategy shall comply with Part 450 of Title 23 of, and Part 93 of Title 40 of, the Code of Federal Regulations, except to the extent that compliance will prevent achievement of the greenhouse gas emission reduction targets approved by the state board.

(v) For purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code), an alternative planning strategy shall not constitute a land use plan, policy, or regulation, and the inconsistency of a project with an alternative planning strategy shall not be a consideration in determining whether a project may have an environmental effect.

(J) (i) Before starting the public participation process adopted pursuant to subparagraph (F), the metropolitan planning organization shall submit a description to the state board of the technical methodology it intends to use to estimate the greenhouse gas emissions from its sustainable communities strategy and, if appropriate, its alternative planning strategy. The state board shall respond to the metropolitan planning organization in a timely manner with written comments about the technical methodology, including specifically describing any aspects of that methodology it concludes will not yield accurate estimates of greenhouse gas emissions, and suggested remedies. The metropolitan planning organization is encouraged to work with the state board until the state board concludes that the technical methodology operates accurately.

(ii) After adoption, a metropolitan planning organization shall submit a sustainable communities strategy or an alternative planning strategy, if one has been adopted, to the state board for review, including the quantification of the greenhouse gas emission reductions the strategy would achieve and a description of the technical methodology used to obtain that result. Review by the state board shall be limited to acceptance or rejection of the metropolitan planning organization's determination that the strategy submitted would, if implemented, achieve the greenhouse gas emission reduction targets established by the state board. The state board shall complete its review within 60 days.

(iii) If the state board determines that the strategy submitted would not, if implemented, achieve the greenhouse gas emission reduction targets, the metropolitan planning organization shall revise its strategy or adopt an alternative planning strategy, if not previously adopted, and submit the strategy for review pursuant to clause (ii). At a minimum, the metropolitan planning organization must obtain state board acceptance that an alternative planning strategy would, if implemented, achieve the greenhouse gas emission reduction targets established for that region by the state board.

(iv) On or before September 1, 2018, and every four years thereafter to align with target setting, notwithstanding Section 10231.5, the state board shall prepare a report that assesses progress made by each metropolitan planning organization in meeting the regional greenhouse gas emission reduction targets set by the state board. The report shall include changes to greenhouse gas emissions in each region and data-supported metrics for the strategies used to meet the targets. The report shall also include a discussion of best practices and the challenges faced by the metropolitan planning organizations in meeting the targets, including the effect of state policies and funding. The report shall be developed in consultation with the metropolitan planning organizations and affected stakeholders. The report shall be submitted to the Assembly Committee on Transportation and the Assembly Committee on Natural

Resources, and to the Senate Committee on Transportation, the Senate Committee on Housing, and the Senate Committee on Environmental Quality.

(K) Neither a sustainable communities strategy nor an alternative planning strategy regulates the use of land, nor, except as provided by subparagraph (J), shall either one be subject to any state approval. Nothing in a sustainable communities strategy shall be interpreted as superseding the exercise of the land use authority of cities and counties within the region. Nothing in this section shall be interpreted to limit the state board's authority under any other law. Nothing in this section shall be interpreted to authorize the abrogation of any vested right whether created by statute or by common law. Nothing in this section shall require a city's or county's land use policies and regulations, including its general plan, to be consistent with the regional transportation plan or an alternative planning strategy. Nothing in this section requires a metropolitan planning organization to approve a sustainable communities strategy that would be inconsistent with Part 450 of Title 23 of, or Part 93 of Title 40 of, the Code of Federal Regulations and any administrative guidance under those regulations. Nothing in this section relieves a public or private entity or any person from compliance with any other local, state, or federal law.

(L) Nothing in this section requires projects programmed for funding on or before December 31, 2011, to be subject to the provisions of this paragraph if they (i) are contained in the 2007 or 2009 Federal Statewide Transportation Improvement Program, (ii) are funded pursuant to the Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006 (Chapter 12.49 (commencing with Section 8879.20) of Division 1 of Title 2), or (iii) were specifically listed in a ballot measure before December 31, 2008, approving a sales tax increase for transportation projects. Nothing in this section shall require a transportation sales tax authority to change the funding allocations approved by the voters for categories of transportation projects in a sales tax measure adopted before December 31, 2010. For purposes of this subparagraph, a transportation sales tax authority is a district, as defined in Section 7252 of the Revenue and Taxation Code, that is authorized to impose a sales tax for transportation purposes.

(M) A metropolitan planning organization, or a regional transportation planning agency not within a metropolitan planning organization, that is required to adopt a regional transportation plan not less than every five years, may elect to adopt the plan not less than every four years. This election shall be made by the board of directors of the metropolitan planning organization or regional transportation planning agency no later than June 1, 2009, or thereafter 54 months before the statutory deadline for the adoption of housing elements for the local jurisdictions within the region, after a public hearing at which comments are accepted from members of the public and representatives of cities and counties within the region covered by the metropolitan planning organization or regional transportation planning agency. Notice of the public hearing shall be given to the general public and by mail to cities and counties within the region no later than 30 days before the date of the public hearing. Notice of election shall be promptly given to the Department of Housing and Community Development. The metropolitan planning organization or the regional transportation planning agency

shall complete its next regional transportation plan within three years of the notice of election.

(N) Two or more of the metropolitan planning organizations for Fresno County, Kern County, Kings County, Madera County, Merced County, San Joaquin County, Stanislaus County, and Tulare County may work together to develop and adopt multiregional goals and policies that may address interregional land use, transportation, economic, air quality, and climate relationships. The participating metropolitan planning organizations may also develop a multiregional sustainable communities strategy, to the extent consistent with federal law, or an alternative planning strategy for adoption by the metropolitan planning organizations. Each participating metropolitan planning organization shall consider any adopted multiregional goals and policies in the development of a sustainable communities strategy and, if applicable, an alternative planning strategy for its region.

(3) An action element that describes the programs and actions necessary to implement the plan and assigns implementation responsibilities. The action element may describe all transportation projects proposed for development during the 20-year or greater life of the plan. The action element shall consider congestion management programming activities carried out within the region.

(4) (A) A financial element that summarizes the cost of plan implementation constrained by a realistic projection of available revenues. The financial element shall also contain recommendations for allocation of funds. A county transportation commission created pursuant to the County Transportation Commissions Act (Division 12 (commencing with Section 130000) of the Public Utilities Code) shall be responsible for recommending projects to be funded with regional improvement funds, if the project is consistent with the regional transportation plan. The first five years of the financial element shall be based on the five-year estimate of funds developed pursuant to Section 14524. The financial element may recommend the development of specified new sources of revenue, consistent with the policy element and action element.

(B) The financial element of transportation planning agencies with populations that exceed 200,000 persons may include a project cost breakdown for all projects proposed for development during the 20-year life of the plan that includes total expenditures and related percentages of total expenditures for all of the following:

- (i) State highway expansion.
- (ii) State highway rehabilitation, maintenance, and operations.
- (iii) Local road and street expansion.
- (iv) Local road and street rehabilitation, maintenance, and operation.
- (v) Mass transit, commuter rail, and intercity rail expansion.
- (vi) Mass transit, commuter rail, and intercity rail rehabilitation, maintenance, and operations.
- (vii) Pedestrian and bicycle facilities.
- (viii) Environmental enhancements and mitigation.
- (ix) Research and planning.
- (x) Other categories.

(C) The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall consider financial incentives for cities and counties that have resource areas or farmland, as defined in Section 65080.01, for the purposes of, for example, transportation investments for the preservation and safety of the city street or county road system and farm-to-market and interconnectivity transportation needs. The metropolitan planning organization or county transportation agency, whichever entity is appropriate, shall also consider financial assistance for counties to address countywide service responsibilities in counties that contribute toward the greenhouse gas emission reduction targets by implementing policies for growth to occur within their cities.

(c) Each transportation planning agency may also include other factors of local significance as an element of the regional transportation plan, including, but not limited to, issues of mobility for specific sectors of the community, including, but not limited to, senior citizens.

(d) (1) Except as otherwise provided in this subdivision, each transportation planning agency shall adopt and submit, every four years, an updated regional transportation plan to the California Transportation Commission and the Department of Transportation. A transportation planning agency located in a federally designated air quality attainment area or that does not contain an urbanized area may at its option adopt and submit a regional transportation plan every five years. When applicable, the plan shall be consistent with federal planning and programming requirements and shall conform to the regional transportation plan guidelines adopted by the California Transportation Commission. Before adoption of the regional transportation plan, a public hearing shall be held after the giving of notice of the hearing by publication in the affected county or counties pursuant to Section 6061.

(2) (A) Notwithstanding subdivisions (b) and (c), and paragraph (1), inclusive, the regional transportation plan, sustainable communities strategy, and environmental impact report adopted by the San Diego Association of Governments on October 9, 2015, shall remain in effect for all purposes, including for purposes of consistency determinations and funding eligibility for the San Diego Association of Governments and all other agencies relying on those documents, until the San Diego Association of Governments adopts its next update to its regional transportation plan.

(B) The San Diego Association of Governments shall adopt and submit its update to the 2015 regional transportation plan on or before December 31, 2021.

(C) After the update described in subparagraph (B), the time period for San Diego Association of Governments' updates to its regional transportation plan shall be reset and shall be adopted and submitted every four years.

(D) Notwithstanding clause (iv) of subparagraph (A) of paragraph (2) of subdivision (b), the State Air Resources Board shall not update the greenhouse gas emission reduction targets for the region within the jurisdiction of the San Diego Association of Governments before the adoption of the update to the regional transportation plan pursuant to subparagraph (B).

(E) The update to the regional transportation plan adopted by the San Diego Association of Governments on October 9, 2015, which will be prepared and submitted

to federal agencies for purposes of compliance with federal laws applicable to regional transportation plans and air quality conformity and which is due in October 2019, shall not be considered a regional transportation plan pursuant to this section and shall not constitute a project for purposes of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(F) In addition to meeting the other requirements to nominate a project for funding through the Solutions for Congested Corridors Program (Chapter 8.5 (commencing with Section 2390) of Division 3 of the Streets and Highways Code), the San Diego Association of Governments, until December 31, 2021, shall only nominate projects for funding through the Solutions for Congested Corridors Program that are consistent with the eligibility requirements for projects under any of the following programs:

(i) The Transit and Intercity Rail Capital Program (Part 2 (commencing with Section 75220) of Division 44 of the Public Resources Code).

(ii) The Low Carbon Transit Operations Program (Part 3 (commencing with Section 75230) of Division 44 of the Public Resources Code).

(iii) The Active Transportation Program (Chapter 8 (commencing with Section 2380) of Division 3 of the Streets and Highways Code).

(G) Commencing January 1, 2020, and every two years thereafter, the San Diego Association of Governments shall begin developing an implementation report that tracks the implementation of its most recently adopted sustainable communities strategy. The report shall discuss the status of the implementation of the strategy at the regional and local level, and any successes and barriers that have occurred since the last report. The San Diego Association of Governments shall submit the implementation report to the state board by including it in its sustainable communities strategy implementation review pursuant to clause (ii) of subparagraph (J) of paragraph (2) of subdivision (b).

(Amended by Stats. 2019, Ch. 634, Sec. 2. (AB 1730) Effective January 1, 2020.)

State of California

GOVERNMENT CODE

Section 65584

65584. (a) (1) For the fourth and subsequent revisions of the housing element pursuant to Section 65588, the department shall determine the existing and projected need for housing for each region pursuant to this article. For purposes of subdivision (a) of Section 65583, the share of a city or county of the regional housing need shall include that share of the housing need of persons at all income levels within the area significantly affected by the general plan of the city or county.

(2) It is the intent of the Legislature that cities, counties, and cities and counties should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, and reasonable actions should be taken by local and regional governments to ensure that future housing production meets, at a minimum, the regional housing need established for planning purposes. These actions shall include applicable reforms and incentives in Section 65582.1.

(3) The Legislature finds and declares that insufficient housing in job centers hinders the state’s environmental quality and runs counter to the state’s environmental goals. In particular, when Californians seeking affordable housing are forced to drive longer distances to work, an increased amount of greenhouse gases and other pollutants is released and puts in jeopardy the achievement of the state’s climate goals, as established pursuant to Section 38566 of the Health and Safety Code, and clean air goals.

(b) The department, in consultation with each council of governments, shall determine each region’s existing and projected housing need pursuant to Section 65584.01 at least two years prior to the scheduled revision required pursuant to Section 65588. The appropriate council of governments, or for cities and counties without a council of governments, the department, shall adopt a final regional housing need plan that allocates a share of the regional housing need to each city, county, or city and county at least one year prior to the scheduled revision for the region required by Section 65588. The allocation plan prepared by a council of governments shall be prepared pursuant to Sections 65584.04 and 65584.05.

(c) Notwithstanding any other provision of law, the due dates for the determinations of the department or for the council of governments, respectively, regarding the regional housing need may be extended by the department by not more than 60 days if the extension will enable access to more recent critical population or housing data from a pending or recent release of the United States Census Bureau or the Department of Finance. If the due date for the determination of the department or the council of governments is extended for this reason, the department shall extend the corresponding

housing element revision deadline pursuant to Section 65588 by not more than 60 days.

(d) The regional housing needs allocation plan shall further all of the following objectives:

(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.

(e) For purposes of this section, "affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

(f) For purposes of this section, "household income levels" are as determined by the department as of the most recent American Community Survey pursuant to the following code sections:

(1) Very low incomes as defined by Section 50105 of the Health and Safety Code.

(2) Lower incomes, as defined by Section 50079.5 of the Health and Safety Code.

(3) Moderate incomes, as defined by Section 50093 of the Health and Safety Code.

(4) Above moderate incomes are those exceeding the moderate-income level of Section 50093 of the Health and Safety Code.

(g) Notwithstanding any other provision of law, determinations made by the department, a council of governments, or a city or county pursuant to this section or Section 65584.01, 65584.02, 65584.03, 65584.04, 65584.05, 65584.06, 65584.07, or

65584.08 are exempt from the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(Amended by Stats. 2018, Ch. 989, Sec. 1.5. (AB 1771) Effective January 1, 2019.)

State of California

GOVERNMENT CODE

Section 65584.04

65584.04. (a) At least two years before a scheduled revision required by Section 65588, each council of governments, or delegate subregion as applicable, shall develop, in consultation with the department, a proposed methodology for distributing the existing and projected regional housing need to cities, counties, and cities and counties within the region or within the subregion, where applicable pursuant to this section. The methodology shall further the objectives listed in subdivision (d) of Section 65584.

(b) (1) No more than six months before the development of a proposed methodology for distributing the existing and projected housing need, each council of governments shall survey each of its member jurisdictions to request, at a minimum, information regarding the factors listed in subdivision (e) that will allow the development of a methodology based upon the factors established in subdivision (e).

(2) With respect to the objective in paragraph (5) of subdivision (d) of Section 65584, the survey shall review and compile information that will allow the development of a methodology based upon the issues, strategies, and actions that are included, as available, in an Analysis of Impediments to Fair Housing Choice or an Assessment of Fair Housing completed by any city or county or the department that covers communities within the area served by the council of governments, and in housing elements adopted pursuant to this article by cities and counties within the area served by the council of governments.

(3) The council of governments shall seek to obtain the information in a manner and format that is comparable throughout the region and utilize readily available data to the extent possible.

(4) The information provided by a local government pursuant to this section shall be used, to the extent possible, by the council of governments, or delegate subregion as applicable, as source information for the methodology developed pursuant to this section. The survey shall state that none of the information received may be used as a basis for reducing the total housing need established for the region pursuant to Section 65584.01.

(5) If the council of governments fails to conduct a survey pursuant to this subdivision, a city, county, or city and county may submit information related to the items listed in subdivision (e) before the public comment period provided for in subdivision (d).

(c) The council of governments shall electronically report the results of the survey of fair housing issues, strategies, and actions compiled pursuant to paragraph (2) of subdivision (b). The report shall describe common themes and effective strategies

employed by cities and counties within the area served by the council of governments, including common themes and effective strategies around avoiding the displacement of lower income households. The council of governments shall also identify significant barriers to affirmatively furthering fair housing at the regional level and may recommend strategies or actions to overcome those barriers. A council of governments or metropolitan planning organization, as appropriate, may use this information for any other purpose, including publication within a regional transportation plan adopted pursuant to Section 65080 or to inform the land use assumptions that are applied in the development of a regional transportation plan.

(d) Public participation and access shall be required in the development of the methodology and in the process of drafting and adoption of the allocation of the regional housing needs. Participation by organizations other than local jurisdictions and councils of governments shall be solicited in a diligent effort to achieve public participation of all economic segments of the community as well as members of protected classes under Section 12955. The proposed methodology, along with any relevant underlying data and assumptions, an explanation of how information about local government conditions gathered pursuant to subdivision (b) has been used to develop the proposed methodology, how each of the factors listed in subdivision (e) is incorporated into the methodology, and how the proposed methodology furthers the objectives listed in subdivision (e) of Section 65584, shall be distributed to all cities, counties, any subregions, and members of the public who have made a written or electronic request for the proposed methodology and published on the council of governments', or delegate subregion's, internet website. The council of governments, or delegate subregion, as applicable, shall conduct at least one public hearing to receive oral and written comments on the proposed methodology.

(e) To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall include the following factors to develop the methodology that allocates regional housing needs:

(1) Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.

(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill

development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

(C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to nonagricultural uses.

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

(4) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(5) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

(6) The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.

(7) The rate of overcrowding.

(8) The housing needs of farmworkers.

(9) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.

(10) The housing needs of individuals and families experiencing homelessness. If a council of governments has surveyed each of its member jurisdictions pursuant to subdivision (b) on or before January 1, 2020, this paragraph shall apply only to the

development of methodologies for the seventh and subsequent revisions of the housing element.

(11) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.

(12) The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.

(13) Any other factors adopted by the council of governments, that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions.

(f) The council of governments, or delegate subregion, as applicable, shall explain in writing how each of the factors described in subdivision (e) was incorporated into the methodology and how the methodology furthers the objectives listed in subdivision (d) of Section 65584. The methodology may include numerical weighting. This information, and any other supporting materials used in determining the methodology, shall be posted on the council of governments', or delegate subregion's, internet website.

(g) The following criteria shall not be a justification for a determination or a reduction in a jurisdiction's share of the regional housing need:

(1) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county.

(2) Prior underproduction of housing in a city or county from the previous regional housing need allocation, as determined by each jurisdiction's annual production report submitted pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.

(3) Stable population numbers in a city or county from the previous regional housing needs cycle.

(h) Following the conclusion of the public comment period described in subdivision (d) on the proposed allocation methodology, and after making any revisions deemed appropriate by the council of governments, or delegate subregion, as applicable, as a result of comments received during the public comment period, and as a result of consultation with the department, each council of governments, or delegate subregion, as applicable, shall publish a draft allocation methodology on its internet website and submit the draft allocation methodology, along with the information required pursuant to subdivision (e), to the department.

(i) Within 60 days, the department shall review the draft allocation methodology and report its written findings to the council of governments, or delegate subregion, as applicable. In its written findings the department shall determine whether the methodology furthers the objectives listed in subdivision (d) of Section 65584. If the department determines that the methodology is not consistent with subdivision (d) of Section 65584, the council of governments, or delegate subregion, as applicable, shall take one of the following actions:

(1) Revise the methodology to further the objectives listed in subdivision (d) of Section 65584 and adopt a final regional, or subregional, housing need allocation methodology.

(2) Adopt the regional, or subregional, housing need allocation methodology without revisions and include within its resolution of adoption findings, supported by substantial evidence, as to why the council of governments, or delegate subregion, believes that the methodology furthers the objectives listed in subdivision (d) of Section 65584 despite the findings of the department.

(j) If the department's findings are not available within the time limits set by subdivision (i), the council of governments, or delegate subregion, may act without them.

(k) Upon either action pursuant to subdivision (i), the council of governments, or delegate subregion, shall provide notice of the adoption of the methodology to the jurisdictions within the region, or delegate subregion, as applicable, and to the department, and shall publish the adopted allocation methodology, along with its resolution and any adopted written findings, on its internet website.

(l) The department may, within 90 days, review the adopted methodology and report its findings to the council of governments, or delegate subregion.

(m) (1) It is the intent of the Legislature that housing planning be coordinated and integrated with the regional transportation plan. To achieve this goal, the allocation plan shall allocate housing units within the region consistent with the development pattern included in the sustainable communities strategy.

(2) The final allocation plan shall ensure that the total regional housing need, by income category, as determined under Section 65584, is maintained, and that each jurisdiction in the region receive an allocation of units for low- and very low income households.

(3) The resolution approving the final housing need allocation plan shall demonstrate that the plan is consistent with the sustainable communities strategy in the regional transportation plan and furthers the objectives listed in subdivision (d) of Section 65584.

(Amended (as amended by Stats. 2018, Ch. 990, Sec. 3.7) by Stats. 2019, Ch. 335, Sec. 4. (AB 139) Effective January 1, 2020.)

State of California

GOVERNMENT CODE

Section 65584.05

65584.05. (a) At least one and one-half years before the scheduled revision required by Section 65588, each council of governments and delegate subregion, as applicable, shall distribute a draft allocation of regional housing needs to each local government in the region or subregion, where applicable, and the department, based on the methodology adopted pursuant to Section 65584.04 and shall publish the draft allocation on its internet website. The draft allocation shall include the underlying data and methodology on which the allocation is based, and a statement as to how it furthers the objectives listed in subdivision (d) of Section 65584. It is the intent of the Legislature that the draft allocation should be distributed before the completion of the update of the applicable regional transportation plan. The draft allocation shall distribute to localities and subregions, if any, within the region the entire regional housing need determined pursuant to Section 65584.01 or within subregions, as applicable, the subregion's entire share of the regional housing need determined pursuant to Section 65584.03.

(b) Within 45 days following receipt of the draft allocation, a local government within the region or the delegate subregion, as applicable, or the department may appeal to the council of governments or the delegate subregion for a revision of the share of the regional housing need proposed to be allocated to one or more local governments. Appeals shall be based upon comparable data available for all affected jurisdictions and accepted planning methodology, and supported by adequate documentation, and shall include a statement as to why the revision is necessary to further the intent of the objectives listed in subdivision (d) of Section 65584. An appeal pursuant to this subdivision shall be consistent with, and not to the detriment of, the development pattern in an applicable sustainable communities strategy developed pursuant to paragraph (2) of subdivision (b) of Section 65080. Appeals shall be limited to any of the following circumstances:

(1) The council of governments or delegate subregion, as applicable, failed to adequately consider the information submitted pursuant to subdivision (b) of Section 65584.04.

(2) The council of governments or delegate subregion, as applicable, failed to determine the share of the regional housing need in accordance with the information described in, and the methodology established pursuant to, Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584.

(3) A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted pursuant

to subdivision (b) of Section 65584.04. Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.

(c) At the close of the period for filing appeals pursuant to subdivision (b), the council of governments or delegate subregion, as applicable, shall notify all other local governments within the region or delegate subregion and the department of all appeals and shall make all materials submitted in support of each appeal available on a publicly available internet website. Local governments and the department may, within 45 days, comment on one or more appeals. If no appeals are filed, the draft allocation shall be issued as the proposed final allocation plan pursuant to paragraph (2) of subdivision (e).

(d) No later than 30 days after the close of the comment period, and after providing all local governments within the region or delegate subregion, as applicable, at least 21 days prior notice, the council of governments or delegate subregion shall conduct one public hearing to consider all appeals filed pursuant to subdivision (b) and all comments received pursuant to subdivision (c).

(e) No later than 45 days after the public hearing pursuant to subdivision (d), the council of governments or delegate subregion, as applicable, shall do both of the following:

(1) Make a final determination that either accepts, rejects, or modifies each appeal for a revised share filed pursuant to subdivision (b). Final determinations shall be based upon the information and methodology described in Section 65584.04 and whether the revision is necessary to further the objectives listed in subdivision (d) of Section 65584. The final determination shall be in writing and shall include written findings as to how the determination is consistent with this article. The final determination on an appeal may require the council of governments or delegate subregion, as applicable, to adjust the share of the regional housing need allocated to one or more local governments that are not the subject of an appeal.

(2) Issue a proposed final allocation plan.

(f) In the proposed final allocation plan, the council of governments or delegate subregion, as applicable, shall adjust allocations to local governments based upon the results of the appeals process. If the adjustments total 7 percent or less of the regional housing need determined pursuant to Section 65584.01, or, as applicable, total 7 percent or less of the subregion's share of the regional housing need as determined pursuant to Section 65584.03, then the council of governments or delegate subregion, as applicable, shall distribute the adjustments proportionally to all local governments. If the adjustments total more than 7 percent of the regional housing need, then the council of governments or delegate subregion, as applicable, shall develop a methodology to distribute the amount greater than the 7 percent to local governments. The total distribution of housing need shall not equal less than the regional housing need, as determined pursuant to Section 65584.01, nor shall the subregional distribution of housing need equal less than its share of the regional housing need as determined pursuant to Section 65584.03.

(g) Within 45 days after the issuance of the proposed final allocation plan by the council of governments and each delegate subregion, as applicable, the council of

governments shall hold a public hearing to adopt a final allocation plan. To the extent that the final allocation plan fully allocates the regional share of statewide housing need, as determined pursuant to Section 65584.01 and has taken into account all appeals, the council of governments shall have final authority to determine the distribution of the region's existing and projected housing need as determined pursuant to Section 65584.01. The council of governments shall submit its final allocation plan to the department within three days of adoption. Within 30 days after the department's receipt of the final allocation plan adopted by the council of governments, the department shall determine if the final allocation plan is consistent with the existing and projected housing need for the region, as determined pursuant to Section 65584.01. The department may revise the determination of the council of governments if necessary to obtain this consistency.

(h) Any authority of the council of governments to review and revise the share of a city or county of the regional housing need under this section shall not constitute authority to revise, approve, or disapprove the manner in which the share of the city or county of the regional housing need is implemented through its housing program.

(i) Any time period in subdivision (d) or (e) may be extended by a council of governments or delegate subregion, as applicable, for up to 30 days.

(j) The San Diego Association of Governments may follow the process in this section for the draft and final allocation plan for the sixth revision of the housing element notwithstanding such actions being carried out before the adoption of an updated regional transportation plan and sustainable communities strategy.

(Amended by Stats. 2019, Ch. 634, Sec. 4. (AB 1730) Effective January 1, 2020.)

RHNA SUBCOMMITTEE CHARTER – 6th Cycle

Page 1 of 2

Purpose of the Subcommittee

The purpose of the RHNA Subcommittee is to review in-depth the various policy considerations necessary to the development of SCAG's Regional Housing Needs Assessment (RHNA), and to make critical decisions throughout the RHNA process, including but not limited to the following: the RHNA methodology, the draft and final RHNA allocations, and appeals related to draft RHNA allocations. The decisions of the RHNA Subcommittee will serve as recommendations to SCAG's Community, Economic and Human Development (CEHD) Committee and the Regional Council, except that the RHNA Subcommittee will make the final decisions regarding all appeals of draft RHNA allocations.

Authority

Authorized by the Regional Council, the RHNA Subcommittee serves as a subcommittee of the CEHD Committee, and will be reporting to the CEHD Committee. All actions by the RHNA Subcommittee, except for actions pertaining to appeals of draft RHNA allocations, are subject to the review and approval of the CEHD Committee and the Regional Council. Recognizing the significant amount of work undertaken by the RHNA Subcommittee, the CEHD Committee and the Regional Council will rely on the policy judgments of the RHNA Subcommittee. The RHNA Subcommittee shall be dissolved as of the date in which the final RHNA allocation is adopted by the Regional Council.

Composition

The RHNA Subcommittee will consist of twelve (12) members of the Regional Council or the CEHD Committee to represent the six (6) counties of the SCAG region. Each county shall have a primary member and an alternate member to serve on the RHNA Subcommittee. The SCAG President will appoint the members of the RHNA Subcommittee and will select one of the members to serve as the Chair of the RHNA Subcommittee. Membership of the RHNA Subcommittee may also include as non-voting members serving as stakeholder representatives appointed by the SCAG President.

Meetings and Voting

The meetings of the RHNA Subcommittee will occur during the applicable period when SCAG is developing the RHNA. The RHNA Subcommittee shall have the authority to convene meetings as circumstances require. A meeting quorum shall be established when there is attendance by at least one representative (either a primary member or an alternate member) from each of the six (6) counties. Stakeholder representatives serving as non-voting members of the RHNA Subcommittee are not counted for purposes of establishing a meeting quorum.

All RHNA Subcommittee members are expected to attend each meeting, to the extent feasible. RHNA Subcommittee members may attend meetings by teleconference or video-conference. All meetings of the RHNA Subcommittee are subject to the Brown Act. The Chair of the RHNA Subcommittee shall preside over all meetings and the Subcommittee may select another

RHNA SUBCOMMITTEE CHARTER – 6th Cycle

Page 2 of 2

Subcommittee member to serve as the Vice-Chair in the Chair's absence. The RHNA Subcommittee will invite SCAG staff or others to attend meetings and provide pertinent information, as necessary. Meeting agendas will be prepared and provided in advance to RHNA Subcommittee members, along with appropriate briefing materials and reports, in accordance with the Brown Act. Minutes of each meeting will be prepared.

For purposes of voting, each county shall be entitled to one (1) vote to be cast by either the primary member or alternate member representing the respective county. In the event of a tie vote, the Chair of the Subcommittee may vote to break the tie except if the Chair of the Subcommittee has casted a vote as a Subcommittee member. In that exception, the Vice Chair of the Subcommittee may break the tie vote. In the case of an appeal submitted on behalf of a Subcommittee member's individual local jurisdiction, the Subcommittee member may elect not to participate in the discussion and vote by the RHNA Subcommittee regarding such appeal.

Responsibilities

The RHNA Subcommittee will carry out the following responsibilities:

- Review information useful to the development of the RHNA Plan;
- Review and make policy decisions related to the RHNA process including policies for the RHNA methodology, the RHNA methodology, and the draft and final RHNA allocations, and forward such decisions to the CEHD Committee for review and approval. In making its policy decisions, the RHNA Subcommittee should consider the integration of the RHNA with the Regional Transportation Plan/Sustainable Communities Strategy;
- Review and make decisions regarding guidelines for the RHNA process including guidelines related to subregional delegation, and forward such decisions to the CEHD Committee for review and approval; and
- Review and make the final decisions regarding appeals related to the jurisdiction's draft RHNA allocation. In this capacity, the RHNA Subcommittee shall be known as the "RHNA Appeals Board." These final decisions by the RHNA Appeals Board shall not be reviewable by the CEHD Committee or by the Regional Council.



October 21, 2020

Ma' Ayn Johnson, Senior Housing and Land Use Planner
Southern California Association of Governments (SCAG)
Attn: RHNA Appeals Board
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017

**SUBJECT: REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) METHODOLOGY
APPEAL**

Dear Ms. Johnson:

The City of Lawndale (City) submits the following appeal pursuant to government Code Section 65584.05 for a revision of its share of the regional housing need proposed to be allocated to the City under the Regional Housing Needs Assessment (RHNA) methodology (RHNA Methodology) adopted for the 6th cycle. This appeal is brought on the grounds that SCAG failed to determine the share of the regional housing need in accordance with the information described in Government Code Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed Government Code Section 65584(d). Additionally, the SCAG/HCD Methodology does not comply with state law, and the process by which it was considered for approval by SCAG violates state and due process laws, and that the methodology utilized should be rendered invalid.

OBJECTIVE 1: INCREASE THE HOUSING SUPPLY AND MIX OF HOUSING TYPES, TENURE, AND AFFORDABILITY 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:

Basis No. 1 for Appeal: SCAG failed to adequately consider information related to Government Code Section 65584.04(e)(3).

SCAG was required to consider the following factor per Government Code Section 65584.04(e)(3):

“The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.”

Pursuant to Government Code Sections 65584 and 65584.04(e), consistency between RHNA Methodology and the SCAG's 2020 Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) is required. However, RHNA Methodology employed by SCAG/HCD utilized the household growth factor from the existing needs component of the RHNA Methodology while using it as part of the 2020 Connect SoCal RTP/SCS will render the ultimate RHNA allocations inconsistent with the 2020 Connect SoCal RTP/SCS and create confusion for jurisdictions. Additionally, the use of projected household growth between 2030-2045 and other local planning factors in determining RHNA Methodology and allocation is a requirement under Government Code Section 65584.04(e), and failure to do so violates state law.

The City worked with SCAG to provide input on the 2020 RTP/SCS. That input included the number of households that are forecasted to be developed in the City between 2020 and 2045. The number of households identified for 2020 is 9,833 and in 2030 is 9,987; this is a difference of 154 households in a ten-year time frame. The draft allocation of 2,491 units, in an eight-year cycle, is more than 16 times the number of units forecasted for the 2020 RTP/SCS.

Failure to include household growth from the existing needs component ignores relevant jurisdictional concerns and real physical and developmental constraints that cannot be codified or actualized in the job accessibility or High-Quality Transit Area (HQTA) accessibility factors. This will result in RHNA allocations that are unrealistic and wholly unattainable for many jurisdictions which is inconsistent with state requirements.

OBJECTIVE 2: PROMOTE 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:

Basis No. 2 for Appeal: SCAG failed to adequately consider local information per the requirements under Government Code Section 65584(d).

Government Code Section 65584(d) requires SCAG to consider the objectives:

“(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.”

There is currently a limited ability to develop affordable housing at the allocated number of units due to lack of funding for affordable housing as well as the loss of redevelopment funding and other sources. The requirement for the City to comply with the no-net loss law (SB 166) could result in land not being developed for either low-income housing or housing at higher densities due to the lack of replacement land if market-rate housing is desired on specific parcels of land. This could result in land remaining undeveloped for any type of housing. Furthermore, the areas

with available land could result in the affordable units being concentrated in one area of the City and not disbursed in an equitable manner throughout the City.

“(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.”

Adding units in areas where jobs are unavailable will result in increased VMT and an increase in GHG, due to a lack of significant public transit opportunities. Additionally, as noted above, a majority of the City’s residents travel outside of the City for work, further increasing VMT and GHG. Many areas of the City are currently built out. Additional infill development would have negative impacts on efficient development patterns.

“(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.”

It is unknown how many low wage jobs are available in the City. Many residents of Lawndale travel outside the City for work. This would only be exacerbated by an increase in affordable housing. An increase in low-wage jobs would be required to support the development of affordable housing in the City if the objective is to provide affordable housing for low wage workers.

The adopted RHNA Methodology will not promote infill development or socioeconomic equity, but in fact it will do just the opposite and will increase land and infrastructure costs substantially resulting in socioeconomic inequities. Additionally, the increased housing allocations on a small jurisdiction like Lawndale will discourage efficient development patterns, result in increased traffic, and will insult in substantial greenhouse gas emissions inconsistent with state requirements.

OBJECTIVE 3: PROMOTE 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:

Unfortunately, the adopted RHNA Methodology will render the RHNA allocations inconsistent with the 2020 Connect SoCal RTP/SCS and create confusion for jurisdictions that need to rely on both as a road map for future development of infrastructure, land use, transit, and housing projects.

OBJECTIVE 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:

The SCAG/HCD Methodology clearly violated this objective, the City already shares a large proportion of households which are disproportionately high share of “very low income to “low income” household categories. The Methodology allocation used by SCAG/HCD will result in a higher number of these categories in the City instead of distributed countywide fairly, in direct contraction of Objective 4.

OBJECTIVE 5: AFFIRMATIVELY FURTHER FAIR HOUSING:

The SCAG/HCD Methodology does not further fair housing but in fact results in unfair housing, social inequities, and overcrowded housing conditions, as described above. Additionally, the social equity adjustment and the inclusion of the California Tax Credit Allocation Committee's opportunity indices further this objective by increasing access to housing and reducing patterns of segregation and gentrification and encourages a mix of income categories, household types, and various socioeconomic households within a community and jurisdiction.

METHODOLOGY RHNA APPROVAL PROCESS VIOLATED STATE LAW:

Basis for Appeal No. 3: SCAG filed to determine the share of the regional housing need in accordance with applicable law at Government Code Sections 54953(c)(2) and 65584.04(d).

Government Code Section 54953(c)(2) prohibits any secret action, whether preliminary or final, outside an open meeting. Yet, at the November 7, 2019 SCAG Regional Council meeting, the SCAG/HCD Methodology was being recommended for consideration and approval, despite that methodology not being formally presented at any prior committee or subcommittee meeting, and despite staff's presentation of the original SCAG-recommended Methodology for approval at the November 7, 2019 meeting and all prior committee and subcommittee meetings. Additionally the follow actions occurred in direct violation of state open meeting requirements:

- *At the October 7, 2019 RHNA Subcommittee meeting, staff presented in detail the original SCAG-recommended Methodology for approval. A motion was made to recommend approval of the SCAG-recommended Methodology. However, at the last minute, an exofficio-member introduced the SCAG/HCD Methodology for consideration, which had not previously been considered or presented. A substitute motion was made to recommend approval of the SCAG/HCD Methodology, without any further research, data, or analysis, and the motion was narrowly defeated by a 4-3 vote.*
- *Next, at the October 21, 2019 Community, Economic, and Human Development (CEHD) Committee meeting, the original SCAG-recommended Methodology was again presented in great detail for approval. Again, there was no mention of the SCAG/HCD Methodology, let alone any written research, data, or analysis of the same. The CEHD Committee then voted to recommend approval of the original SCAG-recommended Methodology.*

- *Then, only several days before the November 7, 2019 Regional Council meeting, staff received direction to present the SCAG/HCD Methodology as an alternative to the original SCAG-recommended Methodology, while still recommending approval of the latter. At the same time, the City of Los Angeles circulated a draft City of Los Angeles Resolution supporting the SCAG/HCD Methodology to SCAG Colleagues. Both methodologies were presented at the November 7, 2019 meeting. The Regional Council then voted 43-19 to approve the SCAG/HCD RHNA Methodology, despite being given less than one week to consider that methodology.*
- *Clearly, no committee, subcommittee, or regional council officially gave any order or direction to SCAG staff at an open meeting to present the SCAG/HCD Methodology, and there was certainly no recommendation for approval by any committee or subcommittee for the SCAG/HCD Methodology. This demonstrates the process to include and recommend approval of the SCAG/HCD Methodology was the action of several SCAG members of the decision-making body providing direction to staff behind closed doors. Furthermore, the results of the vote indicate that individual contacts between decision-makers were made prior to the November 7, 2019 meeting such as to constitute a "meeting" in violation of the requirements of Section 54953(a).*
- *In addition, the fact that SCAG members had less than one week to review and consider the ramifications of the SCAG/HCD Methodology prior to the November 7, 2019 meeting is a violation of due process and a deprivation of a fair hearing. The process by which the original SCAG-recommended Methodology was presented included nine months of disseminating information and receipt of public comments, 18 public meetings, and four public hearings. Yet, the abrupt presentation and recommendation of the SCAG/HCD Methodology, which drastically changed the RHNA allocations among jurisdictions by removing the projected household growth factor, allowed affected jurisdictions less than five days to make any assessments or comments.*

Government Code Section 65584.04(d) requires public participation in the development of the methodology that is sent to HCD for review, and in the process of drafting and adoption of the allocation of the RHNA. Section 65584.04(d) also requires any draft methodology to be distributed to all jurisdictions in the region prior to being considered and forwarded to HCD for their 60-day review. These actions were not taken; accordingly, member jurisdictions, particularly the coastal cities, were not given a fair hearing or due process to adequately consider the draft SCAG/HCD Methodology before it was approved by HCD. In essence, SCAG prevented its members from being able to fully vet the SCAG/HCD Methodology.

SCAG Regional Council's violation of the Brown Act per Government Code Section 54953(c)(2) denied the City the right to engage in public participation and have its local data considered in its RHNA allocation, as required under Section 65584.04(d). The members of the Lawndale City Council would like to make it clear that the City has significant concerns regarding the RHNA Methodology employed by SCAG/HCD. We encourage SCAG/HCD to

consider our concerns for appeal and to work to arrive at an equitable and suitable solution for the City and region.

For the reasons outlined in this letter, the City respectfully requests that the RHNA Appeals Board reduce the number of units allocated to the City from 2,491 units to be in line with the estimated households projected in the RTP/SCS from 2020-2030.

Respectfully,



Robert Pullen-Miles
Mayor

Cc: Members of the Lawndale City Council
South Bay Cities Council of Governments
Metro Board of Directors

Data Input and Verification Form
Bottom-Up Local Input and Envisioning Process
2020 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

Date: 10-22-2015

Page 1

A - Contact & Background Information

This Represents Communication:		From the Jurisdiction of <u>City of Lawndale</u> to SCAG	
Jurisdiction Contact Person: <u>Christopher Wilson</u> Position: <u>Senior Planner</u> Email: <u>cwilson@lawndalecity.org</u> Phone: <u>310-973-3240</u>	Background Information: <input type="checkbox"/> I am my Jurisdiction's City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (submitting on behalf of a Jurisdiction's governing body) <input checked="" type="checkbox"/> I am a staff person from a local Jurisdiction, submitting input under supervision of one of the persons identified above (see appropriate signature below)		
Additional Background, if any, based upon Previous Communications:			

B - Action Items

We are seeking to (select all that apply):	
Submit to SCAG: <input checked="" type="checkbox"/> Provide Input on SCAG's Core Geographic Data Provide Input on SCAG's Core Demographic Data Provide Input on Supplemental Data Elements	<input checked="" type="checkbox"/> Other, please specify _____ Update land use map _____ _____

C - Data Type

With Relation to SCAG's:	
Core Geographic Data: <input type="checkbox"/> General Plan Land Use <input checked="" type="checkbox"/> Zoning Existing Land Use Specific Plan Land Use <input type="checkbox"/> Endangered Species and Plants* <input type="checkbox"/> Open Space and Parks* <input type="checkbox"/> Flood Areas* <input type="checkbox"/> Natural Community and Habitat Conservation Plans* Farmland* Coastal Inundation (Sea Level Rise)* <input type="checkbox"/> Major Stops and High Quality Transit Corridors* Transit Priority Areas* Regional Bikeways Regional Truck Routes <input type="checkbox"/> City Boundary* Sphere of Influence* Census Tracts** Transportation Analysis Zone (TAZ) Boundaries** Entitlements Potential Infill Sites	Core Demographic Data: <input type="checkbox"/> Population <input type="checkbox"/> Households <input type="checkbox"/> Employment Year: <input type="checkbox"/> 2016 <input type="checkbox"/> 2020 <input type="checkbox"/> 2030 (Input needed at jurisdictional level only) <input type="checkbox"/> 2035 <input type="checkbox"/> 2045 Geographic Level: <input type="checkbox"/> Jurisdictional Level <input type="checkbox"/> Transportation Analysis Zone (TAZ) <input type="checkbox"/> Other Geographic Level (Please Specify): _____
Supplemental Data Elements (available for review June 2018):	
<input type="checkbox"/> Zoning Overlay Areas <input type="checkbox"/> Community Design Overlays <input type="checkbox"/> Community Land Trusts <input type="checkbox"/> Historic Preservation Areas <input type="checkbox"/> Bike Sharing Facilities <input type="checkbox"/> Bike Stations <input type="checkbox"/> Car-Sharing Parking Sites <input type="checkbox"/> Joint Public/Private Developments for Affordable Housing Areas with Reduced Parking Minimums and Maximums	<input type="checkbox"/> Corridor Plans <input type="checkbox"/> Special Districts <input type="checkbox"/> Bike/Ped Volume Data*** <input type="checkbox"/> Ped Trails/Sidewalk Data*** <input type="checkbox"/> Public Health Data***

* These data elements are maintained by local, state, or federal entities, and SCAG will forward input received from Jurisdictions to the appropriate source

** These data elements are being provided as reference information as they are not open to revision (TAZ Boundaries and Census Tracts)

*** For these elements, SCAG is looking to obtain any available data; local review not needed

Attachment: Data Input and Verification Form (City of Lawndale) (Appeal of the Draft RHNA Allocation for the City of Lawndale)

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



October 15, 2019

Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise,

RE: Final Regional Housing Need Assessment

The California Department of Housing and Community Development (HCD) has received and reviewed your objection to the Southern California Association of Governments (SCAG)'s Regional Housing Needs Assessment (RHNA) provided on August 22, 2019. Pursuant to Government Code (Gov. Code) section 65584.01(c)(3), HCD is reporting the results of its review and consideration, along with a final written determination of SCAG's RHNA and explanation of methodology and inputs.

As a reminder, there are several reasons for the increase in SCAG's 6th cycle Regional Housing Needs Assessment (RHNA) as compared to the 5th cycle. First, as allowed under Gov. Code 65584.01(b)(2), the 6th cycle RHNA applied housing need adjustment factors to the region's total projected households, thus capturing existing and projected need. Second, overcrowding and cost burden adjustments were added by statute between 5th and 6th cycle; increasing RHNA in regions where incidents of these housing need indicators were especially high. SCAG's overcrowding rate is 10.11%, 6.76% higher than the national average. SCAG's cost burden rate is 69.88% for lower income households, and 18.65% for higher income households, 10.88% and 8.70% higher than the national average respectively. Third, the 5th cycle RHNA for the SCAG region was impacted by the recession and was significantly lower than SCAG's 4th cycle RHNA.

This RHNA methodology establishes the minimum number of homes needed to house the region's anticipated growth and brings these housing need indicators more in line with other communities, but does not solve for these housing needs. Further, RHNA is ultimately a requirement that the region zone sufficiently in order for these homes to have the potential to be built, but it is not a requirement or guarantee that these homes will be built. In this sense, the RHNA assigned by HCD is already a product of moderation and compromise; a minimum, not a maximum amount of planning needed for the SCAG region.

For these reasons HCD has not altered its RHNA approach based on SCAG's objection. However, the cost burden data input has been updated following SCAG's objection due to the availability of more recent data. Attachment 1 displays the minimum RHNA of **1,341,827** total homes among four income categories for SCAG to distribute among its local governments. Attachment 2 explains the methodology applied pursuant to Gov. Code section 65584.01.

The following briefly responds to each of the points raised in SCAG's objection:

Use of SCAG's Population Forecast

SCAG's overall population estimates for the end of the projection period exceed Department of Finance's (DOF) population projections by 1.32%, however the SCAG household projection derived from this population forecast is 1.96% lower than DOF's household projection. This is a result of SCAG's population forecast containing 3,812,391 under 15-year old persons, compared to DOF's population projection containing 3,292,955 under 15-year old persons; 519,436 more persons within the SCAG forecast that are anticipated to form no households. In this one age category, DOF's projections differ from SCAG's forecast by 15.8%.

Due to a greater than 1.5% difference in the population forecast assessment of under 15-year olds (15.8%), and the resulting difference in projected households (1.96%), HCD maintains the use of the DOF projection in the final RHNA.

Use of Comparable Regions

While the statute allows for the council of government to determine and provide the comparable regions to be used for benchmarking against overcrowding and cost burden, Gov. Code 65584.01(b)(2) also allows HCD to "accept or reject information provided by the council of governments or modify its own assumptions or methodology based on this information." Ultimately, HCD did not find the proposed comparable regions an effective benchmark to compare SCAG's overcrowding and cost burden metrics to. HCD used the national average as the comparison benchmark, which had been used previously throughout 6th cycle prior to the addition of comparable region language into the statute starting in January 2019. As the housing crisis is experienced nationally, even the national average does not express an ideal overcrowding or cost burden rate; we can do more to reduce and eliminate these worst-case housing needs.

Vacancy Rate

No changes have been made to the vacancy rate standard used by HCD for the 6th cycle RHNA methodology.

Replacement Need

No changes have been made to the replacement need minimum of adjustment .5%. This accounts for replacement homes needed to account for homes potentially lost during the projection period.

Household Growth Anticipated on Tribal Lands

No changes have been made to reduce the number of households planned in the SCAG region by the amount of household growth expected on tribal lands. The region should plan for these homes outside of tribal lands.

Overlap between Overcrowding and Cost Burden

No changes have been made to overcrowding and cost burden methodology. Both factors are allowed statutorily, and both are applied conservatively in the current methodology.

Data Sources

No changes have been made to the data sources used in the methodology. 5-year American Community Survey data allows for lower margin of error rates and is the preferred data source used throughout this cycle. With regard to cost burden rates, HCD continues to use the Comprehensive Housing Affordability Strategy, known as CHAS data. These are custom tabulations of American Community Survey requested by the U.S. Department of Housing and Urban Development. These custom tabulations display cost burden by income categories, such as lower income, households at or below 80% area median income; rather than a specific income, such as \$50,000. The definition of lower income shifts by region and CHAS data accommodates for that shift. The 2013-2016 CHAS data became available August 9, 2019, shortly prior to the issuance of SCAG's RHNA determination so that data is now used in this RHNA.

Next Steps

As you know, SCAG is responsible for adopting a RHNA allocation methodology for the *projection* period beginning June 30, 2021 and ending October 15, 2029. Pursuant to Gov. Code section 65584(d), SCAG's RHNA allocation methodology must further the following objectives:

- (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.

Pursuant to Gov. Code section 65584.04(e), to the extent data is available, SCAG shall include the factors listed in Gov. Code section 65584.04(e)(1-12) to develop its RHNA allocation methodology. Pursuant to Gov. Code section 65584.04(f), SCAG must explain in writing how each of these factors was incorporated into the RHNA allocation methodology and how the methodology furthers the statutory objectives described above. Pursuant to Gov. Code section 65584.04(h), SCAG must consult with HCD and submit its draft allocation methodology to HCD for review.

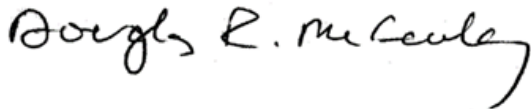
HCD appreciates the active role of SCAG staff in providing data and input throughout the consultation period. HCD especially thanks Ping Chang, Ma'Ayn Johnson, Kevin Kane, and Sarah Jepson.

HCD looks forward to its continued partnership with SCAG to assist SCAG's member jurisdictions meet and exceed the planning and production of the region's housing need. Just a few of the support opportunities available for the SCAG region this cycle include:

- SB 2 Planning Grants and Technical Assistance (application deadline November 30, 2019)
- Regional and Local Early Action Planning Grants
- Permanent Local Housing Allocation

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Assistant Deputy Director for Fair Housing, at megan.kirkeby@hcd.ca.gov.

Sincerely,



Douglas R. McCauley
Acting Director

Enclosures

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION

SCAG: June 30, 2021 – October 15, 2029 (8.3 years)

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	26.2%	351,796
Low	15.4%	206,807
Moderate	16.7%	223,957
Above-Moderate	41.7%	559,267
Total	100.0%	1,341,827
* Extremely-Low	14.5%	Included in Very-Low Category

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et.seq.). Percents are derived based on ACS reported household income brackets and regional median income, then adjusted based on the percent of cost-burdened households in the region compared with the percent of cost burdened households nationally.

ATTACHMENT 2

**HCD REGIONAL HOUSING NEED DETERMINATION
SCAG: June 30, 2021 – October 15, 2029 (8.3 years)**

Methodology

SCAG: June 30, 2021-October 15, 2029 (8.3 Years) HCD Determined Population, Households, & Housing Need				
1.	Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029			20,455,355
2.	<i>- Group Quarters Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029</i>			-363,635
3.	Household (HH) Population: October 15, 2029			20,079,930
	Household Formation Groups	HCD Adjusted DOF Projected HH Population	DOF HH Formation Rates	HCD Adjusted DOF Projected Households
		20,079,930		6,801,760
	under 15 years	3,292,955	n/a	n/a
	15 – 24 years	2,735,490	6.45%	176,500
	25 – 34 years	2,526,620	32.54%	822,045
	35 – 44 years	2,460,805	44.23%	1,088,305
	45 – 54 years	2,502,190	47.16%	1,180,075
	55 – 64 years	2,399,180	50.82%	1,219,180
	65 – 74 years	2,238,605	52.54%	1,176,130
	75 – 84 years	1,379,335	57.96%	799,455
	85+	544,750	62.43%	340,070
4.	Projected Households (Occupied Unit Stock)			6,801,760
5.	+ Vacancy Adjustment (2.63%)			178,896
6.	+ Overcrowding Adjustment (6.76%)			459,917
7.	+ Replacement Adjustment (.50%)			34,010
8.	<i>- Occupied Units (HHs) estimated (June 30, 2021)</i>			-6,250,261
9.	+ Cost Burden Adjustment (Lower Income: 10.63%, Moderate and Above Moderate Income: 9.28%)			117,505
6th Cycle Regional Housing Need Assessment (RHNA)				1,341,827

Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Government Code Section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment based on the difference between a standard 5% vacancy rate and the region's current "for rent and sale" vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% and region's current vacancy rate (2.37%) based on the 2013-2017 5-year American Community Survey (ACS) data. For SCAG that difference is 2.63%.
6. Overcrowding Adjustment: In region's where overcrowding is greater than the U.S overcrowding rate of 3.35%, HCD applies an adjustment based on the amount the region's overcrowding rate (10.11%) exceeds the U.S. overcrowding rate (3.35%) based on the 2013-2017 5-year ACS data. For SCAG that difference is 6.76%.

Continued on next page

7. Replacement Adjustment: HCD applies a replacement adjustment between .5% & 5% to total housing stock based on the current 10-year average of demolitions in the region's local

government annual reports to Department of Finance (DOF). For SCAG, the 10-year average is .14%, and SCAG's consultation package provided additional data on this input indicating it may be closer to .41%; in either data source the estimate is below the minimum replacement adjustment so the minimum adjustment factor of .5% is applied.

8. Occupied Units: Reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2021).
9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the nation. The very-low and low income RHNA is increased by the percent difference ($69.88\% - 59.01\% = 10.88\%$) between the region and the national average cost burden rate for households earning 80% of area median income and below, then this difference is applied to very low- and low-income RHNA proportionate to the share of the population these groups currently represent. The moderate and above-moderate income RHNA is increased by the percent difference ($18.65\% - 9.94\% = 8.70\%$) between the region and the national average cost burden rate for households earning above 80% Area Median Income, then this difference is applied to moderate and above moderate income RHNA proportionate to the share of the population these groups currently represent. Data is from 2013-2016 Comprehensive Housing Affordability Strategy (CHAS).

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Ave
Sacramento, CA 95833-1829
916) 263-2911 FAX: (916) 263-7453
www.hcd.ca.gov



December 10, 2020

Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise:

RE: Comment on Appeals of the Draft Regional Housing Need Allocation (RHNA) Plan

Thank you for the opportunity to comment on the 52 appeals Southern California Association of Governments (SCAG) has received regarding the draft RHNA plan. The appeal process is an important phase in the development of a RHNA plan that ensures that all relevant factors and circumstances are considered.

The only circumstances under which a jurisdiction can appeal are:

- 65584.05(b)(1): The council of governments failed to adequately consider the information regarding the factors listed in subdivision (e) of section 65584.04.
- 65584.05(b)(2): The council of governments failed to determine the share of the regional housing need in a manner that furthers the intent of the objectives listed in subdivision (d) of section 65584.
- 65584.05(b)(3): A significant unforeseen change in circumstances occurred in the local jurisdiction that merits a revision of the information submitted pursuant to subdivision (e) of Section 65584.04.

The California Department of Housing and Community Development (HCD) urges SCAG to only consider appeals that meet these criteria.

Per Government Code section 65584.05(e)(1), SCAG's final determination on whether to accept, reject, or modify any appeal must be accompanied by written findings, including how the final determination is based upon the adopted RHNA allocation methodology, and how any revisions are necessary to further the statutory objectives of RHNA described in Government Code section 65584(d).

Among the appeals based on Government Code section 65584.05(b)(1), several appeals state that SCAG failed to consider the factor described in Government Code section 65584.04(e)(2)(B), citing the lack of land suitable for development as a basis for the appeal. However, this section states the council of governments may not limit its consideration of suitable housing sites to existing zoning and land use restrictions and must consider the potential for increased development under alternative zoning and

land use restrictions. Any comparable data or documentation supporting this appeal should contain an analysis of not only land suitable for urban development, but land for conversion to residential use, the availability of underutilized land, and opportunity for infill development and increased residential densities. In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.

With regard to appeals submitted related to Government Code section 65584.05(b)(2), that SCAG failed to determine the RHNA in a manner that furthers the statutory objectives, it should be noted that HCD reviewed SCAG's draft allocation methodology and found that the draft RHNA allocation methodology furthered the statutory objectives described in Government Code section 65584.

Among the appeals based on Government Code section 65584.05(b)(2), several contend that the cap on units allocated to extremely disadvantaged communities (DACs) does not further RHNA's statutory objectives. This cap furthers the statutory objective to affirmatively further fair housing by allocating more units to high opportunity areas and fewer units to low resource communities, and concentrated areas of poverty with high levels of segregation. Due to the inclusion of this factor, as well as the use of TCAC/HCD Opportunity Maps, SCAG's methodology allocates 14 of the top 15 highest shares of lower-income RHNA to jurisdictions with over 99.95 percent High and Highest Resource areas. With the exceptions of two jurisdictions, the 31 jurisdictions with the highest share of lower-income RHNA are all over 95 percent High and Highest Resource areas. Any weakening of these inputs to the methodology could risk not fulfilling the statutory objective to affirmatively further fair housing.

Several appeals argue that SCAG's RHNA allocation methodology does not adequately promote access to jobs and transit, as required in objectives two and three. HCD's review of SCAG's RHNA methodology found the allocation does further the environmental principles of objective two. SCAG's overall allocation includes significant weight related to the location of high-quality transit areas and the regional distribution of jobs that can be accessed within a 30-minute driving commutes. Regarding objective three, HCD's analysis as to whether jobs-housing fit was furthered by SCAG's draft methodology found that across all jurisdictions there is generally good alignment between low-wage jobs and lower-income RHNA, with all but 15 jurisdictions within a half percent plus or minus difference between their share of lower-income RHNA for the region and their percentage low-wage jobs for the region.

Several appeals are based upon the provision described in Government Code section 65584.05(b)(3), arguing that the COVID-19 pandemic represents a significant and unforeseen change in circumstances that will affect future population and job growth. Ensuring everyone has a home is critical to public health. Reducing and preventing overcrowding and homelessness are essential concerns for every community. The COVID-19 pandemic has only increased the importance that each community is planning for sufficient affordable housing.

Lastly, several appeals state that the Regional Housing Needs Determination (RHND) HCD provided to the SCAG region is too large. SCAG submitted an objection to the RHND at the appropriate time and through the appropriate process. HCD considered those objections and [determined the final RHND for 6th Housing Element Cycle for the SCAG region on October 15, 2019](#). There are no further appeal procedures available to alter the SCAG region's RHND for this cycle. Government Code section 65584.05(b) does not allow local governments to appeal the RHND during the 45-day period following receipt of the draft allocation.

HCD acknowledges that many local governments will need to plan for more housing than in the prior cycle to accommodate a RHND that more fully captures the housing need and as the statutory objectives of RHNA shift more housing planning near jobs, transit, and resources. The Southern California region's housing crisis requires each jurisdiction to plan for the housing needs of their community and the region. In recognition of this effort there are more resources available than ever before to support jurisdictions as they prepare to update their 6th cycle housing elements:

- SB 2 Planning Grants – \$123 million one-time allocation to cities and counties
- SB 2 Planning Grants Technical Assistance offered to all jurisdictions
- Regional and Local Early Action Planning Grants – \$238 million one-time allocation for local and regional governments
- SB 2 Permanent Local Housing Allocation – approximately \$175 million annually in ongoing funding for local governments to increase affordable housing stock

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Deputy Director, megan.kirkeby@hcd.ca.gov.



Megan Kirkeby
Deputy Director



City of Whittier

13230 Penn Street, Whittier, California 90602-1716
(562) 567-9320 Fax (562) 567-2872 www.cityofwhittier.org

Electronically Transmitted to: Housing@scag.ca.gov

December 10, 2020

RHNA Appeals Committee
Southern California Association of Governments
900 Wilshire Blvd, Suite 1700
Los Angeles, CA 90017

SUBJECT: City of Whittier's Comments on Appeals to the Sixth Cycle Regional Housing Needs Assessment (RHNA) Allocation

Honorable Chair and Honorable Committee Members:

The City of Whittier ("City") appreciates the challenges that are inherent in allocating 1,341,827 housing units by the thousands (a 226% increase above the baseline 412,137 unit) to cities across Southern California, especially in built-out cities. However, the City is deeply concerned its housing allocation of 3,431 units from the State Department of Housing and Community Development ("HCD") and the Southern California Association of Government's ("SCAG") unit distribution methodology, along with recent housing legislation will fundamentally abridge the City's ability to develop effective land-use policies that are appropriate for managing the community's actual needs. The 878 units in the 5th cycle RHNA allocation has been increased by 290% to 3,431 units in the current 6th cycle. Particularly challenging in the 6th cycle, is the number of low and very low-income units (1,558) which combined with the moderate and above moderate unit totals forces unplanned and unnecessary residential densification of the community.

The affordable units are an unfunded mandate with very limited regional or State financial support for their development. Considering the affordable housing subsidies typically range from \$50,000 to \$250,000 per unit, the overall funding requirements could range from \$78,000,000 to \$390,000,000 which is clearly beyond the reach of the City of Whittier in that the City's general fund budget is just \$72,000,000 which already include \$2,000,000 annually to house the City's unsheltered residents in transitional housing. Additionally, the City only receives 7.5% of each property tax dollar to provide general services including police and library services.

The City is currently in the process of updating its Housing Element as well as the General Plan to incorporate the current RHNA allocation, so Whittier is acutely aware of the various housing needs as well as the potential obstacles, such as aging infrastructure and unplanned density, to creating the requisite housing within a city that

is essentially built out. The changes in the State's housing laws (SB 35, SB 166 and AB 1397) have created additional constraints for the agencies and may severely impact the City's ability to accomplish our regional and local housing goals.

Since development in Whittier began more than 130 years ago, the City is virtually built-out with little developable vacant land outside of its designated open space areas that are dedicated to accommodating existing and future residents. While the City has made significant efforts through its specific plans to densify existing corridors and districts, the majority of Whittier's remaining single-family residential neighborhoods cannot accommodate similar densification. Furthermore, the hills north of Whittier contain regional open space, sensitive habitat and wildlife areas that must be preserved in perpetuity. There are also significant infrastructure and water service constraints that impact Whittier's ability to produce significantly more housing. Although these facts may not be desirable, they must be pragmatically accounted for and mitigated by not further increasing Whittier's share of housing units contained in SCAG's 6th Cycle RHNA. The final RHNA allocation and methodology must be fair and equitable while reflecting the capacity for reasonable housing unit construction.

As with many other cities, the City is concerned about the current allocation, but an even greater concern is that additional units may be applied to the City if reallocated from cities that are successful in their appeals. To that end, the City believes the appeal process itself was unclear as to the potential ramifications to other cities and not fully understood.

Although we fully support the surrounding cities in their appeals, the potential for additional units being applied to the City would exacerbate the problems described herein and in Whittier's September 13, 2019 letter to SCAG.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Jeffery S. Adams
Director of Community Development

File

From: Christopher Koontz <Christopher.Koontz@longbeach.gov>
Sent: Thursday, December 3, 2020 11:14 AM
To: Regional Housing
Subject: RHNA Appeals

Categories: Response Required, Record

Good morning,

The purpose of this email is to provide the City of Long Beach's position in regards to pending RHNA appeals before SCAG. The City of Long Beach seeks to meet its housing needs and obligations for the benefit of Long Beach residents and the region. Our allocation was extremely large and presents a planning and financing challenge for the City. Nonetheless we chose not to appeal our allocation because the allocation process was fair and transparent including taking the City of Long Beach's input into consideration.

We oppose and will not accept any transfer of additional allocation due to the pending appeals. We note that within our area, the Gateway COG, appeals are pending from Bellflower, Cerritos, Downey, Huntington Park, La Mirada, Lakewood, Pico Rivera, and South Gate. Each of these appeals should be evaluated by SCAG on the merits, however Long Beach opposes any transfer of allocation to our City. It would be inappropriate to transfer a further burden to Long Beach when we have already accepted a large allocation and have done more than many cities in the region to accommodate housing growth under the current RHNA cycle, including fully meeting our market-rate RHNA allocation.

The City of Long Beach will continue to work with SCAG and our neighbor jurisdictions to address the housing needs of our residents.

We thank you for consideration and please do not hesitate to contact the City regarding our position.

Christopher Koontz, AICP
Deputy Director

Development Services
411 W. Ocean Blvd., 3rd Floor | Long Beach, CA 90802
Office: 562.570.6288 | Fax: 562.570.6068





AGENDA ITEM 1.5 REPORT

Southern California Association of Governments
k h \
January 13, 2021

To: Regional Housing Needs Assessment Subcommittee (RHNA)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Roland Ok, Program Manager
(213) 236-1819, ok@scag.ca.gov

Subject: Appeal of the Draft RHNA Allocation for the City of Redondo Beach

RECOMMENDATION:

Deny the appeal filed by the City of Redondo Beach to reduce the Draft RHNA Allocation by 1,539 or 1,279 units.^{1,2,3}

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

SUMMARY OF APPEAL(S):

The City of Redondo Beach requests a reduction of its RHNA allocation by units (from 2,483 units to 944 or 1,204 units) based on:

1. Application of the adopted Final RHNA Methodology for the 6th cycle RHNA (2021-2029)*
2. Existing or projected jobs-housing balance*
3. Distribution of household growth assumed for purposes of comparable Regional Transportation Plans*

* The City indicates that SCAG incorrectly applied the adopted Final RHNA methodology for the region and made a population forecasting error. However, the argument is based on changes to the adopted Final RHNA Methodology including additional local factors, corrections to HQTAs projections, redistribution of units to neighboring cities, and revisions to the allocation methodology based on the Embarcadero and/or Freddie Mac Reports. Also, there is no mention of the distribution of household growth assumed for the purposes of the 2020 Regional Transportation Plan/Sustainable Communities Strategy (Connect SoCal).

¹ The City of Redondo Beach requested two different RHNA appeal numbers based on two different studies (Freddie Mac Study and Embarcadero Study).

² Based on the Freddie Mac Study, Redondo Beach requests a reduced RHNA allocation by 1,539 units

³ Based on the Embarcadero Study, Redondo Beach requests a reduced RHNA allocation by 1,279 units

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California’s Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous

RATIONALE FOR STAFF RECOMMENDATION:

Staff have reviewed the appeal(s) and recommend no change to the City of Redondo Beach RHNA allocation because the regional determination is not a basis for appeal per adopted RHNA Appeals Procedures and SCAG did not make an error in forecasting the 2045 HQT population in the City of Redondo Beach.

BACKGROUND:**Draft RHNA Allocation**

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the adoption of Connect SoCal on September 3, 2020, all local jurisdictions received Draft RHNA Allocations on September 11, 2020. A summary is below.

Total RHNA Allocation for the City of Redondo Beach: 2,483

Very Low Income: 933

Low Income: 507

Moderate Income: 489

Above Moderate Income: 554

Additional background related to the Draft RHNA Allocation is included in Attachment 1.

Summary of Comments Received during 45-day Comment Period

No comments were received from local jurisdictions or HCD during the 45-day public comment period described in Government Code section 65584.05(c) which specifically regard the appeal filed for the City of Redondo Beach. Three comments were received which relate to appeals filed generally:

- HCD submitted a comment on December 10, 2020 delineating the statutory basis for RHNA appeals and the requirement that any appeals granted must include written findings regarding how revisions are necessary to further RHNA's statutory objectives.
- The City of Whittier submitted a comment on December 10, 2020 supporting surrounding cities in their appeals but expressing concern that additional units may be applied to Whittier if reallocated from cities which are successful in their appeals.
- The City of Long Beach submitted a comment on December 3, 2020 indicating their view that the RHNA allocation process was fair and transparent, their support for evaluating appeals on their merits (specifically those from the Gateway Council of Governments), and

their opposition to any action which would result in a transfer of additional units to Long Beach.

ANALYSIS:

Issues 1, 2 and 3: Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029) [Government Code Section 65584.05 (b)(2)]; existing or projected jobs-housing balance [Government Code Section 65584.04(e)(1)]; and distribution of household growth assumed for purposes of comparable regional Transportation Plans [Section 65584.04(e)(3)].

The City of Redondo Beach argues that SCAG incorrectly applied the adopted Final RHNA Methodology throughout the Region. The City requests that SCAG revise its allocation methodology based on the following:

Additional Local Factors: *The City requests that additional “local factors” be incorporated into the RHNA methodology. The City requests that SCAG add the following:*

- Consider a “Local Zoning Factor”
- Consider a “Local Density Factor”
- Consider revising the “Jobs-to-Household Ratio Factor”

Correction to HQTAs Population Forecast: *The City requests that SCAG apply corrections to data fields used for to calculate Redondo Beach’s Projected 2045 HQTAs Population:*

- SCAG cites Redondo Beach’s Projected 2045 HQTAs Population as 10,653
- The City requests that SCAG readjust the projected population to 8,197

Unfair Distribution of RHNA when compared to neighboring jurisdictions: *The City argues that the RHNA methodology does not lead to an estimate that is equitably distributed to area municipalities adjacent to and nearby the City of Redondo Beach. For example, the City of Redondo Beach received a distribution rate of 8.0% while Hermosa Beach received a distribution rate of 5.5%. The City requests that neighboring jurisdictions receive an allocation consistent with the average of 7.0%.*

Embarcadero and Freddie Mac Reports: *The City cites a Freddie Mac report which indicates that the entire state California has a shortage of 820,000 housing units, which is lower than the 1.34 million provided by HCD for the SCAG region alone. The City argues that based on the findings provided by Freddie Mac Report, their allocation should be reduced from 2,483 to 944 units.*

The City also cites the Embarcadero report which argues that HCD used the wrong assumptions for existing housing need, vacancy rate, overcrowding and cost burdening. The City argues that based on the Embarcadero calculation, a proportional reduction of 651,000 units (48.5%) for the region is

warranted. Based on the Embarcadero calculation, the City argues that their allocation should be reduced from 2,483 to 1,204 units.

SCAG Staff Response: SCAG’s final regional determination of approximately 1.34 million units was issued by HCD on October 15, 2019 per state housing law. The regional determination is not a basis for appeal per adopted RHNA Appeals Procedures as it is not within the authority of the Appeals Board to make any changes to HCD’s regional housing needs assessment. Only improper application of the methodology is grounds for an appeal. An example of an improper application of the adopted methodology might be a data error which was identified by a local jurisdiction.

With respect to the statutory objectives⁴, SCAG used objective measures to advance certain principles, but since local and regional conditions vary tremendously across the state and over time, there are few consistent quantitative standards which can be used to evaluate all aspects of the methodology. Ultimately, however, the RHNA statute vests HCD with the authority to decide whether statutory objectives have been met.

As described in Attachment 1: Local Input and Development of Draft RHNA Allocation, the Final RHNA Methodology was adopted by the Regional Council on March 5, 2020 and describes the various policy factors whereby housing unit need is to be allocated across the region—for example, anticipated growth, access to jobs and transit, and vacancy. The methodology makes extensive use of locally reviewed input data and describes data sources and how they are calculated in detail. On January 13, 2020, the Final RHNA Methodology was found by HCD to further the five statutory objectives in large part due to its use of objective factors and as such cannot consider factors differently in one jurisdiction versus another. The Final RHNA Methodology is not grounds for an appeal, only its application may be appealed.

Additional Local Factors: As described in Attachment 1: Local Input and Development of Draft RHNA Allocation, the Final RHNA Methodology was adopted by the Regional Council on March 5, 2020 and describes the various policy factors whereby housing unit need is to be allocated across the region—for example, anticipated growth, access to jobs and transit, and vacancy. The methodology makes extensive use of locally reviewed input data and describes data sources and how they are calculated in detail.

⁴ The objectives are: 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 (Govt. Code § 65584(d)).

High Quality Transit Area (HQTA) Population Forecast: SCAG did not make an error in the 2045 HQTA population forecast; the correct 2045 HQTA population as assessed pursuant to the adopted Final RHNA Methodology is 10,653 people and not 8,197 people. Note also that the map that Redondo Beach included in their appeal misstates SCAG's assessment of 2045 HQTA population as 12,357 people. The adopted final RHNA methodology includes a component that calculates need based on a jurisdiction's population within an HQTA in 2045 in Connect SoCal, SCAG's 2045 RTP/SCS. For planning and SCS purposes, SCAG identifies a "high quality transit area" as generally a walkable transit village or corridor that is within one-half mile of a major transit stop or High-Quality Transit Corridor (HQTC) as defined in Government Code 21155(b) and 21064.3 excluding freeway transit corridors with no bus stops on the freeway alignment. SCAG's technical methodology for identifying HQTCs and major transit stops is based on input from the Regional Transit Technical Advisory Committee (RTTAC), as well as consultation with local agencies, other large MPOs in California, and the Governor's Office of Planning and Research.

SCAG's definition of high-quality transit corridors is found in Appendix A of Connect SoCal's Transit Technical Report (Attachment 7) and indicates that:

Planned HQTCs and major transit stops are future improvements that are expected to be implemented by transit agencies by the RTP/SCS horizon year of 2045. These are assumed by definition to meet the statutory requirements of an HQTC or major transit stop. SCAG updates its inventory of planned major transit stops and HQTCs with the adoption of a new RTP/SCS, once every four years.

However, transit planning studies may be completed by transit agencies on a more frequent basis than the RTP/SCS is updated by SCAG and as such it is understood that planned transit projects are subject to further project-specific evaluation, but that is the nature of the long range planning process. While there is an inherent chance that transit agencies may change future plans, ultimately SCAG's adopted final RHNA methodology uses this definition of 2045 HQTAs in order to better align future housing with anticipated future transit. Please refer to the attached map shows the 2045 HQTA boundaries for the City of Redondo Beach which were used in Connect SoCal.

Furthermore, the RHNA process, as defined in Government Code 65584 et seq., specifies that a council of government's regional housing needs allocation plan shall further several objectives. While transit accessibility is not explicitly referenced, promoting housing development on the basis of HQTAs in a jurisdiction is consistent with objectives related to infill development and intraregional jobs-housing relationships.

The use of HQTAs is an effort to better align transportation and housing planning. The statutory basis underlying the delineations of high-quality transit as well as the extensive review process undertaken for the SCS provide a strong, established basis for additional use in housing planning.

The use of HQTAs for allocating housing needs also requires an additional step beyond the delineation of HQTAs. While an HQTA covers a certain share of a city's area, this is not necessarily reflective of urbanized land area, developable land area, or a measure otherwise related to future housing accommodation.

In order to estimate the population of each city which lies within each HQTA boundary, SCAG uses small area forecast data provided through the Bottom-Up Local Input and Envisioning Process. While the transportation analysis zone (TAZ) geography is more commonly used, SCAG's forecast contains a higher degree of accuracy and is associated with local general plans down to the parcel level. In addition, TAZs contain an average of 2,000 residents across the region and as such not sufficiently accurate for measuring anticipated population within a precisely defined HQTA. As such, SCAG relies on forecasted population from Connect SoCal in Scenario Planning Zones (SPZs) to associate with HQTA boundaries using area-weighted interpolation. As SPZs are approximately 1/10th the size of TAZs, this is the most accurate method that could be devised to estimate future populations in bespoke areas across a large region using locally reviewed input data.

The attached map (See Attachment 6) shows SPZs in Redondo Beach by population and overlays this information with the HQTAs within the city. 42 SPZs lie fully within HQTA boundaries, totaling 8,400 people. An additional 20 SPZs totaling 3,931 people lie partially within HQTA boundaries—this population is proportionally allocated to HQTAs based on how much of each SPZ's land area is within HQTA boundaries. These data are equivalent to the small-area population forecast data in Connect SoCal's Growth Vision (discussed further in Attachment 1), which for Redondo Beach matches the data provided by the City during the Bottom-Up Local Input and Envisioning Process. This results in 10,653 people being assessed as within HQTA boundaries in Redondo Beach.

It is certainly possible to develop different techniques to measure the population within the same HQTA boundary. Redondo Beach appears to total the number of dwelling units within HQTA boundaries and apply a city-wide population-to-household (P:H) ratio of 2.34 to derive a lower estimate of 8,197 people within HQTAs⁵. SCAG's approach applies P:H ratios which are developed and reviewed (by the City and by SCAG) at the small area level instead of a city level. It is important to have regionally standardized approaches in all parts of the RHNA methodology in order to ensure that housing units are allocated fairly and consistently, and SCAG's approach is part of the adopted Final RHNA Methodology.

⁵ This P:H ratio matches the 2045 ratio found in Connect SoCal's Demographics and Growth Forecast Technical Report for Redondo Beach (72,900 people and 31,100 households) - https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocial_demographics-and-growth-forecast.pdf

SCAG does not discount the possibility that locally developed approach with a modified methodology could result in a slightly different future year HQTAs population. However, Redondo Beach has not demonstrated that the process underlying the adopted Final RHNA Methodology for arriving at HQTAs population is in any way flawed. As noted above the Final RHNA methodology is not grounds for an appeal, only application of the methodology is grounds for an appeal.

Unfair Distribution of RHNA when compared to neighboring jurisdictions: The Growth Forecast information used as the basis for both the Connect SoCal Plan and the Draft RHNA Allocation was reviewed by local jurisdictions between October 2017 and October 2018, with additional refinements included until the release of the draft Connect SoCal Plan in December 2019. During the 120-day delay period after May 2020, local jurisdictions were given another opportunity to review the entitlement information. The final Connect SoCal Plan, including the data used as the basis for developing the Draft RHNA Allocation, was adopted in September 2020. The reliance on locally reviewed data ensures that the regional plan continues to reflect local conditions, including planning opportunities and constraints.

The Draft RHNA Allocation is the result of applying the policy direction from SCAG's Regional Council (conducted in order to be consistent with the five statutory objectives of RHNA), and applying this to all local jurisdictions. Whether a jurisdiction's Draft RHNA Allocation is higher or lower depends on these factors as reflected in the data (see Attachment 1 for further details) – principally its growth forecast, job access, and transit access. The City includes a table of seven nearby cities which compares their draft RHNA allocation versus their existing housing stock, arguing that Redondo Beach's RHNA number is unfairly high compared to its neighbors when making its comparison. However, the City's Draft RHNA Allocation is the outcome of the policy factors used to allocate RHNA. For example, while Rancho Palos Verdes has a lower draft RHNA allocation compared to its existing housing stock, this is because compared to Redondo Beach it has poorer job access (6.46% versus 11.89% of the region's future jobs accessible within 30 minutes) and less future population in HQTAs (0.03% of the region's versus 0.10%). As such, the methodology is applied equally – the underlying policy factors differ between these cities and RHNA as a percentage of existing housing stock is not a policy factor considered in SCAG's Final RHNA Methodology.

Embarcadero and Freddie Mac Reports: SCAG's development of a consultation package to HCD regarding the regional housing needs determination took place during the first half of 2019. During this time SCAG extensively reviewed a wide range of reports which commented on housing needs in the state and region, including studies from USC, UCLA, UC-Berkeley, the California Legislative Analyst's Office, Beacon Economics, McKinsey, the Center for the Continuing Study of the California Economy, and others. These studies covered a wide range of approaches and methodologies for understanding housing need in the region and state. On March 27, 2019 SCAG convened a panel of

fifteen experts in demographics, economics, and housing planning to assess and review the region's housing needs in the context of SCAG's regional determination.

Notwithstanding the merits of the various approaches toward estimating regional housing need, the RHNA statute outlines a very specific process for arriving at a regional housing needs determination for RHNA. It also prescribes a specific timeline which necessitated the completion of the regional determination step by fall 2019 in order to allow enough time for the development of a methodology, appeals, and local housing element updates.

The defined timeframes are guided by the deadline for the housing element revisions for HCD's RHNA determination and SCAG's Final RHNA Allocation Plan. HCD, in consultation with each council of governments (COG), shall determine each region's existing and projected housing need pursuant to Section 65584.01 at least two years prior to the scheduled revision required pursuant to Section 65588. Govt. Code § 65584(b). This "determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments." Govt. Code § 65584.01(b). HCD begins the process 26 months prior to the scheduled revision so the data HCD relies on is the available provided by the COGs at that time. Similarly, the COG issues its survey for information to develop the RHNA allocation methodology up to 30 months prior to the scheduled revision. By necessity, the data used for these processes is data available at that time.

During both the consultation process and the filing of SCAG's formal objection to HCD's regional determination, SCAG extensively reviewed the issues brought up in these recent reports including a variety of indicators of housing backlog such as cost burden, overcrowding, demolition, and vacancy. In addition, SCAG has a well-developed program for forecasting population and household growth in the region which is conducted with the advice and collaboration of the state Department of Finance's forecasting staff. SCAG assessed the relationship between the measures used and not used in its analyses in order to avoid overlap ("double counting").

While the RHNA statute prescribes specific requirements for HCD in determining the regional housing need (e.g., the determination shall be based on population projects produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans), it allows HCD to accept or reject information provided by SCAG with respect to the data assumptions from SCAG's growth forecast or to modify its own assumptions or methodology based on this information. Following SCAG's formal objection filed on September 18, 2019, HCD did not materially change the regional determination following SCAG's formal objection filed on September 18, 2019, and there are no further mechanisms provided for in statute to contest their decision. Nevertheless, SCAG has a statutory obligation to complete the remaining steps required in the RHNA process—namely the adoption of a Final RHNA Methodology, conducting an appeals process, and issuing final RHNA allocations.

A report by Freddie Mac's Economic & Housing Research Group titled "The housing supply shortage: State of the states" was released in February 2020, and a slide deck titled "Double counting in the latest housing needs assessment" was placed on the Embarcadero Institute's website during 2020 (last update September 2020). Notwithstanding the merits (or lack thereof) of these studies, for such materials to have been considered by HCD, they would have had to have been submitted by June of 2019 as discussed above. Furthermore, as discussed above, SCAG's consultation package to HCD regarding the regional determination contained an extensive quantitative assessment of overcrowding, vacancy, and cost burden factors and a discussion of the issue of double-counting.

Additionally, these studies are regional in nature and do not provide information on individual jurisdictions. For an appeal to be granted on the incorrect application of RHNA methodology, arguments and evidence must be provided that demonstrate the methodology was incorrectly applied to determine the jurisdiction's share of regional housing need. Because a regional study does not meet this criterion, these studies cannot be used to justify a particular jurisdiction's appeal. Moreover, any reduction would have to be redistributed to the region when in theory, all jurisdictions would be impacted by the regional study.

In sum, it would be untenable to reopen the process anytime new data or materials become available, particularly when there is a codified process. If so, there would be no finality to the process and local government could not meet the deadlines for their housing element updates. Procedurally, SCAG cannot consider a regional study outside of the regional determination process nor should it apply a regional study to reduce an individual jurisdiction's draft RHNA allocation. For these reasons, SCAG staff does not recommend a reduction to the jurisdiction's draft RHNA allocation.

FISCAL IMPACT:

Work associated with this item is included in the current FY20-21 Overall Work Program (300-4872Y0.02: Regional Housing Needs Assessment).

ATTACHMENT(S):

1. Local Input and Development of Draft RHNA Allocation (City of Redondo Beach)
2. Appeal Form and Supporting Documentation
3. Data Input and Verification Form (City of Redondo Beach)
4. HCD Final 6th Cycle Housing Need Determination for the SCAG Region
5. Comments Received During the Comment Period (General)
6. SPZ Population in HQTAs of City of Redondo Beach
7. Final Connect SoCal Transit Technical Report

Attachment 1: Local Input and development of Draft RHNA Allocation

This attachment sets forth the nature and timing of the opportunities which the City of Redondo Beach had to provide information and local input on SCAG's growth forecast, the RHNA methodology, and the Growth Vision of the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal). It also describes how the RHNA Methodology development process integrates this information in order to develop the City of Redondo Beach's Draft RHNA Allocation.

1. Local Input

a. Bottom-Up Local Input and Envisioning Process

On October 31, 2017, SCAG took the first step toward developing draft RHNA allocations by initiating the Bottom-Up Local Input and Envisioning Process. At the direction of the Regional Council, the objective of this process was to seek local input and data to prepare for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal) and the 6th cycle of RHNA.¹ Each jurisdiction was provided with a package of land use, transportation, environmental, and growth forecast data for review and revision which was due on October 1, 2018.² While the local input process materials focus principally on jurisdiction-level and Transportation Analysis Zone (TAZ) level growth, input on specific parcels, sites, and project areas were welcomed and integrated into SCAG's growth forecast as well as data on other elements. SCAG met one-on-one with all 197 local jurisdictions between November 2017 and July 2018 and provided training opportunities and staff support. Following input from SCAG's Technical Working Group (TWG), the Connect SoCal growth forecast reflected precisely the jurisdiction-level growth totals provided during this process.

The local input data included SCAG's preliminary growth forecast information. For the City of Redondo Beach, the anticipated number of households in 2020 was 29,924 and in 2030 was 31,288 (growth of 1,364 households). On August 9, 2018, SCAG staff met with staff from the City of Redondo Beach to discuss the Bottom-Up Local Input and Envisioning Process and answer questions. Input from the City of Redondo Beach on the growth forecast was received in September 2018. Following input, household totals were 29,410 in 2020 and 30,057 in 2030, for a reduced household growth during this period of 647.

¹ While the RTP/SCS and RHNA share data elements, they are distinct processes. The RTP/SCS growth forecast provides an assessment of reasonably foreseeable future patterns of employment, population, and household growth in the region given demographic and economic trends, and existing local and regional policy priorities. The RHNA identifies anticipated housing need over a specified eight-year period and requires that local jurisdictions make available sufficient zoned capacity to accommodate this need. A further discussion of the relationship between these processes can be found in Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

² A detailed list of data during this process reviewed can be found in each jurisdiction's Draft Data/Map Book at <http://scagrtpscsc.net/Pages/DataMapBooks.aspx>

b. RHNA methodology surveys

On March 19, 2019, SCAG distributed a packet of methodology surveys, which included the local planning factor survey, Affirmatively Furthering Fair Housing (AFFH) survey, and replacement need survey, to SCAG jurisdictions' Community Development Directors. SCAG reviewed all submitted responses as part of the development of the Draft RHNA Methodology. The City of Redondo Beach submitted the following surveys prior to the adoption of the Draft RHNA Methodology:

- Local planning factor survey
- Affirmatively Furthering Fair Housing (AFFH) survey
- Replacement need survey
- No survey was submitted to SCAG

c. Connect SoCal Growth Vision and Additional Refinements

Beginning in May 2018, SCAG's Sustainable Communities Working Group began the process of developing growth scenarios for the SCAG region. The culmination of this work was the development of the Connect SoCal Growth Vision, which directly uses jurisdictional-level growth projections from the Bottom-Up Local Input and Envisioning process, and also features strategies for growth at the TAZ-level that help to reduce greenhouse gas emissions (GHG) from automobiles and light trucks to achieve Southern California's GHG reduction target, approved by the California Air Resources Board (CARB) in accordance with state planning law. Additional detail regarding the Connect SoCal Growth Vision, specifically the Transportation Analysis Zone (TAZ, or neighborhood) level projections is found at <https://www.connectsocial.org/Documents/DataMapBooks/Growth-Vision-Methodology.pdf>.

As a result of these strategies, in some jurisdictions growth at the TAZ-level differed from locally anticipated growth conveyed during the Bottom-Up Local Input and Envisioning Process.

As such, SCAG provided two additional opportunities for all local jurisdictions to make TAZ-level technical refinements on the topics of general plan capacities and entitlements. During the release of the draft Connect SoCal Plan, jurisdictions were notified on October 31, 2019 that SCAG would accept additional refinements until December 11, 2019. Following the Regional Council's decision to delay full adoption of Connect SoCal for 120 days due to the COVID-19 pandemic, all jurisdictions were again notified on May 26, 2020 that SCAG would accept additional refinements until June 9, 2020.

Connect SoCal Growth Vision data have been available to local jurisdiction staff during the entirety of this process through SCAG's Scenario Planning Model Data Management Site (SPM-DM) at <http://spmddm.scag.ca.gov> and updates were shared with local jurisdictions on technical refinements to the data in February 2020 and August 2020 to share the results of both review opportunities. The City of Redondo Beach's TAZ-level data utilized in the Connect SoCal Growth Vision matches input provided during the Bottom-Up Local Input and Envisioning Process.

2. Development of the Final RHNA Methodology

SCAG convened the first meeting of the RHNA Subcommittee in October 2018. In their subsequent monthly meetings, this body reviewed and advised on the development of SCAG’s 6th cycle RHNA process, including the development of the RHNA methodology. The Final RHNA Methodology lays out the policy factors, data sources, and calculations used to generate draft RHNA allocations for all local jurisdictions. Per Government Code 65584.04(a), SCAG must develop a RHNA methodology which furthers the five statutory objectives of RHNA:

- (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.*
- (4) Affirmatively furthering fair housing (Govt. Code § 65584(d)).*

As explained in more detail below, the Draft RHNA Methodology (which was adopted as the Final RHNA Methodology) set forth the policy factors, data sources, and calculations which would be used to generate draft RHNA allocations for all local jurisdictions. Following extensive debate and public comment, SCAG’s Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019 and provide it to HCD for their review. Per Government Code 65584.04(i), HCD is vested with the authority to determine whether a methodology furthers these objectives set forth in Government Code Section 65584(d). On January 13, 2020, HCD found that the Draft RHNA Methodology furthers the five statutory objectives of RHNA. Specifically, HCD noted that:

“This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes. In particular, HCD applauds the use of the objective factors specifically linked the statutory objectives in the existing need methodology.” (Letter from HCD to SCAG

dated January 13, 2020 at <https://scag.ca.gov/sites/main/files/file-attachments/hcd-review-rc-approved-draft-rhna-methodology.pdf?1602190239>).

On March 5, 2020, again following extensive debate and public comment, the Regional Council, voted to approve the Draft RHNA Methodology as the Final RHNA Methodology. Unlike SCAG's 5th cycle RHNA methodology which relies almost entirely on the household growth component of the RTP/SCS, SCAG's 6th cycle RHNA methodology consists of two primary elements: "projected need" which includes the number of housing units required to accommodate anticipated population growth over the 8-year RHNA planning period and "existing need," which refers to the number of housing units required to accommodate excess or unsatisfied housing demand experienced by the region's current population.³ Furthermore, the Final RHNA methodology utilizes measures of 2045 job accessibility and High Quality Transit Area (HQTA) population measures based on TAZ-level projections in the Connect SoCal Growth Vision.

More specifically, the Final RHNA Methodology considers three primary factors in determining a local jurisdiction's total housing need which are primarily based on data from Connect SoCal's aforementioned Bottom-Up Local Input and Envisioning Process:

- Forecasted growth over 2020-2030 (projected need)
- Transit accessibility in 2045 (existing need)
- Job accessibility in 2045 (existing need)

The methodology is described in further detail at <http://scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Methodology-030520.pdf>.

3. Final RHNA Methodology and Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the 120-day delay due to the Covid-19 pandemic, SCAG adopted Connect SoCal on September 3, 2020, and the City of Redondo Beach received its Draft RHNA Allocation on September 11, 2020. Application of the RHNA methodology yields the Draft RHNA Allocations for the City of Redondo Beach as summarized in the data and in the tables below.

³ Legislative changes in 2018 modified the nature of the regional housing need determination for the 6th cycle of RHNA by adding measures of household overcrowding and housing cost burden to the list of factors to be considered by HCD for the determination of housing need. These new measures are not included in the Connect SoCal Growth Forecast because they are not direct inputs to the growth forecasting process and are independent of employment and population projections. In contrast, they reflect additional latent housing needs in the current population (i.e. "existing need") and would not result in a change in regional population. For further discussion see Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

City of Redondo Beach Statistics and Inputs		Calculation of Draft RHNA Allocation for Redondo Beach	
Forecasted household (HH) growth, RHNA period: <i>(2020-2030 Household Growth * 0.825)</i>	534	Forecasted household (HH) growth, RHNA period:	534
Percent of households who are renting:	50%	Vacancy Adjustment: <i>(5% for renter households and 1.5% for owner households)</i>	17
Housing unit loss from demolition (2009-18):	-	Replacement Need:	-
Adjusted forecasted household growth, 2020-2045: <i>(Local input growth forecast total adjusted by the difference between the RHNA determination and SCAG's regional 2020-2045 forecast, +4%)</i>	1,710	TOTAL PROJECTED NEED:	551
Percent of regional jobs accessible in 30 mins (2045): <i>(From the jurisdiction's median TAZ)</i>	11.89%	Existing need due to job accessibility (50%):	1,330
Jobs accessible from the jurisdiction's median TAZ (2045): <i>(Based on Connect SoCal's 2045 regional forecast of 10.049M jobs)</i>	1,195,000	Existing need due to HQTa pop. share (50%):	436
Share of region's job accessibility (population weighted):	0.32%	Net residual factor for existing need:	167
		<i>(Negative values reflect a cap on lower-resourced community with good job and/or transit access. Positive values represent the amount being redistributed to higher-resourced communities based on their job and/or transit access)</i>	
Jurisdiction's HQTa population (2045):	10,653	TOTAL EXISTING NEED:	1,933
Share of region's HQTa population (2045):	0.10%	TOTAL RHNA FOR THE CITY OF REDONDO BEACH:	2,483
Share of population in low/very low-resource tracts:	0.00%	Very-low income (<50% of AMI):	933
Share of population in very high-resource tracts:	99.86%	Low income (50-80% of AMI):	507
Social equity adjustment:	180%	Moderate income (80-120% of AMI):	489
		Above moderate income (>120% of AMI)	554

The transit accessibility measure is based on the population anticipated to live in 'High Quality Transit Areas' (HQTAs) in 2045 based on Connect SoCal's designation of HQTAs and population forecasts. With a forecasted 2045 population of 10,653 living within HQTAs, the City of Redondo Beach represents 0.10% of the SCAG region's HQTa population, which is the basis for allocating housing units based on transit accessibility.

Job accessibility is defined as the jurisdiction's share of regional jobs accessible within a 30-minute commute. Since over 80 percent of the region's workers live and work in different jurisdictions, the RHNA methodology uses a measure based on Connect SoCal's travel demand model output for the year 2045 rather than assigning housing units based on the number of jobs within a specific jurisdiction. Specifically, the share of future (2045) regional jobs which can be reached in a 30-minute automobile commute from the local jurisdiction's median TAZ is used as to allocate housing units

based on job accessibility. From the City of Redondo Beach median TAZ, it will be possible to reach 11.89% of the region's jobs in 2045 within a 30-minute automobile commute (1,707,000 jobs, based on Connect SoCal's 2045 regional job forecast of 10,049,000 jobs).

An additional factor is included in the methodology to account for RHNA Objective #5 to Affirmatively Further Fair Housing (AFFH). Several jurisdictions in the region which are considered disadvantaged communities (DACs) on the basis of access to opportunity measures (described further in the RHNA methodology document), but which also score highly in job and transit access, may have their total RHNA allocations capped based on their long-range (2045) household forecast. This additional housing need, referred to as residual, is then reallocated to non-DAC jurisdictions in order to ensure housing units are placed in higher-resourced communities consistent with AFFH principles. This reallocation is based on the job and transit access measures described above, and results in an additional 167 units assigned to the City of Redondo Beach.

Please note that the above represents only a partial description of key data and calculations in the Final RHNA Methodology. The attached maps provide further detail regarding transit and job access measures.

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form

All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.

Appeals and supporting documentation should be submitted to housing@scag.ca.gov.

Late submissions will not be accepted.

Date:

10/20/20

Jurisdiction Subject to This Appeal Filing:

(to file another appeal, please use another form)

City of Redondo Beach

Filing Party (Jurisdiction or HCD)

City of Redondo Beach

Filing Party Contact Name

Brandy Forbes, Community Development Director

Filing Party Email:

brandy.forbes@redondo.org

APPEAL AUTHORIZED BY:

Name: **Mayor and City Council**

PLEASE SELECT BELOW:

Mayor

Chief Administrative Office

City Manager

Chair of County Board of Supervisors

Planning Director

Other: Governing Body

BASES FOR APPEAL

Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029)

Local Planning Factors and/or Information Related to Affirmatively Furthering Fair Housing (See Government Code Section 65584.04 (b)(2) and (e))

Existing or projected jobs-housing balance

Sewer or water infrastructure constraints for additional development

Availability of land suitable for urban development or for conversion to residential use

Lands protected from urban development under existing federal or state programs

County policies to preserve prime agricultural land

Distribution of household growth assumed for purposes of comparable Regional Transportation Plans

County-city agreements to direct growth toward incorporated areas of County

Loss of units contained in assisted housing developments

High housing cost burdens

The rate of overcrowding

Housing needs of farmworkers

Housing needs generated by the presence of a university campus within a jurisdiction

Loss of units during a state of emergency

The region's greenhouse gas emissions targets

Affirmatively furthering fair housing

Changed Circumstances (Per Government Code Section 65584.05(b), appeals based on change of circumstance can only be made by the jurisdiction or jurisdictions where the change in circumstance occurred)

FOR STAFF USE ONLY:

Date: _____

Hearing Date: _____

Planner: _____

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form

All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.

Appeals and supporting documentation should be submitted to housing@scag.ca.gov.

Late submissions will not be accepted.

Brief statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 (please refer to Exhibit C of the Appeals Guidelines):

Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

Below are brief summaries of documents that are attached (and listed below) that provide support documentation and evidence for the requested reduction of the City of Redondo Beach's RHNA.

The attached “Redondo Beach City Council Administrative Report - RHNA Appeal, October 20, 2020” is summarized below.

Additional "Local Factors" should be incorporated into the methodologies that inform the RHNA. Specifically, the following additional “Local Factors” should be considered.

- Consider a "Local Zoning Factor";
- Consider a "Local Density Factor";
- Consider revising the "Jobs-to-Household Ratio Factor" utilized.

Corrections to data fields used for informing the Methodologies/Factors is required concerning “Redondo Beach’s Projected 2045 HQTAs Population”.

- Correct Redondo Beach's Projected 2045 HQTAs Population. SCAG cites Redondo Beach's Projected 2045 HQTAs Population as 10,630. The City's population data and growth rate for this area yields a projected population of 8,197 (See attached "Redondo Beach Projected 2045 HQTAs Population" as evidence).

Based on the noted error in data concerning projected 2045 HQTAs population, Redondo Beach requests a reduction of 100 units.

Additionally, the RHNA Methodology does not lead to an estimate equitably distributed to area municipalities adjacent to and nearby the City of Redondo Beach. Below is a table that notes the proportional inequity between the City of Redondo Beach and surrounding neighboring jurisdictions.

Table: Unfair Distribution of RHNA - Comparison with Neighboring Jurisdictions with the South Bay Cities COG

SBCCO Jurisdiction	RHNA	Total Housing Units	% RHNA
Torrance city	4,928	58,591	8.4%
Redondo Beach city	2,483	30,892	8.0%
El Segundo city	491	7,463	6.6%
Hermosa Beach city	556	10,092	5.5%
Manhattan Beach city	773	15,032	5.1%

Rancho Palos Verdes city	638	16,334	3.9%
Palos Verdes Estates city	198	5,300	3.7%
Total/Average	10,067	143,704	7.0%

Redondo Beach requests that the jurisdictions noted in the table above be allocated consistent with the average of 7.0%. Based on the unfair distribution noted above, Redondo Beach requests a reduction of 319 units.

Additional recent information identifies significant errors concerning State HCD's RHNA allocation of 1.34 million housing units to the SCAG Region. The Attached documents, "February 2020 Freddie Mac Insights Report: The Housing Supply Shortage: State of States"; "Embarcadero Institute - Double Counting the Latest Housing Needs Assessment"; and the "Orange County Letter-Technical Report" provide evidence in support of significant overcounting by State HCD. Below is a brief summary and general findings of the Freddie Mac and the Embarcadero studies.

Freddie Mac Calculation:

The Freddie Mac study utilizes a calculation based upon vacancy rate and “target households” (households that would have been formed except for higher costs) and migration between States

- California shortage of housing units: 820,000

62.2% of California shortage of housing units per Freddie Mac yields a SCAG apportionment = 510,040 housing units

A SCAG 6th Cycle RHNA of 510,000 units = a reduction of 62%

Per the Freddie Mac study the City of Redondo Beach’s RHNA could be reduced from 2,483 to 944 Units.

Embarcadero Calculation:

The Embarcadero study cites that HCD used the “wrong assumptions” for:

- **Existing housing need.** HCD wrongly assumed “existing” housing need was not evaluated as part of California’s previous RHNA Cycles
- **Vacancy rate.** HCD wrongly assumed a 5% vacancy rate in owner-occupied housing.
 - Per GC 65584.01(b)(1)(E) specifies that 5% vacancy rate applies only to the rental housing market.
- **Overcrowding and cost-burdening.** HCD wrongly assumed overcrowding and cost-burdening had not been considered in DOF projections of housing need.

Per the Embarcadero study a proportional reduction of... $651,000/1,341,827 = 48.5\%$ is warranted.

Pursuant to the Embarcadero study the City of Redondo Beach’s RHNA could be reduced by 48.5% of 2,483 to 1,204 Units.

Brief Description of Appeal Request and Desired Outcome:

The omission of critical local information/factors coupled with incorrect data and unfair distribution of RHNA in comparison with neighboring South Bay Cities supports the City’s request for a reduction of 419 units.

Additionally, recent significant errors in State HCD's overall allocation of 1.34 million units to the SCAG region as cited in the Freddie Mac and Embarcadero Institute’s justify the City’s request to reconvene the SCAG President’s RHNA Litigation Study Team.

If SCAG were to pursue litigation on this matter the City would support those efforts and expect significant reductions in the City’s RHNA allocation consistent with reductions called for in the Freddie Mac and Embarcadero Institute Studies.

- Per the Freddie Mac study the City of Redondo Beach’s RHNA could be reduced from 2,483 to 944 Units.
- Pursuant to the Embarcadero study the City of Redondo Beach’s RHNA could be reduced by 48.5% of 2,483 to 1,204 Units.

Number of units requested to be reduced or added to the jurisdiction’s draft RHNA allocation (circle one):

Reduced 419 units due to unfair distribution and HQTAs inaccuracies.

[If overall number of units is reduced at State level in line with the Freddie Mac Study, RB Reduced by 1,539 units total]

[If overall number of units is reduced at State level in line with the Embarcadero Study, RB Reduced: by 1,279 units]

Added 0 units

List of Supporting Documentation, by Title and Number of Pages

(Numbers may be continued to accommodate additional supporting documentation):

1. Redondo Beach City Council Administrative Report-RNHA Appeal, October 20, 2020 (20 pages)
2. Redondo Beach Projected 2045 HQTAs Population (1 page)
3. February 2020 Freddie Mac Insights Report-The Housing Supply Shortage State of the States (11 pages)
4. Embarcadero Institute-Double Counting the Latest Housing Needs Assessment (19 pages)
5. Orange County Letter September 18, 2020 - Technical Report (6 pages)

**CITY OF REDONDO BEACH
CITY COUNCIL AGENDA
Tuesday, October 20, 2020**

415 DIAMOND STREET, REDONDO BEACH

**THIS VIRTUAL MEETING IS HELD PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED
BY GOVERNOR NEWSOM ON MARCH 17, 2020.**



**Bill Brand, Mayor
Nils Nehrenheim, Councilmember, District 1
Todd Loewenstein, Councilmember, District 2
Christian Horvath, Councilmember, District 3
John F. Gran, Councilmember, District 4
Laura Emdee, Councilmember, District 5**

**Michael W. Webb, City Attorney
Eleanor Manzano, City Clerk
Steven Diels, City Treasurer**

AGENDA AND SUPPORTING MATERIALS - An agenda packet is available 24 hours a day at the Redondo Beach Police Department and at www.redondo.org on the City Clerk page. Agenda packets are available during Library hours, at the reference desks at the Redondo Beach Main Library and Redondo Beach North Branch Library. During City Hall hours, agenda packets are available for review in the Office of the City Clerk, Door 1.

AGENDA POSTING NOTIFICATION - If you would like to receive notification of the agenda availability, please subscribe to our eNotify list at www.redondo.org/services/subscribe.asp. You will receive notification when the agenda is available for viewing on the website and you may view and/or print a copy of the agenda.

DOCUMENTS DISTRIBUTED FOLLOWING THE POSTING OF THE AGENDA (BLUE FOLDER ITEMS) - Any writing that relates to an agenda item for an open session that is distributed within 72 hours of the meeting is available for public inspection at the City Clerk's Office, 415 Diamond Street, Door 1, Redondo Beach. In addition, such writings and documents will be posted on the City's website at www.redondo.org

PUBLIC COMMENT - The public is encouraged to address the City Council on any matter posted on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council on non-agenda items, you may do so during the **PUBLIC PARTICIPATION ON NON-AGENDA ITEMS** section on the agenda. Each person is allotted three (3) minutes to speak.

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

AMERICANS WITH DISABILITIES ACT - It is the intention of the City of Redondo Beach to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the City Clerk's Office at (310) 318-0656 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

**CITY OF REDONDO BEACH
CITY COUNCIL AGENDA
Tuesday, October 20, 2020**

415 DIAMOND STREET, REDONDO BEACH

THIS VIRTUAL MEETING IS HELD PURSUANT TO EXECUTIVE ORDER N-29-20 ISSUED BY GOVERNOR NEWSOM ON MARCH 17, 2020.

4:30 PM - CLOSED SESSION - CANCELLED

6:00 PM - OPEN SESSION - REGULAR MEETING

**ALL COUNCILMEMBERS ARE PARTICIPATING BY VIRTUAL MEETING.
MEMBERS OF THE PUBLIC MAY ONLY PARTICIPATE BY ZOOM,
eCOMMENT OR EMAIL.**

City Council meetings are broadcast live through Spectrum Cable, Channel 8, and Frontier Communications, Channel 41 and/or rebroadcast on Wednesday at 3PM and Saturday at 3PM following the date of the meeting. Live streams and indexed archives of meetings are available via internet. Visit the City's office website at www.Redondo.org/rbtv.

TO WATCH MEETING LIVE ON CITY'S WEBSITE:

<https://redondo.legistar.com/Calendar.aspx>

*Click "In Progress" hyperlink under Video section of meeting

TO WATCH MEETING LIVE ON YOUTUBE:

<https://www.youtube.com/c/CityofRedondoBeachIT>

TO JOIN ZOOM MEETING (FOR PUBLIC COMMENT ONLY):

Register in advance for this meeting:

https://us02web.zoom.us/webinar/register/WN_xwNoqlzgRb2O6Hw490itgw

After registering, you will receive a confirmation email containing information about joining the meeting.

If you are participating by phone, be sure to provide your phone # when registering. You will be provided a Toll Free number and a Meeting ID to access the meeting. Note; press # to bypass Participant ID. Attendees will be muted until the public participation period is opened. When you are called on to speak, press *6 to unmute your line. Note, comments from the public are limited to 3 minutes per speaker.

eCOMMENT: COMMENTS MAY BE ENTERED DIRECTLY ON WEBSITE AGENDA PAGE:

- 1) Public comments can be entered before and during the meeting.
- 2) Select a SPECIFIC AGENDA ITEM to enter your comment;
- 3) Public will be prompted to Sign-Up to create a free personal account (one-time) and then comments may be added to each Agenda item of interest.
- 4) Public comments entered into eComment (up to 2200 characters; equal to approximately 3 minutes of oral comments) will become part of the official meeting record. Comments may be read out loud during the meeting.

EMAIL: TO PARTICIPATE BY WRITTEN COMMUNICATION BEFORE 3:00PM DAY OF

MEETING (EMAILS WILL NOT BE READ OUT LOUD): Written materials pertaining to matters listed on the posted agenda received after the agenda has been published will be added as supplemental materials under the relevant agenda item. Public comments may be submitted by email to cityclerk@redondo.org. Emails must be received before 3:00 p.m. on the date of the meeting to ensure Council and staff have the ability to review materials prior to the meeting.

6:00 PM - OPEN SESSION - REGULAR MEETING

- A. CALL TO ORDER
- B. ROLL CALL
- C. SALUTE TO THE FLAG AND INVOCATION
- D. PRESENTATIONS/PROCLAMATIONS/ANNOUNCEMENTS
- E. APPROVE ORDER OF AGENDA
- F. AGENCY RECESS
- G. BLUE FOLDER ITEMS- ADDITIONAL BACK UP MATERIALS

Blue folder items are additional back up material to administrative reports and/or public comments received after the printing and distribution of the agenda packet for receive and file.

- G.1. [For Blue Folder Documents Approved at the City Council Meeting](#)

H. CONSENT CALENDAR

Business items, except those formally noticed for public hearing, or those pulled for discussion are assigned to the Consent Calendar. The Mayor or any City Council Member may request that any Consent Calendar item(s) be removed, discussed, and acted upon separately. Items removed from the Consent Calendar will be taken up under the "Excluded Consent Calendar" section below. Those items remaining on the Consent Calendar will be approved in one motion. The Mayor will call on anyone wishing to address the City Council on any Consent Calendar item on the agenda, which has not been pulled by Council for discussion. Each speaker will be permitted to speak only once and comments will be limited to a total of three minutes.

- H.1. [APPROVE AFFIDAVIT OF POSTING FOR THE CITY COUNCIL REGULAR MEETING OF OCTOBER 20, 2020](#)

CONTACT: ELEANOR MANZANO, CITY CLERK

- H.2. [APPROVE MOTION TO READ BY TITLE ONLY AND WAIVE FURTHER READING OF ALL ORDINANCES AND RESOLUTIONS LISTED ON THE AGENDA.](#)

CONTACT: ELEANOR MANZANO, CITY CLERK

- H.3. [PAYROLL DEMANDS](#)
[CHECKS 26913-26939 IN THE AMOUNT OF \\$42,796.46, PD. 10/2/2020](#)
[DIRECT DEPOSIT 227482-227934 IN THE AMOUNT OF \\$1,747,124.06, PD.10/2/2020](#)
[EFT/ACH \\$7,477.52, PD. 10/2/2020 \(PP2020\)](#)
[EFT/ACH \\$342,485.39, PD. 10/5/2020 \(PP2020\)](#)

ACCOUNTS PAYABLE DEMANDS
CHECKS 96259-96474 IN THE AMOUNT OF \$3,153,358.17
EFT US BANK \$547,856.73

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

H.4. APPROVE CONTRACTS UNDER \$35,000:

1. APPROVE SECOND AMENDMENT TO THE AGREEMENT WITH USI INSURANCE SERVICES LLC FOR INSURANCE BROKERAGE SERVICES RELATED TO THE CITY'S VISION SERVICE PLAN AT NO ADDITIONAL COST TO THE CITY FOR THE EXISTING TERM TO DECEMBER 31, 2021.

2. APPROVE AGREEMENT WITH NORSTAN COMMUNICATIONS, INC. DBA BLACK BOX NETWORK SERVICES FOR TELEPHONE SYSTEM HARDWARE AND SOFTWARE MAINTENANCE FOR AN AMOUNT NOT TO EXCEED \$31,574.14 FOR THE TERM OF NOVEMBER 1, 2020 TO OCTOBER 31, 2021.

3. APPROVE RENEWAL OF LICENSING AGREEMENT WITH KNOWBE4, INC. TO PROVIDE ONGOING SECURITY AWARENESS TRAINING FOR EMPLOYEES TO UNDERSTAND THE MECHANISMS OF SPAM, PHISHING, SPEAR PHISHING, MALWARE AND SOCIAL ENGINEERING FOR AN AMOUNT NOT TO EXCEED \$8,370 AND TO EXTEND THE TERM TO NOVEMBER 20, 2021.

4. APPROVE AGREEMENT WITH AUDIOCHECKS MOBILE HEARING AND RESPIRATORY TESTING LLC FOR FIT TESTING OF RESPIRATORY PROTECTION EQUIPMENT FOR THE POLICE DEPARTMENT FOR AN AMOUNT NOT TO EXCEED \$2,250 FOR THE TERM OF OCTOBER 20, 2020 TO JANUARY 30, 2021.

CONTACT: MARNI RUHLAND, FINANCE DIRECTOR

H.5. EXCUSE ABSENCES OF VARIOUS COMMISSIONERS FROM VARIOUS COMMISSION MEETINGS

CONTACT: ELEANOR MANZANO, CITY CLERK

H.6. ADOPT BY TITLE ONLY RESOLUTION NO. CC-2010-075, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, CALLING AND GIVING NOTICE OF THE HOLDING OF AN ALL-MAILED BALLOT GENERAL MUNICIPAL ELECTION CONSOLIDATED WITH THE ELECTION OF THE BOARD OF EDUCATION OF THE REDONDO BEACH UNIFIED SCHOOL DISTRICT, TO BE HELD IN SAID CITY ON TUESDAY, MARCH 2, 2021, FOR THE ELECTION OF CERTAIN OFFICERS OF THE CITY AND MEMBERS OF THE BOARD OF EDUCATION OF SAID SCHOOL DISTRICT, AS REQUIRED BY THE PROVISIONS OF THE CHARTER OF THE CITY OF REDONDO BEACH;

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2010-076, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES TO RENDER SPECIFIED SERVICES TO THE CITY RELATING TO CONDUCT AN ALL-MAILED BALLOT GENERAL MUNICIPAL ELECTION CONSOLIDATED WITH THE ELECTION OF MEMBERS TO THE BOARD OF EDUCATION OF THE REDONDO BEACH UNIFIED SCHOOL DISTRICT TO BE HELD ON TUESDAY, MARCH 2, 2021;

ADOPT BY TITLE ONLY RESOLUTION NO. CC-2010-077, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, ADOPTING REGULATIONS PERTAINING TO CANDIDATES' STATEMENTS SUBMITTED TO THE VOTERS AT A GENERAL MUNICIPAL ELECTION CONSOLIDATED WITH THE ELECTION OF MEMBERS TO THE BOARD OF EDUCATION OF THE REDONDO BEACH UNIFIED SCHOOL DISTRICT FOR THE ELECTION ON MARCH 2, 2021; AND

APPROVE AGREEMENT WITH PRO DOCUMENT SOLUTIONS, INC. DBA PROVOTE SOLUTIONS FOR MARCH 2, 2021 GENERAL MUNICIPAL ELECTION BALLOT PRODUCTION, PRINT AND MAIL SERVICES IN AN AMOUNT NOT TO EXCEED \$90,000 FOR THE TERM OCTOBER 20, 2020 - OCTOBER 19, 2021

CONTACT: ELEANOR MANZANO, CITY CLERK

H.7. APPROVAL OF CONSENT TO AMENDMENT TO LEASE FOR FIVE INDIVIDUAL SUBLEASES BETWEEN RDR LIVING TRUST OF 1996, ROBERT DALE RESNICK, TRUSTEE AND:

(1) HAWAIIAN BLENDS AND SMOOTHIES, INC., DBA BELLA GELATO;

(2) DONG KYU PARK AND SUNG EUN LEE, DBA JADE SNOW;

(3) JOOMI OH, DBA MERMAID'S DOWERY;

(4) PEGGY HIRAIZUMI, DBA KOBE PEARL; AND

(5) JAYANTHA I. DEMEL AND PARIN DEMEL AND VIVIKA BERNADETTE DEMEL AND SAMANTHA ANN DEMEL OM, DBA PIER BAKERY

CONTACT: STEPHEN PROUD, WATERFRONT AND ECONOMIC DEVELOPMENT DIRECTOR

H.8. REGRETFULLY ACCEPT THE RESIGNATION OF COMMISSIONER JUSTIN ALMELEH FROM THE HISTORICAL COMMISSION AND AUTHORIZE THE CITY CLERK TO POST A VACANCY NOTICE

CONTACT: ELEANOR MANZANO, CITY CLERK

H.9. RECEIVE AND FILE A STATUS REPORT ON THE CITY'S REQUEST TO REDUCE THE NUMBER OF TRANSIENT VESSEL MOORINGS FROM THE MAIN HARBOR CHANNEL

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

H.10. APPROVE HISTORIC PROPERTY PRESERVATION AGREEMENT WITH MELDIA INVESTMENT REALTY OF AMERICA INC FOR THE PROPERTY LOCATED AT 224 - 226 S BROADWAY BEGINNING ON OCTOBER 20, 2020 FOR THE TERM OF TEN YEARS WITH AUTOMATIC RENEWAL EVERY YEAR THEREAFTER

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

H.11. ADOPT BY 4/5 VOTE AND BY TITLE ONLY RESOLUTION NO. CC-2010-078, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, MODIFYING THE BUDGET FOR FISCAL YEAR 2020-21 TO APPROPRIATE \$10,881 IN BUREAU OF JUSTICE ASSISTANCE FY20 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM FUNDS APPROVE THE AGREEMENT WITH U.S. DEPARTMENT OF JUSTICE, BUREAU OF

JUSTICE ASSISTANCE FOR FY20 EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM FUNDS FOR THE AMOUNT NOT TO EXCEED \$10,881 FOR THE TERM OCTOBER 1, 2019 TO SEPTEMBER 30, 2021.

CONTACT: KEITH KAUFFMAN, CHIEF OF POLICE

H.12. APPROVE CONTRACT WITH VERONICA TAM & ASSOCIATES, INC. FOR CONSULTING SERVICES ASSOCIATED WITH THE HOUSING ELEMENT UPDATE AND THE PREPARATION OF AN INCLUSIONARY HOUSING ORDINANCE FOR THE TOTAL AMOUNT NOT TO EXCEED \$161,950 FOR THE TERM OF OCTOBER 20, 2020 THROUGH JUNE 30, 2022.

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

H.13. APPROVE A MEMORANDUM OF AGREEMENT BETWEEN LOS ANGELES POLICE DEPARTMENT INTERNET CRIMES AGAINST CHILDREN (ICAC) TASK FORCE AND THE REDONDO BEACH POLICE DEPARTMENT FOR THE TERM OCTOBER 20, 2020 UNTIL FEDERAL FUNDING FOR THE GRANT ENDS OR THE MOA IS CANCELLED BY EITHER PARTY UPON WRITTEN NOTICE DELIVERED TO BOTH AGENCY DIRECTORS.

CONTACT: KEITH KAUFFMAN, CHIEF OF POLICE

H.14. APPROVE PLANS AND SPECIFICATIONS FOR 190TH STREET KING HARBOR ENTRY SIGN AND PEDESTRIAN SIGNAL IMPROVEMENTS PROJECT, JOB NO. 10160/41200 AND AUTHORIZE THE CITY CLERK TO ADVERTISE THE PROJECT FOR COMPETITIVE BIDS

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

H.15. AUTHORIZE THE EXTENSION OF THE SPECIAL EVENT PERMIT FOR RIVIERA VILLAGE ASSOCIATION WITH NEW CONDITIONS TO CONTINUE PARKLET DINING THROUGH THE WINTER SEASON

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

H.16. APPROVE AN AGREEMENT WITH BRETT DAVISON FOR LEGAL SERVICES AS NEEDED FOR THE TERM OF OCTOBER 21, 2020 UNTIL TERMINATED

CONTACT: MICHAEL W. WEBB, CITY ATTORNEY

H.17. INTRODUCE BY TITLE ONLY ORDINANCE NO. 3208-20 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, AMENDING MUNICIPAL CODE ARTICLE 17 OF CHAPTER 7 TO TITLE 3 REGARDING PREFERENTIAL PARKING FEES. FOR INTRODUCTION AND FIRST READING.

CONTACT: MICHAEL W. WEBB, CITY ATTORNEY

H.18. ADOPT BY TITLE ONLY, RESOLUTION NO. CC-2010-079, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, APPOINTING AN ADVISORY BOARD IN CONNECTION WITH THE RIVIERA VILLAGE BUSINESS IMPROVEMENT DISTRICT AND DIRECTING THE PREPARATION OF A REPORT FOR FISCAL YEAR 2021;

RECEIVE AND FILE THE ADVISORY BOARD'S ANNUAL REPORT FOR 2021;

ADOPT BY TITLE ONLY, RESOLUTION NO. CC-2010-080, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, APPROVING THE REPORT OF THE ADVISORY BOARD FOR FISCAL YEAR 2021 IN CONNECTION WITH THE RIVIERA VILLAGE BUSINESS IMPROVEMENT DISTRICT;

ADOPT BY TITLE ONLY, RESOLUTION NO. CC-2010-081, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDONDO BEACH, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AN ASSESSMENT AGAINST BUSINESSES WITHIN THE RIVIERA VILLAGE BUSINESS IMPROVEMENT DISTRICT FOR FISCAL YEAR 2021 AND SETTING A TIME AND PLACE FOR HEARING OBJECTIONS THERETO; AND

SET DECEMBER 1, 2020 AT 6:00P.M. AS THE DATE AND TIME FOR THE PUBLIC HEARING ON THE LEVY OF THE PROPOSED ASSESSMENTS

CONTACT: STEPHEN PROUD, WATERFRONT AND ECONOMIC DEVELOPMENT DIRECTOR

- H.19. APPROVE THE MEMORANDUM OF UNDERSTANDING BETWEEN SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES AND CITY OF REDONDO BEACH AGREEMENT #2020-030(B) FOR ENHANCED ACCESS PRIVILEGES TO DESIGNATED STAIRWELLS AND/OR STAFF ELEVATORS FOR THE DURATION OF THE PANDEMIC CAUSED BY COVID-19

CONTACT: MICHAEL W. WEBB, CITY ATTORNEY

- H.20. APPROVE LICENSE AGREEMENT WITH HOUSING NETWORK, LLC D/B/A GOSECTION8.COM FOR A WEB-BASED RENT REASONABLE SYSTEM TO SUPPORT HOUSING AUTHORITY OPERATIONS IN THE AMOUNT NOT TO EXCEED \$3,000 PER YEAR AND A FIVE-YEAR TOTAL OF \$15,000 ALLOCATED FROM RESTRICTED SECTION 8 CARES ACT HOUSING ADMINISTRATION FUNDS FOR THE TERM OCTOBER 20, 2020 THROUGH JUNE 30, 2025

CONTACT: JOHN LA ROCK, COMMUNITY SERVICES DIRECTOR

- H.21. APPROVE THE RESPONSE LETTER TO THE LOS ANGELES COUNTY GRAND JURY'S REPORT ENTITLED "A DIET FOR LANDFILLS: CUTTING DOWN ON FOOD WASTE.

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

- H.22. AUTHORIZATION TO PREPARE AND FILE AN APPEAL OF THE CITY OF REDONDO BEACH'S 6TH CYCLE REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) ALLOCATION OF 2,483 UNITS FROM THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG)

CONTACT: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

- H.23. REJECT ALL BIDS FOR THE GRANT AVENUE SIGNAL IMPROVEMENT PROJECT, JOB NO. 41090; AUTHORIZE THE USE OF PROJECT FUNDS TO PURCHASE TRAFFIC SIGNAL POLES AND RELATED EQUIPMENT; AND DIRECT STAFF TO RE-BID CONSTRUCTION OF THE REVISED PROJECT WITH ADDITIONAL FUNDING FROM THE TRAFFIC SIGNAL COMMUNICATIONS AND NETWORK

[SYSTEM PROJECT, JOB NO. 41280](#)

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

I. EXCLUDED CONSENT CALENDAR ITEMS

J. PUBLIC PARTICIPATION ON NON-AGENDA ITEMS

This section is intended to provide members of the public with the opportunity to comment on any subject that does not appear on this agenda for action. This section is limited to 30 minutes. Each speaker will be afforded three minutes to address the Mayor and Council. Each speaker will be permitted to speak only once. Written requests, if any, will be considered first under this section.

J.1. [For eComments and Emails Received from the Public](#)

K. EX PARTE COMMUNICATIONS

This section is intended to allow all elected officials the opportunity to reveal any disclosure or ex parte communication about the following public hearings

L. PUBLIC HEARINGS

M. ITEMS CONTINUED FROM PREVIOUS AGENDAS

N. ITEMS FOR DISCUSSION PRIOR TO ACTION

N.1. [DISCUSSION AND POSSIBLE ACTION TO PROVIDE DIRECTION REGARDING DEVELOPMENT OF SKATING FACILITIES AT PAD 10 \(FORMER OCTAGON BUILDING SITE\) AND PERRY PARK](#)

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

N.2. [DISCUSSION AND POSSIBLE ACTION REGARDING THE IMPLEMENTATION STATUS OF THE SOUTH BAY BICYCLE MASTER PLAN AND OPPORTUNITIES FOR INSTALLATION OF PROTECTED BIKE LANES IN THE CITY](#)

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

N.3. [DISCUSSION AND POSSIBLE ACTION REGARDING REPORT ON REGIONAL WATER QUALITY CONTROL BOARD'S SETTLEMENT OFFER FOR ALLEGED 2016, 2017, 2018 & 2019 PERMIT WATER QUALITY VIOLATIONS](#)

CONTACT: TED SEMAAN, PUBLIC WORKS DIRECTOR

N.4. [ADDITIONAL DISCUSSION AND POSSIBLE FURTHER DIRECTION TO STAFF REGARDING PALLET SHELTER TEMPORARY TRANSITIONAL HOUSING](#)

CONTACT: MICHAEL W. WEBB, CITY ATTORNEY

O. CITY MANAGER ITEMS

P. MAYOR AND COUNCIL ITEMS

P.1. [DISCUSSION AND POSSIBLE ACTION REGARDING NOMINATION FORMS RELATING TO THE CODE OF FAIR CAMPAIGN PRACTICES IN CONSIDERATION OF ADDING THE PLEDGE OF POSITIVE CAMPAIGNING](#)

- P.2. [CONSIDERATION AND APPROVAL OF APPOINTMENTS TO FILL THE YOUTH MEMBERS OF THE REDONDO BEACH YOUTH COMMISSION FOR 2020-2021](#)
- P.3. [DISCUSSION AND CONSIDERATION OF MAYOR'S APPOINTMENT TO FILL AN UNSCHEDULED VACANCY ON THE PLANNING COMMISSION AND APPOINTMENT TO THE PRESERVATION COMMISSION](#)
- Q. **MAYOR AND COUNCIL REFERRALS TO STAFF**
- R. **CLOSED SESSION**
- S. **RECONVENE TO OPEN CLOSED SESSION**
- T. **ADJOURNMENT**
- T.1. [ADJOURN IN MEMORY OF PABLO & TERESA URISTA, PARENTS OF CITY EMPLOYEE JAVIER URISTA](#)
- T.2. [ADJOURN IN MEMORY OF COLE MICHAEL KEENER, BROTHER OF CITY EMPLOYEE RYAN TUCKER](#)
- T.3. [ADJOURN IN MEMORY OF PAUL CONNOLLY, FORMER REDONDO BEACH CITY MANAGER](#)
- T.4. [ADJOURN IN MEMORY OF AL ARIZMENDEZ, REDONDO BEACH COMMISSIONER](#)
- T.5. [ADJOURN IN MEMORY OF AMINA KHATUN, SISTER OF CITY EMPLOYEE DIDAR KHANDKER](#)

The next meeting of the City Council of the City of Redondo Beach will be an Adjourned Regular meeting to be held at 1:00 p.m. (Strategic Planning Session) on Thursday, October 29, 2020, in the Redondo Beach City Hall Council Chamber, 415 Diamond Street, Redondo Beach, California, via teleconference.



[Our Work](#) ▾

[What We Do](#)

[Contact](#)



Double Counting in the Latest Housing Needs Assessment



[View PDF Report](#)



Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

Do the Math: The state has ordered more than 350 cities to prepare the way for more than 2 million homes by 2030.

But what if the math is wrong?

Senate Bill 828, co-sponsored by the Bay Area Council and Silicon Valley Leadership Group, and authored by state Sen. Scott Wiener in 2018, has inadvertently doubled the “Regional Housing Needs Assessment” in California.

Use of an incorrect vacancy rate and double counting, inspired by SB-828, caused the state’s Department of Housing and Community Development (HCD) to exaggerate by more than 900,000 the units needed in SoCal, the Bay Area and the Sacramento area.

The state’s approach to determining the housing need must be defensible and reproducible if cities are to be held accountable. Inaccuracies on this scale mask the fact that cities and counties are surpassing the state’s market-rate housing targets, but falling far short in meeting affordable housing targets. The inaccuracies obscure the real problem and the associated solution to the housing crisis—the funding of affordable housing.



Do the Math: The state has ordered more than 350 cities to prepare the way for more than 2 million homes by 2030. But what if the math is wrong?

Senate Bill 828, co-sponsored by the Bay Area Council and Silicon Valley Leadership Group, and authored by state Sen. Scott Wiener in 2018, has inadvertently doubled the “Regional Housing Needs Assessment” in California.

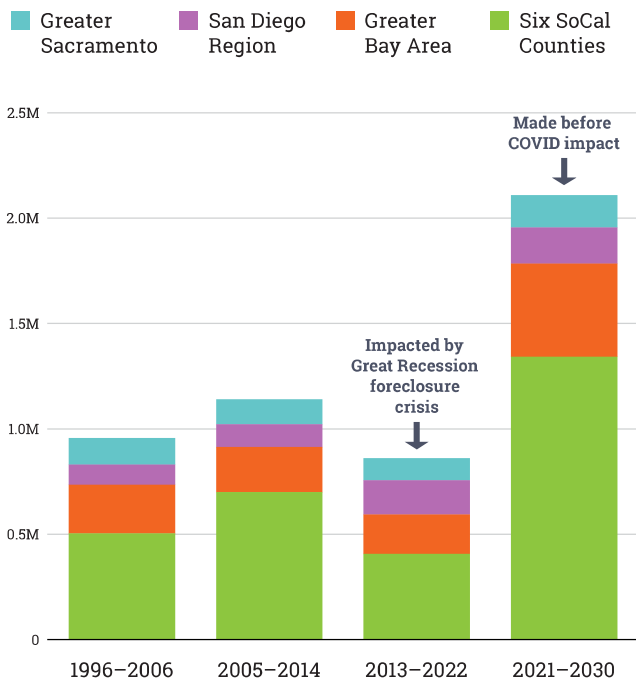
Use of an incorrect vacancy rate and double counting, inspired by SB-828, caused the state’s Department of Housing and Community Development (HCD) to exaggerate by more than 900,000 the units needed in SoCal, the Bay Area and the Sacramento area.

The state’s approach to determining the housing need must be defensible and reproducible if cities are to be held accountable. Inaccuracies on this scale mask the fact that cities and counties are surpassing the state’s market-rate housing targets, but falling far short in meeting affordable housing targets. The inaccuracies obscure the real problem and the associated solution to the housing crisis—the funding of affordable housing.

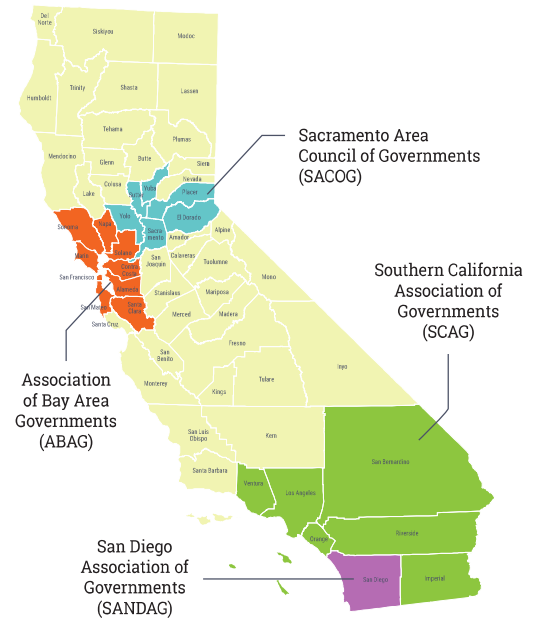
Double counting (not surprisingly) doubled the assessed housing need for the four major planning regions.

Every five to eight years the Department of Housing and Community Development (HCD) supervises and publishes the results of a process referred to as the Regional Housing Needs Assessment (RHNA). Four regional planning agencies cover the 21 most urban counties and account for 80% of California's housing. All four regions saw a significant jump in the state's assessment of their housing need for the years 2021 to 2030.

Housing Units Needed According to the State, (1996–2030)

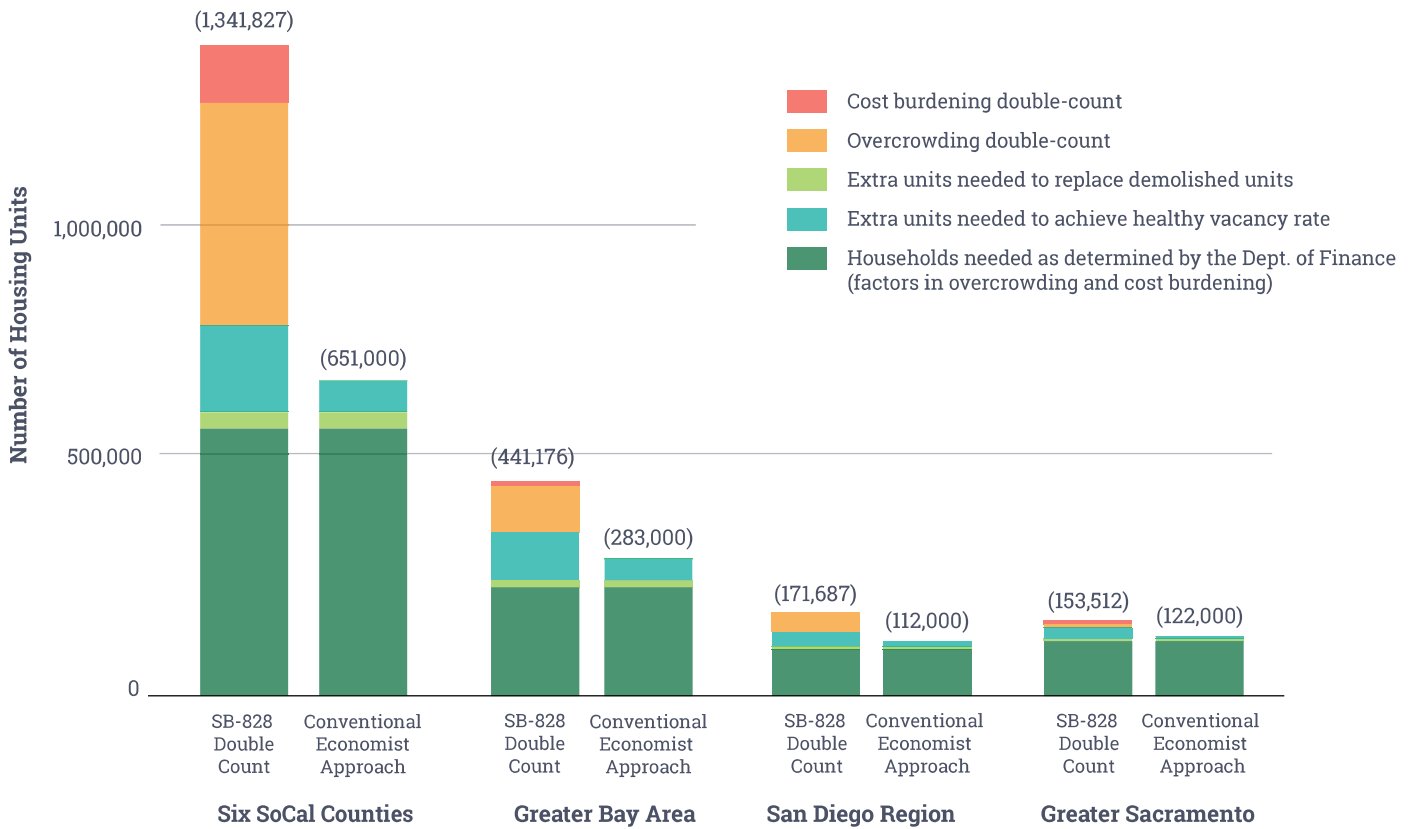


Four Regions Contain 80% of the State's Housing



The double count, an unintended consequence of Senate Bill 828, has exaggerated the housing need by more than 900,000 units in the four regions below.

California plans for its housing needs in “cycles.” The four regions are on cycles that last roughly eight years with staggered start dates. In the 2021–2030 housing cycle, errors introduced by language in SB-828 nearly equal the entire 1.15M units of new housing required during the 2013–2022 “cycle.” As illustrated, Southern California and the Bay Area are the most impacted by the state’s methodology errors.



Senate Bill 828 was drafted absent a detailed understanding of the Department of Finance's methodology for developing household forecasts, and absent an understanding of the difference between rental and home-owner vacancies. These misunderstandings have unwittingly ensured a series of double counts.

SB-828 MISTAKENLY ASSUMED:

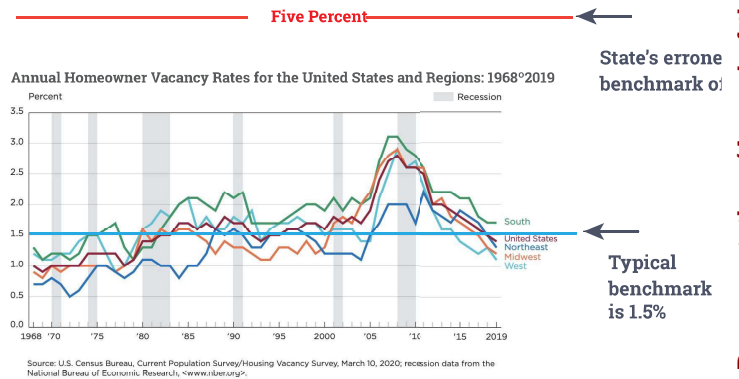
THE REALITY IS:

1. **SB-828 wrongly assumed** 'existing housing need' was not evaluated as part of California's previous Regional Housing Need Assessments, or RHNA. There was an assumption that only future need had been taken into account in past assessments. (In fact, as detailed in The Reality section, the state's existing housing need was fully evaluated in previous RHNA assessment cycles).

1. Existing housing need has long been incorporated in California's planning cycles. It has been evaluated by comparing existing vacancy rates with widely accepted benchmarks for healthy market vacancies (rental and owner-occupied). The difference between actual and benchmark is the measure of housing need/surplus in a housing market. Confusion about the inclusion of "existing need" may have arisen because vacancy rates at the time of the last assessment of housing need ("the 5th cycle") were unusually high (higher than the healthy benchmarks) due to the foreclosure crisis of 2007-2010, and in fact, the vacancy rates suggested a surplus of housing. So, in the 5th cycle the vacancy adjustment had the effect of lowering the total housing need. Correctly seeing the foreclosure crisis as temporary, the state Department of Finance did not apply the full weight of the surplus, but instead assumed a percentage of the vacant housing would be absorbed by the time the 5th cycle began. The adjustment appears in the 5th cycle determinations, not as 'Existing Housing Need' but rather as "Adjustment for Absorption of Existing Excess Vacant Units."

2. **SB-828 wrongly assumed** a 5% vacancy rate in owner-occupied housing is healthy (as explained in the column on the right, 5% vacancy in owner-occupied homes is never desirable, and contradicts Government Code 65584.01(b)(1)(E) which specifies that a 5% vacancy rate applies only to the rental housing market).

2. While 5% is a healthy benchmark for rental vacancies, it is unhealthy for owner-occupied housing (which typically represents half of existing housing). Homeowner vacancy in the U.S. has hovered around 1.5% since the '70s, briefly reaching 3% during the foreclosure crisis. However, 5% is well outside any healthy norm, and thus does not appear on the Census chart (to the right) showing Annual Homeowner Vacancy Rates for the United States and Regions: 1968-2019.



3. **SB-828 wrongly assumed** overcrowding and cost-burdening had not been considered in Department of Finance projections of housing need. The bill sought to redress what it mistakenly thought had been left out by requiring regional planning agencies to report overcrowding and cost-burdening data to the Dept. of Housing and Community Development (as explained in the right column).

3. Unknown to the authors of SB-828, the Department of Finance (DOF) has for years factored overcrowding and cost-burdening into their household projections. These projections are developed by multiplying estimated population by the headship rate (the proportion of the population who will be head of a household). The Department of Finance (DOF) in conjunction with the Department of Housing and Community Development (HCD) has documented its deliberate decision to use higher headship rates to reflect optimal conditions and intentionally "alleviate the burdens of high housing cost and overcrowding." Unfortunately, SB-828 has caused the state to double count these important numbers.

The forced double-counting errors are significant.*

1. Incorrect use of a 5% benchmark vacancy rate for owner-occupied housing.

The vacancy rate was incorrectly used for both existing and projected owner-occupied households.

+ 229,000
housing units

2. Current vacancies were assumed to exist in household projections.

This error is unrelated to SB-828, but is an accounting error introduced by HCD methodology.

- 22,000
housing units

3. Overcrowding and cost-burdening were double counted.**

In addition to the household projection methodology outlined by the Department of Finance (shown to account for overcrowding and cost-burdening), the matter is also mentioned in meeting notes available on the Association of Bay Area Government's (ABAG) website.***

Quote from ABAG's Housing Methodology Committee Agenda Packet for the 4th RHNA Cycle, July 2006

"There was also a lot of discussion about the headship rates used by HCD/DOF. Several people commented that headship rates in the Bay Area are generally lower than the State's estimates because the region's high housing costs limit household formation. In response, Mr. Fassinger noted that HCD uses these higher headship rates because the RHNA process is intended to alleviate the burdens of high housing cost and overcrowding."

Despite this, overcrowding and cost-burdening were counted a second time as adjustment factors required by SB-828.

+ 734,000
housing units

TOTAL: + 941,000
housing units

* All errors are rounded to the nearest thousand.

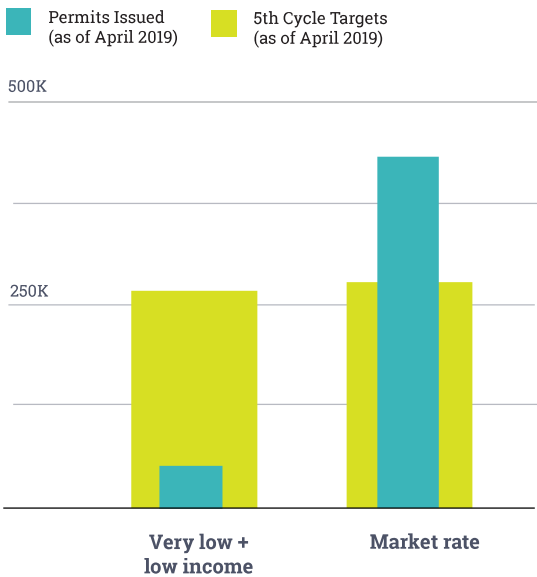
** Overcrowding measures the number of households with more than 1 person per room. Cost-burdening measures the number of households that spend more than 30% of the household income on housing. Cost-burdening is measured by five income levels — extremely low, very low, low, moderate, above moderate

*** P-4 tables are created by the Department of Finance—Household Projection table 2020–2030 and their methodology is fully explained in 'read me' notes that accompany the table.

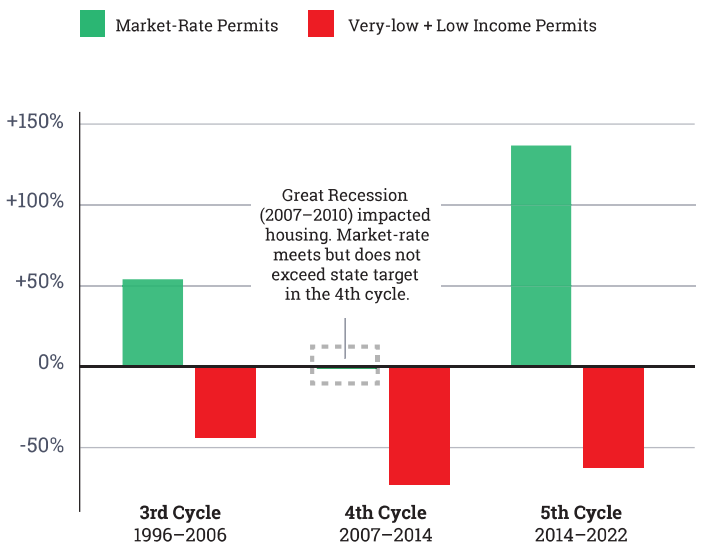
The state’s exaggerated targets unfortunately mask the real story: Decades of overachieving in market-rate housing has not reduced housing costs for lower income households.

The state has shown, with decades of data, that it cannot dictate to the market. The market is going to take care of itself. The state’s responsibility is to take care of those left behind in the market’s wake. Based on housing permit progress reports published by the Dept. of Housing and Community Development in July 2020, cities and counties in the four most populous regions continue to strongly outperform on the state’s assigned market-rate housing targets, but fail to achieve even 20% of their low-income housing target. In the Bay Area where permit records have been kept since 1997, there is evidence that this housing permit imbalance has propagated through decades of housing cycles.

Permit Progress in the 5th Cycle (2013-2022)*
(all 4 regions)



Affordable Housing Languishes as Market-Rate Housing Overachieves
(Bay Area only)*

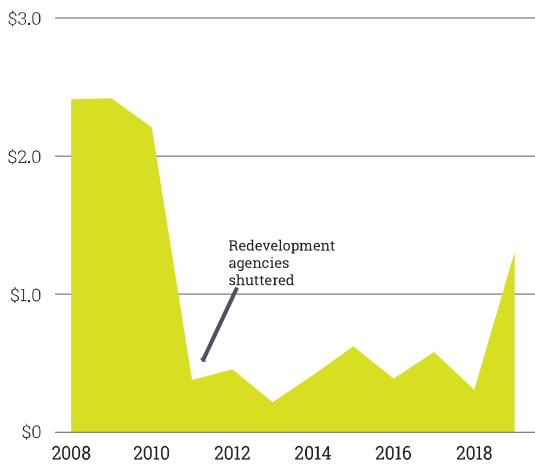


* Based on permit progress reports published by the Dept of Housing and Community Development and updated July 2020, reporting progress through April 2019.
 ** Only the Bay Area is shown because other regions have not kept detailed records of permit progress through the 3rd and 4th cycles.

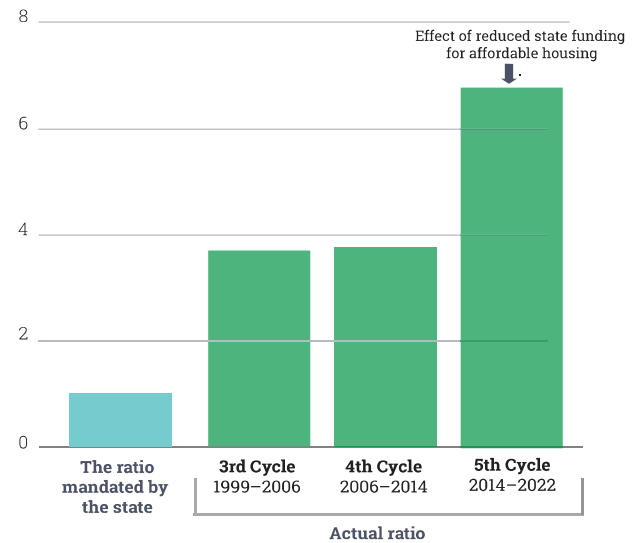
It's clear. Market-rate housing doesn't need state incentives. Affordable housing needs state funding.

Cities are charged by the state to build one market-rate home for every one affordable home. But state laws, such as the density bonus law, incentivize developers to build market-rate units at a far higher rate than affordable units. As a result, California has been building four market-rate units for every one affordable unit for decades. And with the near-collapse of legislative funding for low-income housing in 2011, that ratio has grown to seven to eight market-rate units to each affordable unit. Yet we need one-to-one. This worsening situation can't be fixed by zoning or incentives which are the focus of many recent housing bills and only reinforce or worsen the ever-higher market-rate housing ratios. From the data it appears that the shortage of housing resulted not from a failure by cities to issue housing permits, but rather a failure by the state to fund and support affordable housing. Future legislative efforts should take note.

**State Funds for Affordable Housing, 2008–2019*
\$ Billion**



Market-Rate to Low-Income Housing Permits in the Bay Area has grown from a ratio of 4 : 1 to 7 : 1 (Bay Area only)**



* "The Defunding of Affordable Housing in California", Embarcadero Institute, update June 2020 www.embarcaderoinstitute.com/reports/

** Only Bay Area is shown because other regions have not kept detailed records of permit progress through the 3rd and 4th cycles. Data is from ABAG's permit progress reports for 3rd and 4th cycle and Dept. of Housing and Community Development's 5th cycle Annual Progress Report.

Finally, since penalties are incurred for failing to reach state targets for housing permits, the methodology for developing these numbers must be transparent, rigorous and defensible.

Non-performance in an income category triggers a streamlined approval process per Senate Bill 35 (2017). These exaggerated 6th cycle targets will make it impossible for cities and counties to attain even their market-rate targets, ensuring market-rate housing will qualify for incentives and bonuses meant for low income housing. **Yet again low-income housing will lose out.** The state needs to correct the errors in the latest housing assesment, and settle on a consistent, defensible approach going forward.

At Least Four Different Methodologies Have Been Used Simultaneously by the State to Discuss Housing Need: We Only Need One

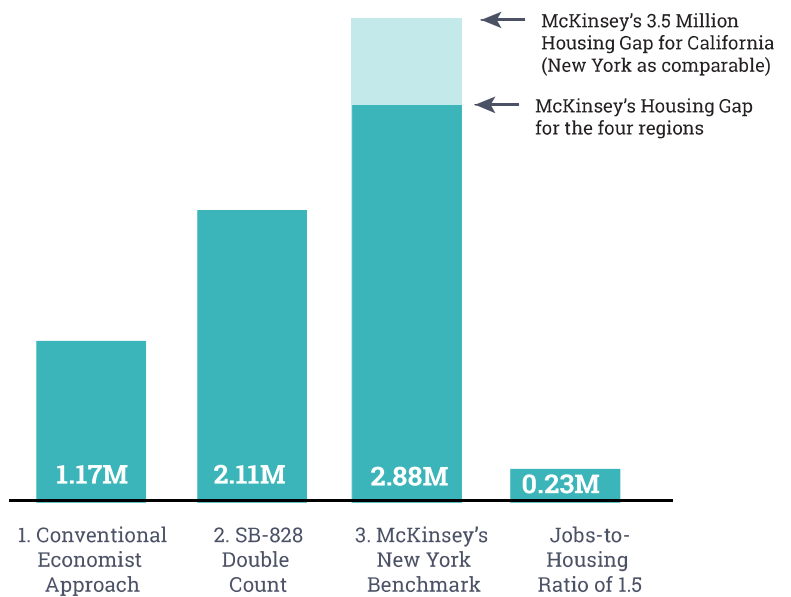
1. The Conventional Economist Approach: uses goldilocks (not too big, not too small, just right) benchmarks for vacancies - 1.5% for owner-occupied and 5% for rental housing.

2. SB-828 Double Count: incorrectly uses a benchmark of 5% vacancy for owner-occupied housing. It also double counts overcrowding and cost-burdening

3. McKinsey's New York Benchmark: the over-simplified approach generated an exaggerated housing gap of 3.5 Million for California. McKinsey multiplied California's population by New York's housing per capita to get 3.5M. New York is not a proper benchmark for California and NY's higher housing per capita is more reflective of NY's declining population rather than a healthy benchmark for housing

4. Jobs-to-housing ratio of 1.5: according to state planning agencies 1.5 is the optimal benchmark. Employment in the four regions is estimated to grow to 17 million by 2030 (job growth estimates prepared before COVID).**

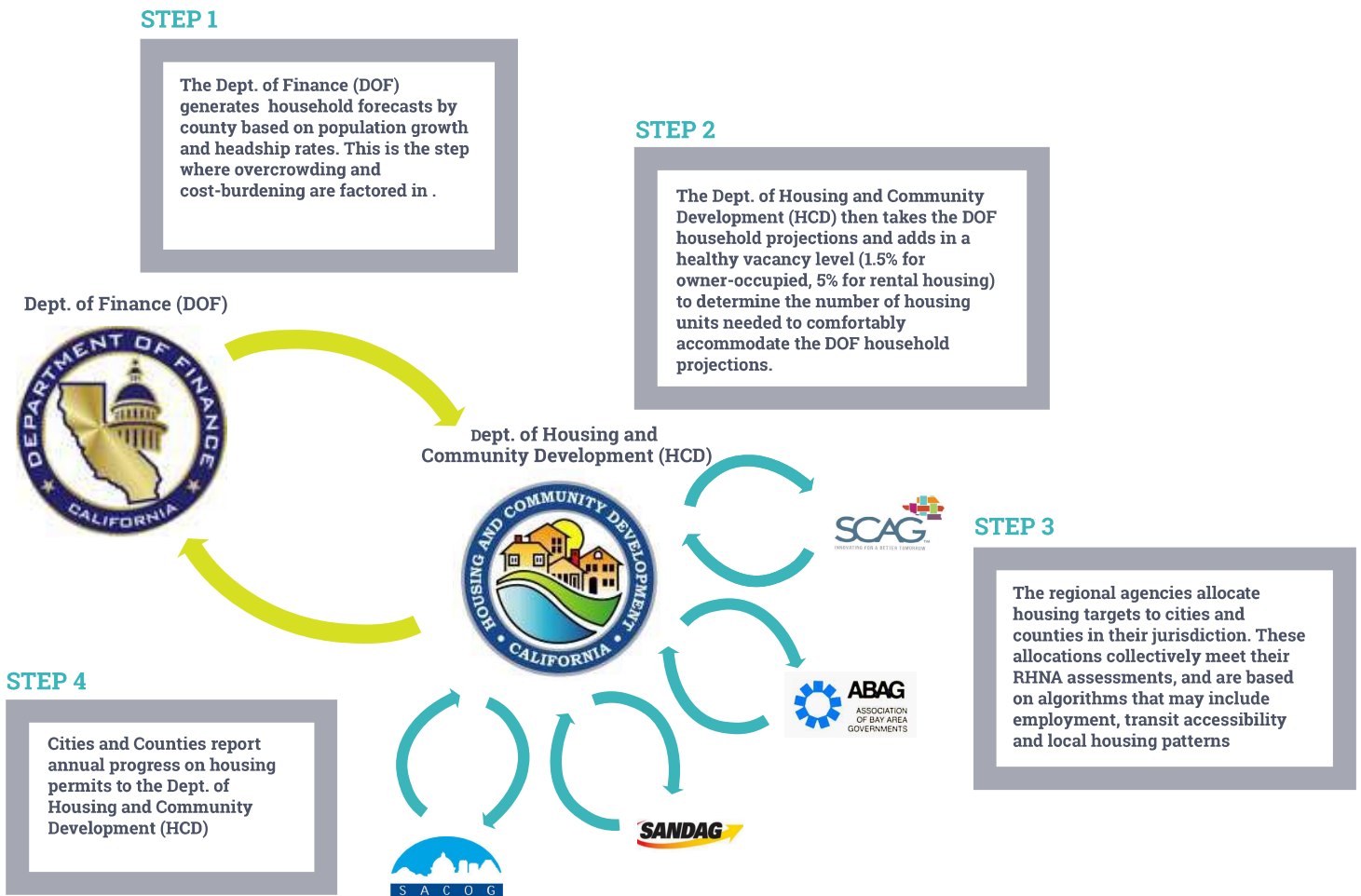
Forecast 2030 Housing Need for the Four Regions



* California's Employment Development Department (EDD) estimates employment by county through 2026. Using annualized growth (2016 to 2026) as a basis for future growth 2030 employment is estimated for the four regions.

** The 17 million includes estimates of self employed, private household workers, farm and nonfarm employment. Occupations with employment below 100 in 2016 are excluded.

How it Works : A multi-agency collaborative effort has generated past state housing targets. However in 2018, SB-828 annointed the Dept. of Housing and Community Development with final veto powers.



APPENDIX

SB-828 introduced errors in Step 2 (when the Dept. of Housing and Community Development made adjustments to the Dept. of Finance’s household projections).

Southern California and the Bay Area were most impacted by the double counting. San Diego was not assessed for cost-burdening although it is more cost-burdened than the Bay Area. It was perhaps overlooked because its assessment cycle began in July, 2018, a few months before SB-828 passed into law.

The Department of Housing and Community and Development

1. Used a benchmark of 5% vacancy rate for BOTH owner-occupied and rental housing.

Six SoCal Counties	=	+126,000	
Greater Bay Area	=	+59,000	
San Diego Area	=	+23,000	
Greater Sacramento	=	+21,000	
			+ 228,000 housing units

2. Assumed vacancies in household projections *

Six SoCal Counties	=	-13,000	
Greater Bay Area	=	-4,000	
San Diego Area	=	-2,000	
Greater Sacramento	=	-3,000	
			- 22,000 housing units

3. Double counted overcrowding and cost-burdening

Six SoCal Counties	=	+578,000	
Greater Bay Area	=	+104,000	
San Diego Area	=	+39,000	
Greater Sacramento	=	+13,000	
			+ 734,000 housing units

* P-4 tables are created by the Department of Finance—Household Projection table 2020–2030 and their methodology is fully explained in 'read me' notes that accompany the table
 ** Overcrowding measures the number of households with more than 1 person per room. Cost-burdening measures the number of households that spend more than 30% of the household income on housing. Cost-burdening is measured by five income levels—extremely low, very low, low, moderate, above moderate.

APPENDIX

Detailed explanation of the errors using SoCal Counties as an example: First—the correct approach.

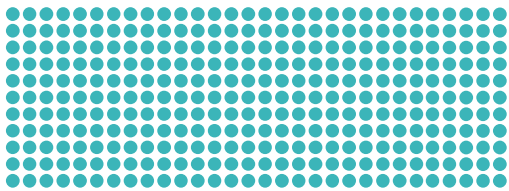
The Department of Housing and Community Development (HCD) have traditionally arrived at a number for pent-up demand or housing shortfall by comparing vacancy rates in owner-occupied and rental housing to healthy benchmarks (1.5% for owner-occupied* and 5% for rental housing). The largest of the four regions, six SoCal Counties (covering Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties) is considered in the example below**.

EXISTING HOUSING: Six SoCal Counties

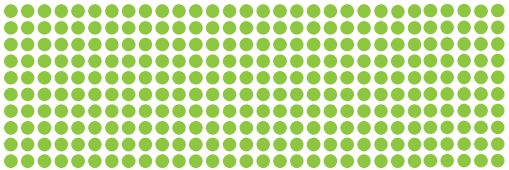
1 circle = 10,000 households

Occupied Housing Units

Home-owned (3.3 Million)



Rentals (3 Million)



Vacant Housing Units

Actual Vacancies (40,000)



1.2%

Healthy Benchmark (50,000)



1.5%

=

Existing Need

(10,000)

Actual Vacancies (111,000)



3.7%

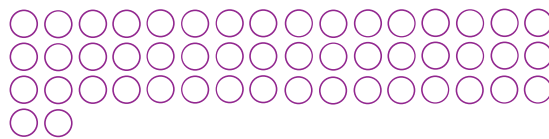
Healthy Benchmark (150,000)



5.0%

(39,000)

Seasonal Vacancies (500,000)***



* Owner-occupied has a lower healthy vacancy rate because it is usually only vacant while a house is for sale
 ** All numbers are rounded to the nearest thousand.
 *** Seasonal Vacancies represent second homes, corporate housing, and short-term rentals such as AirBnBs

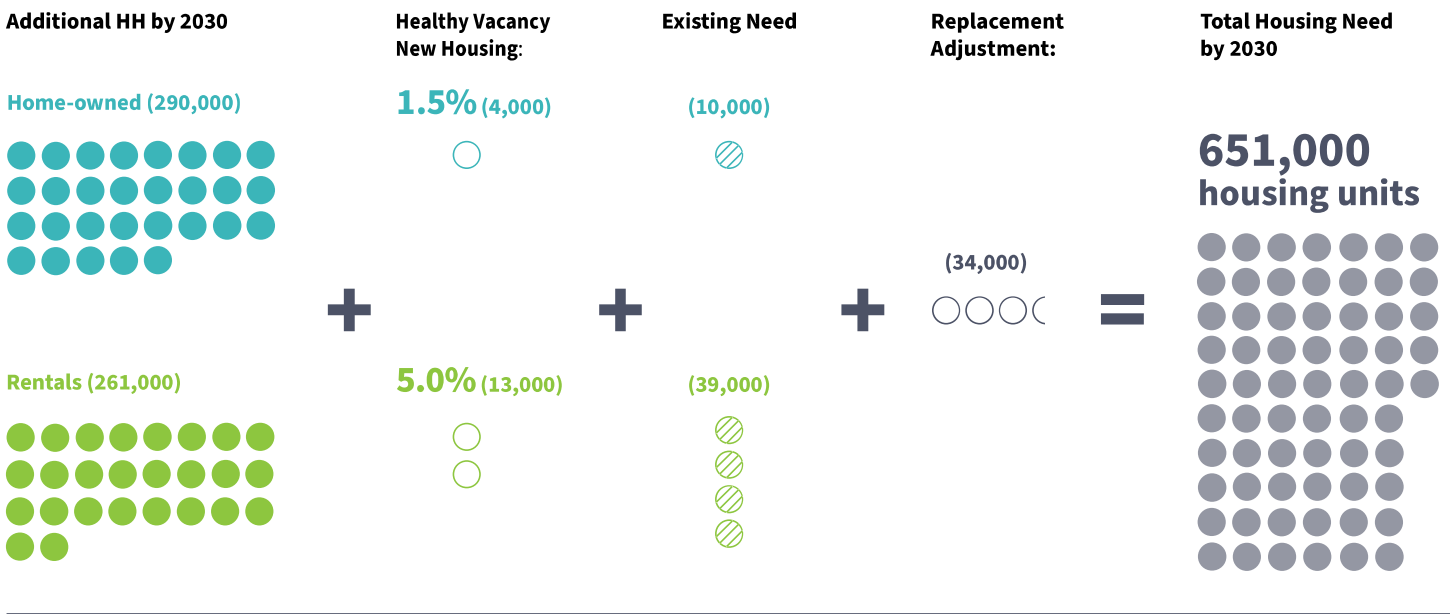
APPENDIX

The housing need also takes into account for future growth.

The Dept. of Finance (DOF) supplies the Dept. of Housing and Community Development (HCD) with an estimate of additional households (HH) needed by the end of the cycle. The DOF forecast the 2030 population and using an optimal household formation rate determine the number of households needed to comfortably house that population*. The DOF also supply the HC with the number of existing households at the start of the cycle. The HCD adds to the base number of additional households needed, factoring in vacancies for a healthy market, and adding a replacement adjustment (also supplied by the DOF)**.

PROJECTED HOUSING NEED: Six SoCal Counties

1 circle = 10,000 households



* Households represent occupied housing units. The number of housing units is always higher as at any given time than the number of households because some housing will be vacant or unutilized. The DOF is responsible for the base projection because they manage population projections for the state, and determine those by analyzing births, deaths and net migration.
 ** Replacement represents houses that may be demolished or replaced during the cycle*.

APPENDIX

However, the Dept. of Housing and Community Development has adopted an unusual methodology in evaluating existing need in the 6th housing cycle.

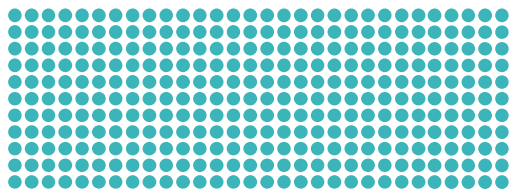
Instead of the typical 1.5% benchmark for owner-occupied housing, they used a 5% vacancy rate usually reserved for rental housing. A 5% vacancy in owner-occupied housing is indicative of a distressed housing market. At 5%, SoCal's existing housing need is increased by 115,000 housing units. Existing need for rental housing is unchanged.

EXISTING HOUSING: Six SoCal Counties

1 circle = 10,000 households

Occupied Housing Units

Home-owned (3.3 Million)



Vacant Housing Units

Actual Vacancies (40,000)



1.2%

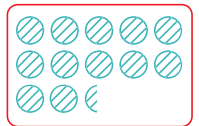
Healthy Benchmark (165,000)



5.0%

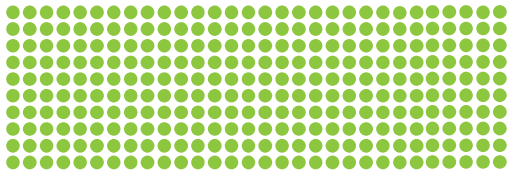
Existing Need

(125,000)



=

Rentals (3 Million)



Actual Vacancies (110,000)

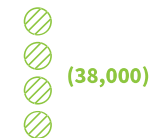


3.7%

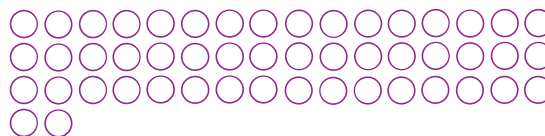
Healthy Benchmark (149,000)



5.0%



Seasonal Vacancies (500,000)



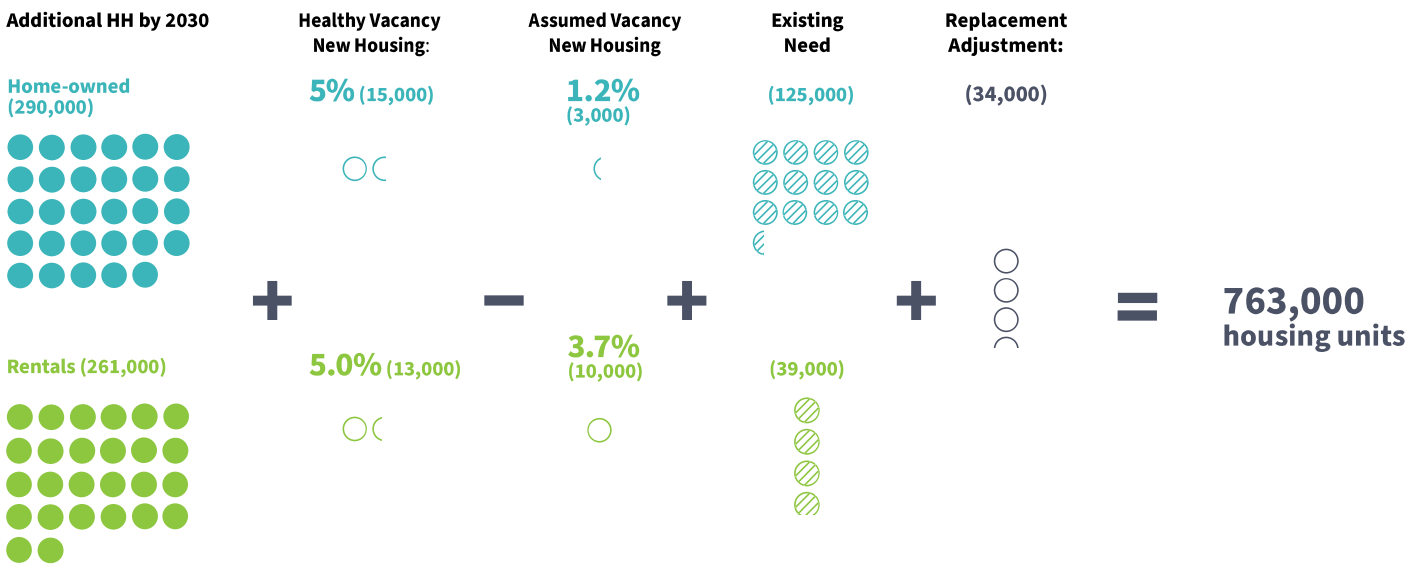
APPENDIX

The Dept. of Housing and Community Development have also taken an unusual approach in evaluating projected housing need.

Again, instead of using the separate benchmark of 1.5% for owner-occupied housing, 5% was used for all housing. It was also assumed that new projected households had existing vacancies. The full benchmark was not applied to new households. Instead, the difference between the benchmark and the current vacancy rate was applied. The replacement adjustment was applied as it has been in the past.

PROJECTED HOUSING NEED: Six SoCal Counties

1 circle = 10,000 households



APPENDIX

Lastly, the Dept. of Housing and Community Development double counted by adding two new factors that had already been factored into household forecasts made by the Dept. of Finance (DOF).

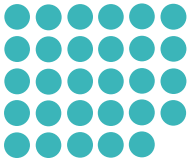
Two new factors were introduced into the 6th assessment – overcrowding and cost burdening. These factors had already been rolled into the DOF’s household projections. The DOF explicitly recognized that regional household formation rates might be depressed (a symptom of overcrowding and cost-burdening) because of the affordable housing crisis. The household formation rate used by the DOF is higher than the actual rate experienced. As such it generates a higher housing target meant to relieve overcrowding and cost-burdening.

PROJECTED HOUSING NEED: Six SoCal Counties

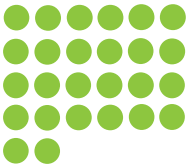
1 circle = 10,000 households

Additional HH by 2030

Home-owned
(290,000)



Rentals (261,000)



Projected Households already factors in overcrowding and cost-burdening

From the Department of Finance

“The argument was that the Great Recession and the affordability crisis which impact recent trends in headship should not be allowed to solely dominate the projection, rather some return to underlying socio-cultural norms of homeownership/fewer roommates is a beneficial assumption”



A DOUBLE COUNT

Overcrowding Adjustment*

(460,000)



Cost Burdening Adjustment**

(118,000)



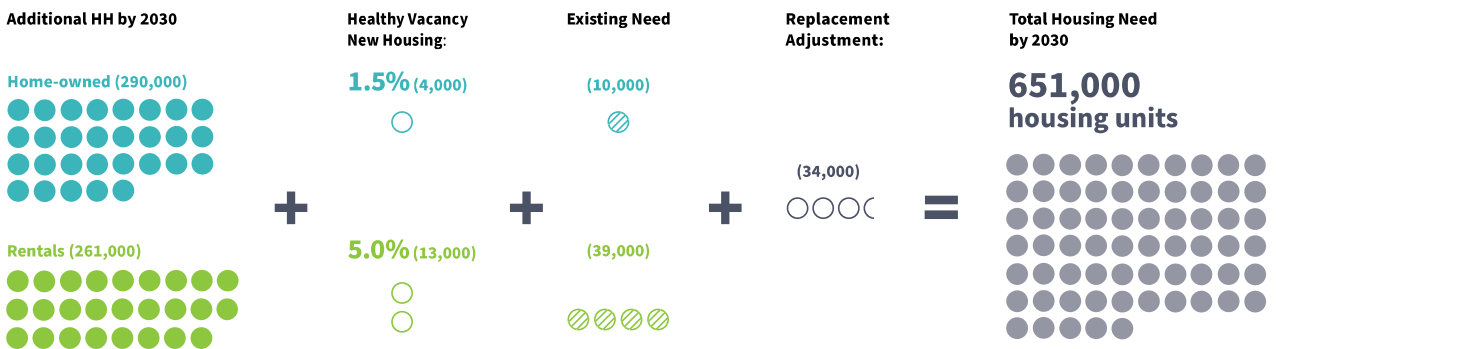
* In addition to double counting, HCD incorrectly calculated the overcrowding factor. They assumed that for every house that was overcrowded another house would be required to relieve overcrowding. The more accurate analysis would be to assess the number of extra people to be housed and divide by the average household size.
 ** HCD only applied cost-burdening adjustments to future households not existing households. It is unclear why cost-burdening would only be considered an issue for future households, as the data is for current households.

APPENDIX

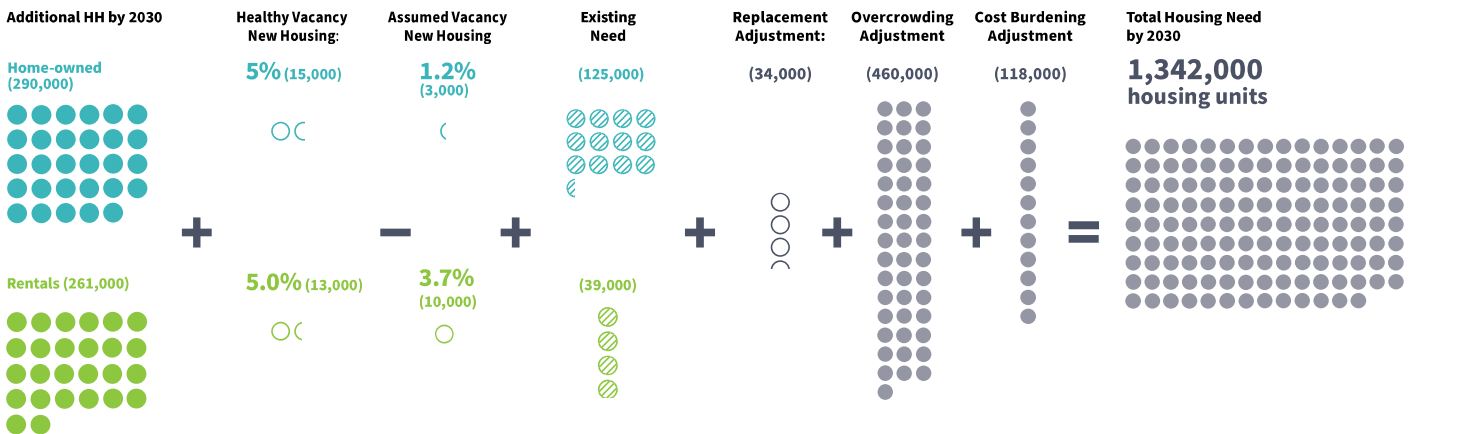
The vacancy errors and double counting resulted in a doubling of the housing needs assessment for the six counties of SoCal.

TYPICAL METHODOLOGY

1 circle = 10,000 household



HCD 6TH CYCLE METHODOLOGY



END NOTES

Complete data tables: *RHNA Data and Models 6th cycle*, www.embarcaderoinstitute.com

References used in the analysis :

Dept. of Housing and Community Development (HCD) <https://www.hcd.ca.gov>

Regional Housing Needs Allocation and Housing Elements

Regional Housing Needs

Allocations for 6th Cycle Housing Elements:

- Association of Bay Area Governments Regional Housing Need Determination Plan for the Sixth Housing Element Update
- Sacramento Area Council of Governments Regional Housing Need Determination for the Sixth Housing Element Update
- Southern California Association of Governments Regional Housing Need Determination for the Sixth Housing Element Update
- San Diego Association of Governments Regional Housing Need Determination and Plan for the Sixth Housing Element Update

Allocations for 5th Cycle Housing Elements:

- Association of Bay Area Governments (February 24, 2012)
- Sacramento Area Council of Governments (September 26, 2011)
- San Diego Association of Governments (November 23, 2010)
- Southern California Association of Governments (August 17, 2011)

Annual Progress Reports

- Annual Progress Report APR: 5th Cycle Annual Progress Report Permit Summary (updated 7/30/2020)

Allocations for Earlier Cycles and Housing Element

- RHNA 2007-2014 - Housing Methodology Committee Agenda Packet 07-27-06
- Regional Housing Needs Plan 2006 to 2013 SACOG February 2008
- 3rd and 4th Cycle RHNA allocations (data sent in personal communication with the Department of Housing and Community Development)

Department of Finance Methodology for Household Forecasts

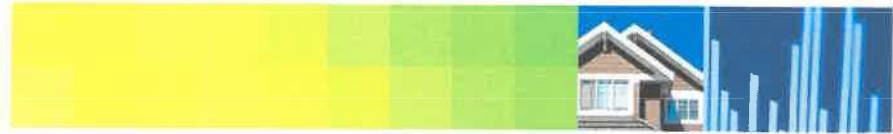
- "Read Me" P4 Tables : Household Projections 2020 to 2030
- Association of Bay Area Governments Digital Library: RHNA Documents, Regional Housing Need Allocation Documents
- RHNA 2007-2014 - Housing Methodology Committee Agenda Packet 07-27-06, Regional Housing Need Allocation p 2

Other Housing Assessment Methodologies

- "Mckinsey & Company: A TOOL KIT TO CLOSE CALIFORNIA'S HOUSING GAP: 3.5 MILLION HOMES BY 2025", October 2016

Jobs to Housing

- Employment Development Department, State of California, Employment Projections : Long Term Projections
- <https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html>



FEBRUARY 2020

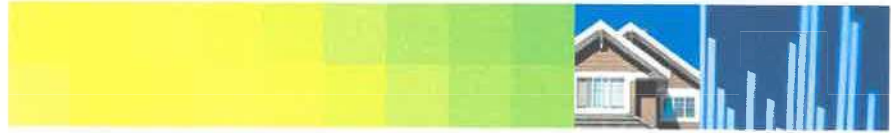
The Housing Supply Shortage: State of the States

The United States suffers from a severe housing shortage. In a recent study, [The Major Challenge of Inadequate U.S. Housing Supply](#), we estimated that 2.5 million additional housing units will be needed to make up this shortage. Our earlier study used national statistics, treating the United States as a single market. What happens when we look closer, basing the analysis at the state level?

When we account for state-level variations, the estimated housing deficit is even greater in some states because housing is a fixed asset. A surplus of housing in one area can do little to help faraway places. For example, vacant homes in Ohio make little difference to the housing markets in Texas. We estimate that there are currently 29 states that have a housing deficit, and when we consider only these states, the housing shortage grows from 2.5 million units to 3.3 million units.

Unsurprisingly, the states with the most severe housing shortage are the states that have recently attempted to loosen zoning policy regulations. States like California, Oregon, and others have undertaken policy action to address this issue. California, for example, has been working on chipping away at single-use zoning while Texas has passed a density bonus program, an ordinance which amends the city code by loosening site restrictions and promoting construction of more units in affordable and mixed-income housing developments. Oregon was one of the first states to pass legislation to eliminate exclusive single-family zoning in much of the state. The Minneapolis City Council voted to get rid of single-family zoning and started allowing residential structures with up to three dwelling units in every neighborhood. We took a deep dive into the supply/demand dynamics to analyze state-level variations.

We estimate that there are currently 29 states that have a housing deficit, and when we consider only these states, the housing shortage grows from 2.5 million units to 3.3 million units.



Accounting for housing supply/demand conditions

To estimate housing supply, we rely on U.S. Census Bureau estimates of the total number of housing units in each state. These estimates include single-family homes, apartments, and manufactured housing. We compare supply to our estimates of housing demand. We first focus on static estimates of housing demand, and then we consider the impact of interstate migration.

Our estimate of housing demand relies on two components. First, we need an estimate of long-term vacancy rates (v^*). Second, we need an estimate of the target number of households (h^*).¹ The estimates of v^* and h^* give an estimate of housing demand (k^*) using the formula:

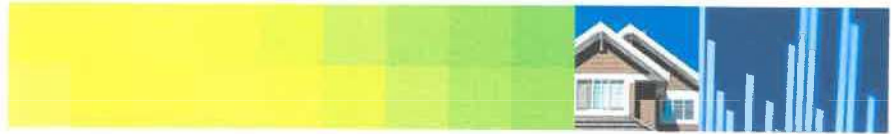
$$k^* = \frac{h^*}{1 - v^*} \text{ Eq(1)}$$

Vacancy rates

As we discussed in our earlier [study](#), for the housing market to function smoothly, year-round vacant units are needed. Vacancy rates are often used to track the vitality of the housing market. Too high of a vacancy rate reflects a moribund market, while too low of a rate means demand is outstripping supply. Our previous research estimated the average U.S. vacancy rate to be around 13%.

For long-term vacancy rates (v^*), we use historical estimates of vacancy rates in each state as well as the share of the state in the housing stock to obtain the state weight. We compute the weighted average national vacancy rate for the U.S. and then estimate the deviation of the state vacancy rate from the average national vacancy rate (see **Appendix 1.1** for a detailed methodology). We use each state's average from 1970 to 2000 as the estimate for v^* because this was the period before the boom and the bust in the housing market began. Historical vacancy rates vary dramatically by state. States like Vermont and Maine tend to have high vacancy rates because a large fraction of the housing stock serves as vacation/second homes. On the other hand, states like California tend to have very low vacancy rates.

¹ The target number of households is the number of unconstrained households that would have formed if households did not face any constraints related to housing costs.

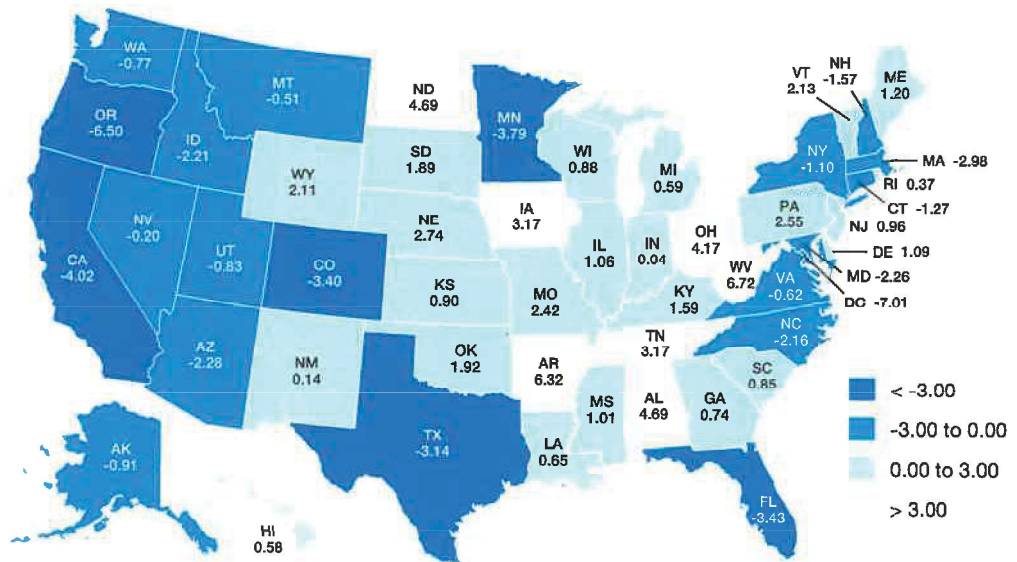


It is interesting to compare each state's long-term vacancy rate (v^*) to recent estimates (v). This measure estimates the number of housing units needed to close the gap between the current vacancy rate and long-term average rates. **Exhibit 1** shows the difference between the estimated vacancy rate in 2018 and the long-term vacancy rate for each state. States like Oregon, California, and Minnesota have much lower current vacancy rates compared to their historical averages, while states like West Virginia, Alabama, North Dakota, and Ohio have witnessed an increase in the vacancy rates as the populations of these states have decreased.

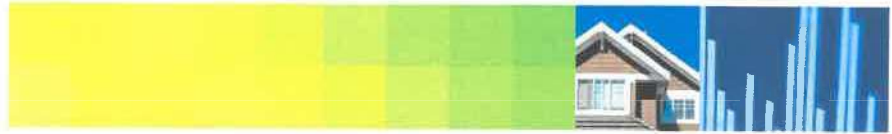
Exhibit 1

Difference between 2018 vacancy rate and historical vacancy rate

States that are losing (gaining) population have high (low) vacancy rates.



Source: Author's calculations based on CPS, HVS, and Moody's Analytics estimated data.



Target households

Our previous [research](#) has shown that high housing costs have constrained household formation. These high housing costs have hit the Millennial generation particularly hard. To overcome these cost barriers, some young adults have turned to shared living arrangements. Others have moved back home with parents. As a result, there are more than 400,000 missing households headed by 25- to 34-year-olds (households that would have formed except for higher housing costs).

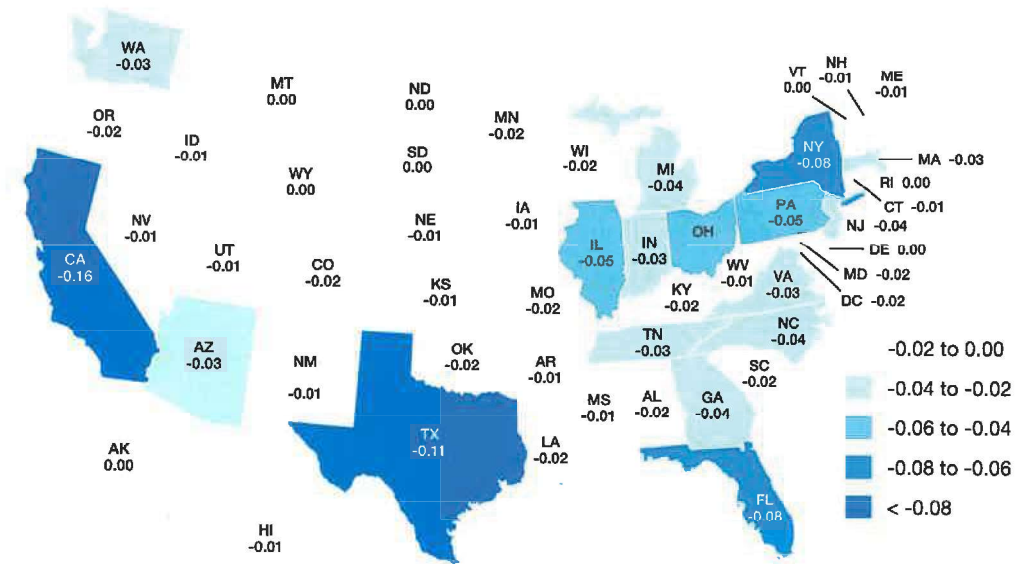
While high housing costs have hit young adults hardest, they have affected all age groups. If housing costs were lower, more households would form. We use our model estimates of the number of households reduced due to unusually high housing costs and add them back. We do this for each age group (see **Appendix 1.2** for more details.)

Due to different age profiles, the share of missing households varies by state. **Exhibit 2** plots the share of missing households due to housing costs for each state. In general, states with relatively lower vacancy rates have proportionally more missing households.

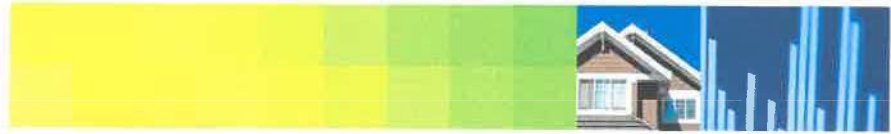
Exhibit 2

Missing households due to high housing costs (millions)

States with relatively lower (higher) vacancy rates have proportionally more (fewer) missing households.



Source: Author's calculations based on American Community Survey data.



Static estimate of housing deficit

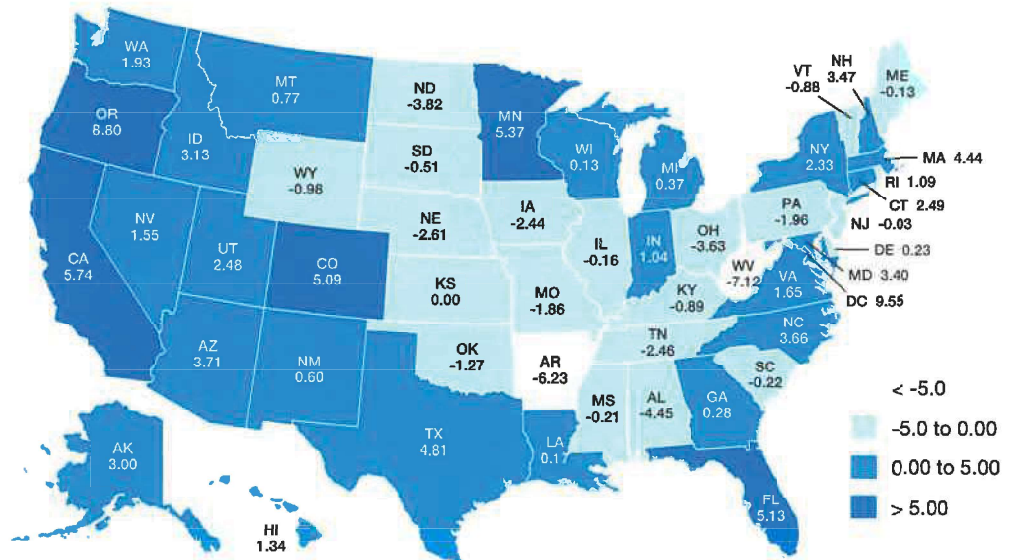
We combine our target vacancy rate and target households to estimate housing demand. Subtracting our estimated housing demand from the Census estimate of housing supply gives us the estimated housing deficit. **Exhibit 3** shows our results by state.

As a percent of the housing stock, the state housing supply deficit varies from -7 to 10%. Excluding the District of Columbia, Oregon has the largest deficit (nearly 9%) followed by California (nearly 6%).² Some states have a negative deficit, meaning they are oversupplied. According to our estimate, 21 states are oversupplied, the largest being West Virginia, at more than 7%.

Exhibit 3

Housing stock deficit as proportion of a state's housing stock (static estimate not considering interstate migration flows)

A static view suggests that 29 states have a housing undersupply.



Source: Author's calculations.

² The District of Columbia had the highest deficit as a share of the existing housing stock at 9.7%.



Impact of migration on the housing deficit of the states

While houses stay in place, people do not. Job growth attracts in-migrants, while a dearth of opportunity drives out-migration. High housing costs also contribute to migration patterns. When the rents get too high, people move away. This dynamic can impact our estimates.

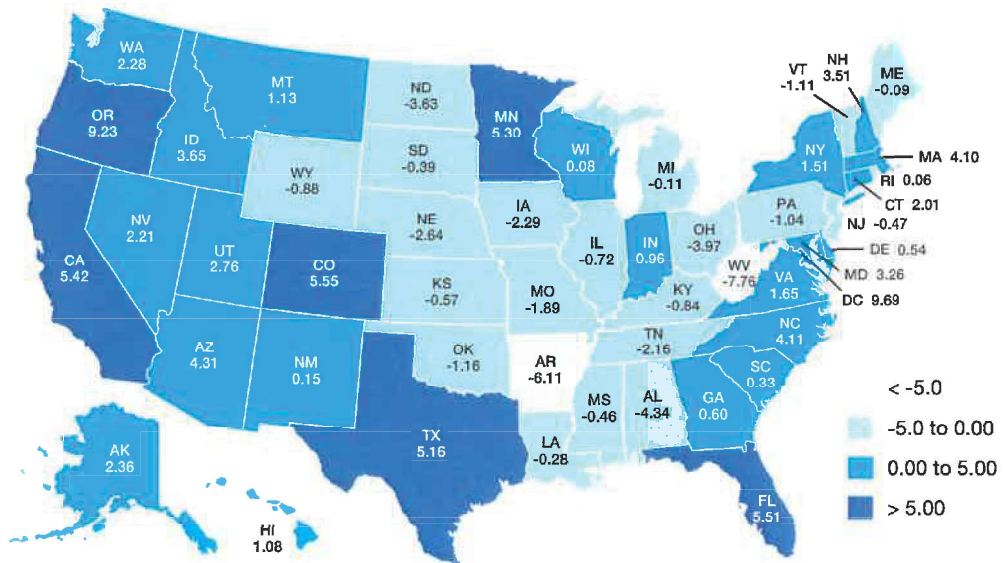
It's helpful to consider the case of California. Our estimates indicate that California has a shortage of 820,000 housing units. But history suggests that California's shortage may be overestimated if interstate migration is considered. For more than four decades, California's state population has grown, but this increase has been driven primarily by international migration. High housing costs have driven many U.S. citizens and households out of California, driving housing demand higher in their destination states.

A robust model of domestic migration flows between states is beyond the scope of this study. But we can approximate how migration may affect our estimates. We can use the historical average of state-to-state migration flows as a forecast of future flows. If the future interstate migration exactly matches past flows since 2001, we can create a rough, but useful approximation (Exhibit 4).³

Exhibit 4

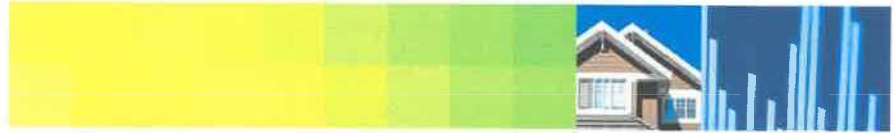
Housing stock deficit as proportion of state's housing stock (dynamic estimate considering interstate migration flows)

A dynamic view indicates that some states' deficit is overestimated, like California, while others' is underestimated, like Texas. Some states, like Michigan, move from a deficit to a surplus.



Source: Author's calculations.

3 We used the average net migration flows between states from 2001 to 2017 for the past flows.



Economic & Housing Research **Insight**

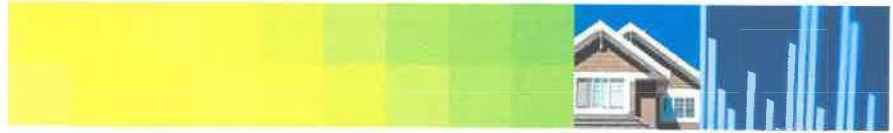
For example, when considering migration flows, the estimated housing demand in Michigan changes from deficit to surplus; Ohio's surplus increases; and Florida's deficit increases (see **Appendix 1.3** for details on our estimation method).

Given the severity of the problem, states have started addressing the issue of supply shortages by taking legislative action. Some of these states such as California, Oregon, Minnesota, and North Carolina have passed legislation to eliminate exclusive single-family zoning. Removing these zoning restrictions will provide builders with the flexibility to build a range of housing options which could help alleviate some of the shortage.

Conclusion

A shortage of housing remains a major issue for the United States. Years of underbuilding has created a large deficit, particularly for states with strong economies that have attracted a lot of people from other states. The issue of undersupply will be further exacerbated as Millennials and younger generations enter the housing markets, especially as housing costs become more favorable.

Dynamic estimates suggest that contrary to expectations, it isn't only the larger states that have a higher housing supply shortage. Some of the smaller states, which have been attracting a lot of migrants from other states, also need to build more housing units to accommodate the needs of their growing population.



Appendix

1.1 Vacancy rate calculations

We calculate the vacancy rate based on the historical vacancy rate. For this purpose, we obtain the historical vacancy rates by state from Moody's analytics for the period from 1970 to 2000⁴ and estimate the average vacancy rate for this period for each state.

$$VR_i = \text{average}(VR_i) \text{ for } 1970\text{--}2000,$$

where i is the state.

We then obtain the housing stock information by state from the Housing Stock (HVS) ('000s) U.S. Census Bureau (BOC): Housing Vacancies and Homeownership—Table 8—Quarterly Estimates of the Housing Inventory. From these data, the share of the state in the total housing stock is calculated to get the state weights.

$$w_i = \frac{K_i}{\sum_i K_i}.$$

The sum product of the vacancy rate of the state and the state's weight in the housing stock gives us the U.S. average vacancy rate.

$$\text{U.S. average vacancy rate: } VR = \sum_i VR_i * w_i.$$

We then compute the difference between the state vacancy rate and the average U.S. vacancy rate to see how far away the state is from the U.S. average.

$$D_i = VR_i - VR.$$

This deviation for the states is then applied to the long-run vacancy rate for the United States (which we estimated earlier to be 13%) to get the state-wise vacancy rate.

$$\text{State-wise Vacancy Rate} = 13\% + D_i \text{ for each state.}$$

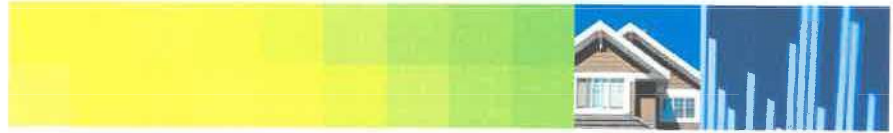
1.2 Estimating target households

We obtain the headship rates⁵ for the year 2018 by state and by age for all the 50 states and District of Columbia.⁶ We then estimate target households using this headship rate and adding back housing

4 Data is available from 1970:Q2 onward. We estimate the average for the period up to 2000:Q4. This corresponds to the period before the boom and bust in the housing market began.

5 Headship Rate = Number of Head of Households/Total Households.

6 Data source: Current Population Survey—Annual Social and Economic Supplement (CPS-ASEC) using the Integrated Public Use Microdata Series (IPUMS) (Steven Ruggles, Sarah Flood, Ronald Goeken, Josiah Grover, Erin Meyer, Jose Pacas and Matthew Sobek. IPUMS USA: Version 9.0 [dataset]. Minneapolis, MN: IPUMS, 2019.)



costs assuming that housing costs become more favorable for household formation. The target headship rate would be

$$hr_{i,j}^* = hr_{(i,2018)} + \alpha_{(\text{housing costs}, i)}$$

We then use this target headship rate and the population by five-year age buckets to compute the households in each state.

$$hh_i^* = \sum_j hr_{i,j}^* * pop_{i,j}$$

where i is the state and j is the five-year age buckets.

The product of headship rate and population by age gives the households by age group. Summing it up over all the ages gives the total households in the state.⁷

1.3 Domestic migration flows between states

For the estimate of the states' share of the deficit, we need to obtain the share of the migration flows between states by age. To get detailed age-wise distribution of population, we use the ACS data from 2001 to 2017. We obtain the population by age and by state for these years. We identify people who had a different state of residence from a year ago, which indicates that they migrated to a different state. We then get estimates of the in-migrants and out-migrants by state and age.

We then estimate the net domestic migrants for each state as the difference between the in-migrants and out-migrants.

$$NM_{i,j} = I_{i,j} - O_{i,j}$$

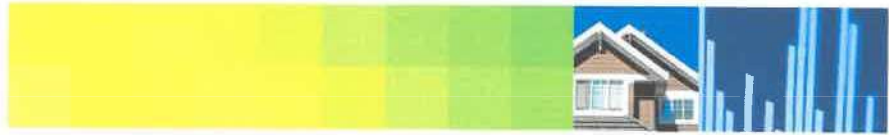
where i is the state, j is the five-year age buckets, I is the in-migrants, and O is the outmigrants.

To estimate the net outmigrants from states that have a $NM < 0$, we obtain the Moody's historical net domestic migration data. We then apply these shares by state and age to the net migration data for 2018 to obtain the number of people leaving a state by the five-year age bucket.

$$\Delta P_{i,j,out}^* = \frac{NM_{i,j}}{\sum_{i,j} NM_{i,j}} * P_{mj}$$

where $P_{i,j,out}^*$ is the total change in population (net out-migrants) for states that have net outmigration,

7 These households would be based on the Current Population survey (CPS). To make them consistent with estimates of housing supply from HVS, we apply a multiplier to this gap that is proportional to the gap between the CPS-ASEC and HVS household counts. The CPS-ASEC household estimate for 2018 was 127.6 million. The HVS estimate for that year was 121.3 million. We deflate our target households by a factor equal to 121.3/127.6, or 0.95.



$NM_{i,j}$ is the net out-migrants by age group and state,

$\sum NM_{i,j}$ is the sum of the total out-migrants for the state, and

$P_{m,j}$ is the historical net domestic migration data from Moody.

The ratio of $NM / \sum NM$ gives the share of the five-year age group in the total out-migrants from the state.

This pool of out-migrants ($P_{i,j,out}^*$) is then divided among the in-migrating states, given that the net flows for the country are 0.

We distribute these migrants according to the share of the state in the total in-migrants as well as by the share of the age group in the total in-migrants to the state.

$$\Delta P_{i,j,in}^* = SI_i * SA_{i,j} * \Delta P_{i,j,out}^*$$

where $\Delta P_{i,j,in}^*$ is the in-migrants to the state i from the outmigrants pool,

SI is the share of the state in total in-migrants,

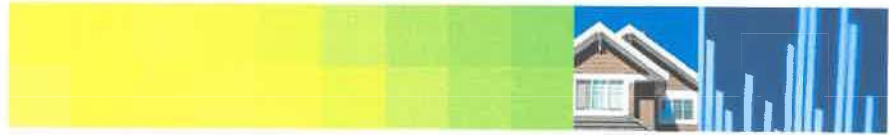
SA is the share of the five-year age bucket in the total in-migrants, and

$\Delta P_{i,j,out}^*$ is the total out-migrants.

The population of each state is then adjusted according to the change in the population estimated above.

$$\begin{aligned} Population_i^* &= P_{i,j} + \Delta P_{i,j,out}^* \text{ if } NM < 0. \\ &= P_{i,j} + \Delta P_{i,j,in}^* \text{ if } NM > 0. \end{aligned}$$

The households are then computed based on this adjusted population for each state by applying the headship rates by age group. Then the housing stock is estimated as per equation (1).



Economic & Housing Research **Insight**

Prepared by the Economic & Housing Research group

Sam Khater, Chief Economist

Len Kiefer, Deputy Chief Economist

Venkataramana Yanamandra, Macro Housing Economics Senior

www.freddiemac.com/finance

Opinions, estimates, forecasts, and other views contained in this document are those of Freddie Mac's Economic & Housing Research group, do not necessarily represent the views of Freddie Mac or its management, and should not be construed as indicating Freddie Mac's business prospects or expected results. Although the Economic & Housing Research group attempts to provide reliable, useful information, it does not guarantee that the information or other content in this document is accurate, current or suitable for any particular purpose. All content is subject to change without notice. All content is provided on an "as is" basis, with no warranties of any kind whatsoever. Information from this document may be used with proper attribution. Alteration of this document or its content is strictly prohibited.

© 2020 by Freddie Mac.



September 18, 2020

The Honorable Rex Richardson,
President
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

RE: Request to Reconvene the SCAG President's RHNA Litigation Study Team to Re-Assess State HCD's RHNA Allocation of 1.34 Million Housing Units to the SCAG Region

Dear President Richardson:

On behalf of thirty-two cities in Orange County, we, the mayors respectfully support the request of our colleague – City of Yorba Linda Council Member Peggy Huang – that the SCAG President promptly reconvene the SCAG President's RHNA Litigation Study Team.

We have a deep respect for Council Member Huang and her stewardship of the SCAG RHNA Subcommittee these past two years. We all agree with Council Member Huang that the starting point – the 1.34 million RHNA housing units that the State Department of Housing and Community Development (State HCD) issued for the 6-county SCAG region – must be re-examined.

At the September 3, 2020 SCAG Regional Council meeting, Council Member Huang explained that new and recent housing shortage information has been issued by Freddie Mac, which states that the housing shortage for the entire State of California, not just the SCAG region, is 820,000 units (Attachment 1: Page 6, February 2020 Freddie Mac Insights Report: "The Housing Supply Shortage: State of the States."). Further, the Embarcadero Institute, a non-profit policy analysis organization, just released a September 2020 Report – "Double Counting in the Latest Housing Needs Assessment" – that questions whether State HCD's use of an incorrect vacancy rate and double counting has exaggerated the RHNA for the SCAG region, San Diego, the Bay Area and Sacramento area by more than 900,000 units (Attachment 3).

Clearly, this new and credible data should be explored with the members of the President's RHNA Litigation Study Team. It is our hope that upon examination of the new data, that the President's RHNA Litigation Study Team could deliberate on options to require State HCD to:

- 1) consider this and other new information from credible agencies;
- 2) justify how its 1.34 million housing unit determination is defensible in light of the new information and should be fittingly revised; and,
- 3) justify how its 1.34 million housing unit determination is consistent with State Statute provisions.

A prompt assessment of this information, and options to pursue resolution with State HCD, would be invaluable and timely to SCAG's member agencies, many of which are currently exploring appeals of their individual RHNA allocations.

Moreover, if the SCAG President's RHNA Litigation Study Team is reconvened, we would strongly urge SCAG to revisit the critical issue that State HCD did not follow housing statute, when it determined SCAG's 1.34 million housing units need. We appreciate that SCAG raised this concern to State HCD. We object, however, that State HCD has chosen to not adhere to the provisions of our Government Code, and we have provided a detailed, technical assessment of such noncompliance in Attachment 2.

We thus respectfully seek your support and follow-through of your verbal commitment to Council Member Huang, that the President's RHNA Litigation Study Team be reconvened to undertake this important discussion. We look forward to your response, with the desire that the RHNA Litigation Study Team be reconvened prior to the next SCAG Regional Council meeting, October 1, 2020.

With sincere respect and appreciation,



Mike Munzing
Mayor
City of Aliso Viejo



Harry Sidhu
Mayor
City of Anaheim



Marty Simonoff
Mayor
City of Brea



Fred Smith
Mayor
City of Buena Park



Katrina Foley
Mayor
City of Costa Mesa



Rob Johnson
Mayor
City of Cypress



Cheryl Brothers
Mayor
City of Fountain Valley



Jennifer Fitzgerald
Mayor
City of Fullerton



Steven R. Jones
Mayor
City of Garden Grove



Lyn Semeta
Mayor
City of Huntington Beach



Christina Shea
Mayor
City of Irvine



Tom Beamish
Mayor
City of La Habra




Peter Kim
Mayor
City of La Palma



Bob Whalen
Mayor
City of Laguna Beach



Janine Heft
Mayor
City of Laguna Hills



Laurie Davies
Mayor
City of Laguna Niguel



Noel Hatch
Mayor
City of Laguna Woods



Neeki Moatzedi
Mayor
City of Lake Forest



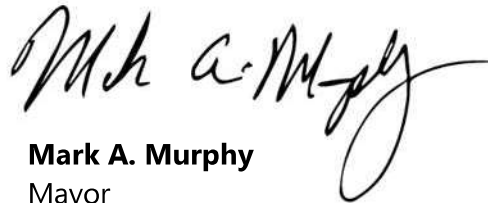
Richard D. Murphy
Mayor
City of Los Alamitos



Brian Goodell
Mayor
City of Mission Viejo



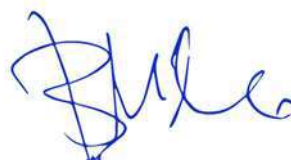
Will O'Neill
Mayor
City of Newport Beach



Mark A. Murphy
Mayor
City of Orange



Ward Smith
Mayor
City of Placentia



Bradley J. McGirr
Mayor
City of Rancho Santa Margarita



Troy Bourne
Mayor
City of San Juan Capistrano



Miguel A. Pulido
Mayor
City of Santa Ana



Schelly Sustarsic
Mayor
City of Seal Beach



David J. Shawver
Mayor
City of Stanton



Allan Bernstein
Mayor
City of Tustin



Robbie Pitts
Mayor
City of Villa Park



Tri Ta
Mayor
City of Westminster



Beth Haney
Mayor
City of Yorba Linda

Attachments:

1. Freddie Mac Economic and Housing Research Insight: February 2020
2. Orange County Technical Analysis: State Government Code Requirements to Calculate Regional Housing Need
3. Embarcadero Institute Report: Updated September 2020

cc: Council Member Peggy Huang, City of Yorba Linda and SCAG RHNA Subcommittee Chair
Council Member Trevor O'Neil, Chair, OCCOG Board of Directors
Council Member Wendy Bucknum, Vice-Chair, OCCOG Board of Directors
Mayor Pro Tem Michael Carroll, OC Representative SCAG's RHNA Litigation Study Team
Orange County Representatives on SCAG Policy Committees and Regional Council
Kome Ajise, SCAG Executive Director
Orange County City Managers Association
Orange County Mayors
Marnie O'Brien Primmer, OCCOG Executive Director
Nate Farnsworth, OCCOG TAC Chair

Orange County Technical Analysis of SCAG's Regional Determination from HCD

Government Code Section 65584.01(a) states: "If the total regional population forecast for the projection year, developed by the council of governments and used for the preparation of the regional transportation plan, is within a range of 1.5 percent of the total regional population forecast for the projection year by the Department of Finance, then the population forecast developed by the council of governments shall be the basis from which the department determines the existing and projected need for housing in the region....".

As outlined in SCAG's September 18, 2019 objection letter to the California Department of Housing and Community Development (HCD) (see Exhibit B), SCAG's regional population forecast for its Regional Transportation Plan (RTP) differs from the State Department of Finance (DOF) projection by **1.32%**, which falls within the statutory range of 1.5% outlined in state law. Therefore, by statute, the regional determination should be based on SCAG's population projections.

However, HCD's October 15, 2019 response letter to SCAG (see Exhibit C) cites two reasons for not using SCAG's total regional population forecast:

- 1) The total household projection from SCAG is 1.96% lower than DOF's household projection.
- 2) The age cohort of under 15-year old persons from SCAG's population projections differ from DOF's projections by 15.8%.

A careful reading of Government Code Section 65584.01(a) demonstrates that HCD's interpretation and rejection of the use of SCAG's regional population forecast is incorrect for the following two reasons:

- 1) The law clearly states that that the 1.5% range is based on the total regional **population** forecast and not the regional **household** projection forecast.
- 2) The law clearly states that the 1.5% range is based on the **total** regional population forecast and not on **age-cohort** population forecasts.

While Government Code 65584.01 provides a significant level of discretion to HCD over many of the factors used for the regional determination (i.e., vacancy adjustments, overcrowding rates, replacement adjustments, cost-burdened adjustments, etc.), this one issue is clearly written into the law without any discretion from HCD. Therefore, even though we support all of the arguments SCAG outlined in their September 18, 2019 objection letter, we also recognize that state law grants HCD the final determination for those specific factors. However, there is no discretion in HCD's decision to ignore SCAG's regional population forecast. Had HCD adhered to Government Code 65584.01(a), we estimate that the regional determination should have been at least approximately 133,000 housing units lower (see Exhibit A), or no more than approximately 1.2 million housing units.

We would hope that HCD would reconsider the other SCAG's recommendations as noted in their September 18, 2020 objection letter, especially in light of the change in circumstances related to the current COVID-19 pandemic, as well as the recent studies and reports stating that California's statewide housing shortfall is significantly lower than even SCAG's entire RHNA obligation.



Administrative Report

H.22., File # 20-1410

Meeting Date: 10/20/2020

To: MAYOR AND CITY COUNCIL

From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR

TITLE

AUTHORIZATION TO PREPARE AND FILE AN APPEAL OF THE CITY OF REDONDO BEACH'S 6TH CYCLE REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) ALLOCATION OF 2,483 UNITS FROM THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG)

EXECUTIVE SUMMARY

On September 3, 2020, SCAG released the Draft Regional Housing Needs Assessment (RHNA) for the 6th Cycle Housing Element update, allocating a new construction need of 2,483 units to the City of Redondo Beach in the following income distribution:

- 933 very low income (37.6%)
- 507 low income (20.4%)
- 489 moderate income (19.7%)
- 554 above moderate income (22.3%)

The focus of this Administrative Report is to receive authorization from the Mayor and City Council concerning the filing of an "Appeal" with SCAG of the City's 6th Cycle Draft RHNA as identified above.

The City engaged housing consultant Veronica Tam & Associates, Inc. (Consultant) for the support of the City's 6th Cycle Draft RHNA review process. Ms. Tam has provided oversight and technical support throughout the 6th Cycle RHNA development process that has been ongoing for 2 years. Ms. Tam has been instrumental thus far in crafting multiple communications and recommendations to SCAG. In support of this "Appeal" process Ms. Tam has largely drafted the "ANALYSIS" section of this Administrative Report. The ANALYSIS section of this Administrative Report presents the "Appeals Procedure", a proposed "Statement of Appeal", and proposed "Appeal Factors".

Additionally, the ANALYSIS section presents a brief summary of recent and relevant information concerning potential errors and "double counting" of the overall number of units, 1.34 million, issued to the SCAG region by the California State Department of Housing and Community Development (HCD). City Staff and the Consultant recommend that the City of Redondo Beach document their support of Orange County's and Beverly Hills efforts on this matter by adding their concerns and evidence to the City's formal appeal.

Prior to describing the appeals procedure (with timelines) and Staff's/Consultant's proposed

“Statement of Appeal” and “Appeal Factors” within the ANALYSIS section, this Administrative Report presents some important BACKGROUND information that includes the basic definition of RHNA and a summary of the City’s Current 5th Cycle RHNA followed by a synopsis of the phases of this RHNA process leading up to SCAG’s recent release of the City’s 6th Cycle Draft RHNA. The “synopsis” of the RHNA development process includes a brief summary of the communications between the City and SCAG and itemizes the City’s proposed edits, corrections, and recommendations through the process and their outcome with SCAG. City Staff and the Consultant are recommending that the proposed edits/ corrections and recommendations to SCAG’s methodologies, factors, and data that were not successfully integrated into the City’s Draft RHNA be included within the City’s Appeal.

BACKGROUND

Prior to presenting the relevant specifics of SCAG’s 6th Cycle RHNA, and in particular the appeal factors, timeline, procedures, and recommendations, some basic and general background information is warranted simply defining RHNA and revisiting the City’s current 5th Cycle RHNA.

What is the Regional Housing Needs Assessment?

Under California law, SCAG and other regional councils of government in the State are required to determine projected housing needs for persons at all income levels. This process is intended to allow communities to anticipate growth, so that collectively the region can grow in ways that enhance quality of life, improve access to jobs, promote transportation mobility and address social equity and fair share housing needs. SCAG utilizes the data/input provided by each local jurisdiction as one factor in determining future housing needs for the RHNA.

City of Redondo Beach’s Current RHNA - Housing Element 5th Cycle (2013 - 2021)

The City’s current RHNA for the Housing Element 5th Cycle (2013-2021) is 1,397 residential units. The table below is from the 2019 Housing Element Annual Progress Report that was reviewed by the City Council and submitted to HCD earlier this year.

Since the beginning of the current housing cycle (2013) and through the end of 2019, the City has added 489 residential units. Table B below presents the number of income categories of housing development year over year for the Housing Element 5th Cycle to date.

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

**Table B
Regional Housing Needs Allocation Progress
Permitted Units Issued by Affordability**

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.												Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level	RHNA Allocation by Income Level	Year 1*	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	
Very Low	Deed Restricted	372											372
	Non-deed restricted												
Low	Deed Restricted	223					2						25
	Non-deed restricted							7**	16***				
Moderate	Deed Restricted	238											238
	Non-deed restricted												
Above Moderate (Market Rate)		564	-5	35	68	21	92	121	127			464	100
Total RHNA by COG. Enter allocation number:		1,397	-5	35	68	21	94	128	143			489	908
Total Units													
Remaining Need for RHNA Period													

Note: units serving extremely low-income households are included in the very low-income permitted units totals.

* Negative number (-) represents unit demolished.

** ADU Voluntary Survey Results: 13 ADU's, 7 not rented (54% affordable), 3 market rate, 3 no response.

*** The 2018 affordable rate of 54% has been applied to the 2019 ADU unit count while the 2019 survey is underway.

Phase One - “SCAG’s Bottom Up Local Input and Envisioning Process”

Since the initiation of the 6th Cycle RHNA process the City has actively and regularly engaged key members of SCAG’s staff. Additionally, the City has retained the services of Veronica Tam & Associates (Consultant) and worked closely with the City’s GIS technician at key times in the process. Below is a general summary of the RHNA engagement process over the past two (2) years.

SCAG initiated the 6th Cycle RHNA process with the launching of their “Bottom-Up Local Input and Envisioning Process”, approximately 2 years ago in the summer of 2018. The initial phase began with the City’s review of SCAG’s draft data packages.

The Data Sets/GIS Maps provided by SCAG for the City’s review included:

- Land Use
 - General Plan, Zoning, Existing Land Use, Specific Plan
- Resource Areas & Farmland
 - Open Space and Parks, Endangered Species and Plants, Flood areas, Natural Community & Habitat Conservation, Farmland, Sea Level Rise
- Transportation
 - Major Transit Stops, High Quality Transit Corridors, High Quality Transit Areas, Transit Priority Areas, Bikeways, Truck Routes
- Administrative Boundaries
 - City Boundary & Sphere of Influence, Census Tract, Transportation Analysis Zone (TAZ)
- Growth
 - Estimates of Population, Households, and Employment for Base Year 2016
 - Projections of Population, Households, and Employment for 2020, 2030, 2035, 2045
 - Entitlements, Potential Infill Sites

Staff spent considerable time evaluating the data provided by SCAG and determined that significant corrections were necessary to accurately reflect current and future conditions in Redondo Beach. In the fall of 2018 Staff provided revised and corrected data that accurately reflected the City’s then current and predicted future conditions based on existing conditions, historic trends and empirical data. The following is a general summary of the corrections submitted as part of the initial phase of the 6th Cycle RHNA process.

- **Growth Estimates and Projections**
 - The City’s revisions to SCAG’s population and household estimates/projections were substantiated using actual residential permits issued over the period 2000 - 2017. In summary, the City’s average annual growth rate is .22%. The City’s actual average annual growth rate is significantly less than SCAG’s proposed average annual growth rate of .44%. SCAG adjusted the City’s growth rate downward to reflect the City’s actual rate of .22%.
- **Potential Infill Sites/General Plan Capacity**
 - SCAG’s “Potential Infill” data set and GIS map was based off a theoretical model developed in 2005 at the University of California, Berkeley, and was designed to

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

provide an assessment of how many housing units might reasonably be built on available infill sites. Staff carefully reviewed SCAG’s draft “Potential Infill” map and found it to be significantly flawed. It identified numerous parcels as “vacant” that are not. It also identified a significant number of parcels that are zoned and developed with industrial and commercial uses/businesses important to supporting local jobs and commercial goods and services. In meetings with SCAG, errors in this data set/GIS map were discussed and SCAG requested a “General Plan Capacity” by Traffic Analysis Zone (TAZ) study as a more relevant data set for gauging “Potential Infill”. Staff provided a corrected “Potential Infill” map and SCAG’s requested breakdown by TAZ of the City’s “General Plan Capacity” to more accurately gauge the City’s real capacity for growth. Although there remains some potential housing unit capacity, the City’s actual number of existing housing units actually exceeds the City’s current General Plan capacity and this information and data was provided to SCAG.

Phase Two - “SCAG’s RHNA Methodology Options”

At their meeting on July 22, 2019, SCAG’s RHNA Subcommittee recommended the release of three (3) methodology options for distribution of the pending regional determination due from the California Department of Housing and Community Development (HCD) in August 2019.

The proposed methodology options considered many different factors and data sets. City Staff and the City’s Consultant (Veronica Tam & Associates) reviewed the multiple factors within each of the proposed methodologies and the jurisdictionally specific data sets that informed each of the “factors”. Staff’s and the Consultant’s findings and recommendations were presented to the City Council for discussion and direction at their meetings on August 6, 2019 and August 20, 2019 and a formal letter to SCAG with comments and recommendations to SCAG’s RHNA Subcommittee explaining in detail and backed with local evidence the City’s concerns with the proposed methodologies was signed by the Mayor and submitted on August 22, 2019. A copy of the City’s letter “Re: 6th Cycle Proposed Regional Housing Needs Assessment (RHNA) Methodology and Redondo Beach Methodology Appendix Data” is attached to this Administrative Report.

In summary, the August 22, 2019 correspondence to SCAG’s RHNA Subcommittee included initial general comments illustrating the significant misallocations of the 5th Cycle RHNA and an analysis clearly demonstrating Redondo Beach’s historically responsible commitment to the provision of all types of housing in comparison to adjacent jurisdictions in the South Bay sub region. The body of the communication cites specific concerns with many of the factors and assumptions that comprised the three methodologies and included specific recommendations for additional factors to be incorporated into the proposed methodologies as well as numerous requests for corrections to many of SCAG’s proposed data sets for Redondo Beach and adjacent jurisdictions within our sub region.

Ultimately, the methodology approved by SCAG was not any of the three options that had been circulated and commented upon. On March 5, 2020, SCAG’s Regional Council approved the Final RHNA Methodology for the 6th Housing Element Cycle and the overall framework for the adopted methodology is included in the table below. Attached to this report is a document entitled, “SCAG’s Final RHNA Methodology” which contains a comprehensive breakdown of the component parts of the adopted methodology.

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

Projected Need	Existing Need	Income Categories
Household Growth 2020-2030	Transit Accessibility (HQTA Population 2045)	150% Social Equity Adjustment Minimum
Future Vacancy Need	Job Accessibility	0-30% Additional Adjustment for Areas with Lowest or Highest Resource Concentration
Replacement Need	Residual Distribution within the County	

City Staff and the City’s Consultant have since reviewed the adopted methodology and the data sets that inform the various factors noted in the table above and have continued to submit information, edits, and “corrections” to ensure the data supporting the methodology was in fact accurate. The successful updates/changes/corrections to the data submitted to SCAG to date have included:

- Household Growth 2020-2030
 - SCAG was utilizing a growth rate that was twice the actual growth rate the City was experiencing.
 - SCAG amended the City’s Annual Growth Rate from 0.44% downward to 0.22%.
- Replacement Need
 - Changed from 600 to 0.
- Transit Accessibility (HQTA Population 2045)
 - SCAG had originally included four (4) HQTA’s within/bordering the City within their initial population forecasts.
 - The City confirmed with Metro that only two (2) HQTA’s were within/bordering the City and coordinated the change between Metro and SCAG
 - SCAG initially estimated the 2045 projected population within the two (2) HQTA’s to be 12,357.
 - The City presented data demonstrating that 2045 projected population within the two (HQTA’s) should be 8,197. Attached to this Administrative Report is the map and data provided to SCAG demonstrating the City’s 2045 projected population of 8,197.
 - SCAG has since revised their 2045 projected HQTA population downward to 10,630.
 - Staff continues to request that SCAG further reduce the 2045 projected HQTA population to be consistent with local growth rates (8,197) and recommends that this request be included as a “correction” and submitted along with an appeal, if directed by the City Council.

After careful consideration and the continued monitoring of the 6th Cycle RHNA process, including all prior communications to and from SCAG and the analysis of the various methodologies and the factors and data sets that support and inform them, City Staff and the Consultant are proposing that the previously recommended “Additional Factors” that were not adopted by SCAG along with some remaining corrections to the “Data Fields/Sets” that have yet to be updated by SCAG be submitted again as part of or accompanying the “Appeal”. Below is a bulleted summary of the City’s recommended additional factors and data corrections proposed to be included with the “Appeal”.

- **Recommendations for Additional Factors to be Incorporated**

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

- Consider a “Local Zoning Factor”
 - This particular additional factor is necessary in determining a more equitable allocation of existing need housing units. A jurisdiction's zoning designations and regulations serve as its true litmus of how responsible it has behaved toward the provision of diverse housing types. By considering a factor that measures a jurisdiction's percentage mix of residential zoning densities, a factor can be developed that credits those jurisdictions that have proactively zoned for more housing versus those jurisdictions that have zoned more conservatively (See the August 22, 2019 letter for details concerning this proposed “Factor”).
- Consider a “Density Factor”
 - Some consideration for a jurisdiction’s existing population density should be factored to avoid overburdening limited local infrastructure, services, and resources (See the August 22, 2019 letter for details concerning this proposed “Factor”).
- Consider “Jobs-to-Household Ratio Factor”
 - As required by State law, a jobs-to-household ratio factor must be included in whatever methodology is utilized. To distribute hundreds of thousands of households across the SCAG region without considering this critical and basic land use principle could result in the continued evolution of the region's negative commuting patterns, which is significantly inconsistent with SCAG's 2020 RTP/SCS.
 - SCAG has since incorporated a “Jobs-to Household” factor but only for the “Existing Needs” portion of the approved “Methodology”. This factor should also be incorporated into the regions “Projected Need” and consideration for a local jurisdictions existing population and the need to create local jobs that match Redondo Beach’s demographics should be incorporated (See the August 22, 2019 letter for details concerning this proposed “Factor”).
- **Recommended Corrections of Data Fields Used for Accuracy**
 - Correct Projected 2045 HQTAs Population
 - SCAG has made some adjustments from 12,357 to 10,630 however the City’s population data and growth rate for this area yields a projected population of 8,197.
 - Correct Household Income Distribution - Social Equity Adjustments
 - With the City of Redondo Beach’s completion of a Midterm Update to its Housing Element (2017), data concerning household income distributions within Redondo Beach was updated. In review of the City's recent household income data against the information in SCAG's table for this factor, some corrections to SCAG'S table are warranted.
 - Redondo Beach's Very Low Income: 4,646/16.7% (revise from 3,742/13.4%)
 - Redondo Beach's Low Income: 2,587/9.3% (revise from 2,381/8.6%)
 - Redondo Beach's Moderate Income: 3,311/11.9% (revise from 3,184/11.4%)
 - Redondo Beach's Above Moderate Income: 17,276/62.1% (revise from 18,514/66.5%)
 - The City of Redondo Beach requests that SCAG correct the table entitled "Social Equity Adjustments Existing/150%" to reflect the corrected data provided above.

Phase Three - SCAG Issues Draft RHNA

On September 4, 2020, the City of Redondo Beach received a written correspondence from SCAG entitled, “6th Cycle Draft Regional Housing Needs Assessment (RHNA) Allocation for City of Redondo Beach and appeals timeline notice.” A copy of this letter is attached to this Administrative Report. In summary, the following information is provided in the correspondence.

- Pursuant to Government Code Section 65584 et seq., the Southern California Association of Governments (SCAG) is required to allocate the region’s housing need as determined by the California Department of Housing and Community Development (HCD) to all local jurisdictions in the SCAG region. For the 6th Cycle of RHNA, which covers the planning period from 2021 to 2029, HCD has determined our regional housing need to be 1,341,827 units.
- After extensive public input and review by HCD, on March 5, 2020, SCAG’s Regional Council adopted the final RHNA Methodology which, in coordination with final Connect SoCal adopted on September 3, 2020, results in Draft RHNA Allocations for all local jurisdictions. **Please note that receipt of this letter containing the Draft RHNA Allocations begins the appeals timeline. The Draft RHNA allocation shall be deemed received on September 11, 2020.**
- The Draft 6th Cycle RHNA Allocation for the City of Redondo Beach is 2483 total units, consisting of:
 - Very low income units: 933
 - Low income units: 507
 - Moderate income units: 489
 - Above moderate income units: 554
- **The deadline to electronically file an appeal of your 6th cycle Draft RHNA Allocation is 5:00pm on October 26, 2020.**
- The hearing on the RHNA allocation appeals is scheduled to begin on or about December 10, 2020. Following the conclusion of the appeals process, the Final RHNA Allocations are anticipated to be issued in February 2021. Local jurisdictions’ housing element updates are due to HCD by October 2021.

ANALYSIS

This section of the Administrative Report provides guidance for appealing the City’s Draft RHNA allocation. The subsections entitled “**City of Redondo Beach Statement of Appeal**” and “**City of Redondo Beach Appeal Factors**” propose the specific information that would be submitted to SCAG pursuant to the appeal procedures.

Additionally, this section presents a brief summary of recent and relevant information concerning potential errors and “double counting” of the overall number of units, 1.34 million, issued to the SCAG region by State HCD raised by a substantial number of Mayors within Orange County and by the City of Beverly Hills. Staff and the Consultant propose to include with the appeal the City’s support of the recommendations and studies in support of these efforts.

On September 3, 2020, SCAG released the Draft Regional Housing Needs Assessment (RHNA) for the 6th Cycle Housing Element update, allocating a new construction need of 2,483 units to the City of Redondo Beach in the following income distribution:

- 933 very low income (37.6%)
- 507 low income (20.4%)

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

- 489 moderate income (19.7%)
- 554 above moderate income (22.3%)

6th RHNA CYCLE APPEALS PROCEDURE

Pursuant to Government Code section 65584.05, any local jurisdiction within the SCAG region may file an appeal to modify its allocated share or another jurisdiction’s share of the regional housing need included as part of SCAG’s Draft Regional Housing Needs Assessment (RHNA) Allocation Plan.

No appeal shall be allowed relating to post-appeal reallocation adjustments made by SCAG.

Attached to this Administrative Report is a document issued by SCAG entitled, “6th RHNA Cycle Appeals Procedures”. The following provides a summary of the appeals procedures per the attached document.

Deadline to File

Pursuant to Government Code § 65584.05(b), the period to file appeals shall commence on September 11, 2020, and ends at 5:00 p.m. on October 26, 2020. Late appeals shall not be accepted by SCAG.

Anticipated SCAG 6th Cycle RHNA Appeals Timeline

September 3, 2020	SCAG's Regional Council receives and files the draft RHNA allocation item following full adoption of Connect SoCal. Local jurisdictions will formally receive a letter containing their draft allocation.
September 11, 2020	Official receipt date by local jurisdictions of their draft allocation. This marks the start of the period for local jurisdictions to file appeals of draft allocations based upon application of SCAG's methodology, local planning factors, or changed circumstances.
October 26, 2020	Last day for local jurisdictions to file appeals based upon application of SCAG's methodology, local planning factors or changed circumstances (5:00 pm, via email).
October 26 – December 9, 2020	45-day period during which local jurisdictions and HCD may comment on filed appeals.
December 10, 2020 – January 10, 2021 or February 9, 2021	30-day period in which public hearing(s) before RHNA Appeals Board can be held for appealing jurisdictions. Per statute this may be extended for 30 additional days to February 9, 2021. In order to ensure that a Final RHNA Allocation Plan can be considered by the Regional Council at its February 4, 2021 meeting, it is anticipated that hearings will take place in late December and early to mid-January 2021 depending on the amount of appeals received.
Mid-January 2021	RHNA Appeals Board concludes its determination of appeals and issues a Proposed Final RHNA Allocation plan; recommends approval by the CEHD Committee and Regional Council.
February 4, 2021	CEHD Committee and Regional Council action to approve Final RHNA Allocation Plan. Please note this is contingent upon the Appeals Board concluding its work without needing to use the full 30-day extension of the public hearing period.

Form of Appeal

The local jurisdiction shall state the basis and specific reasons for its appeal on the RHNA Appeal Request Form prepared by SCAG, a copy of which is attached. Additional documents may be submitted by the local jurisdiction as attachments, and all such attachments should be properly labeled and numbered. The City of Redondo Beach must include a specific number of units proposed to be reduced.

Basis for Appeal

Pursuant to Government Code Section 65584.05, RHNA appeals must include a statement indicating the justifications for the revision, as they relate to furthering the intent of the objectives set forth in the Government Code Section 65584 (d):

The regional housing needs allocation plan shall further all of the following objectives:

- (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

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

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.

Additionally, Government Code Section 65584.05(b) requires that all filed appeals must be consistent with, and not to the detriment of, the development pattern in the sustainable communities’ strategy, or SCAG’s Connect SoCal Plan, pursuant to Government Code Section 65080(b)(2).

SCAG’s RHNA Appeal Procedures provide three possible bases for appeal:

1. Methodology - That SCAG failed to determine the jurisdiction’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 furthers, and does not undermine the five objectives listed in Government Code Section 65584(d).
2. Local Planning Factors and Information Affirmatively Furthering Fair Housing (AFFH) - That SCAG failed to consider information submitted by the local jurisdiction relating to certain local factors outlined in Govt. Code § 65584.04(e) and information submitted by the local jurisdiction relating to affirmatively furthering fair housing pursuant to Government Code § 65584.04(b)(2) and 65584(d)(5)
3. Changed Circumstances - That a significant and unforeseen change in circumstance has occurred in the jurisdiction after April 30, 2019 and merits a revision of the information previously submitted by the local jurisdiction. Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.

City of Redondo Beach Statement of Appeal

This Draft RHNA almost doubles the City’s 5th Cycle RHNA of 1,397 units, which was widely acknowledged as being unfair and inappropriate. The City of Redondo Beach is interested in pursuing an appeal of the Draft RHNA assigned to the City by SCAG. The City of Redondo Beach contests the Draft RHNA assigned to the City on the basis of a flawed RHNA Methodology that does not achieve the objectives of RHNA. Specifically, the methodology, as it applies to the City of Redondo Beach, fails to achieve the following:

- (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.
- (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.

City of Redondo Beach Appeal Factors

1. RHNA Methodology Does Not Lead to an Estimate Equitably Distributed to Area

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

Municipalities

The RHNA methodology as it stands, consistently allocates lower proportions of 6th Cycle RHNA to jurisdictions that had disproportionately lower shares of RHNA during the 5th Cycle. In the South Bay region, these include the cities of El Segundo, Hawthorne, Manhattan Beach, Hermosa Beach, Rancho Palos Verdes, Torrance, and Palos Verdes Estates. These communities continue to contribute to the existing needs, which represent 62.3 percent of the overall RHNA, but are not required by the methodology to undo the inequities that exacerbated existing housing needs across the region. While Table 1 below may have over-simplified the calculations, it is obvious that all these South Bay communities, when compared with Redondo Beach, did not receive a fair share in the 5th Cycle and many continue to receive a “discount” in the 6th Cycle. On the other hand, Carson, Gardena, Lawndale, and Redondo Beach seem to be unfairly burdened with the 6th Cycle RHNA.

City	2020 Population	SCAG Proposed 6th RHNA	Proportional 6th RHNA Based on Population	+/- RHNA from Proportionally Fair Allocation	2010 Population	5th RHNA	Proportional 5th RHNA Based on Population	+/- RHNA from Proportionally Fair Allocation
Carson	93,604	5,605	2,674	2,931	91,299	1,698	1,931	(233)
El Segundo	16,719	491	616	(125)	16,534	69	350	(281)
Gardena	61,042	5,721	1,744	3,977	58,668	397	1,241	(844)
Hawthorne	87,854	1,731	2,510	(779)	84,195	683	1,781	(1,098)
Hermosa Beach	19,465	556	717	(161)	19,355	2	409	(407)
Lawndale	33,436	2,491	955	1,534	32,552	381	688	(307)
Lomita	20,521	827	754	73	20,186	47	427	(380)
Manhattan Beach	35,532	773	1,310	(537)	34,867	38	737	(699)
Palos Verdes Estates	13,404	198	492	(294)	13,406	16	284	(268)
Redondo Beach	67,412	2,483	2,483 (100%)	---	66,054	1,397	1,397	-
Rancho Palos Verdes	41,928	638	1,544	(906)	41,535	31	878	(847)
Torrance	145,182	4,928	5,347	(419)	143,951	1,450	3,044	(1,594)

2. RHNA Methodology Does Not Promote Improved Jobs/Housing Balance

The RHNA methodology fails to consider existing population density and jobs-housing ratio, factors that should have been considered to affirmatively further fair housing, to avoid over concentration, and to promote jobs/housing balance. Redondo Beach has the top 4 highest population density among the South Bay communities and its jobs-to-housing ratio is also among the lowest in the region. Furthermore, the City’s low-wage jobs-to-affordable units is also among the lowest. To achieve the objectives of the RTP/SCS, the RHNA should have given a heavier weight to communities that are jobs-rich but housing-poor. Allocating Redondo Beach such a disproportionately high RHNA would only further exacerbate the jobs/housing imbalance. To alternatively create more jobs in Redondo Beach to address the jobs/housing imbalance would require conversion of residential zoning to commercial zoning, which undermines the intent of providing more housing. Furthermore, several communities (Manhattan Beach, Palos Verdes Estates, and Rancho Palos Verdes) in the South Bay have significantly higher low-wage jobs-to-

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

affordable units' ratios, indicating a comparatively greater need for affordable housing. And yet these communities receive a disproportionately low RHNA.

Table 2 Population Density and Jobs-to-Housing Ratio

City	Population Density - 2019 (Persons per Acre)	2012 Jobs-to-Housing Ratio	Low-Wage Jobs to Affordable Units
Carson	7.7	1.85	2.65
El Segundo	4.9	8.61	2.98
Gardena	16.3	1.08	0.60
Hawthorne	22.5	0.61	0.24
Hermosa Beach	20.8	0.55	1.91
Lawndale	26.6	0.53	0.50
Lomita	16.9	0.34	0.37
Manhattan Beach	14.1	1.10	7.24
Palos Verdes Estates	4.4	0.37	16.03
Redondo Beach	17.1	0.75	1.66
Rancho Palos Verdes	4.9	0.28	5.00
Torrance	11.3	1.62	2.16

Source: SCAG

As further evidence more work on this factor is required by SCAG, as part of a recent update to the City's Housing Element, and an ongoing update to its General Plan Land Use Element, the City commissioned a comprehensive and robust "Demographic and Economic Trends Analysis". Included within this analysis was detailed data concerning the City's employment and labor trends. The analysis highlighted the comparison of resident employment and available jobs in Redondo Beach and quantified the mismatch between residents' professions and the opportunity to find employment within that profession within the City. The most significant commuter flow data documented that over 92% of the employed residents of the City of Redondo Beach commuted to their jobs which were outside the City. The total outflow of Redondo Beach workers is 30,527 (source US Census LEHD, 2014; BAE, 2017). Redondo Beach also imports much of its retail and service sectors workforce from other jurisdictions; however, that number is significantly less than the net outflow of the Redondo Beach residents commuting for work. The following are the key data points from the City's recent economic analysis.

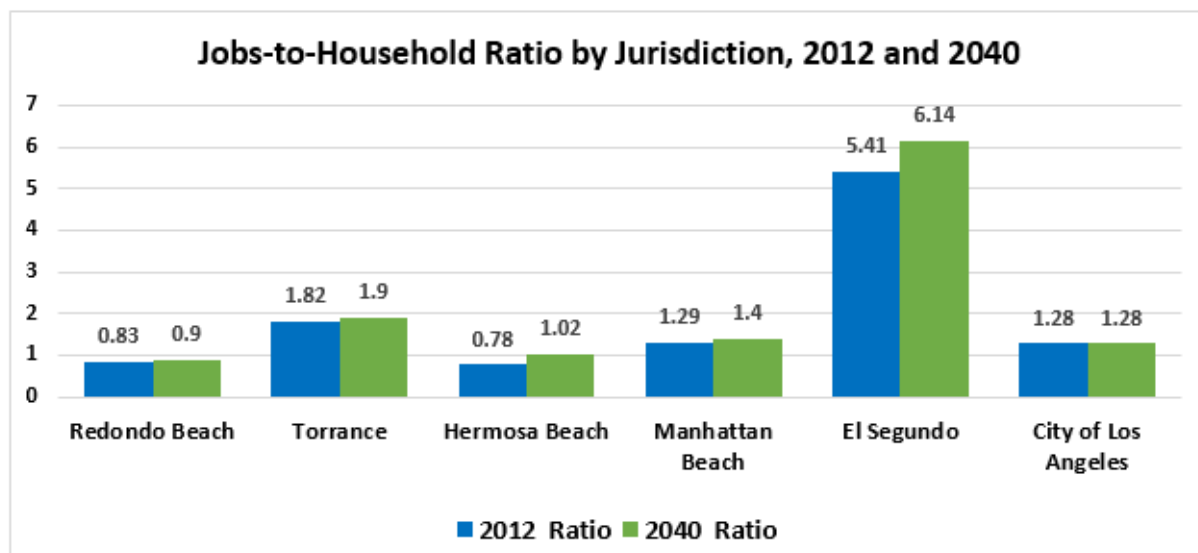
- The most significant commuter flow data documented that over 92% of the employed residents of the City of Redondo Beach commuted to their jobs which were outside the City.
- There is an existing demand for approximately 400,000 square feet of professional office space in Redondo Beach.

Additionally, according to the most recent SCAG Regional Transportation Plan (2016), Redondo Beach had a Jobs-to-Household Ratio of 0.83 in 2012. This indicates that there were only approximately 0.83 citywide jobs per Redondo Beach household, one of the lowest ratios in the South Bay with the exception of Hermosa Beach (see table below).

Jobs-to-Household Ratio by Jurisdiction, 2012 and 2040

<u>Geography</u>	<u>2012 Emp</u>	<u>2012 HH</u>	<u>2012 Ratio</u>	<u>2040 Emp</u>	<u>2040 HH</u>	<u>2040 Ratio</u>
El Segundo	38,400	7,100	5.41	45,400	7,400	6.14
Torrance	102,300	56,100	1.82	117,600	62,000	1.90
Manhattan Beach	18,000	14,000	1.29	20,700	14,800	1.40
City of Los Angeles	1,696,400	1,325,500	1.28	2,169,100	1,690,300	1.28
Inglewood	31,100	36,600	0.85	37,400	43,300	0.86
Redondo Beach	24,000	29,000	0.83	29,800	33,000	0.90
Hermosa Beach	7,400	9,500	0.78	10,000	9,800	1.02

Sources: SCAG 2016 RTP; BAE, 2017



According to SCAG forecasts, Redondo Beach’s Jobs-to-Household Ratio is expected to only rise to 0.90 by 2040. In cities like Redondo Beach with a low ratio of jobs to housing units, local residents have fewer opportunities to work close to home, and more will commute outside the city limits to work elsewhere.

The State regulations regarding RHNA actually require that each member jurisdiction’s existing and projected jobs and housing relationship is taken into consideration when developing the RHNA allocation. Jobs-to-Household Ratios should also be considered where adding housing in a higher density city with a lower than average Jobs-to-Household Ratio would make the city’s Jobs-to-Household Ratio even worse and would further reduce the developable areas for job producing uses. The data clearly demonstrates that Redondo Beach, in order to reduce overall Vehicles Miles

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

Traveled consistent with SCAG’s pending 2020 RTP/SCS, needs to develop more land uses in support of local professional jobs 2016-2040 that are consistent with the skills of the City’s resident and future populations.

SCAG initially did not even incorporate a Jobs-to-Household Ratio Factor but has since incorporated this critical factor however it is only for the “Existing Needs” portion of the approved Methodology. This factor should also be incorporated into the regions “Projected Need” and consideration for a local jurisdictions existing population and the need to create local jobs that match each jurisdiction’s demographics should be incorporated.

3. RHNA Methodology Does Not Include Relevant “Local Zoning Factors”

A “Local Zoning Factor” Should Be Considered Since Additional Existing Housing Need Allocations Are Included

Redondo Beach has long embraced its responsibility to provide residential development at much higher densities than what the City was originally intended/designed to accommodate. Historically the City was predominately a single family suburban residential community with commercial corridors to support the service and retail needs of surrounding neighborhoods. This is evidenced in the lot size and land use patterns of the City’s zoning map. In review of the City’s zoning map there are numerous examples of lot sizes and lot patterns that appear identical; however, the zoning of these seemingly identical subdivisions is now a mix of R-1 (Single Family Residential) and R-2IR-3 (Multiple Family Residential).

Over prior decades Redondo Beach has converted/up-zoned a majority of its originally planned Single Family residential neighborhoods into Multiple Family zoned and developed neighborhoods. This is unique in our South Bay Cities Council of Governments (SBCCOG) subregion. Many of the surrounding jurisdictions within the SBCCOG subregion have taken a different approach, as evidenced by their current zoning maps that largely preserve much of their Single-Family residential zones/neighborhoods, resulting in a much smaller percentage of their residentially zoned properties having Multiple Family designations and densities.

Below is a table which illustrates the City of Redondo Beach’s balanced approach, via zoning, to the development of diverse housing types over recent decades. Redondo Beach’s current mix of residentially zoned neighborhoods is 65% Multiple Family densities/zoning designations and only 35% Single Family residentially zoned densities.

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

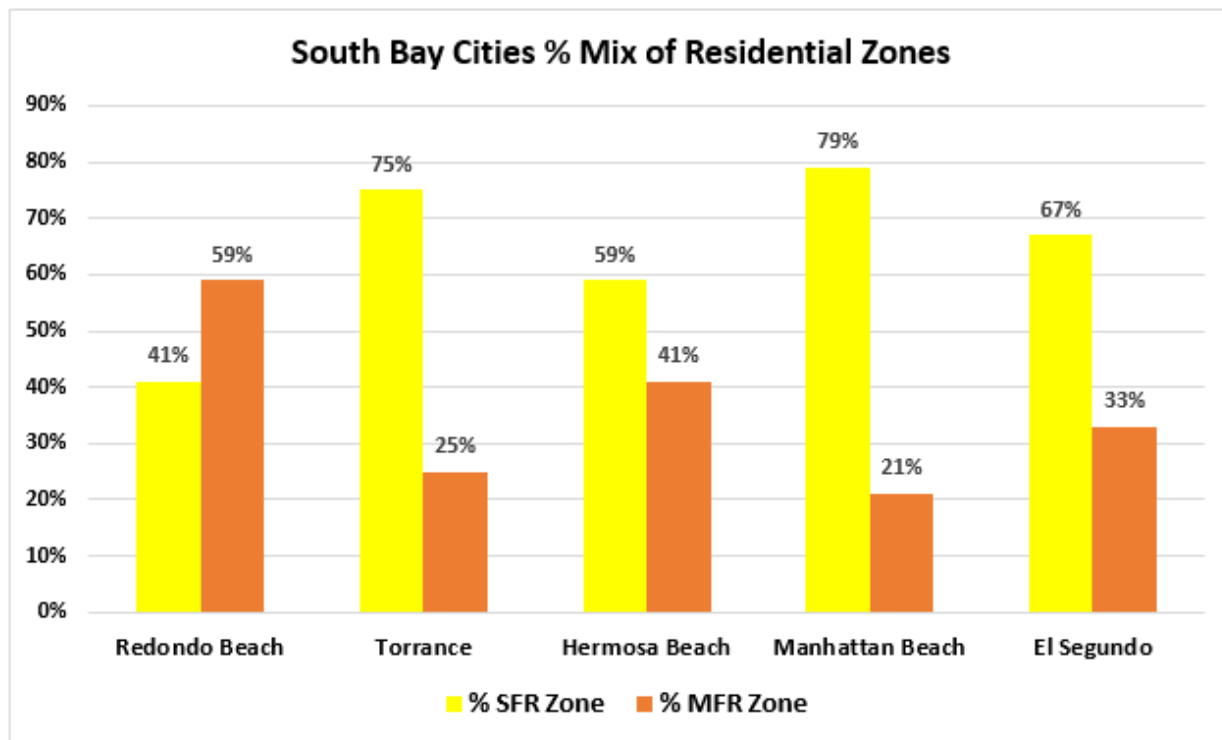
Redondo Beach Mix of Residential Zoning: 65% Multi-family Density - 35% Single-family Density			
Zone	Density	Area (Acres)	Percent
R-1 (Single Family)	8 DU/AC	752.87	35%
R-1A (Small Lot Single Family Zoning with a Multiple Family Density)	16 DU/AC	121.69	6%
R-2 (Multiple Family)	15 DU/AC	472.00	22%
R-3, RMD, RH1-3, R-MHP (Multiple Family)	Up to 28 DU/AC	702.08	33%
MU-1-3, CR (Mixed Use)	Up to 35 DU/AC	101.50	5%
Total		2,150	100%

Below is a table with comparative percentages of Single-Family zones versus Multiple Family zones/densities for Redondo Beach, Torrance, Hermosa Beach, Manhattan Beach, and El Segundo (South Bay Cities), which clearly demonstrates the City of Redondo Beach's responsible approach to meeting existing housing needs over recent decades.

South Bay Cities % Mix of Residential Zones									
Redondo Beach		Torrance		Hermosa Beach		Manhattan Beach		El Segundo	
% SFR* Zone	% MFR* Zone	% SFR Zone	% MFR Zone	% SFR Zone	% MFR Zone	% SFR Zone	% MFR Zone	% SFR Zone	% MFR Zone
35%	65%	75%	25%	59%	41%	79%	21%	67%	33%

*SFR includes R-1

**MFR includes the R-1A zones, in addition to all Multiple Family and Mixed-Use zones, where R-1A zones have small lots with densities comparable to Multiple Family zones.



This particular additional factor is necessary in determining a more equitable allocation of existing need housing units. A jurisdiction's zoning designations and regulations serve as its true litmus of how responsible it has behaved toward the provision of diverse housing types. By considering a factor that measures a jurisdiction's percentage mix of residential zoning densities, a factor can be developed that credits those jurisdictions that have proactively zoned for more housing versus those jurisdictions that have zoned more conservatively.

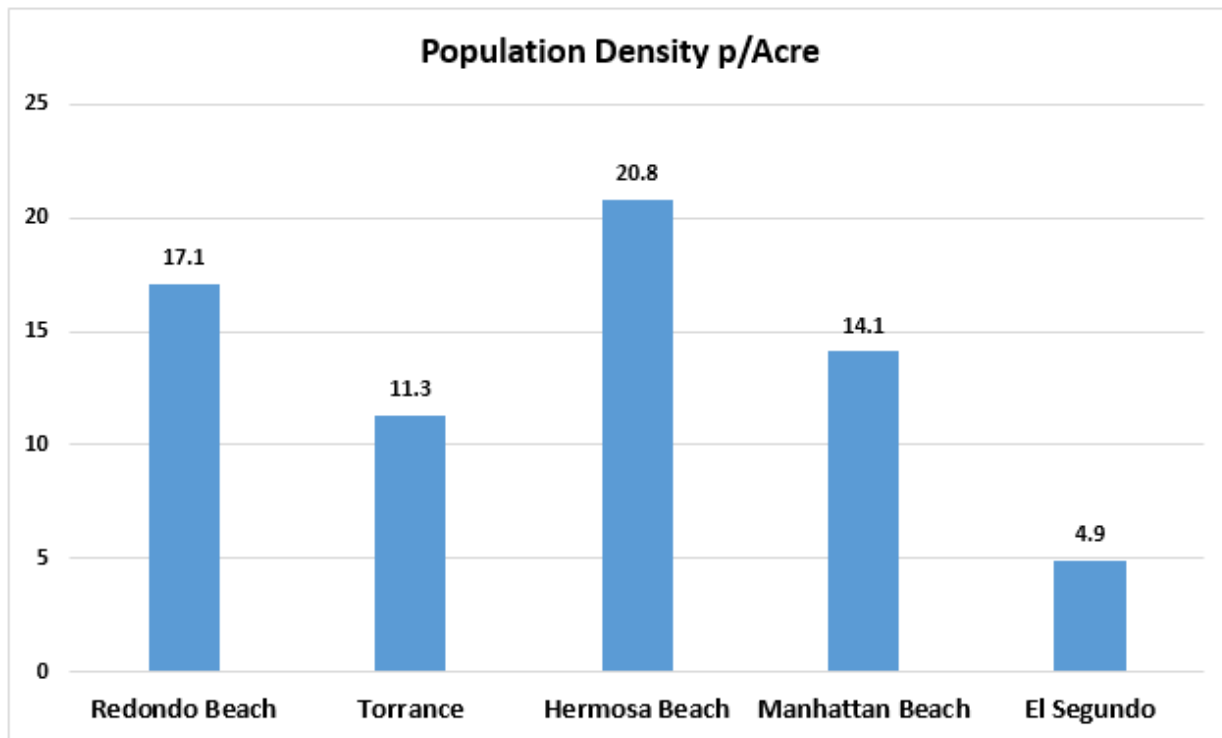
SCAG needs to incorporate basic land planning and zoning principles into the existing housing need methodology to avoid further impacting communities that have already taken responsible steps to provide housing through up-zoning. Allocating the existing need based on a simple pro rata formula without considering existing density would unfairly penalize communities such as Redondo Beach that have accommodated growth responsibly. Certainly, when compared to our surrounding neighbors, this is the case.

4. RHNA Methodology Does Not Include Relevant “Local Density Factor”

Recognize the Existing Density of Local Jurisdictions

Existing population density of local communities should be a consideration with distributing the RHNA. According to SCAG data, the City of Redondo Beach's population density is 17.1 persons per acre, which doubles the regional average of 8.3 persons per acre. Redondo Beach ranks 21st among SCAG's 197 member cities/counties. As a densely populated and built-out community, the City already has higher burdens on its infrastructure, including roads, open space and parks, schools, sewer and drainage facilities, and other services. Without considering a factor for existing density, the jurisdictions with higher population density could be disproportionately impacted. By incorporating of a "density cap" or "density credit" factor, potentially severe impacts and costs associated with overburdened infrastructure and resources could be avoided.

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)



The City of Redondo Beach has an inventory of 156 assisted living units (total number of residents of 250), with up to an additional 360 units being considered by Beach Cities Health District, which would bring the total number to 516 assisted living units. Assisted living contributes to density in a community since it is permanent housing for most who live in this type of facility. This permanent housing does have impacts and burdens on the City's infrastructure, as well. However, assisted living is not accounted for as housing related to RHNA. Adding a density factor could take into consideration these impacts of this permanent housing source.

Some consideration for a jurisdiction's existing population density should be factored to avoid overburdening limited local infrastructure, services, and resources.

5. Correct the RHNA Methodology Technical Appendix/Data - Projected 2045 High-Quality Transit Area (HQTa) Population and Household Income Distribution Social Equity Adjustments

Correct Projected 2045 HQTa Population

SCAG has made some adjustments from 12,357 to 10,630 however the City's population data and growth rate for this area yields a projected population of 8,197.

Correct Household Income Distribution - Social Equity Adjustments

With the City of Redondo Beach's completion of a Midterm Update to its Housing Element (2017), data concerning household income distributions within Redondo Beach was updated. In review of the City's recent household income data against the information in SCAG's table for this factor, some corrections to SCAG'S table are warranted.

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

- Redondo Beach's Very Low Income: 4,646/16.7% (revise from 3,742/13.4%)
- Redondo Beach's Low Income: 2,587/9.3% (revise from 2,381/8.6%)
- Redondo Beach's Moderate Income: 3,311/11.9% (revise from 3,184/11.4%)
- Redondo Beach's Above Moderate Income: 17,276/62.1% (revise from 18,514/66.5%)

The City of Redondo Beach requests that SCAG correct the table entitled "Social Equity Adjustments Existing/150%" to reflect the corrected data provided above.

6. Request to Reconvene the SCAG President’s RHNA Litigation Study Team to Re-Assess State HCD’s RHNA Allocation of 1.34 Million Housing Units to the SCAG Region

At the September 3, 2020 SCAG Regional Council meeting, Council Member Huang (Council Member, City of Yorba Linda) explained that new and recent housing shortage information has been issued by Freddie Mac, which states that the housing shortage for the entire State of California, not just the SCAG region, is 820,000 units, see the attachment entitled, "February 2020 Freddie Mac Insights Report: "The Housing Supply Shortage: State of the States". Additionally, the Embarcadero Institute, a non-profit policy analysis organization, recently released a September 2020 Report entitled, "Double Counting the Latest Housing Needs Assessment" (attached), which questions whether State HCD’s use of an incorrect vacancy rate and double counting has exaggerated the RHNA for the SCAG region, San Diego, the Bay Area and Sacramento area by more than 900,000 units.

The City Staff and Consultant supports the recommendation by the Mayors of 32 Orange County Cities and the City of Beverly Hills and also proposes that the City Council recommend that the SCAG President’s RHNA Litigation Study Team be reconvened to Re-Assess HCD’s RHNA allocation of 1.34 million housing units to the SCAG region. A copy of the letter from the "Orange County Mayors" to the Honorable Rex Richardson, SCAG President making their request is attached.

City Staff and the Consultant agrees with the Orange County Mayors opinion that reads, "Clearly this new and credible data should be explored with the members of the President’s RHNA Litigation Study Team." City Staff and the Consultant propose that the City Council concur with the expectation from the Orange County Mayors that upon SCAG’s examination of the new data, that the President’s RHNA Litigation Study Team could deliberate on options to require State HCD to:

- 1) consider this and other new information from credible agencies;
- 2) justify how its 1.34 million housing unit determination is defensible in light of the new information and should be fittingly revised; and,
- 3) justify how its 1.34 million housing unit determination is consistent with State Statute provisions.

Finally, if the SCAG President’s RHNA Litigation Study Team is reconvened, City Staff and the Consultant propose that the City of Redondo Beach also strongly urge SCAG to revisit the critical issue that the State HCD did not follow housing statute, when it determined SCAG’s 1.34 million housing units need. City Staff and the Consultant also recommends that the City of Redondo Beach also object in concurrence with the Mayors of Orange County that State HCD has chosen to not adhere to the provisions of the Government Code, and the City of Redondo Beach concurs with the document entitled, "Orange County Technical Analysis: State Government Code Requirements to Calculate Regional Housing Need", which provides a detailed, technical assessment of such noncompliance and is attached to this Administrative Report.

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

COORDINATION

The Community Development Department collaborated with Veronica Tam and Associates, Inc. and City Manager’s Office to prepare this report.

FISCAL IMPACT

The cost associated with the ongoing monitoring and appeal of the RHNA is included in the current contract for this service with Veronica Tam & Associates, Inc. in the amount of \$10,000 that was approved by the City Council on March 17, 2020.

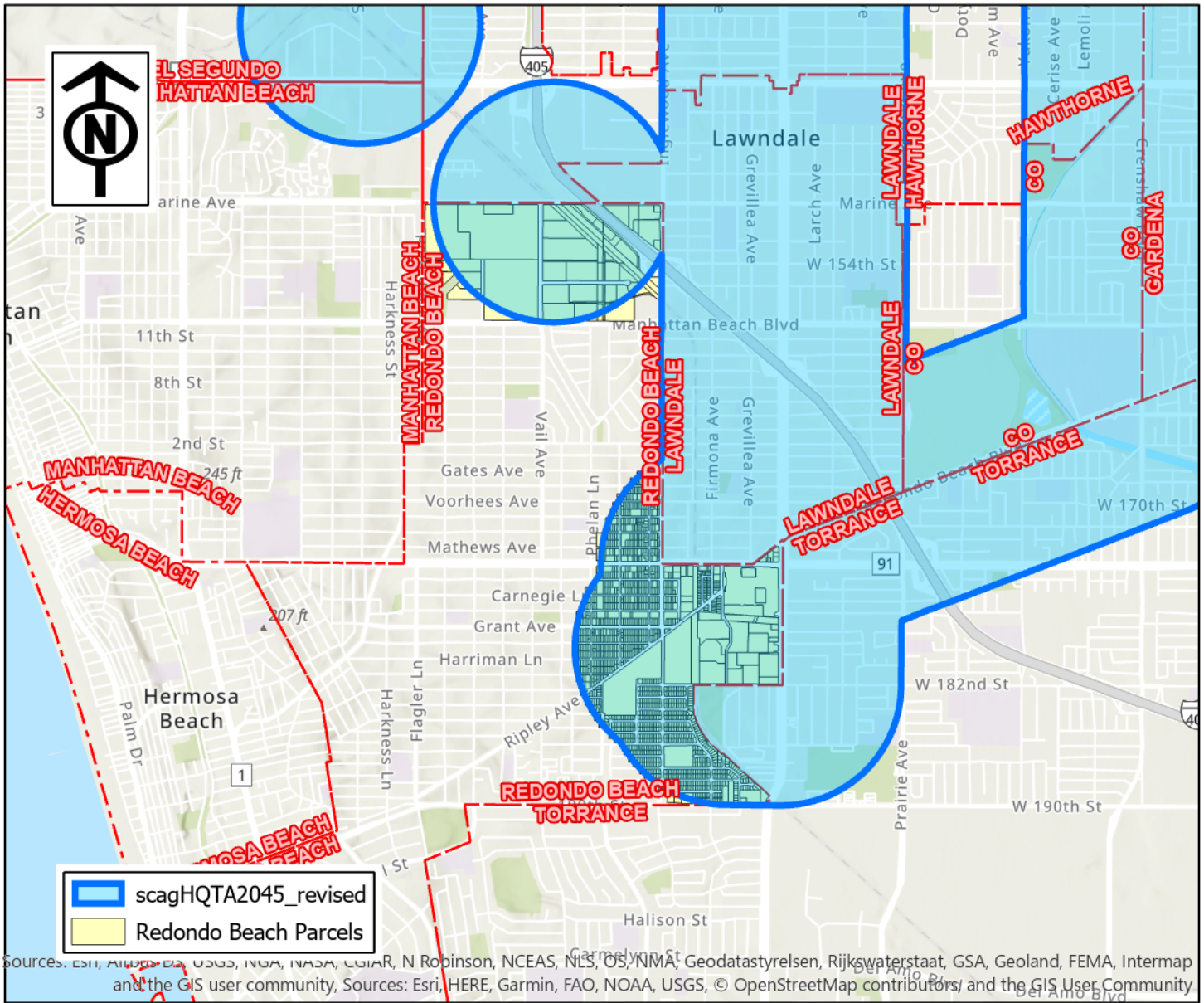
APPROVED BY:

Joe Hoefgen, City Manager

ATTACHMENTS

- Letter from SCAG dated September 4, 2020 - 6th Cycle Draft RHNA for City of Redondo Beach
- Letter to SCAG date August 22, 2019 - 6th Cycle Proposed Edits-Corrections to RHNA Methodology and Redondo Beach Data
- SCAG’s Final RHNA Methodology
- Redondo Beach Projected 2045 HQTAs Population
- 6th Cycle RHNA Appeal Request Form
- 6th RHNA Cycle Appeals Procedures
- February 2020 Freddie Mac Insights Report-The Housing Supply Shortage State of the States
- Orange County Letter-Technical Report
- Embarcadero Institute-Double Counting the Latest Housing Needs Assessment

SCAG High Quality Transit Area 2045 City of Redondo Beach



Land Use Code	Number of Parcels	Dwelling Units 2019	Dwelling Units 2045
Single Family Residential	744	743	
2-3 Unit Residential	355	899	
4 or More Unit Residential	169	1372	
Commercial	80	1	
Industrial	38	0	
Institutional	6	2	
Mixed Use Residential/Commercial	2	3	
Parks and Open Space	5	0	
Utility	14	0	
Utility and Open Space	15	0	
Vacant	12	0	
Galleria Development		300	
Σ	1440	3320	3503
	Redondo Beach Data	SCAG Data	SCAG ERROR
Population 2045	8197.02	12357	4159.98
Acres	696.73	837.95	141.22

*Population calculation = Sum of Dwelling Units x Population/Dwelling Unit
2.34 Population/Dwelling Unit as per City of Redondo Beach Housing Element 2017.
Projected annual household growth rate City of Redondo Beach is 0.22%

Data Input and Verification Form
Bottom-Up Local Input and Envisioning Process
2020 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

Date: September 18, 2018

Page 1

A - Contact & Background Information

This Represents Communication: From the Jurisdiction of Redondo Beach to SCAG

<p>Jurisdiction Contact Person: <u>Aaron Jones</u></p> <p>Position: <u>Community Development Director</u></p> <p>Email: <u>Aaron.Jones@redondo.org</u></p> <p>Phone: <u>310-318-0637 X2200</u></p>	<p>Background Information:</p> <p><input checked="" type="checkbox"/> I am my Jurisdiction's City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (submitting on behalf of a jurisdiction's governing body)</p> <p><input type="checkbox"/> I am a staff person from a local jurisdiction, submitting input under supervision of one of the persons identified above (see appropriate signature below)</p>
<p>Additional Background, if any, based upon Previous Communications: <u>The City of Redondo Beach's Planning Manager, Sean Scully, the City's Housing Consultant, Veronica Tam, and the City's GIS Department, Ryan Tucker, have coordinated regular communications during this initial phase.</u></p>	

B - Action Items

We are seeking to (select all that apply):

Submit to SCAG:

Provide Input on SCAG's Core Geographic Data Other, please specify _____

Provide Input on SCAG's Core Demographic Data _____

Provide Input on Supplemental Data Elements _____

C - Data Type

With Relation to SCAG s:

<p>Core Geographic Data:</p> <p><input checked="" type="checkbox"/> General Plan Land Use</p> <p><input checked="" type="checkbox"/> Zoning</p> <p><input checked="" type="checkbox"/> Existing Land Use</p> <p>Specific Plan Land Use</p> <p><input type="checkbox"/> Endangered Species and Plants*</p> <p><input checked="" type="checkbox"/> Open Space and Parks*</p> <p><input type="checkbox"/> Flood Areas*</p> <p><input type="checkbox"/> Natural Community and Habitat Conservation Plans* Farmland*</p> <p><input type="checkbox"/> Coastal Inundation (Sea Level Rise)*</p> <p><input type="checkbox"/> Major Stops and High Quality Transit Corridors* Transit Priority Areas*</p> <p><input checked="" type="checkbox"/> Regional Bikeways</p> <p><input checked="" type="checkbox"/> Regional Truck Routes</p> <p><input checked="" type="checkbox"/> City Boundary*</p> <p>Sphere of Influence*</p> <p>Census Tracts**</p> <p>Transportation Analysis Zone (TAZ) Boundaries**</p> <p>Entitlements</p> <p><input checked="" type="checkbox"/> Potential Infill Sites</p>	<p>Core Demographic Data:</p> <p><input checked="" type="checkbox"/> Population</p> <p><input checked="" type="checkbox"/> Households</p> <p><input type="checkbox"/> Employment</p> <p>Year:</p> <p><input checked="" type="checkbox"/> 2016</p> <p><input checked="" type="checkbox"/> 2020</p> <p><input checked="" type="checkbox"/> 2030 (Input needed at jurisdictional level only)</p> <p><input checked="" type="checkbox"/> 2035</p> <p><input checked="" type="checkbox"/> 2045</p> <p>Geographic Level:</p> <p><input checked="" type="checkbox"/> Jurisdictional Level</p> <p><input checked="" type="checkbox"/> Transportation Analysis Zone (TAZ)</p> <p><input type="checkbox"/> Other Geographic Level (Please Specify): _____</p>																		
<p>Supplemental Data Elements (available for review June 2018):</p> <table style="width:100%"> <tr> <td><input type="checkbox"/> Zoning Overlay Areas</td> <td><input type="checkbox"/> Corridor Plans</td> </tr> <tr> <td><input type="checkbox"/> Community Design Overlays</td> <td><input type="checkbox"/> Special Districts</td> </tr> <tr> <td><input type="checkbox"/> Community Land Trusts</td> <td><input type="checkbox"/> Bike/Ped Volume Data***</td> </tr> <tr> <td><input checked="" type="checkbox"/> Historic Preservation Areas</td> <td><input type="checkbox"/> Ped Trails/Sidewalk Data***</td> </tr> <tr> <td><input type="checkbox"/> Bike Sharing Facilities</td> <td><input type="checkbox"/> Public Health Data***</td> </tr> <tr> <td><input type="checkbox"/> Bike Stations</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Car-Sharing Parking Sites</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Joint Public/Private Developments for Affordable Housing</td> <td></td> </tr> <tr> <td><input type="checkbox"/> Areas with Reduced Parking Minimums and Maximums</td> <td></td> </tr> </table>		<input type="checkbox"/> Zoning Overlay Areas	<input type="checkbox"/> Corridor Plans	<input type="checkbox"/> Community Design Overlays	<input type="checkbox"/> Special Districts	<input type="checkbox"/> Community Land Trusts	<input type="checkbox"/> Bike/Ped Volume Data***	<input checked="" type="checkbox"/> Historic Preservation Areas	<input type="checkbox"/> Ped Trails/Sidewalk Data***	<input type="checkbox"/> Bike Sharing Facilities	<input type="checkbox"/> Public Health Data***	<input type="checkbox"/> Bike Stations		<input type="checkbox"/> Car-Sharing Parking Sites		<input type="checkbox"/> Joint Public/Private Developments for Affordable Housing		<input type="checkbox"/> Areas with Reduced Parking Minimums and Maximums	
<input type="checkbox"/> Zoning Overlay Areas	<input type="checkbox"/> Corridor Plans																		
<input type="checkbox"/> Community Design Overlays	<input type="checkbox"/> Special Districts																		
<input type="checkbox"/> Community Land Trusts	<input type="checkbox"/> Bike/Ped Volume Data***																		
<input checked="" type="checkbox"/> Historic Preservation Areas	<input type="checkbox"/> Ped Trails/Sidewalk Data***																		
<input type="checkbox"/> Bike Sharing Facilities	<input type="checkbox"/> Public Health Data***																		
<input type="checkbox"/> Bike Stations																			
<input type="checkbox"/> Car-Sharing Parking Sites																			
<input type="checkbox"/> Joint Public/Private Developments for Affordable Housing																			
<input type="checkbox"/> Areas with Reduced Parking Minimums and Maximums																			

* These data elements are maintained by local, state, or federal entities, and SCAG will forward input received from jurisdictions to the appropriate source

** These data elements are being provided as reference information as they are not open to revision (TAZ Boundaries and Census Tracts)

*** For these elements, SCAG is looking to obtain any available data; local review not needed

Attachment: Data Input and Verification Form (City of Redondo Beach) (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

Input on SCAG's Core Geographic Data (select all that apply):

- We have reviewed the selected Core Geographic Data and verify their accuracy
- We cannot verify the accuracy of certain data items at this time and would like to suggest the revisions described above

X 
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body))

Input on SCAG's Core Demographic Data (select all that apply):

We have reviewed SCAG's Jurisdictional Level Demographic Data and can provide official approval
 We have reviewed SCAG's Tier 2 TAZ Demographic Data and can provide official approval

- We cannot provide official approval at this time, and would like to suggest revisions to the jurisdictional-level figures listed below with the following considerations (please select a reason and provide comments below. Optionally, documentation can also be submitted to SCAG)

- Infrastructure Capacity (e.g. sewer or water capacity)
- Available Land Capacity
- Special Housing Needs (e.g. farmworkers, student dormitories, etc.)
- Market Conditions (e.g. high number of residential vacancies)
- Historical Trends (e.g. Census and/or historical data)
- Economic Constraints (e.g. retail center closure)
- Other Factors (please specify)**** See attached documents in support of input.

	2016	2020	2030	2035	2045
Population	69,218	68,819	70,333	71,108	72,873
Households	28,153	29,410	30,057	30,388	31,057
Employment					

- We cannot provide official approval at this time, and would like to suggest revisions to the TAZ-level figures with the following considerations (please submit TAZ-level figures as an attachment to this form, select a reason, and provide comments below. Optionally, documentation can also be submitted to SCAG)

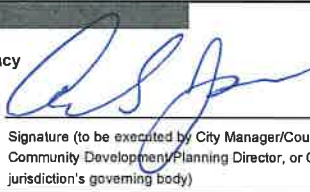
- Infrastructure Capacity (e.g. sewer or water capacity)
- Available Land Capacity
- Special Housing Needs (e.g. farmworkers, student dormitories)
- Market Conditions (e.g. high number of residential vacancies)
- Historical Trends (e.g. Census and/or historical data)
- Economic Constraints (e.g. retail center closure)
- Other Factors (please specify)**** See attached documents in support of input.

X 
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body))

**** Per State housing law, jurisdictions cannot use any ordinance, policy, voter-approved measure, or standard to justify a determination or reduction in share of regional housing need

Input on SCAG's Supplemental Data Elements (select all that apply):

- We have reviewed the selected Supplemental Data Elements and verify their accuracy
- We cannot verify the accuracy of the data at this time and would like to suggest the revisions described above
- We would like to submit supplemental data items for SCAG's database

X 
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body))

Comments (if applicable):


See attached City of Redondo Beach Administrative Report to the Mayor and City Council dated September 18, 2018 entitled

"UPDATE ON SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG'S) "BOTTOM-UP LOCAL INPUT AND ENVISIONING PROCESS" TO INFORM THE 2020 RTP/SCS AND 2021-2029 RHNA"

Attached to the "Administrative Report" are multiple documents, data sets, and maps, that together constitute the City of Redondo Beach's initial "Local Input" to SCAG. The City has carefully examined SCAG's proposed household and population growth rate and potential infill data and maps and identified significant errors in each. SCAG's proposed household and population growth rates are twice the City's actual household and population growth rate as demonstrated by residential permits issued over the past 17 years. With respect to SCAG's proposed "Potential Infill" data sets and maps, numerous parcels are identified as "vacant" that are not. It also identifies a significant number of parcels that are zoned and developed with industrial and commercial uses/businesses that are critically important to supporting local jobs and commercial goods and services. The City is providing a corrected "Potential Infill" map and data sets based on actual remaining General Plan capacity and preserving the City's important job centers and local serving commercial areas. It's critically important to recognize that although there remains some very limited potential residential capacity, the City's actual number of existing housing units exceeds the City's current General Plan capacity by over 4,000 residential units. Additionally, the City is currently updating its General Plan and as the General Plan update process continues, three (3) existing land use issues are emerging as major themes and constraints to any future residential growth that require attention as a priority in order for the City to preserve and improve upon its stated goal of maintaining and improving the existing high quality of life: 1. Existing parks and open space deficiencies. Currently the City of Redondo Beach's parks area per population ratio is approximately 2.27 acres per 1,000 residents. Three (3) acres of parks per 1,000 population is considered a minimum acceptable standard. Surrounding adjacent communities have over 5 acres of parkland per 1000 population. 2. Existing traffic impacts at many intersections along the City's primary corridors exceed LOS F during AM and PM peak hours causing negative impacts to surrounding residential neighborhoods. 3. The City of Redondo Beach has one of the lowest "Jobs to Household" ratio of the greater South Bay region. Currently the City of Redondo Beach's "Jobs to Household" ratio is approximately 0.83 and by 2040 it is projected to be 0.90 (SCAG 2016 RTP; City's "Demographic and Economic Trends Analysis" (June 2017). All three (3) of the issues noted above have risen to the top of the City's General Plan update priority list and must be addressed in order to maintain and improve the overall quality of life for residents of the City of Redondo Beach. The City's very low average annual growth rate of 0.22 %, the existing overbuilt residential conditions with only limited opportunities for new residential development, along with the emerging issues from the City's ongoing General Plan update that include: Shortage of parks and open spaces; A LOS of "F" and numerous intersections citywide, and a significant "Jobs to Household" imbalance should result in the City being assigned a significantly reduced RHNA.

Input was Submitted to SCAG via (select all that apply):

- SCAG's Scenario Planning Model - Data Management Site
- Email to SCAG's RTPLocalInput@scag.ca.gov
- In person communication with SCAG staff
- Hard copies that have been mailed to SCAG's offices
- Other, please specify _____

X 
 Signature (to be executed by City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (on behalf of a jurisdiction's governing body))

D - Description of Action Items

E - Method of Submission

Attachment: Data Input and Verification Form (City of Redondo Beach) (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



October 15, 2019

Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise,

RE: Final Regional Housing Need Assessment

The California Department of Housing and Community Development (HCD) has received and reviewed your objection to the Southern California Association of Governments (SCAG)'s Regional Housing Needs Assessment (RHNA) provided on August 22, 2019. Pursuant to Government Code (Gov. Code) section 65584.01(c)(3), HCD is reporting the results of its review and consideration, along with a final written determination of SCAG's RHNA and explanation of methodology and inputs.

As a reminder, there are several reasons for the increase in SCAG's 6th cycle Regional Housing Needs Assessment (RHNA) as compared to the 5th cycle. First, as allowed under Gov. Code 65584.01(b)(2), the 6th cycle RHNA applied housing need adjustment factors to the region's total projected households, thus capturing existing and projected need. Second, overcrowding and cost burden adjustments were added by statute between 5th and 6th cycle; increasing RHNA in regions where incidents of these housing need indicators were especially high. SCAG's overcrowding rate is 10.11%, 6.76% higher than the national average. SCAG's cost burden rate is 69.88% for lower income households, and 18.65% for higher income households, 10.88% and 8.70% higher than the national average respectively. Third, the 5th cycle RHNA for the SCAG region was impacted by the recession and was significantly lower than SCAG's 4th cycle RHNA.

This RHNA methodology establishes the minimum number of homes needed to house the region's anticipated growth and brings these housing need indicators more in line with other communities, but does not solve for these housing needs. Further, RHNA is ultimately a requirement that the region zone sufficiently in order for these homes to have the potential to be built, but it is not a requirement or guarantee that these homes will be built. In this sense, the RHNA assigned by HCD is already a product of moderation and compromise; a minimum, not a maximum amount of planning needed for the SCAG region.

For these reasons HCD has not altered its RHNA approach based on SCAG's objection. However, the cost burden data input has been updated following SCAG's objection due to the availability of more recent data. Attachment 1 displays the minimum RHNA of **1,341,827** total homes among four income categories for SCAG to distribute among its local governments. Attachment 2 explains the methodology applied pursuant to Gov. Code section 65584.01.

The following briefly responds to each of the points raised in SCAG's objection:

Use of SCAG's Population Forecast

SCAG's overall population estimates for the end of the projection period exceed Department of Finance's (DOF) population projections by 1.32%, however the SCAG household projection derived from this population forecast is 1.96% lower than DOF's household projection. This is a result of SCAG's population forecast containing 3,812,391 under 15-year old persons, compared to DOF's population projection containing 3,292,955 under 15-year old persons; 519,436 more persons within the SCAG forecast that are anticipated to form no households. In this one age category, DOF's projections differ from SCAG's forecast by 15.8%.

Due to a greater than 1.5% difference in the population forecast assessment of under 15-year olds (15.8%), and the resulting difference in projected households (1.96%), HCD maintains the use of the DOF projection in the final RHNA.

Use of Comparable Regions

While the statute allows for the council of government to determine and provide the comparable regions to be used for benchmarking against overcrowding and cost burden, Gov. Code 65584.01(b)(2) also allows HCD to "accept or reject information provided by the council of governments or modify its own assumptions or methodology based on this information." Ultimately, HCD did not find the proposed comparable regions an effective benchmark to compare SCAG's overcrowding and cost burden metrics to. HCD used the national average as the comparison benchmark, which had been used previously throughout 6th cycle prior to the addition of comparable region language into the statute starting in January 2019. As the housing crisis is experienced nationally, even the national average does not express an ideal overcrowding or cost burden rate; we can do more to reduce and eliminate these worst-case housing needs.

Vacancy Rate

No changes have been made to the vacancy rate standard used by HCD for the 6th cycle RHNA methodology.

Replacement Need

No changes have been made to the replacement need minimum of adjustment .5%. This accounts for replacement homes needed to account for homes potentially lost during the projection period.

Household Growth Anticipated on Tribal Lands

No changes have been made to reduce the number of households planned in the SCAG region by the amount of household growth expected on tribal lands. The region should plan for these homes outside of tribal lands.

Overlap between Overcrowding and Cost Burden

No changes have been made to overcrowding and cost burden methodology. Both factors are allowed statutorily, and both are applied conservatively in the current methodology.

Data Sources

No changes have been made to the data sources used in the methodology. 5-year American Community Survey data allows for lower margin of error rates and is the preferred data source used throughout this cycle. With regard to cost burden rates, HCD continues to use the Comprehensive Housing Affordability Strategy, known as CHAS data. These are custom tabulations of American Community Survey requested by the U.S. Department of Housing and Urban Development. These custom tabulations display cost burden by income categories, such as lower income, households at or below 80% area median income; rather than a specific income, such as \$50,000. The definition of lower income shifts by region and CHAS data accommodates for that shift. The 2013-2016 CHAS data became available August 9, 2019, shortly prior to the issuance of SCAG's RHNA determination so that data is now used in this RHNA.

Next Steps

As you know, SCAG is responsible for adopting a RHNA allocation methodology for the *projection* period beginning June 30, 2021 and ending October 15, 2029. Pursuant to Gov. Code section 65584(d), SCAG's RHNA allocation methodology must further the following objectives:

- (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.

Pursuant to Gov. Code section 65584.04(e), to the extent data is available, SCAG shall include the factors listed in Gov. Code section 65584.04(e)(1-12) to develop its RHNA allocation methodology. Pursuant to Gov. Code section 65584.04(f), SCAG must explain in writing how each of these factors was incorporated into the RHNA allocation methodology and how the methodology furthers the statutory objectives described above. Pursuant to Gov. Code section 65584.04(h), SCAG must consult with HCD and submit its draft allocation methodology to HCD for review.

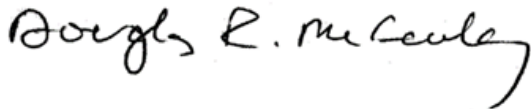
HCD appreciates the active role of SCAG staff in providing data and input throughout the consultation period. HCD especially thanks Ping Chang, Ma'Ayn Johnson, Kevin Kane, and Sarah Jepson.

HCD looks forward to its continued partnership with SCAG to assist SCAG's member jurisdictions meet and exceed the planning and production of the region's housing need. Just a few of the support opportunities available for the SCAG region this cycle include:

- SB 2 Planning Grants and Technical Assistance (application deadline November 30, 2019)
- Regional and Local Early Action Planning Grants
- Permanent Local Housing Allocation

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Assistant Deputy Director for Fair Housing, at megan.kirkeby@hcd.ca.gov.

Sincerely,



Douglas R. McCauley
Acting Director

Enclosures

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION

SCAG: June 30, 2021 – October 15, 2029 (8.3 years)

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	26.2%	351,796
Low	15.4%	206,807
Moderate	16.7%	223,957
Above-Moderate	41.7%	559,267
Total	100.0%	1,341,827
* Extremely-Low	14.5%	Included in Very-Low Category

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et.seq.). Percents are derived based on ACS reported household income brackets and regional median income, then adjusted based on the percent of cost-burdened households in the region compared with the percent of cost burdened households nationally.

ATTACHMENT 2

**HCD REGIONAL HOUSING NEED DETERMINATION
SCAG: June 30, 2021 – October 15, 2029 (8.3 years)**

Methodology

SCAG: June 30, 2021-October 15, 2029 (8.3 Years) HCD Determined Population, Households, & Housing Need				
1.	Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029			20,455,355
2.	<i>- Group Quarters Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029</i>			-363,635
3.	Household (HH) Population: October 15, 2029			20,079,930
	Household Formation Groups	HCD Adjusted DOF Projected HH Population	DOF HH Formation Rates	HCD Adjusted DOF Projected Households
		20,079,930		6,801,760
	under 15 years	3,292,955	n/a	n/a
	15 – 24 years	2,735,490	6.45%	176,500
	25 – 34 years	2,526,620	32.54%	822,045
	35 – 44 years	2,460,805	44.23%	1,088,305
	45 – 54 years	2,502,190	47.16%	1,180,075
	55 – 64 years	2,399,180	50.82%	1,219,180
	65 – 74 years	2,238,605	52.54%	1,176,130
	75 – 84 years	1,379,335	57.96%	799,455
	85+	544,750	62.43%	340,070
4.	Projected Households (Occupied Unit Stock)			6,801,760
5.	+ Vacancy Adjustment (2.63%)			178,896
6.	+ Overcrowding Adjustment (6.76%)			459,917
7.	+ Replacement Adjustment (.50%)			34,010
8.	<i>- Occupied Units (HHs) estimated (June 30, 2021)</i>			-6,250,261
9.	+ Cost Burden Adjustment (Lower Income: 10.63%, Moderate and Above Moderate Income: 9.28%)			117,505
6th Cycle Regional Housing Need Assessment (RHNA)				1,341,827

Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Government Code Section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment based on the difference between a standard 5% vacancy rate and the region's current "for rent and sale" vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% and region's current vacancy rate (2.37%) based on the 2013-2017 5-year American Community Survey (ACS) data. For SCAG that difference is 2.63%.
6. Overcrowding Adjustment: In region's where overcrowding is greater than the U.S overcrowding rate of 3.35%, HCD applies an adjustment based on the amount the region's overcrowding rate (10.11%) exceeds the U.S. overcrowding rate (3.35%) based on the 2013-2017 5-year ACS data. For SCAG that difference is 6.76%.

Continued on next page

7. Replacement Adjustment: HCD applies a replacement adjustment between .5% & 5% to total housing stock based on the current 10-year average of demolitions in the region's local

government annual reports to Department of Finance (DOF). For SCAG, the 10-year average is .14%, and SCAG's consultation package provided additional data on this input indicating it may be closer to .41%; in either data source the estimate is below the minimum replacement adjustment so the minimum adjustment factor of .5% is applied.

8. Occupied Units: Reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2021).
9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the nation. The very-low and low income RHNA is increased by the percent difference ($69.88\% - 59.01\% = 10.88\%$) between the region and the national average cost burden rate for households earning 80% of area median income and below, then this difference is applied to very low- and low-income RHNA proportionate to the share of the population these groups currently represent. The moderate and above-moderate income RHNA is increased by the percent difference ($18.65\% - 9.94\% = 8.70\%$) between the region and the national average cost burden rate for households earning above 80% Area Median Income, then this difference is applied to moderate and above moderate income RHNA proportionate to the share of the population these groups currently represent. Data is from 2013-2016 Comprehensive Housing Affordability Strategy (CHAS).

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Ave
Sacramento, CA 95833-1829
916) 263-2911 FAX: (916) 263-7453
www.hcd.ca.gov



December 10, 2020

Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise:

RE: Comment on Appeals of the Draft Regional Housing Need Allocation (RHNA) Plan

Thank you for the opportunity to comment on the 52 appeals Southern California Association of Governments (SCAG) has received regarding the draft RHNA plan. The appeal process is an important phase in the development of a RHNA plan that ensures that all relevant factors and circumstances are considered.

The only circumstances under which a jurisdiction can appeal are:

- 65584.05(b)(1): The council of governments failed to adequately consider the information regarding the factors listed in subdivision (e) of section 65584.04.
- 65584.05(b)(2): The council of governments failed to determine the share of the regional housing need in a manner that furthers the intent of the objectives listed in subdivision (d) of section 65584.
- 65584.05(b)(3): A significant unforeseen change in circumstances occurred in the local jurisdiction that merits a revision of the information submitted pursuant to subdivision (e) of Section 65584.04.

The California Department of Housing and Community Development (HCD) urges SCAG to only consider appeals that meet these criteria.

Per Government Code section 65584.05(e)(1), SCAG's final determination on whether to accept, reject, or modify any appeal must be accompanied by written findings, including how the final determination is based upon the adopted RHNA allocation methodology, and how any revisions are necessary to further the statutory objectives of RHNA described in Government Code section 65584(d).

Among the appeals based on Government Code section 65584.05(b)(1), several appeals state that SCAG failed to consider the factor described in Government Code section 65584.04(e)(2)(B), citing the lack of land suitable for development as a basis for the appeal. However, this section states the council of governments may not limit its consideration of suitable housing sites to existing zoning and land use restrictions and must consider the potential for increased development under alternative zoning and

land use restrictions. Any comparable data or documentation supporting this appeal should contain an analysis of not only land suitable for urban development, but land for conversion to residential use, the availability of underutilized land, and opportunity for infill development and increased residential densities. In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.

With regard to appeals submitted related to Government Code section 65584.05(b)(2), that SCAG failed to determine the RHNA in a manner that furthers the statutory objectives, it should be noted that HCD reviewed SCAG's draft allocation methodology and found that the draft RHNA allocation methodology furthered the statutory objectives described in Government Code section 65584.

Among the appeals based on Government Code section 65584.05(b)(2), several contend that the cap on units allocated to extremely disadvantaged communities (DACs) does not further RHNA's statutory objectives. This cap furthers the statutory objective to affirmatively further fair housing by allocating more units to high opportunity areas and fewer units to low resource communities, and concentrated areas of poverty with high levels of segregation. Due to the inclusion of this factor, as well as the use of TCAC/HCD Opportunity Maps, SCAG's methodology allocates 14 of the top 15 highest shares of lower-income RHNA to jurisdictions with over 99.95 percent High and Highest Resource areas. With the exceptions of two jurisdictions, the 31 jurisdictions with the highest share of lower-income RHNA are all over 95 percent High and Highest Resource areas. Any weakening of these inputs to the methodology could risk not fulfilling the statutory objective to affirmatively further fair housing.

Several appeals argue that SCAG's RHNA allocation methodology does not adequately promote access to jobs and transit, as required in objectives two and three. HCD's review of SCAG's RHNA methodology found the allocation does further the environmental principles of objective two. SCAG's overall allocation includes significant weight related to the location of high-quality transit areas and the regional distribution of jobs that can be accessed within a 30-minute driving commutes. Regarding objective three, HCD's analysis as to whether jobs-housing fit was furthered by SCAG's draft methodology found that across all jurisdictions there is generally good alignment between low-wage jobs and lower-income RHNA, with all but 15 jurisdictions within a half percent plus or minus difference between their share of lower-income RHNA for the region and their percentage low-wage jobs for the region.

Several appeals are based upon the provision described in Government Code section 65584.05(b)(3), arguing that the COVID-19 pandemic represents a significant and unforeseen change in circumstances that will affect future population and job growth. Ensuring everyone has a home is critical to public health. Reducing and preventing overcrowding and homelessness are essential concerns for every community. The COVID-19 pandemic has only increased the importance that each community is planning for sufficient affordable housing.

Lastly, several appeals state that the Regional Housing Needs Determination (RHND) HCD provided to the SCAG region is too large. SCAG submitted an objection to the RHND at the appropriate time and through the appropriate process. HCD considered those objections and [determined the final RHND for 6th Housing Element Cycle for the SCAG region on October 15, 2019](#). There are no further appeal procedures available to alter the SCAG region's RHND for this cycle. Government Code section 65584.05(b) does not allow local governments to appeal the RHND during the 45-day period following receipt of the draft allocation.

HCD acknowledges that many local governments will need to plan for more housing than in the prior cycle to accommodate a RHND that more fully captures the housing need and as the statutory objectives of RHNA shift more housing planning near jobs, transit, and resources. The Southern California region's housing crisis requires each jurisdiction to plan for the housing needs of their community and the region. In recognition of this effort there are more resources available than ever before to support jurisdictions as they prepare to update their 6th cycle housing elements:

- SB 2 Planning Grants – \$123 million one-time allocation to cities and counties
- SB 2 Planning Grants Technical Assistance offered to all jurisdictions
- Regional and Local Early Action Planning Grants – \$238 million one-time allocation for local and regional governments
- SB 2 Permanent Local Housing Allocation – approximately \$175 million annually in ongoing funding for local governments to increase affordable housing stock

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Deputy Director, megan.kirkeby@hcd.ca.gov.



Megan Kirkeby
Deputy Director



City of Whittier

13230 Penn Street, Whittier, California 90602-1716
(562) 567-9320 Fax (562) 567-2872 www.cityofwhittier.org

Electronically Transmitted to: Housing@scag.ca.gov

December 10, 2020

RHNA Appeals Committee
Southern California Association of Governments
900 Wilshire Blvd, Suite 1700
Los Angeles, CA 90017

SUBJECT: City of Whittier's Comments on Appeals to the Sixth Cycle Regional Housing Needs Assessment (RHNA) Allocation

Honorable Chair and Honorable Committee Members:

The City of Whittier ("City") appreciates the challenges that are inherent in allocating 1,341,827 housing units by the thousands (a 226% increase above the baseline 412,137 unit) to cities across Southern California, especially in built-out cities. However, the City is deeply concerned its housing allocation of 3,431 units from the State Department of Housing and Community Development ("HCD") and the Southern California Association of Government's ("SCAG") unit distribution methodology, along with recent housing legislation will fundamentally abridge the City's ability to develop effective land-use policies that are appropriate for managing the community's actual needs. The 878 units in the 5th cycle RHNA allocation has been increased by 290% to 3,431 units in the current 6th cycle. Particularly challenging in the 6th cycle, is the number of low and very low-income units (1,558) which combined with the moderate and above moderate unit totals forces unplanned and unnecessary residential densification of the community.

The affordable units are an unfunded mandate with very limited regional or State financial support for their development. Considering the affordable housing subsidies typically range from \$50,000 to \$250,000 per unit, the overall funding requirements could range from \$78,000,000 to \$390,000,000 which is clearly beyond the reach of the City of Whittier in that the City's general fund budget is just \$72,000,000 which already include \$2,000,000 annually to house the City's unsheltered residents in transitional housing. Additionally, the City only receives 7.5% of each property tax dollar to provide general services including police and library services.

The City is currently in the process of updating its Housing Element as well as the General Plan to incorporate the current RHNA allocation, so Whittier is acutely aware of the various housing needs as well as the potential obstacles, such as aging infrastructure and unplanned density, to creating the requisite housing within a city that

is essentially built out. The changes in the State's housing laws (SB 35, SB 166 and AB 1397) have created additional constraints for the agencies and may severely impact the City's ability to accomplish our regional and local housing goals.

Since development in Whittier began more than 130 years ago, the City is virtually built-out with little developable vacant land outside of its designated open space areas that are dedicated to accommodating existing and future residents. While the City has made significant efforts through its specific plans to densify existing corridors and districts, the majority of Whittier's remaining single-family residential neighborhoods cannot accommodate similar densification. Furthermore, the hills north of Whittier contain regional open space, sensitive habitat and wildlife areas that must be preserved in perpetuity. There are also significant infrastructure and water service constraints that impact Whittier's ability to produce significantly more housing. Although these facts may not be desirable, they must be pragmatically accounted for and mitigated by not further increasing Whittier's share of housing units contained in SCAG's 6th Cycle RHNA. The final RHNA allocation and methodology must be fair and equitable while reflecting the capacity for reasonable housing unit construction.

As with many other cities, the City is concerned about the current allocation, but an even greater concern is that additional units may be applied to the City if reallocated from cities that are successful in their appeals. To that end, the City believes the appeal process itself was unclear as to the potential ramifications to other cities and not fully understood.

Although we fully support the surrounding cities in their appeals, the potential for additional units being applied to the City would exacerbate the problems described herein and in Whittier's September 13, 2019 letter to SCAG.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Jeffery S. Adams
Director of Community Development

File

From: Christopher Koontz <Christopher.Koontz@longbeach.gov>
Sent: Thursday, December 3, 2020 11:14 AM
To: Regional Housing
Subject: RHNA Appeals

Categories: Response Required, Record

Good morning,

The purpose of this email is to provide the City of Long Beach’s position in regards to pending RHNA appeals before SCAG. The City of Long Beach seeks to meet its housing needs and obligations for the benefit of Long Beach residents and the region. Our allocation was extremely large and presents a planning and financing challenge for the City. Nonetheless we chose not to appeal our allocation because the allocation process was fair and transparent including taking the City of Long Beach’s input into consideration.

We oppose and will not accept any transfer of additional allocation due to the pending appeals. We note that within our area, the Gateway COG, appeals are pending from Bellflower, Cerritos, Downey, Huntington Park, La Mirada, Lakewood, Pico Rivera, and South Gate. Each of these appeals should be evaluated by SCAG on the merits, however Long Beach opposes any transfer of allocation to our City. It would be inappropriate to transfer a further burden to Long Beach when we have already accepted a large allocation and have done more than many cities in the region to accommodate housing growth under the current RHNA cycle, including fully meeting our market-rate RHNA allocation.

The City of Long Beach will continue to work with SCAG and our neighbor jurisdictions to address the housing needs of our residents.

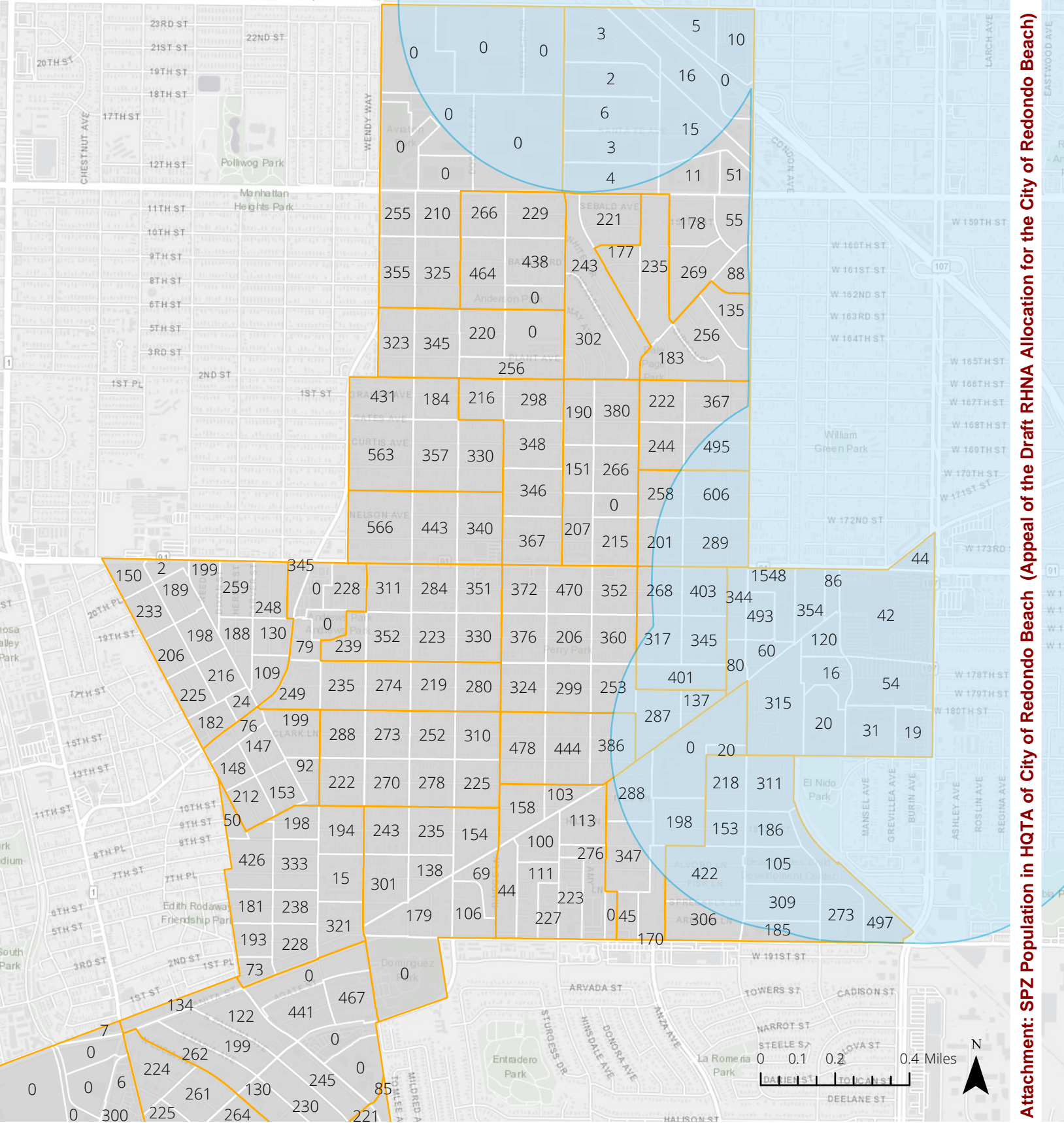
We thank you for consideration and please do not hesitate to contact the City regarding our position.

Christopher Koontz, AICP
Deputy Director

Development Services
411 W. Ocean Blvd., 3rd Floor | Long Beach, CA 90802
Office: 562.570.6288 | Fax: 562.570.6068



Scenario Planning Zones (SPZ) Population in SCAG 2045 High Quality Transit Areas (HQTA) City of Redondo Beach



Attachment: SPZ Population in HQTA of City of Redondo Beach (Appeal of the Draft RHNA Allocation for the City of Redondo Beach)

HQTA(2045)
 City Tier2 TAZ Boundary
 SPZ Boundary

APPENDIX 1 OF 1

High Quality Transit Corridors and Major Transit Stops

BACKGROUND

The Sustainable Communities and Climate Protection Act of 2008, Senate Bill (SB) 375, requires that Metropolitan Planning Organizations (MPOs) develop a Sustainable Communities Strategy (SCS) to reduce per capita greenhouse gas emissions through integrated transportation, land use, housing and environmental planning. SB 375 creates incentives for residential or mixed-use projects that may be exempt from, or subject to a limited review of, the California Environmental Quality Act (CEQA), provided they are consistent with the MPO's adopted SCS. These "transit priority projects" must, among other criteria, be located within one-half mile of a major transit stop or high-quality transit corridor (HQTC).

SB 743, signed into law in 2013, provides further opportunities for CEQA exemption and streamlining to facilitate transit oriented development (TOD). Specifically, certain types of projects within "transit priority areas" (TPAs) can benefit from a CEQA exemption if they are consistent with an adopted specific plan and the SCS. A TPA is an area within one-half mile of a major transit stop that is existing or planned, if the planned stop is scheduled to be completed within the planning horizon included in a Federal Transportation Improvement Program (FTIP).

STATUTORY DEFINITIONS

Definitions of "major transit stop" and "high quality transit corridor" are set forth under California law as follows:

CA Pub. Res. Code § 21155(b)

For purposes of this chapter, a transit priority project shall (1) contain at least 50 percent residential use, based on total building square footage and, if the project contains between 26 percent and 50 percent nonresidential uses, a floor area ratio of not less than 0.75; (2) provide a minimum net density of at least 20 dwelling units per acre; and (3) be within one-half mile of a major transit stop or high-quality transit corridor included in a regional transportation plan. A major transit stop is as defined in Section 21064.3, except that, for purposes of this section, it also includes major transit stops that are included in the applicable regional transportation plan. For purposes of this section, a high-quality transit corridor means a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours. A project shall be considered to be within one-half mile of a major transit stop or high-quality transit corridor if all parcels within the project have no more than 25 percent of their area farther than one-half mile from the stop or corridor and if not more than 10 percent of the residential units or 100 units, whichever is less, in the project are farther than one-half mile from the stop or corridor.

CA Pub. Res. Code § 21064.3

“Major transit stop” means a site containing any of the following:

- (a) An existing rail or bus rapid transit station.
- (b) A ferry terminal served by either a bus or rail transit service.
- (c) The intersection of two or more major bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.

CA Pub. Res. Code § 21060.2

- (a) “Bus rapid transit” means a public mass transit service provided by a public agency or by a public-private partnership that includes all of the following features:

- (1) Full-time dedicated bus lanes or operation in a separate right-of-way dedicated for public transportation with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.
- (2) Transit signal priority.
- (3) All-door boarding.
- (4) Fare collection system that promotes efficiency.
- (5) Defined stations.

- (b) “Bus rapid transit station” means a clearly defined bus station served by a bus rapid transit.

METHODOLOGY

SCAG’s technical methodology for identifying HQTcs and major transit stops is based on input from the Regional Transit Technical Advisory Committee (RTTAC), as well as consultation with local agencies, other large MPOs in California, and the Governor’s Office of Planning and Research. The methodology and assumptions are discussed below. This methodology may be periodically updated to incorporate revisions or clarifications. Questions should be directed to Steve Fox, at fox@scag.ca.gov, or Phillip Law, at law@scag.ca.gov.

SCAG maps and data depicting HQTcs and major transit stops are intended for planning purposes only. SCAG shall incur no responsibility or liability as to the completeness, currentness, or accuracy of this information. SCAG assumes no responsibility arising from use of this information by individuals, businesses, or other public entities. The information is provided with no warranty of any kind, expressed or implied, including but not limited to the implied warranties of merchantability and fitness for a particular purpose.

For the methodology SCAG uses to identify “high quality transit areas,” see the Sustainable Communities Strategies Technical Report.

EXISTING HQTCS AND MAJOR TRANSIT STOPS

SCAG updates its inventory of existing major transit stops and HQTCS with the adoption of a new Regional Transportation Plan (RTP) and SCS, once every four years. Data for the existing (“base year”) condition for the RTP/SCS are typically obtained several years before plan adoption. The base year transit network for *Connect SoCal*, the 2020 RTP/SCS, is based primarily on data for 2016. This inventory of existing major transit stops and HQTCS is therefore only a snapshot in time as of 2016, and does not reflect the existing levels of transit service for any other timeframe.

See **EXHIBIT 7, 2016 Base Year “existing” major transit stops and high quality transit corridors.**

Transit agencies make adjustments to bus service on a regular basis. Therefore, given the limitations of the RTP/SCS base year transit network, local jurisdictions should consult with the appropriate transit provider(s) to obtain the latest information on existing transit routes, stop locations, and service intervals before making determinations regarding CEQA exemption or streamlining. It is the responsibility of the lead agency under CEQA to determine if a project meets statutory requirements.

STOP-BASED ANALYSIS

SCAG calculates peak commute bus service intervals at the stop level using schedule data published by transit agencies in the General Transit Feed Specification (GTFS) format (see for example, www.transitfeeds.com). An HQTC therefore comprises or is determined by the qualifying stops on an individual bus route.

PEAK PERIOD BUS SERVICE INTERVAL (FREQUENCY)

To determine whether the peak commute bus service interval (also called frequency) meets the statutory threshold of 15 minutes or less, SCAG uses the peak period defined in its regional travel demand model. The morning peak

is defined as 6am to 9am and the afternoon peak is defined as 3pm to 7pm. A transit operator may have a different, board-adopted or de facto peak period; in such cases SCAG will accept requests to use operator-specific peak-hour periods on a case-by-case basis.

SCAG uses the total population of bus trips during the combined seven-hour morning and afternoon peak periods to determine the peak frequency at a bus stop. This is done for each bus route, by direction. The peak frequency is calculated by dividing 420 minutes (the seven-hour peak converted to minutes) by the total peak bus trips. This average frequency should be 15 minutes or less in order to qualify. The threshold is strict, at 15.0 minutes.

DIRECTIONAL FREQUENCY

A bus route must only meet the 15-minute service interval threshold in one direction to qualify as an HQTC. This is based on RTTAC feedback that transit agencies often operate very peak-directional service or operate predominantly one-way service on a corridor.

CORRIDORS WITH MULTIPLE OVERLAPPING BUS ROUTES

Separate but overlapping bus routes that do not individually meet the 15-minute threshold may not be combined in order to qualify as an HQTC. However, based on RTTAC feedback, there are certain corridors where overlapping “line families” or local/bus rapid transit (BRT) lines are intended to function as one bus route. On these corridors, transit riders typically board the first bus available, whether it be a local, express, or BRT line. For these line families or local/BRT corridors, SCAG uses the combined routes to calculate the frequency.

ROUTE ALIGNMENT

The entire alignment of a bus route, based on the stops that meet the 15-minute peak frequency threshold, is considered an HQTC. This would include,

for example, express bus services that operate along freeways where there are no stops along the freeway right-of-way.

BUS RAPID TRANSIT

As defined in statute, a BRT must include full-time dedicated bus lanes. In the SCAG region, there are existing and proposed BRT projects that have only a portion of their alignment in a full-time dedicated bus lane. For these BRT projects, only those stations that are adjacent to a full-time dedicated bus lane are considered major transit stops. For the BRT projects that have a full-time dedicated bus lane on their entire route, all of the stations are considered major transit stops.

MAJOR TRANSIT STOPS AND INTERSECTING SERVICE TRANSFER ZONES

As defined in statute, major transit stops include the intersection of two or more HQTcs. For purposes of transferring between intersecting service, SCAG uses a 500-foot buffer to determine a major transit stop. In other words, two intersecting HQTcs must have stops that are within 500 feet of each other to qualify as a major transit stop. A 500-foot buffer is assumed to be a reasonable limit to the distance that a transit patron would walk to transfer between bus routes. It is also consistent with the Metro Transfers Design Guide definition of a transfer zone.

AMTRAK STATIONS AND FERRY STATIONS

Amtrak intercity passenger rail stations with only limited long-distance service are not automatically included as a major transit stop unless requested by a local agency. Similarly, ferry stations with seasonal and/or non-commuter based service (and that are served by bus or rail transit) are not automatically included as a major transit stop unless requested by a local agency.

PLANNED HQTCS AND MAJOR TRANSIT STOPS

Planned HQTcs and major transit stops are future improvements that are expected to be implemented by transit agencies by the RTP/SCS horizon year of 2045. These are assumed by definition to meet the statutory requirements of an HQTc or major transit stop. SCAG updates its inventory of planned major transit stops and HQTcs with the adoption of a new RTP/SCS, once every four years. However, transit planning studies may be completed by transit agencies on a more frequent basis than the RTP/SCS is updated by SCAG. Local jurisdictions should consult with the appropriate transit provider(s) to obtain the latest information on planned transit routes, stop locations, and service intervals/frequencies before making determinations regarding CEQA exemption or streamlining.

See **EXHIBIT 14, planned (year 2045) major transit stops and high quality transit corridors.**



AGENDA ITEM 1.6
REPORT

Southern California Association of Governments
k h \
January 13, 2021

To: Regional Housing Needs Assessment Subcommittee (RHNA)
From: Roland Ok, Program Manager,
(213) 236-1819, ok@scag.ca.gov
Subject: Appeal of the Draft RHNA Allocation for the City of Rancho Palos Verdes

**EXECUTIVE DIRECTOR'S
APPROVAL**

RECOMMENDATION:

Deny the appeal filed by the City of Rancho Palos Verdes (the City) to reduce the Draft RHNA Allocation by 1,144 units.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

SUMMARY OF APPEAL(S):

The City of Rancho Palos Verdes requests a reduction of its RHNA allocation by 54 units (from 638 units to 584 units) based on:

- 1) Application of the adopted Final RHNA methodology for the 6th cycle RHNA (2021 – 2029) – the City’s job accessibility of 6.46% was incorrectly calculated and the number of jobs is overestimated.
- 2) Availability of land suitable for urban development or for conversion to residential use – the City does not have available land suitable for housing since 1,710 acres of land are designated as “Hazard”, “Open Space Hillside” and “Open Space Preserve”.
- 3) Lands protected from urban development under existing federal or state programs - failure to consider lands within Very High Fire Severity Zone and Natural Community Preservation Plans and Habitat Conservation Plans (NCCP/HCPs).

Other: The City contends that HCDs allocation is incorrect due to double counting.

RATIONALE FOR STAFF RECOMMENDATION:

Staff have reviewed the appeal(s) and recommend no change to the City of Rancho Palos Verdes RHNA allocation.

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California’s Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous

Issue 1: The City has not provided evidence that job accessibility was incorrectly calculated. As such, SCAG staff does not recommend granting an appeal on this basis.

Issue 2: The City has not provided evidence that it could not identify opportunity areas to provide for additional housing. As such, SCAG staff does not recommend granting an appeal on this basis.

Issue 3: The City has not provided evidence that it cannot accommodate zoning within areas designated as Very High Fire Severity, or areas near or within NCCP/HCPs, nor have they provided evidence that agencies who oversee said areas have rendered a decision that would prevent the jurisdiction to zone for additional housing. As such, SCAG staff does not recommend granting an appeal on this basis.

Other: The City argues that HCD improperly calculated the RHNA allocation and provides a report by the Embarcadero Institute. While SCAG has provided a response, a challenge to HCD's regional housing needs determination is not a basis for appeal since the Appeals Board has no authority to change HCD's determination. As such, SCAG staff does not recommend granting an appeal on this basis.

BACKGROUND:

Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the adoption of Connect SoCal on September 3, 2020, all local jurisdictions received draft RHNA allocations on September 11, 2020. A summary is below.

Total RHNA Allocation for the City of Rancho Palos Verdes: 638

Very Low Income: 253

Low Income: 139

Moderate Income: 125

Above Moderate Income: 121

Additional background related to the Draft RHNA Allocation is included in Attachment 1.

Summary of Comments Received during 45-day Comment Period

No comments were received from local jurisdictions or HCD during the 45-day public comment period described in Government Code section 65584.05(c) which specifically regard the appeal filed for the City of Rancho Palos Verdes. Three comments were received which relate to appeals filed generally:

- HCD submitted a comment on December 10, 2020 delineating the statutory basis for RHNA appeals and the requirement that any appeals granted must include written findings regarding how revisions are necessary to further RHNA's statutory objectives.
- The City of Whittier submitted a comment on December 10, 2020 supporting surrounding cities in their appeals but expressing concern that additional units may be applied to Whittier if reallocated from cities which are successful in their appeals.
- The City of Long Beach submitted a comment on December 3, 2020 indicating their view that the RHNA allocation process was fair and transparent, their support for evaluating appeals on their merits (specifically those from the Gateway Council of Governments), and their opposition to any action which would result in a transfer of additional units to Long Beach.

ANALYSIS:

Issue 1: Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029) [Government Code Section 65584.05 (b)(2)].

The City of Rancho Palos Verdes argues that its job accessibility of 6.46% is incorrect. The City argues that SCAG overestimated the number of jobs by approximately 2,000 and reversed its job losses from a 11.6% decrease in 2015 to a 28% increase through 2045. The City believes that SCAG's earlier estimates suggest that jobs are decreasing in the City, but now assumes that the number of jobs in the City will increase through 2045. The City argues that the Connect SoCal 2016 employment data was incorrect and as a result the job increase found in the 2045 projection is overinflated as well. Further, the City states that they are in a region with very limited access to high-quality transit. They argue that with limited and even decreasing access to high-quality transit, the City's access to jobs is unlikely to change, and there appears to be no grounds to support the job increase found in the Connect SoCal Plan's 2045 projections.

SCAG Staff Response: SCAG's Growth Forecast is used as a basis to determine population, household, and employment growth at the regional and jurisdictional levels, and is used for the basis of Connect SoCal as well. The Growth Forecast was developed over the course of approximately two years, using a panel of experts and review from partners and local jurisdictions, which was also known as "local input." SCAG factored in the City's household growth, employment and other factors in the Growth Forecast for Connect SoCal, through the local input process.

The 6.46% job accessibility referenced in the City's appeal letter refers to the job accessibility which SCAG uses for RHNA purposes. It is the percentage of regional jobs accessible within a 30-minute AM peak automobile commute in 2045. Importantly, it includes jobs within this driving range both inside and outside the City of Rancho Palos Verdes. With a total regional employment forecast in 2045 of 10,049,000 jobs, this percentage indicates that 649,000 jobs can be reached from Rancho

Palos Verdes in 2045. This is based on SCAG’s growth forecast and the data provided by local jurisdictions – including 8,226 jobs in 2045 in Rancho Palos Verdes which are part of the forecast and which the City had several opportunities to review (See Attachment 1, Local Input and Development of Draft RHNA Allocation).

SCAG’s local profile reports use employment totals derived from the California Economic Development Department, InfoGroup, and SCAG’s modeling and forecasting. This report indicates 7,954 jobs in 2016, which precisely matches SCAG’s growth forecast for the City. SCAG forecasts modest job growth for the City from 2016-2045 of 272 jobs. The City contends that this figure “inexplicably” increased but fails to provide evidence that refutes these job totals or provide an alternative 2016 job total. Furthermore, the local input process provided the City with a review opportunity. Notwithstanding the City’s 2016 job total, the Final RHNA Methodology uses 2045 employment, and the City is not contesting the modest job growth projected (increasing by up to 272 jobs for a total of up to 8,226 jobs by 2045). Finally, and most importantly, the Final RHNA Methodology does not rely on the job total within a jurisdiction. Even if SCAG had projected zero jobs in Rancho Palos Verdes in 2045, the number of jobs accessible to residents of the City in 2045 within a 30 minute AM automobile commute would only decrease from approximately 649,000 to 641,000 resulting in a negligible reduction in the City’s RHNA job accessibility measure.

Further, the Final RHNA Methodology was adopted by the Regional Council on March 5, 2020 and describes the various policy factors whereby housing unit need is to be allocated across the region—for example, anticipated growth, access to jobs and transit, and vacancy. The methodology makes extensive use of locally reviewed input data and describes data sources and how they are calculated in detail. On January 13, 2020, the RHNA methodology was found by HCD to further the five statutory objectives¹ in large part due to its use of objective factors and as such cannot consider factors differently in one jurisdiction versus another.

SCAG’s final regional determination of approximately 1.34 million units was issued by HCD on October 15, 2019 per state housing law. The regional determination is not a basis for appeal per adopted RHNA Appeals Procedures as it is not within the authority of the Appeals Board to make any changes to HCD’s regional housing needs determination. Only improper application of the

¹ The objectives are: 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 (Govt. Code § 65584(d)).

methodology is grounds for an appeal. An example of an improper application of the adopted methodology might be a data error which was identified by a local jurisdiction.

It's important to note that while Connect SoCal focuses on "projected need", the 6th Cycle RHNA factors both "projected need" and "existing need". "Projected need" is intended to accommodate the growth of population and households between 2021-2029, and "existing need" reflecting additional latent housing needs in the existing population. On January 13, 2020, HCD's finding that SCAG's Draft RHNA Methodology (which was later adopted as the final RHNA methodology in March) furthered the statutory objectives of RHNA, reflected that the determination is separated into "projected need" and "existing need" components. Projected need is based on the household growth for the comparable RHNA period (2021 to 2029) of the regional transportation plan.

SCAG has allocated both "projected need" and "existing need" consistent with the development pattern in the 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy ("Connect SoCal"). The Connect SoCal Forecasted Regional Development Pattern is shown on Exhibit 1 of the Sustainable Communities Strategy Technical Report, p. 13. Specifically, the development pattern includes priority growth areas, incorporated areas, job centers, entitled projects and sphere of influence which together would accommodate 95% of the growth till 2045. The development pattern is a reflection of the strategies and policies contained in Connect SoCal.

The "projected need" portion of the 6th Cycle RHNA is based on the Connect SoCal Growth Forecast and is consistent with the Connect SoCal development pattern. Specifically, each jurisdictional-level growth forecast of households is translated into "projected need" of housing units after adjusting for two factors of vacancy need and replacement needs.

The "existing need" portion is allocated in a manner consistent with the Connect SoCal development pattern. Specifically, based on SCAG's adopted RHNA methodology, "existing need" is allocated based on transit and job access (i.e., assign 50% based on jurisdiction's share of the region's population within HQTAs and 50% based on a jurisdiction's share of the region's jobs that can be accessed within a 30- minute commute). Accordingly, this allocation is aligned with the strategies and policies underlying the development pattern in the SCS.

Job accessibility is only one of the factors to used determine a jurisdiction's draft RHNA allocation. This is not a measure of the number of jobs within a jurisdiction; rather, it is a measure of how many jobs can be accessed by a jurisdiction's residents, which includes jobs outside of the jurisdiction. Over 80 percent of SCAG region workers live and work in different jurisdictions, which calls for an approach to the region's job housing relationship through the measurement of access rather than number of jobs within a certain jurisdiction. Limiting a jobs housing balance solely within jurisdictions can effectively worsen a regional jobs housing balance.

As such, SCAG staff does not recommend a reduction/increase to the jurisdiction's draft RHNA allocation based on this factor.

Issue 2: Availability of land suitable for urban development or for conversion to residential use [Government Code Section 65584.04(e)(2)(B)].

The City of Rancho Palos Verdes claims that SCAG failed to address the availability of land suitable for urban development or conversion to residential use. The City states that while there are 8,274 of land within the City of Rancho Palos Verdes, the City has determined that 1,710 acres of land are not suitable for urban development as those acres of land are designated as "Hazard", "Open Space Hillside" and "Open Space Preserve" by their Land Use Element. According to the City, development in land designated as "Hazard" are constrained as they're prone to active landslides and extreme slopes. Lands designated as "Open Space Hillside" and "Open Space Preserve" are meant to serve as open space buffers within the community, to protect sensitive plant and animal communities, and to provide opportunity for pass recreational uses. Furthermore, the City states that of the 6,564 acres available for urban development, 5,111 acres have already been developed as Urban Activity Areas; that is, sites that have been set-aside for some structured use that either directly or indirectly serve a function oriented to urbanization. Undeveloped acreage totals only 5% of all the acres within the City.

SCAG Staff Response: Pursuant to Government Code Section 65584.04(e)(2)(B), SCAG "may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality" (which includes the land use policies in its General Plan). "Available land suitable for urban development or conversion to residential use," as expressed in 65584.04(e)(2)(B), is not restricted to vacant sites; rather, it specifically indicates that underutilized land, opportunities for infill development, and increased residential densities are a component of "available" land. As indicated by HCD in its December 10, 2020 comment letter (HCD Letter):

"In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land." (HCD Letter at p. 2).

Furthermore, on June 10, 2020, HCD released extensive guidelines for housing element site inventories.² A wide range of adequate sites are detailed including accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs). Specifically, the guidelines indicate that (page 32):

² See https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf

“In consultation with HCD, other alternatives may be considered such as motel conversions, adaptive reuse of existing buildings, or legalization of units not previously reported to the Department of Finance.”

As such, the City can consider other opportunities for development. This includes the availability of underutilized land, opportunities for infill development and increased residential densities, or alternative zoning and density. Alternative development opportunities should be explored further and could possibly provide the land needed to zone for the City’s projected growth. While the City indicates that only 5% of its land is buildable, it does not provide evidence that it is unable to consider underutilization of these buildable sites, increased densities, and other planning tools to accommodate its assigned need, only that it is currently developed. As discussed above, SCAG is prohibited from limiting the consideration of suitable sites due to the City’s land use restrictions and is required to review alternative methods to meet housing need. As such, SCAG staff does not recommend a reduction to the City of Rancho Palos Verdes Draft RHNA Allocation based on this factor.

Issue 3: Lands protected from urban development under existing federal or state programs [Government Code Section 65584.04(e)(2)(C)].

The City of Rancho Palos Verdes claims that SCAG failed to consider lands preserved or protected from Urban Development Under Federal or State Programs, or both, designated to protect open space, farmland, environmental habitats, and natural resources on a long-term basis. According to the City, approximately 97% of Rancho Palos Verdes is located within the Very High Fire Severity Zone, as classified through the California Department of Forestry and Fire Protection. The City argues that this designation specifically requires that the City consider any additional developments that would increase density within the City, severely limiting the City’s ability to respond to its RHNA allocation.

Further, the City includes area of lands that are protected from development as a result of Federal and State programs. More specifically, the City has adopted a Natural Community Preservation Plan and Habitat Conservation Plan (NCCP/HCP or Plan). The City’s primary conservation strategy is to dedicate approximately 1,400 acres of habitat protection for the NCCP/HCP Preserve assembly. The City argues that the 1,400 acres of undeveloped vacant open space is encumbered with conservation easements and deed restrictions that prohibit development in perpetuity and should be factored in the RHNA allocation applied to the City.

SCAG Staff Response: SCAG does not dispute that the City (and other jurisdictions) are in areas that are at risk of wildfires. Nevertheless, development has occurred throughout the City regardless of fire risk. Further, the City has not provided evidence that an agency or organization such as the California Department of Forestry or Fire Protection and FEMA has determined housing is

unsuitable in these areas. Additionally, the jurisdiction has not provided evidence that it cannot plan for its assigned Draft RHNA Allocation in other areas of the jurisdiction that are not at risk for fire hazards.

With regards to lands dedicated towards habitat protection, it is presumed that planning factors such as lands protected by federal and state programs have already been accounted for prior to the local input submitted to SCAG since such factors are required to be considered at the local level. No evidence was submitted that these areas have changed since the most current input provided in October 2018. See also Attachment 1: Local Input and Development of Draft RHNA Allocation.

In addition, while the jurisdiction has indicated it cannot accommodate units in these specific areas, no evidence has been provided that the jurisdiction cannot accommodate its RHNA allocation in other areas. The presence of protected open space alone does not reduce housing need nor does it preclude a jurisdiction from accommodating its housing need elsewhere. For these reasons, SCAG staff does not recommend a reduction to the jurisdiction's RHNA allocation based on this factor.

Other: HCD Calculation and RHNA Methodology.

The City argues that HCD improperly calculated the RHNA allocation and gave SCAG twice as many housing units than it should have. The City argues that a report by the Embarcadero Institute, "Double Counting in the Latest Housing Needs Assessment", provides evidence that the resulting legislation of SB 828 counted overcrowding and high housing costs twice, once as part of the household projections when multiplying estimated population by the headship rate, and then again a second time as an adjustment factor. The City argues that this has resulted in an additional 734,000 housing units being assigned to regional planning bodies throughout California, with SCAG absorbing a vast majority of the units.

SCAG Staff Response: SCAG's final regional determination of approximately 1.34 million units was issued by HCD on October 15, 2019 per state housing law. Pursuant to Government Code section 65584.05(b)(2), an appellant must show that SCAG failed to determine the share of regional housing need in accordance with the adopted Final RHNA Methodology. In other words, an appeal citing RHNA Methodology as its basis must appeal the application of the adopted Methodology, not the Methodology itself. The regional determination is not a basis for appeal per adopted RHNA Appeals Procedures as it is not within the authority of the Appeals Board to make any changes to HCD's regional housing needs determination. Only improper application of the methodology is grounds for an appeal. An example of an improper application of the adopted methodology might be a data error which was identified by a local jurisdiction.

SCAG's development of a consultation package to HCD regarding the regional housing needs determination took place during the first half of 2019. During this time SCAG extensively reviewed

a wide range of reports which commented on housing needs in the state and region, including studies from USC, UCLA, UC-Berkeley, the California Legislative Analyst's Office, Beacon Economics, McKinsey, the Center for the Continuing Study of the California Economy, and others. These studies covered a wide range of approaches and methodologies for understanding housing need in the region and state. On March 27, 2019 SCAG convened a panel of fifteen experts in demographics, economics, and housing planning to assess and review the region's housing needs in the context of SCAG's regional determination.

Notwithstanding the merits of the various approaches toward estimating regional housing need, state statute outlines a very specific process for arriving at a regional housing needs determination for RHNA. It also prescribes a specific timeline which necessitated the completion of the regional determination step by fall 2019 in order to allow enough time for the development of a methodology, appeals, and local housing element updates.

During both the consultation process and the filing of SCAG's formal objection to HCD's regional determination, SCAG extensively reviewed the issues brought up in these recent reports including a variety of indicators of housing backlog such as cost burden, overcrowding, demolition, and vacancy. In addition, SCAG has a well-developed program for forecasting population and household growth in the region which is conducted with the advice and collaboration of the state Department of Finance's forecasting staff. SCAG assessed the relationship between the measures used and not used in its analyses in order to avoid overlap ("double counting").

While the RHNA statute prescribes specific requirements for HCD in determining the regional housing need (e.g., the determination shall be based on population projects produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans), it allows HCD to accept or reject information provided by SCAG with respect to the data assumptions from SCAG's growth forecast or to modify its own assumptions or methodology based on this information. Following SCAG's formal objection filed on September 18, 2019, HCD did not materially change the regional determination, and there are no further mechanisms provided for in the statute to contest their decision. Nevertheless, SCAG has a statutory obligation to complete the remaining steps required in the RHNA process—namely the adoption of a Final RHNA Methodology, issuing a Draft RHNA Allocation, conducting an appeals process, and issuing final RHNA allocations.

A PowerPoint slide deck titled "Double counting in the latest housing needs assessment" was placed on the Embarcadero Institute's website during 2020 (last update September 2020)." Without commenting on the credibility or accuracy of this material, SCAG staff would note that in order for such materials to have been considered by HCD, they would have had to have been submitted by June of 2019. The RHNA statute provides defined timeframes guided by the deadline for the housing element revisions for HCD's RHNA determination and SCAG's Final RHNA Allocation Plan. HCD, in consultation with each council of governments (COG), shall determine each region's existing

and projected housing need pursuant to Section 65584.01 at least two years prior to the scheduled revision required pursuant to Section 65588. Govt. Code § 65584(b). This “determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments.” Govt. Code § 65584.01(b). HCD begins the process 26 months prior to the scheduled revision so the data HCD relies on is the available provided by the COGs at that time. Similarly, the COG issues its survey for information to develop the RHNA allocation methodology up to 30 months prior to the scheduled revision. By necessity, the data used for these processes is data available at that time.

Furthermore, the materials presented by the Embarcadero Institute are regional in nature and do not provide information on individual jurisdictions. For an appeal to be granted on the incorrect application of RHNA methodology, arguments and evidence must be provided that demonstrate the methodology was applied incorrectly to determine the jurisdiction’s share of regional housing need. Because a regional study does not meet this criterion, this study cannot be used to justify a particular jurisdiction’s appeal. Moreover, any reduction would have to be redistributed to the region when in theory, all jurisdictions would be impacted by the regional study.

In sum, it would be untenable to reopen the process anytime new data or materials become available, particularly when there is a codified process. If so, there would be no finality to the process and local government could not meet the deadlines for their housing element updates. Procedurally, SCAG cannot consider a regional study outside of the regional determination process nor should it apply a regional study to reduce an individual jurisdiction’s draft RHNA allocation.

For these reasons, SCAG staff does not recommend a reduction to the jurisdiction’s RHNA allocation based on these additional issues.

FISCAL IMPACT:

Work associated with this item is included in the current FY20-21 Overall Work Program (300-4872Y0.02: Regional Housing Needs Assessment).

ATTACHMENT(S):

1. Local Input and Development of Draft RHNA Allocation (City of RPV)
2. Appeal Form and Supporting Documentation
3. Data Input and Verification Form (City of RPV)
4. Regional Job Access
5. RPV Job Access
6. HCD Final 6th Cycle Housing Need Determination for the SCAG Region
7. Comments Received During the Comment Period (General)

Southern California Association of Governments
Remote Participation Only
City of Rancho Palos Verdes RHNA Appeal
January 13, 2020

Attachment 1: Local Input and Development of Draft RHNA Allocation

This attachment sets forth the nature and timing of the opportunities which the City of Rancho Palos Verdes had to provide information and local input on SCAG's growth forecast, the RHNA methodology, and the Growth Vision of the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal). It also describes how the RHNA Methodology development process integrates this information in order to develop the City of Rancho Palos Verdes' Draft RHNA Allocation.

1. Local Input

a. Bottom-Up Local Input and Envisioning Process

On October 31, 2017, SCAG took the first step toward developing draft RHNA allocations by initiating the Bottom-Up Local Input and Envisioning Process. At the direction of the Regional Council, the objective of this process was to seek local input and data to prepare for the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS and later referred to as Connect SoCal) and the 6th cycle of RHNA.¹ Each jurisdiction was provided with a package of land use, transportation, environmental, and growth forecast data for review and revision which was due on October 1, 2018.² While the local input process materials focus principally on jurisdiction-level and Transportation Analysis Zone (TAZ) level growth, input on specific parcels, sites, and project areas were welcomed and integrated into SCAG's growth forecast as well as data on other elements. SCAG met one-on-one with all 197 local jurisdictions between November 2017 and July 2018 and provided training opportunities and staff support. Following input from SCAG's Technical Working Group (TWG), the Connect SoCal growth forecast reflected precisely the jurisdiction-level growth totals provided during this process.

The local input data included SCAG's preliminary growth forecast information. For the City of Rancho Palos Verdes, the anticipated number of households in 2020 was 15,801 and in 2030 was 16,008 (growth of 207 households). On April 24, 2018, SCAG staff met with staff from the City of Rancho Palos Verdes to discuss the Bottom-Up Local Input and Envisioning Process and answer questions. Input from the City of Rancho Palos Verdes on the growth forecast was received in October 2018. Following input, household totals were 15,753 in 2020 and 15,781 in 2030, for a reduced household growth during this period of 28.

¹ While the RTP/SCS and RHNA share data elements, they are distinct processes. The RTP/SCS growth forecast provides an assessment of reasonably foreseeable future patterns of employment, population, and household growth in the region given demographic and economic trends, and existing local and regional policy priorities. The RHNA identifies anticipated housing need over a specified eight-year period and requires that local jurisdictions make available sufficient zoned capacity to accommodate this need. A further discussion of the relationship between these processes can be found in Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

² A detailed list of data during this process reviewed can be found in each jurisdiction's Draft Data/Map Book at <http://scagrtpsc.net/Pages/DataMapBooks.aspx>

b. Submitted RHNA methodology surveys

On March 19, 2019, SCAG distributed a packet of methodology surveys, which included the local planning factor survey, Affirmatively Furthering Fair Housing (AFFH) survey, and replacement need survey, to SCAG jurisdictions’ Community Development Directors. SCAG reviewed all submitted responses as part of the development of the draft RHNA methodology. The City of Rancho Palos Verdes submitted the following surveys prior to the adoption of the Draft RHNA Methodology:

- Local planning factor survey
- Affirmatively Furthering Fair Housing (AFFH) survey
- Replacement need survey
- No survey was submitted to SCAG

c. Connect SoCal Growth Vision and Additional Refinements

Beginning in May 2018, SCAG’s Sustainable Communities Working Group began the process of developing growth scenarios for the SCAG region. The culmination of this work was the development of the Connect SoCal Growth Vision, which directly uses jurisdictional-level growth projections from the Bottom-Up Local Input and Envisioning process, and also features strategies for growth at the TAZ-level that help to reduce greenhouse gas emissions (GHG) from automobiles and light trucks to achieve Southern California’s GHG reduction target, approved by the California Air Resources Board (CARB) in accordance with state planning law. Additional detail regarding the Connect SoCal Growth Vision, specifically the Transportation Analysis Zone (TAZ, or neighborhood) level projections is found at <https://www.connectsocial.org/Documents/DataMapBooks/Growth-Vision-Methodology.pdf>.

As a result of these strategies, in some jurisdictions growth at the TAZ-level differed from locally anticipated growth conveyed during the Bottom-Up Local Input and Envisioning Process.

As such, SCAG provided two additional opportunities for all local jurisdictions to make TAZ-level technical refinements on the topics of general plan capacities and entitlements. During the release of the draft Connect SoCal Plan, jurisdictions were notified on October 31, 2019 that SCAG would accept additional refinements until December 11, 2019. Following the Regional Council’s decision to delay full adoption of Connect SoCal for 120 days due to the COVID-19 pandemic, all jurisdictions were again notified on May 26, 2020 that SCAG would accept additional refinements until June 9, 2020.

Connect SoCal Growth Vision data have been available to local jurisdiction staff during the entirety of this process through SCAG’s Scenario Planning Model Data Management Site (SPM-DM) at <http://spmddm.scag.ca.gov> and updates were shared with local jurisdictions on technical refinements to the data in February 2020 and August 2020 to share the results of both review opportunities. The

City of Rancho Palos Verdes' TAZ-level data utilized in the Connect SoCal Growth Vision matches input provided during the Bottom-Up Local Input and Envisioning Process.

2. Development of the Final RHNA Methodology

SCAG convened the first meeting of the RHNA Subcommittee in October 2018. In their subsequent monthly meetings, this body reviewed and advised on the development of SCAG's 6th cycle RHNA process, including the development of the RHNA methodology. Per Government Code 65584.04(a), SCAG must develop a RHNA methodology which furthers the five statutory objectives of RHNA:

(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 (Govt. Code § 65584(d)).

As explained in more detail below, the Draft RHNA Methodology (which was adopted as the Final RHNA Methodology) set forth the policy factors, data sources, and calculations which would be used to generate draft RHNA allocations for all local jurisdictions. Following extensive debate and public comment, SCAG's Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019 and provide it to HCD for review. Per Government Code 65584.04(i), HCD is vested with the authority to determine whether a methodology furthers the objectives set forth in Government Code section 65584(d). On January 13, 2020, HCD found that the Draft RHNA Methodology furthers these five statutory objectives of RHNA. Specifically, HCD noted that:

"This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes. In particular, HCD applauds the use of the objective factors specifically linked the statutory objectives in the existing need methodology." (Letter from HCD to SCAG dated January 13, 2020 at

<https://scag.ca.gov/sites/main/files/file-attachments/hcd-review-rc-approved-draft-rhna-methodology.pdf?1602190239>).

On March 5, 2020, again following extensive debate and public comment, the Regional Council voted to approve the Draft RHNA Methodology as the Final RHNA Methodology. Unlike SCAG's 5th cycle RHNA methodology which relies almost entirely on the household growth component of the RTP/SCS, SCAG's 6th cycle RHNA methodology consists of two primary elements: "projected need" which includes the number of housing units required to accommodate anticipated population growth over the 8-year RHNA planning period and "existing need," which refers to the number of housing units required to accommodate excess or unsatisfied housing demand experienced by the region's current population.³ Furthermore, the Final RHNA methodology utilizes measures of 2045 job accessibility and High Quality Transit Area (HQTA) population measures based on TAZ-level projections in the Connect SoCal Growth Vision.

More specifically, the Final RHNA Methodology considers three primary factors in determining a local jurisdiction's total housing need which are primarily based on data from Connect SoCal's aforementioned Bottom-Up Local Input and Envisioning Process:

- Forecasted growth over 2020-2030 (projected need)
- Transit accessibility in 2045 (existing need)
- Job accessibility in 2045 (existing need)

The methodology is described in further detail at <http://scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Methodology-030520.pdf>

3. Final RHNA Methodology and Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the 120-day delay due to the Covid-19 pandemic, SCAG adopted Connect SoCal on September 3, 2020, and the City of Redondo Beach received its Draft RHNA Allocation on September 11, 2020. Application of the RHNA methodology yields the Draft RHNA Allocations for the City of Ranch Palos Verdes as summarized in the data and in the tables below.

³ Legislative changes in 2018 modified the nature of the regional housing need determination for the 6th cycle of RHNA by adding measures of household overcrowding and housing cost burden to the list of factors to be considered by HCD for the determination of housing need. These new measures are not included in the Connect SoCal Growth Forecast because they are not direct inputs to the growth forecasting process and are independent of employment and population projections. In contrast, they reflect additional latent housing needs in the current population (i.e. "existing need") and would not result in a change in regional population. For further discussion see Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

City of Rancho Palos Verdes Statistics and Inputs		Calculation of Draft RHNA Allocation for Rancho Palos Verdes	
Forecasted household (HH) growth, RHNA period: <i>(2020-2030 Household Growth * 0.825)</i>	23	Forecasted household (HH) growth, RHNA period:	23
Percent of households who are renting:	20%	Vacancy Adjustment: <i>(5% for renter households and 1.5% for owner households)</i>	1
Housing unit loss from demolition (2009-18):	-	Replacement Need:	-
Adjusted forecasted household growth, 2020-2045: <i>(Local input growth forecast total adjusted by the difference between the RHNA determination and SCAG's regional 2020-2045 forecast, +4%)</i>	93	TOTAL PROJECTED NEED:	24
Percent of regional jobs accessible in 30 mins (2045): <i>(From the jurisdiction's median TAZ)</i>	6.46%	Existing need due to job accessibility (50%):	426
Jobs accessible from the jurisdiction's median TAZ (2045): <i>(Based on Connect SoCal's 2045 regional forecast of 10.049M jobs)</i>	649,000	Existing need due to HQTa pop. share (50%):	135
Share of region's job accessibility (population weighted):	0.10%	Net residual factor for existing need:	53
		<i>(Negative values reflect a cap on lower-resourced community with good job and/or transit access. Positive values represent the amount being redistributed to higher-resourced communities based on their job and/or transit access)</i>	
Jurisdiction's HQTa population (2045):	3,297	TOTAL EXISTING NEED:	614
Share of region's HQTa population (2045):	0.03%	TOTAL RHNA FOR THE CITY OF FONTANA:	638
Share of population in low/very low-resource tracts:	0.00%	Very-low income (<50% of AMI):	253
Share of population in very high-resource tracts:	99.95%	Low income (50-80% of AMI):	139
Social equity adjustment:	180%	Moderate income (80-120% of AMI):	125
		Above moderate income (>120% of AMI)	121

The transit accessibility measure is based on the population anticipated to live in High-Quality Transit Areas (HQTAs) in 2045 based on Connect SoCal's designation of high-quality transit areas and population forecasts. With a forecasted 2045 population of 3,297 living within HQTAs, the City of Rancho Palos Verdes represents 0.03% of the SCAG region's HQTa population, which is the basis for allocating housing units based on transit accessibility.

Job accessibility is defined as the jurisdiction's share of regional jobs accessible within a 30-minute drive commute. Since over 80 percent of the region's workers live and work in different jurisdictions, the RHNA methodology uses a measure based on Connect SoCal's travel demand model output for the year 2045 rather than assigning housing units based on the number of jobs with a specific jurisdiction. Specifically, the share of future (2045) regional jobs which can be reached in a 30-minute automobile commute from the local jurisdiction's median TAZ is used as to allocate housing units

based on transit accessibility. From the City of Rancho Palos Verdes median TAZ, it will be possible to reach 6.46% of the region's jobs in 2045 within a 30-minute automobile commute (1,707,000 jobs, based on Connect SoCal's 2045 regional job forecast of 10,049,000 jobs).

An additional factor is included in the methodology to account for RHNA Objective #5 to Affirmatively Further Fair Housing (AFFH). Several jurisdictions in the region which are considered disadvantaged communities (DACs) on the basis of access to opportunity measures (described further in the RHNA methodology document), but which also score highly in job and transit access, may have their total RHNA allocations capped based on their long-range (2045) household forecast. This additional housing need, referred to as residual, is then reallocated to non-DAC jurisdictions in order to ensure housing units are placed in higher-resourced communities consistent with AFFH principles. This reallocation is based on the job and transit access measures described above, and results in an additional 53 units assigned to the City of Rancho Palos Verdes.

Please note that the above represents only a partial description of key data and calculations in the RHNA methodology.

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Date: _____ Jurisdiction Subject to This Appeal Filing:

(to file another appeal, please use another form)

Filing Party (Jurisdiction or HCD)

Filing Party Contact Name _____ Filing Party Email: _____

APPEAL AUTHORIZED BY:

Name: _____

PLEASE SELECT BELOW:

- Mayor
- Chief Administrative Office
- City Manager
- Chair of County Board of Supervisors
- Planning Director
- Other: _____

BASES FOR APPEAL

- Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029)
- Local Planning Factors and/or Information Related to Affirmatively Furthering Fair Housing (See Government Code Section 65584.04 (b)(2) and (e))
 - Existing or projected jobs-housing balance
 - Sewer or water infrastructure constraints for additional development
 - Availability of land suitable for urban development or for conversion to residential use
 - Lands protected from urban development under existing federal or state programs
 - County policies to preserve prime agricultural land
 - Distribution of household growth assumed for purposes of comparable Regional Transportation Plans
 - County-city agreements to direct growth toward incorporated areas of County
 - Loss of units contained in assisted housing developments
 - High housing cost burdens
 - The rate of overcrowding
 - Housing needs of farmworkers
 - Housing needs generated by the presence of a university campus within a jurisdiction
 - Loss of units during a state of emergency
 - The region’s greenhouse gas emissions targets
 - Affirmatively furthering fair housing
- Changed Circumstances (Per Government Code Section 65584.05(b), appeals based on change of circumstance can only be made by the jurisdiction or jurisdictions where the change in circumstance occurred)

FOR STAFF USE ONLY:

Date _____ Hearing Date: _____ Planner: _____

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Brief statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 (please refer to Exhibit C of the Appeals Guidelines):

Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

Brief Description of Appeal Request and Desired Outcome:

Number of units requested to be reduced or added to the jurisdiction's draft RHNA allocation (circle one):

Reduced _____ Added _____

List of Supporting Documentation, by Title and Number of Pages
(Numbers may be continued to accommodate additional supporting documentation):

- 1.
- 2.
- 3.

FOR STAFF USE ONLY:

Date _____

Hearing Date: _____

Planner: _____

BRIEF STATEMENT ON WHY THIS REVISION IS NECESSARY TO FURTHER THE INTENT OF THE OBJECTIVES LISTED IN GOVERNMENT CODE SECTION 65584.

I. Introduction

SCAG's Draft Regional Housing Needs Assessment (RHNA) Allocation Plan (Draft RHNA Plan) formulated a RHNA methodology to determine each jurisdiction's RHNA allocation. The RHNA methodology consists of two main categories: (1) projected need and (2) existing need. Projected need is based on three factors: (i) projected household growth from 2020-2030, (ii) future vacancy need, and (iii) replacement need. The region's projected need is calculated to be 504,970 units. Based on the RHNA allocation to SCAG by the California Department of Housing and Community Development (HCD) of 1,341,827 units, the remaining 836,857 units constitute existing need. Per SCAG's RHNA methodology, existing need is based on two factors: (i) transit accessibility, and (ii) job accessibility.

The City of Rancho Palos Verdes (City) appeals the City's proposed allocated share of the regional housing need included as part of SCAG's Draft RHNA Plan. The City's draft allocation is 638 units, and the City is requesting a reduction to **584 units**. This revision is necessary to further the intent of the objectives listed in Government Code Section 65584(d) for the following reasons:

- A. The allocation fails to apply the adopted final RHNA methodology for the 6th Cycle RHNA, particularly with respect to existing need due to job accessibility.
- B. SCAG failed to consider local planning factors, namely the availability of land suitable for urban development or for conversion to residential use and lands protected from urban development under existing federal or state programs.

Finally, the City believes that HCD's RHNA determination for SCAG is incorrectly calculated, being twice as much as it should be. Due to Senate Bill 828 (2018), HCD's incorrect vacancy rate and double counting of existing need has resulted in a SCAG RHNA allocation of 1,341,827 units, when it should have been allocated 651,000 units, which is much nearer the region's actual projected need of 504,970 units.

II. Bases For Appeal

- A. **The allocation fails to apply the adopted final RHNA methodology, particularly with respect to existing need due to job accessibility.**

With respect to the region's existing housing need, SCAG's RHNA methodology assigns 50% of the need to job accessibility. According to SCAG:

Job accessibility is based on the share of the region's jobs accessible by a thirty (30) minute commute by car in 2045. Importantly, the RHNA methodology's job access factor is *not* based on the number of jobs within a jurisdiction from SCAG's Connect SoCal Plan or any other data source. Rather, it is a measure based on how many jobs can be *accessed* from that jurisdiction within a 30-minute commute, which includes jobs in other jurisdictions.
(SCAG Final RHNA Methodology, p. 10.)

According to SCAG, job accessibility data are derived at the transportation analysis zone (TAZ) level from travel demand modelling output from SCAG's final Connect SoCal Plan. A jurisdiction's median TAZ was found to be the best available measure of job accessibility for that jurisdiction.

According to the RHNA methodology data, the City's median TAZ and percentage of regional jobs accessible within a 30-minute commute is 6.46%. This means that of all the available jobs within the SCAG region, 6.46% of those jobs are accessible to the average City resident within a 30-minute commute. (See attachments 1 and 2.)

The assignment of 6.46% of job accessibility to the City is erroneous for several reasons. First, SCAG estimated the City's 2016 employment data to be 8,000 jobs and a projected 2045 employment data of 8,200 jobs, based on the Connect SoCal Plan. (See attachments 3 and 4.) However, according to the SCAG's 2019 Local Profile Report, in 2015 less than 6,000 jobs were located in the City. Further, this number represented a decrease of 700 jobs from 2007. (See attachment 5.) Over that 8 year period, SCAG found a 11.6% decrease in the number of jobs in the City. However, inexplicably, this number jumps to 7,954 and 7,964 for years 2016 and 2017. The local report provides no explanation of this 26% increase in jobs within one year.

Based on Connect SoCal Plan's 2016 projections, SCAG not only overestimated the number of jobs in the City by around 2,000, it also reversed the City's job losses from a 11.6% decrease in 2015 to a 28% increase through 2045. Despite SCAG's earlier estimates suggesting that jobs are decreasing in the City, SCAG now assumes that the number of jobs in the City will increase through 2045. Because the Connect SoCal 2016 employment data was incorrect and overinflated to begin with, the job increase found in the 2045 projection is consequently grossly overinflated as well.

The RHNA methodology for job accessibility is based on how many jobs can be accessed from a jurisdiction within a 30-minute commute, rather than how many jobs are located within a jurisdiction, which would account for a portion of this difference between SCAG's earlier estimates and the Connect SoCal Plan's 2016 projections. However, there is no reason to believe that the City's accessibility will increase in the future. The City, along with its neighboring Palos Verdes Peninsula cities, are located in a region with very limited access to high-quality transit. Only a small portion of the City itself has access to high-quality transit (See attachment 6) In fact, the City recently learned that, due to the recent reduction in ridership, the LA Metro is considering eliminating Route 344, which serves Hawthorne Blvd., a major arterial for the Peninsula. With limited and even decreasing access to high-quality transit, the City's access to jobs is unlikely to change. As such, there appears to be no grounds to support the job increase found in the Connect SoCal Plan's 2045 projections.

Accordingly, the City's assignment of 6.46% of job accessibility should be lowered to a more accurate and equitable percentage. If the percentage were lowered by 1% to 5.46% to reflect the reduction in job and accessibility within the City, that, in turn, would equal an assignment of **634 units as existing need due to job accessibility** rather than the 638 units originally assigned.

B. SCAG failed to consider local planning factors, specifically the numerous unique factors found in the City which limit development.

Development within the City faces a number of unique challenges. Despite this, the City has a vibrant and well-planned mix of residential, commercial, and industrial uses. SCAG failed to consider the following local planning factors when determining the allocation to the City.

1. Availability of land suitable for urban development or for conversion to residential use

There are 8,274 acres of land within the City of Rancho Palos Verdes. The City has determined that 1,710 acres of land are not suitable for urban development. These acres of land include Natural Environment/Hazard Areas which are lands designated as “Hazard,” “Open Space Hillside” and “Open Space Preserve” by the Land Use Element.

The areas designated “Hazard” areas possess extreme physical constraints, such as active landslide, sea cliff erosion hazard, and extreme slopes of 35 percent and greater.

The areas designated “Open Space Hillside” areas also are subject to extreme physical constraints and will be maintained as open space, with very light-intensity uses permitted, such as landscaping, agriculture, passive recreational activities, and very minor structures, for the protection of the public health, safety, and welfare. The constraints include active landslide and extreme slope of 35% or greater. The Open Space Preserve areas include the City’s Palos Verdes Nature Preserve. These are lands that have been acquired by the City as permanent open space, which are managed by the Palos Verdes Peninsula Land Conservancy. The purpose of these lands is to provide permanent open space buffers within the community, to protect sensitive plant and animal communities, and to provide opportunity for passive recreational uses that are compatible with this purpose. Of the 6,564 acres available for urban development, 5,111 acres have already been developed as Urban Activity Areas; that is, sites that have been set-aside for some structured use that either directly or indirectly serve a function oriented to urbanization. Undeveloped acreage totals only 5% of all the acres within the City.

Residential activities are the major land use in the City with existing and proposed residential uses encompassing approximately 5,500 acres (66.5% of the total land area). The predominance of residential use and related density ranges is based on several factors: the ability of residential activity to produce low environmental stress, the geographic location of the community with no major transportation facilities, the geology of the site, lack of market potential for any major commercial development, and need for support facilities only to meet the community’s demand.

(a) Portuguese Bend Landslide Complex

The Portuguese Bend Landslide Complex (PBLC) is located along the south central section of the Palos Verdes Peninsula within the City of Rancho Palos Verdes. The terminus of the active landslide complex, and generally the southwest boundary of the PBLC, is the Pacific Ocean. The PBLC is divided into two parts with the main landslide having an area of about 190 acres and the other segment having an area of about 70 acres. The PBLC moves at various rates and over the last several decades has resulted in significant infrastructure damage to homes, utilities, and roadways. The City has expended nearly 50 million dollars over the years repairing and maintaining the damage and addressing the overall technical and administrative issues associated with managing such a complex problem. As a result of geologic and geotechnical studies, the City

prohibits the construction on vacant lots within the entire PBLC through with the establishment of a landslide moratorium area. As such, development is not possible in a significant portion of the City without further, expensive interventions by the City.

2. Lands protected from urban development under existing federal or state programs

(a) Very High Fire Severity Zone Designation

Approximately 97% of the City of Rancho Palos Verdes is located within the Very High Fire Severity Zone, as classified through the California Department of Forestry and Fire Protection. This designation reflects the constant and pressing fire safety threat which faces the City. The designation is made by the California Department of Forestry and Fire Protection, without input from the City. Senate Bill 35, found at Government Code 51175, *et seq.*, recognizes the hazards associated with such classifications by exempting mandatory density provisions for very high fire severity zone communities. Additionally, this designation requires the City of Rancho Palos to consider the potential fire risk implications of planning decisions. This designation specifically requires that the City consider any additional developments that would increase density within the City, severely limiting the City's ability to respond to its RHNA allocation. As such, the City is being forced into a conflicting position: limit density due to fire risk, and create more housing due to its RHNA allocation.

(b) Limitations Due to Conservation

The City includes area of lands that are protected from development as a result of Federal and State programs. More specifically, the City has adopted a Natural Community Preservation Plan and Habitat Conservation Plan (NCCP/HCP or Plan). The Plan was prepared to maximize the benefits to wildlife and vegetation communities while accommodating appropriate economic development within the City. The City's primary conservation strategy is to dedicate 1,402.4 acres of habitat protection for the NCCP/HCP Preserve assembly. The dedication includes Existing Public Lands that are currently owned by the City (1,123.0 acres) and the Palos Verdes Peninsula Land Conservancy (PVPLC) (20.7 acres). The remainder of the Preserve is comprised of 258.7 acres of City owned land or land that will eventually be owned by the City, which has been previously dedicated for conservation as mitigation for certain private projects and will be added to the Preserve.

The City also includes the Abalone Cove, which contains a State-designated Ecological Preserve with important natural marine resources at the bottom of the Portuguese Bend landslide area. The City's NCCP/HCP is unique to Los Angeles County and is the only such Plan in the County. It benefits the natural environment and protection of species, including listed endangered species as well as passive recreational opportunities to the general public. The approximate 1,400 acres of undeveloped vacant open space that make up the Palos Verdes Nature Preserve is encumbered with conservation easements and deed restrictions that prohibit development in perpetuity, which should be factored in the RHNA allocation applied to the City.

III. This Appeals Furthers The Objectives Under Government Code Section 65584.

The City's appeal of its RHNA allocation above serves to further the five RHNA objectives under Government Code Section 65584(d). With respect to the first objective of increasing the housing supply and mix of housing types, tenure, and affordability within the region in an equitable manner, the City's proposed revisions ensure that the consideration of actual employment data and projections (as opposed to output modelling) promotes an equitable distribution of housing where the jobs are accessible. It is clear the SCAG's Connect SoCal Plan is not in line with earlier SCAG projections, which saw jobs diminishing in the City. Accordingly, placement of housing where there are not as many jobs as originally calculated does not achieve equity or distribute housing in an equitable manner in the City or surrounding communities whose residents may commute to the City. This is especially true due to the shortage of high-quality transit within the City. Rather, revising the City's share of the region's job accessibility (population-weighted) downward from 6.46% to 5.46% will increase the supply of housing in a more equitable and realistic manner.

With respect to the second objective, the City's appeal encourages efficient development patterns and will achieve the region's greenhouse gas targets better than the current allocation because the revised allocation requested by this appeal more accurately reflects actual travel patterns and demands between jobs and housing. By continuing to use the current allocation, the City's residents will actually be travelling farther to access the number of jobs purported to exist within the City without access to high-quality transit. This would lead to a reliance on long-distance automobile traffic, increasing greenhouse gas from the increased commute time. With the revisions, the number of housing units that will be built will accurately reflect the actual existing and projected number of jobs between now and the end of the planning period that are accessible within a 30-minute commute, and it will provide a reduction in trips and greenhouse gases.

With respect to the third objective, the appeal will promote an improved intraregional relationship between jobs and housing, as the more accurate data and projections will lead to more housing closer to where the jobs are or will be located. Using the current projections overinflates the number of jobs in or near the City and will create housing that is not necessarily near where the jobs will be located.

With respect to the fourth and fifth objectives, the appeal will allocate the appropriate percentage and number of housing per income category to promote social equity within the City by strictly using the formula created and implemented by SCAG.

Overall, the City's appeal is necessary to ensure success in planning for and actually developing housing to meet the needs and demands of the future. Denying the appeal and moving forward with the allocation as-is would ignore the actual real world constraints on employment and development that exists within the City and the surrounding communities. The City's proposed revisions also further the housing objectives in a more meaningful way by adhering to the RHNA methodology while incorporating actual data and information as well as promoting social equity.

IV. Additional Issues

HCD improperly calculated the RHNA allocation and gave SCAG twice as many housing units than it should have. SB 828, which made changes to Government Code Sections 65584, 65584.01, and 65584.04, wrongly assumed overcrowding and cost-burdening were not considered in the housing needs projections calculated by the California Department of Finance (DOF), which (prior

to SB 828) was tasked with developing methodology for household forecasts. According to a report by the Embarcadero Institute, *Double Counting in the Latest Housing Needs Assessment*, September 2020, “unknown to the authors of SB-828, the DOF has for years factored overcrowding and cost-burdening into their household projections. These projections are developed by multiplying the estimated population by the headship rate (the proportion of the population who will be head of a household). The DOF, in conjunction with HCD, has documented its deliberate decision to use higher headship rates to reflect optimal conditions and intentionally “alleviate the burdens of high housing cost and overcrowding.” Unfortunately, SB-828 has caused the state to double count these important numbers.” (See attachment 7, *Double Counting in the Latest Housing Needs Assessment*, p. 3.) In other words, the resulting legislation of SB 828 counted overcrowding and high housing costs twice, once as part of the household projections when multiplying estimated population by the headship rate, and then again a second time as an adjustment factor. This has resulted in an additional 734,000 housing units being assigned to regional planning bodies throughout California, with SCAG absorbing a vast majority of the units. (See attachment 7, *Double Counting in the Latest Housing Needs Assessment*, p. 4.)

Moreover, SB 828 assumed a 5% vacant rate in owner-occupied housing is representative of a healthy housing market, when in fact, the rate should be 1.5%. As a result, more housing units would be required to be built to achieve a higher 5% vacancy rate for owner-occupied housing. This will result in an oversupply of such housing. The Embarcadero Institute estimates this error results in an overproduction requirement of 229,000 housing units throughout California, the majority of which was again assigned to SCAG. (See attachment 7, *Double Counting in the Latest Housing Needs Assessment*, pp. 3-4.)

Overall, the double counting has required regional planning bodies throughout California to absorb over 941,000 additional housing units than it would have otherwise been required to produce, with SCAG being assigned to produce 691,000 of those units, which is 100% more than the actual projected household growth for the Southern California region.

SUMMARY OF APPEAL REQUEST AND DESIRED OUTCOME:

1. Reduce the City’s share of the region’s job accessibility (populated weighted) from 6.46% to 5.46%, thereby reducing the City’s allocation from 638 to 634 units.
2. Address the local planning factors relevant to the City, thereby reducing the City’s allocation from 634 units to 584 units.

NUMBER OF UNITS REQUESTED TO BE REDUCED OR ADDED TO THE JURISDICTION’S DRAFT RHNA ALLOCATION:

Reduce: 54 units

Attachments

1. RPV Draft 6th RHNA Methodology
2. SCAG Job Accessibility Data

3. SCAG Data Appendix Jobs
4. SCAG Connect Social Demographics and Growth Forecast
5. Rancho Palos Verdes Local Profile Report
6. SCAG HQTAs Maps
7. Double-counting-in-the Latest Housing Needs Assessment- October 2020

SCAG 6TH CYCLE DRAFT RHNA ALLOCATION BASED ON FINAL RHNA METHODOLOGY

9/3/20

What is this? This spreadsheet tool provides input data as well as draft RHNA allocations for each local jurisdiction. Following the adoption of Connect SoCal (2020 RTP/SCS) by SCAG's Regional Council on 9/4/2020, draft allocations were formally issued to each local jurisdiction.

Instructions: Select jurisdiction from drop-down menu. Green boxes will populate based on data in "RHNA_data" tab. For more information, please see www.scag.ca.gov/rhna or email housing@scag.ca.gov.

Select Jurisdiction (drop-down menu)

Rancho Palos Verdes city

Total regional housing need

1,341,827

Rancho Palos Verdes city statistics:

Forecasted household (HH) growth, RHNA period:

Percent of households who are renting:

Housing unit loss from demolition (2009-18):

Adj. forecasted household growth, 2020-2045:*

Pct. of regional jobs accessible in 30 mins (2045):**

Share of region's job accessibility (pop-weighted):

Share of region's HQTAs population (2045)

Share of pop. in low/very low-resource tracts:

Share of pop. In very high-resource tracts:

Social equity adjustment:

*Local input/growth forecast total adjusted by the difference between determination and SCAG's regional 2020-2045 forecast (+4%)

**For the jurisdiction's median TAZ

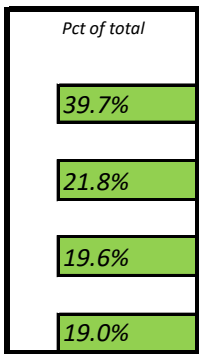
For complete descriptions of values below, see "metadata" tab or www.sca.gov

	Regional Percentile:
23	6%
20%	7%
-	0%
93	-
6.46%	35%
0.10%	37%
0.03%	37%
0.00%	-
99.95%	-
180%	-

between the RHNA

RHNA Allocation inputs for Rancho Palos Verdes city	
Forecasted household (HH) growth, RHNA period:	23
Vacancy Adjustment	1
Replacement Need	-
TOTAL PROJECTED NEED:	24
Existing need due to job accessibility (50%)	426
Existing need due to HQTAs pop. share (50%)	135
Net residual factor for existing need [^]	53
TOTAL EXISTING NEED	614
TOTAL RHNA FOR RANCHO PALOS VERDES CITY	638
Very-low income (<50% of AMI)	253
Low income (50-80% of AMI)	139
Moderate income (80-120% of AMI)	125
Above moderate income (>120% of AMI)	121

[^]Negative values represent a lower-resourced community with good job and/or transit access having its allocation capped. Positive values represent this amount being redistributed to higher-resourced communities based on their job and/or transit access.



Job Accessibility

need based on share of job accessibility

209,943

County	Subregion	City	FIPS	Population (2045)	% of jobs accessible in SCAG	Job accessibility, population-weighted	Share of region's job accessibility	Job accessibility factor
Los Angeles	Las Virgenes Malibu COG	Malibu city	45246	12,974	1.03%	134	0.00%	21
Los Angeles	SBCCOG	Manhattan Beach city	45400	35,590	12.41%	4415	0.16%	678
Los Angeles	GCCOG	Maywood city	46492	29,043	19.35%	5620	0.21%	863
Riverside	WRCOG	Menifee city	46842	129,750	3.66%	4749	0.17%	729
Orange	OCCOG	Mission Viejo city	48256	98,578	9.12%	8990	0.33%	1380
Los Angeles	SGVCOG	Monrovia city	48648	42,059	10.24%	4307	0.16%	661
San Bernardino	SBCTA/SBCOG	Montclair city	48788	49,150	10.29%	5055	0.19%	776
Los Angeles	SGVCOG	Montebello city	48816	67,808	20.07%	13606	0.50%	2088
Los Angeles	SGVCOG	Monterey Park city	48914	65,591	18.81%	12334	0.45%	1893
Ventura	VCOG	Moorpark city	49138	42,198	3.77%	1591	0.06%	244
Riverside	WRCOG	Moreno Valley city	49270	266,814	4.80%	12807	0.47%	1966
Riverside	WRCOG	Murrieta city	50076	127,738	2.58%	3289	0.12%	505
San Bernardino	SBCTA/SBCOG	Needles city	50734	5,581	0.02%	1	0.00%	0
Orange	OCCOG	Newport Beach city	51182	91,975	16.63%	15295	0.56%	2348
Riverside	WRCOG	Norco city	51560	27,261	10.36%	2824	0.10%	433
Los Angeles	GCCOG	Norwalk city	52526	106,989	21.99%	23527	0.86%	3611
Ventura	VCOG	Ojai city	53476	7,866	0.39%	30	0.00%	5
San Bernardino	SBCTA/SBCOG	Ontario city	53896	269,050	13.17%	35434	1.30%	5439
Orange	OCCOG	Orange city	53980	154,044	21.28%	32773	1.20%	5030
Ventura	VCOG	Oxnard city	54652	238,126	2.67%	6358	0.23%	976
Riverside	CVAG	Palm Desert city	55184	64,053	2.49%	1592	0.06%	244
Riverside	CVAG	Palm Springs city	55254	61,612	2.41%	1485	0.05%	228
Los Angeles	North Los Angeles County	Palmdale city	55156	207,047	1.20%	2485	0.09%	381
Los Angeles	SBCCOG	Palos Verdes Estates city	55380	14,038	5.25%	737	0.03%	113
Los Angeles	GCCOG	Paramount city	55618	57,534	20.91%	12030	0.44%	1846
Los Angeles	SGVCOG	Pasadena city	56000	155,525	12.86%	20001	0.73%	3070
Riverside	WRCOG	Perris city	56700	121,038	4.03%	4878	0.18%	749
Los Angeles	GCCOG	Pico Rivera city	56924	67,387	20.99%	14145	0.52%	2171
Orange	OCCOG	Placentia city	57526	58,935	19.36%	11410	0.42%	1751
Los Angeles	SGVCOG	Pomona city	58072	187,606	10.35%	19417	0.71%	2980
Ventura	VCOG	Port Hueneme city	58296	22,361	2.43%	542	0.02%	83
San Bernardino	SBCTA/SBCOG	Rancho Cucamonga city	59451	201,255	11.87%	23889	0.88%	3667
Riverside	CVAG	Rancho Mirage city	59500	25,193	2.53%	637	0.02%	98
Los Angeles	SBCCOG	Rancho Palos Verdes city	59514	43,037	6.46%	2778	0.10%	426
Orange	OCCOG	Rancho Santa Margarita city	59587	49,752	5.55%	2761	0.10%	424
San Bernardino	SBCTA/SBCOG	Redlands city	59962	80,832	7.42%	5998	0.22%	921
Los Angeles	SBCCOG	Redondo Beach city	60018	72,873	11.89%	8665	0.32%	1330
San Bernardino	SBCTA/SBCOG	Rialto city	60466	139,068	10.09%	14032	0.51%	2154
Riverside	WRCOG	Riverside city	62000	395,798	9.79%	38729	1.42%	5944
Los Angeles	SBCCOG	Rolling Hills city	62602	2,030	7.62%	155	0.01%	24
Los Angeles	SBCCOG	Rolling Hills Estates city	62644	8,476	8.07%	684	0.03%	105
Los Angeles	SGVCOG	Rosemead city	62896	60,257	16.18%	9747	0.36%	1496
San Bernardino	SBCTA/SBCOG	San Bernardino city	65000	230,532	9.07%	20909	0.77%	3209
Ventura	VCOG	San Buenaventura city	65042	123,925	2.70%	3346	0.12%	514
Orange	OCCOG	San Clemente city	65084	69,624	2.31%	1608	0.06%	247
Los Angeles	SGVCOG	San Dimas city	66070	35,031	10.46%	3664	0.13%	562
Los Angeles	City of Los Angeles	San Fernando city	66140	27,119	10.66%	2891	0.11%	444
Los Angeles	SGVCOG	San Gabriel city	67042	45,836	14.25%	6532	0.24%	1003
Riverside	WRCOG	San Jacinto city	67112	69,861	1.74%	1212	0.04%	186
Orange	OCCOG	San Juan Capistrano city	68028	41,917	4.39%	1838	0.07%	282
Los Angeles	SGVCOG	San Marino city	68224	13,559	12.19%	1653	0.06%	254
Orange	OCCOG	Santa Ana city	69000	360,077	20.13%	72484	2.66%	11125
Los Angeles	North Los Angeles County	Santa Clarita city	69088	258,826	3.89%	10068	0.37%	1545

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the

county	city	HO16	HO20	HO30	HO45	E16	E20
71	Adelanto city	8159	9503	13686	19802	6141	6671
37	Agoura Hills city	7436	7496	7656	7916	13570	13860
37	Alhambra city	29910	30304	31070	32031	37370	37861
59	Aliso Viejo city	18710	19542	19599	19704	23032	23568
59	Anaheim city	101098	105927	110666	122701	197153	200992
71	Apple Valley town	24734	26809	31547	37386	18012	19678
37	Arcadia city	19563	20219	21128	22390	32620	33146
37	Artesia city	4536	4620	4784	4956	6055	6134
37	Avalon city	1444	1455	1484	2145	2570	2609
37	Azusa city	13417	13832	14889	16366	19378	19782
37	Baldwin Park city	16881	17311	18161	19234	24731	25023
65	Banning city	10898	11418	13226	16144	7291	8139
71	Barstow city	8417	9030	10560	12848	11704	12642
65	Beaumont city	14221	16692	21168	25052	9278	10998
37	Bell city	8945	8994	9093	9214	12382	12516
37	Bellflower city	23244	23269	23306	23425	17583	17687
37	Bell Gardens city	9652	9732	9931	10216	9579	9683
37	Beverly Hills city	14840	14979	15296	15676	74550	75686
71	Big Bear Lake city	2095	2194	2442	2813	4683	4833
65	Blythe city	4594	4907	5413	6281	4766	5185
37	Bradbury city	368	371	390	400	152	155
25	Brawley city	7659	8849	10274	12831	8035	9358
59	Brea city	15343	15908	16059	17035	50426	52506
59	Buena Park city	24190	24661	26431	28564	33597	34477
37	Burbank city	41874	42764	45219	48640	113992	116547
37	Calabasas city	8788	9008	9184	9288	20471	20556
25	Calexico city	10009	16118	19197	22293	10799	12406
65	Calimesa city	3438	4009	6241	10409	1571	2223
25	Calipatria city	981	1295	1468	1748	1753	1873
111	Camarillo city	25168	26666	27443	28088	32674	33713
65	Canyon Lake city	3879	3948	4048	4197	1802	2016
37	Carson city	25462	26298	28166	30668	63367	64520
65	Cathedral City city	17362	19380	22569	27989	12283	13783
37	Cerritos city	15467	15467	15507	15568	38953	38975
71	Chino city	23227	24586	27983	33078	50408	51376
71	Chino Hills city	23838	24418	25868	28043	16424	16633
37	Claremont city	11763	12127	12803	13743	18794	19012
65	Coachella city	9623	14396	21654	36439	8885	12484
71	Colton city	15026	16080	19002	21668	19453	20764
37	Commerce city	3385	3447	3545	3684	53367	53865
37	Compton city	23502	23682	24081	24646	28564	28859
65	Corona city	46932	47358	49407	52444	79227	81271
59	Costa Mesa city	40538	41984	42465	44185	95713	99056
37	Covina city	15971	16052	16452	16795	26326	26755
37	Cudahy city	5649	5701	5870	6080	2886	3023
37	Culver City city	17004	17146	17505	18014	59266	60312

59 Cypress city	15801	16374	16455	16591	27515	28431
59 Dana Point city	14308	14662	14837	15190	11747	12268
65 Desert Hot Springs city	9286	12271	16561	24721	3672	4984
37 Diamond Bar city	18913	19389	20579	22370	14637	15497
37 Downey city	32646	32840	33327	34072	42850	43315
37 Duarte city	7123	7460	7713	8141	11273	12397
65 Eastvale City	16265	16688	17845	18494	7371	13020
25 El Centro city	13106	13938	16259	20486	23198	27508
37 El Monte city	27529	28172	31145	36343	30616	31345
37 El Segundo city	6982	7077	7180	7323	48325	49083
111 Fillmore city	4263	4405	4830	5342	2999	3332
71 Fontana city	51518	55139	64192	77772	56724	59265
59 Fountain Valley city	18771	18898	19082	19430	31579	32242
59 Fullerton city	46371	47686	49614	52915	63232	70586
37 Gardena city	20817	21333	22414	23695	29284	29767
59 Garden Grove city	46252	46870	48350	49202	57829	59164
37 Glendale city	74508	75577	78349	82295	117022	118799
37 Glendora city	17584	17907	18474	19481	21589	21564
71 Grand Terrace city	4421	4579	4975	5569	3481	3840
37 Hawaiian Gardens city	3622	3692	3820	4010	7931	7992
37 Hawthorne city	29684	29911	30839	31579	28498	28955
65 Hemet city	29931	35216	42465	53454	21667	23612
37 Hermosa Beach city	9514	9565	9694	9887	7717	8098
71 Hesperia city	26764	30404	39503	53153	22460	25718
37 Hidden Hills city	590	605	629	662	278	278
71 Highland city	15391	15928	17956	21410	6938	7510
25 Holtville city	1760	2143	2326	2573	1804	1996
59 Huntington Beach city	77044	79048	79565	80309	83445	86267
37 Huntington Park city	14650	14986	15651	16528	15904	16184
25 Imperial city	5146	6329	8156	10123	4593	5616
65 Indian Wells city	2877	2947	3122	3385	5173	5609
65 Indio city	26030	28816	35615	44044	26619	29672
37 Industry city	64	64	64	64	80388	80388
37 Inglewood city	37470	40578	43738	47728	33812	38412
59 Irvine city	93303	103382	112404	121739	265264	282215
37 Irwindale city	367	406	472	521	18850	19163
37 La Cañada Flintridge city	6811	6859	7004	7189	7711	7854
59 Laguna Beach city	10908	10949	10970	11002	5773	5818
59 Laguna Hills city	10413	10666	11669	11704	18334	18467
59 Laguna Niguel city	24786	26058	26128	26232	19564	20537
59 Laguna Woods city	11376	11415	11439	11513	5401	5762
59 La Habra city	19168	19844	20245	20618	18224	18634
37 La Habra Heights city	1817	1849	1916	2009	865	874
65 Lake Elsinore city	16863	20468	27745	37760	14032	16881
59 Lake Forest city	27652	30212	30717	30817	42477	44903
37 Lakewood city	25812	26446	27456	28715	20879	21116
37 La Mirada city	14707	14985	15525	16204	17995	18285

37 Lancaster city	46854	50498	59418	74646	56303	57573
59 La Palma city	5094	5108	5115	5129	15286	15388
37 La Puente city	9430	9563	9716	9889	6640	6847
65 La Quinta city	15350	16008	17332	19392	16740	17172
37 La Verne city	11653	11754	12008	12388	17017	17190
37 Lawndale city	9680	9833	9987	10202	7372	7512
71 Loma Linda city	9033	9440	10458	11985	24184	24746
37 Lomita city	7975	8072	8258	8513	5629	5710
37 Long Beach city	168607	172680	182872	198151	155895	159971
59 Los Alamitos city	4137	4150	4335	4408	14751	15331
37 Los Angeles city	1367018	1436882	1578496	1793035	1848344	1890856
37 Lynwood city	14851	15042	15685	16540	11962	12121
37 Malibu city	5212	5236	5287	5362	9898	10078
37 Manhattan Beach city	13896	13911	13948	14010	22026	22816
37 Maywood city	6591	6628	6773	6979	4012	4054
65 Menifee city	30471	34287	41223	51226	13840	17787
59 Mission Viejo city	33858	34038	34087	34224	38556	38815
37 Monrovia city	14025	14900	15601	16655	22654	23030
71 Montclair city	9866	10045	10492	11162	19309	19837
37 Montebello city	19080	19418	20231	21066	29341	29684
37 Monterey Park city	20006	20370	21149	22209	45491	45869
111 Moorpark city	11020	11755	12545	13021	11329	12214
65 Moreno Valley city	52697	57735	65182	76199	35491	43158
65 Murrieta city	34517	38385	41348	42287	31338	36832
71 Needles city	1941	1949	2024	2154	1731	1781
59 Newport Beach city	38930	39952	40240	41825	83358	83888
65 Norco city	7097	7107	7127	7147	15235	17057
37 Norwalk city	26673	26812	26977	27280	25735	26421
111 Ojai city	3099	3137	3178	3227	5562	5577
71 Ontario city	46001	51841	60602	74521	113859	124571
59 Orange city	43708	44935	47448	48718	123043	124717
111 Oxnard city	51151	53429	57211	61645	61128	64058
37 Palmdale city	43809	45820	53046	61798	36738	38610
65 Palm Desert city	23112	24296	26426	32311	43307	45189
65 Palm Springs city	23106	24809	27261	31270	31937	34778
37 Palos Verdes Estates city	5061	5089	5169	5284	2956	3009
37 Paramount city	14089	14179	14311	14529	21419	21722
37 Pasadena city	56327	57819	61013	65083	116219	118236
65 Perris city	17202	21431	27458	33798	16057	19013
37 Pico Rivera city	16556	16778	17526	18475	24946	25294
59 Placentia city	16609	16849	17864	18750	19903	20366
37 Pomona city	39307	40973	46124	52844	55696	56824
111 Port Hueneme city	6947	7004	7108	7124	3781	3825
71 Rancho Cucamonga city	56764	58096	61426	66421	88314	90634
65 Rancho Mirage city	8957	9654	11042	12986	16611	17773
37 Rancho Palos Verdes cit	15717	15753	15781	15843	7954	7997
59 Rancho Santa Margarita	16728	16813	16863	16987	15635	16489

71 Redlands city	24421	25305	27516	30832	42569	44469
37 Redondo Beach city	29153	29410	30057	31057	25432	26184
71 Rialto city	26485	29135	31785	37085	25472	28301
65 Riverside city	94466	98860	105649	115057	145392	157235
37 Rolling Hills city	673	682	704	735	110	110
37 Rolling Hills Estates city	2911	2949	3040	3159	7059	7144
37 Rosemead city	14314	14462	15342	16508	16441	16673
71 San Bernardino city	59709	60959	64084	68771	101330	104673
111 San Buenaventura (Vent	41086	41809	43690	46665	60766	61578
59 San Clemente city	24164	24445	24977	25368	28568	29309
37 San Dimas city	12121	12163	12218	12338	11528	11980
37 San Fernando city	6069	6197	6638	7146	11446	11644
37 San Gabriel city	12622	12992	14131	15269	14899	15151
65 San Jacinto city	14039	15583	19353	24964	6853	7470
59 San Juan Capistrano city	11622	12077	12405	13366	17208	17370
37 San Marino city	4358	4367	4384	4408	4447	4508
59 Santa Ana city	73919	77159	79637	80133	162924	165242
37 Santa Clarita city	71800	78378	87662	95185	91192	93325
37 Santa Fe Springs city	5152	5546	6147	6461	56951	57831
37 Santa Monica city	48081	48628	49975	51410	105800	105800
111 Santa Paula city	8608	8931	9536	10343	7840	7992
59 Seal Beach city	13057	13099	13172	13274	12672	13078
37 Sierra Madre city	4793	4821	4851	5024	2190	2220
37 Signal Hill city	4303	4350	4558	4847	16863	17165
111 Simi Valley city	41607	42089	43669	46080	46693	49060
37 South El Monte city	4647	4743	4999	5298	16759	16944
37 South Gate city	23884	24822	27232	30779	22351	22705
37 South Pasadena city	10431	10517	10831	11245	11411	11528
59 Stanton city	10814	11095	11877	12278	9056	9743
65 Temecula city	33627	35370	39727	46355	56422	58713
37 Temple City city	11547	11903	13248	15068	7409	7678
111 Thousand Oaks city	46047	46561	48391	51316	70078	73756
37 Torrance city	55639	55862	56408	57282	126554	126870
59 Tustin city	26520	27163	27221	30635	49215	53029
71 Twentynine Palms city	8367	8842	10031	11814	4427	5002
71 Upland city	26088	27016	29336	32817	35893	36769
37 Vernon city	74	76	76	76	43251	43675
71 Victorville city	33932	38465	47392	61813	41180	43942
59 Villa Park city	1980	1985	1997	2023	2112	2153
37 Walnut city	8654	8796	8946	9232	8643	8785
37 West Covina city	31537	32013	33203	34848	31581	32034
37 West Hollywood city	26007	27580	28330	30125	21681	25275
37 Westlake Village city	3244	3283	3374	3504	17149	17430
59 Westminster city	26183	26683	27448	27795	25870	26290
25 Westmorland city	609	612	621	634	328	331
37 Whittier city	29607	30472	31661	33474	35922	36393
65 Wildomar city	10553	12580	15542	19637	6479	7682

59 Yorba Linda city	22441	23130	23170	23329	17384	17937
71 Yucaipa city	18706	19638	22439	26068	10824	11763
71 Yucca Valley town	8358	8703	9566	10861	6937	7486
65 Jurupa Valley City	25283	26335	28545	31802	27129	28435
65 Unincorporated - MJPA	510	750	1010	1400	6124	11833
25 Unincorporated	10748	16337	20101	21796	16400	19751
37 Unincorporated	294780	335592	383057	419348	269137	272197
59 Unincorporated	38974	42659	49018	56581	24301	28533
65 Unincorporated	113055	123079	168912	179469	69973	72822
71 Unincorporated	97066	99533	105700	114950	58795	60736
111 Unincorporated	32191	32446	33122	33597	31838	32988
TOTAL SCAG	6,011,672	6,334,288	6,905,432	7,638,633	8,388,965	8,695,574

TABLE 14 Jurisdiction-Level Growth Forecast - Continued

County	Jurisdiction	Population		Households		Employment	
		2016	2045	2016	2045	2016	2045
Los Angeles	Lancaster city	157,800	213,300	46,900	74,600	56,300	65,500
Los Angeles	La Puente city	40,400	41,600	9,400	9,900	6,600	8,200
Los Angeles	La Verne city	33,100	34,400	11,700	12,400	17,000	18,300
Los Angeles	Lawndale city	33,400	34,400	9,700	10,200	7,400	8,300
Los Angeles	Lomita city	20,400	21,200	8,000	8,500	5,600	6,100
Los Angeles	Long Beach city	470,900	489,600	168,600	198,200	155,900	185,400
Los Angeles	Los Angeles city	3,933,800	4,771,300	1,367,000	1,793,000	1,848,300	2,135,900
Los Angeles	Lynwood city	71,900	76,900	14,900	16,500	12,000	13,100
Los Angeles	Malibu city	12,700	13,000	5,200	5,400	9,900	11,000
Los Angeles	Manhattan Beach city	35,400	35,600	13,900	14,000	22,000	23,600
Los Angeles	Maywood city	28,000	29,000	6,600	7,000	4,000	4,300
Los Angeles	Monrovia city	38,000	42,100	14,000	16,700	22,700	24,800
Los Angeles	Montebello city	63,900	67,800	19,100	21,100	29,300	31,300
Los Angeles	Monterey Park city	61,500	65,600	20,000	22,200	45,500	48,000
Los Angeles	Norwalk city	105,500	107,000	26,700	27,300	25,700	28,100
Los Angeles	Palmdale city	158,600	207,000	43,800	61,800	36,700	45,900
Los Angeles	Palos Verdes Estates city	13,700	14,000	5,100	5,300	3,000	3,300
Los Angeles	Paramount city	55,900	57,500	14,100	14,500	21,400	23,000
Los Angeles	Pasadena city	142,100	155,500	56,300	65,100	116,200	140,200
Los Angeles	Pico Rivera city	63,500	67,400	16,600	18,500	24,900	27,200
Los Angeles	Pomona city	154,700	187,600	39,300	52,800	55,700	63,400
Los Angeles	Rancho Palos Verdes city	42,800	43,000	15,700	15,800	8,000	8,200
Los Angeles	Redondo Beach city	68,200	72,900	29,200	31,100	25,400	28,300
Los Angeles	Rolling Hills city	1,900	2,000	700	700	100	100
Los Angeles	Rolling Hills Estates city	8,100	8,500	2,900	3,200	7,100	7,600

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the



Profile of the City of Rancho Palos Verdes

Southern California Association of Governments (SCAG) Regional Council includes 69 districts which represent 191 cities and 6 counties in the SCAG region

SCAG Regional Council District 40 includes El Segundo, Hermosa Beach, Lawndale, Manhattan Beach, Palos Verdes Estates, Rancho Palos Verdes, Redondo Beach, Rolling Hills, and Rolling Hills Estates

Represented by: Hon. Judy Mitchell



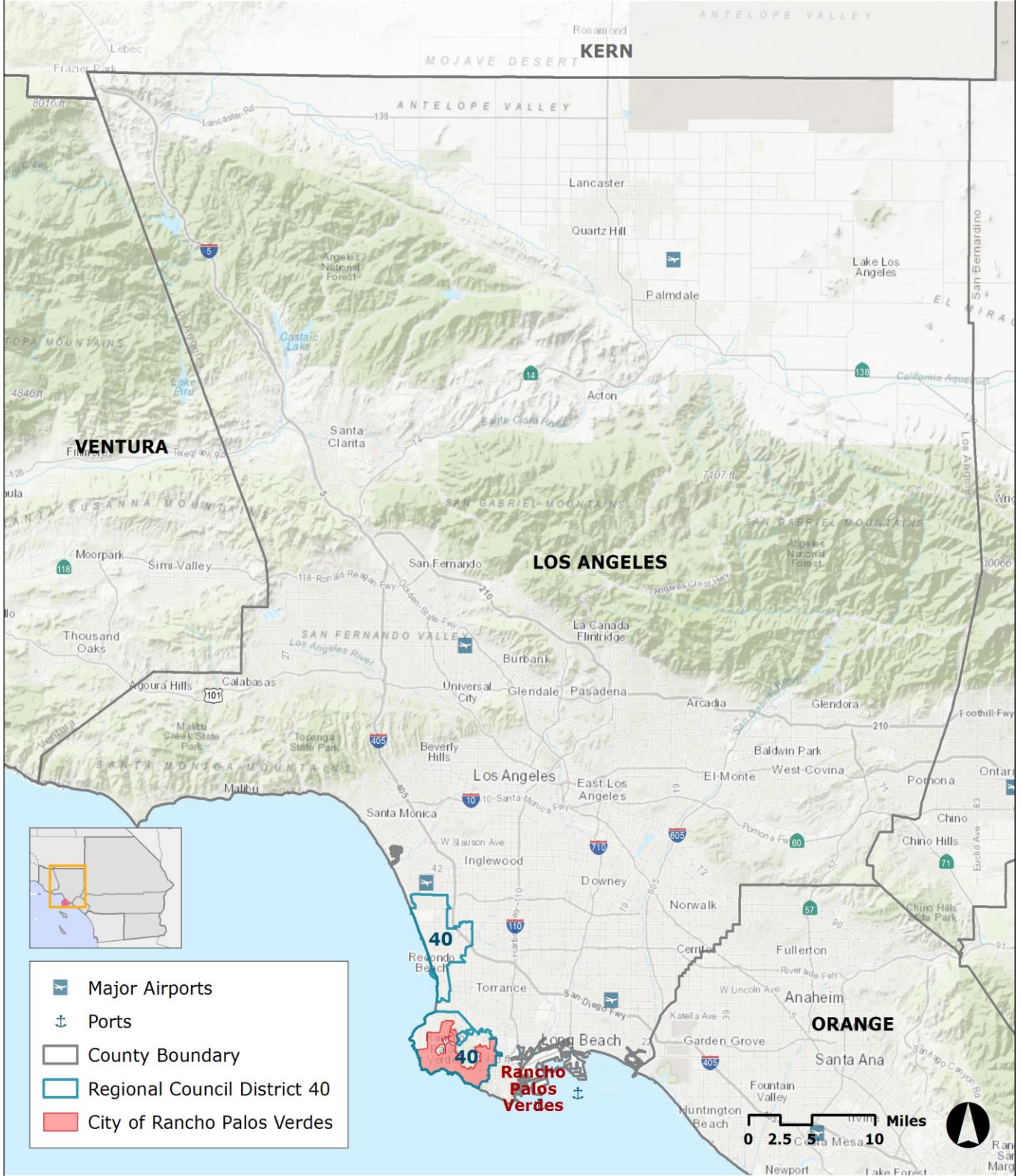
LOCAL PROFILES REPORT 2019






This profile report was prepared by the Southern California Association of Governments and shared with of Rancho Palos Verdes. SCAG provides local governments with a variety of benefits and services including, for example, data and information, GIS training, planning and technical assistance, and sustainability planning grants.

May 2019

Southern California Association of Governments

SCAG REGIONAL COUNCIL DISTRICT 40



-  Major Airports
-  Ports
-  County Boundary
-  Regional Council District 40
-  City of Rancho Palos Verdes



Source: 2016 SCAG city boundary data, provided by the county Local Agency Formation Commissions.
 Service Layer Credits: Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Rancho Palos Verdes)

TABLE OF CONTENTS

I.	Introduction.....	1
II.	Population	4
III.	Households	9
IV.	Housing.....	12
V.	Transportation	18
VI.	Active Transportation	20
VII.	Employment	21
VIII.	Retail Sales	29
IX.	Education.....	30
X.	Public Health.....	33
XI.	SCAG Regional Highlights	34
XII.	Data Sources.....	35
XIII.	Methodology	36
XIV.	Acknowledgments	41

THIS PAGE INTENTIONALLY LEFT BLANK

I. INTRODUCTION

The Southern California Association of Governments

The Southern California Association of Governments (SCAG) is the largest Metropolitan Planning Organization (MPO) in the nation, with more than 19 million residents. The SCAG region includes six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura) and 191 incorporated cities. In addition, the SCAG region is a major hub of global economic activity, representing the 16th largest economy in the world and is considered the nation's gateway for international trade, with two of the largest ports in the nation. The SCAG region is also the most culturally diverse region in the nation, with no single ethnic group comprising a majority of the population. With a robust, diversified economy and a growing population substantially fueled by international immigration, the SCAG region is poised to continue its role as a primary metropolitan center on the Pacific Rim.

SCAG Activities

As the designated MPO, SCAG is mandated by federal law to research and develop a Regional Transportation Plan (RTP), which incorporates a Sustainable Communities Strategy (SCS) per California state law. Additionally, SCAG is pursuing a variety of innovative planning and policy initiatives to foster a more sustainable Southern California. In addition to conducting the formal planning activities required of an MPO, SCAG provides local governments with a wide variety of benefits and services including, for example, data and information, GIS training, planning and technical assistance, and support for sustainability planning grants.

The Local Profiles

In 2008, SCAG initiated the Local Profiles project as a part of a larger initiative to provide a variety of new services to its member cities and counties. Through extensive input from member jurisdictions, the inaugural Local Profiles Reports were released at the SCAG General Assembly in May 2009. The Local Profiles have since been updated every two years.

The Local Profiles reports provide a variety of demographic, economic, education, housing, and transportation information about each member jurisdiction including, but not limited to, the following:

- How much growth in population has taken place since 2000?
- Has the local jurisdiction been growing faster or slower than the county or regional average?
- Have there been more or fewer school-age children?
- Have homeownership rates been increasing or decreasing?
- How and where do residents travel to work?
- How has the local economy been changing in terms of employment share by sector?

Answers to questions such as these provide a snapshot of the dynamic changes affecting each local jurisdiction.

The purpose of this report is to provide current information and data for the of Rancho Palos Verdes for planning and outreach efforts. Information on population, housing, transportation, employment, retail sales, and education can be utilized by the city to make well informed planning decisions. The report provides a portrait of the city and its changes since 2000, using average figures for Los Angeles County as a comparative baseline. In addition, the most current data available for the region is also included in the Statistical Summary (page 3). This profile report illustrates current trends occurring in of Rancho Palos Verdes.

Factors Affecting Local Changes Reflected in the 2019 Report

Overall, member jurisdictions since 2000 have been impacted by a variety of factors at the national, regional, and local levels. For example, the vast majority of member jurisdictions included in the 2019 Local Profiles reflect national demographic trends toward an older and more diverse population. Evidence of continued economic growth is also apparent through increases in employment, retail sales, building permits, and home prices. Work destinations and commute times correlate with regional development patterns and the geographical location of local jurisdictions, particularly in relation to the regional transportation system.

Uses of the Local Profiles

Following release at the SCAG General Assembly, the Local Profiles are posted on the SCAG website and are used for a variety of purposes including, but not limited to, the following:

- As a data and communication resource for elected officials, businesses, and residents
- Community planning and outreach
- Economic development
- Visioning initiatives
- Grant application support
- Performance monitoring

The primary user groups of the Local Profiles include member jurisdictions and state and federal legislative delegates of Southern California. This report is a SCAG member benefit and the use of the data contained within this report is voluntary.

Report Organization

This report includes three sections. The first section presents a ‘Statistical Summary’ for the of Rancho Palos Verdes. The second section provides detailed information organized by subject area and includes brief highlights of some of the trends identified by that information. The third section, ‘Methodology’, describes technical considerations related to data definitions, measurement, and sources.

2018 STATISTICAL SUMMARY

<i>Category</i>	<i>Rancho Palos Verdes</i>	<i>Los Angeles County</i>	<i>Rancho Palos Verdes Relative to Los Angeles County*</i>	<i>SCAG Region</i>
2018 Total Population	42,723	10,283,729	[0.4%]	19,145,421
2018 Population Density (Persons per Square Mile)	3,172	2,518	654	494
2018 Median Age (Years)	49.4	36.0	13.4	35.8
2018 Hispanic	10.7%	48.4%	-37.7%	46.5%
2018 Non-Hispanic White	52.9%	26.5%	26.4%	31.4%
2018 Non-Hispanic Asian	28.5%	14.3%	14.2%	12.8%
2018 Non-Hispanic Black	2.0%	7.9%	-5.9%	6.3%
2018 Non-Hispanic American Indian or Alaska Native	0.0%	0.2%	-0.2%	0.2%
2018 All Other Non-Hispanic	5.9%	2.7%	3.2%	2.8%
2018 Number of Households	15,681	3,338,658	[0.5%]	6,132,938
2018 Average Household Size	2.7	3.0	-0.3	3.1
2018 Median Household Income	\$124,552	\$61,015	\$63,537	\$64,989
2018 Number of Housing Units	16,317	3,546,863	[0.5%]	6,629,879
2018 Homeownership Rate	79.6%	52.4%	27.2%	52.4%
2018 Median Existing Home Sales Price	\$1,250,000	\$597,500	\$652,500	\$561,000
2017 - 2018 Median Home Sales Price Change	4.8%	6.7%	-1.9%	6.5%
2018 Drive Alone to Work	78.8%	73.7%	5.1%	75.8%
2018 Mean Travel Time to Work (minutes)	34.1	30.9	3.2	30.2
2017 Number of Jobs	7,965	4,767,204	[0.2%]	8,465,304
2016 - 2017 Total Jobs Change	11	23,801	[0.05%]	76,197
2017 Average Salary per Job	\$53,127	\$66,037	-\$12,910	\$60,956
2018 K-12 Public School Student Enrollment	6,522	1,482,258	[0.4%]	2,975,283

Sources: U.S. Census American Community Survey, 2017; Nielsen Co.; California Department of Finance E-5, May 2018; CoreLogic/DataQuick; California Department of Education; and SCAG

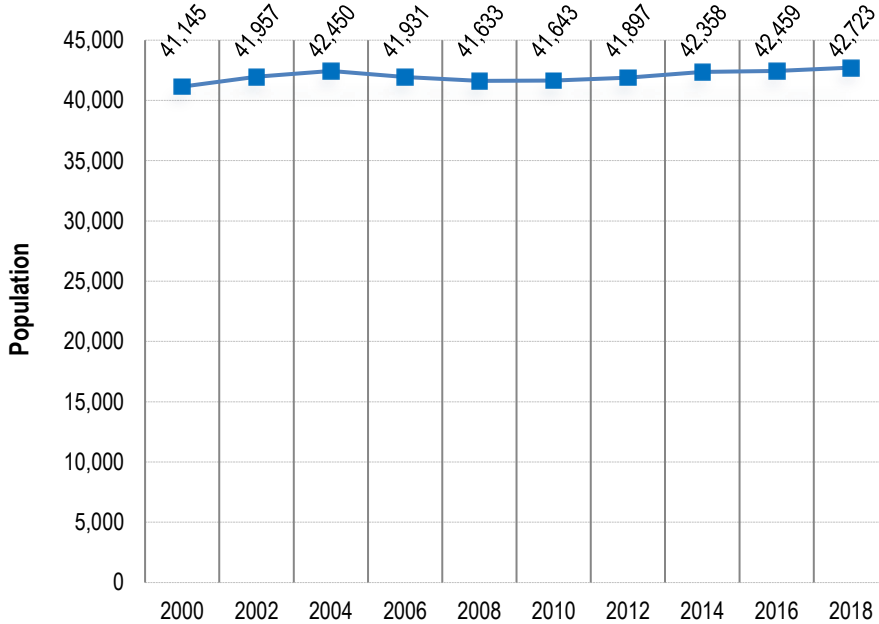
* Numbers with [] represent Rancho Palos Verdes’s share of Los Angeles County. The unbracketed numbers represent the difference between Rancho Palos Verdes and Los Angeles County.

Mapped jurisdictional boundaries are as of July 1, 2016 and are for visual purposes only. Report data, however, are updated according to their respective sources.

II. POPULATION

Population Growth

Population: 2000 - 2018

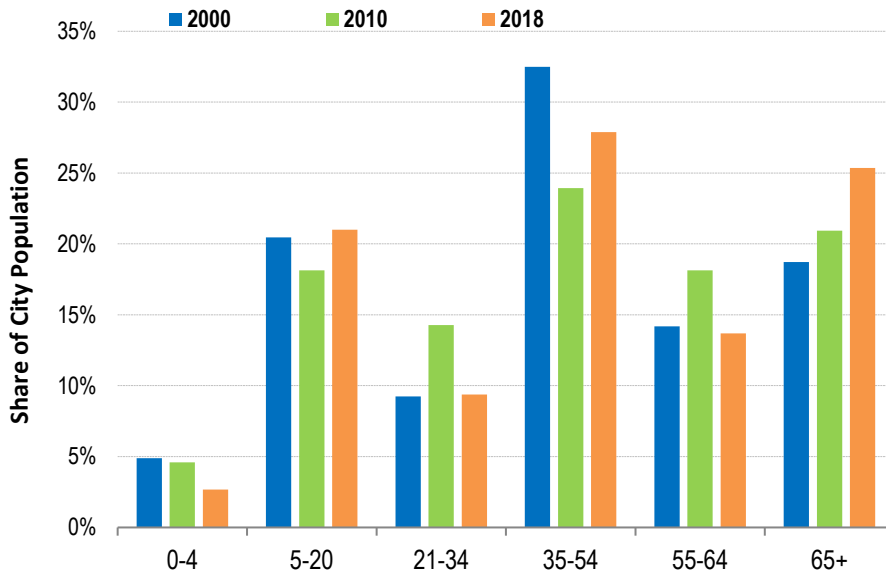


Source: California Department of Finance, E-5, 2018

- Between 2000 and 2018, the total population of the of Rancho Palos Verdes increased by 1,578 to 42,723 in 2018.
- During this 18-year period, the city’s population growth rate of 3.8 percent was lower than the Los Angeles County rate of 8 percent.
- 0.4 percent of the total population of Los Angeles County is in the of Rancho Palos Verdes.
- Population values for 2000 and 2010 are from the U.S. Decennial Census.
- Values for other years are estimates by the California Department of Finance.

Population by Age Range

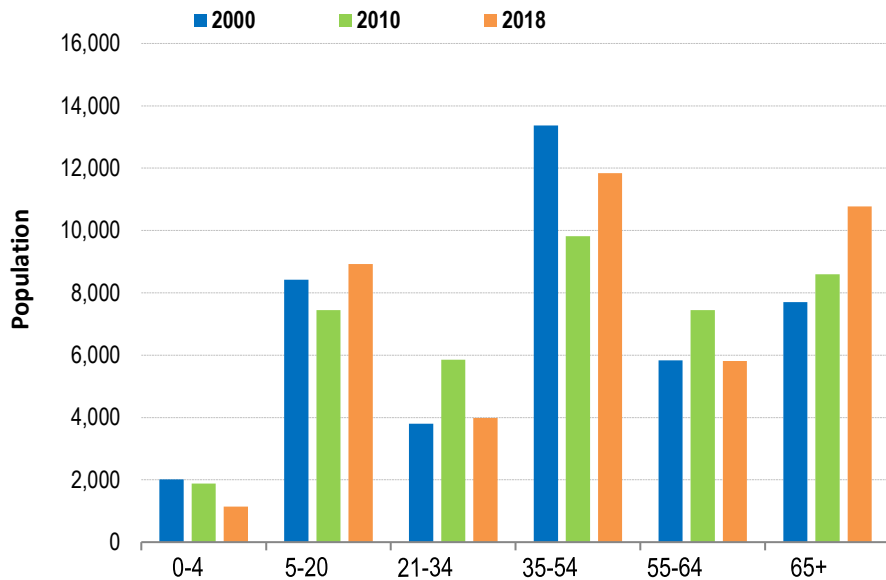
Population Share by Age: 2000, 2010, and 2018



Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, the 65+ age group experienced the largest increase in share, growing from 18.7 to 25.4 percent.
- The age group that experienced the greatest decline, by share, was 35-54, decreasing from 32.5 to 27.9 percent.

Population by Age: 2000, 2010, and 2018

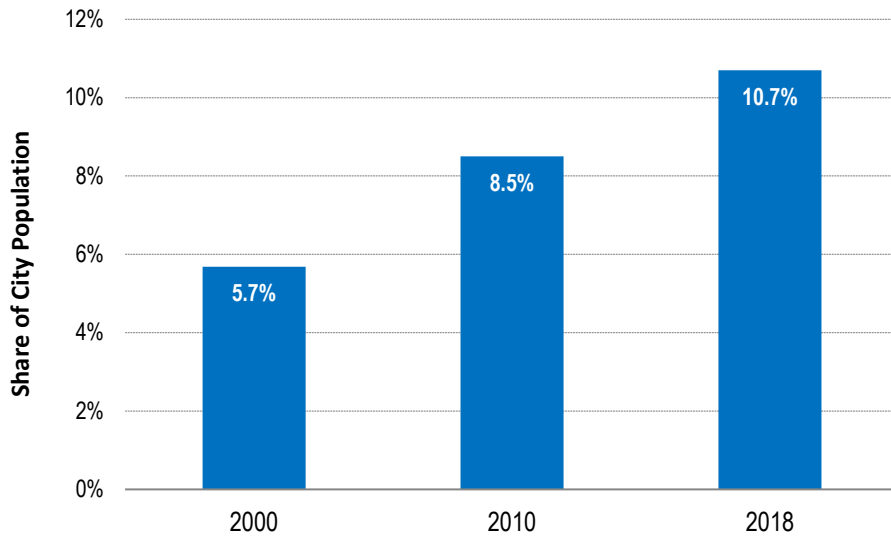


Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- The 65+ age group added the most population, with an increase of 3,069 people between 2000 and 2018.

Population by Race/Ethnicity

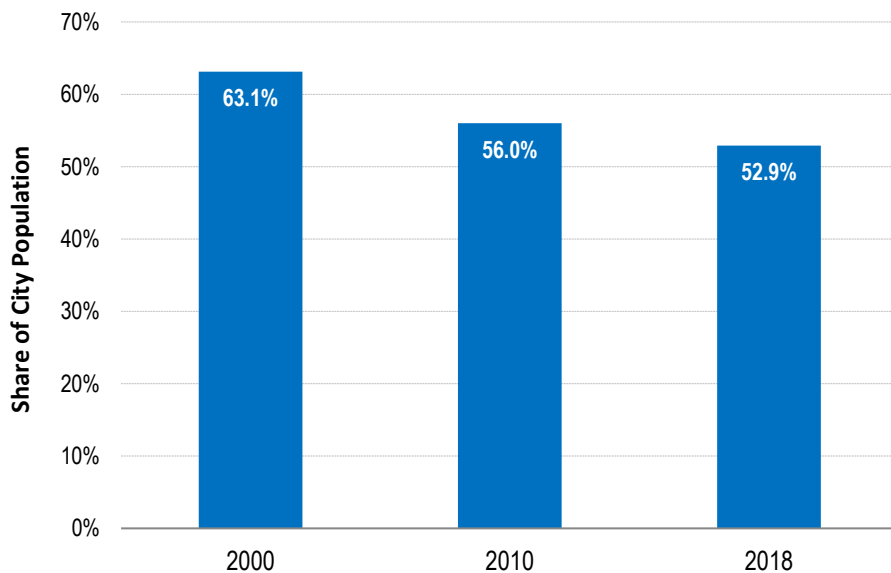
Hispanic or Latino of Any Race: 2000, 2010, and 2018



Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, the share of Hispanic population in the city increased from 5.7 percent to 10.7 percent.

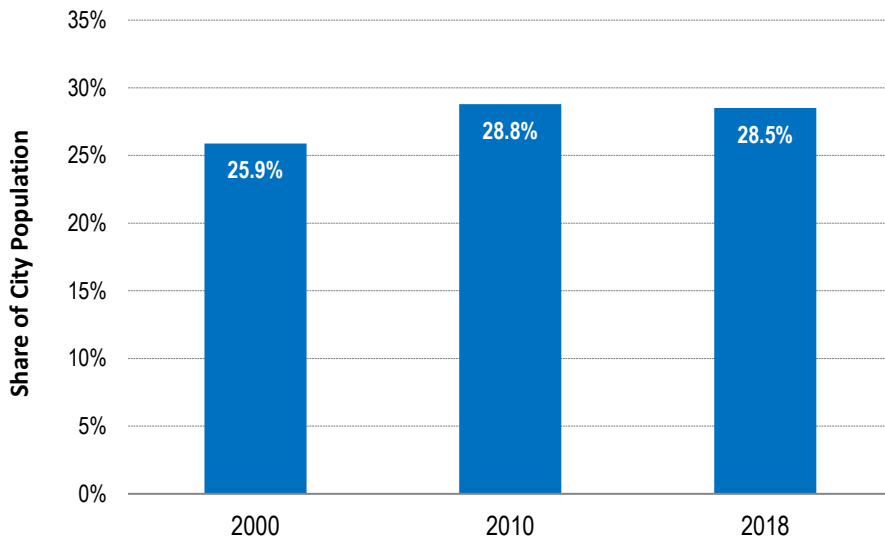
Non-Hispanic White: 2000, 2010, and 2018



Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, the share of Non-Hispanic White population in the city decreased from 63.1 percent to 52.9 percent.
- Please refer to the Methodology section for definitions of the racial/ethnic categories.

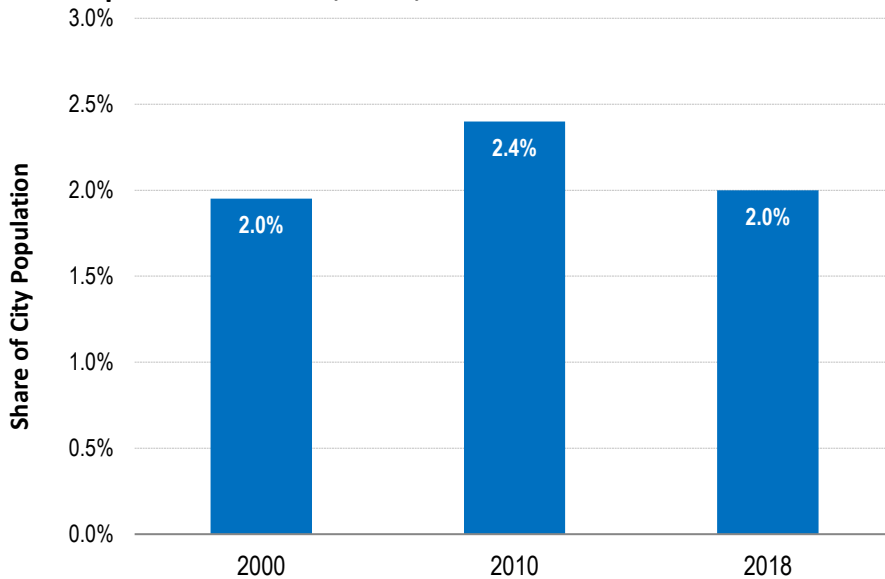
Non-Hispanic Asian: 2000, 2010, and 2018



Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, the share of Non-Hispanic Asian population in the city increased from 25.9 percent to 28.5 percent.

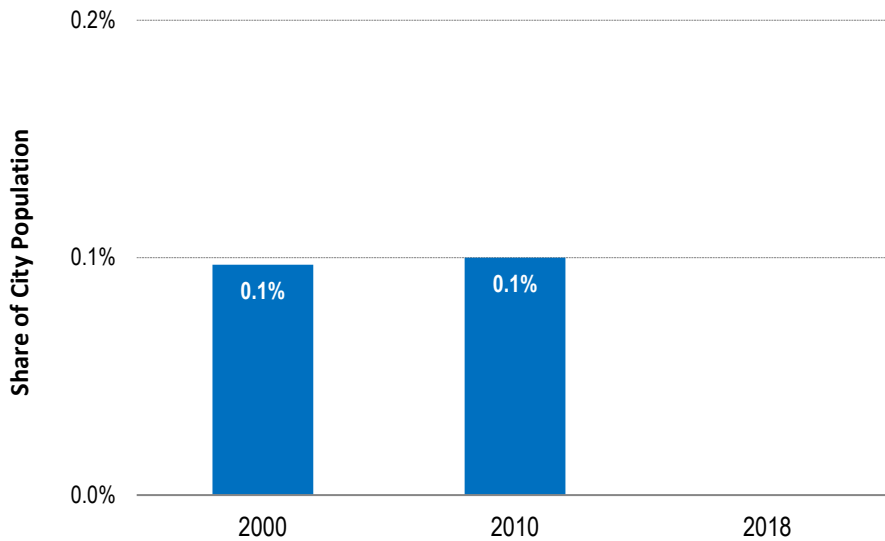
Non-Hispanic Black: 2000, 2010, and 2018



Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, the share of Non-Hispanic Black population in the city remained at 2.0 percent.

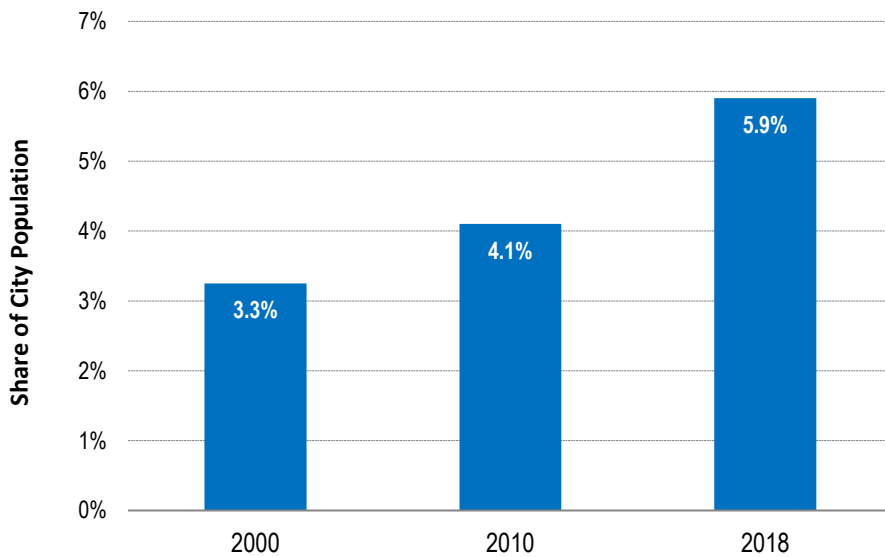
Non-Hispanic American Indian or Alaska Native: 2000, 2010, & 2018



Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, the share of Non-Hispanic American Indian or Alaska Native population in the city decreased from 0.1 percent to 0.0 percent.

All Other Non-Hispanic: 2000, 2010, and 2018



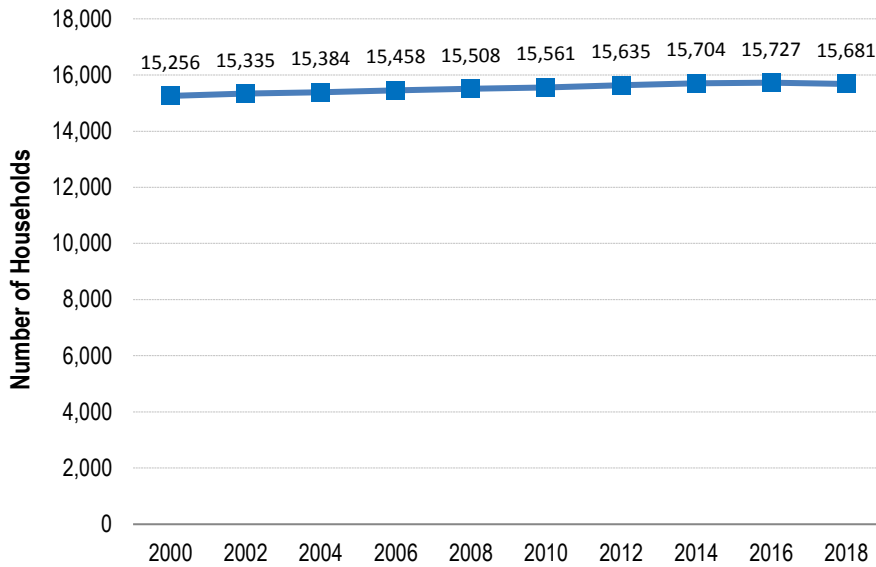
Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, the share of All Other Non-Hispanic population group in the city increased from 3.3 percent to 5.9 percent.

III. HOUSEHOLDS

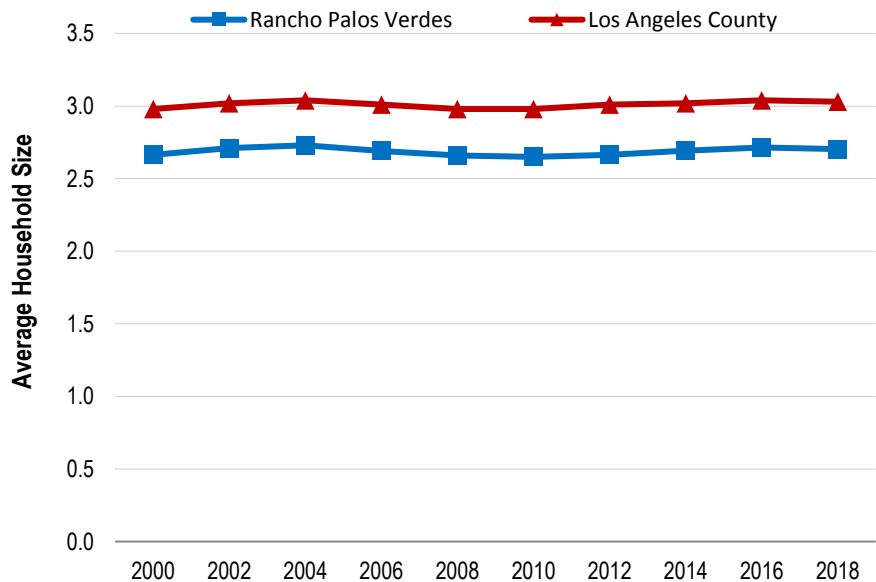
Number of Households (Occupied Housing Units)

Number of Households: 2000 - 2018



Sources: California Department of Finance, E-5, 2000-2018

Average Household Size: 2000 - 2018

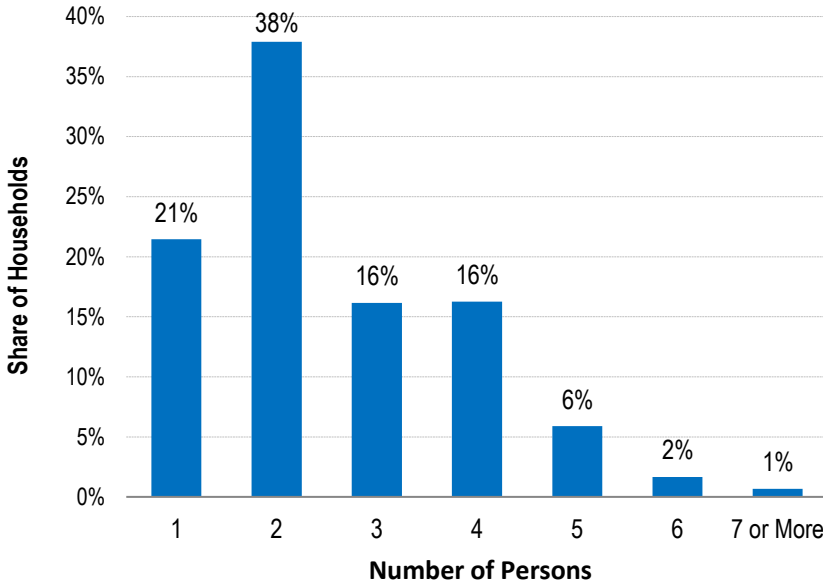


Source: California Department of Finance, E-5, 2000-2018

- Between 2000 and 2018, the total number of households in the of Rancho Palos Verdes increased by 425 units, or 2.8 percent.
- During this 18-year period, the city’s household growth rate of 2.8 percent was lower than the county growth rate of 6.5 percent.
- 0.5 percent of Los Angeles County’s total number of households are in the of Rancho Palos Verdes.
- In 2018, the city’s average household size was 2.7, lower than the county average of 3.0.

Households by Size

Percent of Households by Household Size: 2018

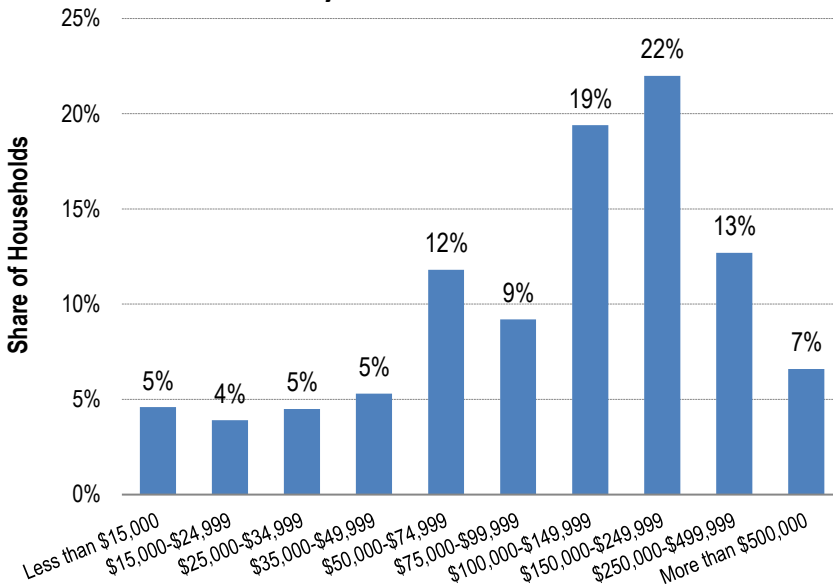


Source: U.S. Census American Community Survey, 2017; Nielsen Co.

- In 2018, 75.5 percent of all city households had 3 people or fewer.
- About 21 percent of the households were single-person households.
- 9 percent of all households in the city had 5 people or more.

Households by Income

Percent of Households by Household Income: 2018

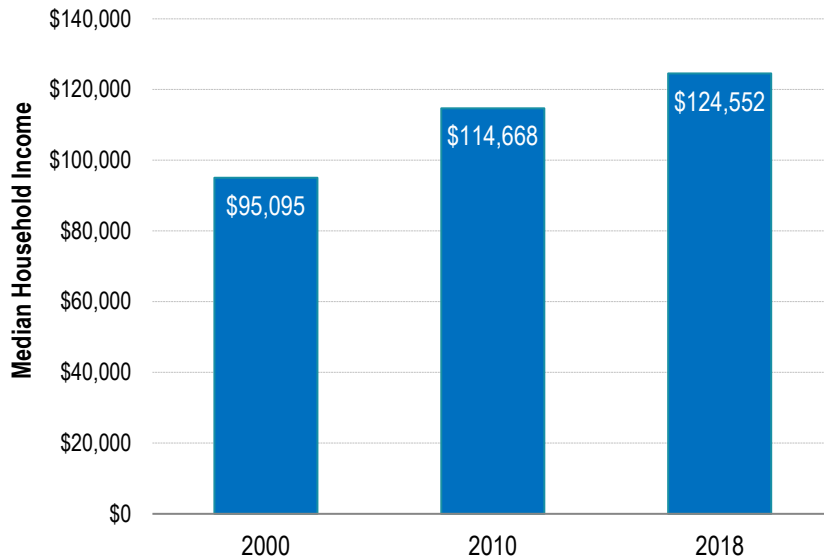


Source: U.S. Census American Community Survey, 2017; Nielsen Co.

- In 2018, about 18 percent of households earned less than \$50,000 annually.
- 61 percent of households earned \$100,000 or more.

Household Income

Median Household Income: 2000, 2010, and 2018

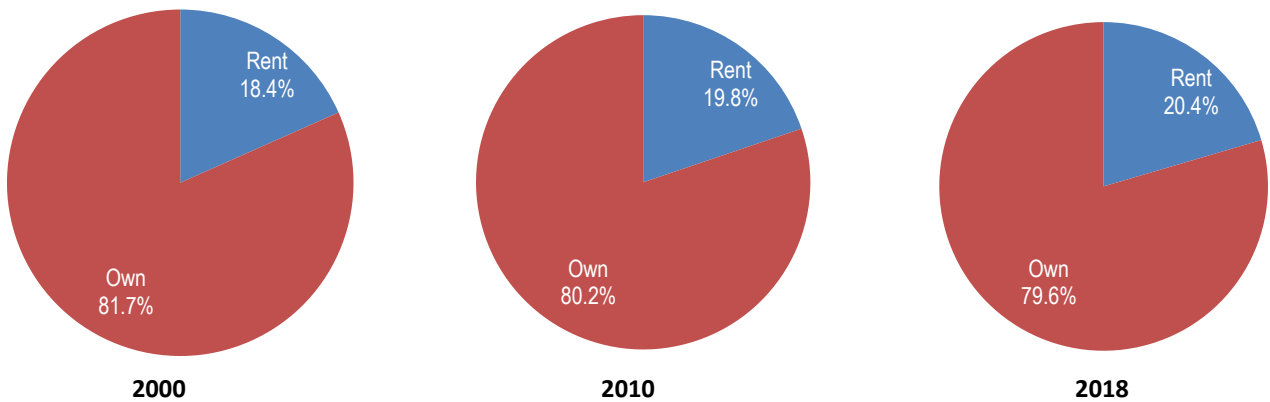


Source: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- From 2000 to 2018, median household income increased by \$29,457.
- Note: Dollars are not adjusted for annual inflation.

Renters and Homeowners

Percentage of Renters and Homeowners: 2000, 2010, and 2018



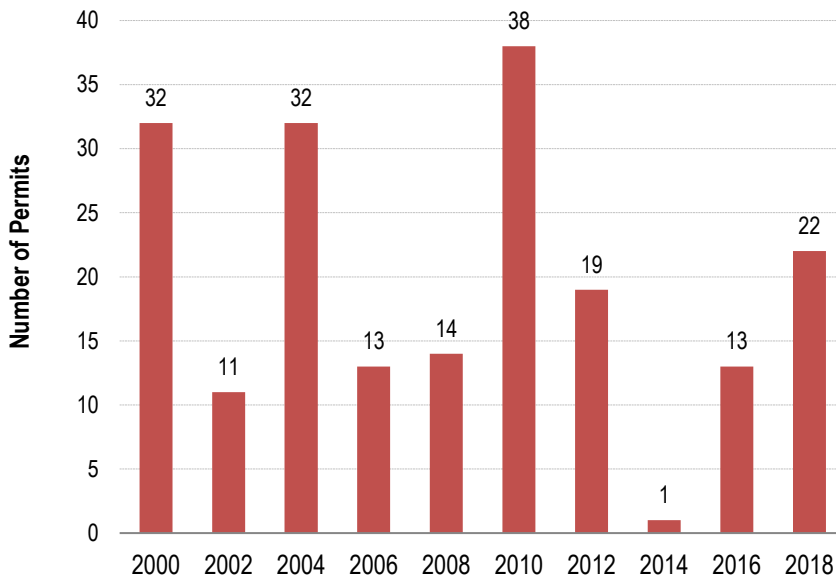
Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, homeownership rates decreased and the share of renters increased.

IV. HOUSING

Total Housing Production

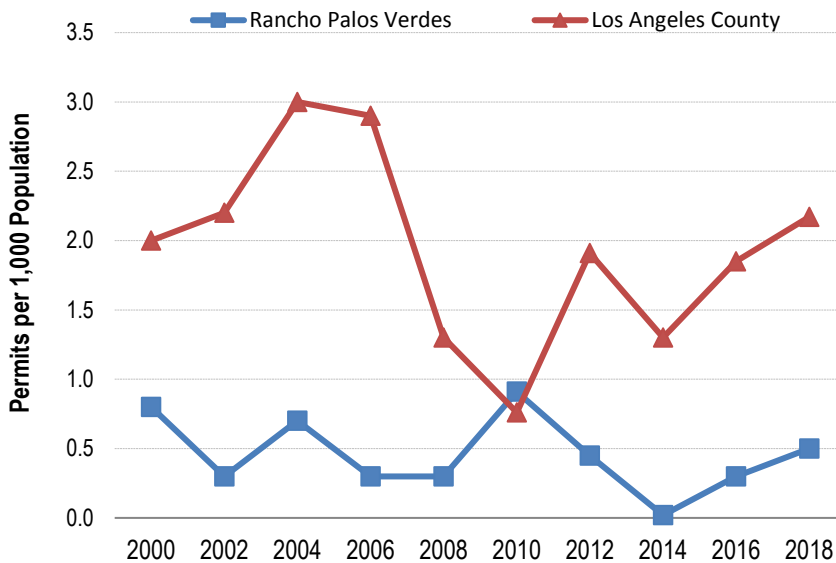
Total Residential Units Permitted: 2000 - 2018



- In 2018, permits were issued for 22 residential units.

Source: Construction Industry Research Board, 2000 - 2018

Total Residential Units Permitted per 1,000 Residents: 2000 - 2018

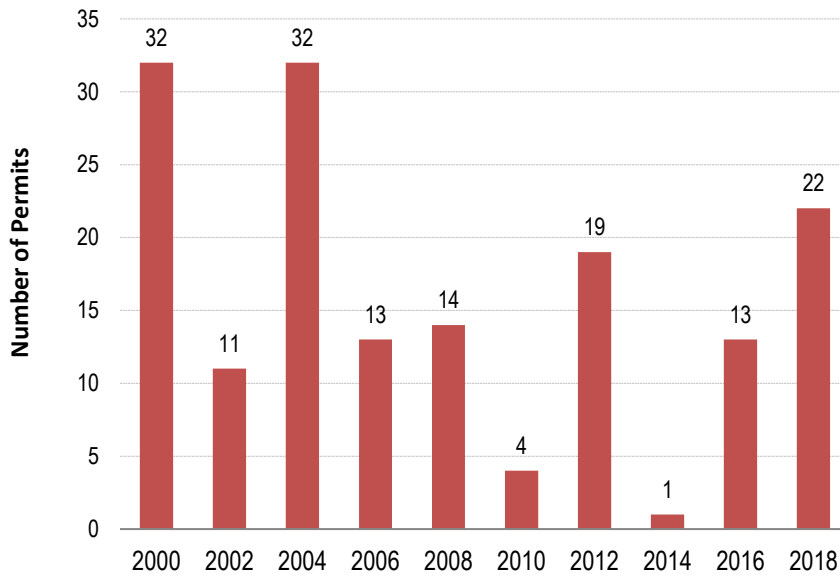


- In 2000, the of Rancho Palos Verdes had 0.8 permits per 1,000 residents compared to the overall county figure of 2 permits per 1,000 residents.
- For the city in 2018, the number of permits per 1,000 residents decreased to 0.5 permits. For the county overall, it increased to 2.2 permits per 1,000 residents.

Source: Construction Industry Research Board, 2000 - 2018

Single-Family Housing Production

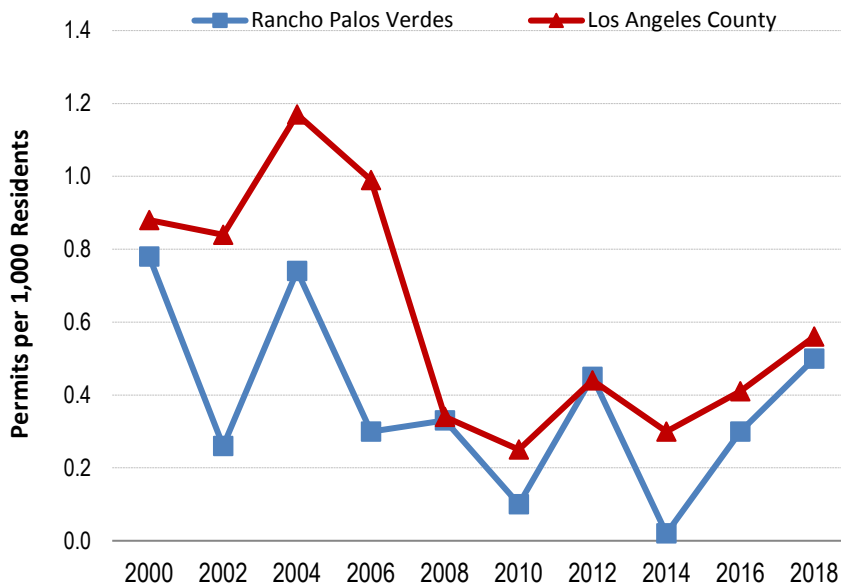
Single-Family Units Permitted: 2000 - 2018



Source: Construction Industry Research Board, 2000 - 2018

- In 2018, permits were issued for 22 single family homes.

Single-Family Units Permitted: 2000 - 2018

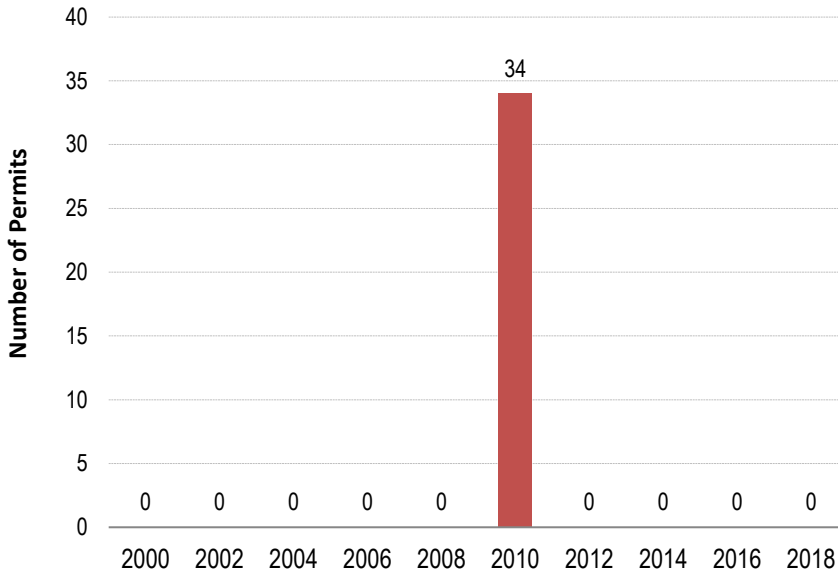


Source: Construction Industry Research Board, 2000 - 2018

- In 2000, the of Rancho Palos Verdes issued 0.8 permits per 1,000 residents compared to the overall county figure of 0.9 permits per 1,000 residents.
- For the city in 2018, the number of permits issued per 1,000 residents decreased to 0.5 permits. For the county overall, it decreased to 0.6 permits per 1,000 residents.

Multi-Family Housing Production

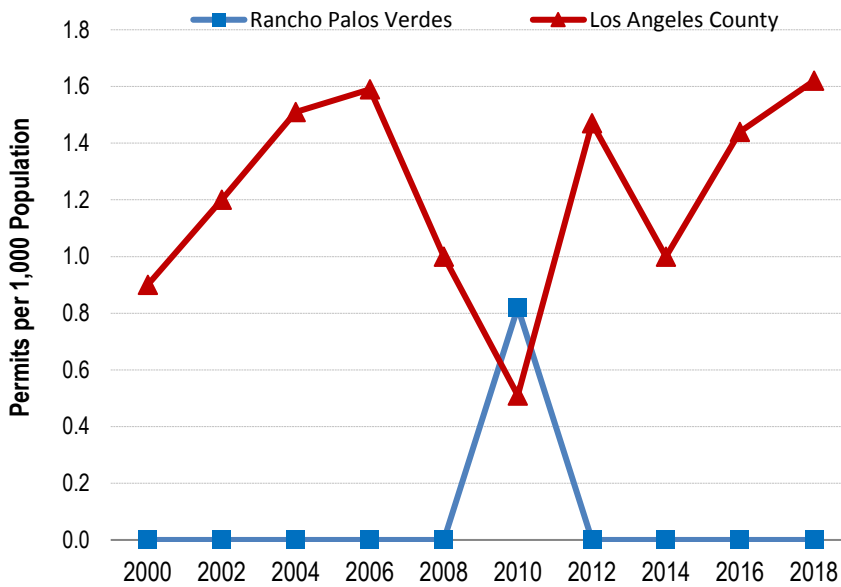
Multi-Family Units Permitted: 2000 - 2018



Source: Construction Industry Research Board, 2000-2018

- In 2018, no permits were issued for multi-family residential units.

Multi-Family Units Permitted per 1,000 Residents: 2000 - 2018

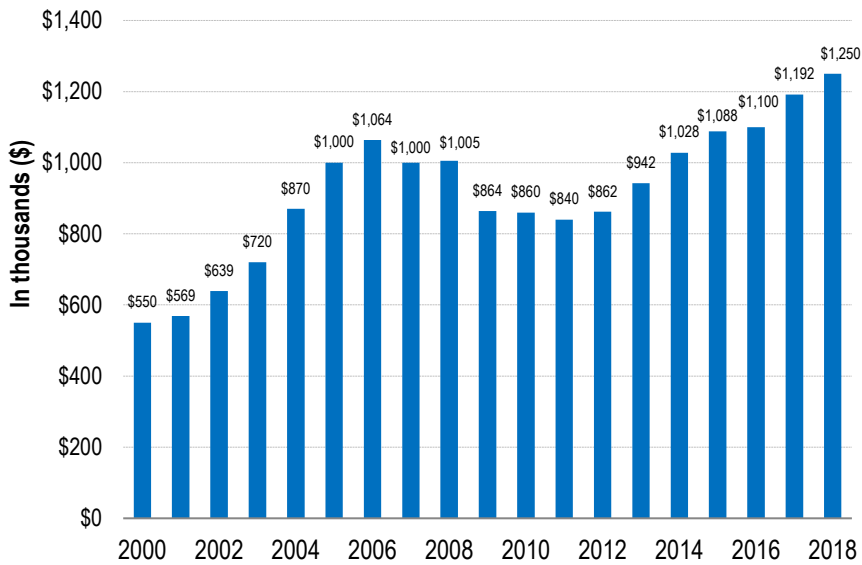


Source: Construction Industry Research Board, 2000-2018

- For the city in 2018, the number of permits per 1,000 residents remained at 0 permits. For the county overall, it increased to 1.6 permits per 1,000 residents.

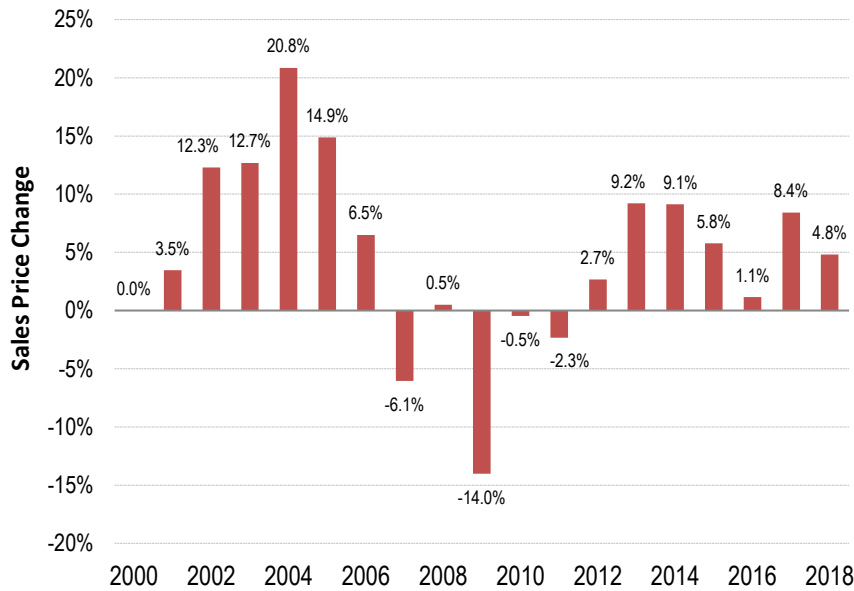
Home Sales Prices

Median Home Sales Price for Existing Homes: 2000 - 2018



Source: CoreLogic/DataQuick, 2000-2018

Annual Median Home Sales Price Change for Existing Homes: 2000 - 2018



Source: CoreLogic/DataQuick, 2000-2018

- Between 2000 and 2018, the median home sales price of existing homes increased 127 percent from \$550,000 to \$1,250,000.
- Median home sales price increased by 45.3 percent between 2010 and 2018.
- In 2018, the median home sales price in the city was \$1,250,000, \$652,500 higher than that in the county overall.
- Note: Median home sales price reflects resale of existing homes, which varies due to type of units sold.
- Annual median home sales prices are not adjusted for inflation.

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Rancho Palos Verdes)

HOUSING TYPE

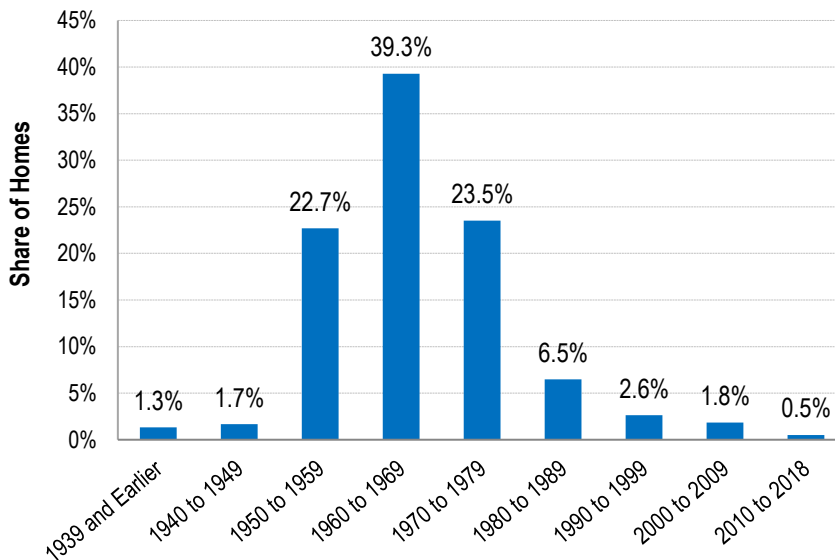
Housing Type by Units: 2018

Housing Type	Number of Units	Percent of Total Units
Single Family Detached	12,544	76.8 %
Single Family Attached	1,043	6.4 %
Multi-family: 2 to 4 units	324	2.0 %
Multi-family: 5 units plus	2,381	14.6 %
Mobile Home	25	0.2 %
Total	16,317	100.0 %

Source: California Department of Finance, E-5, 2018

- The most common housing type is Single Family Detached.
- Approximately 83.2 percent are single family homes and 16.6 percent are multi-family homes.

Age of Housing Stock: 2018

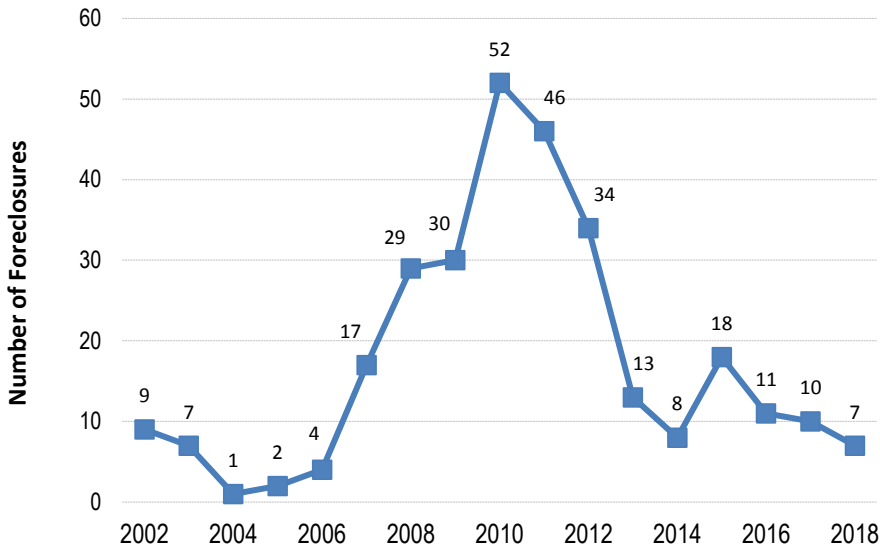


Source: U.S. Census American Community Survey, 2017; Nielsen Co.

- 65 percent of the housing stock was built before 1970.
- 35 percent of the housing stock was built after 1970.

Foreclosures

Number of Foreclosures: 2002 - 2018

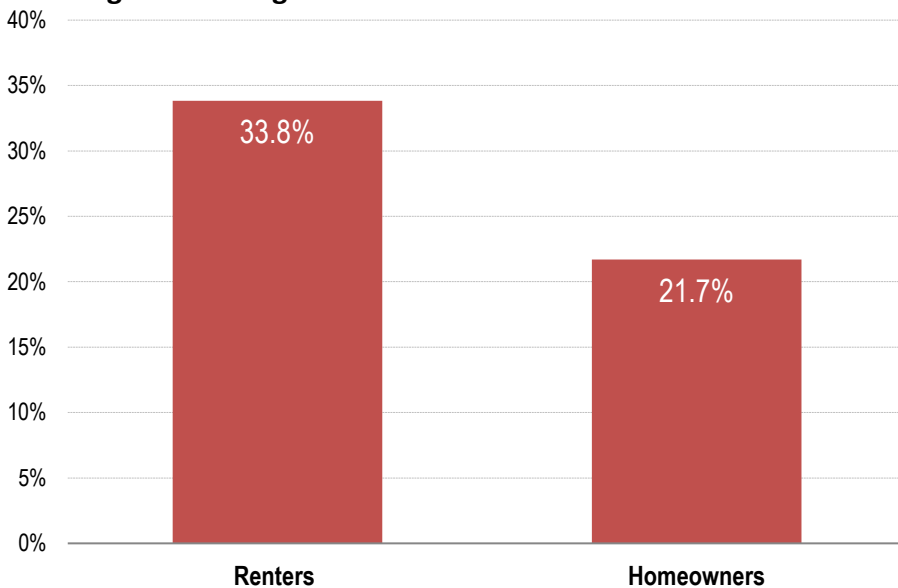


Source: CoreLogic/DataQuick, 2002-2018

- There were 7 foreclosures in 2018.
- Between 2007 and 2018, there were 275 foreclosures.

Housing Cost Share

Percentage of Housing Cost for Renters and Homeowners: 2017



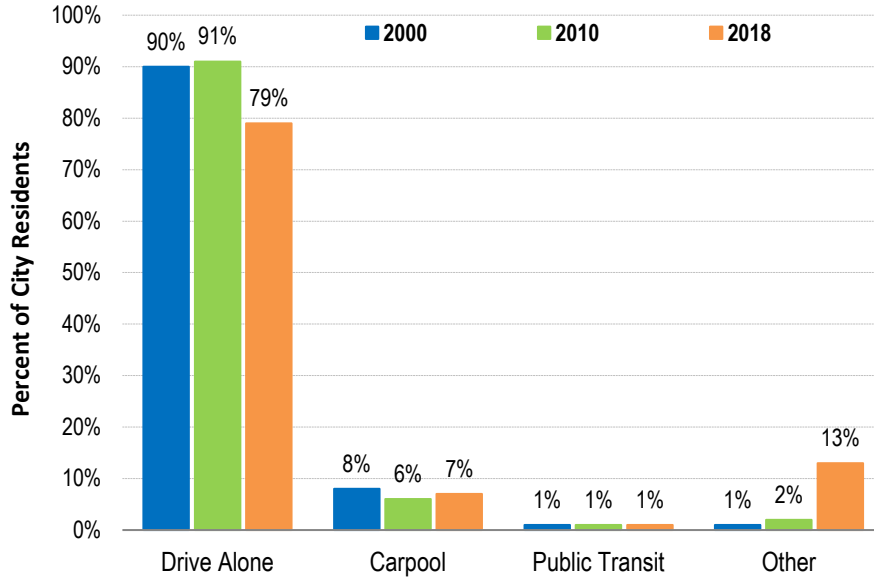
Source: U.S. Census American Community Survey, 2017

- Housing costs accounted for an average of 33.8 percent of total household income for renters.
- Housing costs accounted for an average of 21.7 percent of total household income for homeowners.

V. TRANSPORTATION

Journey to Work for Residents

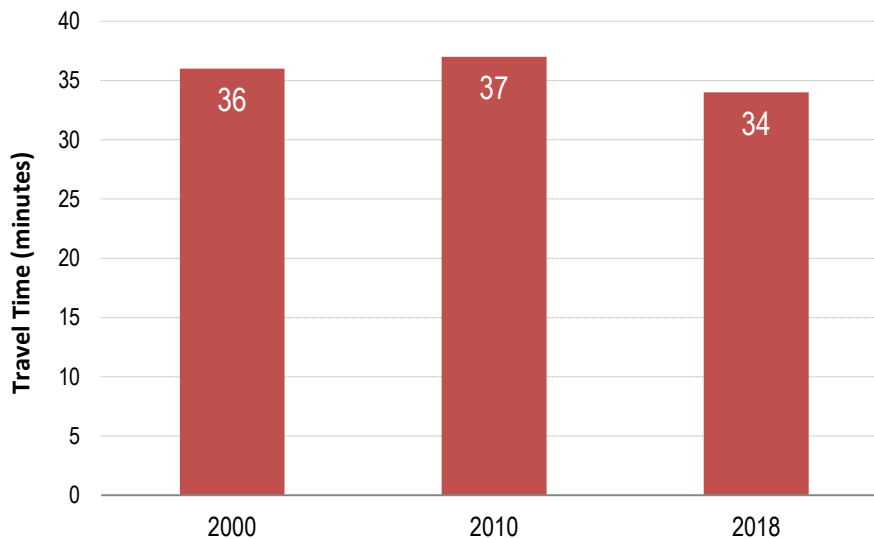
Transportation Mode Choice: 2000, 2010, and 2018



Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, the greatest change occurred in the percentage of individuals who traveled to work by other modes (e.g. work at home, walking or biking); this share increased by 11.4 percentage points.
- ‘Other’ refers to bicycle, pedestrian, and home-based employment.

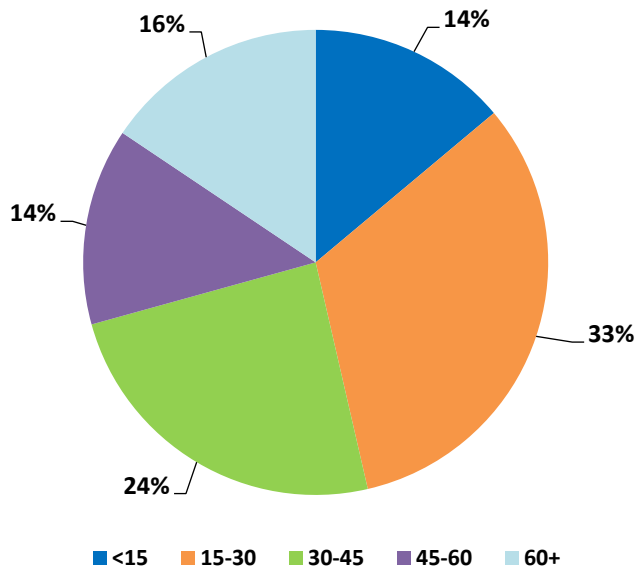
Average Travel Time (minutes): 2000, 2010, and 2018



Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- Between 2000 and 2018, the average travel time to work decreased by approximately 2 minutes.

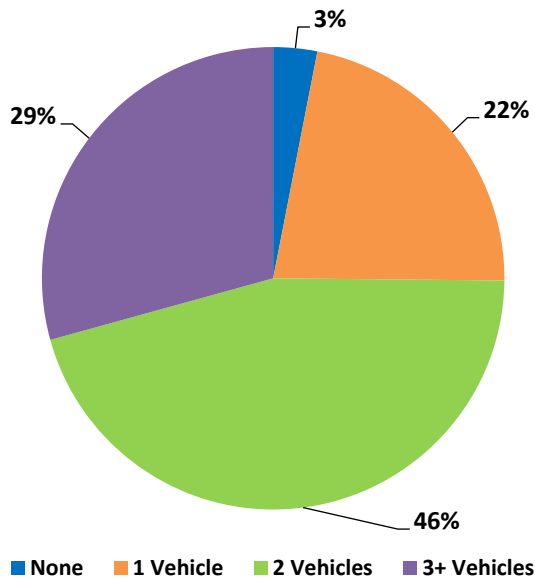
Travel Time to Work (Range of Minutes): 2018



- In 2018, 53.6 percent of Rancho Palos Verdes commuters spent more than 30 minutes to travel to work.
- Travel time to work figures reflect average one-way commute travel times, not round trip.

Sources: U.S. Census American Community Survey, 2017; Nielsen Co.

Household Vehicle Ownership: 2018



- 25.2 percent of Rancho Palos Verdes households own one or no vehicles, while 74.8 percent of households own two or more vehicles.

Sources: U.S. Census American Community Survey, 2017; Nielsen Co.

VI. ACTIVE TRANSPORTATION

Over the course of the next 25 years, population growth and demographic shifts will continue to transform the character of the SCAG region and the demands placed on it for livability, mobility, and overall quality of life. Our future will be shaped by our response to this growth and the demands it places on our systems.

SCAG is responding to these challenges by embracing sustainable mobility options, including support for enhanced active transportation infrastructure. Providing appropriate facilities to help make walking and biking more attractive and safe transportation options will serve our region through reduction of traffic congestion, decreasing greenhouse gas emissions, improving public health, and enhancing community cohesion.

For the 2017 Local Profiles, SCAG began providing information on the active transportation resources being implemented throughout our region. The 2019 Local Profiles continues the active transportation element with a compilation of bicycle lane mileage by facility type at the county level. This data, provided by our County Transportation Commissions for the years 2012 and 2016, provides a baseline to measure regional progress in the development of active transportation resources over time.

The Local Profiles report will seek to provide additional active transportation data resources as they become available at the local jurisdictional level. Information on rates of physical activity (walking) is available in the Public Health section of this report.

Bike Lane Mileage by Class: 2012-2016

County	Class 1		Class 2		Class 3		Class 4		Total Lane Miles		
	2012	2016	2012	2016	2012	2016	2012	2016	2012	2016	Change
Imperial	3	3	4	4	82	82	0	0	89	89	0.0%
Los Angeles	302	343	659	1,054	519	609	2	7	1,482	2,013	35.8%
Orange	259	264	706	768	87	103	0	0	1,052	1,135	7.9%
Riverside	44	44	248	248	129	129	0	0	421	421	0.0%
San Bernardino	77	96	276	293	150	107	0	0	503	496	-1.4%
Ventura	61	76	257	333	54	77	0	0	372	486	30.6%
SCAG Region	746	826	2,150	2,700	1,021	1,107	2	7	3,919	4,640	18.4%

Source: County Transportation Commissions: 2012, 2016

Class 1 (Bike Path): Separated off-road path for the exclusive use of bicycles and pedestrians.

Class 2 (Bike Lane): Striped on-road lane for bike travel along a roadway.

Class 3 (Bike Route): Roadway dedicated for shared use by pedestrians, bicyclists, and motor vehicles.

Class 4 (Protected Bike Lane): Lane separated from motor vehicle traffic by more than striping (grade separation or barrier).

VII. EMPLOYMENT

Employment Centers

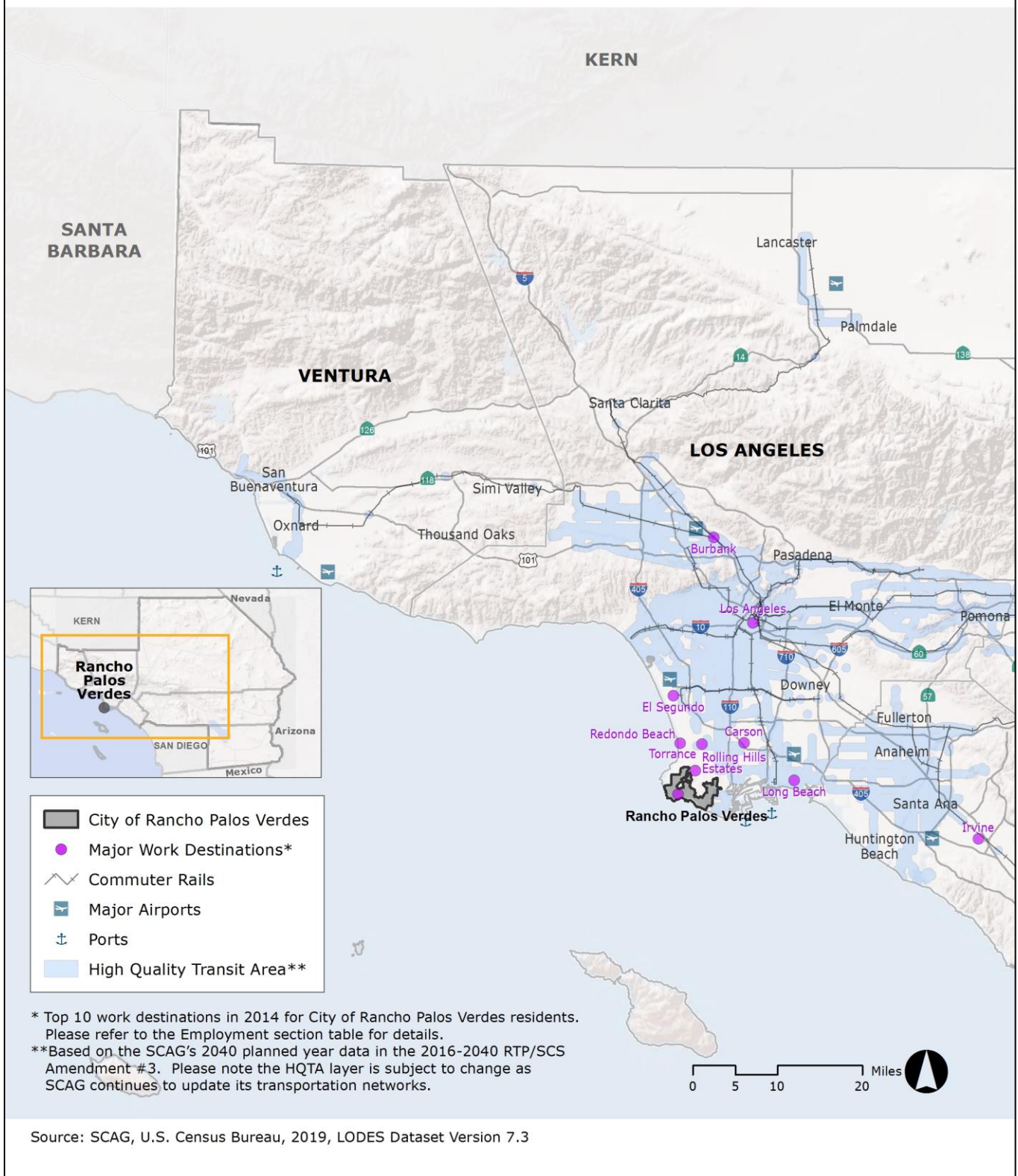
Top 10 Places Where Rancho Palos Verdes Residents Commute to Work: 2016

Local Jurisdiction		Number of Commuters	Percent of Total Commuters
1.	Los Angeles	4,484	25.2 %
2.	Torrance	1,953	11.0 %
3.	Long Beach	1,003	5.6 %
4.	El Segundo	838	4.7 %
5.	Rancho Palos Verdes	759	4.3 %
6.	Redondo Beach	394	2.2 %
7.	Carson	364	2.0 %
8.	Irvine	343	1.9 %
9.	Rolling Hills Estates	297	1.7 %
10.	Burbank	228	1.3 %
All Other Destinations		7,106	40.0 %

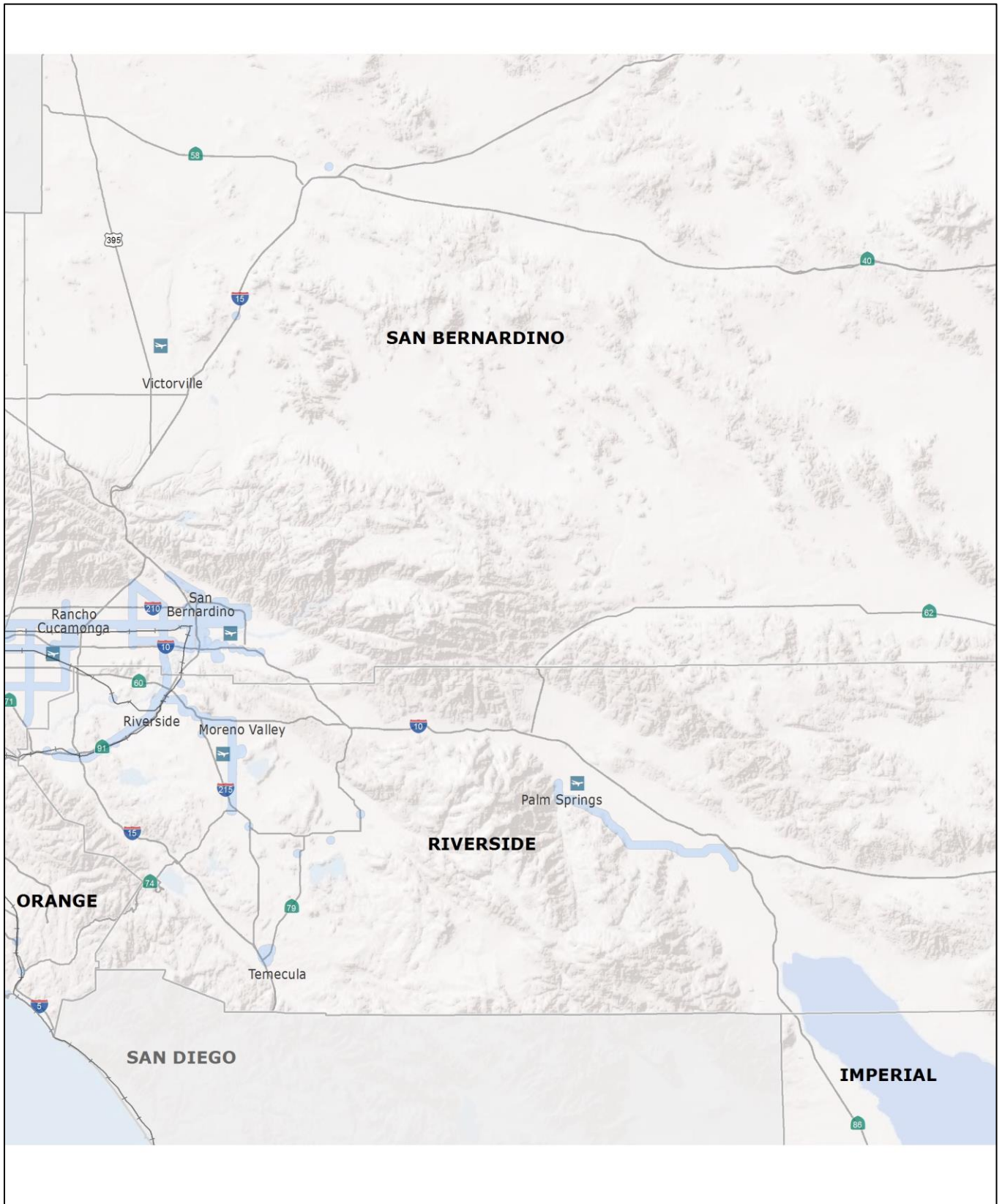
Source: U.S. Census Bureau, 2017, LODES Data; Longitudinal-Employer Household Dynamics Program: <https://lehd.ces.census.gov/data/lodes/>

- This table identifies the top 10 locations where residents from the City of Rancho Palos Verdes commute to work.
- 4.3% work and live in Rancho Palos Verdes, while 95.7% commute to other places.

MAJOR WORK DESTINATIONS



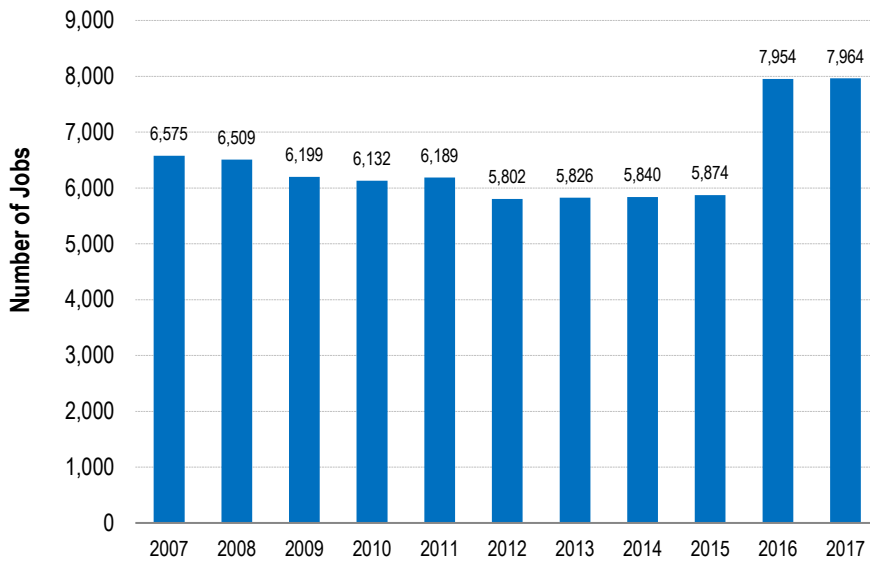
Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Rancho Palos Verdes)



Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Rancho Palos Verdes)

Total Jobs

Total Jobs: 2007 - 2017

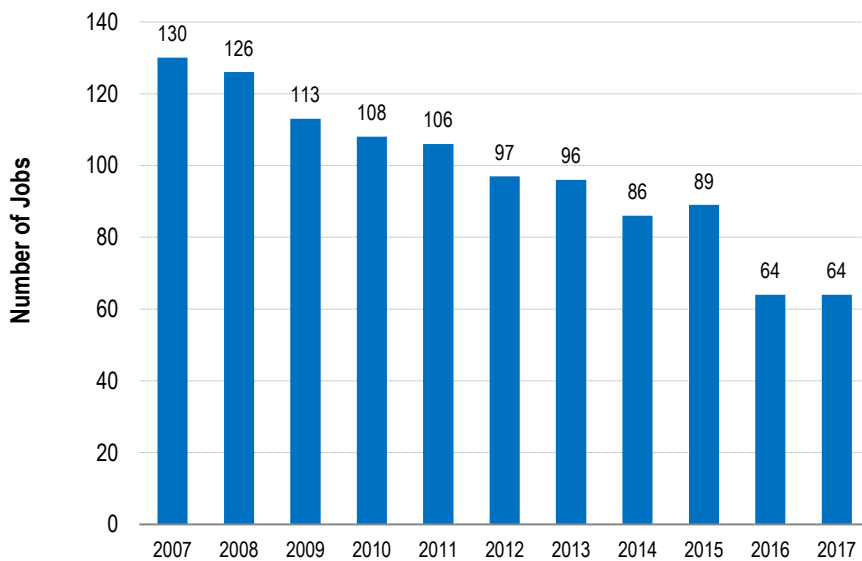


Sources: California Employment Development Department, 2007 - 2017; InfoGroup; & SCAG

- Total jobs include wage and salary jobs and jobs held by business owners and self-employed persons.
- The total job count does not include unpaid volunteers or family workers, and private household workers.
- In 2017, total jobs in the of Rancho Palos Verdes numbered 7,965, an increase of 21.1 percent from 2007.

Jobs by Sector

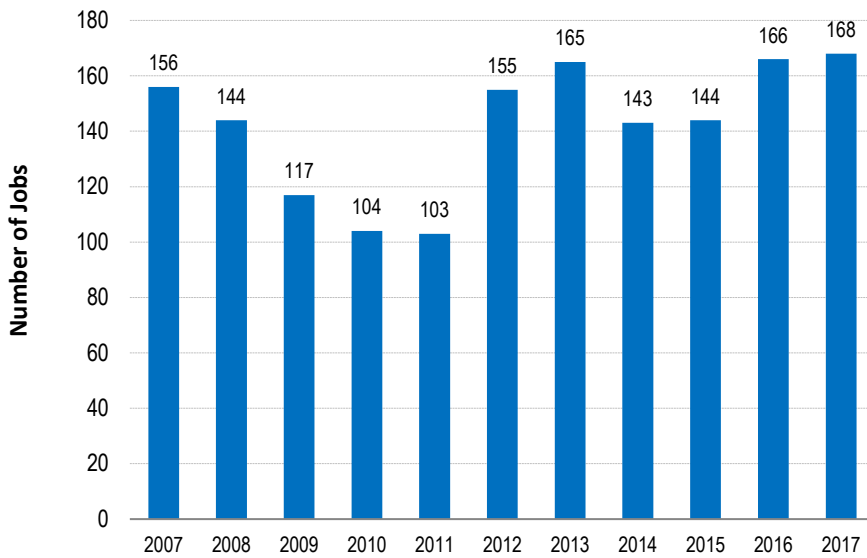
Jobs in Manufacturing: 2007 - 2017



Sources: California Employment Development Department, 2007 - 2017; InfoGroup; & SCAG

- Manufacturing jobs include those employed in various sectors including food; apparel; metal; petroleum and coal; machinery; computer and electronic products; and transportation equipment.
- Between 2007 and 2017, the number of manufacturing jobs in the city decreased by 50.3 percent.

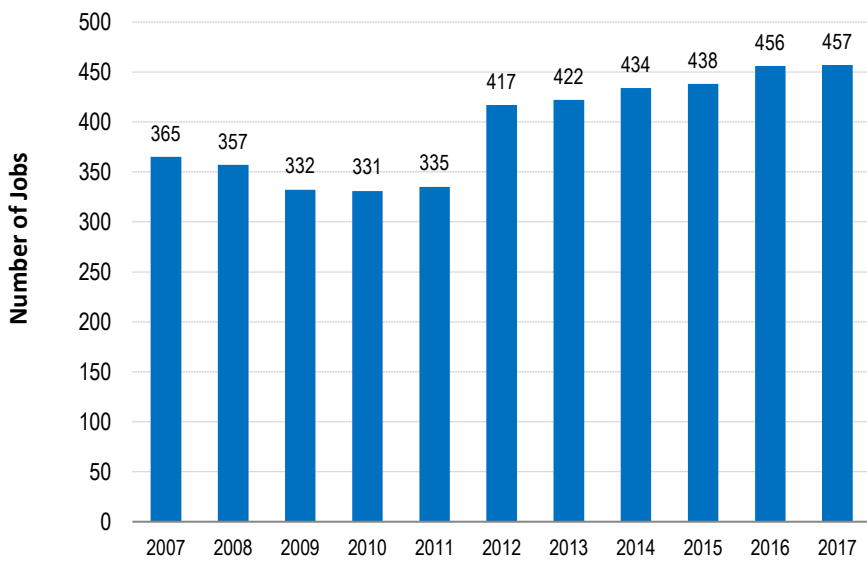
Jobs in Construction: 2007 - 2017



Sources: California Employment Development Department, 2007 - 2017; InfoGroup; & SCAG

- Construction jobs include those engaged in both residential and non-residential construction.
- Between 2007 and 2017, construction jobs in the city increased by 7.8 percent.

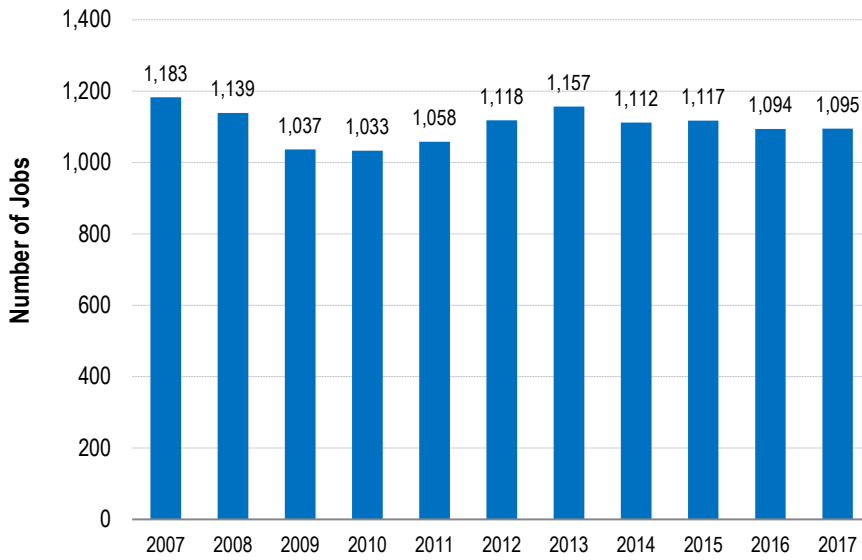
Jobs in Retail Trade: 2007 - 2017



Sources: California Employment Development Department, 2007 - 2017; InfoGroup; & SCAG

- Retail trade jobs include those at various retailers including motor vehicle and parts dealers, furniture, electronics and appliances, building materials, food and beverage, clothing, sporting goods, books, and office supplies.
- Between 2007 and 2017, the number of retail trade jobs in the city increased by 25.3 percent.

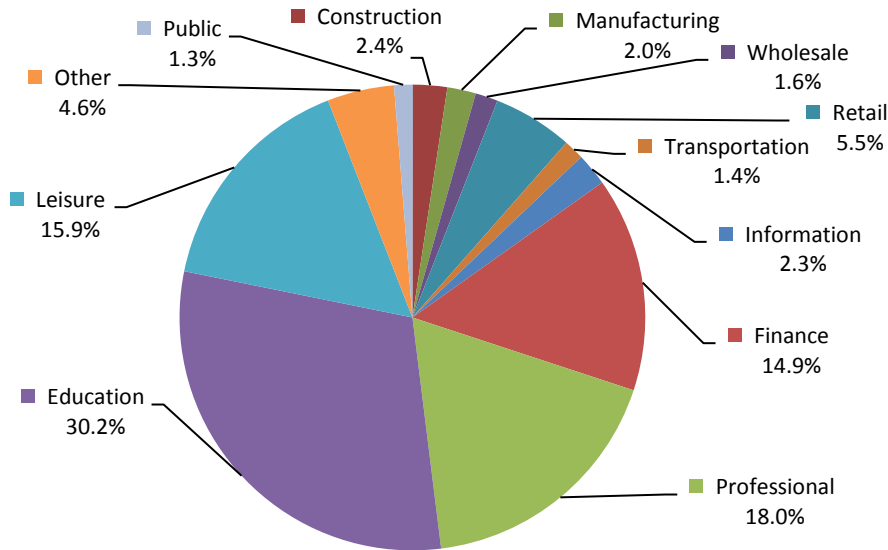
Jobs in Professional and Management: 2007 - 2017



Sources: California Employment Development Department, 2007 - 2017; InfoGroup; & SCAG

- Jobs in the professional and management sector include those employed in professional and technical services, management of companies, and administration and support.
- Between 2007 and 2017, the number of professional and management jobs in the city decreased by 7.4 percent.

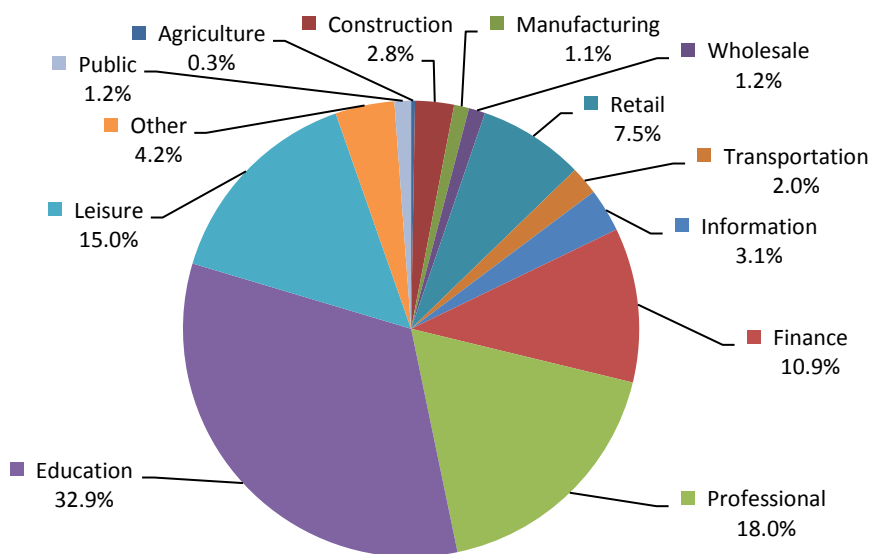
Jobs by Sector: 2007



Sources: California Employment Development Department, 2007; InfoGroup; & SCAG

- From 2007 to 2017, the share of Education jobs increased from 30.2 percent to 32.9 percent.
- See the Methodology section for industry sector definitions.

Jobs by Sector: 2017

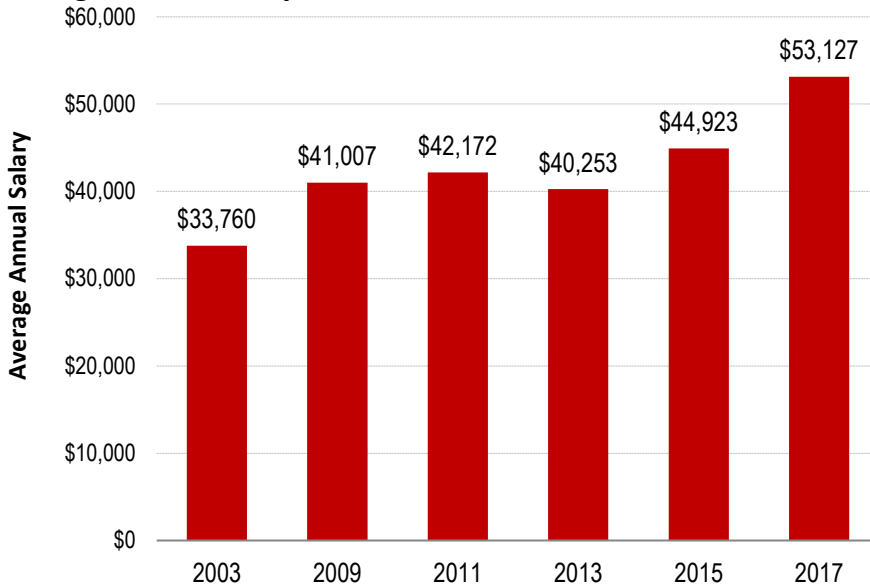


Sources: California Employment Development Department, 2018; InfoGroup; & SCAG

- In 2017, the Education sector was the largest job sector, accounting for 32.9 percent of total jobs in the city.
- Other large sectors included Professional (18 percent), Leisure (15 percent), and Finance (10.9 percent).

Average Salaries

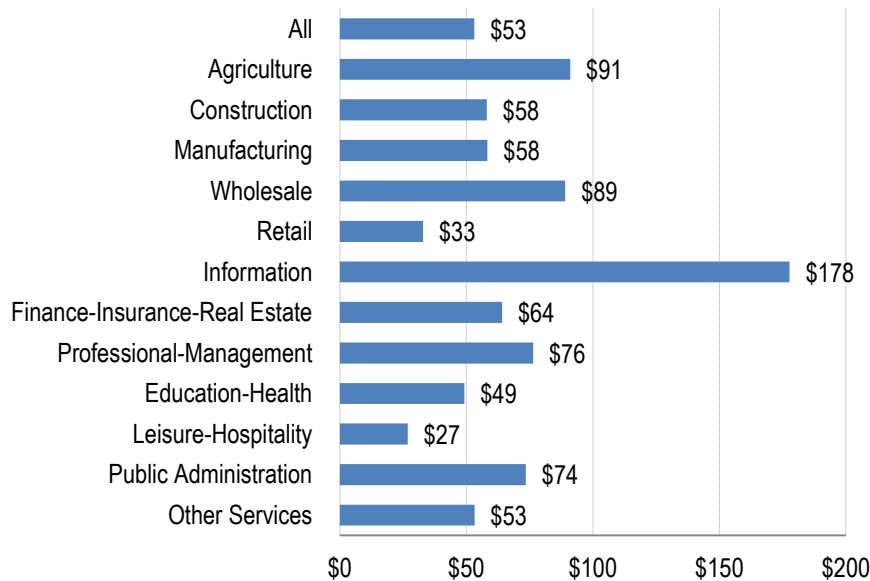
Average Annual Salary: 2003 - 2017



Source: California Employment Development Department, 2003 - 2017

- Average salaries for jobs located in the city increased from \$33,760 in 2003 to \$53,127 in 2017, a 57.4 percent change.
- Note: Dollars are not adjusted for annual inflation.

Average Annual Salary by Sector: 2017



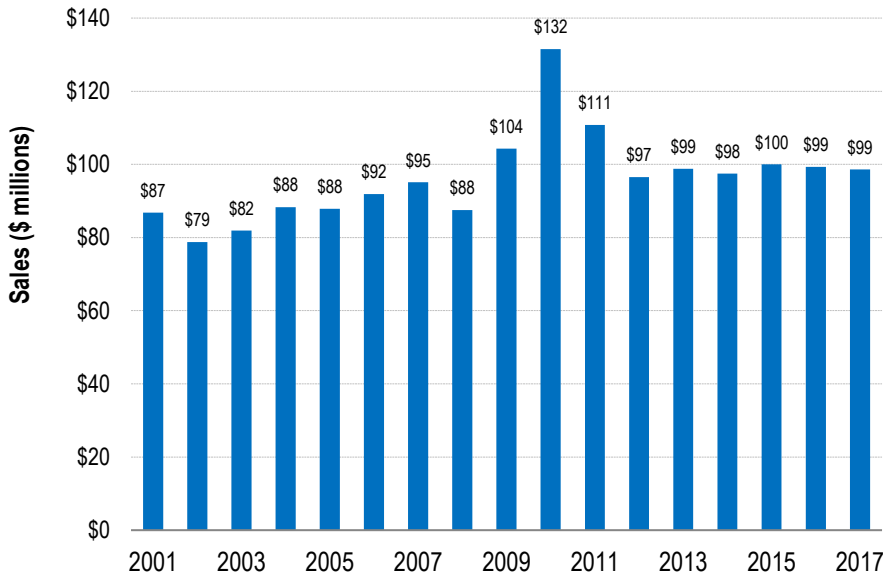
Source: California Employment Development Department, 2017

- In 2017, the employment sector providing the highest salary per job in the city was Information (\$178,000).
- The Leisure-Hospitality sector provided the lowest annual salary per job (\$26,801).

VIII. RETAIL SALES

Real Retail Sales

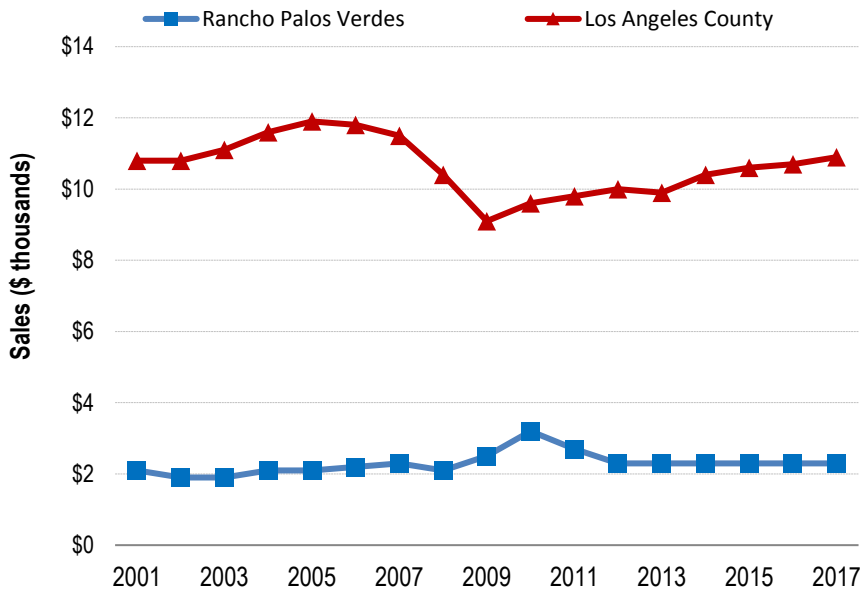
Real Retail Sales: 2001 - 2017



Source: California Board of Equalization, 2001-2017

- Real (inflation adjusted) retail sales in the of Rancho Palos Verdes was \$98.6 million in 2017.

Real Retail Sales per Person: 2001 - 2017



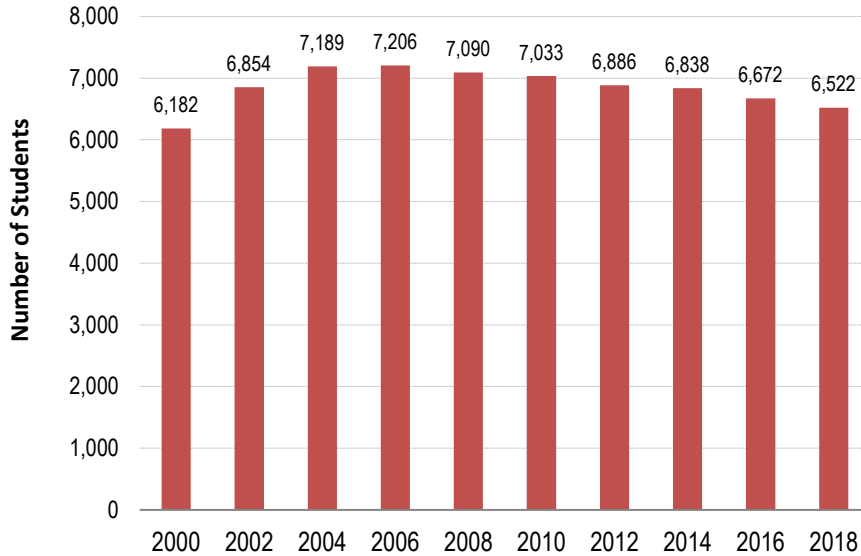
Source: California Board of Equalization, 2001-2017

- Real retail sales per person for the city was \$2.3 thousand in 2017.

IX. EDUCATION

Total Student Enrollment

K-12 Public School Student Enrollment: 2000 - 2018

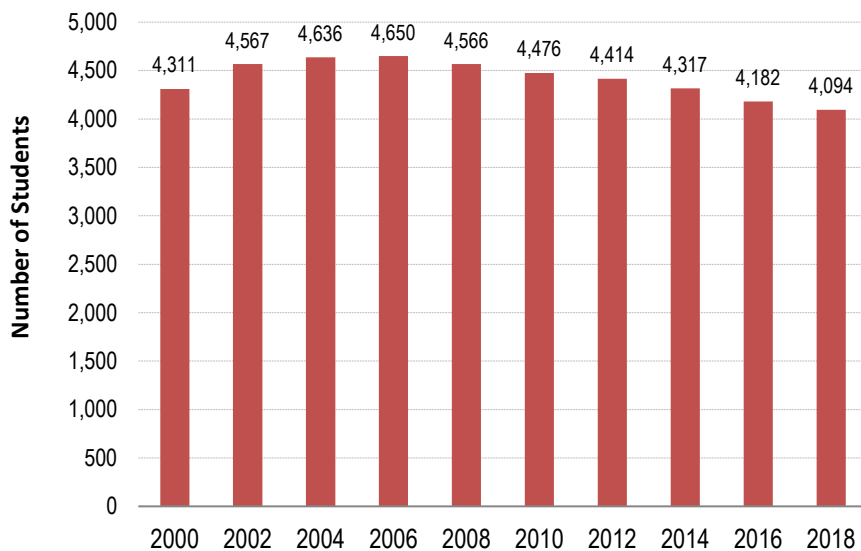


Source: California Department of Education, 2000 - 2018

- Between 2000 and 2018, total K-12 public school enrollment for schools within the of Rancho Palos Verdes increased by 340 students, or about 5.5 percent.

Student Enrollment by Grade

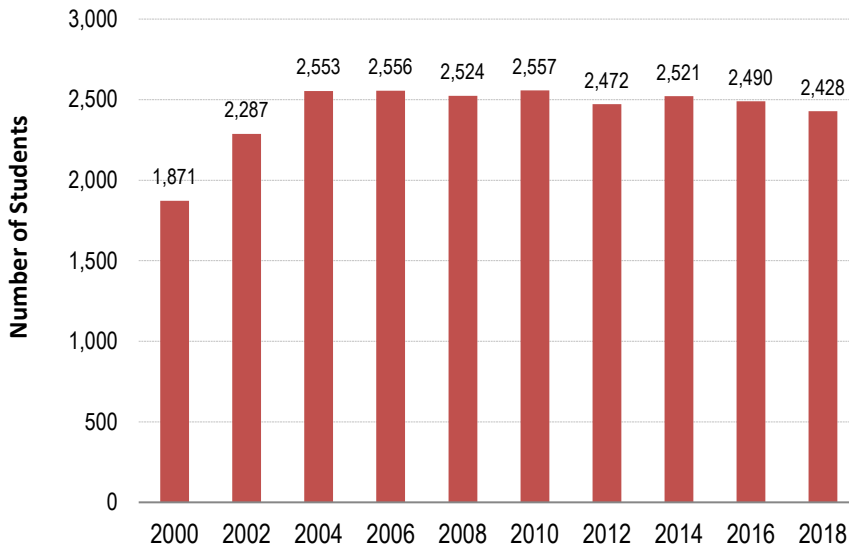
K-6 Public School Student Enrollment: 2000 - 2018



Source: California Department of Education, 2000 - 2018

- Between 2000 and 2018, total public elementary school enrollment decreased by 217 students or 5 percent.

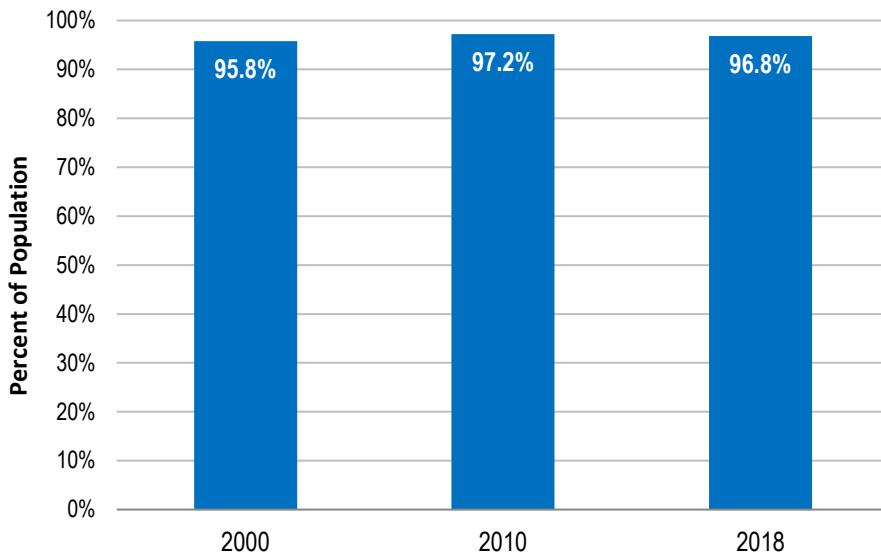
Grades 7-9 Public School Student Enrollment: 2000 - 2018



Source: California Department of Education, 2000 - 2018

- Between 2000 and 2018, total public school enrollment for grades 7-9 increased by 557 students or 29.8 percent.

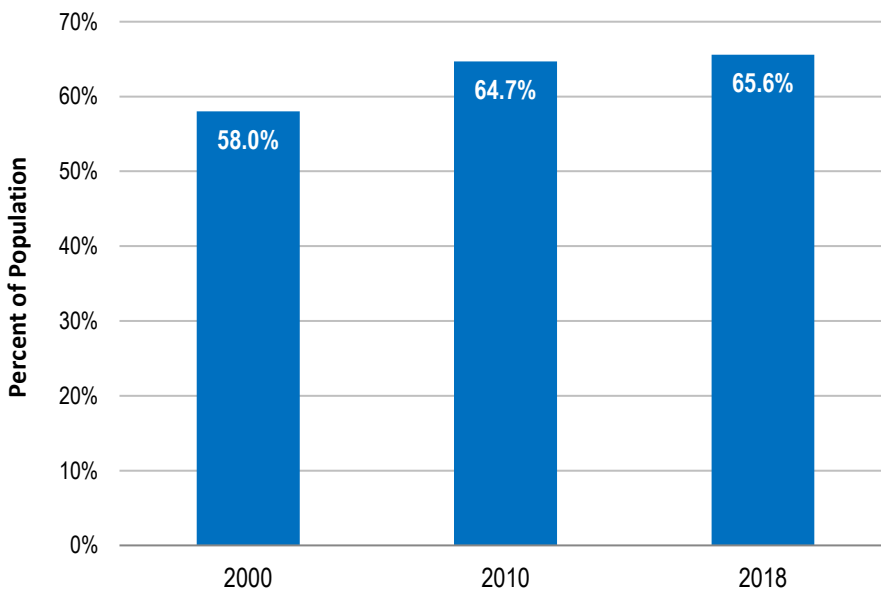
Percent of City Population Completing High School or Higher



Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- In 2018, 96.8 percent of the population 25 years old and over completed high school or higher, which is higher than the 2000 level.

Percent of City Population Completing a Bachelor's Degree or Higher



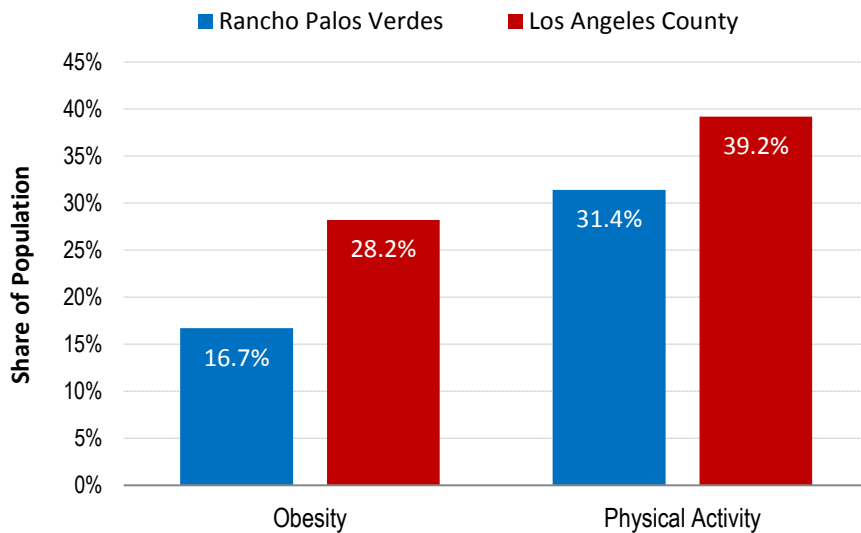
Sources: 2000 & 2010 U.S. Decennial Census; American Community Survey, 2017; Nielsen Co.

- In 2018, 65.6 percent of the population 25 years old and over completed a Bachelor's degree or higher, which is higher than the 2000 level.

X. PUBLIC HEALTH

Many adverse public health outcomes related to obesity and poor air quality may be preventable through the implementation of a more sustainable and integrated program of community and transportation planning at the regional and local levels. Evidence has shown that built environment factors play an important role in supporting healthy behavior and reducing rates of chronic diseases and obesity. For example, improved active transportation infrastructure, better accessibility to recreational open space, and the development of more walkable communities enhance opportunities for physical exercise and thereby result in a reduction of obesity rates, along with the chronic diseases associated with physical inactivity.

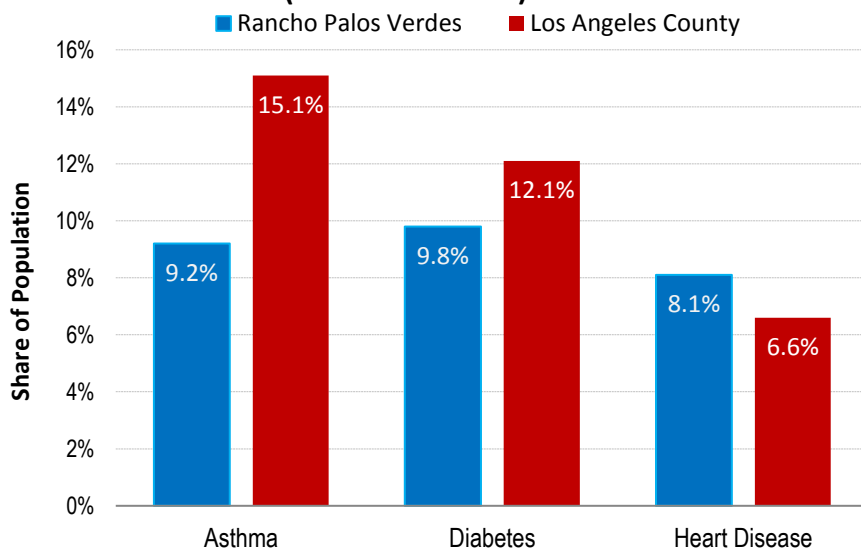
Obesity/Physical Activity Rates (18 Years & Older)



Source: California Health Interview Survey, 2018

- The obesity rate in the of Rancho Palos Verdes was 16.7 percent, which was lower than the County rate.
- ‘Obesity’ is defined as a Body Mass Index (BMI) of 30 or higher.
- ‘Physical Activity’ refers to walking a minimum of 150 minutes per week.

Chronic Disease Rate (18 Years & Older)

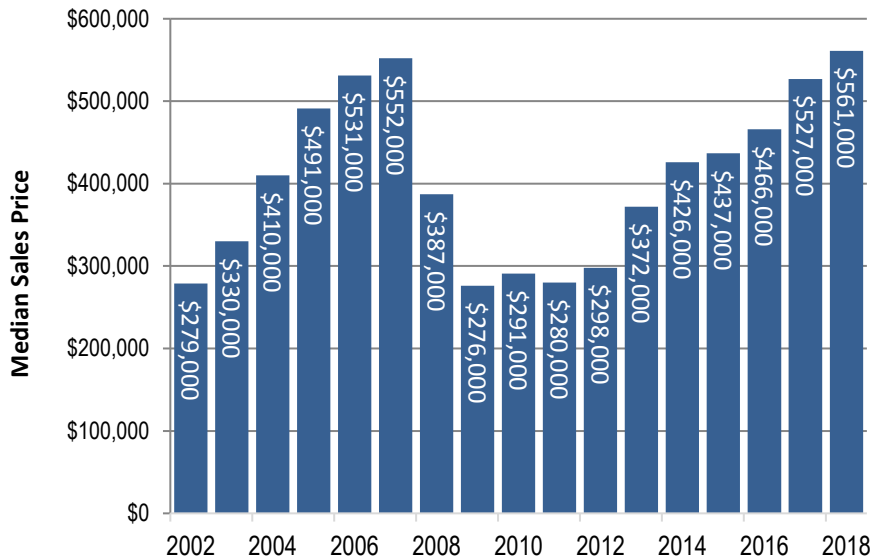


Source: California Health Interview Survey, 2018

- The share of population in the of Rancho Palos Verdes who were ever diagnosed with asthma was 9.2 percent in 2014; for diabetes the rate was 9.8 percent; and for heart disease 8.1 percent.

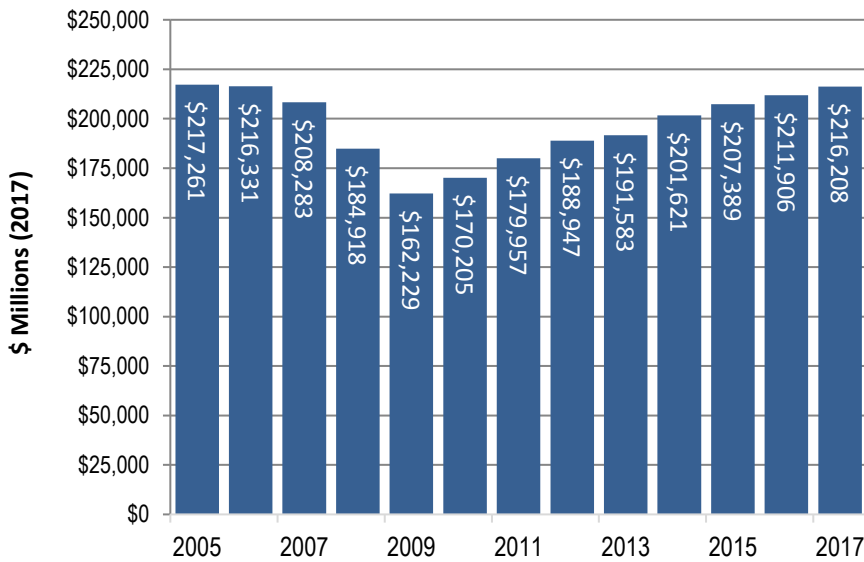
XI. SCAG REGIONAL HIGHLIGHTS

Regional Median Sales Price for Existing Homes: 2002 - 2018



Source: CoreLogic/DataQuick, 2002-2018

Regional Retail Sales: 2005 - 2017



Source: California State Board of Equalization, 2005-2017

- After peaking in 2007, the median sales price for existing homes in the SCAG region dropped by half by 2009.
- By 2018, the median sales price had increased by more than 100 percent since 2009 to a new high of \$561,000.
- Median home sales price was calculated based on total existing home sales in the SCAG region.
- Retail sales tend to follow regional trends in personal income, employment rates, and consumer confidence.
- Between 2005 and 2009, real (inflation adjusted) regional retail sales decreased by 25 percent.
- Total retail sales in the SCAG region increased by about 33 percent between 2009 and 2017.

XII. DATA SOURCES

California Department of Education

California Department of Finance, Demographic Research Unit

California Employment Development Department, Labor Market Information Division

California Health Interview Survey

California State Board of Equalization

Construction Industry Research Board

CoreLogic/DataQuick

InfoGroup

Nielsen Company

U.S. Census Bureau

XIII. METHODOLOGY

SCAG's 2019 Local Profiles reports utilize the most current information available from a number of public resources, including the U.S. Census Bureau, California Department of Finance, and the California Department of Education. In cases where public information is not available, or is not the most recent, SCAG contracts with a number of private entities to obtain regional data. The following sections describe how each data source is compiled to produce the information provided in this report.

Statistical Summary Table

In the Statistical Summary Table (page 3), the values in the field 'Jurisdiction Relative to County/Region' represent the difference between the jurisdiction's value and the county/region value, except for the following categories which represent the jurisdiction's value as a share of the county (or in the case of an entire county as a share of the region): Population, Number of Households, Number of Housing Units, Number of Jobs, Total Jobs Change, and K-12 Student Enrollment.

Median Age, Homeownership Rate, and Median Household Income are based on data provided by the U.S. Census American Community Survey and the Nielsen Company. Number of Housing Units is based on the 2010 Census and estimates provided by the California Department of Finance. Data for all other categories are referenced throughout the report.

Population Section

Where referenced, data from 2000 through 2018 was obtained from the California Department of Finance E-5 estimates, which were published in May, 2018. This dataset is benchmarked to population data from the 2000 and 2010 U.S. Decennial Censuses. Data relating to population by age group and by race/ethnicity was derived from the 2000 and 2010 U.S. Decennial Census, American Community Survey, and the Nielsen Company. The 2000 value was based on U.S. Decennial Census data for April 1, 2000 and the 2010 value was based on U.S. Decennial Census data for April 1, 2010.

Below are definitions for race and ethnicity, as provided by the U.S. Census Bureau.

The 'Hispanic or Latino Origin' category refers to:

- Persons of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

The 'Race' categories include:

- American Indian or Alaska Native: Persons having origins in any of the original peoples of North and South America (including Central America), and who maintain tribal affiliation or community attachment.
- Asian: Persons having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, Philippines, Thailand, and Vietnam.
- Black or African American: Persons having origins in any of the black racial groups of Africa, including those who consider themselves to be Haitian.

- **White:** Persons having origins in any of the original peoples of Europe, North Africa, or the Middle East.
- **Some Other Race:** This category includes Native Hawaiian or Other Pacific Islander (persons having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands) and all other responses not included in the 'American Indian or Alaska Native', 'Asian', 'Black or African American', or 'White' racial categories described above.

Charts for population based on age were tabulated using 2000 and 2010 U.S. Decennial Census data, the American Community Survey, and the Nielsen Company. Charts for race/ethnicity were tabulated using data from the 2000 and 2010 U.S. Decennial Census, the American Community Survey, and the Nielsen Company.

Households refer to the number of occupied housing units. The 2000 value is based on U.S. Decennial Census data for April 1, 2000 and the 2010 value is based on U.S. Decennial Census data for April 1, 2010. Information for inter-census years was obtained through the American Community Survey and the Nielsen Company. Average household size was calculated using information provided by the California Department of Finance. Households by Size calculations are based on data provided by the American Community Survey and the Nielsen Company.

Housing Section

Housing units are the total number of both vacant and occupied units. Housing units by housing type information was developed using data from the California Department of Finance. Age of housing stock data was provided by the American Community Survey and the Nielsen Company.

The number of residential units with permits issued was obtained using Construction Industry Research Board data, which are collected by counties and are self-reported by individual jurisdictions. It represents both new single family and new multi-family housing units that were permitted to be built, along with building permits that were issued for improvements to existing residential structures. Please note that SCAG opted to report the annual number of permits issued by each jurisdiction which may be different than the number of housing units completed or constructed annually. This was done using a single data source which provides consistent data for all jurisdictions. The Construction Industry Research Board defines 'multi-family' housing to include duplexes, apartments, and condominiums in structures of more than one living unit.

Median home sales price data was compiled from information obtained from CoreLogic/DataQuick, and was calculated based on total resales of existing homes in the jurisdiction, including both single family homes and condominiums. The median home sales price does not reflect the entire universe of housing in the jurisdiction, only those units that were sold within the specified calendar year.

Housing Cost Share refers to the percentage of household income devoted to housing expenses. Housing cost share information for homeowners and renters is provided by the American Community Survey.

Transportation Section

The journey to work data for the year 2000 was obtained by using the 2000 U.S. Decennial Census Summary File 3. Data for 2010 is based on the 2010 U.S. Decennial Census. Information for inter-census years was provided by the American Community Survey and the Nielsen Company.

Active Transportation Section

Data sources for county bike lane mileage by facility classification was provided by the six County Transportation Commissions in the SCAG region.

Employment Section

Data sources for estimating jurisdiction employment and wage information include the 2010 U.S. Census Bureau Local Employment Dynamics Survey, and information from the California Employment Development Department, InfoGroup, and SCAG for years 2007-2017. In many instances, employment totals from individual businesses were geocoded and aggregated to the jurisdictional level.

Employment information by industry type is defined by the North American Industry Classification System (NAICS). Although the NAICS provides a great level of detail on industry definitions for all types of businesses in North America, for the purposes of this report, this list of industries has been summarized into the following major areas: agriculture, construction, manufacturing, wholesale, retail, information, finance/insurance/real estate, professional/management, education/health, leisure/hospitality, public administration, other services, and non-classified industries.

A brief description of each major industry area is provided below:

- **Agriculture:** Includes crop production, animal production and aquaculture, forestry and logging, fishing hunting and trapping, and support activities for agriculture and forestry.
- **Construction:** Includes activities involving the construction of buildings, heavy and civil engineering construction, and specialty trade contractors.
- **Manufacturing:** Includes the processing of raw material into products for trade, such as food manufacturing, apparel manufacturing, wood product manufacturing, petroleum and coal products manufacturing, chemical manufacturing, plastics and rubber products manufacturing, nonmetallic mineral product manufacturing and primary metal manufacturing.
- **Wholesale:** Includes activities in the trade of raw materials and durable goods.
- **Retail:** Includes activities engaged in the sale of durable goods directly to consumers.
- **Information:** Includes activities that specialize in the distribution of content through a means of sources, including newspaper, internet, periodicals, books, software, motion pictures, sound recording, radio and television broadcasting, cable or subscription programming, telecommunications, data processing/hosting, and other information mediums.
- **Finance/Insurance/Real Estate:** Includes businesses associated with banking, consumer lending, credit intermediation, securities brokerage, commodities exchanges, health/life/medical/title/property/casualty insurance agencies and brokerages, and real estate rental/leasing/sales.

- **Professional/Management:** Includes activities that specialize in professional/ scientific/technical services, management of companies and enterprises, and administrative and support services. Establishment types may include law offices, accounting services, architectural/engineering firms, specialized design services, computer systems design and related services, management consulting firms, scientific research and development services, advertising firms, office administrative services, and facilities support services.
- **Education/Health:** Organizations include elementary and secondary schools, junior colleges, universities, professional schools, technical and trade schools, medical offices, dental offices, outpatient care centers, medical and diagnostic laboratories, hospitals, nursing and residential care facilities, social assistance services, emergency relief services, vocational rehabilitation services, and child day care services.
- **Leisure/Hospitality:** Includes activities involved in the performing arts, spectator sports, museums, amusement/recreation, travel accommodations, and food and drink services.
- **Public Administration:** Includes public sector organizations, such as legislative bodies, public finance institutions, executive and legislative offices, courts, police protection, parole offices, fire protection, correctional institutions, administration of governmental programs, space research and technology, and national security.
- **Other Services:** Includes, for example, automotive repair and maintenance, personal and household goods repair and maintenance, personal laundry services, dry-cleaning and laundry services, religious services, social advocacy organizations, professional organizations, and private households.
- **Non-Classified:** All other work activities that are not included in the North American Industry Classification System.

Retail Sales Section

Retail sales data is obtained from the California Board of Equalization, which does not publish individual point-of-sale data. All data is adjusted for inflation.

Education Section

Student enrollment data is based on public school campuses that are located within each jurisdiction's respective boundary. Enrollment numbers by grade within a given jurisdiction are tabulated based upon data obtained from the California Department of Education. Enrollment year is based on the end date of the school year; for example, enrollment data for the year 2000 refers to the 1999-2000 school year. City boundaries used for all years is based on data provided by the Local Agency Formation Commission for each county in the region.

Public Health Section

Data sources for city and county obesity rates (share of population with a BMI of 30 or higher) and rates of physical activity (share of population that walked a minimum of 150 minutes each day) was obtained through the California Health Interview Survey (AskCHIS: Neighborhood Edition). Chronic disease incidence rates were also obtained through the California Health Interview Survey.

Regional Highlights

Information for this section was developed through data from CoreLogic/DataQuick and the California Board of Equalization.

Data Sources Section

In choosing data sources for use in this report, the following factors were considered:

- Availability for all jurisdictions in the SCAG region
- The most recognized source on the subject
- Data sources available within the public domain
- Data available on an annual basis

The same data sources are used for all Local Profiles (except where noted) to maintain overall reporting consistency. Jurisdictions are not constrained from using other data sources for their planning activities.

The preparation of this report has been financed in part through grants from the Federal Highway Administration and Federal Transit Administration, U.S. Department of Transportation, under the Metropolitan Planning Program, Section 104(f) of Title 23, U.S. Code. The contents of this report do not necessarily reflect the official views or policy of the U.S. Department of Transportation. Additional assistance was provided by the California Department of Transportation.

XIV. ACKNOWLEDGMENTS

SCAG Management

Kome Ajjise, Executive Director
 Darin Chidsey, Chief Operating Officer
 Debbie Dillon, Deputy Executive Director, Administration
 Joann Africa, Chief Counsel/Director, Legal Services
 Basil Panas, Chief Financial Officer
 Julie Loats, Chief Information Officer
 Art Yoon, Director of Policy & Public Affairs
 Sarah Jepson, Acting Director of Planning

Department Manager

Ping Chang, Manager, Compliance & Performance Monitoring

Project Manager

Michael Gainor, Senior Regional Planner

Project Core Team

Anita Au, Associate Regional Planner
 Carolyn Camarena, SCAG Intern
 Diana Chamberlain, Senior Graphics Designer
 Jung Seo, Regional Planner Specialist
 Divya Sunkara, Senior Application Developer

Reproduction

Pat Camacho, Office Services Specialist

Assistance from the following SCAG staff members is also recognized:

Ludlow Brown, Senior Graphics Designer
 John Cho, Senior Regional Planner
 Lyle Janicek, Assistant Regional Planner
 Gurpreet Kaur, Programmer Analyst
 Rachel Krusenoski, SCAG Intern
 Cheol-Ho Lee, Senior Regional Planner
 Jeff Liu, Manager, Media & Public Affairs
 Matthew Louie, SCAG Intern
 Joshua Miyakawa, SCAG Intern
 Ariel Pepper, Assistant Regional Planner
 Tess Rey-Chaput, Clerk of the Board
 Arnold San Miguel, Public Affairs Officer IV
 Jianhong Sun, Database Administrator
 Alan Thompson, Senior Regional Planner
 Tom Vo, Senior Regional Planner
 Brittany Webber, SCAG Receptionist
 Ying Zhou, Program Manager II

**Southern California Association of Governments
Regional Council Roster
May 2019**

President	1. Hon. Alan D. Wapner	<i>Ontario</i>	SBCTA/SBCOG
1st Vice-President	2. Hon. Bill Jahn	<i>Big Bear Lake</i>	District 11
2nd Vice-President	3. Hon. Randon Lane	<i>Murrieta</i>	District 5
Imm. Past President	4. Hon. Margaret E. Finlay	<i>Duarte</i>	District 35
	5. Hon. Luis Plancarte		Imperial County
	6. Hon. Hilda Solis		Los Angeles County
	7. Hon. Kathryn Barger		Los Angeles County
	8. Hon. Curt Hagman		San Bernardino County
	9. Hon. Linda Parks		Ventura County
	10. Hon. Karen Spiegel		Riverside County
	11. Hon. Donald P. Wagner		Orange County
	12. Hon. Jim Predmore		ICTC
	13. Hon. Jan Harnik	<i>Palm Desert</i>	RCTC
	14. Hon. Mike T. Judge	<i>Simi Valley</i>	VCTC
	15. Hon. Cheryl Viegas-Walker	<i>El Centro</i>	District 1
	16. Hon. Kathleen Kelly	<i>Palm Desert</i>	District 2
	17. Hon. Jim Hyatt	<i>Calimesa</i>	District 3
	18. Hon. Clint Lorimore	<i>Eastvale</i>	District 4
	19. Hon. Frank Navarro	<i>Colton</i>	District 6
	20. Hon. James L. Mulvihill	<i>San Bernardino</i>	District 7
	21. Hon. Deborah Robertson	<i>Rialto</i>	District 8
	22. Hon. L. Dennis Michael	<i>Rancho Cucamonga</i>	District 9
	23. Hon. Ray Marquez	<i>Chino Hills</i>	District 10
	24. Hon. Fred Minagar	<i>Laguna Niguel</i>	District 12
	25. Hon. Wendy Bucknum	<i>Mission Viejo</i>	District 13
	26. Hon. Christina L. Shea	<i>Irvine</i>	District 14
	27. Hon. Steve Nagel	<i>Fountain Valley</i>	District 15
	28. Hon. Cecilia Iglesias	<i>Santa Ana</i>	District 16
	29. Hon. Charles Puckett	<i>Tustin</i>	District 17
	30. Hon. Stacy Berry	<i>Cypress</i>	District 18
	31. Hon. Trevor O'Neil	<i>Anaheim</i>	District 19
	32. Hon. Tri Ta	<i>Westminster</i>	District 20
	33. Hon. Art Brown	<i>Buena Park</i>	District 21
	34. Hon. Marty Simonoff	<i>Brea</i>	District 22
	35. VACANT		District 23
	36. Hon. Sonny R. Santa Ines	<i>Bellflower</i>	District 24

**Southern California Association of Governments
Regional Council Roster
May 2019**

37.	Hon. Sean Ashton	<i>Downey</i>	District 25
38.	Hon. Emma Sharif	<i>Compton</i>	District 26
39.	Hon. Ali Saleh	<i>Bell</i>	District 27
40.	Hon. Dan Medina	<i>Gardena</i>	District 28
41.	Hon. Rex Richardson	<i>Long Beach</i>	District 29
42.	Hon. Lena Gonzalez	<i>Long Beach</i>	District 30
43.	Hon. Steve De Ruse	<i>La Mirada</i>	District 31
44.	Hon. Margaret Clark	<i>Rosemead</i>	District 32
45.	Hon. Jorge Marquez	<i>Covina</i>	District 33
46.	Hon. Teresa Real Sebastian	<i>Monterey Park</i>	District 34
47.	Hon. Jonathan Curtis	<i>La Cañada/Flintridge</i>	District 36
48.	Hon. Carol Herrera	<i>Diamond Bar</i>	District 37
49.	Hon. Tim Sandoval	<i>Pomona</i>	District 38
50.	Hon. James Gazeley	<i>Lomita</i>	District 39
51.	Hon. Judy Mitchell	<i>Rolling Hills Estates</i>	District 40
52.	Hon. Meghan Sahli-Wells	<i>Culver City</i>	District 41
53.	Hon. Jess Talamantes	<i>Burbank</i>	District 42
54.	Hon. Steven Hofbauer	<i>Palmdale</i>	District 43
55.	Hon. David J. Shapiro	<i>Calabasas</i>	District 44
56.	Hon. Carmen Ramirez	<i>Oxnard</i>	District 45
57.	Hon. David Pollock	<i>Moorpark</i>	District 46
58.	Hon. Tim Holmgren	<i>Fillmore</i>	District 47
59.	Hon. Gilbert Cedillo	<i>Los Angeles</i>	District 48
60.	Hon. Paul Krekorian	<i>Los Angeles</i>	District 49
61.	Hon. Bob Blumenfield	<i>Los Angeles</i>	District 50
62.	Hon. David Ryu	<i>Los Angeles</i>	District 51
63.	Hon. Paul Koretz	<i>Los Angeles</i>	District 52
64.	Hon. Nury Martinez	<i>Los Angeles</i>	District 53
65.	Hon. Monica Rodriguez	<i>Los Angeles</i>	District 54
66.	Hon. Marqueece Harris-Dawson	<i>Los Angeles</i>	District 55
67.	Hon. Curren D. Price, Jr.	<i>Los Angeles</i>	District 56
68.	Hon. Herb J. Wesson, Jr.	<i>Los Angeles</i>	District 57
69.	Hon. Mike Bonin	<i>Los Angeles</i>	District 58
70.	VACANT	<i>Los Angeles</i>	District 59
71.	Hon. Mitch O'Farrell	<i>Los Angeles</i>	District 60

**Southern California Association of Governments
Regional Council Roster
May 2019**

72. Hon. José Huizar	<i>Los Angeles</i>	District 61
73. Hon. Joe Buscaino	<i>Los Angeles</i>	District 62
74. Hon. Steve Manos	<i>Lake Elsinore</i>	District 63
75. Hon. Lyn Semeta	<i>Huntington Beach</i>	District 64
76. Hon. Rita Ramirez	<i>Victorville</i>	District 65
77. Hon. Megan Beaman Jacinto	<i>Coachella</i>	District 66
78. Hon. Marsha McLean	<i>Santa Clarita</i>	District 67
79. Hon. Rusty Bailey	<i>Riverside</i>	District 68
80. Hon. Marisela Magana	<i>Perris</i>	District 69
81. Hon. Ben Benoit	<i>Wildomar</i>	Air District Representative
82. Hon. Peggy Huang	<i>Yorba Linda</i>	TCA Representative
83. Hon. Eric Garcetti	<i>Los Angeles</i>	Member at Large
84. Mr. Randall Lewis		Ex-Officio Member

Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the City of Rancho Palos Verdes)

Notes:



**SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS**

900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

T: (213) 236-1800

www.scag.ca.gov

REGIONAL OFFICES

Imperial County

1503 North Imperial Avenue, Suite 104
El Centro, CA 92243

T: (760) 353-7800

Orange County

OCTA Building
600 South Main Street, Suite 1233
Orange, CA 92868

T: (714) 542-3687

Riverside County

3403 10th Street, Suite 805
Riverside, CA 92501

T: (951) 784-1513

San Bernardino County

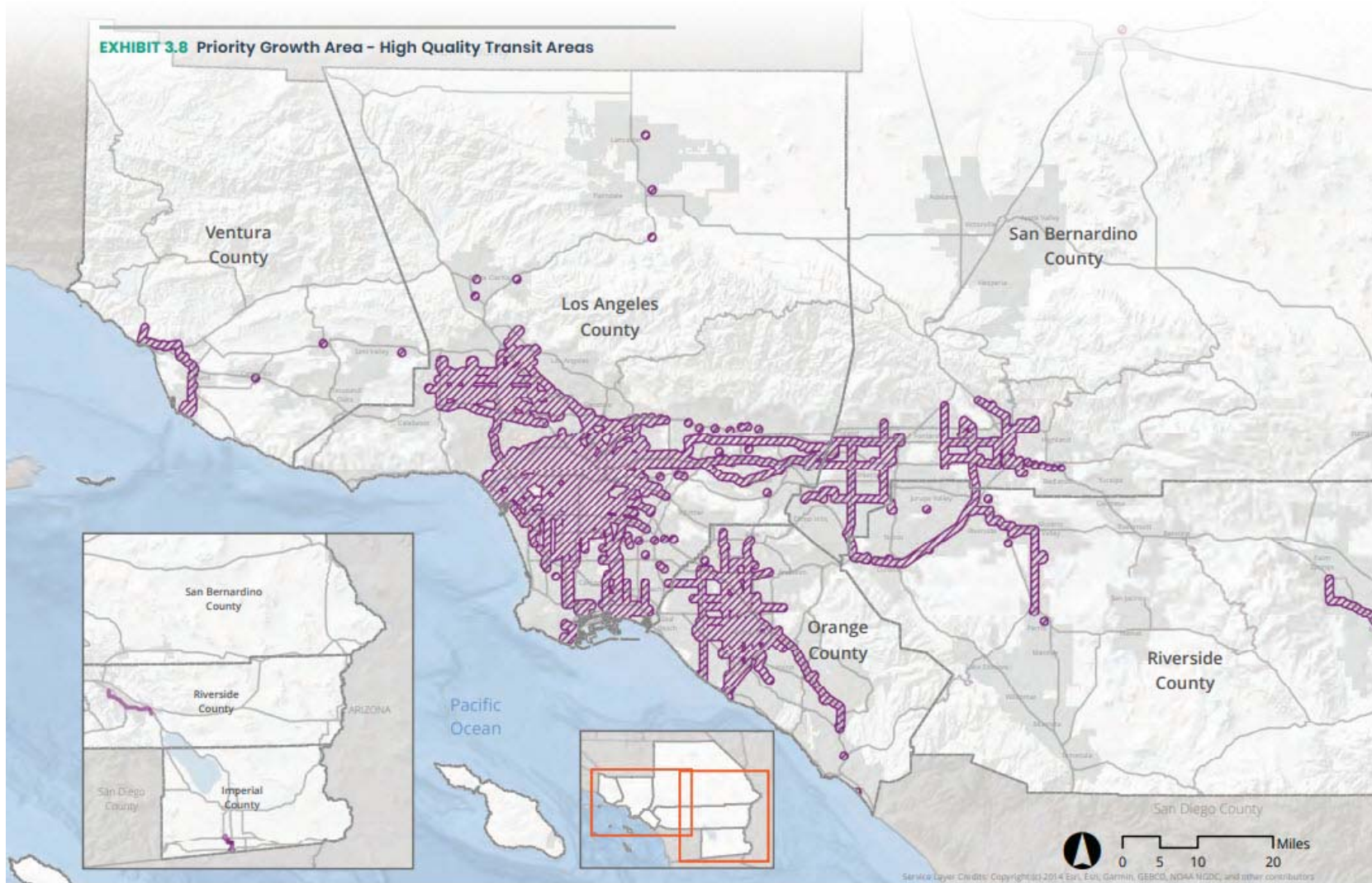
Santa Fe Depot
1170 West 3rd Street, Suite 140
San Bernardino, CA 92418

T: (909) 806-3556

Ventura County

4001 Mission Oaks Drive, Suite L
Camarillo, CA 93012

T: (805) 642-2800

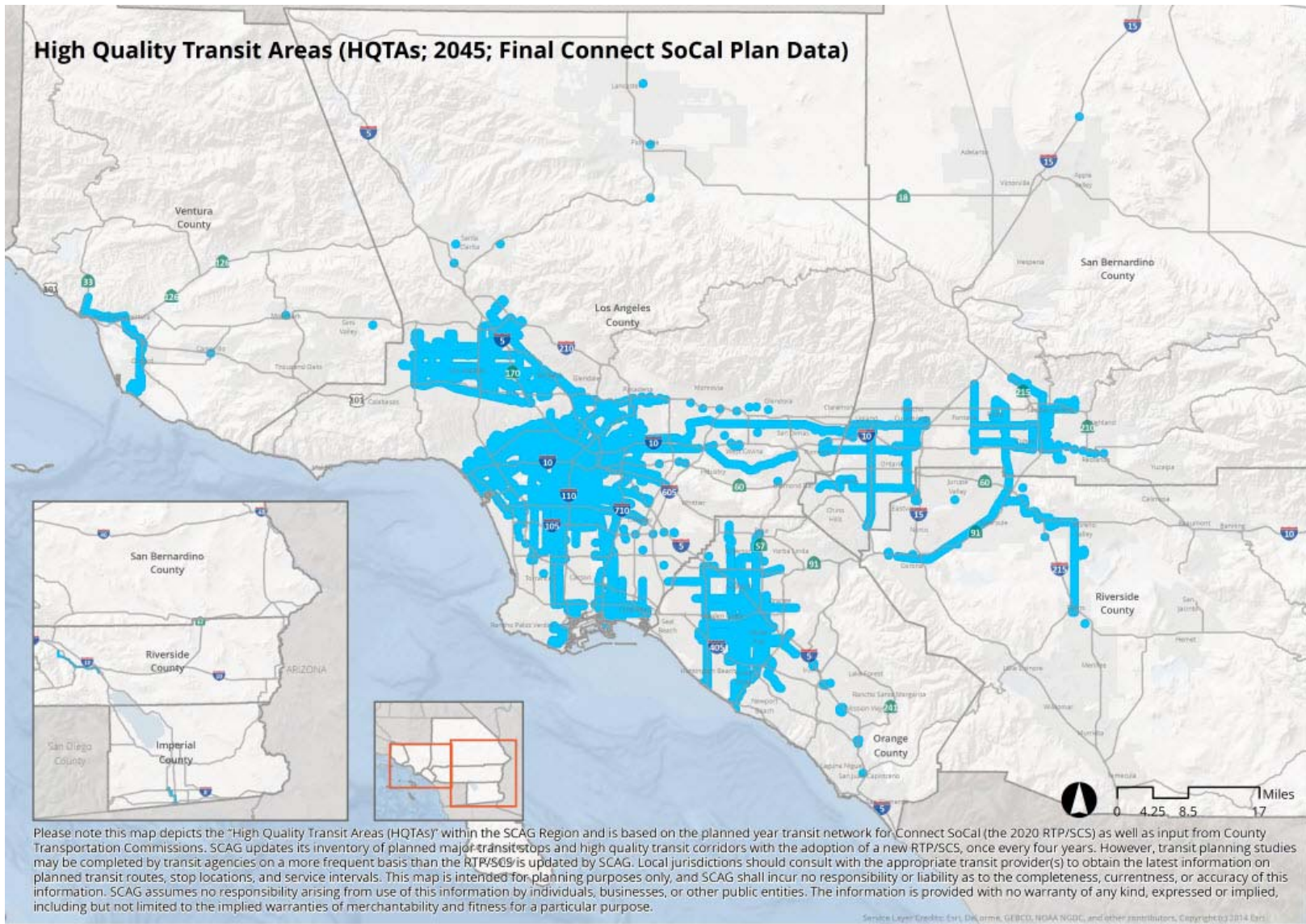


High Quality Transit Areas (2045)

 HQTA

Source: County Transportation Commissions, SCAG, 2019

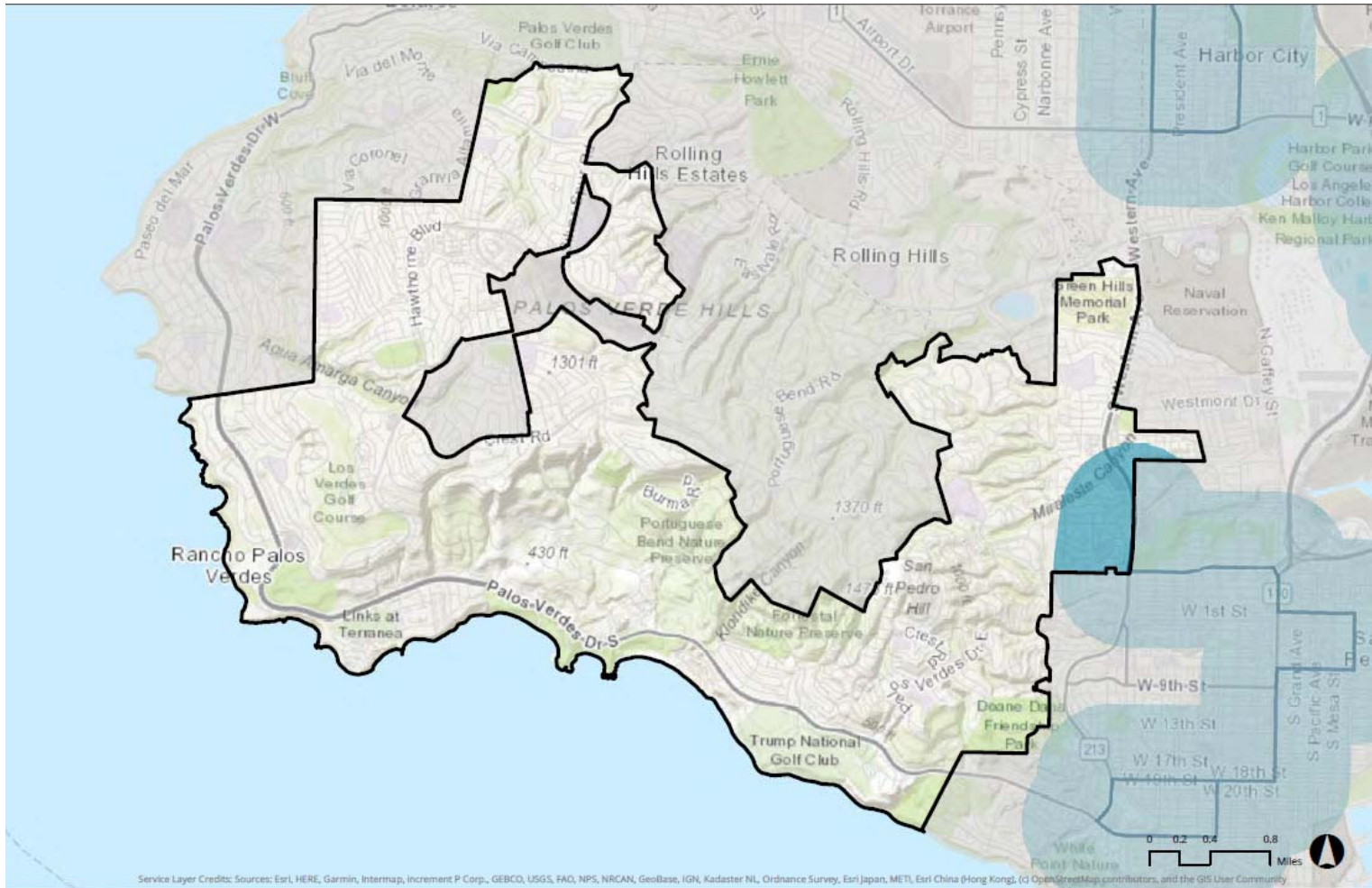
Note: To assist in identifying transit priority project areas, SCAG identifies Major Transit Stops and High Quality Transit Corridors (HQTCs), and their surrounding areas in one-half mile radius distance, as specified in Section 21155.(b)(3). Major transit stops and HQTCs are extracted from 2045 plan year data of the Draft Connect SoCal. SCAG's High Quality Transit Area (HQTA) is within one-half mile from Major Transit Stops and HQTCs and developed based on the language in SB375. Please note that this map may undergo changes as SCAG continues to update its transportation network as part of the Connect SoCal development process and SCAG shall not be responsible for local jurisdiction's use of this map. Updates to this information will be forthcoming as information becomes available.



City Boundaries
 High Quality Transit Areas (HQTAs)
 Freeway

Source: SCAG, 2020

P:\Jung\RHNA\6th_RHNA\mxd\Transit Accessibility_HQTA_PL45_FINAL.mxd | Date: 2/13/2020



Major Transit Stops and High Quality Transit Corridors in City of Rancho Palos Verdes [Year 2045]

- Major Transit Stops
- ~ High Quality Transit Corridors (HQTCS)
- High Quality Transit Areas (HQTAs)

Note: To assist in identifying transit priority project areas, SCAG identifies Major Transit Stops and High Quality Transit Corridors (HQTCS), and their surrounding areas in one-half mile radius distance, as specified in Section 21155.(b)(3). Major transit stops and HQTCS are extracted from 2045 plan year data of the Draft Connect SoCal. SCAG's High Quality Transit Area (HQTA) is within one-half mile from Major Transit Stops and HQTCS and developed based on the language in SB375. Please note that this map may undergo changes as SCAG continues to update its transportation network as part of the Connect SoCal development process and SCAG shall not be responsible for local jurisdiction's use of this map. Updates to this information will be forthcoming as information becomes available.

Data Source: SCAG, County Transportation Commissions, 2019 | Map Created: 6/18/2019

Disclaimer: The information shown on this map reflect jurisdiction's input submitted during the Local Input and Envisioning Process for the Connect SoCal. SCAG shall not be responsible for user's misuse or misrepresentation of this map. For the details regarding the sources, methodologies and contents of this map, please refer to the SCAG Data/Map Book or contact RTPLocalInput@scag.ca.gov.

Legend:

Your Selections

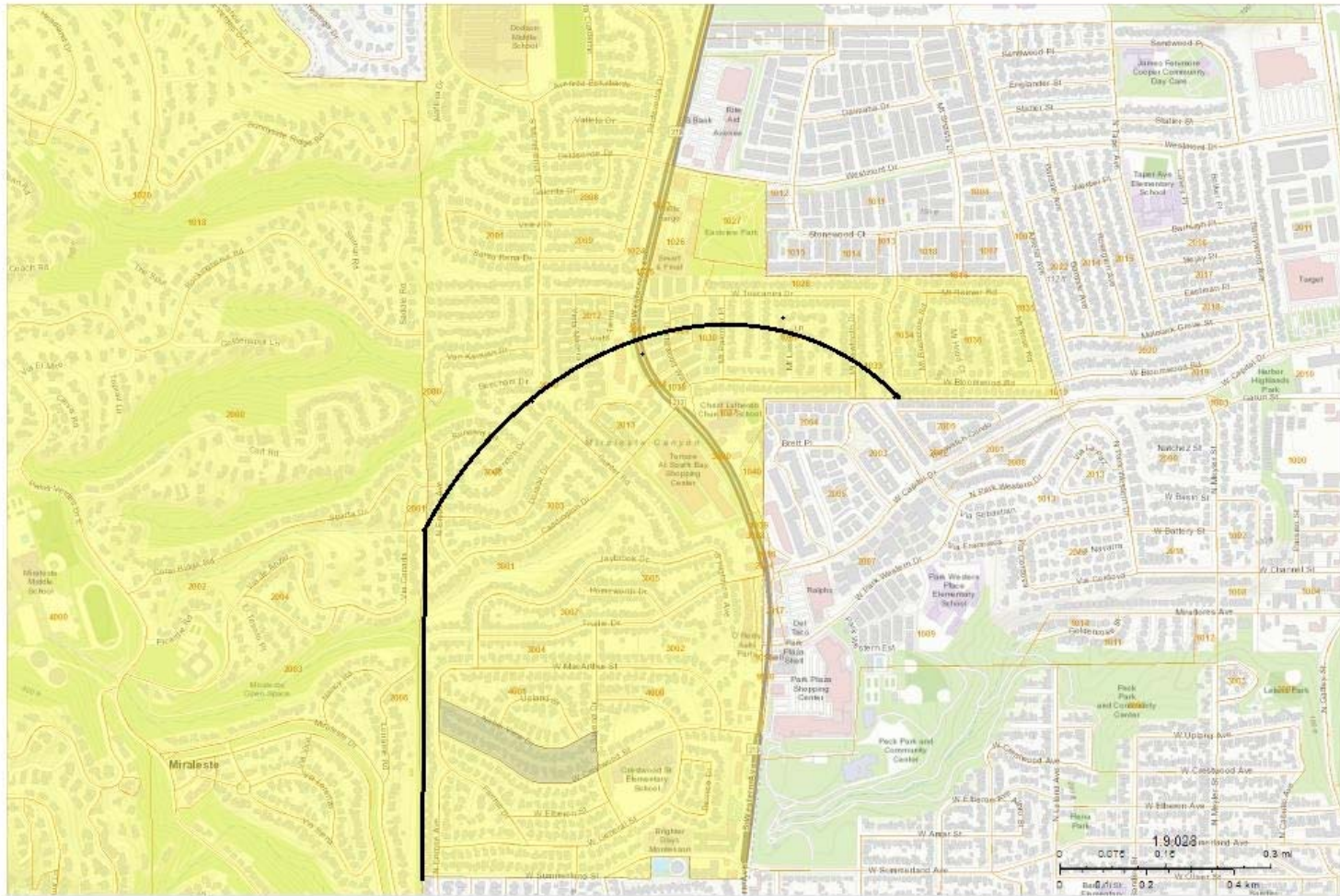
- 2010 boundaries were used to map 'Your Selections'

Selection Results

- 2010 boundaries were used to map 'Selection Results'

Boundaries

- No Legend



These are block numbers

Do the Math: The state has ordered more than 350 cities to prepare the way for more than 2 million homes by 2030. But what if the math is wrong?

Senate Bill 828, co-sponsored by the Bay Area Council and Silicon Valley Leadership Group, and authored by state Sen. Scott Wiener in 2018, has inadvertently doubled the “Regional Housing Needs Assessment” in California.

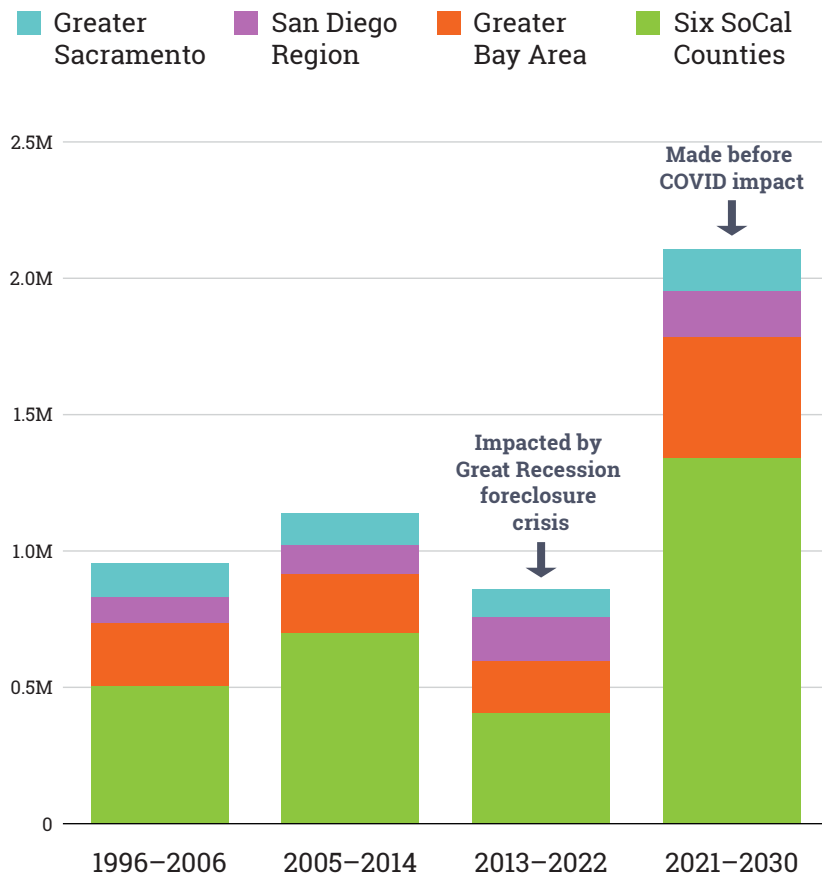
Use of an incorrect vacancy rate and double counting, inspired by SB-828, caused the state’s Department of Housing and Community Development (HCD) to exaggerate by more than 900,000 the units needed in SoCal, the Bay Area, and the Sacramento area.

The state’s approach to determining the housing need must be defensible and reproducible if cities are to be held accountable. Inaccuracies on this scale mask the fact that cities and counties are surpassing the state’s market-rate housing targets but falling far short in meeting affordable housing targets. The inaccuracies obscure the real problem and the associated solution to the housing crisis—the funding of affordable housing.

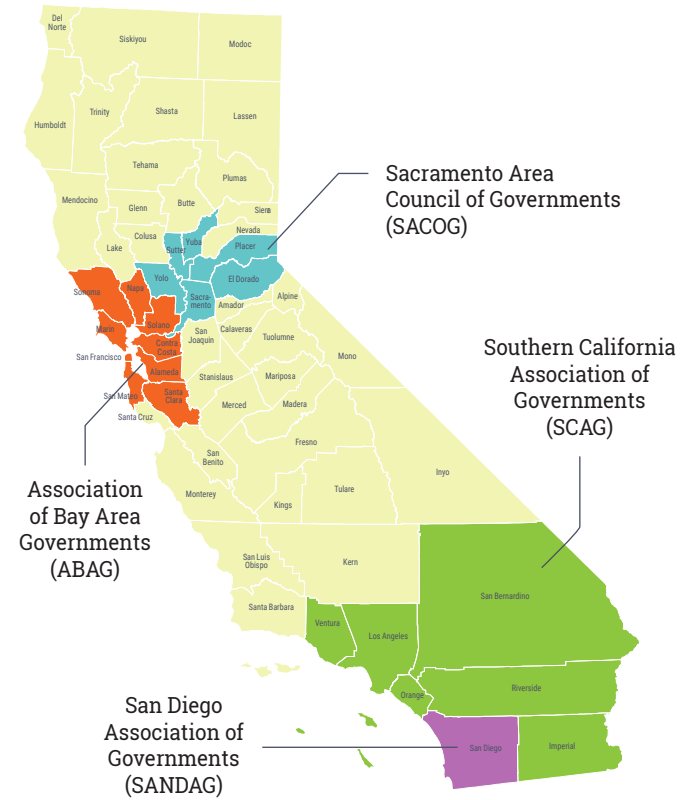
Double counting (not surprisingly) doubled the assessed housing need for the four major planning regions.

Every five to eight years the Department of Housing and Community Development (HCD) supervises and publishes the results of a process referred to as the Regional Housing Needs Assessment (RHNA). Four regional planning agencies cover the 21 most urban counties and account for 80% of California’s housing. All four regions saw a significant jump in the state’s assessment of their housing need for the years 2021 to 2030.

Housing Units Needed According to the State, (1996–2030)

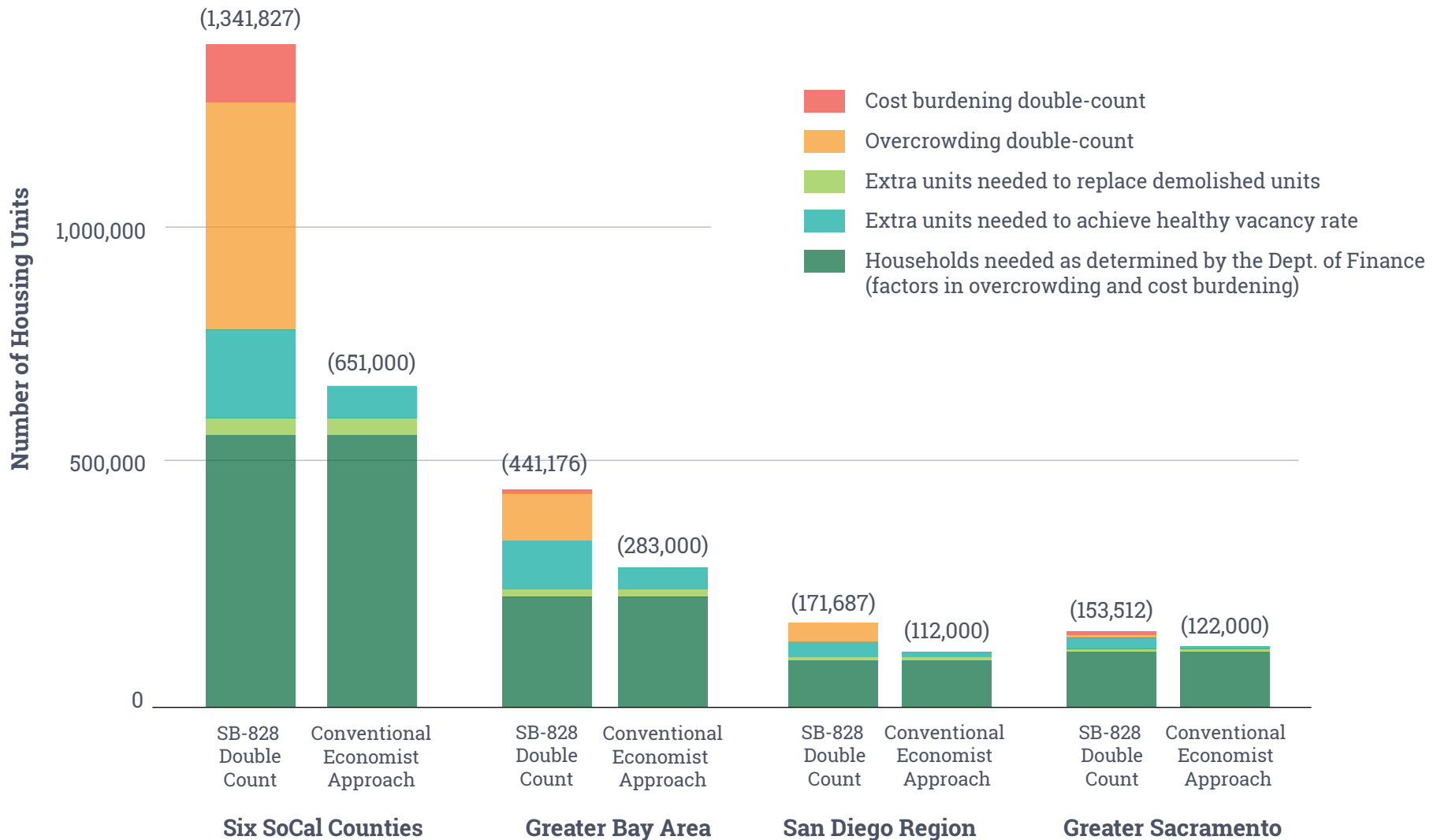


Four Regions Contain 80% of the State’s Housing



The double count, an unintended consequence of Senate Bill 828, has exaggerated the housing need by more than 900,000 units in the four regions below.

California plans for its housing needs in “cycles.” The four regions are on cycles that last roughly eight years with staggered start dates. In the 2021–2030 housing cycle, errors introduced by language in SB-828 nearly equal the entire 1.15M units of new housing required during the 2013–2022 “cycle.” As illustrated, Southern California and the Bay Area are the most impacted by the state’s methodology errors.



Senate Bill 828 was drafted absent a detailed understanding of the Department of Finance’s methodology for developing household forecasts, and absent an understanding of the difference between rental and home-owner vacancies. These misunderstandings have unwittingly ensured a series of double counts.

SB-828 MISTAKENLY ASSUMED:

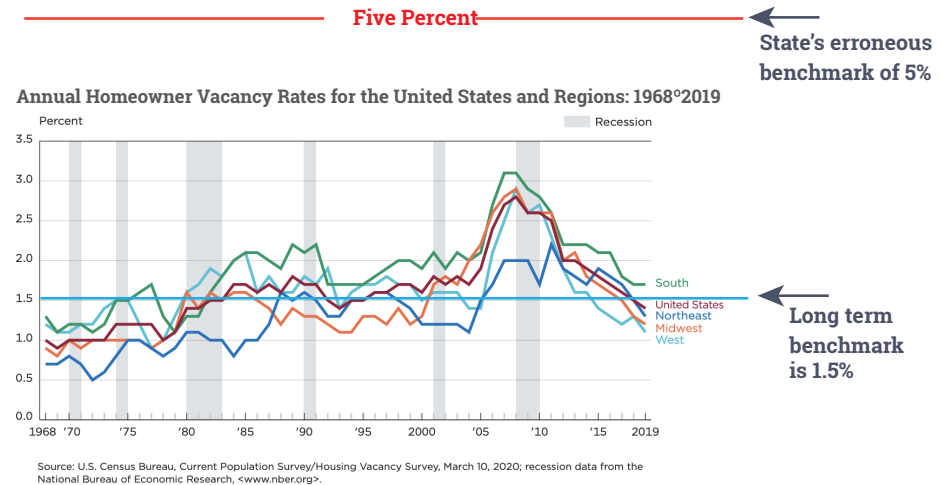
THE REALITY IS:

1. SB-828 wrongly assumed ‘existing housing need’ was not evaluated as part of California’s previous Regional Housing Need Assessments, or RHNA. There was an assumption that only future need had been taken into account in past assessments. (In fact, as detailed in The Reality section, the state’s existing housing need was fully evaluated in previous RHNA assessment cycles).

1. Existing housing need has long been incorporated in California’s planning cycles. It has been evaluated by comparing existing vacancy rates with widely accepted benchmarks for healthy market vacancies (rental and owner-occupied). The difference between actual and benchmark is the measure of housing need/surplus in a housing market. Confusion about the inclusion of “existing need” may have arisen because vacancy rates at the time of the last assessment of housing need (“the 5th cycle”) were unusually high (higher than the healthy benchmarks) due to the foreclosure crisis of 2007–2010, and in fact, the vacancy rates suggested a surplus of housing. So, in the 5th cycle, the vacancy adjustment had the effect of lowering the total housing need. Correctly seeing the foreclosure crisis as temporary, the state Department of Finance did not apply the full weight of the surplus but instead assumed a percentage of the vacant housing would be absorbed by the time the 5th cycle began. The adjustment appears in the 5th cycle determinations, not as ‘Existing Housing Need’ but rather as “Adjustment for Absorption of Existing Excess Vacant Units.”

2. SB-828 wrongly assumed a 5% vacancy rate in owner-occupied housing is healthy (as explained in the column on the right, 5% vacancy in owner-occupied homes is never desirable, and contradicts Government Code 65584.01(b)(1)(E) which specifies that a 5% vacancy rate applies only to the rental housing market).

2. While 5% is a healthy benchmark for rental vacancies, it is unhealthy for owner-occupied housing (which typically represents half of existing housing). In the U.S. homeowner vacancy has hovered around 1.5% since the ‘70s, briefly reaching 3% during the foreclosure crisis. However, 5% is well outside any healthy norm, and thus does not appear on the Census chart (to the right) showing Annual Homeowner Vacancy Rates for the United States and Regions: 1968–2019.



3. SB-828 wrongly assumed overcrowding and cost-burdening had not been considered in Department of Finance projections of housing need. The bill sought to redress what it mistakenly thought had been left out by requiring regional planning agencies to report overcrowding and cost-burdening data to the Dept. of Housing and Community Development (as explained in the right column).

3. Unknown to the authors of SB-828, the Department of Finance (DOF) has for years factored overcrowding and cost-burdening into their household projections. These projections are developed by multiplying the estimated population by the headship rate (the proportion of the population who will be head of a household). The Department of Finance (DOF), in conjunction with the Department of Housing and Community Development (HCD), has documented its deliberate decision to use higher headship rates to reflect optimal conditions and intentionally “alleviate the burdens of high housing cost and overcrowding.” Unfortunately, SB-828 has caused the state to double count these important numbers.

The forced double-counting errors are significant.*

1. Incorrect use of a 5% benchmark vacancy rate for owner-occupied housing.

The vacancy rate was incorrectly used for both existing and projected owner-occupied households.

+ 229,000
housing units

2. Current vacancies were assumed to exist in household projections.

This error is unrelated to SB-828, but is an accounting error introduced by HCD methodology.

- 22,000
housing units

3. Overcrowding and cost-burdening were double counted.**

In addition to the household projection methodology outlined by the Department of Finance (shown to account for overcrowding and cost-burdening), the matter is also mentioned in meeting notes available on the Association of Bay Area Government's (ABAG) website.***

Quote from ABAG's Housing Methodology Committee Agenda Packet for the 4th RHNA Cycle, July 2006

"There was also a lot of discussion about the headship rates used by HCD/DOF. Several people commented that headship rates in the Bay Area are generally lower than the State's estimates because the region's high housing costs limit household formation. In response, Mr. Fassinger noted that HCD uses these higher headship rates because the RHNA process is intended to alleviate the burdens of high housing cost and overcrowding."

Despite this, overcrowding and cost-burdening were counted a second time as adjustment factors required by SB-828.

+ 734,000
housing units

TOTAL: + 941,000
housing units

* All errors are rounded to the nearest thousand.

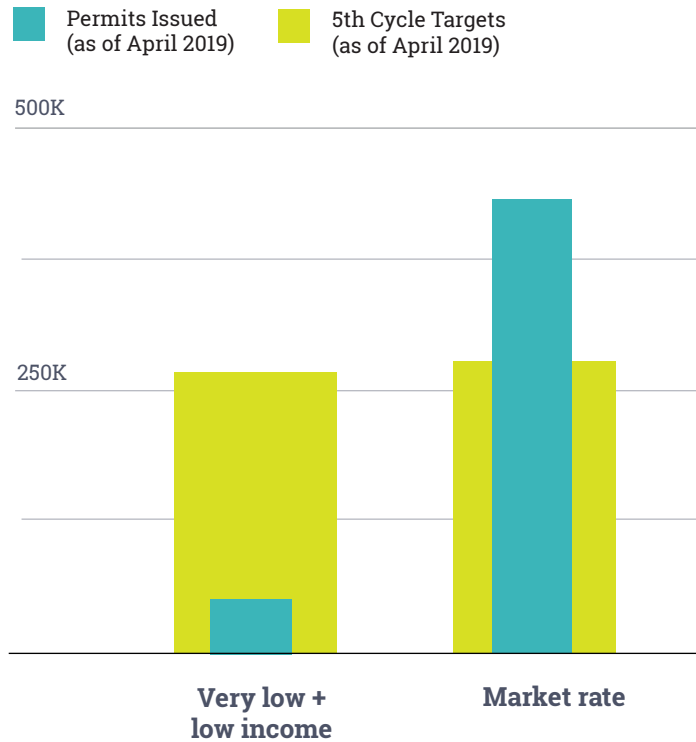
** Overcrowding measures the number of households with more than 1 person per room. Cost-burdening measures the number of households that spend more than 30% of the household income on housing. Cost-burdening is measured by five income levels – extremely low, very low, low, moderate, above moderate

*** P-4 tables are created by the Department of Finance–Household Projection table 2020–2030 and their methodology is fully explained in 'read me' notes that accompany the table.

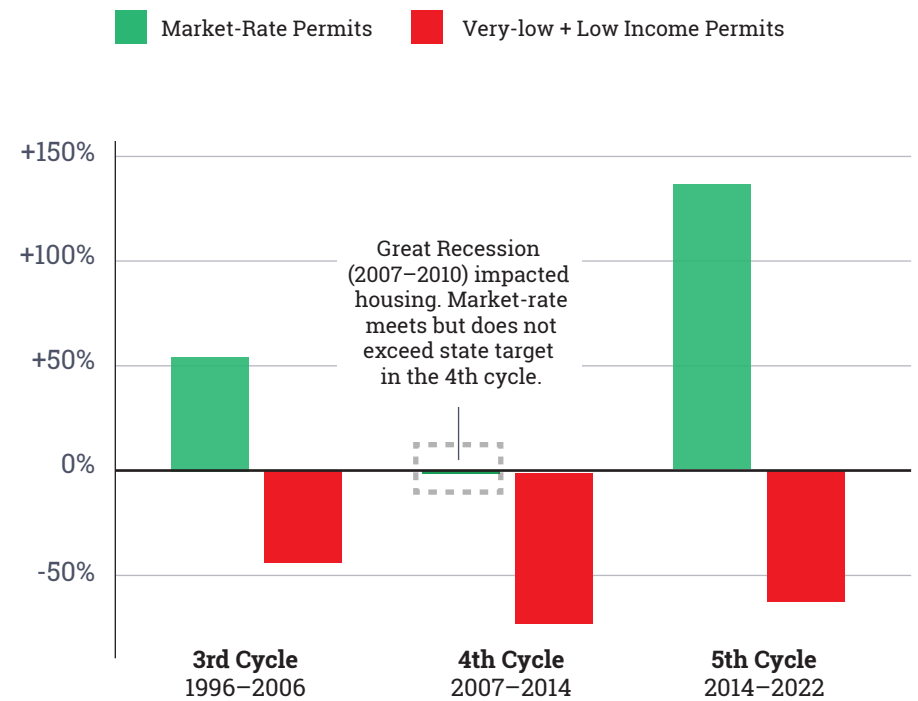
The state's exaggerated targets unfortunately mask the real story: Decades of overachieving in market-rate housing has not reduced housing costs for lower income households.

The state has shown, with decades of data, that it cannot dictate to the market. The market is going to take care of itself. The state's responsibility is to take care of those left behind in the market's wake. Based on housing permit progress reports published by the Dept. of Housing and Community Development in July 2020, cities and counties in the four most populous regions continue to strongly outperform on the state's assigned market-rate housing targets, but fail to achieve even 20% of their low-income housing target. In the Bay Area where permit records have been kept since 1997, there is evidence that this housing permit imbalance has propagated through decades of housing cycles.

Permit Progress in the 5th Cycle (2013-2022)* (all 4 regions)



Affordable Housing Languishes as Market-Rate Housing Overachieves (Bay Area only)*



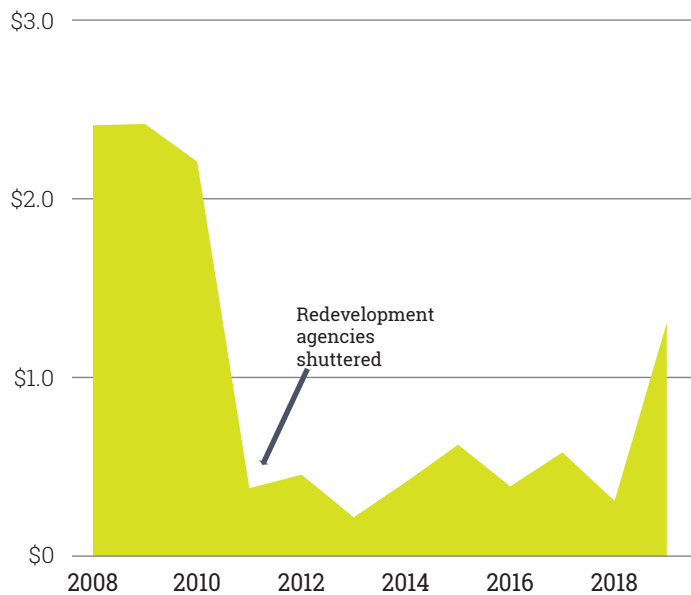
* Based on permit progress reports published by the Dept of Housing and Community Development and updated July 2020, reporting progress through April 2019.

** Only the Bay Area is shown because other regions have not kept detailed records of permit progress through the 3rd and 4th cycles.

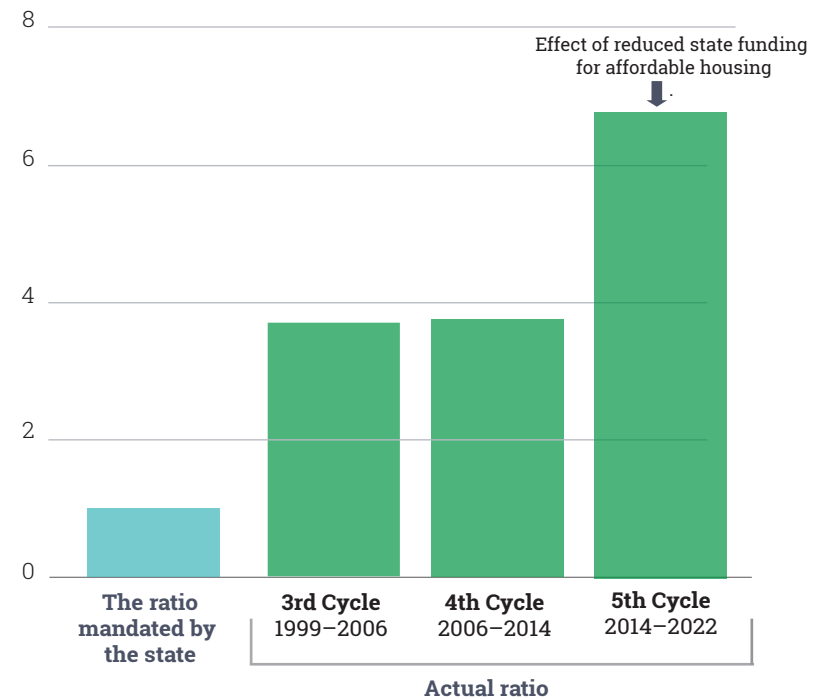
It's clear. Market-rate housing doesn't need state incentives. Affordable housing needs state

Cities are charged by the state to build one market-rate home for every one affordable home. But state laws, such as the density bonus law, incentivize developers to build market-rate units at a far higher rate than affordable units. As a result, California has been building four market-rate units for every one affordable unit for decades. And with the near-collapse of legislative funding for low-income housing in 2011, that ratio has grown to seven to eight market-rate units to each affordable unit. Yet we need one-to-one. This worsening situation can't be fixed by zoning or incentives, which are the focus of many recent housing bills and only reinforce or worsen the ever-higher market-rate housing ratios. From the data it appears that the shortage of housing resulted not from a failure by cities to issue housing permits, but rather a failure by the state to fund and support affordable housing. Future legislative efforts should take note.

State Funds for Affordable Housing, 2008–2019*
\$ Billion



Market-Rate to Low-Income Housing Permits in the Bay Area has grown from a ratio of 4 : 1 to 7 : 1
(Bay Area only)**



* "The Defunding of Affordable Housing in California", Embarcadero Institute, update June 2020 www.embarcaderoinstitute.com/reports/

** Only Bay Area is shown because other regions have not kept detailed records of permit progress through the 3rd and 4th cycles. Data is from ABAG's permit progress reports for 3rd and 4th cycle and Dept. of Housing and Community Development's 5th cycle Annual Progress Report.

Finally, since penalties are incurred for failing to reach state targets for housing permits, the methodology for developing these numbers must be transparent, rigorous and defensible.

Non-performance in an income category triggers a streamlined approval process per Senate Bill 35 (2017). These exaggerated 6th cycle targets will make it impossible for cities and counties to attain even their market-rate targets, ensuring market-rate housing will qualify for incentives and bonuses meant for low-income housing. **Yet again, low-income housing will lose out.** The state needs to correct the latest housing assessment errors and settle on a consistent, defensible approach going forward.

At Least Four Different Methodologies Have Been Used Simultaneously by the State to Discuss Housing Need: We Only Need One

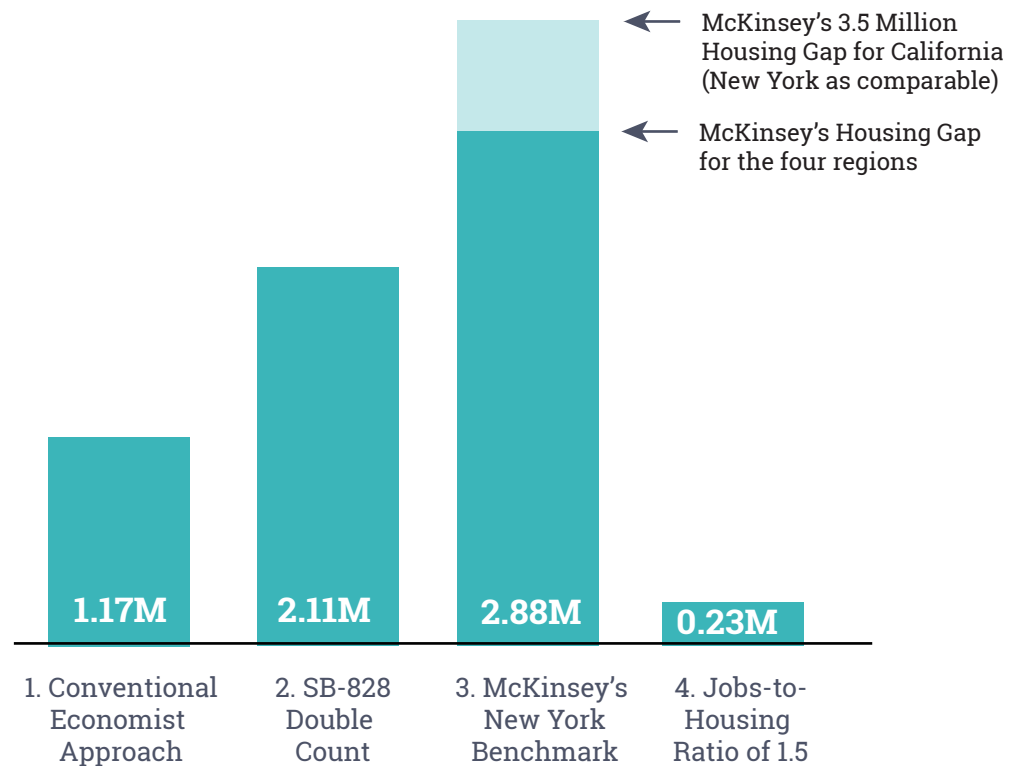
1. The Conventional Economist Approach: uses goldilocks (not too big, not too small, just right) benchmarks for vacancies - 1.5% for owner-occupied and 5% for rental housing.

2. SB-828 Double Count: incorrectly uses a benchmark of 5% vacancy for owner-occupied housing. It also double counts overcrowding and cost-burdening

3. McKinsey's New York Benchmark: the over-simplified approach generated an exaggerated housing gap of 3.5 Million for California. McKinsey multiplied California's population by New York's housing per capita to get 3.5M. New York is not a proper benchmark for California and NY's higher housing per capita is more reflective of NY's declining population rather than a healthy benchmark for housing

4. Jobs-to-housing ratio of 1.5: according to state planning agencies 1.5 is the optimal benchmark. Employment in the four regions is estimated to grow to 17 million by 2030 (job growth estimates prepared before COVID).**

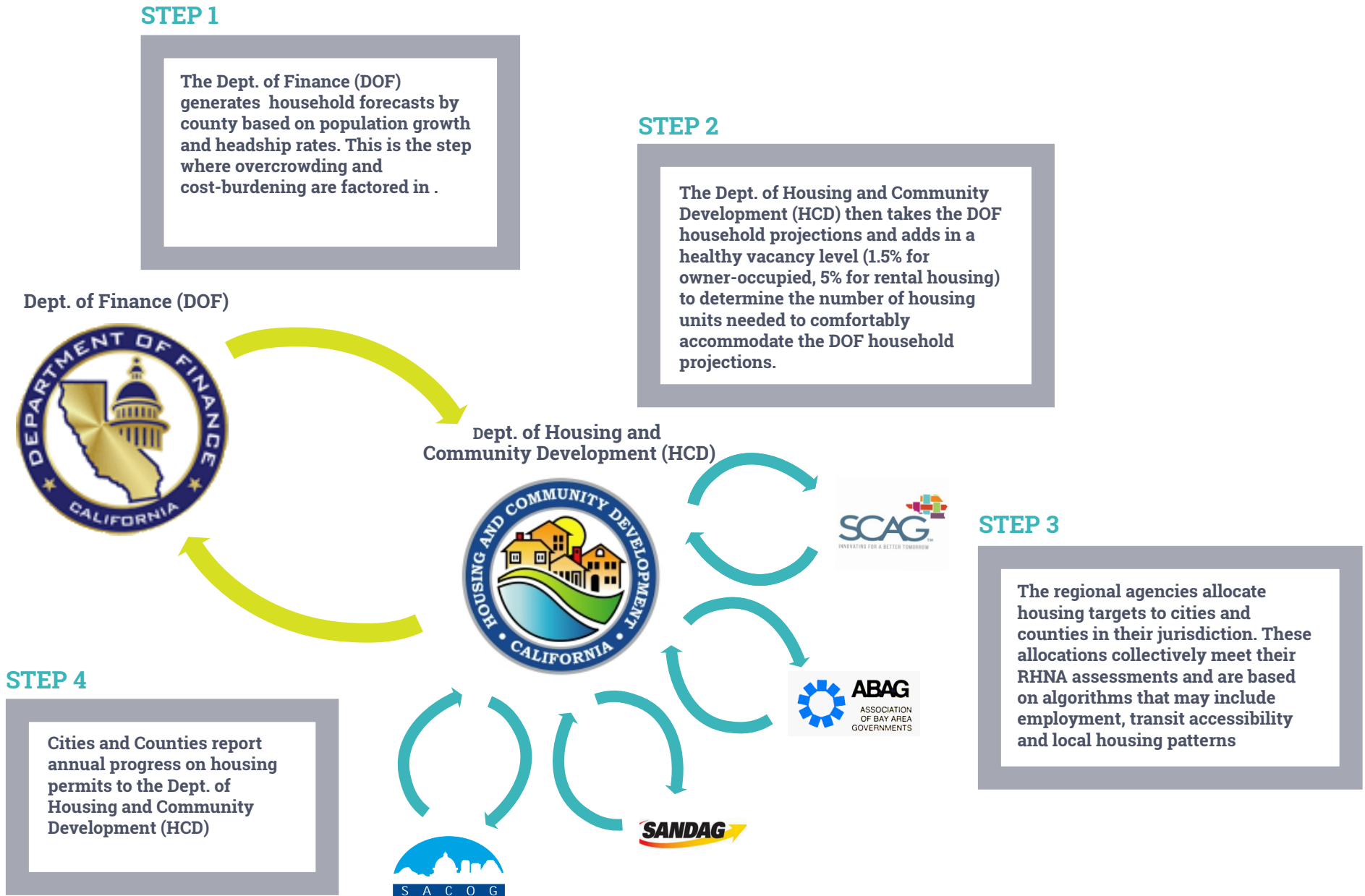
Forecast 2030 Housing Need for the Four Regions



* California's Employment Development Department (EDD) estimates employment by county through 2026. Using annualized growth (2016 to 2026) as a basis for future growth 2030 employment is estimated for the four regions.

** The 17 million includes estimates of self employed, private household workers, farm and nonfarm employment. Occupations with employment below 100 in 2016 are excluded.

How it Works: A multi-agency collaborative effort has generated past state housing targets. However, in 2018, SB-828 anointed the Dept. of Housing and Community Development with final veto powers.



Attachment: Appeal Form and Supporting Documentation (Appeal of the Draft RHNA Allocation for the

SB-828 introduced errors in Step 2 (when the Dept. of Housing and Community Development made adjustments to the Dept. of Finance’s household projections).

Southern California and the Bay Area were most impacted by the double counting. San Diego was not assessed for cost-burdening although it is more cost-burdened than the Bay Area. It was perhaps overlooked because its assessment cycle began in July, 2018, a few months before SB-828 passed into law.

The Department of Housing and Community and Development

1. Used a benchmark of 5% vacancy rate for BOTH owner-occupied and rental housing.

Six SoCal Counties	=	+126,000	
Greater Bay Area	=	+59,000	
San Diego Area	=	+23,000	
Greater Sacramento	=	+21,000	
			+ 229,000 housing units

2. Assumed vacancies in household projections *

Six SoCal Counties	=	-13,000	
Greater Bay Area	=	-4,000	
San Diego Area	=	-2,000	
Greater Sacramento	=	-3,000	
			- 22,000 housing units

3. Double counted overcrowding and cost-burdening

Six SoCal Counties	=	+578,000	
Greater Bay Area	=	+104,000	
San Diego Area	=	+39,000	
Greater Sacramento	=	+13,000	
			+ 734,000 housing units

* P-4 tables are created by the Department of Finance—Household Projection table 2020–2030 and their methodology is fully explained in ‘read me’ notes that accompany the table
 ** Overcrowding measures the number of households with more than 1 person per room. Cost-burdening measures the number of households that spend more than 30% of the household income on housing. Cost-burdening is measured by five income levels—extremely low, very low, low, moderate, above moderate.

Detailed explanation of the errors using SoCal Counties as an example: First—the correct approach.

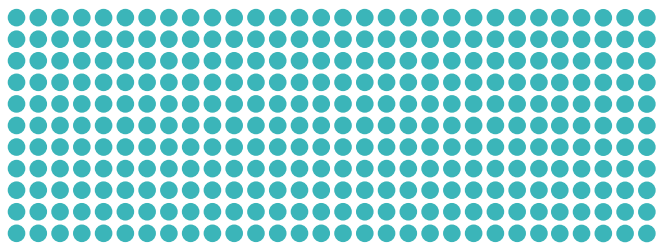
The Department of Housing and Community Development (HCD) has traditionally arrived at a number for pent-up demand or housing shortfall by comparing vacancy rates in owner-occupied and rental housing to healthy benchmarks (1.5% for owner-occupied* and 5% for rental housing). The largest of the four regions, six SoCal Counties (covering Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties) is considered in the example below**.

EXISTING HOUSING: Six SoCal Counties

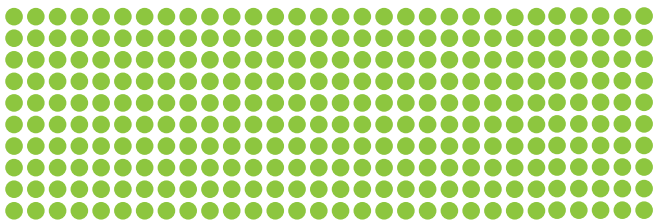
1 circle = 10,000 households

Occupied Housing Units

Home-owned (3.3 Million)



Rentals (3 Million)



Vacant Housing Units

Actual Vacancies (40,000)



1.2%

Healthy Benchmark (50,000)



1.5%

Existing Need

(10,000)



Actual Vacancies (111,000)



3.7%

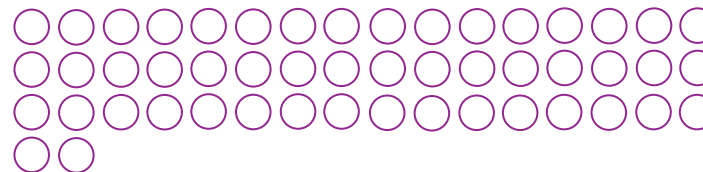
Healthy Benchmark (150,000)



5.0%

(39,000)

Seasonal Vacancies (500,000)***



* Owner-occupied has a lower healthy vacancy rate because it is usually only vacant while a house is for sale

** All numbers are rounded to the nearest thousand.

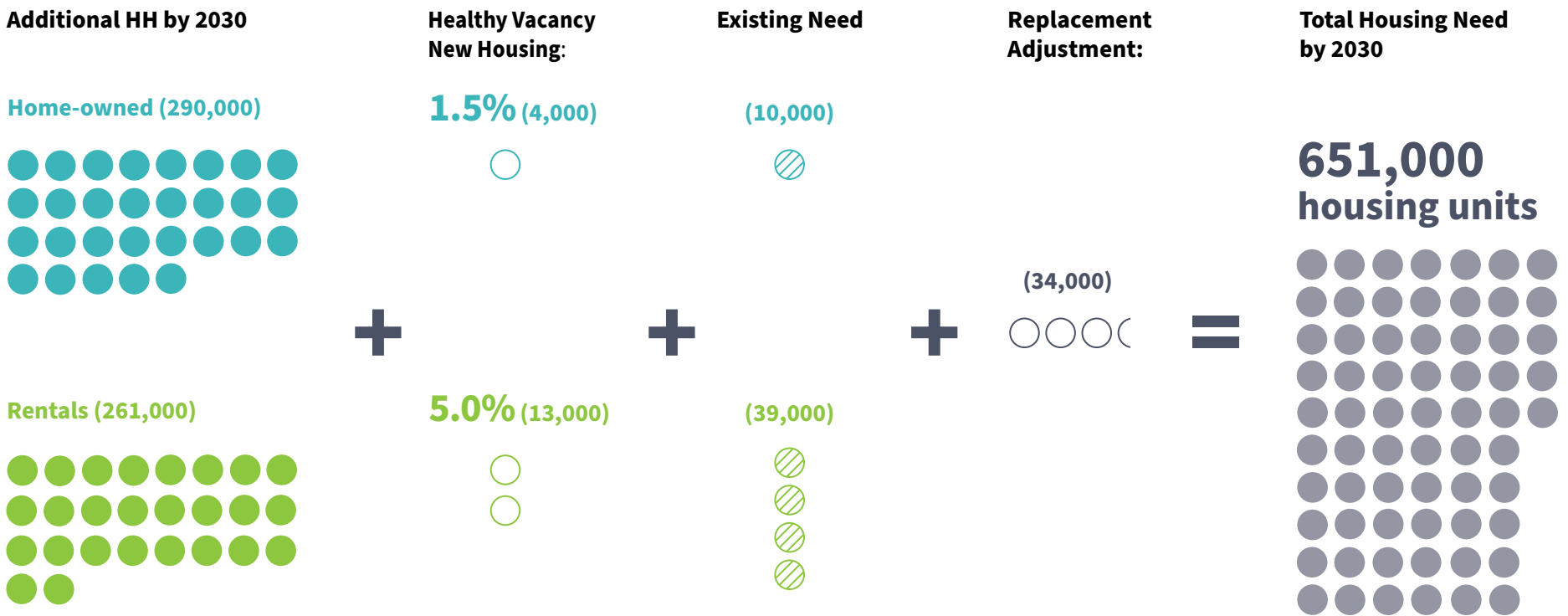
*** Seasonal Vacancies represent second homes, corporate housing, and short-term rentals such as AirBnBs

The housing need also takes into account for future growth.

The Dept. of Finance (DOF) supplies the Dept. of Housing and Community Development (HCD) with an estimate of additional households (HH) needed by the end of the cycle. The DOF forecast the 2030 population, and using an optimal household formation rate determine the number of households required to comfortably house that population*. The DOF also supply the HCD with the number of existing households at the start of the cycle. The HCD adds to the base number of additional households needed, factoring in vacancies for a healthy market, and adding a replacement adjustment (also supplied by the DOF)**.

PROJECTED HOUSING NEED: Six SoCal Counties

1 circle = 10,000 households



* Households represent occupied housing units. The number of housing units is always higher as at any given time than the number of households because some housing will be vacant or unutilized. The DOF is responsible for the base projection because they manage population projections for the state, and determine those by analyzing births, deaths and net migration.

** Replacement represents houses that may be demolished or replaced during the cycle*.

However, the Dept. of Housing and Community Development has adopted an unusual methodology in evaluating existing need in the 6th housing cycle.

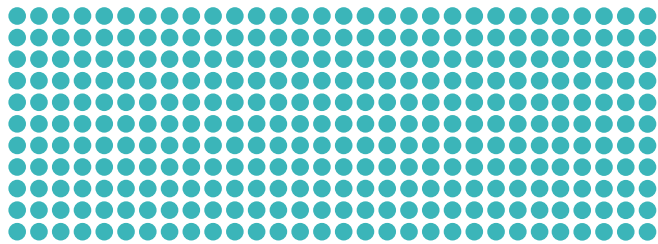
Instead of the typical 1.5% benchmark for owner-occupied housing, they used a 5% vacancy rate usually reserved for rental housing. A 5% vacancy in owner-occupied housing is indicative of a distressed housing market. At 5%, SoCal's existing housing need is increased by 115,000 housing units. Existing need for rental housing is unchanged.

EXISTING HOUSING: Six SoCal Counties

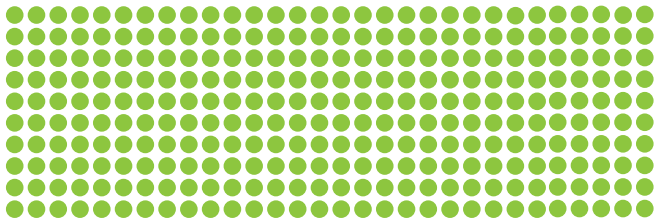
1 circle = 10,000 households

Occupied Housing Units

Home-owned (3.3 Million)



Rentals (3 Million)



Vacant Housing Units

Actual Vacancies (40,000)

1.2%



Healthy Benchmark (165,000)

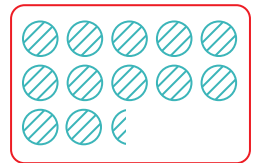
5.0%



=

Existing Need

(125,000)



Actual Vacancies (110,000)

3.7%

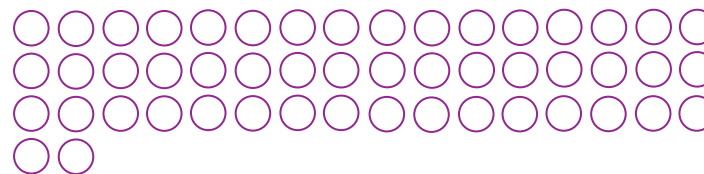


Healthy Benchmark (149,000)

5.0%



Seasonal Vacancies (500,000)

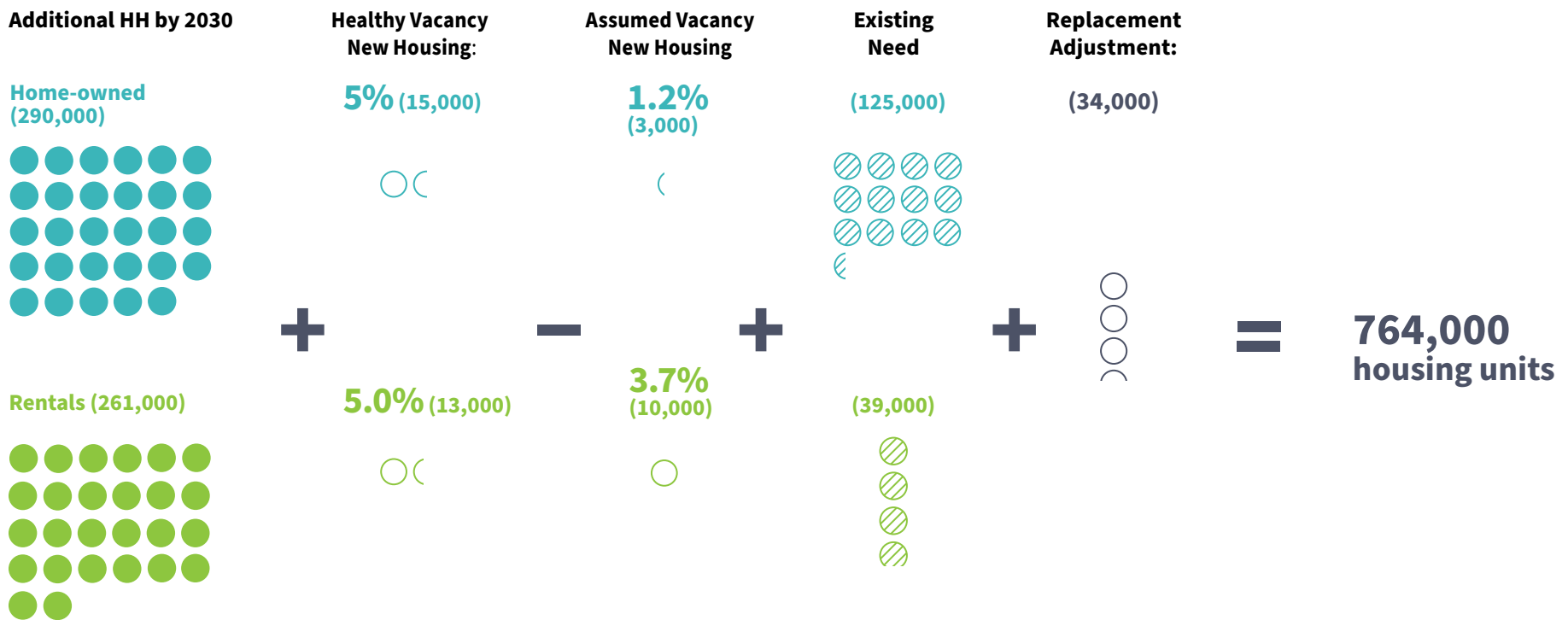


The Dept. of Housing and Community Development have also taken an unusual approach in evaluating projected housing need.

Again, instead of using the separate benchmark of 1.5% for owner-occupied housing, 5% was used for all housing. It was also assumed that new projected households had existing vacancies. The full benchmark was not applied to new households. Instead, the difference between the benchmark and the current vacancy rate was applied. The replacement adjustment was applied as it has been in the past.

PROJECTED HOUSING NEED: Six SoCal Counties

1 circle = 10,000 households



Lastly, the Dept. of Housing and Community Development double counted by adding two new factors that had already been factored into household forecasts made by the Dept. of Finance (DOF).

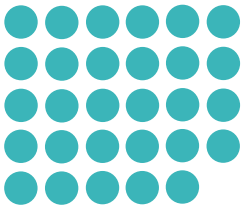
Two new factors were introduced into the 6th assessment – overcrowding and cost burdening. These factors had already been rolled into the DOF’s household projections. The DOF explicitly recognized that regional household formation rates might be depressed (a symptom of overcrowding and cost-burdening) because of the affordable housing crisis. The household formation rate used by the DOF is higher than the actual rate experienced. As such, it generates a higher housing target meant to relieve overcrowding and cost-burdening.

PROJECTED HOUSING NEED: Six SoCal Counties

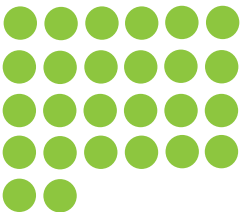
1 circle = 10,000 households

Additional HH by 2030

Home-owned
(290,000)



Rentals (261,000)



Projected Households already factors in overcrowding and cost-burdening

From the Department of Finance

“The argument was that the Great Recession and the affordability crisis which impact recent trends in headship should not be allowed to solely dominate the projection, rather some return to underlying socio-cultural norms of homeownership/fewer roommates is a beneficial assumption”



A DOUBLE COUNT

Overcrowding Adjustment*

(460,000)



Cost Burdening Adjustment**

(118,000)



* In addition to double counting, HCD incorrectly calculated the overcrowding factor. They assumed that for every house that was overcrowded another house would be required to relieve overcrowding. The more accurate analysis would be to assess the number of extra people to be housed and divide by the average household size.
 ** HCD only applied cost-burdening adjustments to future households not existing households. It is unclear why cost-burdening would only be considered an issue for future households, as the data is for current households.

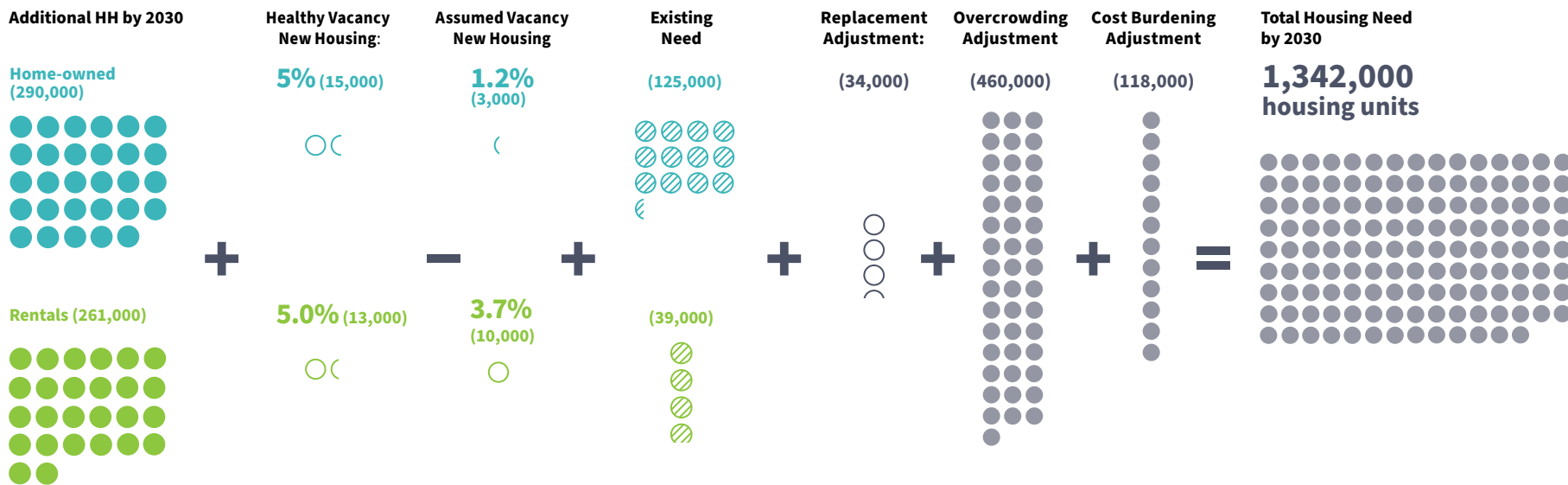
The vacancy errors and double counting resulted in a doubling of the housing needs assessment for the six counties of SoCal.

TYPICAL METHODOLOGY

1 circle = 10,000 households



HCD 6TH CYCLE METHODOLOGY



Complete data tables: *RHNA Data and Models 6th cycle*, www.embarcaderoinstitute.com

References used in the analysis :

Dept. of Housing and Community Development (HCD) <https://www.hcd.ca.gov>

Regional Housing Needs Allocation and Housing Elements

Regional Housing Needs

Allocations for 6th Cycle Housing Elements:

- Association of Bay Area Governments Regional Housing Need Determination Plan for the Sixth Housing Element Update
- Sacramento Area Council of Governments Regional Housing Need Determination for the Sixth Housing Element Update
- Southern California Association of Governments Regional Housing Need Determination for the Sixth Housing Element Update
- San Diego Association of Governments Regional Housing Need Determination and Plan for the Sixth Housing Element Update

Allocations for 5th Cycle Housing Elements:

- Association of Bay Area Governments (February 24, 2012)
- Sacramento Area Council of Governments (September 26, 2011)
- San Diego Association of Governments (November 23, 2010)
- Southern California Association of Governments (August 17, 2011)

Annual Progress Reports

Annual Progress Report APR: 5th Cycle Annual Progress Report Permit Summary (updated 7/30/2020)

Allocations for Earlier Cycles and Housing Element

- RHNA 2007-2014 - Housing Methodology Committee Agenda Packet 07-27-06
- Regional Housing Needs Plan 2006 to 2013 SACOG February 2008
- 3rd and 4th Cycle RHNA allocations (data sent in personal communication with the Department of Housing and Community Development)

Department of Finance Methodology for Household Forecasts

- "Read Me" P4 Tables : Household Projections 2020 to 2030
- Association of Bay Area Governments Digital Library: RHNA Documents, Regional Housing Needs Allocation Documents
- RHNA 2007-2014 - Housing Methodology Committee Agenda Packet 07-27-06, Regional Housing Need Allocation p 2

Other Housing Assessment Methodologies

"Mckinsey & Company: A TOOL KIT TO CLOSE CALIFORNIA'S HOUSING GAP: 3.5 MILLION HOMES BY 2025", October 2016

Jobs to Housing

Employment Development Department, State of California, Employment Projections : Long Term Projections
<https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html>

Data Input and Verification Form
Bottom-Up Local Input and Envisioning Process
2020 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS)

Date: October 1, 2018

Page 1

A - Contact & Background Information

This Represents Communication: From the Jurisdiction of Rancho Palos Verdes to SCAG

<p>Jurisdiction Contact Person: <u>Octavio Silva</u></p> <p>Position: <u>Senior Planner</u></p> <p>Email: <u>octavios@rpvca.gov</u></p> <p>Phone: <u>310-544-5234</u></p>	<p>Background Information:</p> <p><input type="checkbox"/> I am my Jurisdiction's City Manager/County Administrative Officer, Community Development/Planning Director, or City Clerk (submitting on behalf of a jurisdiction's governing body)</p> <p><input checked="" type="checkbox"/> I am a staff person from a local jurisdiction, submitting input under supervision of one of the persons identified above (see appropriate signature below)</p>
---	---

Additional Background, if any, based upon Previous Communications:
 On August 28th and 29th of this year, SCAG Staff visited the City of Rancho Palos Verdes City Hall to assist the Planning Division by updating Core Geographical Data/ maps.

B - Action Items

We are seeking to (select all that apply):

Submit to SCAG:

Provide Input on SCAG's Core Geographic Data Other, please specify _____

Provide Input on SCAG's Core Demographic Data _____

Provide Input on Supplemental Data Elements _____

C - Data Type

With Relation to SCAG s:

<p>Core Geographic Data:</p> <p><input checked="" type="checkbox"/> General Plan Land Use</p> <p><input checked="" type="checkbox"/> Zoning</p> <p><input checked="" type="checkbox"/> Existing Land Use</p> <p>Specific Plan Land Use</p> <p><input type="checkbox"/> Endangered Species and Plants*</p> <p><input checked="" type="checkbox"/> Open Space and Parks*</p> <p><input type="checkbox"/> Flood Areas*</p> <p><input type="checkbox"/> Natural Community and Habitat Conservation Plans*</p> <p>Farmland*</p> <p>Coastal Inundation (Sea Level Rise)*</p> <p><input type="checkbox"/> Major Stops and High Quality Transit Corridors*</p> <p>Transit Priority Areas*</p> <p>Regional Bikeways</p> <p>Regional Truck Routes</p> <p><input type="checkbox"/> City Boundary*</p> <p>Sphere of Influence*</p> <p>Census Tracts**</p> <p>Transportation Analysis Zone (TAZ) Boundaries**</p> <p>Entitlements</p> <p>Potential Infill Sites</p>	<p>Core Demographic Data:</p> <p><input type="checkbox"/> Population</p> <p><input checked="" type="checkbox"/> Households</p> <p><input checked="" type="checkbox"/> Employment</p> <p>Year:</p> <p><input type="checkbox"/> 2016</p> <p><input checked="" type="checkbox"/> 2020</p> <p><input checked="" type="checkbox"/> 2030 (Input needed at jurisdictional level only)</p> <p><input checked="" type="checkbox"/> 2035</p> <p><input checked="" type="checkbox"/> 2045</p> <p>Geographic Level:</p> <p><input checked="" type="checkbox"/> Jurisdictional Level</p> <p><input type="checkbox"/> Transportation Analysis Zone (TAZ)</p> <p><input type="checkbox"/> Other Geographic Level (Please Specify): _____</p>
---	--

Supplemental Data Elements (available for review June 2018):

<input type="checkbox"/> Zoning Overlay Areas	<input checked="" type="checkbox"/> Corridor Plans
<input type="checkbox"/> Community Design Overlays	<input type="checkbox"/> Special Districts
<input type="checkbox"/> Community Land Trusts	<input type="checkbox"/> Bike/Ped Volume Data***
<input type="checkbox"/> Historic Preservation Areas	<input type="checkbox"/> Ped Trails/Sidewalk Data***
<input type="checkbox"/> Bike Sharing Facilities	<input type="checkbox"/> Public Health Data***
<input type="checkbox"/> Bike Stations	
<input type="checkbox"/> Car-Sharing Parking Sites	
<input type="checkbox"/> Joint Public/Private Developments for Affordable Housing	
<input type="checkbox"/> Areas with Reduced Parking Minimums and Maximums	

* These data elements are maintained by local, state, or federal entities, and SCAG will forward input received from jurisdictions to the appropriate source

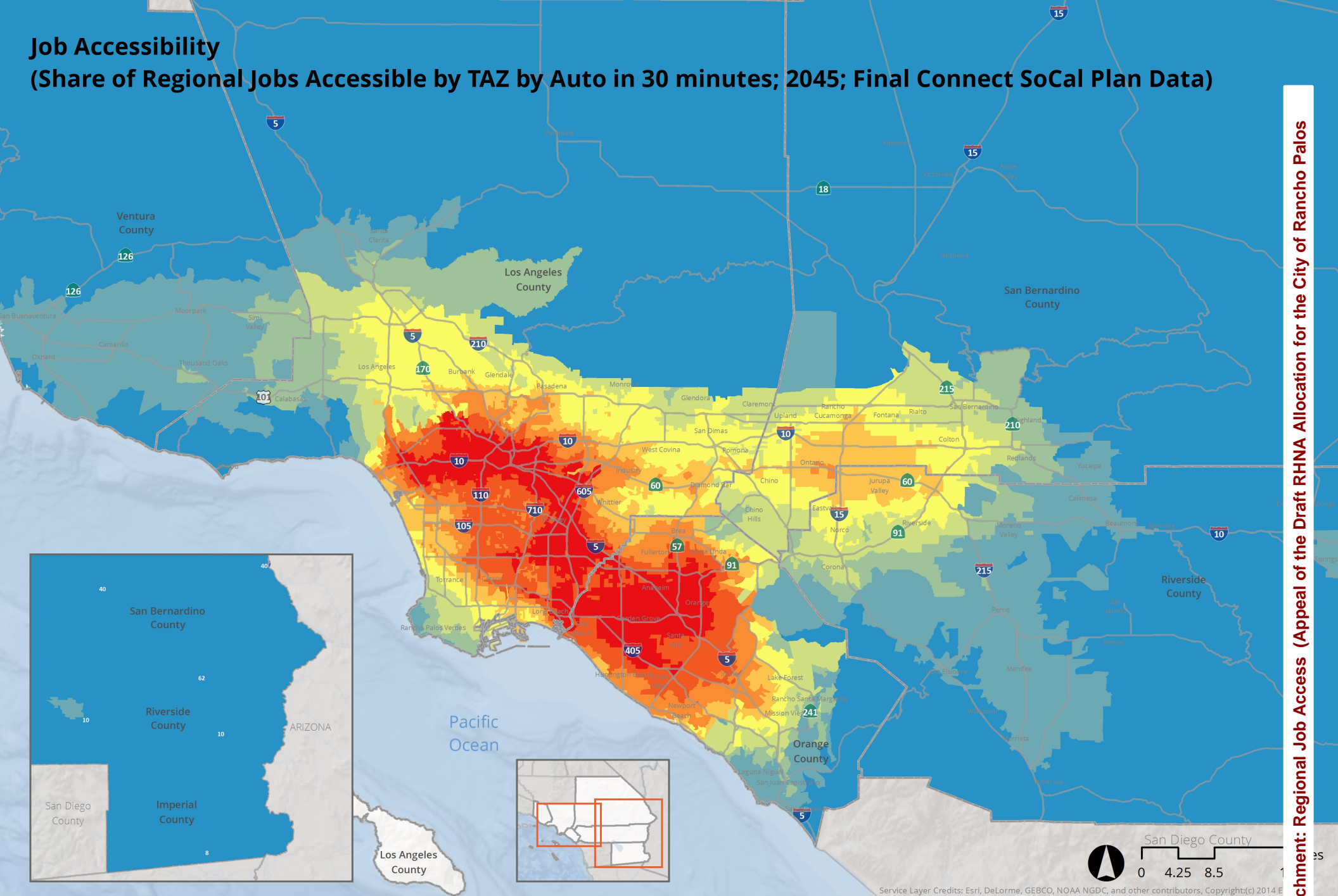
** These data elements are being provided as reference information as they are not open to revision (TAZ Boundaries and Census Tracts)

*** For these elements, SCAG is looking to obtain any available data; local review not needed

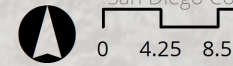
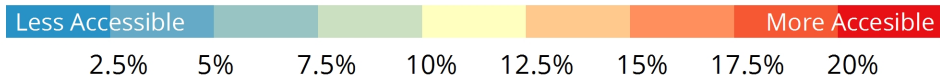
Attachment: Data Input and Verification Form (City of RPV) (Appeal of the Draft RHNA Allocation for the City of Rancho Palos Verdes)

Job Accessibility

(Share of Regional Jobs Accessible by TAZ by Auto in 30 minutes; 2045; Final Connect SoCal Plan Data)

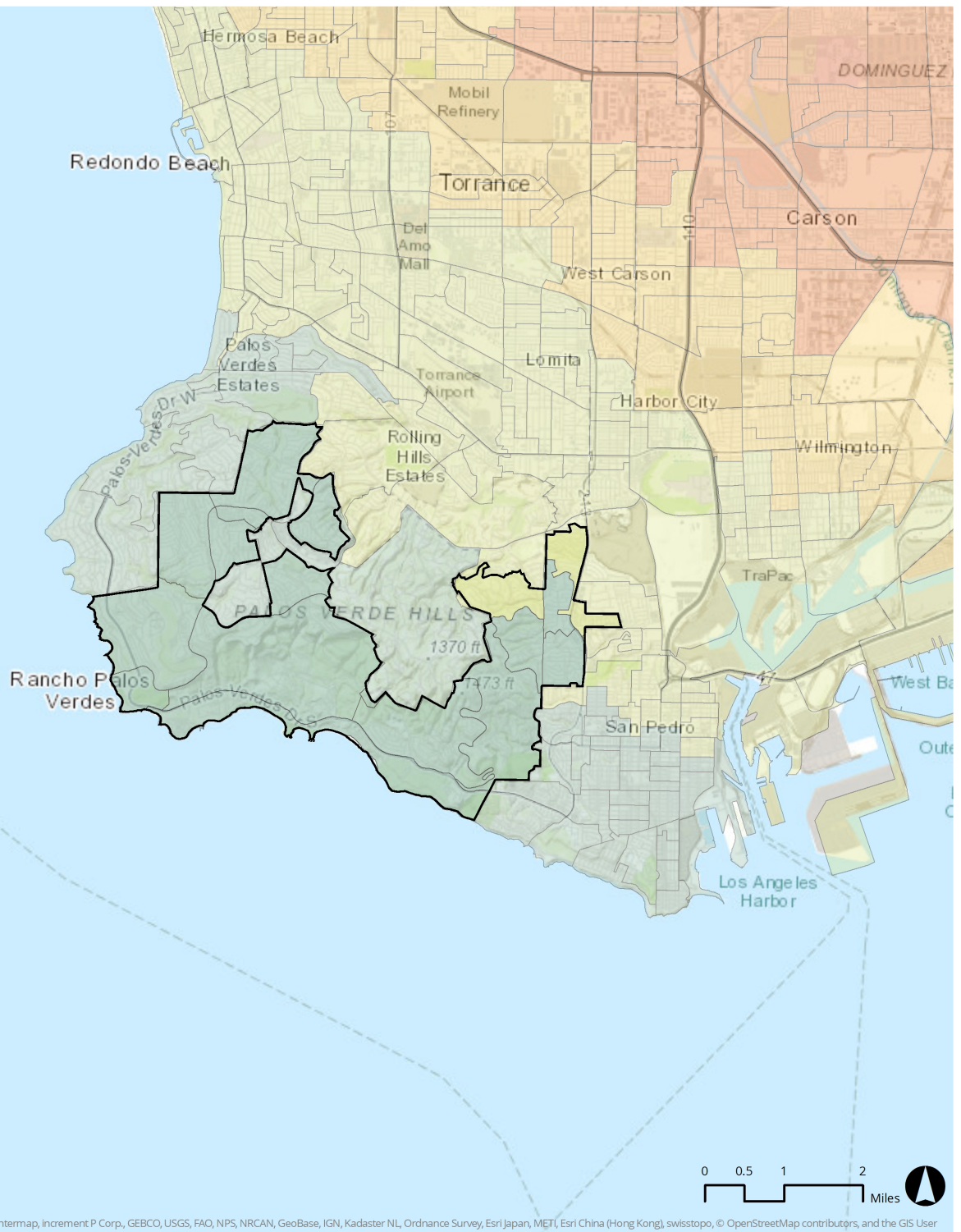


Job Accessibility (Share of Regional Jobs Accessible by TAZ by Auto in 30 minutes; 2045; Final Connect SoCal Plan Data)



Service Layer Credits: Esri, DeLorme, GEBCO, NOAA NGDC, and other contributors, Copyright(c) 2014 E

Attachment: Regional Job Access (Appeal of the Draft RHNA Allocation for the City of Rancho Palos



Service Layer Credits: Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User

TAZ-level job accessibility in and around: City of Rancho Palos Verdes [Year 2045]



Note: These data represent the share of jobs in the SCAG region accessible by automobile commute in 30 minutes in 2045 during the peak AM commute (6-9am). Further detail on the job accessibility measure can be found in SCAG's Final RHNA Methodology. Note that since the SCAG region's total employment forecast for 2045 is 10,049,000 jobs, the number of jobs available can be measured by multiplying the percentage found on the map by this number. For example, a TAZ-level job accessibility measure of 10.0% means that 1,049,000 future jobs could be reached in 30 minutes.

Data Source: SCAG, 2020 | Map Created: 10/22/2020

Disclaimer: The data underlying the information shown on this map reflect jurisdiction's input submitted during the Local Input and Envisioning Connect SoCal. SCAG shall not be responsible for user's misuse or misrepresentation of this map. For the details regarding the sources, methodology of this map, please refer to the SCAG Data/Map Book at <https://www.connectsocial.org/Pages/Local-Input-Process.aspx> or contact RTPLocalIn

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



October 15, 2019

Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise,

RE: Final Regional Housing Need Assessment

The California Department of Housing and Community Development (HCD) has received and reviewed your objection to the Southern California Association of Governments (SCAG)'s Regional Housing Needs Assessment (RHNA) provided on August 22, 2019. Pursuant to Government Code (Gov. Code) section 65584.01(c)(3), HCD is reporting the results of its review and consideration, along with a final written determination of SCAG's RHNA and explanation of methodology and inputs.

As a reminder, there are several reasons for the increase in SCAG's 6th cycle Regional Housing Needs Assessment (RHNA) as compared to the 5th cycle. First, as allowed under Gov. Code 65584.01(b)(2), the 6th cycle RHNA applied housing need adjustment factors to the region's total projected households, thus capturing existing and projected need. Second, overcrowding and cost burden adjustments were added by statute between 5th and 6th cycle; increasing RHNA in regions where incidents of these housing need indicators were especially high. SCAG's overcrowding rate is 10.11%, 6.76% higher than the national average. SCAG's cost burden rate is 69.88% for lower income households, and 18.65% for higher income households, 10.88% and 8.70% higher than the national average respectively. Third, the 5th cycle RHNA for the SCAG region was impacted by the recession and was significantly lower than SCAG's 4th cycle RHNA.

This RHNA methodology establishes the minimum number of homes needed to house the region's anticipated growth and brings these housing need indicators more in line with other communities, but does not solve for these housing needs. Further, RHNA is ultimately a requirement that the region zone sufficiently in order for these homes to have the potential to be built, but it is not a requirement or guarantee that these homes will be built. In this sense, the RHNA assigned by HCD is already a product of moderation and compromise; a minimum, not a maximum amount of planning needed for the SCAG region.

For these reasons HCD has not altered its RHNA approach based on SCAG's objection. However, the cost burden data input has been updated following SCAG's objection due to the availability of more recent data. Attachment 1 displays the minimum RHNA of **1,341,827** total homes among four income categories for SCAG to distribute among its local governments. Attachment 2 explains the methodology applied pursuant to Gov. Code section 65584.01.

The following briefly responds to each of the points raised in SCAG's objection:

Use of SCAG's Population Forecast

SCAG's overall population estimates for the end of the projection period exceed Department of Finance's (DOF) population projections by 1.32%, however the SCAG household projection derived from this population forecast is 1.96% lower than DOF's household projection. This is a result of SCAG's population forecast containing 3,812,391 under 15-year old persons, compared to DOF's population projection containing 3,292,955 under 15-year old persons; 519,436 more persons within the SCAG forecast that are anticipated to form no households. In this one age category, DOF's projections differ from SCAG's forecast by 15.8%.

Due to a greater than 1.5% difference in the population forecast assessment of under 15-year olds (15.8%), and the resulting difference in projected households (1.96%), HCD maintains the use of the DOF projection in the final RHNA.

Use of Comparable Regions

While the statute allows for the council of government to determine and provide the comparable regions to be used for benchmarking against overcrowding and cost burden, Gov. Code 65584.01(b)(2) also allows HCD to "accept or reject information provided by the council of governments or modify its own assumptions or methodology based on this information." Ultimately, HCD did not find the proposed comparable regions an effective benchmark to compare SCAG's overcrowding and cost burden metrics to. HCD used the national average as the comparison benchmark, which had been used previously throughout 6th cycle prior to the addition of comparable region language into the statute starting in January 2019. As the housing crisis is experienced nationally, even the national average does not express an ideal overcrowding or cost burden rate; we can do more to reduce and eliminate these worst-case housing needs.

Vacancy Rate

No changes have been made to the vacancy rate standard used by HCD for the 6th cycle RHNA methodology.

Replacement Need

No changes have been made to the replacement need minimum of adjustment .5%. This accounts for replacement homes needed to account for homes potentially lost during the projection period.

Household Growth Anticipated on Tribal Lands

No changes have been made to reduce the number of households planned in the SCAG region by the amount of household growth expected on tribal lands. The region should plan for these homes outside of tribal lands.

Overlap between Overcrowding and Cost Burden

No changes have been made to overcrowding and cost burden methodology. Both factors are allowed statutorily, and both are applied conservatively in the current methodology.

Data Sources

No changes have been made to the data sources used in the methodology. 5-year American Community Survey data allows for lower margin of error rates and is the preferred data source used throughout this cycle. With regard to cost burden rates, HCD continues to use the Comprehensive Housing Affordability Strategy, known as CHAS data. These are custom tabulations of American Community Survey requested by the U.S. Department of Housing and Urban Development. These custom tabulations display cost burden by income categories, such as lower income, households at or below 80% area median income; rather than a specific income, such as \$50,000. The definition of lower income shifts by region and CHAS data accommodates for that shift. The 2013-2016 CHAS data became available August 9, 2019, shortly prior to the issuance of SCAG's RHNA determination so that data is now used in this RHNA.

Next Steps

As you know, SCAG is responsible for adopting a RHNA allocation methodology for the *projection* period beginning June 30, 2021 and ending October 15, 2029. Pursuant to Gov. Code section 65584(d), SCAG's RHNA allocation methodology must further the following objectives:

- (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.

Pursuant to Gov. Code section 65584.04(e), to the extent data is available, SCAG shall include the factors listed in Gov. Code section 65584.04(e)(1-12) to develop its RHNA allocation methodology. Pursuant to Gov. Code section 65584.04(f), SCAG must explain in writing how each of these factors was incorporated into the RHNA allocation methodology and how the methodology furthers the statutory objectives described above. Pursuant to Gov. Code section 65584.04(h), SCAG must consult with HCD and submit its draft allocation methodology to HCD for review.

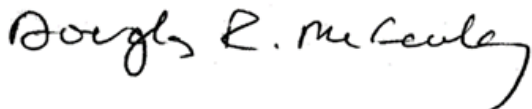
HCD appreciates the active role of SCAG staff in providing data and input throughout the consultation period. HCD especially thanks Ping Chang, Ma'Ayn Johnson, Kevin Kane, and Sarah Jepson.

HCD looks forward to its continued partnership with SCAG to assist SCAG's member jurisdictions meet and exceed the planning and production of the region's housing need. Just a few of the support opportunities available for the SCAG region this cycle include:

- SB 2 Planning Grants and Technical Assistance (application deadline November 30, 2019)
- Regional and Local Early Action Planning Grants
- Permanent Local Housing Allocation

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Assistant Deputy Director for Fair Housing, at megan.kirkeby@hcd.ca.gov.

Sincerely,



Douglas R. McCauley
Acting Director

Enclosures

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION

SCAG: June 30, 2021 – October 15, 2029 (8.3 years)

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	26.2%	351,796
Low	15.4%	206,807
Moderate	16.7%	223,957
Above-Moderate	41.7%	559,267
Total	100.0%	1,341,827
* Extremely-Low	14.5%	Included in Very-Low Category

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et.seq.). Percents are derived based on ACS reported household income brackets and regional median income, then adjusted based on the percent of cost-burdened households in the region compared with the percent of cost burdened households nationally.

ATTACHMENT 2

**HCD REGIONAL HOUSING NEED DETERMINATION
SCAG: June 30, 2021 – October 15, 2029 (8.3 years)**

Methodology

SCAG: June 30, 2021-October 15, 2029 (8.3 Years) HCD Determined Population, Households, & Housing Need					
1.	Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029				20,455,355
2.	<i>- Group Quarters Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029</i>				-363,635
3.	Household (HH) Population: October 15, 2029				20,079,930
	Household Formation Groups	HCD Adjusted DOF Projected HH Population	DOF HH Formation Rates	HCD Adjusted DOF Projected Households	
		20,079,930		6,801,760	
	under 15 years	3,292,955	n/a	n/a	
	15 – 24 years	2,735,490	6.45%	176,500	
	25 – 34 years	2,526,620	32.54%	822,045	
	35 – 44 years	2,460,805	44.23%	1,088,305	
	45 – 54 years	2,502,190	47.16%	1,180,075	
	55 – 64 years	2,399,180	50.82%	1,219,180	
	65 – 74 years	2,238,605	52.54%	1,176,130	
	75 – 84 years	1,379,335	57.96%	799,455	
	85+	544,750	62.43%	340,070	
4.	Projected Households (Occupied Unit Stock)				6,801,760
5.	+ Vacancy Adjustment (2.63%)				178,896
6.	+ Overcrowding Adjustment (6.76%)				459,917
7.	+ Replacement Adjustment (.50%)				34,010
8.	<i>- Occupied Units (HHs) estimated (June 30, 2021)</i>				-6,250,261
9.	+ Cost Burden Adjustment (Lower Income: 10.63%, Moderate and Above Moderate Income: 9.28%)				117,505
6th Cycle Regional Housing Need Assessment (RHNA)					1,341,827

Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Government Code Section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment based on the difference between a standard 5% vacancy rate and the region's current "for rent and sale" vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% and region's current vacancy rate (2.37%) based on the 2013-2017 5-year American Community Survey (ACS) data. For SCAG that difference is 2.63%.
6. Overcrowding Adjustment: In region's where overcrowding is greater than the U.S overcrowding rate of 3.35%, HCD applies an adjustment based on the amount the region's overcrowding rate (10.11%) exceeds the U.S. overcrowding rate (3.35%) based on the 2013-2017 5-year ACS data. For SCAG that difference is 6.76%.

Continued on next page

7. Replacement Adjustment: HCD applies a replacement adjustment between .5% & 5% to total housing stock based on the current 10-year average of demolitions in the region's local

government annual reports to Department of Finance (DOF). For SCAG, the 10-year average is .14%, and SCAG's consultation package provided additional data on this input indicating it may be closer to .41%; in either data source the estimate is below the minimum replacement adjustment so the minimum adjustment factor of .5% is applied.

8. Occupied Units: Reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2021).
9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the nation. The very-low and low income RHNA is increased by the percent difference ($69.88\% - 59.01\% = 10.88\%$) between the region and the national average cost burden rate for households earning 80% of area median income and below, then this difference is applied to very low- and low-income RHNA proportionate to the share of the population these groups currently represent. The moderate and above-moderate income RHNA is increased by the percent difference ($18.65\% - 9.94\% = 8.70\%$) between the region and the national average cost burden rate for households earning above 80% Area Median Income, then this difference is applied to moderate and above moderate income RHNA proportionate to the share of the population these groups currently represent. Data is from 2013-2016 Comprehensive Housing Affordability Strategy (CHAS).

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Ave
Sacramento, CA 95833-1829
916) 263-2911 FAX: (916) 263-7453
www.hcd.ca.gov



December 10, 2020

Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise:

RE: Comment on Appeals of the Draft Regional Housing Need Allocation (RHNA) Plan

Thank you for the opportunity to comment on the 52 appeals Southern California Association of Governments (SCAG) has received regarding the draft RHNA plan. The appeal process is an important phase in the development of a RHNA plan that ensures that all relevant factors and circumstances are considered.

The only circumstances under which a jurisdiction can appeal are:

- 65584.05(b)(1): The council of governments failed to adequately consider the information regarding the factors listed in subdivision (e) of section 65584.04.
- 65584.05(b)(2): The council of governments failed to determine the share of the regional housing need in a manner that furthers the intent of the objectives listed in subdivision (d) of section 65584.
- 65584.05(b)(3): A significant unforeseen change in circumstances occurred in the local jurisdiction that merits a revision of the information submitted pursuant to subdivision (e) of Section 65584.04.

The California Department of Housing and Community Development (HCD) urges SCAG to only consider appeals that meet these criteria.

Per Government Code section 65584.05(e)(1), SCAG's final determination on whether to accept, reject, or modify any appeal must be accompanied by written findings, including how the final determination is based upon the adopted RHNA allocation methodology, and how any revisions are necessary to further the statutory objectives of RHNA described in Government Code section 65584(d).

Among the appeals based on Government Code section 65584.05(b)(1), several appeals state that SCAG failed to consider the factor described in Government Code section 65584.04(e)(2)(B), citing the lack of land suitable for development as a basis for the appeal. However, this section states the council of governments may not limit its consideration of suitable housing sites to existing zoning and land use restrictions and must consider the potential for increased development under alternative zoning and

land use restrictions. Any comparable data or documentation supporting this appeal should contain an analysis of not only land suitable for urban development, but land for conversion to residential use, the availability of underutilized land, and opportunity for infill development and increased residential densities. In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.

With regard to appeals submitted related to Government Code section 65584.05(b)(2), that SCAG failed to determine the RHNA in a manner that furthers the statutory objectives, it should be noted that HCD reviewed SCAG's draft allocation methodology and found that the draft RHNA allocation methodology furthered the statutory objectives described in Government Code section 65584.

Among the appeals based on Government Code section 65584.05(b)(2), several contend that the cap on units allocated to extremely disadvantaged communities (DACs) does not further RHNA's statutory objectives. This cap furthers the statutory objective to affirmatively further fair housing by allocating more units to high opportunity areas and fewer units to low resource communities, and concentrated areas of poverty with high levels of segregation. Due to the inclusion of this factor, as well as the use of TCAC/HCD Opportunity Maps, SCAG's methodology allocates 14 of the top 15 highest shares of lower-income RHNA to jurisdictions with over 99.95 percent High and Highest Resource areas. With the exceptions of two jurisdictions, the 31 jurisdictions with the highest share of lower-income RHNA are all over 95 percent High and Highest Resource areas. Any weakening of these inputs to the methodology could risk not fulfilling the statutory objective to affirmatively further fair housing.

Several appeals argue that SCAG's RHNA allocation methodology does not adequately promote access to jobs and transit, as required in objectives two and three. HCD's review of SCAG's RHNA methodology found the allocation does further the environmental principles of objective two. SCAG's overall allocation includes significant weight related to the location of high-quality transit areas and the regional distribution of jobs that can be accessed within a 30-minute driving commutes. Regarding objective three, HCD's analysis as to whether jobs-housing fit was furthered by SCAG's draft methodology found that across all jurisdictions there is generally good alignment between low-wage jobs and lower-income RHNA, with all but 15 jurisdictions within a half percent plus or minus difference between their share of lower-income RHNA for the region and their percentage low-wage jobs for the region.

Several appeals are based upon the provision described in Government Code section 65584.05(b)(3), arguing that the COVID-19 pandemic represents a significant and unforeseen change in circumstances that will affect future population and job growth. Ensuring everyone has a home is critical to public health. Reducing and preventing overcrowding and homelessness are essential concerns for every community. The COVID-19 pandemic has only increased the importance that each community is planning for sufficient affordable housing.

Lastly, several appeals state that the Regional Housing Needs Determination (RHND) HCD provided to the SCAG region is too large. SCAG submitted an objection to the RHND at the appropriate time and through the appropriate process. HCD considered those objections and [determined the final RHND for 6th Housing Element Cycle for the SCAG region on October 15, 2019](#). There are no further appeal procedures available to alter the SCAG region's RHND for this cycle. Government Code section 65584.05(b) does not allow local governments to appeal the RHND during the 45-day period following receipt of the draft allocation.

HCD acknowledges that many local governments will need to plan for more housing than in the prior cycle to accommodate a RHND that more fully captures the housing need and as the statutory objectives of RHNA shift more housing planning near jobs, transit, and resources. The Southern California region's housing crisis requires each jurisdiction to plan for the housing needs of their community and the region. In recognition of this effort there are more resources available than ever before to support jurisdictions as they prepare to update their 6th cycle housing elements:

- SB 2 Planning Grants – \$123 million one-time allocation to cities and counties
- SB 2 Planning Grants Technical Assistance offered to all jurisdictions
- Regional and Local Early Action Planning Grants – \$238 million one-time allocation for local and regional governments
- SB 2 Permanent Local Housing Allocation – approximately \$175 million annually in ongoing funding for local governments to increase affordable housing stock

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Deputy Director, megan.kirkeby@hcd.ca.gov.



Megan Kirkeby
Deputy Director



City of Whittier

13230 Penn Street, Whittier, California 90602-1716
(562) 567-9320 Fax (562) 567-2872 www.cityofwhittier.org

Electronically Transmitted to: Housing@scag.ca.gov

December 10, 2020

RHNA Appeals Committee
Southern California Association of Governments
900 Wilshire Blvd, Suite 1700
Los Angeles, CA 90017

SUBJECT: City of Whittier's Comments on Appeals to the Sixth Cycle Regional Housing Needs Assessment (RHNA) Allocation

Honorable Chair and Honorable Committee Members:

The City of Whittier ("City") appreciates the challenges that are inherent in allocating 1,341,827 housing units by the thousands (a 226% increase above the baseline 412,137 unit) to cities across Southern California, especially in built-out cities. However, the City is deeply concerned its housing allocation of 3,431 units from the State Department of Housing and Community Development ("HCD") and the Southern California Association of Government's ("SCAG") unit distribution methodology, along with recent housing legislation will fundamentally abridge the City's ability to develop effective land-use policies that are appropriate for managing the community's actual needs. The 878 units in the 5th cycle RHNA allocation has been increased by 290% to 3,431 units in the current 6th cycle. Particularly challenging in the 6th cycle, is the number of low and very low-income units (1,558) which combined with the moderate and above moderate unit totals forces unplanned and unnecessary residential densification of the community.

The affordable units are an unfunded mandate with very limited regional or State financial support for their development. Considering the affordable housing subsidies typically range from \$50,000 to \$250,000 per unit, the overall funding requirements could range from \$78,000,000 to \$390,000,000 which is clearly beyond the reach of the City of Whittier in that the City's general fund budget is just \$72,000,000 which already include \$2,000,000 annually to house the City's unsheltered residents in transitional housing. Additionally, the City only receives 7.5% of each property tax dollar to provide general services including police and library services.

The City is currently in the process of updating its Housing Element as well as the General Plan to incorporate the current RHNA allocation, so Whittier is acutely aware of the various housing needs as well as the potential obstacles, such as aging infrastructure and unplanned density, to creating the requisite housing within a city that

is essentially built out. The changes in the State's housing laws (SB 35, SB 166 and AB 1397) have created additional constraints for the agencies and may severely impact the City's ability to accomplish our regional and local housing goals.

Since development in Whittier began more than 130 years ago, the City is virtually built-out with little developable vacant land outside of its designated open space areas that are dedicated to accommodating existing and future residents. While the City has made significant efforts through its specific plans to densify existing corridors and districts, the majority of Whittier's remaining single-family residential neighborhoods cannot accommodate similar densification. Furthermore, the hills north of Whittier contain regional open space, sensitive habitat and wildlife areas that must be preserved in perpetuity. There are also significant infrastructure and water service constraints that impact Whittier's ability to produce significantly more housing. Although these facts may not be desirable, they must be pragmatically accounted for and mitigated by not further increasing Whittier's share of housing units contained in SCAG's 6th Cycle RHNA. The final RHNA allocation and methodology must be fair and equitable while reflecting the capacity for reasonable housing unit construction.

As with many other cities, the City is concerned about the current allocation, but an even greater concern is that additional units may be applied to the City if reallocated from cities that are successful in their appeals. To that end, the City believes the appeal process itself was unclear as to the potential ramifications to other cities and not fully understood.

Although we fully support the surrounding cities in their appeals, the potential for additional units being applied to the City would exacerbate the problems described herein and in Whittier's September 13, 2019 letter to SCAG.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Jeffery S. Adams
Director of Community Development

File

From: Christopher Koontz <Christopher.Koontz@longbeach.gov>
Sent: Thursday, December 3, 2020 11:14 AM
To: Regional Housing
Subject: RHNA Appeals

Categories: Response Required, Record

Good morning,

The purpose of this email is to provide the City of Long Beach’s position in regards to pending RHNA appeals before SCAG. The City of Long Beach seeks to meet its housing needs and obligations for the benefit of Long Beach residents and the region. Our allocation was extremely large and presents a planning and financing challenge for the City. Nonetheless we chose not to appeal our allocation because the allocation process was fair and transparent including taking the City of Long Beach’s input into consideration.

We oppose and will not accept any transfer of additional allocation due to the pending appeals. We note that within our area, the Gateway COG, appeals are pending from Bellflower, Cerritos, Downey, Huntington Park, La Mirada, Lakewood, Pico Rivera, and South Gate. Each of these appeals should be evaluated by SCAG on the merits, however Long Beach opposes any transfer of allocation to our City. It would be inappropriate to transfer a further burden to Long Beach when we have already accepted a large allocation and have done more than many cities in the region to accommodate housing growth under the current RHNA cycle, including fully meeting our market-rate RHNA allocation.

The City of Long Beach will continue to work with SCAG and our neighbor jurisdictions to address the housing needs of our residents.

We thank you for consideration and please do not hesitate to contact the City regarding our position.

Christopher Koontz, AICP
Deputy Director

Development Services
411 W. Ocean Blvd., 3rd Floor | Long Beach, CA 90802
Office: 562.570.6288 | Fax: 562.570.6068





AGENDA ITEM 1.7
REPORT

Southern California Association of Governments
k h \
January 13, 2021

To: Regional Housing Needs Assessment Subcommittee (RHNA)

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Ma Ayn Johnson, Regional Planner Specialist,
(213) 236-1975, johnson@scag.ca.gov

Subject: Appeal on the Draft Allocation for the City of Beverly Hills

RECOMMENDED ACTION:

Deny the appeal filed by the City of Beverly Hills to reduce the Draft RHNA Allocation for the City of Beverly Hills by 1,486 units.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

SUMMARY OF APPEAL(S):

The City of Beverly Hills requests a reduction of its RHNA allocation by 48 percent or 1,486 units (from 3,096 units to 1,610 units) based on the following issues:

- 1) Application of the adopted Final RHNA methodology for the 6th Cycle RHNA (2021 – 2029)
- 2) Availability of land suitable for urban development or for conversion to residential use
- 3) Changed circumstances.

Other Issues: The City also challenges the regional determination and include two specific studies (Freddie Mac and Embarcadero Institute). In addition, the City indicates that meeting the RHNA Allocation would result in displacing existing residents.

RATIONALE FOR STAFF RECOMMENDATION:

Staff have reviewed the appeal and recommend no change to the City of Beverly Hill’s Draft RHNA Allocation. With respect to Issue 1, no evidence was provided to support an incorrect application of the adopted RHNA methodology. With respect to Issue 2, the availability of land was not demonstrated to be an impediment to meeting the City’s Draft RHNA Allocation since the City does not provide evidence that it cannot accommodate housing using other considerations to

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California’s Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous

accommodate need. In regard to Issue 3, change in circumstance, impacts from COVID-19 are not unique to any single SCAG jurisdiction and no evidence has been provided in the appeal that indicates that housing need within jurisdiction is disproportionately impacted in comparison to the rest of the SCAG region.

With respect to the City's challenge to the regional determination, the regional determination is outside the scope of the appeals process and does not provide a basis for appeal since the Appeals Board has no authority to modify the regional determination. Finally, finding suitable sites to accommodate a RHNA allocation does not require the demolition of multi-family residences nor the displacement of vulnerable residents; the RHNA Allocation is not a building quota, rather a jurisdiction is required to plan and zone for housing need but is not penalized for not developing the assigned units.

BACKGROUND:

Draft RHNA Allocation

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the adoption of Connect SoCal on September 3, 2020, all local jurisdictions received Draft RHNA Allocations on September 11, 2020. A summary is below.

Total RHNA for the City of Beverly Hills: 3,096 units

Very Low Income: 1,005 units

Low Income: 678 units

Moderate Income: 601 units

Above Moderate Income: 812 units

Additional background related to the Draft RHNA Allocation is included in Attachment 1.

Summary of Comments Received during 45-day Comment Period

No comments were received from local jurisdictions or HCD during the 45-day public comment period described in Government Code section 65584.05(c) which specifically regard the appeal filed for the City of Beverly Hills. Three comments were received which relate to appeals filed generally:

- HCD submitted a comment on December 10, 2020 delineating the statutory basis for RHNA appeals and the requirement that any appeals granted must include written findings regarding how revisions are necessary to further RHNA's statutory objectives.

- The City of Whittier submitted a comment on December 10, 2020 supporting surrounding cities in their appeals, but expressing concern that additional units may be applied to Whittier if reallocated from cities which are successful in their appeals.
- The City of Long Beach submitted a comment on December 3, 2020 indicating their view that the RHNA allocation process was fair and transparent, their support for evaluating appeals on their merits (specifically those from the Gateway Council of Governments), and their opposition to any action which would result in a transfer of additional units to Long Beach.

ANALYSIS:***Issue 1: Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029) [Government Code Section 65584.05 (b)(2)].***

The City indicates that it is appealing its Draft RHNA Allocation based on an incorrect application of the adopted Final RHNA Methodology. It states that the adopted 6th cycle RHNA methodology is “flawed” and “creates a vacuum of economic development in areas of the region that are already rich in housing, but struggling to attract jobs and economic development.” The City argues that the methodology allocates a disproportionate number of units to already densely populated urban areas instead of lower populated suburban areas “where growth can more easily be accommodated”. The methodology therefore perpetuates more job growth and creation in urban areas instead of encouraging job growth in outlying areas.

The City also argues that the RHNA methodology “burdens” jurisdictions like Beverly Hills that are not experiencing a high rate of job growth. It argues that the City should not be required to provide additional housing units that are needed due to underproduction of housing from nearby jurisdictions despite job growth of these other jurisdictions.

SCAG Staff Response: SCAG’s final regional determination of approximately 1.34 million units was issued by HCD on October 15, 2019 per state housing law. Pursuant to Government Code section 65584.05(b)(2), an appellant must show that SCAG failed to determine the share of regional housing need in accordance with the adopted Final RHNA methodology. In other words, an appeal citing RHNA methodology as its basis must appeal the application of the adopted methodology, not the methodology itself. The regional determination is not a basis for appeal per adopted RHNA Appeals Procedures as it is not within the authority of the Appeals Board to make any changes to HCD’s regional housing needs determination. Only improper application of the methodology is grounds for an appeal. An example of an improper application of the adopted methodology might be a data error which was identified by a local jurisdiction. See also discussion of “Other Issues” below.

With respect to the statutory objectives¹, SCAG used objective measures to advance certain principles, but since local and regional conditions vary tremendously across the state and over time, there are few consistent quantitative standards which can be used to evaluate all aspects of the methodology. Ultimately, however, the RHNA statute vests HCD with the authority to decide whether statutory objectives have been met.

Job accessibility, as measured by the number of jobs accessible by households within a 30-minute drive commute, was one of the main factors in the adopted RHNA methodology. This particular factor emphasized the importance of not confining influences on housing demand that are not restricted to jurisdictional boundaries. As described in Attachment 1: Local Input and Development of Draft RHNA Allocation, the Final RHNA Methodology was adopted by the Regional Council on March 5, 2020 and describes the various policy factors whereby housing unit need is to be allocated across the region—for example, anticipated growth, access to jobs and transit, and vacancy. The methodology makes extensive use of locally-reviewed input data and describes data sources and how they are calculated in detail. On January 13, 2020, the Final RHNA Methodology was found by HCD to further the five statutory objectives in large part due to its use of objective factors and as such cannot consider factors differently in one jurisdiction versus another. As noted above, the basis for an appeal for this factor is the *application* of the Final RHNA Methodology and not the RHNA methodology itself, which was a separate but extensive process that involved multiple steps and public involvement leading up to final adoption.

Additionally, the appeal implies that housing should be allocated to less populated areas where they can be “more easily accommodated”. When furthering the RHNA objectives, SCAG balances the various regional goals of its plans, including promoting infill development and improving the intraregional relationship between jobs and housing. Actions to achieve RHNA’s statutory objectives can be challenging, but choosing solutions based solely based on their level of difficulty may end up counterproductive to public policy goals. For these reasons, SCAG staff does not recommend a reduction to the City of Beverly Hill’s Draft RHNA Allocation based on this factor.

Issue 2: Availability of land suitable for urban development or for conversion to residential use [Government Code Section 65584.04(e)(2)(B)].

¹ The objectives are: 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 (Govt. Code § 65584(d)).

The City of Beverly Hills writes in its appeal that the City is “built out...with little to no urban land for development of housing.” It also indicates that the City has had stable population for the last several decades and that it “has not experienced extensive interest from developers wishing to construct new housing.” The City argues that these factors indicate there is not necessarily the demand that the RHNA allocation suggests.

SCAG Staff Response: Pursuant to Government Code Section 65584.04(e)(2)(B), SCAG “may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality” (which includes the land use policies in its General Plan). “Available land suitable for urban development or conversion to residential use,” as expressed in 65584.04(e)(2)(B), is not restricted to vacant sites; rather, it specifically indicates that underutilized land, opportunities for infill development, and increased residential densities are a component of “available” land. As indicated by HCD in its December 10, 2020 comment letter (HCD Letter):

“In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.” (HCD Letter at p. 2).

As such, the City can consider other opportunities for development. This includes the availability of underutilized land, opportunities for infill development and increased residential densities, or alternative zoning and density. Alternative development opportunities should be explored further and could possibly provide the land needed to zone for the City’s projected growth.

While the City asserts that it is built out and has little urban land available for development, it does not provide evidence that it is unable to consider underutilization of these sites, increased densities, and other planning tools to accommodate its assigned need. Furthermore, on June 10, 2020, HCD released extensive guidelines for housing element site inventories.² A wide range of adequate sites are detailed including accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs). Specifically, the guidelines indicate that (page 32):

“In consultation with HCD, other alternatives may be considered such as motel conversions, adaptive reuse of existing buildings, or legalization of units not previously reported to the Department of Finance.”

Furthermore, under Government Code Section 65584.04(g)(2) and (3), the following criteria cannot be a justification for a determination or a reduction in a jurisdiction’s share of the regional housing need:

² See https://www.hcd.ca.gov/community-development/housing-element/docs/sites_inventory_memo_final06102020.pdf

“(2) Prior underproduction of housing in a city or county from the previous regional housing need allocation.

(3) Stable population numbers in a city or county from the previous regional housing needs cycle”

While the City suggests that there has been a lack of interest in residential development to support a higher RHNA allocation, this argument cannot be used to reduce its Draft RHNA Allocation. Likewise, the City’s argument that its population has been stable over the last several decades cannot be used to reduce its RHNA Allocation. For these reasons, SCAG staff does not recommend a reduction to the City of Beverly Hill’s Draft RHNA Allocation based on this factor.

Issue 3: Changed Circumstances [Government Code 65584.05(b)].

The City argues that the COVID-19 pandemic has had a considerable impact on employment, housing, commuting, and development over the coming years. In its appeal, it also indicates that the pandemic has had an impact on the City’s finances and operations, which it argues will impact the ability of developers to construct new housing units.

Additionally, the City argues that its residential vacancy rates will increase, which “will further reduce demand for new housing units” in the City. It also argues that its vacancy rate of 7% for multi-family units is caused by the pandemic and that because of these and even higher vacancy rates in other areas, a reduction to its draft RHNA allocation should be granted.

SCAG Staff Response: SCAG recognizes that COVID-19 presents unforeseen circumstances and that local governments have been affected by significant unemployment. However, these facts, as presented by the City, do not “merit a revision of the information submitted pursuant to subdivision (b) of Section 65584.04.” (Govt. Code § 65584.05(b)(3)). Furthermore, Section 65584.05(b) requires that:

“Appeals shall be based upon comparable data available for all affected jurisdictions and accepted planning methodology, and supported by adequate documentation, and shall include a statement as to why the revision is necessary to further the intent of the objectives listed in subdivision (d) of Section 65584.”

SCAG’s Regional Council delayed the adoption of its 2020-2045 RTP/SCS by 120 days in order to assess the extent to which long-range forecasts of population, households, and employment may be impacted by COVID-19; however, the document’s long-range (2045) forecast of population, employment, and household growth remained unchanged. The Demographics and Growth

Forecast Technical Report³ outlines the process for forecasting long-range employment growth which involves understanding national growth trends and regional competitiveness, i.e., the SCAG's region share of national jobs. Short-term economic forecasts commenting on COVID-19 impacts generally do not provide a basis for changes in the region's long-term competitiveness or the region's employment outlook for 2023-2045. As such, SCAG's assessment is that comparable data would not suggest long-range regional employment declines.

The COVID-19 pandemic has had various impacts throughout Southern California; however, it has not resulted in a slowdown in major construction nor has it resulted in a decrease in a demand for housing or housing need. Southern California home prices continue to increase (+2.6 percent from August to September 2020) led by Los Angeles (+10.4 percent) and Ventura (+6.2 percent) counties.

While SCAG does not dispute the City's assertion that its renter vacancy rate is 7%, this statistic alone does not necessarily indicate a reduced demand for housing, particularly if there is a high percentage of cost-burdened households as indicated by the City in another part of its appeal.

Demand for housing as quantified by the RHNA Allocation is a need that covers an 8-year period, not simply for impacts that are in the immediate near-term. Moreover, impacts from COVID-19 are not unique to any single SCAG jurisdiction and no evidence has been provided in the appeal that indicates that housing need within jurisdiction is disproportionately impacted in comparison to the rest of the SCAG region. For these reasons, SCAG staff does not recommend a reduction to the jurisdiction's draft RHNA allocation.

Other Issues:

Regional Determination

The City argues in its appeal that the regional determination provided by the California Department of Housing and Community Development (HCD) is incorrect and based on flawed assumptions, data, and information. As part of its filed appeal the City includes recent reports from the Embarcadero Institute and Freddie Mac to support its argument that the regional determination from HCD was inaccurate and thus the RHNA allocation derived from this is inaccurate for the City as well.

SCAG Staff Response: SCAG's final regional determination of approximately 1.34 million units was issued by HCD on October 15, 2019 per state housing law. As discussed above, the regional determination is not a basis for appeal per adopted RHNA Appeals Procedures as it is not within the authority of the Appeals Board to make any changes to HCD's regional housing needs determination.

³ See https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Demographics-And-Growth-Forecast.pdf

While the RHNA statute prescribes specific requirements for HCD in determining the regional housing need (e.g., the determination shall be based on population projects produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans), it allows HCD to accept or reject information provided by SCAG with respect to the data assumptions from SCAG's growth forecast or to modify its own assumptions or methodology based on this information. Following SCAG's formal objection filed on September 18, 2019, HCD did not materially change the regional determination, and there are no further mechanisms provided for in the statute to contest their decision. Nevertheless, SCAG has a statutory obligation to complete the remaining steps required in the RHNA process—namely the adoption of a Final RHNA Methodology, issuing a draft RHNA allocation, conducting an appeals process, and issuing Final RHNA Allocations.

A PowerPoint slide deck titled "Double counting in the latest housing needs assessment" was placed on the Embarcadero Institute's website during 2020 (last update September 2020)." Without commenting on the credibility or accuracy of this material, SCAG staff would note that in order for such materials to have been considered by HCD, they would have had to have been submitted by June of 2019. The RHNA statute provides defined timeframes guided by the deadline for the housing element revisions for HCD's RHNA determination and SCAG's Final RHNA Allocation Plan. HCD, in consultation with each council of governments (COG), shall determine each region's existing and projected housing need pursuant to Section 65584.01 at least two years prior to the scheduled revision required pursuant to Section 65588. Govt. Code § 65584(b). This "determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments." Govt. Code § 65584.01(b). HCD begins the process 26 months prior to the scheduled revision so the data HCD relies on is the available provided by the COGs at that time. Similarly, the COG issues its survey for information to develop the Final RHNA Allocation methodology up to 30 months prior to the scheduled revision. By necessity, the data used for these processes is data available at that time.

Furthermore, the materials presented by the Embarcadero Institute are regional in nature and do not provide information on individual jurisdictions. For an appeal to be granted on the incorrect application of RHNA methodology, arguments and evidence must be provided that demonstrate the methodology was applied incorrectly to determine the jurisdiction's share of regional housing need. Because a regional study does not meet this criterion, this study cannot be used to justify a particular jurisdiction's appeal. Moreover, any reduction would have to be redistributed to the region when in theory, all jurisdictions would be impacted by the regional study.

In sum, it would be untenable to reopen the process anytime new data or materials become available, particularly when there is a codified process. If so, there would be no finality to the process and local government could not meet the deadlines for their housing element updates. Procedurally, SCAG cannot consider a regional study outside of the regional determination process nor should it apply a regional study to reduce an individual jurisdiction's Draft RHNA Allocation.

Displacement

The City argues that implementing the Draft RHNA Allocation would cause displacement of a significant number of existing residents within the City. It asserts that the majority of residents in the City reside in multi-family apartments and that the majority of residents in the City are renters. The City also indicates that it has a strong rent stabilization program to ensure existing residents and lower income residents are protected from displacement and large rent increases. According to the City's appeal, 50% of its renters are cost-burdened, meaning they spend more than 30% of their income on rent. Nearly 30% are extremely cost-burdened, meaning they spend more than 50% of their household income on rent. Additionally, the City also has an aging population. In its appeal, the City argues that to accommodate its draft RHNA allocation, it would "cause the demolition of hundreds of multi-family buildings, which, in turn, would cause the displacement of thousands of residents that are currently residing in these buildings." This is because new development in the City are generally luxury units that replace existing lower cost housing. The City also argues that this displacement would make it more difficult to find affordable housing in the City.

SCAG Staff Response: Consideration of the displacement of existing residents is an important issue in housing policy and planning. SCAG staff does not dispute that there is a high percentage of cost-burdened households within the City. However, it is unclear how the planning and zoning for its housing need would automatically require the City to demolish currently existing multi-family buildings and permit market rate units instead or how it would require the displacement of vulnerable residents. As mentioned earlier in this staff report, a jurisdiction is required to use a variety of planning tools to find suitable sites to accommodate its share of regional housing need. There is no requirement for a City to demolish existing units, only permit market rate units, or displace existing residents to meet its housing need.

For these reasons, SCAG staff does not recommend a reduction to the jurisdiction's draft RHNA allocation based on these other issues.

FISCAL IMPACT:

Work associated with this item is included in the current FY20-21 Overall Work Program (300-4872Y0.02: Regional Housing Needs Assessment).

ATTACHMENT(S):

1. Attachment 1_Local Input and Development of Draft RHNA Allocation (City of Beverly Hills)
2. Attachment 2_Appeal Form and Supporting Documentation (City of Beverly Hills)
3. Attachment 3_Comments Received During the Comment Period (General)
4. Attachment 4_BeverlyHills_jobaccess

Attachment 1: Local Input and Development of the Draft RHNA Allocation

This attachment sets forth the nature and timing of the opportunities which the City of Beverly Hills had to provide information and local input on SCAG’s growth forecast, the RHNA methodology, and the Growth Vision of the 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS or Connect SoCal). It also describes how the RHNA Methodology development process integrates this information in order to develop the City of Beverly Hills’ Draft RHNA Allocation.

1. Local input

a. Bottom-Up Local Input and Envisioning Process

On October 31, 2017, SCAG took the first step toward developing draft RHNA allocations by initiating the Bottom-Up Local Input and Envisioning Process. At the direction of the Regional Council, the objective of this process was to seek local input and data to prepare for Connect SoCal and the 6th cycle of RHNA.¹ Each jurisdiction was provided with a package of land use, transportation, environmental, and growth forecast data for review and revision which was due on October 1, 2018.² While the local input process materials focus principally on jurisdiction-level and Transportation Analysis Zone (TAZ) level growth, input on specific parcels, sites, and project areas were welcomed and integrated into SCAG’s growth forecast as well as data on other elements. SCAG met one-on-one with all 197 local jurisdictions between November 2017 and July 2018 and provided training opportunities and staff support. Following input from SCAG’s Technical Working Group (TWG), the Connect SoCal growth forecast reflected precisely the jurisdiction-level growth totals provided during this process.

The local input data included SCAG’s preliminary growth forecast information. For the City of Beverly Hills, the anticipated number of households in 2020 was 15,056 and in 2030 was 15,572 (growth of 516 households). In June 2018, SCAG staff met with local jurisdiction staff to discuss the Bottom-Up Local Input and Envisioning Process and answer questions. Input from the City of Beverly Hills on the growth forecast was received in October 2018. Following input, household totals were 14,979 in 2020 and 15,296 in 2030, for a reduced household growth during this period of 317.

¹ While the RTP/SCS and RHNA share data elements, they are distinct processes. The RTP/SCS growth forecast provides an assessment of reasonably foreseeable future patterns of employment, population, and household growth in the region given demographic and economic trends, and existing local and regional policy priorities. The RHNA identifies anticipated housing need over a specified eight-year period and requires that local jurisdictions make available sufficient zoned capacity to accommodate this need. A further discussion of the relationship between these processes can be found in Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

² A detailed list of data during this process reviewed can be found in each jurisdiction’s Draft Data/Map Book at <https://scag.ca.gov/local-input-process-towns-cities-and-counties>

b. RHNA Methodology Surveys

On March 19, 2019, SCAG distributed a packet of methodology surveys, which included the local planning factor survey (formerly known as the AB2158 factor survey), Affirmatively Furthering Fair Housing (AFFH) survey, and replacement need survey, to SCAG jurisdictions' Community Development Directors. Surveys were due on April 30, 2019. SCAG reviewed all submitted responses as part of the development of the Draft RHNA Methodology. The City of Beverly Hills submitted the following surveys prior to the adoption of the Draft RHNA Methodology:

- Local planning factor survey
- Affirmatively Furthering Fair Housing (AFFH) survey
- Replacement need survey
- No survey was submitted to SCAG

c. Connect SoCal Growth Vision and Additional Refinements

Beginning in May 2018, SCAG's Sustainable Communities Working Group began the process of developing growth scenarios for the SCAG region. The culmination of this work was the development of the Connect SoCal Growth Vision, which directly uses jurisdictional-level growth projections from the Bottom-Up Local Input and Envisioning process, and also features strategies for growth at the TAZ-level that help to reduce greenhouse gas emissions (GHG) from automobiles and light trucks to achieve Southern California's GHG reduction target, approved by the California Air Resources Board (CARB) in accordance with state planning law. Additional detail regarding the Connect SoCal Growth Vision, specifically the Transportation Analysis Zone (TAZ, or neighborhood) level projections is found at <https://scag.ca.gov/sites/main/files/file-attachments/growth-vision-methodology.pdf>.

As a result of these strategies, in some jurisdictions growth at the TAZ-level differed from locally anticipated growth conveyed during the Bottom-Up Local Input and Envisioning Process.

As such, SCAG provided two additional opportunities for all local jurisdictions to make TAZ-level technical refinements on the topics of general plan capacities and entitlements. During the release of the draft Connect SoCal Plan, jurisdictions were notified on October 31, 2019 that SCAG would accept additional refinements until December 11, 2019. Following the Regional Council's decision to delay full adoption of Connect SoCal for 120 days due to the COVID-19 pandemic, all jurisdictions were again notified on May 26, 2020 that SCAG would accept additional refinements until June 9, 2020.

Connect SoCal Growth Vision data have been available to local jurisdiction staff during the entirety of this process through SCAG's Scenario Planning Model Data Management Site (SPM-DM) at <http://spmdm.scag.ca.gov> and updates were shared with local jurisdictions on technical refinements to the data in February 2020 and August 2020 to share the results of both review opportunities. SCAG

not receive additional technical corrections from the City of Beverly Hills from which differed from the Growth Vision.

2. Development of the Final RHNA Methodology

SCAG convened the first meeting of the RHNA Subcommittee in October 2018. In their subsequent monthly meetings, this body reviewed and advised on the development of SCAG’s 6th cycle RHNA process, including the development of the RHNA methodology. Per Government Code 65584.04(a), SCAG must develop a RHNA methodology which furthers the five statutory objectives of RHNA:

(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 (Govt. Code § 65584(d)).

As explained in more detail below, the Draft RHNA Methodology (which was adopted as the Final RHNA Methodology) set forth the policy factors, data sources, and calculations which would be used to generate draft RHNA allocations for all local jurisdictions. Following extensive debate and public comment, SCAG’s Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019 and provide it to HCD for review. Per Government Code 65584.04(i), HCD is vested with the authority to determine whether a methodology furthers the objectives set forth in Government Code section 65584(d). On January 13, 2020, HCD found that the Draft RHNA Methodology furthers these five statutory objectives of RHNA. Specifically, HCD noted that:

“This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes.

In particular, HCD applauds the use of the objective factors specifically linked the statutory objectives in the existing need methodology.” (Letter from HCD to SCAG dated January 13, 2020 at <https://scag.ca.gov/sites/main/files/file-attachments/hcd-review-rc-approved-draft-rhna-methodology.pdf?1602190239>).

On March 5, 2020, again following extensive debate and public comment, the Regional Council voted to approve the Draft RHNA Methodology as the Final RHNA Methodology. Unlike SCAG’s 5th cycle RHNA methodology which relies almost entirely on the household growth component of the RTP/SCS, SCAG’s 6th cycle RHNA methodology consists of two primary elements: “projected need” which includes the number of housing units required to accommodate anticipated population growth over the 8-year RHNA planning period and “existing need,” which refers to the number of housing units required to accommodate excess or unsatisfied housing demand experienced by the region’s current population.³ Furthermore, the Final RHNA methodology utilizes measures of 2045 job accessibility and High Quality Transit Area (HQT) population measures based on TAZ-level projections in the Connect SoCal Growth Vision.

More specifically, the Final RHNA Methodology considers three primary factors in determining a local jurisdiction’s total housing need which are primarily based on data from Connect SoCal’s aforementioned Bottom-Up Local Input and Envisioning Process:

- Forecasted growth over 2020-2030 (projected need)
- Transit accessibility in 2045 (existing need)
- Job accessibility in 2045 (existing need)

The methodology is described in further detail at <http://scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Methodology-030520.pdf>.

3. Draft RHNA Allocation for the City of Beverly Hills

Following the adoption of the Final RHNA Methodology on March 5, 2020 and the 120-day delay due to the COVID-19 pandemic, SCAG adopted Connect SoCal on September 3, 2020, and the City of Beverly Hills received its draft RHNA allocation on September 11, 2020. Application of the RHNA methodology yields the draft RHNA allocation for the City of Beverly Hills as summarized in the data and calculations in the tables below.

³ Legislative changes in 2018 modified the nature of the regional housing need determination for the 6th cycle of RHNA by adding measures of household overcrowding and housing cost burden to the list of factors to be considered by HCD for the determination of housing need. These new measures are not included in the Connect SoCal Growth Forecast because they are not direct inputs to the growth forecasting process and are independent of employment and population projections. In contrast, they reflect additional latent housing needs in the current population (i.e. “existing need”) and would not result in a change in regional population. For further discussion see Connect SoCal Master Response 1 at https://www.connectsocial.org/Documents/Adopted/0903fConnectSoCal_Public-Participation-Appendix-2.pdf.

Beverly Hills city statistics and inputs:	
Forecasted household (HH) growth, RHNA period: <i>(2020-2030 Household Growth * 0.825)</i>	262
Percent of households who are renting:	59%
Housing unit loss from demolition (2009-18):	255
Adjusted forecasted household growth, 2020-2045: <i>(Local input growth forecast total adjusted by the difference between the RHNA determination and SCAG's regional 2020-2045 forecast, +4%)</i>	724
Percent of regional jobs accessible in 30 mins (2045): <i>(For the jurisdiction's median TAZ)</i>	17.74%
Jobs accessible from the jurisdiction's median TAZ (2045): <i>(Based on Connect SoCal's 2045 regional forecast of 10.049M jobs)</i>	1,782,000
Share of region's job accessibility (population weighted):	0.23%
Jurisdiction's HQTAs population (2045):	33,563
Share of region's HQTAs population (2045):	0.33%
Share of population in low/very low-resource tracts:	0.00%
Share of population in very high-resource tracts:	100.00%
Social equity adjustment:	180%

Calculation of Draft RHNA Allocation for Beverly Hills city	
Forecasted household (HH) growth, RHNA period:	262
Vacancy Adjustment <i>(5% for renter households and 1.5% for owner households)</i>	9
Replacement Need	255
TOTAL PROJECTED NEED:	526
Existing need due to job accessibility (50%)	975
Existing need due to HQTAs pop. share (50%)	1373
Net residual factor for existing need <i>(Negative values reflect a cap on lower-resourced community with good job and/or transit access. Positive values represent this amount being redistributed to higher-resourced communities based on their job and/or transit access.)</i>	222
TOTAL EXISTING NEED	2570
TOTAL RHNA FOR BEVERLY HILLS CITY	3096
Very-low income (<50% of AMI)	1005
Low income (50-80% of AMI)	678
Moderate income (80-120% of AMI)	601
Above moderate income (>120% of AMI)	812

The transit accessibility measure is based on the population anticipated to live in High-Quality Transit Areas (HQTAs) in 2045 based on Connect SoCal’s designation of high-quality transit areas and population forecasts. With a forecasted 2045 population of 33,563 living within HQTAs, the City of Beverly Hills represents 0.33% of the SCAG region’s HQTAs population, which is the basis for allocating housing units based on transit accessibility.

Job accessibility is defined as the jurisdiction’s share of regional jobs accessible within a 30-minute drive commute. Since over 80 percent of the region’s workers live and work in different jurisdictions, the RHNA methodology uses a measure based on Connect SoCal’s travel demand model output for the year 2045 rather than assigning housing units based on the number of jobs with a specific jurisdiction. Specifically, the share of future (2045) regional jobs which can be reached in a 30-minute

automobile commute from the local jurisdiction's median TAZ is used as to allocate housing units based on transit accessibility. From the City of Beverly Hills' median TAZ, it will be possible to reach 17.74% of the region's jobs in 2045 within a 30-minute automobile commute (1,782,000 jobs, based on Connect SoCal's 2045 regional job forecast of 10,049,000 jobs).

An additional factor is included in the methodology to account for RHNA Objective #5 to Affirmatively Further Fair Housing (AFFH). Several jurisdictions in the region which are considered disadvantaged communities (DACs) on the basis of access to opportunity measures (described further in the RHNA methodology document), but which also score highly in job and transit access, may have their total RHNA allocations capped based on their long-range (2045) household forecast. This additional housing need, referred to as residual, is then reallocated to non-DAC jurisdictions in order to ensure housing units are placed in higher-resourced communities consistent with AFFH principles. This reallocation is based on the job and transit access measures described above, and results in an additional 222 units assigned to the City of Beverly Hills.

Please note that the above represents only a partial description of key data and calculations which result in the Draft RHNA Allocation.

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Date: 10/26/20 Jurisdiction Subject to This Appeal Filing: City of Beverly Hills
(to file another appeal, please use another form)

Filing Party (Jurisdiction or HCD)
City of Beverly Hills

Filing Party Contact Name: Timothea Tway Filing Party Email: ttway@beverlyhills.org

APPEAL AUTHORIZED BY:

Name: Ryan Gohlich

PLEASE SELECT BELOW:

- Mayor
- Chief Administrative Office
- City Manager
- Chair of County Board of Supervisors
- Planning Director
- Other: _____

BASES FOR APPEAL

- Application of the adopted Final RHNA Methodology for the 6th Cycle RHNA (2021-2029)
- Local Planning Factors and/or Information Related to Affirmatively Furthering Fair Housing (See Government Code Section 65584.04 (b)(2) and (e))
 - Existing or projected jobs-housing balance
 - Sewer or water infrastructure constraints for additional development
 - Availability of land suitable for urban development or for conversion to residential use
 - Lands protected from urban development under existing federal or state programs
 - County policies to preserve prime agricultural land
 - Distribution of household growth assumed for purposes of comparable Regional Transportation Plans
 - County-city agreements to direct growth toward incorporated areas of County
 - Loss of units contained in assisted housing developments
 - High housing cost burdens
 - The rate of overcrowding
 - Housing needs of farmworkers
 - Housing needs generated by the presence of a university campus within a jurisdiction
 - Loss of units during a state of emergency
 - The region's greenhouse gas emissions targets
 - Affirmatively furthering fair housing
- Changed Circumstances (Per Government Code Section 65584.05(b), appeals based on change of circumstance can only be made by the jurisdiction or jurisdictions where the change in circumstance occurred)

FOR STAFF USE ONLY:

Date: _____ Hearing Date: _____ Planner: _____

Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form
All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.
Appeals and supporting documentation should be submitted to housing@scaq.ca.gov.
Late submissions will not be accepted.

Brief statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 (please refer to Exhibit C of the Appeals Guidelines):

Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

The City of Beverly Hills is respectfully submitting an appeal of the 6th Cycle Draft RHNA allocation for the City. The revision to the draft allocation is necessary to further the intent of the objectives listed in Government Code 65584 in that it does not promote socio-economic equity (65584.d.4). In order to accomodate the vast number of new units that will be required per the existing draft RHNA allocation, a large number of existing residents, most of whom are renters will be displaced to accommodate new development. In general, new development in the City, even when constructed using Density Bonus, consists of buildings that are majority luxury units due to the limited land in the City, high construction costs, and hight cost of land in the region. Nearly 50% of renters in the City are cost burdened when it comes to housing. The construction of these new units will replace existing lower cost housing that is generally under rent-control with luxury units that do not fall under rent control for higher income earners. More explanation is provided in the attached letter from the City of Beverly Hills.

Brief Description of Appeal Request and Desired Outcome:

A brief description of the appeal request and desired outcome is included in the letter from the City of Beverly Hills attached to this appeal request form. The City is requesting a reduction in the draft RHNA allocation of 1,486 units.

Number of units requested to be reduced or added to the jurisdiction's draft RHNA allocation (circle one):

Reduced 1486 **Added** _____

List of Supporting Documentation, by Title and Number of Pages
(Numbers may be continued to accommodate additional supporting documentation):

1. Letter from the City of Beverly Hills and attachments, 30 pages
- 2.
- 3.

FOR STAFF USE ONLY:

Date _____ Hearing Date: _____ Planner: _____



October 26, 2020

Kome Ajise
Southern California Association of Governments
900 Wilshire Blvd
Los Angeles, CA 90017

Mr. Ajise:

The City of Beverly Hills recognizes the importance of housing for all residents in the SCAG region and understands the City's role in developing solutions to address its fair share of the current affordable housing crisis. Housing is such a critical issue for the region's residents, that policy analysis and decisions must be based on accurate and up-to-date data and facts. The City does not believe that the Draft Regional Housing Needs Assessment (RHNA) allocation of 3,096 units that was assigned to the City for the 6th Housing Element Cycle is based on accurate or up-to-date data and facts, and for this reason among others, the City is respectfully submitting an appeal of the Draft RHNA allocation.

The City has and continues to undertake a number of efforts to address housing including: strengthening its rent stabilization program (which has been in existence for over 40 years), providing direct and indirect relief to renters during the COVID-19 Pandemic, adopting inclusionary housing regulations, and exploring zoning solutions to provide for additional units through mixed-use development and changes to accessory dwelling unit standards. In addition, the City has begun the process of exploring development options for constructing one or more 100% affordable housing projects on City-owned land. Beverly Hills is a thoughtfully-planned community that includes a full complement of housing options for its current and future residents, ranging from dense multi-family housing (more than 50% of the City's housing units are in multi-family developments) near commercial corridors to larger single-family properties in the hillside areas, plus everything in between; Beverly Hills has actually achieved the "missing middle".

While the City recognizes the housing affordability crisis in the State of California and the Southern California region, the City has a number of concerns regarding the RHNA process and draft assignment, and is appealing the Draft RHNA allocation on the following grounds:

1. The number of units that the State has determined is necessary to accommodate during the 6th Housing Element Cycle is incorrect and based on flawed assumptions, data, and information. According to the attached reports from the Embarcadero Institute and Freddie Mac, the state has based the housing need for the current housing element cycle on an incorrect vacancy rate and double counting of needed units, which had already been accounted for in past planning cycles. Accordingly, if correct numbers were used in the State's calculations, the 1,341,827 units that were assigned to the SCAG region would have been 651,000 units, or 48% of the total number of units that were assigned to the SCAG region by the State (see Embarcadero Institute report). The

over allocation of units by the State to the region has resulted in grossly inaccurate RHNA allocations for many jurisdictions including the City of Beverly Hills. Further, as described in SCAG's own objection letter to HCD dated September 18, 2019, the Regional Housing Needs Determination assigned to the SCAG region from the State is flawed. It is inappropriate to use flawed numbers, data, and methodology to address such an important issue as housing policy.

2. The methodology for the allocation of units to each jurisdiction in the SCAG region that was adopted by SCAG is flawed, and creates a vacuum of economic development in areas of the region that are already rich in housing, but struggling to attract jobs and economic development. The methodology adopted by SCAG allocates a disproportionate number of units to already densely populated urban areas instead of lower populated suburban areas where growth can more easily be accommodated. By forcing more housing into dense urban areas, this will further perpetuate job growth and creation in these urban areas, instead of encouraging job growth in outlying areas that are in need of high quality jobs. In addition, the methodology burdens jurisdictions like Beverly Hills, that may not be experiencing a high rate of job growth, with providing housing units just because nearby jurisdictions may be experiencing high job growth rates. Beverly Hills has comparatively low job growth over a number of decades and should not be required to provide additional housing units due to the fact that nearby jurisdictions are developing at an unsustainable pace and are not providing the needed housing units within their own jurisdictions for these additional jobs.
3. The City of Beverly Hills is constrained as it is a built out City with little to no urban land for development of housing. In addition, the City has had a stable population for the last several decades. In fact, the population in the City of Beverly Hills has decreased since 2000. During the same time, while the City has added housing units, the City has not experienced extensive interest from developers wishing to construct new housing, even though a significant portion of the residential parcels in the City are underbuilt. This is an indication that there is not necessarily the demand for housing in the City that the RHNA allocation may suggest. The lack of availability of land suitable for urban development is a local planning factor for which the City is basing this appeal.
4. It is likely that the ongoing COVID-19 pandemic will have a significant impact on the nature of employment and jobs, housing, commuting, and development over the coming years. This is an unforeseen externality that is significantly impacting City finances, and operations, among other things. The repercussions of the COVID pandemic are likely to be felt for a number of years, well into the 6th Housing Element Cycle planning period and will impact the ability for developers to construct housing units in the jurisdiction and could constrain the City's ability to support services for these units financially. In addition, it is likely that due to the pandemic, residential and commercial vacancy rates will increase, which will further reduce the demand for new housing units in the densely population urban area of Beverly Hills. In fact, according to the Beverly Hills Rent Stabilization Division, the current vacancy rate for multi-family units in the City is approaching 7%, even with an eviction moratorium currently in place. This is already significantly above the 3% - 4% vacancy rate that would otherwise be considered to be an indicator of a healthy and balanced residential market, thus indicating that COVID is already impacting housing patterns in Beverly Hills, and likely the surrounding area. In fact, much of the available data suggests that

surrounding areas in Los Angeles, as well as other urban areas like San Francisco, are experiencing similar, if not higher, vacancy rates. The significant and likely long-lasting repercussions of the COVID-19 pandemic and associated economic downturn is a significant and unforeseen circumstance for which the City is basing this appeal.

- 5. Implementing the Draft RHNA allocation for the City would cause the displacement of a significant number of existing residents in the City, many of whom are currently protected by rent control, and are lower income residents. The majority of residents in the City reside in multi-family properties, and a majority of residents in the City are renters (nearly 60% of the population). The City has a robust rent stabilization program to ensure that existing residents and lower income residents are protected from displacement and large increases in rent. If the City were to rezone multi-family areas as would be required to accommodate the Draft RHNA allocation, at a minimum this would cause the demolition of hundreds of multi-family buildings, which, in turn, would cause the displacement of thousands of residents that are currently residing in these buildings. It is important to note that, according to SCAG’s Pre Certified Local Housing Data for the City of Beverly Hills (published in August 2020), nearly 50% of renters in the City are cost burdened when it comes to housing and spend more than 30% of their income on rent. Further, nearly 30% of households spend 50% or more of their gross income on rent. These households are already burdened, and displacing them from their existing units would likely make it even more difficult for them to find adequate or affordable housing in Beverly Hills or the surrounding region. Further, new units would likely not be subject to rent control, which means the replacement of existing housing with more expensive units. In addition, Beverly Hills has an aging population, and nearly 25% of “elderly families” in the City make less than 30% of the surrounding area income. These vulnerable households will be severely impacted by potential displacement due to new construction of multi-family buildings, which is counter to the State’s, SCAG’s, and Beverly Hills’ shared goal of affirmatively furthering fair housing.

For the reasons outlined above, the City is respectfully requesting that SCAG consider reducing the RHNA allocation for the City of Beverly Hills by a minimum of 48% to 1,486 units, with further reductions likely warranted due to the other unforeseen circumstances and planning factors highlighted in this letter. As outlined above, and in the attachment to this letter by the Embarcadero Institute, the entire SCAG allocation, if it had been calculated correctly, should have been 48% of the current allocation.

The City looks forward to partnering with SCAG and the State to address the critical housing issues that exist in the region. Thank you for seriously considering our appeal, which if granted, will ensure that the work undertaken by the City is based on accurate data, facts, and methodology.

Sincerely,



Ryan Gohlich, AICP
Assistant Director/City Planner
Community Development Department
City of Beverly Hills

Attachment 1

Do the Math: The state has ordered more than 350 cities to prepare the way for more than 2 million homes by 2030. But what if the math is wrong?

Senate Bill 828, co-sponsored by the Bay Area Council and Silicon Valley Leadership Group, and authored by state Sen. Scott Wiener in 2018, has inadvertently doubled the “Regional Housing Needs Assessment” in California.

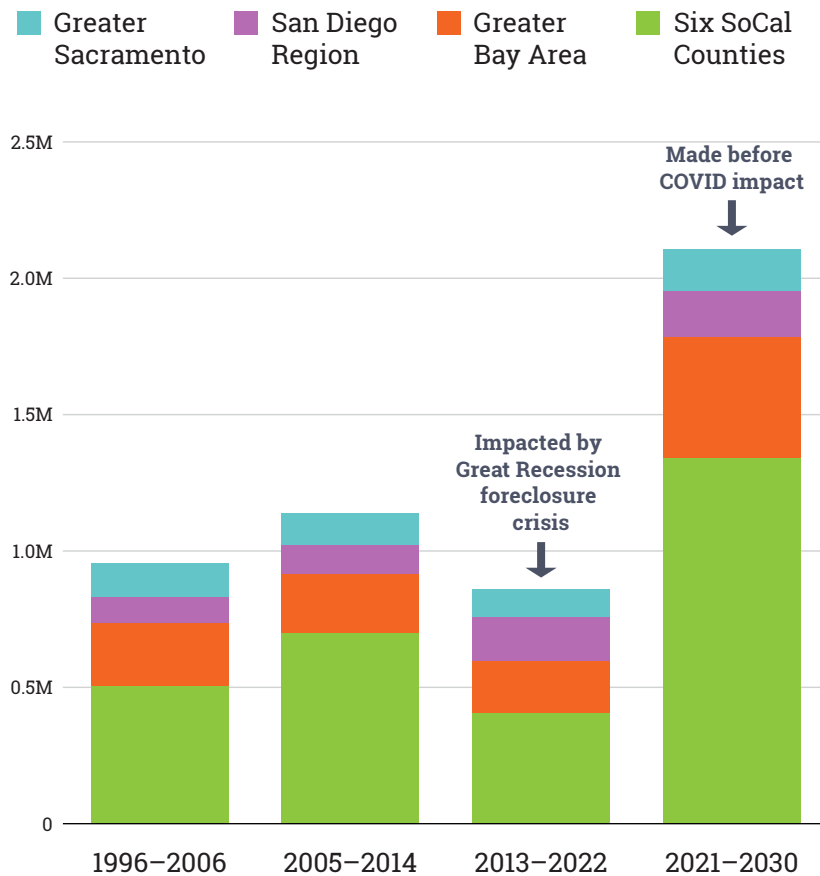
Use of an incorrect vacancy rate and double counting, inspired by SB-828, caused the state’s Department of Housing and Community Development (HCD) to exaggerate by more than 900,000 the units needed in SoCal, the Bay Area, and the Sacramento area.

The state’s approach to determining the housing need must be defensible and reproducible if cities are to be held accountable. Inaccuracies on this scale mask the fact that cities and counties are surpassing the state’s market-rate housing targets but falling far short in meeting affordable housing targets. The inaccuracies obscure the real problem and the associated solution to the housing crisis—the funding of affordable housing.

Double counting (not surprisingly) doubled the assessed housing need for the four major planning regions.

Every five to eight years the Department of Housing and Community Development (HCD) supervises and publishes the results of a process referred to as the Regional Housing Needs Assessment (RHNA). Four regional planning agencies cover the 21 most urban counties and account for 80% of California's housing. All four regions saw a significant jump in the state's assessment of their housing need for the years 2021 to 2030.

Housing Units Needed According to the State, (1996–2030)

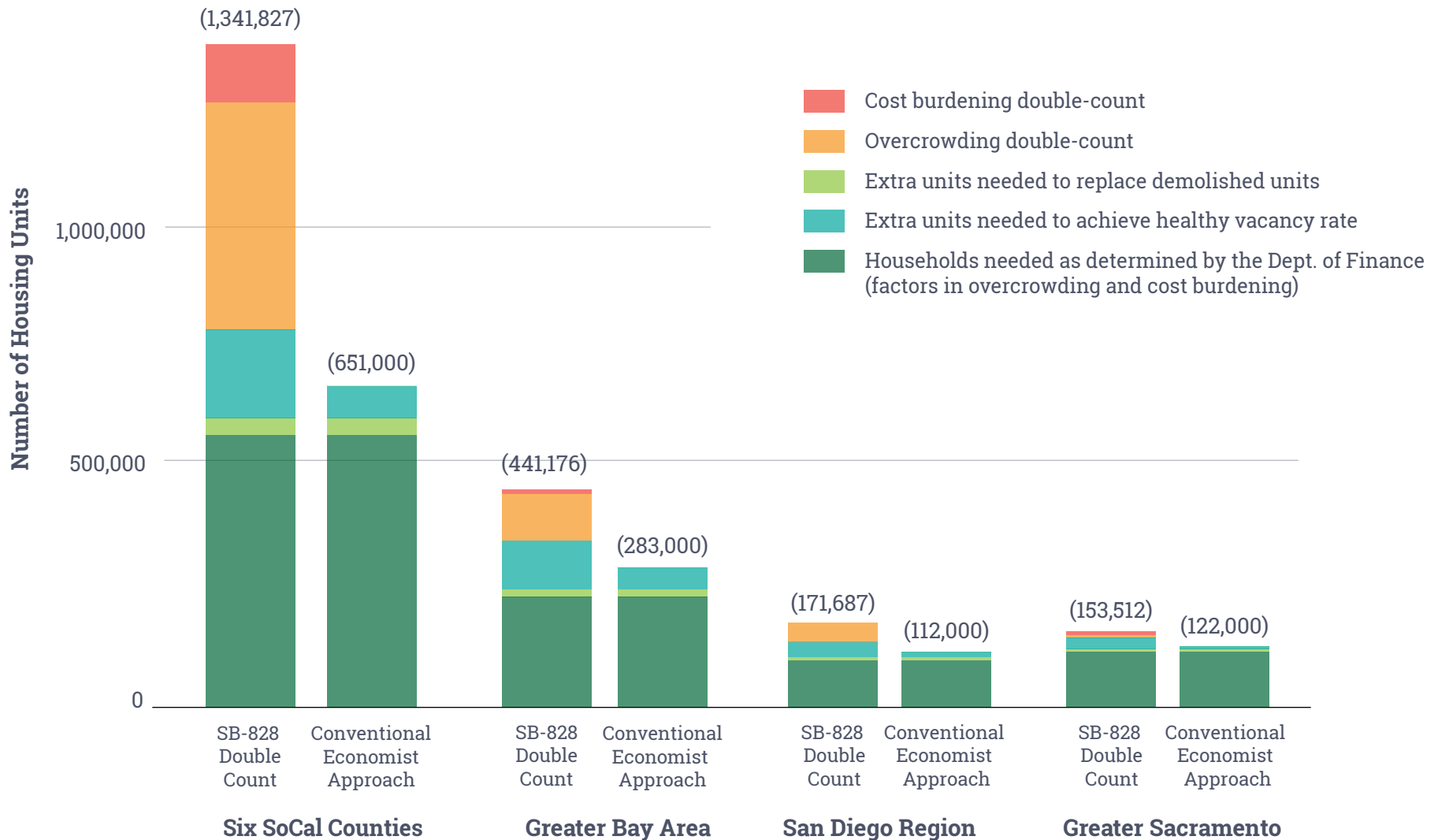


Four Regions Contain 80% of the State's Housing



The double count, an unintended consequence of Senate Bill 828, has exaggerated the housing need by more than 900,000 units in the four regions below.

California plans for its housing needs in “cycles.” The four regions are on cycles that last roughly eight years with staggered start dates. In the 2021–2030 housing cycle, errors introduced by language in SB-828 nearly equal the entire 1.15M units of new housing required during the 2013–2022 “cycle.” As illustrated, Southern California and the Bay Area are the most impacted by the state’s methodology errors.



Senate Bill 828 was drafted absent a detailed understanding of the Department of Finance’s methodology for developing household forecasts, and absent an understanding of the difference between rental and home-owner vacancies. These misunderstandings have unwittingly ensured a series of double counts.

SB-828 MISTAKENLY ASSUMED:

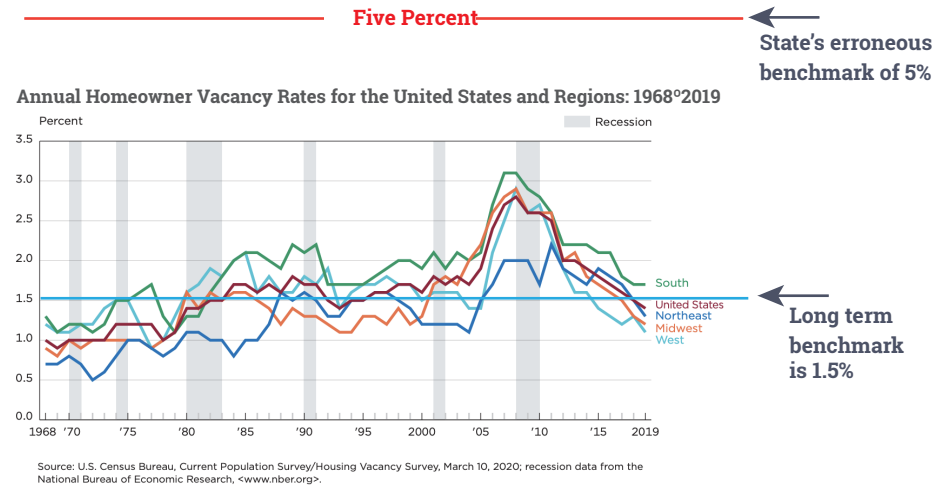
THE REALITY IS:

1. SB-828 wrongly assumed ‘existing housing need’ was not evaluated as part of California’s previous Regional Housing Need Assessments, or RHNA. There was an assumption that only future need had been taken into account in past assessments. (In fact, as detailed in The Reality section, the state’s existing housing need was fully evaluated in previous RHNA assessment cycles).

1. Existing housing need has long been incorporated in California’s planning cycles. It has been evaluated by comparing existing vacancy rates with widely accepted benchmarks for healthy market vacancies (rental and owner-occupied). The difference between actual and benchmark is the measure of housing need/surplus in a housing market. Confusion about the inclusion of “existing need” may have arisen because vacancy rates at the time of the last assessment of housing need (“the 5th cycle”) were unusually high (higher than the healthy benchmarks) due to the foreclosure crisis of 2007–2010, and in fact, the vacancy rates suggested a surplus of housing. So, in the 5th cycle, the vacancy adjustment had the effect of lowering the total housing need. Correctly seeing the foreclosure crisis as temporary, the state Department of Finance did not apply the full weight of the surplus but instead assumed a percentage of the vacant housing would be absorbed by the time the 5th cycle began. The adjustment appears in the 5th cycle determinations, not as ‘Existing Housing Need’ but rather as “Adjustment for Absorption of Existing Excess Vacant Units.”

2. SB-828 wrongly assumed a 5% vacancy rate in owner-occupied housing is healthy (as explained in the column on the right, 5% vacancy in owner-occupied homes is never desirable, and contradicts Government Code 65584.01(b)(1)(E) which specifies that a 5% vacancy rate applies only to the rental housing market).

2. While 5% is a healthy benchmark for rental vacancies, it is unhealthy for owner-occupied housing (which typically represents half of existing housing). In the U.S. homeowner vacancy has hovered around 1.5% since the ‘70s, briefly reaching 3% during the foreclosure crisis. However, 5% is well outside any healthy norm, and thus does not appear on the Census chart (to the right) showing Annual Homeowner Vacancy Rates for the United States and Regions: 1968–2019.



3. SB-828 wrongly assumed overcrowding and cost-burdening had not been considered in Department of Finance projections of housing need. The bill sought to redress what it mistakenly thought had been left out by requiring regional planning agencies to report overcrowding and cost-burdening data to the Dept. of Housing and Community Development (as explained in the right column).

3. Unknown to the authors of SB-828, the Department of Finance (DOF) has for years factored overcrowding and cost-burdening into their household projections. These projections are developed by multiplying the estimated population by the headship rate (the proportion of the population who will be head of a household). The Department of Finance (DOF), in conjunction with the Department of Housing and Community Development (HCD), has documented its deliberate decision to use higher headship rates to reflect optimal conditions and intentionally “alleviate the burdens of high housing cost and overcrowding.” Unfortunately, SB-828 has caused the state to double count these important numbers.

The forced double-counting errors are significant.*

1. Incorrect use of a 5% benchmark vacancy rate for owner-occupied housing.

The vacancy rate was incorrectly used for both existing and projected owner-occupied households.

+ 229,000
housing units

2. Current vacancies were assumed to exist in household projections.

This error is unrelated to SB-828, but is an accounting error introduced by HCD methodology.

- 22,000
housing units

3. Overcrowding and cost-burdening were double counted.**

In addition to the household projection methodology outlined by the Department of Finance (shown to account for overcrowding and cost-burdening), the matter is also mentioned in meeting notes available on the Association of Bay Area Government's (ABAG) website.***

Quote from ABAG's Housing Methodology Committee Agenda Packet for the 4th RHNA Cycle, July 2006

"There was also a lot of discussion about the headship rates used by HCD/DOF. Several people commented that headship rates in the Bay Area are generally lower than the State's estimates because the region's high housing costs limit household formation. In response, Mr. Fassinger noted that HCD uses these higher headship rates because the RHNA process is intended to alleviate the burdens of high housing cost and overcrowding."

Despite this, overcrowding and cost-burdening were counted a second time as adjustment factors required by SB-828.

+ 734,000
housing units

TOTAL: + 941,000
housing units

* All errors are rounded to the nearest thousand.

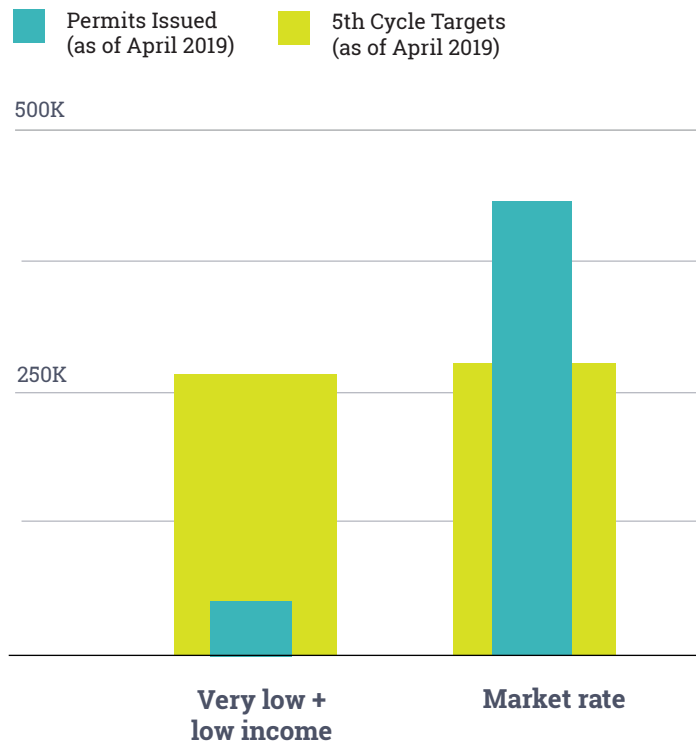
** Overcrowding measures the number of households with more than 1 person per room. Cost-burdening measures the number of households that spend more than 30% of the household income on housing. Cost-burdening is measured by five income levels – extremely low, very low, low, moderate, above moderate

*** P-4 tables are created by the Department of Finance–Household Projection table 2020–2030 and their methodology is fully explained in 'read me' notes that accompany the table.

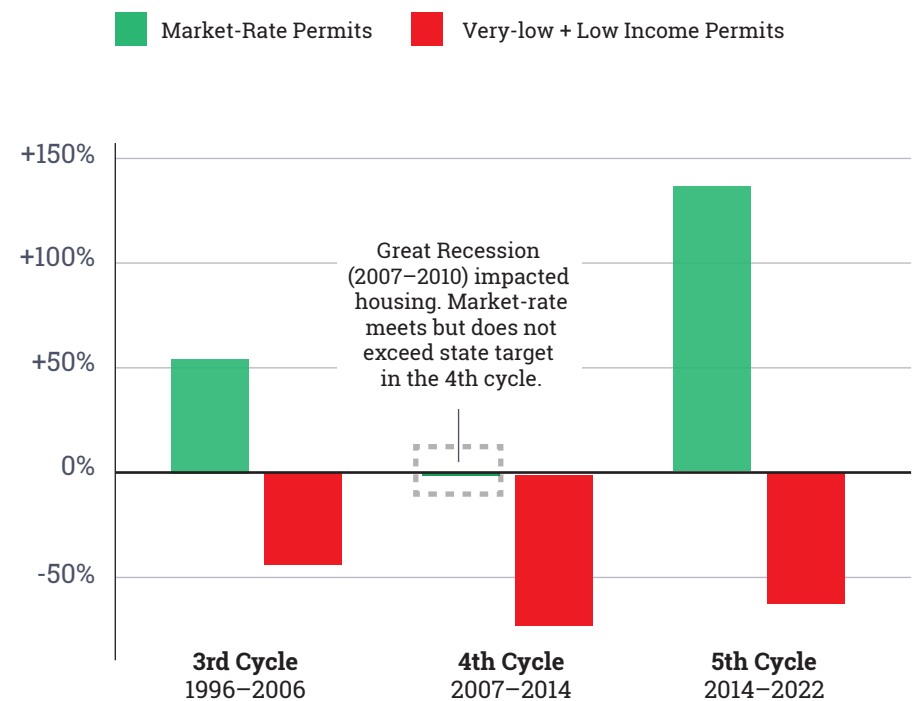
The state's exaggerated targets unfortunately mask the real story: Decades of overachieving in market-rate housing has not reduced housing costs for lower income households.

The state has shown, with decades of data, that it cannot dictate to the market. The market is going to take care of itself. The state's responsibility is to take care of those left behind in the market's wake. Based on housing permit progress reports published by the Dept. of Housing and Community Development in July 2020, cities and counties in the four most populous regions continue to strongly outperform on the state's assigned market-rate housing targets, but fail to achieve even 20% of their low-income housing target. In the Bay Area where permit records have been kept since 1997, there is evidence that this housing permit imbalance has propagated through decades of housing cycles.

Permit Progress in the 5th Cycle (2013-2022)* (all 4 regions)



Affordable Housing Languishes as Market-Rate Housing Overachieves (Bay Area only)*



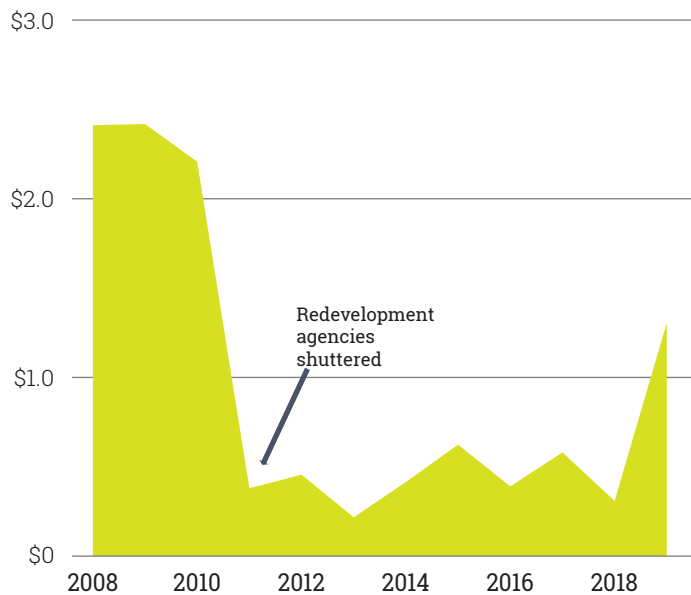
* Based on permit progress reports published by the Dept of Housing and Community Development and updated July 2020, reporting progress through April 2019.

** Only the Bay Area is shown because other regions have not kept detailed records of permit progress through the 3rd and 4th cycles.

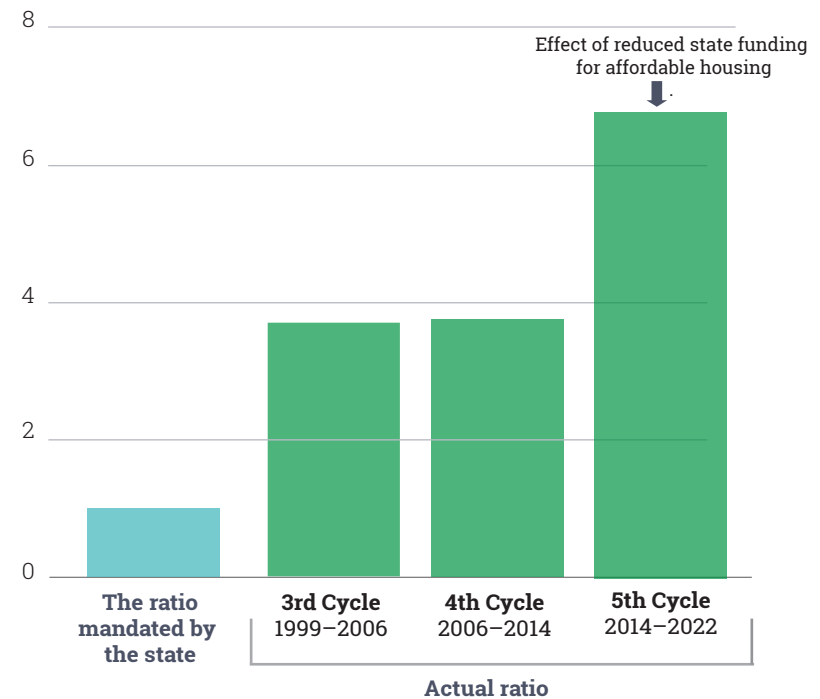
It's clear. Market-rate housing doesn't need state incentives. Affordable housing needs state

Cities are charged by the state to build one market-rate home for every one affordable home. But state laws, such as the density bonus law, incentivize developers to build market-rate units at a far higher rate than affordable units. As a result, California has been building four market-rate units for every one affordable unit for decades. And with the near-collapse of legislative funding for low-income housing in 2011, that ratio has grown to seven to eight market-rate units to each affordable unit. Yet we need one-to-one. This worsening situation can't be fixed by zoning or incentives, which are the focus of many recent housing bills and only reinforce or worsen the ever-higher market-rate housing ratios. From the data it appears that the shortage of housing resulted not from a failure by cities to issue housing permits, but rather a failure by the state to fund and support affordable housing. Future legislative efforts should take note.

State Funds for Affordable Housing, 2008–2019*
\$ Billion



Market-Rate to Low-Income Housing Permits in the Bay Area has grown from a ratio of 4 : 1 to 7 : 1
(Bay Area only)**



* "The Defunding of Affordable Housing in California", Embarcadero Institute, update June 2020 www.embarcaderoinstitute.com/reports/

** Only Bay Area is shown because other regions have not kept detailed records of permit progress through the 3rd and 4th cycles. Data is from ABAG's permit progress reports for 3rd and 4th cycle and Dept. of Housing and Community Development's 5th cycle Annual Progress Report.

Finally, since penalties are incurred for failing to reach state targets for housing permits, the methodology for developing these numbers must be transparent, rigorous and defensible.

Non-performance in an income category triggers a streamlined approval process per Senate Bill 35 (2017). These exaggerated 6th cycle targets will make it impossible for cities and counties to attain even their market-rate targets, ensuring market-rate housing will qualify for incentives and bonuses meant for low-income housing. **Yet again, low-income housing will lose out.** The state needs to correct the latest housing assessment errors and settle on a consistent, defensible approach going forward.

At Least Four Different Methodologies Have Been Used Simultaneously by the State to Discuss Housing Need: We Only Need One

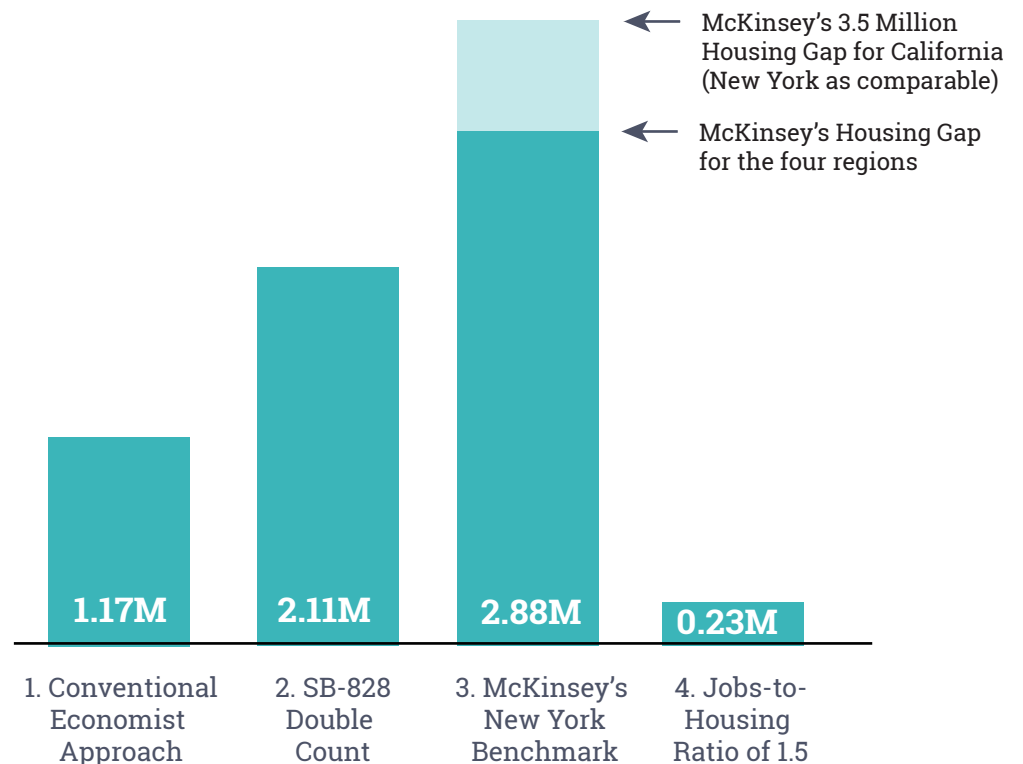
1. The Conventional Economist Approach: uses goldilocks (not too big, not too small, just right) benchmarks for vacancies - 1.5% for owner-occupied and 5% for rental housing.

2. SB-828 Double Count: incorrectly uses a benchmark of 5% vacancy for owner-occupied housing. It also double counts overcrowding and cost-burdening

3. McKinsey's New York Benchmark: the over-simplified approach generated an exaggerated housing gap of 3.5 Million for California. McKinsey multiplied California's population by New York's housing per capita to get 3.5M. New York is not a proper benchmark for California and NY's higher housing per capita is more reflective of NY's declining population rather than a healthy benchmark for housing

4. Jobs-to-housing ratio of 1.5: according to state planning agencies 1.5 is the optimal benchmark. Employment in the four regions is estimated to grow to 17 million by 2030 (job growth estimates prepared before COVID).**

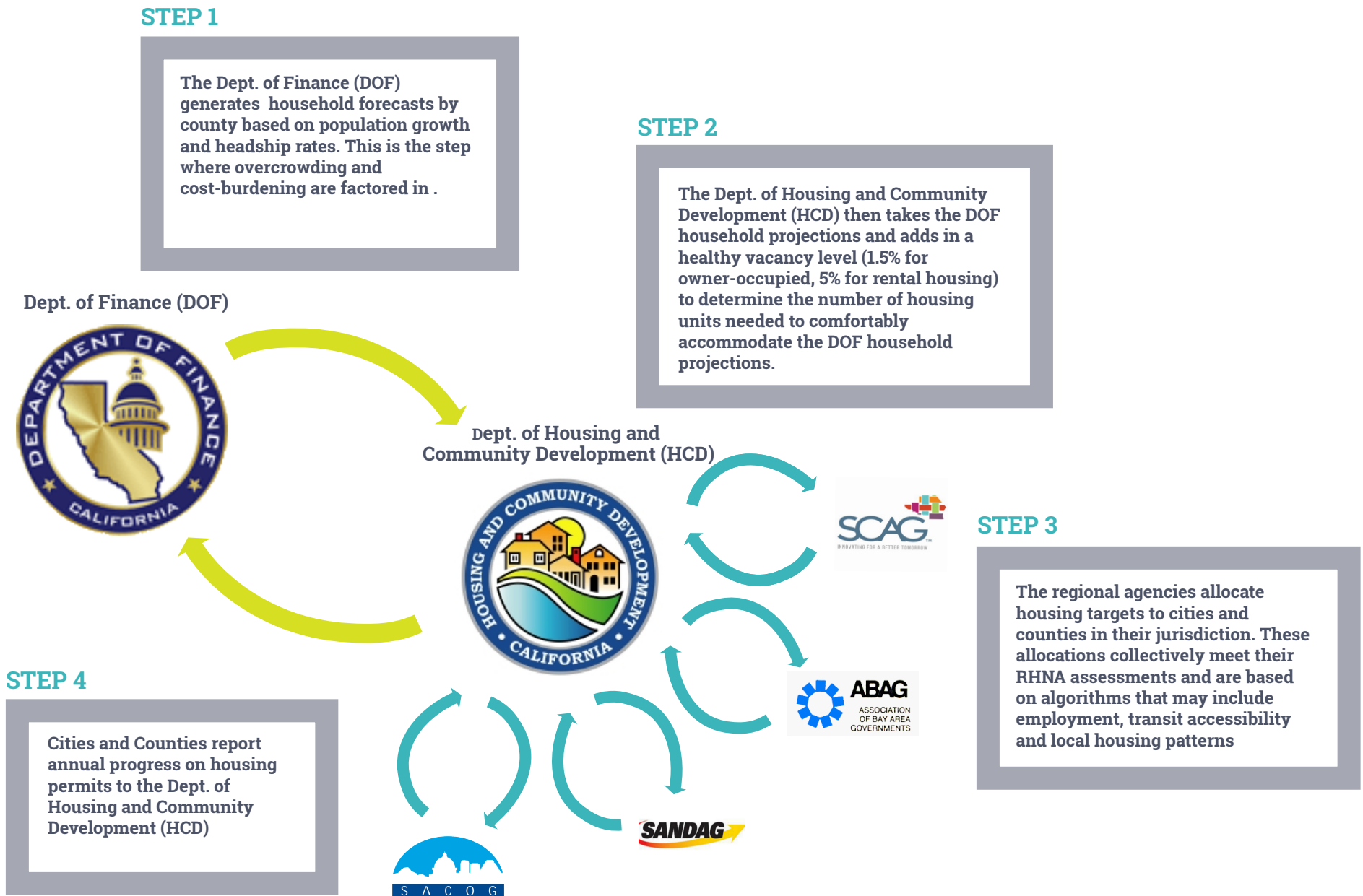
Forecast 2030 Housing Need for the Four Regions



* California's Employment Development Department (EDD) estimates employment by county through 2026. Using annualized growth (2016 to 2026) as a basis for future growth 2030 employment is estimated for the four regions.

** The 17 million includes estimates of self employed, private household workers, farm and nonfarm employment. Occupations with employment below 100 in 2016 are excluded.

How it Works: A multi-agency collaborative effort has generated past state housing targets. However, in 2018, SB-828 anointed the Dept. of Housing and Community Development with final veto powers.



Attachment: Attachment 2_Appeal Form and Supporting Documentation (City of Beverly Hills) (Appeal on

SB-828 introduced errors in Step 2 (when the Dept. of Housing and Community Development made adjustments to the Dept. of Finance’s household projections).

Southern California and the Bay Area were most impacted by the double counting. San Diego was not assessed for cost-burdening although it is more cost-burdened than the Bay Area. It was perhaps overlooked because its assessment cycle began in July, 2018, a few months before SB-828 passed into law.

The Department of Housing and Community and Development

1. Used a benchmark of 5% vacancy rate for BOTH owner-occupied and rental housing.

Six SoCal Counties	=	+126,000	+ 229,000 housing units
Greater Bay Area	=	+59,000	
San Diego Area	=	+23,000	
Greater Sacramento	=	+21,000	

2. Assumed vacancies in household projections *

Six SoCal Counties	=	-13,000	- 22,000 housing units
Greater Bay Area	=	-4,000	
San Diego Area	=	-2,000	
Greater Sacramento	=	-3,000	

3. Double counted overcrowding and cost-burdening

Six SoCal Counties	=	+578,000	+ 734,000 housing units
Greater Bay Area	=	+104,000	
San Diego Area	=	+39,000	
Greater Sacramento	=	+13,000	

* P-4 tables are created by the Department of Finance—Household Projection table 2020–2030 and their methodology is fully explained in ‘read me’ notes that accompany the table
 ** Overcrowding measures the number of households with more than 1 person per room. Cost-burdening measures the number of households that spend more than 30% of the household income on housing. Cost-burdening is measured by five income levels—extremely low, very low, low, moderate, above moderate.

Detailed explanation of the errors using SoCal Counties as an example: First—the correct approach.

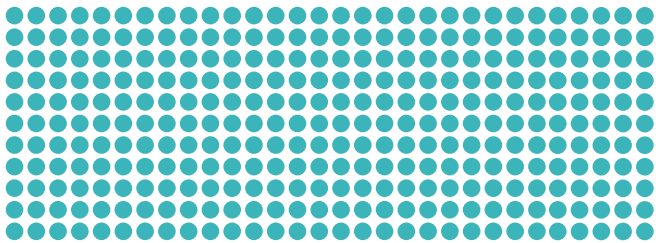
The Department of Housing and Community Development (HCD) has traditionally arrived at a number for pent-up demand or housing shortfall by comparing vacancy rates in owner-occupied and rental housing to healthy benchmarks (1.5% for owner-occupied* and 5% for rental housing). The largest of the four regions, six SoCal Counties (covering Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties) is considered in the example below**.

EXISTING HOUSING: Six SoCal Counties

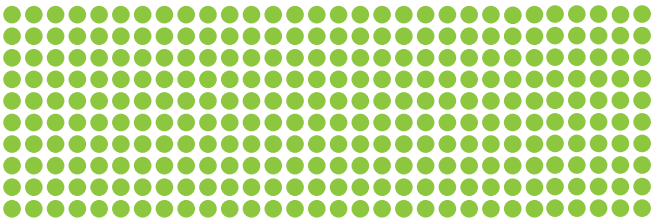
1 circle = 10,000 households

Occupied Housing Units

Home-owned (3.3 Million)



Rentals (3 Million)



Vacant Housing Units

Actual Vacancies (40,000)



1.2%

Healthy Benchmark (50,000)



1.5%

Existing Need

(10,000)



Actual Vacancies (111,000)



3.7%

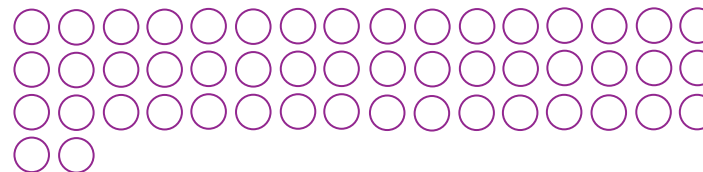
Healthy Benchmark (150,000)



5.0%

(39,000)

Seasonal Vacancies (500,000)***



* Owner-occupied has a lower healthy vacancy rate because it is usually only vacant while a house is for sale

** All numbers are rounded to the nearest thousand.

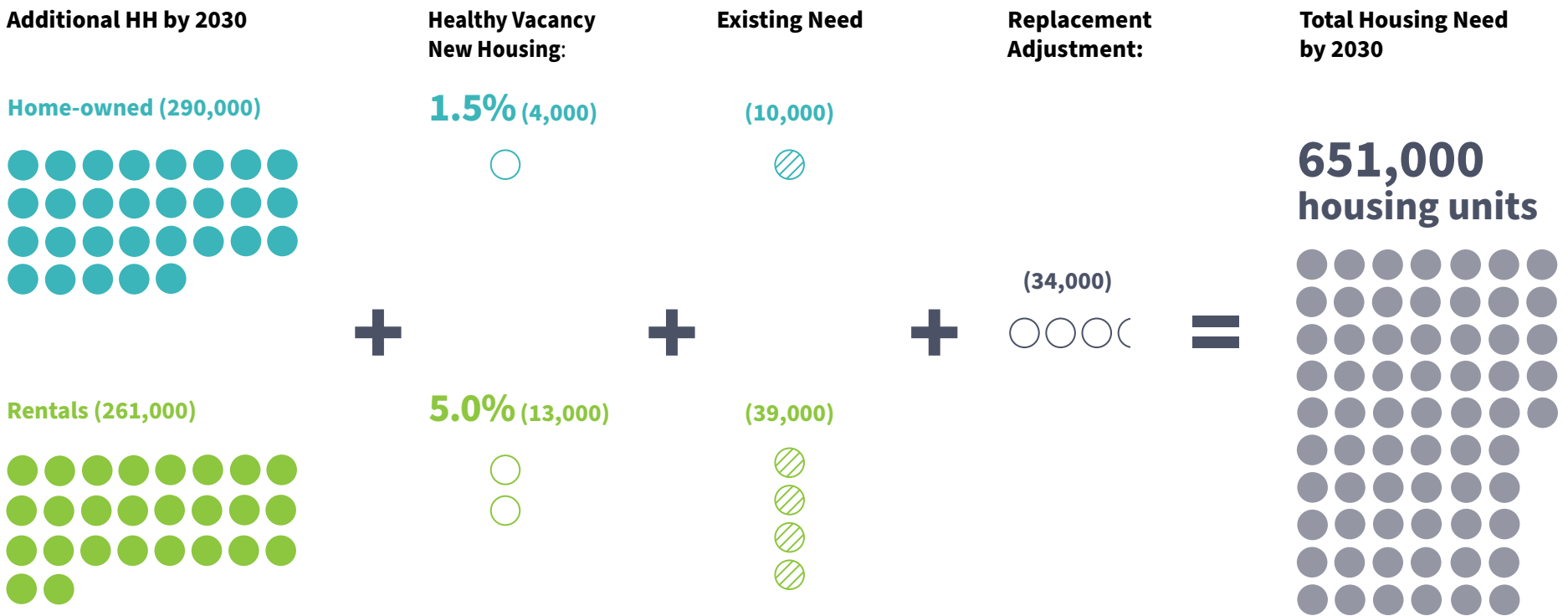
*** Seasonal Vacancies represent second homes, corporate housing, and short-term rentals such as AirBnBs

The housing need also takes into account for future growth.

The Dept. of Finance (DOF) supplies the Dept. of Housing and Community Development (HCD) with an estimate of additional households (HH) needed by the end of the cycle. The DOF forecast the 2030 population, and using an optimal household formation rate determine the number of households required to comfortably house that population*. The DOF also supply the HCD with the number of existing households at the start of the cycle. The HCD adds to the base number of additional households needed, factoring in vacancies for a healthy market, and adding a replacement adjustment (also supplied by the DOF)**.

PROJECTED HOUSING NEED: Six SoCal Counties

1 circle = 10,000 households



* Households represent occupied housing units. The number of housing units is always higher as at any given time than the number of households because some housing will be vacant or unutilized. The DOF is responsible for the base projection because they manage population projections for the state, and determine those by analyzing births, deaths and net migration.

** Replacement represents houses that may be demolished or replaced during the cycle*.

However, the Dept. of Housing and Community Development has adopted an unusual methodology in evaluating existing need in the 6th housing cycle.

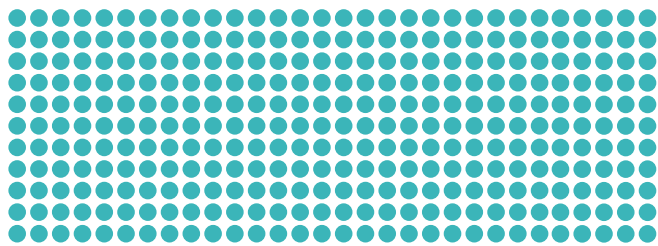
Instead of the typical 1.5% benchmark for owner-occupied housing, they used a 5% vacancy rate usually reserved for rental housing. A 5% vacancy in owner-occupied housing is indicative of a distressed housing market. At 5%, SoCal's existing housing need is increased by 115,000 housing units. Existing need for rental housing is unchanged.

EXISTING HOUSING: Six SoCal Counties

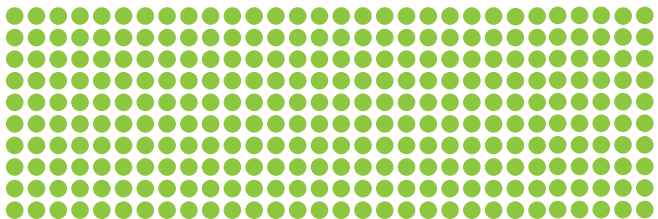
1 circle = 10,000 households

Occupied Housing Units

Home-owned (3.3 Million)



Rentals (3 Million)



Vacant Housing Units

Actual Vacancies (40,000)



1.2%

Healthy Benchmark (165,000)



5.0%

Actual Vacancies (110,000)



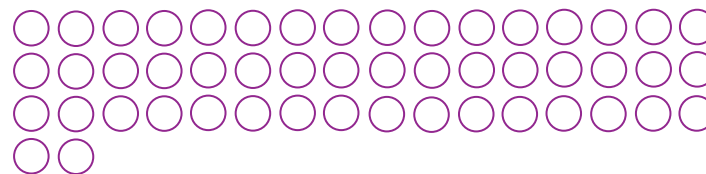
3.7%

Healthy Benchmark (149,000)



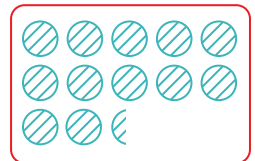
5.0%

Seasonal Vacancies (500,000)



Existing Need

(125,000)



=

(39,000)

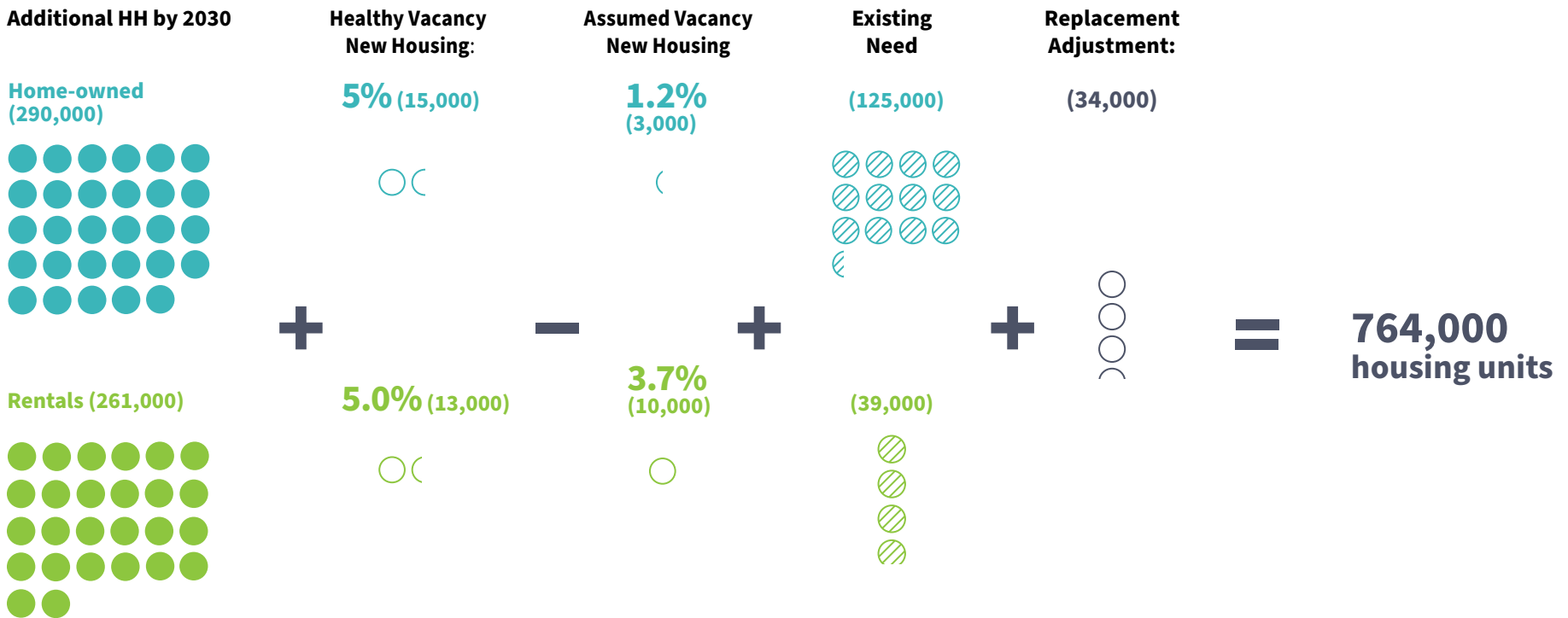


The Dept. of Housing and Community Development have also taken an unusual approach in evaluating projected housing need.

Again, instead of using the separate benchmark of 1.5% for owner-occupied housing, 5% was used for all housing. It was also assumed that new projected households had existing vacancies. The full benchmark was not applied to new households. Instead, the difference between the benchmark and the current vacancy rate was applied. The replacement adjustment was applied as it has been in the past.

PROJECTED HOUSING NEED: Six SoCal Counties

1 circle = 10,000 households



Lastly, the Dept. of Housing and Community Development double counted by adding two new factors that had already been factored into household forecasts made by the Dept. of Finance (DOF).

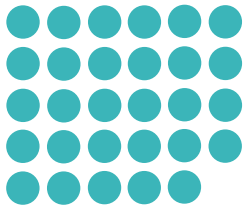
Two new factors were introduced into the 6th assessment – overcrowding and cost burdening. These factors had already been rolled into the DOF’s household projections. The DOF explicitly recognized that regional household formation rates might be depressed (a symptom of overcrowding and cost-burdening) because of the affordable housing crisis. The household formation rate used by the DOF is higher than the actual rate experienced. As such, it generates a higher housing target meant to relieve overcrowding and cost-burdening.

PROJECTED HOUSING NEED: Six SoCal Counties

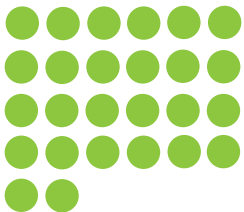
1 circle = 10,000 households

Additional HH by 2030

Home-owned
(290,000)



Rentals (261,000)



Projected Households already factors in overcrowding and cost-burdening

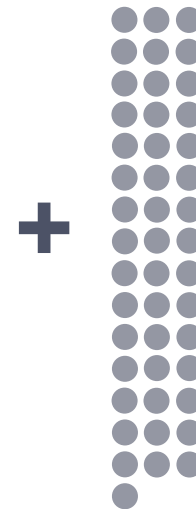
From the Department of Finance

“The argument was that the Great Recession and the affordability crisis which impact recent trends in headship should not be allowed to solely dominate the projection, rather some return to underlying socio-cultural norms of homeownership/fewer roommates is a beneficial assumption”

A DOUBLE COUNT

Overcrowding Adjustment*

(460,000)



Cost Burdening Adjustment**

(118,000)



* In addition to double counting, HCD incorrectly calculated the overcrowding factor. They assumed that for every house that was overcrowded another house would be required to relieve overcrowding. The more accurate analysis would be to assess the number of extra people to be housed and divide by the average household size.
 ** HCD only applied cost-burdening adjustments to future households not existing households. It is unclear why cost-burdening would only be considered an issue for future households, as the data is for current households.

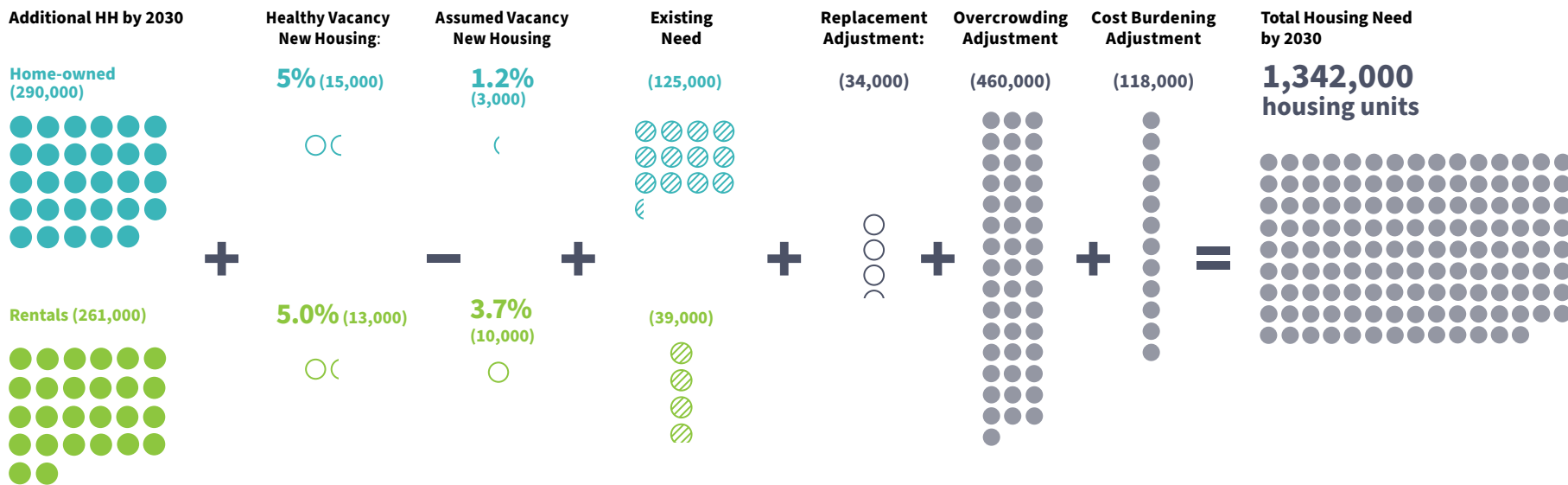
The vacancy errors and double counting resulted in a doubling of the housing needs assessment for the six counties of SoCal.

TYPICAL METHODOLOGY

1 circle = 10,000 households



HCD 6TH CYCLE METHODOLOGY



Complete data tables: *RHNA Data and Models 6th cycle*, www.embarcaderoinstitute.com

References used in the analysis :

Dept. of Housing and Community Development (HCD) <https://www.hcd.ca.gov>

Regional Housing Needs Allocation and Housing Elements

Regional Housing Needs

Allocations for 6th Cycle Housing Elements:

- Association of Bay Area Governments Regional Housing Need Determination Plan for the Sixth Housing Element Update
- Sacramento Area Council of Governments Regional Housing Need Determination for the Sixth Housing Element Update
- Southern California Association of Governments Regional Housing Need Determination for the Sixth Housing Element Update
- San Diego Association of Governments Regional Housing Need Determination and Plan for the Sixth Housing Element Update

Allocations for 5th Cycle Housing Elements:

- Association of Bay Area Governments (February 24, 2012)
- Sacramento Area Council of Governments (September 26, 2011)
- San Diego Association of Governments (November 23, 2010)
- Southern California Association of Governments (August 17, 2011)

Annual Progress Reports

Annual Progress Report APR: 5th Cycle Annual Progress Report Permit Summary (updated 7/30/2020)

Allocations for Earlier Cycles and Housing Element

- RHNA 2007-2014 - Housing Methodology Committee Agenda Packet 07-27-06
- Regional Housing Needs Plan 2006 to 2013 SACOG February 2008
- 3rd and 4th Cycle RHNA allocations (data sent in personal communication with the Department of Housing and Community Development)

Department of Finance Methodology for Household Forecasts

- "Read Me" P4 Tables : Household Projections 2020 to 2030
- Association of Bay Area Governments Digital Library: RHNA Documents, Regional Housing Needs Allocation Documents
- RHNA 2007-2014 - Housing Methodology Committee Agenda Packet 07-27-06, Regional Housing Need Allocation p 2

Other Housing Assessment Methodologies

"Mckinsey & Company: A TOOL KIT TO CLOSE CALIFORNIA'S HOUSING GAP: 3.5 MILLION HOMES BY 2025", October 2016

Jobs to Housing

Employment Development Department, State of California, Employment Projections : Long Term Projections
<https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html>

Attachment 2



Economic & Housing Research **Insight**

FEBRUARY 2020

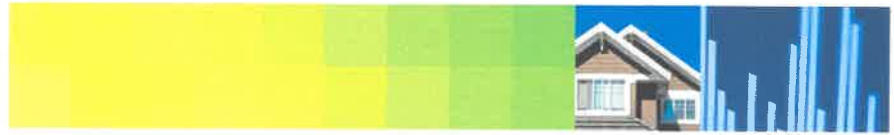
The Housing Supply Shortage: State of the States

The United States suffers from a severe housing shortage. In a recent study, [The Major Challenge of Inadequate U.S. Housing Supply](#), we estimated that 2.5 million additional housing units will be needed to make up this shortage. Our earlier study used national statistics, treating the United States as a single market. What happens when we look closer, basing the analysis at the state level?

When we account for state-level variations, the estimated housing deficit is even greater in some states because housing is a fixed asset. A surplus of housing in one area can do little to help faraway places. For example, vacant homes in Ohio make little difference to the housing markets in Texas. We estimate that there are currently 29 states that have a housing deficit, and when we consider only these states, the housing shortage grows from 2.5 million units to 3.3 million units.

Unsurprisingly, the states with the most severe housing shortage are the states that have recently attempted to loosen zoning policy regulations. States like California, Oregon, and others have undertaken policy action to address this issue. California, for example, has been working on chipping away at single-use zoning while Texas has passed a density bonus program, an ordinance which amends the city code by loosening site restrictions and promoting construction of more units in affordable and mixed-income housing developments. Oregon was one of the first states to pass legislation to eliminate exclusive single-family zoning in much of the state. The Minneapolis City Council voted to get rid of single-family zoning and started allowing residential structures with up to three dwelling units in every neighborhood. We took a deep dive into the supply/demand dynamics to analyze state-level variations.

We estimate that there are currently 29 states that have a housing deficit, and when we consider only these states, the housing shortage grows from 2.5 million units to 3.3 million units.



Accounting for housing supply/demand conditions

To estimate housing supply, we rely on U.S. Census Bureau estimates of the total number of housing units in each state. These estimates include single-family homes, apartments, and manufactured housing. We compare supply to our estimates of housing demand. We first focus on static estimates of housing demand, and then we consider the impact of interstate migration.

Our estimate of housing demand relies on two components. First, we need an estimate of long-term vacancy rates (v^*). Second, we need an estimate of the target number of households (h^*).¹ The estimates of v^* and h^* give an estimate of housing demand (k^*) using the formula:

$$k^* = \frac{h^*}{1 - v^*} \text{ Eq(1)}$$

Vacancy rates

As we discussed in our earlier [study](#), for the housing market to function smoothly, year-round vacant units are needed. Vacancy rates are often used to track the vitality of the housing market. Too high of a vacancy rate reflects a moribund market, while too low of a rate means demand is outstripping supply. Our previous research estimated the average U.S. vacancy rate to be around 13%.

For long-term vacancy rates (v^*), we use historical estimates of vacancy rates in each state as well as the share of the state in the housing stock to obtain the state weight. We compute the weighted average national vacancy rate for the U.S. and then estimate the deviation of the state vacancy rate from the average national vacancy rate (see **Appendix 1.1** for a detailed methodology). We use each state's average from 1970 to 2000 as the estimate for v^* because this was the period before the boom and the bust in the housing market began. Historical vacancy rates vary dramatically by state. States like Vermont and Maine tend to have high vacancy rates because a large fraction of the housing stock serves as vacation/second homes. On the other hand, states like California tend to have very low vacancy rates.

¹ The target number of households is the number of unconstrained households that would have formed if households did not face any constraints related to housing costs.

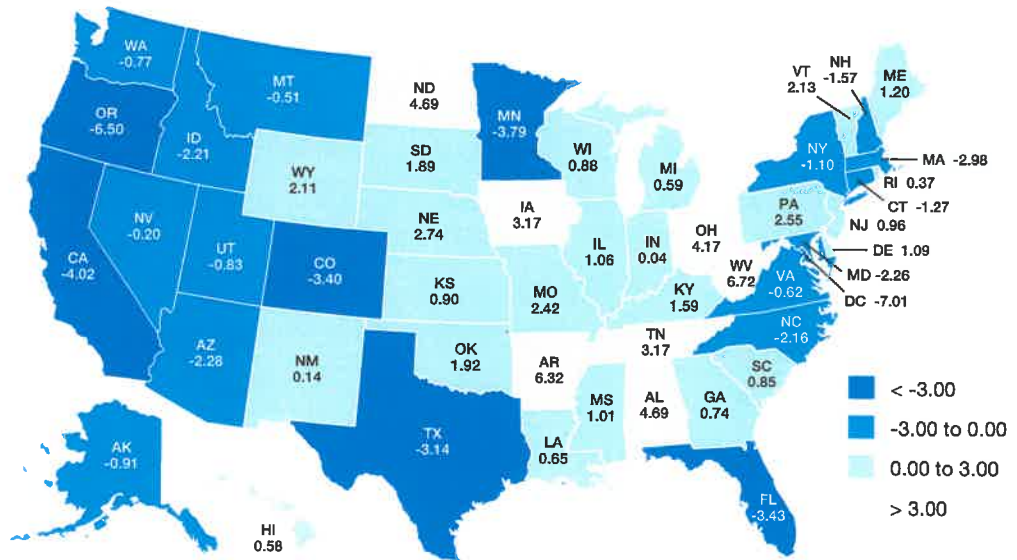


It is interesting to compare each state's long-term vacancy rate (v^*) to recent estimates (v). This measure estimates the number of housing units needed to close the gap between the current vacancy rate and long-term average rates. **Exhibit 1** shows the difference between the estimated vacancy rate in 2018 and the long-term vacancy rate for each state. States like Oregon, California, and Minnesota have much lower current vacancy rates compared to their historical averages, while states like West Virginia, Alabama, North Dakota, and Ohio have witnessed an increase in the vacancy rates as the populations of these states have decreased.

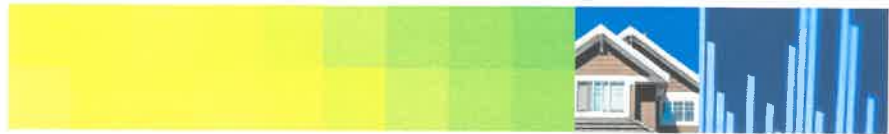
Exhibit 1

Difference between 2018 vacancy rate and historical vacancy rate

States that are losing (gaining) population have high (low) vacancy rates.



Source: Author's calculations based on CPS, HVS, and Moody's Analytics estimated data.



Target households

Our previous [research](#) has shown that high housing costs have constrained household formation. These high housing costs have hit the Millennial generation particularly hard. To overcome these cost barriers, some young adults have turned to shared living arrangements. Others have moved back home with parents. As a result, there are more than 400,000 missing households headed by 25- to 34-year-olds (households that would have formed except for higher housing costs).

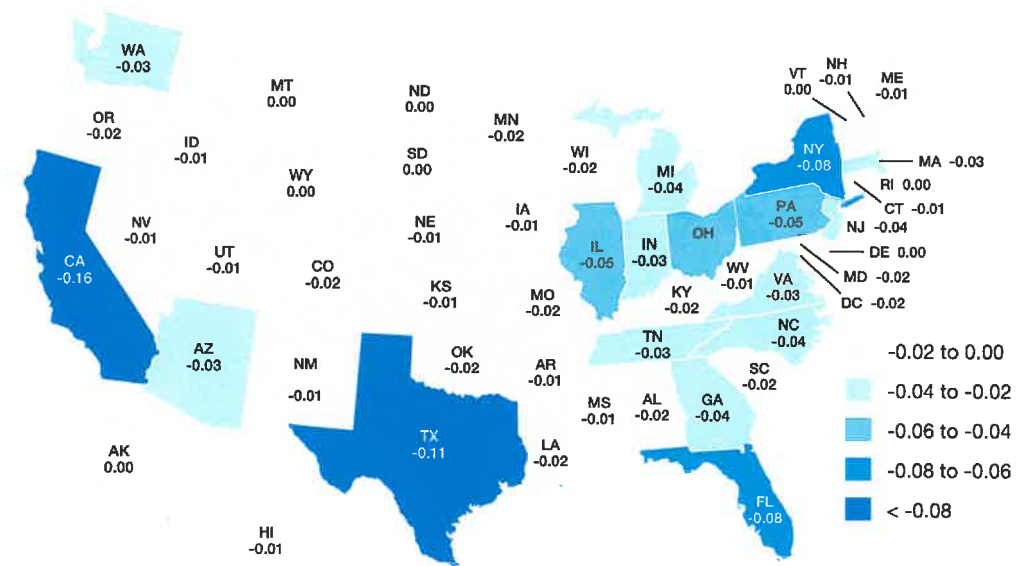
While high housing costs have hit young adults hardest, they have affected all age groups. If housing costs were lower, more households would form. We use our model estimates of the number of households reduced due to unusually high housing costs and add them back. We do this for each age group (see **Appendix 1.2** for more details.)

Due to different age profiles, the share of missing households varies by state. **Exhibit 2** plots the share of missing households due to housing costs for each state. In general, states with relatively lower vacancy rates have proportionally more missing households.

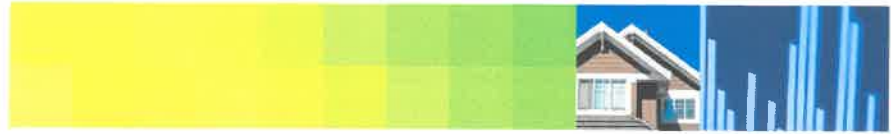
Exhibit 2

Missing households due to high housing costs (millions)

States with relatively lower (higher) vacancy rates have proportionally more (fewer) missing households.



Source: Author's calculations based on American Community Survey data.



Static estimate of housing deficit

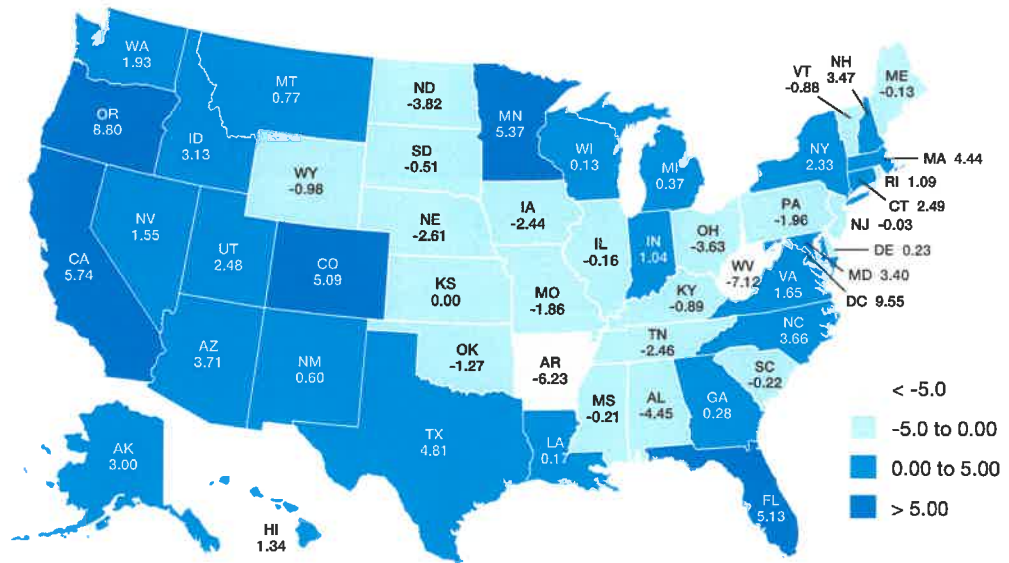
We combine our target vacancy rate and target households to estimate housing demand. Subtracting our estimated housing demand from the Census estimate of housing supply gives us the estimated housing deficit. **Exhibit 3** shows our results by state.

As a percent of the housing stock, the state housing supply deficit varies from -7 to 10%. Excluding the District of Columbia, Oregon has the largest deficit (nearly 9%) followed by California (nearly 6%).² Some states have a negative deficit, meaning they are oversupplied. According to our estimate, 21 states are oversupplied, the largest being West Virginia, at more than 7%.

Exhibit 3

Housing stock deficit as proportion of a state’s housing stock (static estimate not considering interstate migration flows)

A static view suggests that 29 states have a housing undersupply.



Source: Author's calculations.

² The District of Columbia had the highest deficit as a share of the existing housing stock at 9.7%.



Impact of migration on the housing deficit of the states

While houses stay in place, people do not. Job growth attracts in-migrants, while a dearth of opportunity drives out-migration. High housing costs also contribute to migration patterns. When the rents get too high, people move away. This dynamic can impact our estimates.

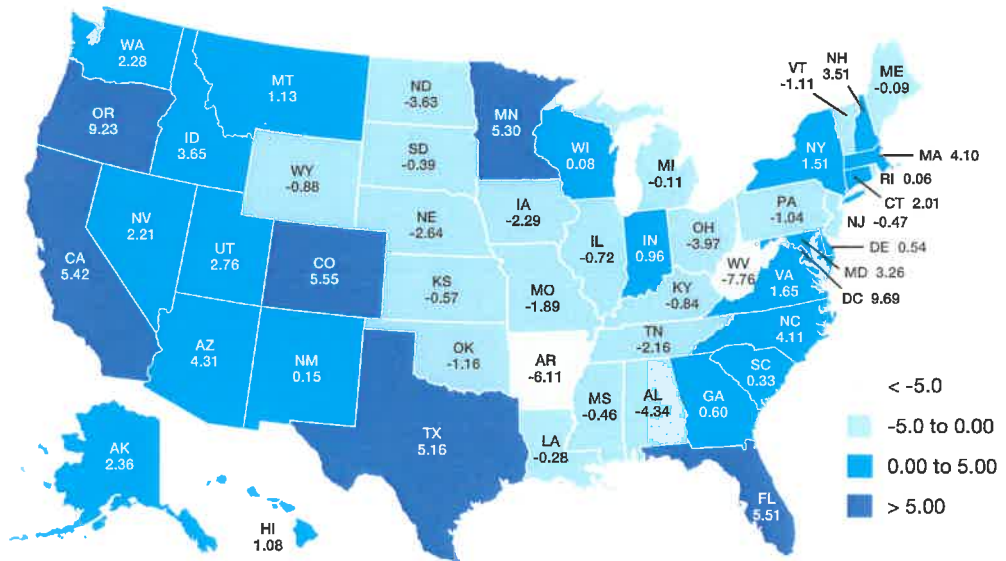
It's helpful to consider the case of California. Our estimates indicate that California has a shortage of 820,000 housing units. But history suggests that California's shortage may be overestimated if interstate migration is considered. For more than four decades, California's state population has grown, but this increase has been driven primarily by international migration. High housing costs have driven many U.S. citizens and households out of California, driving housing demand higher in their destination states.

A robust model of domestic migration flows between states is beyond the scope of this study. But we can approximate how migration may affect our estimates. We can use the historical average of state-to-state migration flows as a forecast of future flows. If the future interstate migration exactly matches past flows since 2001, we can create a rough, but useful approximation (Exhibit 4).³

Exhibit 4

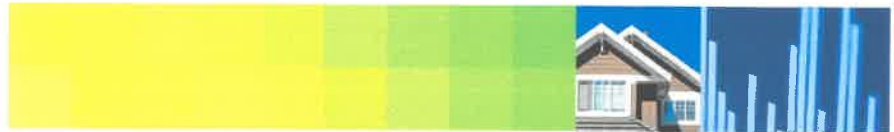
Housing stock deficit as proportion of state's housing stock (dynamic estimate considering interstate migration flows)

A dynamic view indicates that some states' deficit is overestimated, like California, while others' is underestimated, like Texas. Some states, like Michigan, move from a deficit to a surplus.



Source: Author's calculations.

3 We used the average net migration flows between states from 2001 to 2017 for the past flows.



Economic & Housing Research **Insight**

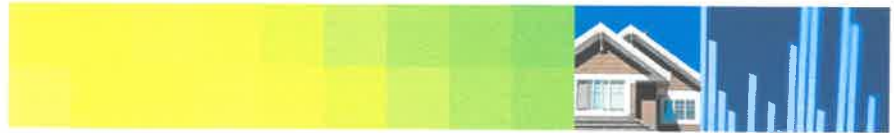
For example, when considering migration flows, the estimated housing demand in Michigan changes from deficit to surplus; Ohio's surplus increases; and Florida's deficit increases (see **Appendix 1.3** for details on our estimation method).

Given the severity of the problem, states have started addressing the issue of supply shortages by taking legislative action. Some of these states such as California, Oregon, Minnesota, and North Carolina have passed legislation to eliminate exclusive single-family zoning. Removing these zoning restrictions will provide builders with the flexibility to build a range of housing options which could help alleviate some of the shortage.

Conclusion

A shortage of housing remains a major issue for the United States. Years of underbuilding has created a large deficit, particularly for states with strong economies that have attracted a lot of people from other states. The issue of undersupply will be further exacerbated as Millennials and younger generations enter the housing markets, especially as housing costs become more favorable.

Dynamic estimates suggest that contrary to expectations, it isn't only the larger states that have a higher housing supply shortage. Some of the smaller states, which have been attracting a lot of migrants from other states, also need to build more housing units to accommodate the needs of their growing population.



Appendix

1.1 Vacancy rate calculations

We calculate the vacancy rate based on the historical vacancy rate. For this purpose, we obtain the historical vacancy rates by state from Moody's analytics for the period from 1970 to 2000⁴ and estimate the average vacancy rate for this period for each state.

$$VR_i = average(VR_i) \text{ for } 1970-2000,$$

where i is the state.

We then obtain the housing stock information by state from the Housing Stock (HVS) ('000s) U.S. Census Bureau (BOC): Housing Vacancies and Homeownership—Table 8—Quarterly Estimates of the Housing Inventory. From these data, the share of the state in the total housing stock is calculated to get the state weights.

$$w_i = \frac{K_i}{\sum_i K_i}.$$

The sum product of the vacancy rate of the state and the state's weight in the housing stock gives us the U.S. average vacancy rate.

$$\text{U.S. average vacancy rate: } VR = \sum_i VR_i * w_i.$$

We then compute the difference between the state vacancy rate and the average U.S. vacancy rate to see how far away the state is from the U.S. average.

$$D_i = VR_i - VR.$$

This deviation for the states is then applied to the long-run vacancy rate for the United States (which we estimated earlier to be 13%) to get the state-wise vacancy rate.

$$\text{State-wise Vacancy Rate} = 13\% + D_i \text{ for each state.}$$

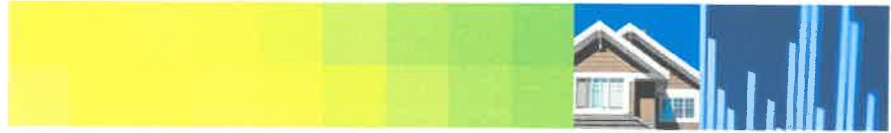
1.2 Estimating target households

We obtain the headship rates⁵ for the year 2018 by state and by age for all the 50 states and District of Columbia.⁶ We then estimate target households using this headship rate and adding back housing

4 Data is available from 1970:Q2 onward. We estimate the average for the period up to 2000:Q4. This corresponds to the period before the boom and bust in the housing market began.

5 Headship Rate = Number of Head of Households/Total Households.

6 Data source: Current Population Survey—Annual Social and Economic Supplement (CPS-ASEC) using the Integrated Public Use Microdata Series (IPUMS) (Steven Ruggles, Sarah Flood, Ronald Goeken, Josiah Grover, Erin Meyer, Jose Pacas and Matthew Sobek. IPUMS USA: Version 9.0 [dataset]. Minneapolis, MN: IPUMS, 2019.)



costs assuming that housing costs become more favorable for household formation. The target headship rate would be

$$hr_{i,j}^* = hr_{(i,2018)} + \alpha_{(\text{housing costs}, i)}$$

We then use this target headship rate and the population by five-year age buckets to compute the households in each state.

$$hh_i^* = \sum_j hr_{i,j}^* * pop_{i,j}$$

where i is the state and j is the five-year age buckets.

The product of headship rate and population by age gives the households by age group. Summing it up over all the ages gives the total households in the state.⁷

1.3 Domestic migration flows between states

For the estimate of the states' share of the deficit, we need to obtain the share of the migration flows between states by age. To get detailed age-wise distribution of population, we use the ACS data from 2001 to 2017. We obtain the population by age and by state for these years. We identify people who had a different state of residence from a year ago, which indicates that they migrated to a different state. We then get estimates of the in-migrants and out-migrants by state and age.

We then estimate the net domestic migrants for each state as the difference between the in-migrants and out-migrants.

$$NM_{i,j} = I_{i,j} - O_{i,j}$$

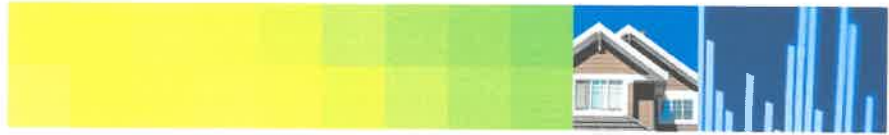
where i is the state, j is the five-year age buckets, I is the in-migrants, and O is the outmigrants.

To estimate the net outmigrants from states that have a $NM < 0$, we obtain the Moody's historical net domestic migration data. We then apply these shares by state and age to the net migration data for 2018 to obtain the number of people leaving a state by the five-year age bucket.

$$\Delta P_{i,j,out}^* = \frac{NM_{i,j}}{\sum_{i,j} NM_{i,j}} * P_{m,j}$$

where $P_{i,j,out}^*$ is the total change in population (net out-migrants) for states that have net outmigration,

⁷ These households would be based on the Current Population survey (CPS). To make them consistent with estimates of housing supply from HVS, we apply a multiplier to this gap that is proportional to the gap between the CPS-ASEC and HVS household counts. The CPS-ASEC household estimate for 2018 was 127.6 million. The HVS estimate for that year was 121.3 million. We deflate our target households by a factor equal to 121.3/127.6, or 0.95.



$NM_{i,j}$ is the net out-migrants by age group and state,

$\sum NM_{i,j}$ is the sum of the total out-migrants for the state, and

$P_{m,j}$ is the historical net domestic migration data from Moody.

The ratio of $NM / \sum NM$ gives the share of the five-year age group in the total out-migrants from the state.

This pool of out-migrants ($P_{i,j,out}^*$) is then divided among the in-migrating states, given that the net flows for the country are 0.

We distribute these migrants according to the share of the state in the total in-migrants as well as by the share of the age group in the total in-migrants to the state.

$$\Delta P_{i,j,in}^* = SI_i * SA_{i,j} * \Delta P_{i,j,out}^*$$

where $\Delta P_{i,j,in}^*$ is the in-migrants to the state i from the outmigrants pool,

SI is the share of the state in total in-migrants,

SA is the share of the five-year age bucket in the total in-migrants, and

$\Delta P_{i,j,out}^*$ is the total out-migrants.

The population of each state is then adjusted according to the change in the population estimated above.

$$\begin{aligned} Population_i^* &= P_{i,j} + \Delta P_{i,j,out}^* \text{ if } NM < 0. \\ &= P_{i,j} + \Delta P_{i,j,in}^* \text{ if } NM > 0. \end{aligned}$$

The households are then computed based on this adjusted population for each state by applying the headship rates by age group. Then the housing stock is estimated as per equation (1).

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Ave
Sacramento, CA 95833-1829
916) 263-2911 FAX: (916) 263-7453
www.hcd.ca.gov



December 10, 2020

Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

Dear Executive Director Ajise:

RE: Comment on Appeals of the Draft Regional Housing Need Allocation (RHNA) Plan

Thank you for the opportunity to comment on the 52 appeals Southern California Association of Governments (SCAG) has received regarding the draft RHNA plan. The appeal process is an important phase in the development of a RHNA plan that ensures that all relevant factors and circumstances are considered.

The only circumstances under which a jurisdiction can appeal are:

- 65584.05(b)(1): The council of governments failed to adequately consider the information regarding the factors listed in subdivision (e) of section 65584.04.
- 65584.05(b)(2): The council of governments failed to determine the share of the regional housing need in a manner that furthers the intent of the objectives listed in subdivision (d) of section 65584.
- 65584.05(b)(3): A significant unforeseen change in circumstances occurred in the local jurisdiction that merits a revision of the information submitted pursuant to subdivision (e) of Section 65584.04.

The California Department of Housing and Community Development (HCD) urges SCAG to only consider appeals that meet these criteria.

Per Government Code section 65584.05(e)(1), SCAG's final determination on whether to accept, reject, or modify any appeal must be accompanied by written findings, including how the final determination is based upon the adopted RHNA allocation methodology, and how any revisions are necessary to further the statutory objectives of RHNA described in Government Code section 65584(d).

Among the appeals based on Government Code section 65584.05(b)(1), several appeals state that SCAG failed to consider the factor described in Government Code section 65584.04(e)(2)(B), citing the lack of land suitable for development as a basis for the appeal. However, this section states the council of governments may not limit its consideration of suitable housing sites to existing zoning and land use restrictions and must consider the potential for increased development under alternative zoning and

land use restrictions. Any comparable data or documentation supporting this appeal should contain an analysis of not only land suitable for urban development, but land for conversion to residential use, the availability of underutilized land, and opportunity for infill development and increased residential densities. In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.

With regard to appeals submitted related to Government Code section 65584.05(b)(2), that SCAG failed to determine the RHNA in a manner that furthers the statutory objectives, it should be noted that HCD reviewed SCAG's draft allocation methodology and found that the draft RHNA allocation methodology furthered the statutory objectives described in Government Code section 65584.

Among the appeals based on Government Code section 65584.05(b)(2), several contend that the cap on units allocated to extremely disadvantaged communities (DACs) does not further RHNA's statutory objectives. This cap furthers the statutory objective to affirmatively further fair housing by allocating more units to high opportunity areas and fewer units to low resource communities, and concentrated areas of poverty with high levels of segregation. Due to the inclusion of this factor, as well as the use of TCAC/HCD Opportunity Maps, SCAG's methodology allocates 14 of the top 15 highest shares of lower-income RHNA to jurisdictions with over 99.95 percent High and Highest Resource areas. With the exceptions of two jurisdictions, the 31 jurisdictions with the highest share of lower-income RHNA are all over 95 percent High and Highest Resource areas. Any weakening of these inputs to the methodology could risk not fulfilling the statutory objective to affirmatively further fair housing.

Several appeals argue that SCAG's RHNA allocation methodology does not adequately promote access to jobs and transit, as required in objectives two and three. HCD's review of SCAG's RHNA methodology found the allocation does further the environmental principles of objective two. SCAG's overall allocation includes significant weight related to the location of high-quality transit areas and the regional distribution of jobs that can be accessed within a 30-minute driving commutes. Regarding objective three, HCD's analysis as to whether jobs-housing fit was furthered by SCAG's draft methodology found that across all jurisdictions there is generally good alignment between low-wage jobs and lower-income RHNA, with all but 15 jurisdictions within a half percent plus or minus difference between their share of lower-income RHNA for the region and their percentage low-wage jobs for the region.

Several appeals are based upon the provision described in Government Code section 65584.05(b)(3), arguing that the COVID-19 pandemic represents a significant and unforeseen change in circumstances that will affect future population and job growth. Ensuring everyone has a home is critical to public health. Reducing and preventing overcrowding and homelessness are essential concerns for every community. The COVID-19 pandemic has only increased the importance that each community is planning for sufficient affordable housing.

Lastly, several appeals state that the Regional Housing Needs Determination (RHND) HCD provided to the SCAG region is too large. SCAG submitted an objection to the RHND at the appropriate time and through the appropriate process. HCD considered those objections and [determined the final RHND for 6th Housing Element Cycle for the SCAG region on October 15, 2019](#). There are no further appeal procedures available to alter the SCAG region's RHND for this cycle. Government Code section 65584.05(b) does not allow local governments to appeal the RHND during the 45-day period following receipt of the draft allocation.

HCD acknowledges that many local governments will need to plan for more housing than in the prior cycle to accommodate a RHND that more fully captures the housing need and as the statutory objectives of RHNA shift more housing planning near jobs, transit, and resources. The Southern California region's housing crisis requires each jurisdiction to plan for the housing needs of their community and the region. In recognition of this effort there are more resources available than ever before to support jurisdictions as they prepare to update their 6th cycle housing elements:

- SB 2 Planning Grants – \$123 million one-time allocation to cities and counties
- SB 2 Planning Grants Technical Assistance offered to all jurisdictions
- Regional and Local Early Action Planning Grants – \$238 million one-time allocation for local and regional governments
- SB 2 Permanent Local Housing Allocation – approximately \$175 million annually in ongoing funding for local governments to increase affordable housing stock

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Deputy Director, megan.kirkeby@hcd.ca.gov.



Megan Kirkeby
Deputy Director



City of Whittier

13230 Penn Street, Whittier, California 90602-1716
(562) 567-9320 Fax (562) 567-2872 www.cityofwhittier.org

Electronically Transmitted to: Housing@scag.ca.gov

December 10, 2020

RHNA Appeals Committee
Southern California Association of Governments
900 Wilshire Blvd, Suite 1700
Los Angeles, CA 90017

SUBJECT: City of Whittier's Comments on Appeals to the Sixth Cycle Regional Housing Needs Assessment (RHNA) Allocation

Honorable Chair and Honorable Committee Members:

The City of Whittier ("City") appreciates the challenges that are inherent in allocating 1,341,827 housing units by the thousands (a 226% increase above the baseline 412,137 unit) to cities across Southern California, especially in built-out cities. However, the City is deeply concerned its housing allocation of 3,431 units from the State Department of Housing and Community Development ("HCD") and the Southern California Association of Government's ("SCAG") unit distribution methodology, along with recent housing legislation will fundamentally abridge the City's ability to develop effective land-use policies that are appropriate for managing the community's actual needs. The 878 units in the 5th cycle RHNA allocation has been increased by 290% to 3,431 units in the current 6th cycle. Particularly challenging in the 6th cycle, is the number of low and very low-income units (1,558) which combined with the moderate and above moderate unit totals forces unplanned and unnecessary residential densification of the community.

The affordable units are an unfunded mandate with very limited regional or State financial support for their development. Considering the affordable housing subsidies typically range from \$50,000 to \$250,000 per unit, the overall funding requirements could range from \$78,000,000 to \$390,000,000 which is clearly beyond the reach of the City of Whittier in that the City's general fund budget is just \$72,000,000 which already include \$2,000,000 annually to house the City's unsheltered residents in transitional housing. Additionally, the City only receives 7.5% of each property tax dollar to provide general services including police and library services.

The City is currently in the process of updating its Housing Element as well as the General Plan to incorporate the current RHNA allocation, so Whittier is acutely aware of the various housing needs as well as the potential obstacles, such as aging infrastructure and unplanned density, to creating the requisite housing within a city that

is essentially built out. The changes in the State's housing laws (SB 35, SB 166 and AB 1397) have created additional constraints for the agencies and may severely impact the City's ability to accomplish our regional and local housing goals.

Since development in Whittier began more than 130 years ago, the City is virtually built-out with little developable vacant land outside of its designated open space areas that are dedicated to accommodating existing and future residents. While the City has made significant efforts through its specific plans to densify existing corridors and districts, the majority of Whittier's remaining single-family residential neighborhoods cannot accommodate similar densification. Furthermore, the hills north of Whittier contain regional open space, sensitive habitat and wildlife areas that must be preserved in perpetuity. There are also significant infrastructure and water service constraints that impact Whittier's ability to produce significantly more housing. Although these facts may not be desirable, they must be pragmatically accounted for and mitigated by not further increasing Whittier's share of housing units contained in SCAG's 6th Cycle RHNA. The final RHNA allocation and methodology must be fair and equitable while reflecting the capacity for reasonable housing unit construction.

As with many other cities, the City is concerned about the current allocation, but an even greater concern is that additional units may be applied to the City if reallocated from cities that are successful in their appeals. To that end, the City believes the appeal process itself was unclear as to the potential ramifications to other cities and not fully understood.

Although we fully support the surrounding cities in their appeals, the potential for additional units being applied to the City would exacerbate the problems described herein and in Whittier's September 13, 2019 letter to SCAG.

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Jeffery S. Adams
Director of Community Development

File

From: Christopher Koontz <Christopher.Koontz@longbeach.gov>
Sent: Thursday, December 3, 2020 11:14 AM
To: Regional Housing
Subject: RHNA Appeals

Categories: Response Required, Record

Good morning,

The purpose of this email is to provide the City of Long Beach's position in regards to pending RHNA appeals before SCAG. The City of Long Beach seeks to meet its housing needs and obligations for the benefit of Long Beach residents and the region. Our allocation was extremely large and presents a planning and financing challenge for the City. Nonetheless we chose not to appeal our allocation because the allocation process was fair and transparent including taking the City of Long Beach's input into consideration.

We oppose and will not accept any transfer of additional allocation due to the pending appeals. We note that within our area, the Gateway COG, appeals are pending from Bellflower, Cerritos, Downey, Huntington Park, La Mirada, Lakewood, Pico Rivera, and South Gate. Each of these appeals should be evaluated by SCAG on the merits, however Long Beach opposes any transfer of allocation to our City. It would be inappropriate to transfer a further burden to Long Beach when we have already accepted a large allocation and have done more than many cities in the region to accommodate housing growth under the current RHNA cycle, including fully meeting our market-rate RHNA allocation.

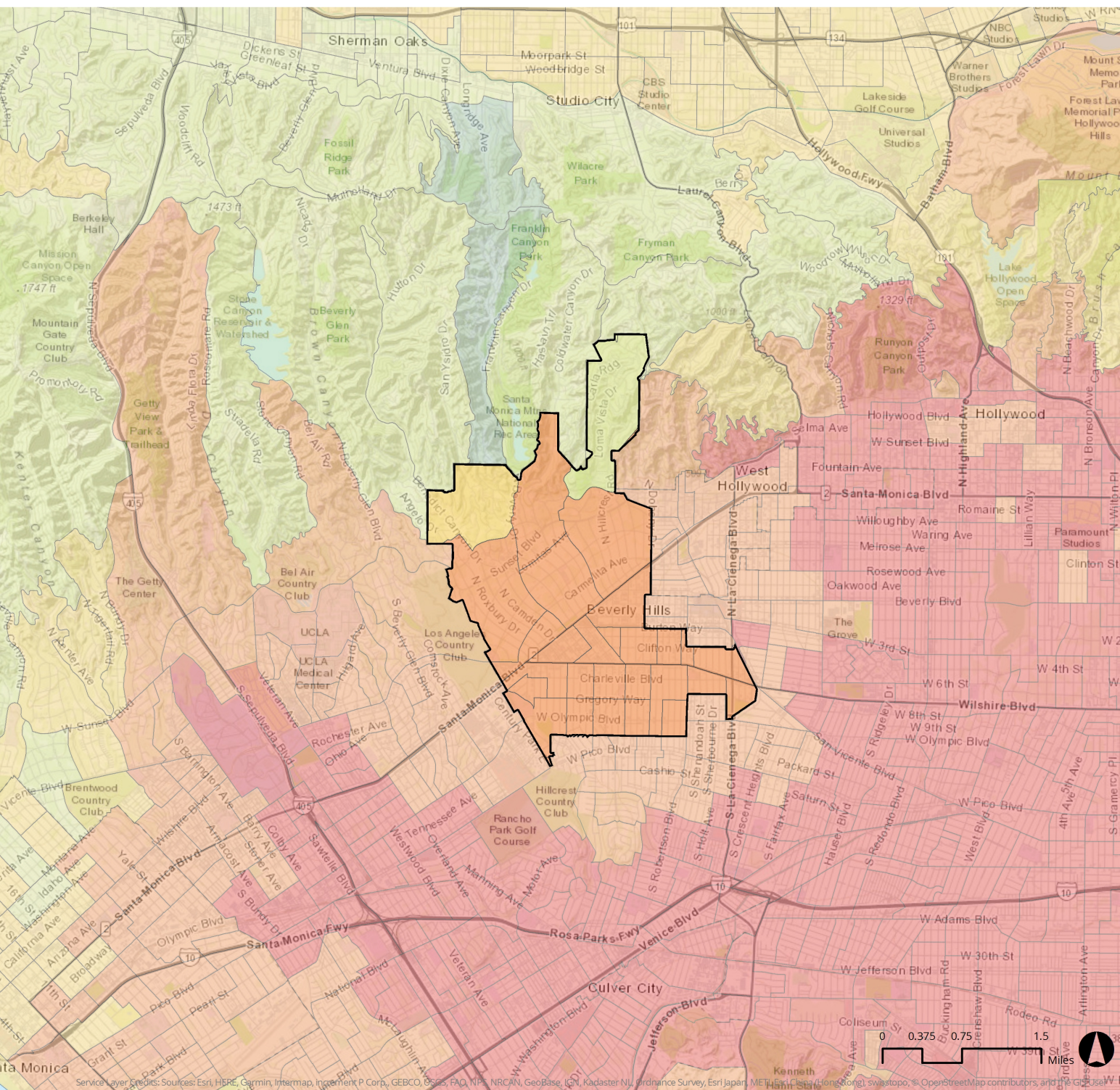
The City of Long Beach will continue to work with SCAG and our neighbor jurisdictions to address the housing needs of our residents.

We thank you for consideration and please do not hesitate to contact the City regarding our position.

Christopher Koontz, AICP
Deputy Director

Development Services
411 W. Ocean Blvd., 3rd Floor | Long Beach, CA 90802
Office: 562.570.6288 | Fax: 562.570.6068





TAZ-level job accessibility in and around: City of Beverly Hills [Year 2045]

0% - 2.3% 2.4% - 7.8% 7.9% - 11.7% 11.8% - 15.5% 15.6% - 19.6% 19.7% - 32.3%

Note: These data represent the share of jobs in the SCAG region accessible by automobile commute in 30 minutes in 2045 during the peak AM commute (6-9am). Further detail on the job accessibility measure can be found in SCAG's Final RHNA Methodology. Note that since the SCAG region's total employment forecast for 2045 is 10,049,000 jobs, the number of jobs available can be measured by multiplying the percentage found on the map by this number. For example, a TAZ-level job accessibility measure of 10.0% means that 1,049,000 future jobs could be reached in 30 minutes.

Data Source: SCAG, 2020 | Map Created: 10/22/2020

Disclaimer: The data underlying the information shown on this map reflect jurisdiction's input submitted during the Local Input and Envision Connect SoCal. SCAG shall not be responsible for user's misuse or misrepresentation of this map. For the details regarding the sources, methodology of this map, please refer to the SCAG Data/Map Book at <https://www.connectsocial.org/Pages/Local-Input-Process.aspx> or contact RTPLocal@scag.ca.gov