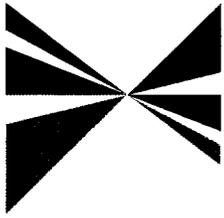


SOUTHERN CALIFORNIA



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**No. 2  
MEETING OF THE**

**REGIONAL HOUSING NEEDS  
ASSESSMENT SUBCOMMITTEE**

***Tuesday, March 22, 2011  
9:30 a.m. – 12:00 p.m.***

**SCAG Main Office  
818 W. 7<sup>th</sup> Street, 12<sup>th</sup> Floor  
Policy Committee Room A  
Los Angeles, CA 90017  
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**Teleconference Available  
1498 Main Street  
El Centro, CA 92243**

**Videoconference Available  
Ventura Office  
950 County Square Drive, Suite 101  
Ventura, CA 93003**

**Orange County Office  
600 S. Main Street, Suite 906  
Orange, CA 92863**

**San Bernardino Office  
1170 W. 3<sup>rd</sup> Street, Suite 140  
San Bernardino, CA 92410**

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Ed Rodriguez at (213) 236-1863 or via email [rodrigu@scag.ca.gov](mailto:rodrigu@scag.ca.gov)

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. If you require such assistance, please contact SCAG at (213) 236-1928 at least 72 hours in advance of the meeting to enable SCAG to make reasonable arrangements. To request documents related to this document in an alternative format, please contact (213) 236-1928.

**Regional Housing Needs Assessment Subcommittee  
Member List – February 2011**

- San Bernardino County: Hon. Bill Jahn, Big Bear Lake, District 11 (Alternate): **Chair**  
Hon. Ginger Coleman, Apple Valley, District 65 (Primary)
- Los Angeles County: Hon. Margaret Finlay, Duarte, District 35 (Primary)  
Hon. Steven Hofbauer, Palmdale, District 43 (Alternate)
- Orange County: Hon. Sukhee Kang, Irvine, District 14 (Primary)  
Hon. Ron Garcia, Brea, OCCOG (Alternate)
- Riverside County: Hon. Darcy Kuenzi, Menifee, WRCOG (Primary)  
Hon. Randon Lane, Murrieta, WRCOG (Alternate)
- Ventura County: Hon. Bryan MacDonald, Oxnard, District 45 (Primary)  
Hon. Carl Morehouse, Ventura, District 47 (Alternate)
- Imperial County: Hon. Cheryl Viegas-Walker, El Centro, District 1 (Primary)  
Hon. Jack Terrazas, Imperial County (Alternate)

# REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE AGENDA MARCH 22, 2011

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*The Regional Housing Needs Assessment (RHNA) Subcommittee may consider and act upon any of the items listed on the agenda regardless of whether they are listed as information or action items.*

## CALL TO ORDER & PLEDGE OF ALLEGIANCE

*(Hon. Bill Jahn, Chair)*

**PUBLIC COMMENT PERIOD** – Members of the public desiring to speak on items on the agenda, or items not on the agenda, but within the purview of the Subcommittee, must fill out and present a speaker’s card to the Assistant prior to speaking. Comments will be limited to three minutes. The Chair may limit the total time for all comments to twenty minutes.

## REVIEW AND PRIORITIZE AGENDA ITEMS

### CONSENT CALENDAR

Time    Page No.

#### Approval Items/Receive and File

- |  |  |    |
|--|--|----|
| 1. <u>Minutes of February 23, 2011 Meeting</u> |  | 1  |
| 2. <u>RHNA Information</u>                     |  | 10 |

### ACTION ITEMS

- |   |                   |                 |           |
|---|-------------------|-----------------|-----------|
| 3. <u>RHNA Subcommittee Meeting Schedule</u><br><i>(Ma’Ayn Johnson, SCAG Staff)</i> | <b>Attachment</b> | <b>30 mins.</b> | <b>16</b> |
|---|-------------------|-----------------|-----------|

**Recommended Action:** Determine a set schedule of meeting dates for the RHNA Subcommittee.

- |  |                   |                 |           |
|--|-------------------|-----------------|-----------|
| 4. <u>Proposed Revised RHNA Subcommittee Charter</u><br><i>(Joann Africa, Chief Counsel)</i> | <b>Attachment</b> | <b>20 mins.</b> | <b>20</b> |
|--|-------------------|-----------------|-----------|

**Recommended Action:** Review the revised proposed charter and recommend CEHD approval.

### INFORMATION ITEMS

- |  |                   |                 |           |
|--|-------------------|-----------------|-----------|
| 5. <u>Subregional RHNA Delegation</u><br><i>(Joann Africa, Chief Counsel)</i>    | <b>Attachment</b> | <b>40 mins.</b> | <b>23</b> |
| 6. <u>Update on Integrated Growth Forecast</u><br><i>(Frank Wen, SCAG Staff)</i> | <b>Attachment</b> | <b>20 mins.</b> | <b>28</b> |

# REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE AGENDA MARCH 22, 2011

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## CHAIR'S REPORT

## STAFF REPORT

*(Mark C. Butala, SCAG Staff)*

## ANNOUNCEMENTS

## ADJOURNMENT

*The next regular meeting of the Regional Housing Needs Assessment Subcommittee will be determined at the March 22 meeting.*

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**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS  
REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE  
MINUTES OF THE MEETING NO. 1  
FEBRUARY 23, 2011**

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**THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE. AN AUDIO RECORDING OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN THE OFFICE OF REGIONAL COUNCIL SUPPORT.**

The Regional Housing Needs Assessment Subcommittee (RHNA) of the Southern California Association of Governments (SCAG) held its meeting at the SCAG Los Angeles Office. The meeting was called to order by Chair Bill Jahn. There was a quorum.

**Present**

Representing Los Angeles County

Hon. Margaret Finlay, Duarte, District 35 (Primary)  
Hon. Steven Hofbauer, Palmdale, District 43 (Alternate)

Representing Orange County

Hon. Sukhee Kang, Irvine, District 14 (Primary)  
Hon. Ron Garcia, Brea, OCCOG (Alternate)

Representing Riverside County

Hon. Darcy Kuenzi, Menifee, WRCOG (Primary)  
Hon. Randon Lane, Murrieta, WRCOG (Alternate)

Representing San Bernardino County

Hon. Ginger Coleman, Apple Valley, District 65 (Primary)  
Hon. Bill Jahn, Big Bear Lake, District 11 (Alternate); **Chair**

Representing Ventura County

Hon. Bryan MacDonald, Oxnard, District 45 (Primary) – via videoconference  
Hon. Carl Morehouse, Ventura, District 47 (Alternate) – via videoconference

Representing Imperial County

Hon. Cheryl Viegas-Walker, El Centro, District 1 (Primary) – via videoconference  
Hon. Jack Terrazas, Imperial County (Alternate) – via videoconference

**Staff Present**

Hasan Ikhata, Executive Director  
Douglas Williford, Deputy Executive Director, Planning & Programs  
Joann Africa, Chief Counsel  
Huasha Liu, Director, Land Use and Environmental Planning  
Joseph Carreras, Program Manager, Housing  
Frank Wen, Manager of Research, Analysis & Information Services  
Ma'Ayn Johnson, Senior Regional Planner

**CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Chair Bill Jahn called the meeting to order at 10:04 a.m. and led the Pledge of Allegiance.

**PUBLIC COMMENT PERIOD**

There were no public comments.

**CONSENT CALENDAR**

Chair Jahn asked for a motion to accept the consent calendar. Hon. Darcy Kuezni, representing Riverside County, offered the motion and it was seconded by Hon. Margaret Finlay, representing Los Angeles County. There were no objections and the motion passed. The following items were received and filed in the consent calendar.

1. Transmittal of Regional Housing Needs Assessment (RHNA) Statue
2. RHNA 101 Primer
3. Transmittal of Regional Housing needs Assessment (RHNA Task Force Recommendations)

**ACTION ITEMS**

4. Proposed RHNA Subcommittee Charter

Joann Africa, SCAG Chief Counsel, presented the RHNA Subcommittee Charter. Ms. Africa indicated the charter is modeled on the 2007 RHNA Subcommittee. Ms. Africa stated, per the charter, 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 and to make critical decisions throughout the process including but not limited to the following: the RHNA methodology, the draft and final RHNA allocations, and revisions requests and the appeals by local jurisdictions related to draft RHNA allocations. Ms. Africa asked the committee members if there were any questions relating to the Subcommittee's charter.

Hon. Cheryl Viegas-Walker, representing Imperial County, stated it was her understanding that the Subcommittee's main focus will be to make recommendations and the only area where the committee will have final decision making is in the case of appeals by local jurisdictions.

Ms. Africa explained that while the actions of the Subcommittee will serve as recommendations made to the Community Economic and Human Development Committee, the Subcommittee will also be engaged in critical decision making. The RHNA Subcommittee will have more time and knowledge than CEHD to focus on the specifics of the issues. The word "decision" was used purposefully as the committee will make critical decisions which will be elevated to the CEHD. Additionally, the RHNA Subcommittee will have time to go in depth into the issues. The CEHD may not have that time and they will be looking to the RHNA Subcommittee to engage a full decision making process. While the CEHD will have the authority to accept or modify those decisions (except for revision requests and appeals), the wording in the RHNA Charter was crafted to emphasize the Subcommittee's decision making role.

Douglas Williford, SCAG staff, added the language in the charter is available for the committee's review and if there was interest in modifying it they are free to do so.

Hon. Kuenzi, asked about the appeal process. Ms. Kuenzi asked about the procedure to follow if an appeal comes from a Subcommittee member's city. Ms. Africa stated, for the purpose of the Subcommittee, the Subcommittee member is representing the interests of the County, not its city. Ms. Africa noted that a Subcommittee member could vote on such an appeal. Ms. Kuenzi suggested that the Charter wording is changed to read, "final decisions will be made by this committee". Ms. Kuenzi stated it needs to be clearly defined that the committee will be final arbiter on some matters.

Hon. Sukhee Kang, representing Orange County, agreed that the wording should be clarified so there is no confusion about the committee's role. Bill Jahn stated the last paragraph in the current charter states, "these final decisions by the RHNA Appeals Board shall not [be] reviewable by the CEHD Committee or by the Regional Council".

Hon. Steven Hofbauer, representing Los Angeles County, joined the meeting at 10:20 a.m.

Ms. Africa said the committee's responsibility is also indicated under the "Authority" section, as follows; "All actions by the RHNA Subcommittee, except for actions pertaining to revision requests and appeals of draft RHNA allocations submitted by local jurisdictions, are subject to the review and approval of the CEHD Committee and the Regional Council". Ms. Africa said the RHNA Committee will be making final decisions regarding revision requests and appeals. Decisions on these subjects are not subject to further review. Issues relating to methodology, draft allocation and

final allocation are forwarded to the CEHD and Regional Council for review and approval.

Hon. Carl Morehouse, representing Ventura County, said he was involved in the previous RHNA process and encouraged current Subcommittee members to think regionally. Mr. Morehouse recommended two important courses of actions. 1) Work with SCAG staff on methodology, and 2) during the appeals process it is best to take the regional perspective even those appeals may conflict with the strategy of your city. Mr. Morehouse stated this may be difficult to do but it's an important part of a Subcommittee member's participation.

Hon. Ginger Coleman, representing San Bernardino County, requested for the purpose of clarity, that additional wording is added to the Charter which states more clearly the committee's specific decision making process and authority.

Hon. Steve Hofbauer asked if a flow chart can be made which shows the flow of the RHNA process. Bill Jahn indicated that could be done. Additionally, the flow will be discussed under item 5 of today's agenda.

Hon. Ron Garcia, representing Orange County, asked how the appeals process works when it involves a committee member's city. Mr. Garcia asked if an appeal comes from a member's city, could that Subcommittee member also represent that city. Bill Jahn, Chair, stated in that case a Subcommittee member could not represent its city's appeal. That would need to be done by a different person.

Hasan Ikhata, SCAG Executive Director, asked if the members wanted to consider whether they should excuse themselves from voting when their city is appealing.

Ms. Africa, Chief Counsel, stated the member does not need to excuse themselves because the member is representing the interests of the county he or she represents. Ms. Africa explained the general process by describing how the city appealing would first come to the Subcommittee and request an appeal (reduction of their housing allocation number). There will then be discussion by the RHNA Appeals Board whether to grant the appeal. This is followed by a motion to grant or reject the appeal. The voting is done by county based on the appeal's merits.

Hon. Garcia suggested the best solution may be for a Subcommittee member to excuse themselves from voting on an appeal by their city. Chair Jahn stated a member may be best to follow their conscience when considering appeals.

Joseph Carreras, SCAG Staff, said he did not recall any instance in the previous RHNA cycles when a Subcommittee member excused themselves from voting.

Ms. Africa stated the Subcommittee has the freedom to establish a policy for themselves whereby a member may recuse themselves from voting if there is an appeal from the city he or she represents. Additionally, they may choose for the

alternate to represent the county in such circumstances. Chair Jahn stated that such an arrangement would need to be done at the option of the individual member.

Hon. Kang stated this should be arranged with the Subcommittee before proceeding and the members should also make their specific cities aware of the process. Mr. Kang stated it would be best to do this before the appeals process is begun.

Hon. Kuenzi said a recusal during the appeals process should be at the member's option. Ms. Kuenzi stated guidelines should be established for the appeals process.

Hon. Coleman asked about a Vice-Chair position. Chair Jahn stated the charter should reflect that a Vice-Chair would be appointed by the Chair when the situation calls for it.

Mr. Ikhrata stated the granting of an appeal is just the beginning of the process. That an appeal requires a redistribution to other cities in the region. Mr. Ikhrata encouraged the Subcommittee to engage a very rigorous appeals process before granting an appeal. The appeals process may create additional issues as it naturally involves other cities in the region.

Chair Jahn asked for a motion to accept the recommended wording modifications to the committee Charter which will be returned to the committee after revisions. Hon. Bryan MacDonald, representing Ventura County, offered the motion and it was seconded by Hon. Margaret Finlay, representing Los Angeles County. The motion passed without objection.

##### 5. Draft RHNA Work Plan and Schedule

Ma'Ayn Johnson, SCAG Staff, presented an update on the proposed RHNA work plan and schedule. Ms. Johnson stated that the RHNA process is to be centered around the final completion of the RTP. Staff anticipates this date will be in April 2012. Ms. Johnson explained in April 2011, SCAG staff will submit a letter to the Department of Housing and Community Development (HCD) and CALTRANS notifying them of our intention to adapt the RTP in April 2012. Additionally, housing law requires Housing Elements are due 18 months after the submission of the RTP which would be October 2013. Ms. Johnson explained that the timelines for RHNA cycle relates to the Housing Element due date.

Ms. Johnson added that SCAG staff will seek a 60 day extension from HCD in order to incorporate census data. This will most likely be in September 2011. If the 60 day extension is granted this would push back the Housing Element due date to December 2013.

Ms. Johnson stated the key milestone dates for the RHNA process. June 2011 will be the deadline for subregions to notify SCAG of their intent to accept full subregional delegation.

Mr. Ikhata asked the Subcommittee if there was any confusion about the process of taking subregional delegation. Mr. Ikhata said there is an advantage for the subregions to accept full subregional delegation as it exempts them from reallocation as a result of SCAG appeals. Ms. Africa stated that at the next meeting, the Subcommittee will review in depth the delegation process.

Hon. Morehouse stated, from his experience in the previous RHNA cycle the process of subregional delegation required additional resources from the subregions.

Mr. Ikhata stated in the previous RHNA cycle \$20,000 was made available to the subregions who accepted delegation. A similar funding allocation will be available to subregions during the current cycle.

Ms. Johnson continued with the RHNA milestones. Ms. Johnson stated in October 2011 there will be a public hearing on the proposed RHNA methodology. In December 2011 will be the final RHNA methodology adoption. In April 2012 the draft Regional Housing Needs Assessment will need to be adopted and by October 2012 the final RHNA will be adopted. The final version will be submitted to HCD.

Mr. Ikhata stated there is an intention to request a 2 year extension of the RHNA process for SCAG. Staff believes delaying the RHNA for SCAG will allow for more of the 2010 Census data to be incorporated. Additionally, it would allow the completion of the first SCS cycle which in the end benefits housing planning efforts. If this two year extension is granted it would place this RHNA cycle on a different schedule. An extension requires legislative action and it is not yet known if this will be granted. Further information on this will be known and provided in the following weeks.

Hon. Kang asked if reports and informational material can be received earlier in order to prepare.

Chair Jahn asked for a motion to forward the draft RHNA work plan to CEHD. Hon. Darcy Kuezni, representing Riverside County, offered the motion and it was seconded by Hon. Ginger Coleman, representing San Bernardino County. There were no objections and the motion passed.

#### 6. Integrated Growth Forecast Foundation

Frank Wen, SCAG Staff, presented an update on the Integrated Growth Forecast Foundation. Mr. Wen stated the Integrated Growth Forecasting process for this RHNA cycle began in September 2008, just a few months after the adoption of the 2008 RTP. Under Mr. Wen's direction, SCAG worked with each subregion and local jurisdiction to reach a consensus on population, household and employment growth between the base year 2008 and the years 2020 and 2035. This projected growth in

population, household, and employment will be the basis used to develop the 2012 RTP/SCS and the RHNA.

Mr. Wen stated regional housing construction needs are figured by adding replacement and vacancy needs to the projected growth in households for the planning period. Mr. Wen identified several challenges to the Integrated Growth Forecasting process including how to incorporate the 2010 Census data. In December 2010, the U.S. Census Bureau released state population totals from the recent Decennial Census. California remains the most populous state at 37,253,956 people. However, this total is 1.3 million fewer people than the California Department of Finance's (DOF) estimate. Much of the work for the current growth forecasting effort has been influenced by DOF estimates.

SCAG's Plans & Programs Technical Advisory Committee put together a working group to address this issue and produced three options that attempt to reconcile the local input-based draft Integrated Growth Forecast to the latest Census population count. During the February 9, 2011 meeting the P&P TAC discussed these options and recommended "Option 2". Option 2 uses an approach that combines census data with input from local jurisdictions to reconcile this issue.

Mr. Ikhata stated that SCAG respects local inputs but is also following the directives of HCD which may require that a different set of figures are used.

Hon. Morehouse asked how committed is the process to current population figures. Mr. Wen explained the process is ongoing and several steps will be undertaken before a final population figure is arrived upon. These steps include ongoing outreach efforts and a revision of the figures by March 25, 2011.

Hon. Viegas-Walker asked about the 1.3 million population count discrepancy between the DOF and Census numbers. Ms. Viegas-Walker asked if it is known how many of those 1.3 million reside in the SCAG region. Mr. Wen stated he believes that approximately 700,000 to 850,000 reside in the SCAG region.

Hon. Hofbauer asked how the public outreach scheduled for June & July will be conducted and if videoconferencing will be available. Huasha Liu, SCAG Staff, stated the outreach will be held in several areas throughout the region. The format and availability of videoconferencing may depend upon the facilities in which they are held. Mr. Hofbauer asked when the schedule of these events will be released. Ms. Liu indicated an attempt will be made to provide the schedule at least two (2) month prior to the events.

## **CHAIR'S REPORT**

Chair Jahn thanked the Subcommittee for their service and looked forward to a fruitful process as the Subcommittee proceeds. Mr. Ikhata added his thanks to the

Subcommittee for their work, leadership and vision as they move through the process. Mr. Jahn asked the Subcommittee for their comments.

Hon. Randon Lane, representing Riverside County, encouraged SCAG to communicate regularly with the cities. Mr. Lane stated a great deal of communication is needed in this process.

Hon. Kang stated his intention to move forward in the process in a way that puts forth equitable and balanced public policy.

Hon. Hofbauer stated that it would be useful to the Subcommittee if staff reports were received a bit sooner. Mr. Hofbauer asked if a flow chart could be provided to show the relationships of the various initiatives in process.

Hon. Garcia also asked if staff reports could be sent within one email transmittal. Or, if there is a necessity to send items in different emails that a note is provided indicating its place in the work flow. Mr. Garcia stated it would be useful if the Subcommittee's information is also shared with member cities so they are aware of the Subcommittee's actions through the process.

Mr. Ikhata stated that the information can be sent to all city and county members and steps will be taken to assist the Subcommittee.

Hon. Kuenzi thanked SCAG staff for their support. Ms. Kuenzi asked if communication alerts can go to the different cities keeping them educated, informed and updated regarding the RHNA process.

Hon. Kang, representing Orange County, asked if a statement could be added to the Subcommittee's charter under the "Responsibilities" section. The statement would indicate the RHNA Subcommittee reviews and makes policy decisions based on the integration of the RHNA with the RTP and SCS.

Hon. Coleman thanked SCAG staff for their efforts and agreed that communication to City Managers would be useful.

Hon. Viegas-Walker thanked SCAG staff for their efforts and stated she looked forward to proceeding in an organized and systematic way.

Hon. Jack Terrazas, representing Imperial County, stated that he agreed that communication to the cities and counties is important and may answer anticipated objections during the process instead of at the end.

Hon. Bryan MacDonald, representing Ventura County, added that he agreed with the need to receive information sooner in the monthly process. He will then forward it to his member cities for their feedback.

Hon. Morehouse agreed with the comments previously made by the Subcommittee members regarding communication and thanked SCAG for providing a video conference for the meeting.

Hon Paula Lantz, Vice Chair for the CEHD Committee noted that she attended today's meeting and stated it is best to keep cities informed as the process moves forward to minimize lack of understanding as possibly head off potential objections at the conclusion.

Mr. Ikhata stated there is sometimes confusion regarding SCAG's position on the cities' ability to comply with Housing Element updates. Mr. Ikhata explained he understood that approximately two-thirds of SCAG's jurisdictions have revised Housing Elements in place and SCAG believes that to be good for the region. He noted that the RHNA process is important to address regional housing needs. Mr. Ikhata also stated there are plans to have three (3) additional videoconferencing sites established in the near future. These sites will be in Palmdale, Coachella Valley, and in the High Desert area (possibly Hesperia).

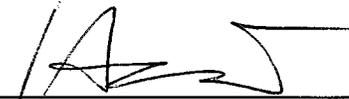
Hon. Garcia stated the California League of Cities will be meeting at the Ontario Airport and he encouraged SCAG to send a representative to speak if an opportunity is made available. Additionally, the California League of Cities Planning Commission will meet in Pasadena and may provide another opportunity for SCAG to inform about the RHNA process.

**FUTURE AGENDA ITEMS**

No future agenda items were discussed.

**ADJOURNMENT**

There being no further business, the Regional Housing Needs Assessment Subcommittee meeting adjourned at 12:25 p.m.

  
\_\_\_\_\_  
Huasha Liu  
Director, Land Use and  
Environmental Planning

# REPORT

**DATE:** March 22, 2011  
**TO:** Regional Housing Needs Assessment (RHNA) Subcommittee  
**FROM:** Ma'Ayn Johnson, Senior Regional Planner, 213-236-1975, johnson@scag.ca.gov  
**SUBJECT:** RHNA Information

**EXECUTIVE DIRECTOR'S APPROVAL:**

---

**RECOMMENDED ACTION:**

For Information Only - No Action Required.

**EXECUTIVE SUMMARY:**

*Staff has developed a variety of materials for distribution for purposes of discussion on the Regional Housing Needs Assessment. These materials include a cover letter to notify jurisdictions of the RHNA process, a flowchart, a milestone chart of the integrated process, and a fact sheet.*

**STRATEGIC PLAN:**

This item supports SCAG's Strategic Plan; Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective a: Create and facilitate a collaborative and cooperative environment to produce forward thinking regional plans.

**BACKGROUND:**

Staff has developed a variety of materials for distribution for purposes of discussion on the development of the Regional Housing Needs Assessment. Staff intends to distribute these materials to all SCAG jurisdictions to inform and engage them in the RHNA process. All materials will be redesigned by graphics staff after the Subcommittee reviews the contents before they are distributed publicly.

**Cover Letter**

The purpose of the letter is to inform SCAG jurisdictions that the RHNA process is underway and that there are numerous resources available.

**Flowchart**

At its last meeting, the RHNA Subcommittee recommended approval of the RHNA schedule based on statutory deadlines, which has been recommended for Regional Council approval by the Community, Economic and Human Development Committee. Staff has developed a flowchart based on this schedule that illustrates the relationships among important steps in the integrated process.

**Milestone Chart**

The milestone chart illustrates the draft and final dates of the concurrent plans that are part of the integrated process. Among them are the draft and final due dates for the Regional Transportation Plan (RTP), the Sustainable Communities Strategy (SCS), the Environmental Impact Report (EIR), the RHNA, and the due date of Housing Elements.

# REPORT

## Fact Sheet

The RHNA fact sheet provides an overview of the RHNA and outlines the roles of SCAG and local governments during the process.

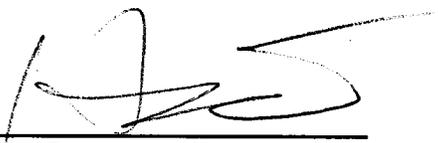
## FISCAL IMPACT:

Work associated with this item is included in the current FY 10-11 General Fund Budget (11-800.0160.03:RHNA).

## ATTACHMENT:

1. Cover Letter to SCAG Jurisdictions
2. Draft 2012 Integrated Plans/RHNA Flowchart
3. RHNA Milestone Chart
4. RHNA Fact Sheet

Reviewed by:



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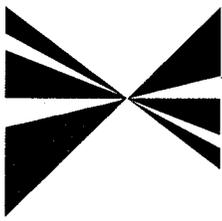
*Department Director*

Reviewed by:



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*Chief Financial Officer*



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Community, Economic and  
Human Development  
Bill Jahn, Big Bear Lake

Energy & Environment  
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Transportation  
Greg Pettis, Cathedral City

March 22, 2011

Dear City Manager/ Planning Director,

State law requires each city and county to plan for their "fair share" of the region's housing needs that result from future population and employment growth. The fair share is collectively agreed to through a state-mandated Regional Housing Needs Allocation (RHNA) process administered by the Southern California Association of Governments (SCAG). We wish to inform you that this process is now underway.

The next housing need allocation process is being synchronized through an integrated growth forecast that links the provision of housing for all economic segments of the population with the development of the 2012 Regional Transportation Plan (RTP) and its Sustainable Communities Strategy (SCS), as envisioned by SB 375. Through one-on-one meetings and subregional planning sessions, SCAG has been working with local governments on the integrated growth forecast since 2009.

In April 2012, the draft RHNA will be issued coinciding with the adoption of the 2012 RTP/SCS with a final RHNA adopted in October 2012. SB 375 mandates that the next housing element update occur 18 months from the adoption of the RTP/SCS resulting in local Housing Element updates coming due in October 2013.

SCAG encourages your active involvement and broad civic engagement in the regional sustainability planning process and the development of the next RHNA. A Subcommittee of elected officials has been established to review the various policy considerations necessary to the development of the 5<sup>th</sup> cycle RHNA, and to make critical recommendations throughout the RHNA process, including RHNA methodology, the draft and final RHNA allocations, and revision requests and appeals by local jurisdictions related to draft RHNA allocations. Follow the work of the subcommittee by visiting: <http://www.scag.ca.gov/Housing/rhna/index.htm>.

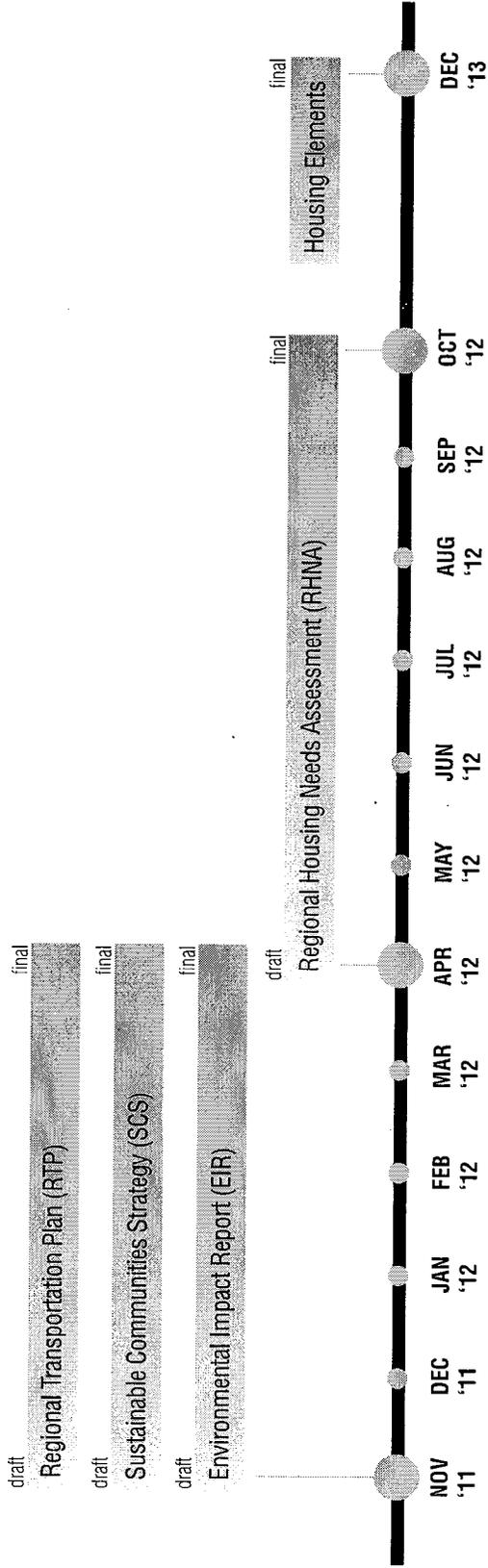
In addition, we are here providing background materials related to the development of the next RHNA which we hope you find informative and useful. Should you have any questions about the integrated planning process, please contact Huasha Liu, Director, Land Use and Environmental Planning at 213-236-1838. For RHNA specific questions, please contact Ma'Ayn Johnson at 213-236-1975 or [johnson@scag.ca.gov](mailto:johnson@scag.ca.gov).

Sincerely,

Hasan Ikhrata  
Executive Director

## RTP-SCS-RHNA Draft & Final Due Dates

\*Based on statutory requirement, notwithstanding any extensions granted by the California Department of Housing and Community Development (HCD)



# REGIONAL HOUSING NEEDS ASSESSMENT

## What is the Regional Housing Needs Assessment (RHNA)?

The Regional Housing Needs Assessment (RHNA) is a process that State law requires SCAG to perform as part of the Housing Element and General Plan updates adopted at the local government level. The RHNA quantifies the need for housing by income group within each jurisdiction during specific planning periods, based on a regional housing target set by the California Department of Housing and Community Development (HCD). The planning period for the upcoming RHNA is October 2013 to September 2021.

The RHNA provides the foundation for local land use planning to prioritize resource allocation and to address existing and future housing needs. This process allows 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 equity and fair share housing needs.

## What is SCAG's role in the RHNA process?

State law requires SCAG to "determine the existing and projected housing need for its region," namely, the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino and Ventura. SCAG takes the lead in overseeing the assessment by identifying measures to gauge housing demand compared to socioeconomic factors throughout the region. Upon request, SCAG's role in the process may be delegated to a subregion.

The RHNA consists of two measurements:

1. The existing need assessment examines census data, to measure how the housing market is meeting the needs of current residents, including low-income households and crowded housing units.
2. The future need assessment is determined by SCAG's growth forecast and local input process. Each new household creates the need for more housing. The anticipated need is then adjusted to account for an ideal level of vacant units.

SCAG's RHNA Subcommittee, comprised of elected officials, conducts a in-depth review of the policy considerations necessary to develop the Regional Housing Needs Assessment, and to make critical decisions throughout the RHNA process related to methodology, draft and final RHNA allocations, and revision requests and appeals by local jurisdictions. You can follow the work of the subcommittee at: <http://www.scag.ca.gov/Housing/rhna/index.htm>.

## What is local governments' role in the RHNA process?

The State's Housing Element law requires local governments to make plans to adequately address their share of existing and projected population growth, taking into consideration affordability of available and future housing. Recognizing that the most critical decisions regarding housing development, occur at the local level through a jurisdiction's General Plan, the Housing law seeks to adequately address housing needs and demands. The California Department of Housing and Community Development (HCD) enforces State Housing Element Law by reviewing Housing Element updates for compliance with statute.

## How does RHNA relate to the Regional Transportation Plan (RTP) / Sustainable Communities Strategy (SCS) and SB 375?

Senate Bill 375 (SB 375) was enacted to reduce greenhouse gas (GHG) emissions from passenger cars and light trucks through integrated transportation, land use, housing and environmental planning. Using the regional GHG emissions reduction targets set by the California Air Resources Board (ARB), SCAG is required to develop an SCS as part of the 2012 RTP. SB 375 calls for the RHNA to be consistent with the development pattern outlined in the SCS.

For more information please visit the SCAG website at: [www.scag.ca.gov/housing/rhna](http://www.scag.ca.gov/housing/rhna) or contact Ma'Ayn Johnson at (213) 236-1975 or via email at: [johnson@scag.ca.gov](mailto:johnson@scag.ca.gov)

**January 2011**  
SCAG initiates RHNA process

**June 2011**  
Subregional delegation deadline

**August 2011**  
State HCD determines regional housing target

**December 2011**  
SCAG adopts RHNA methodology

**April 2012**  
Draft RHNA issued & 2012 RTP/SCS adopted

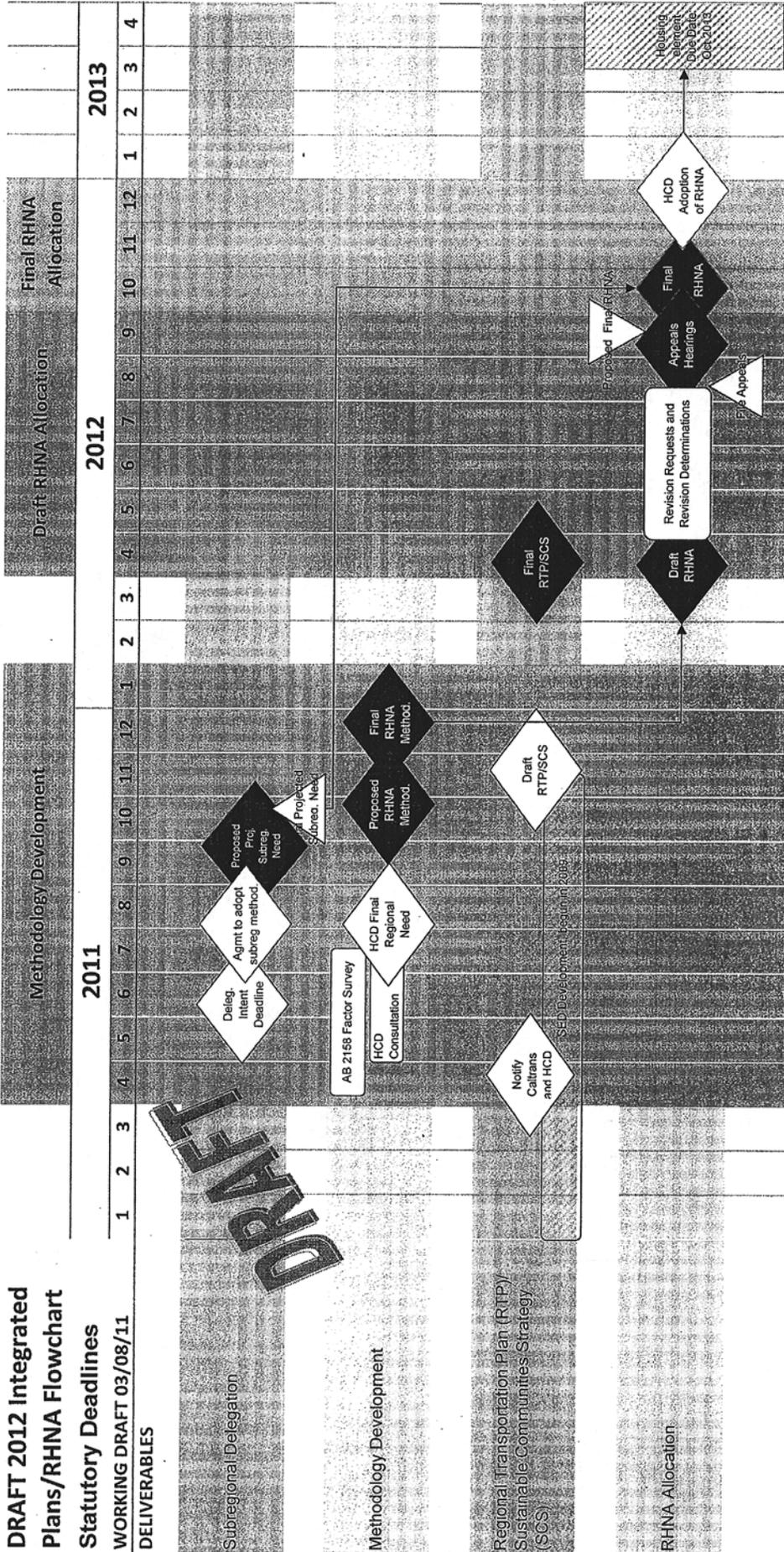
**Fall 2012**  
Public hearings

**October 2012**  
SCAG adopts RHNA

**October 2013**  
Updated Housing Elements due to HCD

**DRAFT 2012 Integrated Plans/RHNA Flowchart**  
**Statutory Deadlines**

WORKING DRAFT 03/08/11  
 DELIVERABLES



\*Shaded polygons indicate a public hearing

\*Crosshatched polygons indicate activity outside the displayed timeline

\*SCAG must notify Caltrans and HCD of the intended adoption date of the RTP. The Housing Element due date is determined as 18 months from the completion of the RTP.

# REPORT

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**DATE:** March 22, 2011

**TO:** Regional Housing Needs Assessment (RHNA) Subcommittee

**FROM:** Ma'Ayn Johnson, Senior Regional Planner, 213-236-1975, johnson@scag.ca.gov

**SUBJECT:** RHNA Subcommittee Meeting Schedule

## **EXECUTIVE DIRECTOR'S APPROVAL:**

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### **RECOMMENDED ACTION:**

Determine a monthly standing meeting date for future RHNA Subcommittee meetings.

### **EXECUTIVE SUMMARY:**

*The RHNA Subcommittee is tasked with developing methodology and policies that will guide the RHNA process. In addition, the Subcommittee will serve as the hearing body that will review and determine RHNA revisions requests and appeals. A monthly standing meeting date is recommended to facilitate the process.*

### **STRATEGIC PLAN:**

This item supports SCAG's Strategic Plan; Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective a: Create and facilitate a collaborative and cooperative environment to produce forward thinking regional plans.

### **BACKGROUND:**

The RHNA Subcommittee is tasked with developing methodology and policies that will guide the RHNA process. In addition, the Subcommittee will serve as the hearing body that will review and determine RHNA revisions requests and appeals. Staff recommends that the RHNA Subcommittee determine a standing monthly meeting date (e.g. second Tuesday of every month or third Monday of every month) so that the process can be facilitated in an efficient manner and future meeting agendas can be prepared effectively.

### **FISCAL IMPACT:**

Work associated with this item is included in the current FY 10-11 General Fund Budget (11-800.0160.03:RHNA).

# REPORT

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**ATTACHMENT:**

1. Draft RHNA Subcommittee Schedule

Reviewed by:



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*Department Director*

Reviewed by:



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*Chief Financial Officer*

Draft RHNA Subcommittee Schedule (February 2011 to September 2012)

Meeting	Proposed Date	Subject	Action
1	February 23, 2011	Overview of RHNA Process; review RHNA Task Force recommendations; RHNA work plan and schedule; subregional delegation guidelines; evaluate issues between the DOF and Census projections; notification to HCD and Caltrans of RTP/SCS adoption date; discussion on Integrated Growth Forecast foundation	Approve charter; approve RHNA work plan and schedule; recommend to CEHD to notify HCD and Caltrans of RTP/SCS adoption date
2	March 22, 2011	Subcommittee Charter; subregional delegation	Approve the RHNA Subcommittee Charter
3	April 2011	Subregional delegation agreement	Provide direction on subregional delegation
4	June 2011	Discussion on Integrated Growth Forecast foundation; begin discussion on RHNA methodology (role of AB 2158 factors/survey; housing costs and appropriate vacancy rates; other)	
5	July 2011	Continued discussion on methodology; proposed allocation to delegated subregions; proposed allocation to delegated subregions	Recommend to CEHD proposed allocation to delegated subregions
6	August 2011	Continued discussion on methodology  Review regional housing need determination from HC	Recommend proposed RHNA methodology to CEHD and RC (guidelines on market demand and vacancy rates, fairshare adjustments, use of AB 2158 survey input)  Recommend to CEHD and RC approval of HCD regional housing need determination
7	September 2011	Public hearing to consider requests for revision of the proposed allocation to delegated subregions	Review and determine revision requests of proposed allocation for delegated subregions
8	January 2012	Discussion on trade and transfer agreement guidelines; RHNA revisions and appeals process guidelines	Recommend trade and transfer agreement guidelines; recommend RHNA revisions and appeals process guidelines
9	July 2012	Review submitted revision requests	
10	July 2012	Review submitted revision requests	Recommend to CEHD results of revision requests
11	Mid-September 2012	Hearing on appeals	
12	Mid-September 2012	Hearing on appeals	
13	Mid-September 2012	Hearing on appeals	
14	Mid-September 2012	Final meeting	Recommend to CEHD final appeals determinations

Draft RHNA Subcommittee Schedule (February 2011 to September 2012)

Proposed Date	Meeting	Action
March 3, 2011	CEHD	Approve Subcommittee charter; approve RHNA schedule and work plan
March – September	P&P TAC, Subregional Coordinators meetings input on RHNA methodology discussion from Subcommittee	
April 7	CEHD	Approve Subcommittee charter
April 7	Regional Council	Approve RHNA schedule
June 2	CEHD and Regional Council	Approve subregional delegation agreement
June 2	Regional Council	Approve Subcommittee charter
August 4	CEHD and Regional Council	Approve release of proposed subregional allocation for delegated subregions
September 1	CEHD and Regional Council	Recommend release of proposed RHNA methodology
September 1	Regional Council	Public hearing on subregional allocation and determine share of housing need for delegated subregions
October 6	Regional Council	Public hearing on proposed methodology
November 3	Regional Council	Approve final allocation for delegated subregions
December 1, 2011	Regional Council	Hearing on final RHNA methodology
February 2 2012	CEHD	Approve trade and transfer guidelines; approve RHNA revisions and appeals process guidelines
March 1	Regional Council	Approve trade and transfer guidelines; approve RHNA revisions and appeals process guidelines
April 5	CEHD and Regional Council	Release of draft RHNA allocation
October 2012	CEHD	Approve proposed final RHNA allocation plan
October 2012	Regional Council	Public hearing on final RHNA allocation plan

# REPORT

**DATE:** March 22, 2011  
**TO:** RHNA Subcommittee  
**FROM:** Joann Africa, Chief Counsel, (213) 236-1928, [africa@scag.ca.gov](mailto:africa@scag.ca.gov)  
**SUBJECT:** Proposed Revised RHNA Subcommittee Charter

## **EXECUTIVE DIRECTOR'S APPROVAL:**

**RECOMMENDED ACTION:** Review and approve the proposed revised RHNA Subcommittee Charter and recommend its approval by the CEHD Committee.

**EXECUTIVE SUMMARY:** *The attached proposed "RHNA Subcommittee Charter" (Charter) was previously reviewed by the RHNA Subcommittee last month and has been revised by staff to reflect the recommended changes by the Subcommittee. These changes include adding reference that that the decisions of the Subcommittee serve as recommendations to the CEHD Committee and Regional Council, providing ability for Subcommittee members to not participate in the discussion and voting of revision requests and appeals submitted by its individual local jurisdictions, and authorizing the Chair of the Subcommittee to select a Vice-Chair for the Subcommittee. The Subcommittee is asked to review and approve the proposed revised Charter. The final draft of the Charter will be forwarded to the CEHD Committee for its review and approval on April 7, 2011.*

**STRATEGIC PLAN:** This item supports SCAG's Strategic Plan Goal #3 (Optimize Organizations Efficiency and Cultivate an Engaged Workforce), Objective c (Define the roles and responsibilities at all levels of the organization).

## **BACKGROUND:**

The attached proposed Charter has been developed to describe the RHNA Subcommittee's purpose and responsibilities as it relates to the RHNA process. The RHNA Subcommittee serves a significant role as it makes critical decisions throughout the RHNA process. The proposed Charter was reviewed by the Subcommittee last month and has been revised to incorporate the recommended changes by the Subcommittee. Staff requests that the RHNA Subcommittee review and approve the proposed revised Charter, and recommends its approval to the CEHD Committee. The final draft of the Charter, which will include recommended changes by the Subcommittee, will be reviewed by the CEHD Committee on April 7, 2011

Reviewed by:

  
\_\_\_\_\_  
Department Director

## **ATTACHMENT:**

Proposed Charter (with mark-ups to reflect revisions)

## RHNA SUBCOMMITTEE CHARTER

### **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 revisions requests and appeals by local jurisdictions related to draft RHNA allocations. The decisions of the RHNA 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 revision requests and appeals of draft RHNA allocations submitted by local jurisdictions.

### **Authority**

Established by the Regional Council on February 3, 2011, 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 revision requests and appeals of draft RHNA allocations submitted by local jurisdictions, 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 stakeholder representatives if so recommended by the RHNA Subcommittee and confirmed by the CEHD Committee and the Regional Council.

### **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.

RHNA Subcommittee  
March 22, 2011  
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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 may select another Subcommittee member to serve as Vice-Chair. 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 their respective county, provided, however, that the Chair of the RHNA Subcommittee does not vote except to break a tie vote. In the case of a revision request or 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 revision request or 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 the criteria for trades and transfers of draft RHNA allocations, and forward such decisions to the CEHD Committee for review and approval; and
- review and make the final decisions regarding revision requests and appeals submitted by a local jurisdiction 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.

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# REPORT

**DATE:** March 22, 2011  
**TO:** RHNA Subcommittee  
**FROM:** Joann Africa, Chief Counsel, (213) 236-1928, [africa@scag.ca.gov](mailto:africa@scag.ca.gov)  
**SUBJECT:** Subregional RHNA Delegation

## EXECUTIVE DIRECTOR'S APPROVAL:

**RECOMMENDED ACTION:** For Information Only - No Action Required.

**EXECUTIVE SUMMARY:** *SCAG staff intends to introduce the RHNA Subcommittee to the various aspects of Subregional RHNA Delegation. As part of the discussion, staff will provide an overview of the law, background information regarding the delegation process, a proposed delegation schedule, funding information, and general pros and cons of delegation. This item is presented for information only in order to provide the RHNA Subcommittee with the knowledge to better understand the subregional RHNA delegation process and to ask questions of staff. At the Subcommittee's next meeting, staff will be seeking approval of Subregional RHNA Delegation Guidelines which will incorporate the Subcommittee's input from today's meeting.*

**STRATEGIC PLAN:** This item supports SCAG's Strategic Plan Goal #1 (Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies), Objective c (Provide practical solutions for moving new ideas forward).

## **BACKGROUND AND SUMMARY:**

### A. Understanding what is a "subregional entity" under the RHNA law

Under the law, SCAG may delegate to a "subregional entity" the responsibility of preparing a Regional Housing Need Allocation for the jurisdictions within a particular subregion. Specifically, California Government Code Section 65584.03, a copy of which is attached with this report, provides as follows:

"...[A]t least two or more cities and a county, or counties, may form a subregional entity for the purpose of allocation of the subregion's existing and projected need for housing among its members in accordance with the allocation methodology established pursuant to Section 65584.04. The purpose of establishing a subregion shall be to recognize the community of interest and mutual challenges and opportunities for providing housing within a subregion. A subregion formed pursuant to this section may include a single county and each of the cities in that county or any other combination of geographically contiguous local governments and shall be approved by the adoption of a resolution by each of the local governments in the subregion as well as by the council of governments. All decisions of the subregion shall be approved by vote as provided for in rules adopted by the local governments comprising the subregion or shall be approved by vote of the county or counties, if any, and the majority of the cities with the majority of population within a county or counties."

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It is important to note that the definition of a “subregional entity” for RHNA purposes is broader than what is generally considered a “subregion” by SCAG. Specifically, a combination of two or more geographically contiguous local governments may serve as a subregional entity for RHNA purposes and therefore, the meaning of “subregional entity” is not limited to the 14 organizations that SCAG considers as subregions for SCAG’s planning purposes. In addition, because of the requirement that the local governments be “geographically contiguous,” some subregional organizations whose member cities are not geographically contiguous may not qualify as a subregional entity under RHNA (assuming that the existing member cities want to be included as part of the subregional entity).

Upon formation, the subregional entity must notify SCAG at least 28 months before the scheduled Housing Element update. In the case of SCAG’s 5<sup>th</sup> cycle RHNA, this means that such formation and notification to SCAG should be completed by June 30, 2011. (For reference, please see RHNA Flowchart included as part of Agenda Item#2 in today’s RHNA Subcommittee agenda packet). SCAG anticipates receiving the Regional Housing Need Determination from HCD in August 2011. Subregional housing targets will be issued shortly afterwards. The subregional entity’s share of the regional housing target is to be consistent with the distribution of households assumed for the comparable time period within the Regional Transportation Plan. The final subregional allocation will be submitted to SCAG for approval before SCAG prepares its final RHNA plan. In the event a subregional entity fails to fulfill its responsibilities provided under state law or in accordance with the subregional delegation agreement, SCAG will be required to develop and make final allocation to members of the subregional entity, according to the regionally adopted method.

SCAG staff recognizes that many cities and counties may not be familiar with the delegation process under the RHNA law. Therefore, SCAG staff intends to transmit letters to the local jurisdictions within the SCAG region outlining the delegation process soon after this discussion with the RHNA Subcommittee. In addition, in order to ease the scheduling constraints, staff is also contemplating permitting entities who are interested in forming a subregion for RHNA purposes to provide SCAG with a notice of intent to form a subregional entity by the June 30, 2011 deadline. SCAG would thereafter accept the necessary formation resolutions prior to entering into a delegation agreement with the subregional entity.

## B. Understanding what constitutes “delegation”

As previously noted, after a subregional entity has notified SCAG of its formation and intent to accept delegation of the RHNA process, SCAG and the subregional entity will enter into an agreement outlining the roles and responsibilities of SCAG and the respective subregion. Under the law, by accepting delegation, the subregion could be tasked with all of the responsibilities related to distributing the housing need for the jurisdictions within the subregion. This includes developing a subregional methodology for distribution, releasing a draft RHNA plan using the approved subregional distribution methodology, determining the revision requests and appeals submitted by jurisdictions with the subregion regarding its draft housing allocations, and preparing and approving the final subregional allocation. Staff anticipates delegating all of these responsibilities to a subregional entity and describing such responsibility in the delegation agreement with the subregions.

It should be noted that under the previous RHNA cycle, there were three subregional entities who elected to accept RHNA delegation. They were the Ventura Council of Governments, the South Bay Cities Council of

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Governments and the Los Angeles City subregion, which comprises the cities of Los Angeles and San Fernando. Because of the abbreviated time schedule of the 4<sup>th</sup> RHNA cycle, these subregional entities were not tasked with all of the responsibilities of delegation. Instead, they were responsible for addressing revision requests, appeals and developing the final RHNA subregional allocations as set forth in agreements with SCAG. At the time of the execution of these agreements, SCAG had already completed the workshops regarding the AB 2158 factors, approved the regional distribution methodology and released the Draft RHNA plan denoting the draft allocations for all of the jurisdictions in the SCAG region. As such a limited form of delegation which involved the responsibilities of addressing the revisions requests and appeals and development of the subregion's final RHNA allocation was determined to be appropriate for the three subregional entities.

## C. Financial Assistance for subregional delegation

The RHNA law does not require that a council of governments provide financial assistance to a subregional entity who accepts RHNA delegation. However, SCAG did provide the subregions in the previous RHNA cycle financial assistance in the total amount of \$20,000 per subregion. SCAG staff has set aside approximately \$200,000 as financial assistance for subregional delegation. Assuming that financial assistance will also be provided for subregional delegation for this RHNA cycle, staff is considering how best to utilize these limited funds. One potential approach that staff believes would be fair is to provide \$1000 for each local jurisdiction in a subregional entity based upon dividing \$200,000 into the total number of jurisdictions in the SCAG region (which is approximately 200 since there are 190 cities and 6 counties in the SCAG region). Should financial assistance be provided to the subregion, the payment structure for the financial assistance will be described in the delegation agreement.

## D. Understanding the pros and cons of Subregional RHNA delegation

While there are some benefits to accepting subregional RHNA delegation, it is also a difficult and involved process. Below are some of the pros and cons regarding subregional delegation for the Subcommittee's information:

### Pros

- Subregion has more local control/self-determination by providing the ability for contiguous jurisdictions to assign and/or trade RHNA numbers.
- Suitability for development – AB 2158 factors are considered “closer to home” which may allow a better allocation of housing and land use capacity.

### Cons

- Subregion is responsible and accountable for maintaining subregional target, and allocation and distribution to local jurisdictions (can't blame SCAG) which could create political tension.
- Time and staff resources contributed by participating communities are needed to develop a RHNA methodology among localities making up a subregional entity.

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- Opportunity for the Subregion to show leadership and provide for a unified voice representing participating communities on RHNA issues (methodology, social equity, assignment of need, determination of revisions and appeals).
- Opportunity to strengthen planning integration among neighboring jurisdictions and work cooperatively on mutual SCS and RHNA affordable housing challenges.
- More flexibility to negotiate and trade units within a defined subregional entity and ensures that successfully appealed units or revisions are limited only to the jurisdictions within the defined subregional entity (not subject to re-allocation of appealed units resulting from SCAG appeal process).
- Could lead to reduced costs if localities later decide to use the same consultant to prepare housing elements, or share resources/coordinate on policies/etc.
- Need to determine structure and process for development of methodology, including stakeholder involvement and public hearing, etc. within a very limited time frame established by statute.
- Funding and staffing is needed to complete RHNA work and limited resources are available from SCAG.
- Much of a subregion's work may still end up reflecting the same SCAG methodology and/or allocation used in other parts of the region.
- Can't promise positive outcomes ; might fail

Reviewed by:



*Department Director*

**ATTACHMENT:** Government Code Section 65584.03

**65584.03. Subregional entity for allocation of existing and projected housing needs; notification of formation; determination; failure to complete allocation**

(a) At least 28 months prior to the scheduled housing element update required by Section 65588, at least two or more cities and a county, or counties, may form a subregional entity for the purpose of allocation of the subregion's existing and projected need for housing among its members in accordance with the allocation methodology established pursuant to Section 65584.04. The purpose of establishing a subregion shall be to recognize the community of interest and mutual challenges and opportunities for providing housing within a subregion. A subregion formed pursuant to this section may include a single county and each of the cities in that county or any other combination of geographically contiguous local governments and shall be approved by the adoption of a resolution by each of the local governments in the subregion as well as by the council of governments. All decisions of the subregion shall be approved by vote as provided for in rules adopted by the local governments comprising the subregion or shall be approved by vote of the county or counties, if any, and the majority of the cities with the majority of population within a county or counties.

(b) Upon formation of the subregional entity, the entity shall notify the council of governments of this formation. If the council of governments has not received notification from an eligible subregional entity at least 28 months prior to the scheduled housing element update required by Section 65588, the council of governments shall implement the provisions of Sections 65584 and 65584.04. The delegate subregion and the council of governments shall enter into an agreement that sets forth the process, timing, and other terms and conditions of the delegation of responsibility by the council of governments to the subregion.

(c) At least 25 months prior to the scheduled revision, the council of governments shall determine the share of regional housing need assigned to each delegate subregion. The share or shares allocated to the delegate subregion or subregions by a council of governments shall be in a proportion consistent with the distribution of households assumed for the comparable time period of the applicable regional transportation plan. Prior to allocating the regional housing needs to any delegate subregion or subregions, the council of governments shall hold at least one public hearing, and may consider requests for revision of the proposed allocation to a subregion. If a proposed revision is rejected, the council of governments shall respond with a written explanation of why the proposed revised share has not been accepted.

(d) Each delegate subregion shall fully allocate its share of the regional housing need to local governments within its subregion. If a delegate subregion fails to complete the regional housing need allocation process among its member jurisdictions in a manner consistent with this article and with the delegation agreement between the subregion and the council of governments, the allocations to member jurisdictions shall be made by the council of governments.

# REPORT

**DATE:** March 22, 2011

**TO:** Regional Housing Needs Assessment (RHNA) Subcommittee

**FROM:** Frank Wen; Manager, Research, Analysis and Information Services; 213-236-1854;  
[wen@scag.ca.gov](mailto:wen@scag.ca.gov)

**SUBJECT:** Update on Integrated Growth Forecast

## EXECUTIVE DIRECTOR'S APPROVAL:

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### RECOMMENDED ACTION:

For Information Only – No action to be taken.

### EXECUTIVE SUMMARY:

*The Regional Council, Community, Economic and Human Development Committee (CEHD), and various SCAG subcommittees, including the Regional Housing Needs Assessment (RHNA) Subcommittee, Plans and Programs Technical Advisory Committee (P&P TAC), and Subregional Coordinators were briefed on options for incorporating information from the 2010 Census into the Growth Forecast for the 2012 RTP/ Sustainable Community Strategies (SCS). CEHD Committee approved Option 2, which will re-benchmark the Growth Forecast's base year population and household figures according to demographic data from the 2010 Census (Redistricting Data [(P.L. 94-171)], while keeping the growth delta unchanged.*

*Staff also briefed and prepared regional stakeholders for a similar employment re-benchmark, as presentations were made to the RHNA Subcommittee (February 2011), and the P&P TAC (March 2011). The revised employment forecast will use the latest job information from the Employment Development Department (EDD) for base year figures, and will maintain the level of projected job growth as supported by local jurisdictions.*

*This report presents the 2010 Census Redistricting Data for the SCAG region, which was made publicly available on March 8. Also presented are the 2010 re-benchmarked employment estimates for the SCAG region, which was released by EDD on March 4.*

### STRATEGIC PLAN:

This item supports the SCAG's Strategic Plan; Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication technologies; Objective b: Develop, maintain and enhance data and information to support planning and decision making in a timely and effective manner.

### BACKGROUND:

#### Population

City and County level demographic data (Redistricting Data [(P.L. 94-171)]) for the State of California was released by the US Census Bureau on March 8. The attached table (Table 1) shows population counts from the 2000 and 2010 Census (April figures) for each county in the SCAG region. The table also presents SCAG's preliminary projections of population by county for July 2010. Highlights from the table include:

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1. Redistricting data from the 2010 Census put population in the SCAG region at 18.05 million as of April 1, 2010, which is 1.53 million higher (9.3%) than the regional population count for the 2000 Census (16.5 million).
2. The 2010 Census population figure for the SCAG region was almost 1 million lower (5.1%) than SCAG's preliminary population projections for 2010, which primarily resulted from population estimates from the California Department of Finance (DOF).
3. Among the six counties in the SCAG region, Riverside County is the only instance where population totals from the 2010 Census are higher than SCAG's preliminary projections for 2010.

In March, SCAG processed and disseminated additional information from the 2010 Census, including the following:

1. On March 8, SCAG disseminated tables showing population change by city and county from 2000 to 2010, and a county-level summary of population, ethnicity and housing differences between 2000 and 2010. The information is being provided to all Regional Council members, City Planning Directors, City Managers, and County CAO/Executive Directors.
2. In mid-March, SCAG distributed a city-level report displaying the change in housing between 2000 and 2010.
3. Block level data for the SCAG region was also made available in a GIS format, which allows jurisdictions to review information from the 2010 Census at a very small geography for the purpose of producing density maps, or conducting redistricting.

## **Employment**

On March 4, 2011, EDD released state and county estimates of wage and salary jobs for 2010 and adjustments to its previously released 2008 and 2009 job estimates. See attached table and figures (Table 2, Figures 1 and 2). Highlights from the table include:

1. The new job data indicates that employment in the region totaled 7.21 million in 2010, about 244,000 (3.3%) less than SCAG's preliminary employment projections of 7.46 million.
2. Among counties in the SCAG region, job losses were much more severe in Los Angeles, Orange and Ventura Counties than previously projected.
3. The region lost almost 800,000 jobs (7.9%) from 2007 to 2010. During this period, for every 100 jobs lost in the United States, 17 were in California, and of those, 9 were lost in the SCAG region.

## **Next steps**

As directed by CEHD based on consensus reached throughout the region, staff will work with P&P TAC, subregions, local jurisdictions, and other stakeholders to execute the plan to incorporate information from the 2010 Census and the latest EDD employment data into the 2012 RTP Growth Forecasting process and dataset.

## **FISCAL IMPACT:**

Work on the Growth Forecast is programmed in the FY 2010-2011 SCAG Overall Work Program. The associated work elements are 11-055.SCG0133.01 and 11-055.SCG0133.05.

# REPORT

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**ATTACHMENT:**

Tables and figures describing county-level and regional growth from 2000 to 2010 for population and employment based on data from the US Census Bureau, SCAG, and EDD.

Reviewed by:

  
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*Department Director*

Reviewed by:

  
\_\_\_\_\_  
*Chief Financial Officer*

Table 1: Regional and County-Level Population Change from 2000 to 2010 from US Census and SCAG

County	Population		
	4/1/2000 SF1 Census	4/1/2010 PL94 Census	7/1/2010 SCAG V14*
Imperial	142,361	174,528	191,215
Los Angeles	9,519,338	9,818,605	10,451,374
Orange	2,846,289	3,010,232	3,204,554
Riverside	1,545,387	2,189,641	2,203,587
San Bernardino	1,709,434	2,035,210	2,123,624
Ventura	753,197	823,318	845,314
<b>SCAG</b>	<b>16,516,006</b>	<b>18,051,534</b>	<b>19,019,668</b>

\* Projected based on Local Input / DOF

Table 2: Regional and County-Level Employment Estimates from SCAG and EDD

County	Employment					
	SCAG V14			EDD Re-benchmarked		
	2008	2009	2010	2008	2009	2010
Imperial	61,504	56,033	50,561	62,449	58,668	58,687
Los Angeles	4,340,344	4,284,475	4,228,607	4,460,171	4,184,002	4,123,262
Orange	1,624,061	1,620,241	1,616,420	1,621,910	1,499,723	1,479,668
Riverside	663,950	618,986	574,023	651,662	600,250	586,234
San Bernardino	700,603	677,794	654,985	702,424	652,840	640,497
Ventura	347,720	340,492	333,264	348,380	329,159	325,672
<b>SCAG</b>	<b>7,738,182</b>	<b>7,598,021</b>	<b>7,457,860</b>	<b>7,846,995</b>	<b>7,324,642</b>	<b>7,214,020</b>

Figure 1: Historical Trend (1990-2007), Existing Employment Projections, and EDD Re-benchmarked Estimates for 2008 - 2010

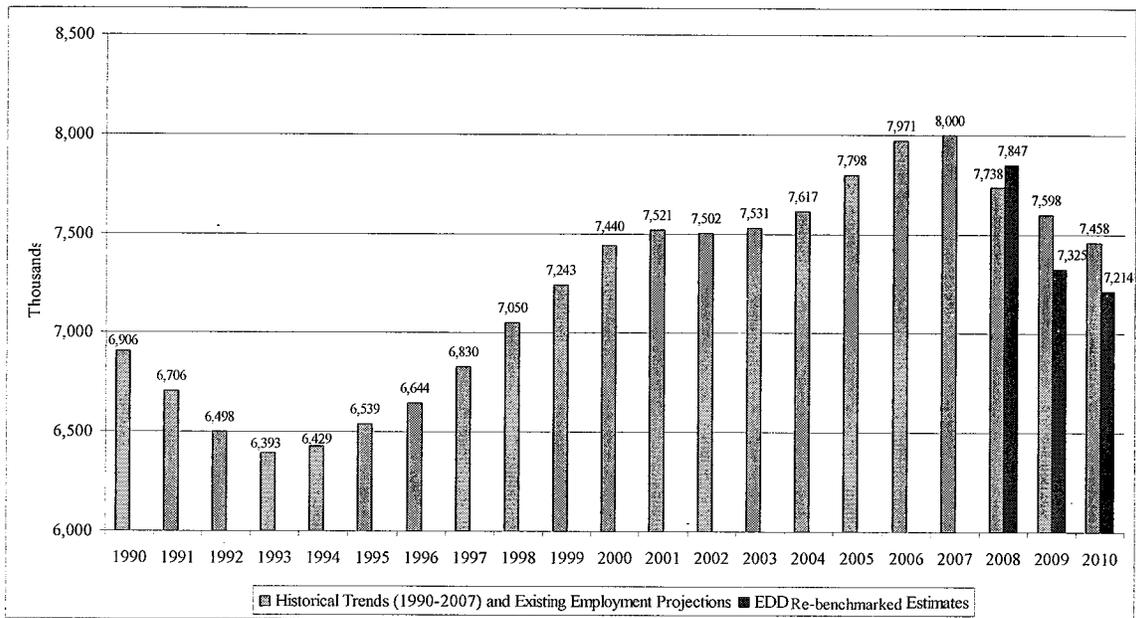


Figure 2: Annual Growth Rate, 1990-2010

