



September 6, 2019

14000 City Center Drive
Chino Hills, CA 91709
(909) 364-2600

www.chinohills.org

Honorable Peggy Huang, Chair RHNA Subcommittee
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, California 90017

Subject: 6th Cycle Proposed Regional Housing Needs Assessment (RHNA) Methodology

Dear Honorable Chair Huang and Honorable Members of the RHNA Subcommittee:

The City of Chino Hills appreciates this opportunity to provide written comments regarding the Southern California Association of Governments' (SCAG) proposed RHNA methodologies. Since its incorporation in 1991, Chino Hills has maintained an excellent record for building housing within quality neighborhoods. This successful record includes providing housing of varied sizes and price ranges, and meeting or exceeding each of our previous RHNA allocations.

In 2018, Chino Hills was rated by the state Department of Finance as the fastest growing city in California with a population over 30,000, increasing our housing supply in that year by 4.6 percent.¹ In fact, the City has increased its housing supply so much in the last few years that the population grew from 74,796 in 2010 to 84,364 in 2019. The proposed 6th cycle RHNA methodologies would not achieve the stated goal of providing ample and affordable housing and could hinder the steady planned housing growth of Chino Hills and other SCAG region communities.

Our comments below highlight the concerns we see with the proposed SCAG RHNA methodologies and present our recommendations for a more accurate, balanced and achievable method.

Concerns Regarding Proposed SCAG RHNA Methodologies

In its July 22, 2019 Agenda Report to the Regional Housing Needs Assessment Subcommittee, SCAG presented three RHNA methodology options. As stated in the Agenda Report, SCAG developed these methodologies based on Government Code 65585(d) and four commendable guiding principles. Each of these guiding principles is briefly presented below along with a discussion of how the three RHNA methodologies fail to meet them:

Guiding Principle #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 are expected to be higher than the 5th RHNA cycle.

1

<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/e-1/>

Guiding Principle #1 recognizes that growth in California has occurred over several decades, and because of that growth, all jurisdictions should expect a higher 6th cycle RHNA allocation. However, each of the three proposed methodologies unreasonably expect SCAG jurisdictions to correct a several decades old housing issue within a typical eight-year RHNA cycle. This expectation is made more unreasonable by the recent announcement that the California Department of Housing and Community Development (HCD) final RHNA allocation for the SCAG region is 1,344,740 total units.

For most jurisdictions, including Chino Hills, the result is not just a higher 6th cycle RHNA, but a vastly higher 6th cycle allocation that is 300-500% higher than the 5th cycle.

Guiding Principle #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.

Guiding Principle #2 recognizes the basic principle of state Housing Element law, that each jurisdiction provide for their regional housing fair share and accommodate all income levels within their borders. Unfortunately, each of the methodologies apply a projected need based on a jurisdiction's regional population share. This means the smaller the jurisdiction's population base, the smaller their regional fair share and vice versa. On paper, this is a reasonable approach. However, new housing is built on land, not paper. If the goal is to actually build new housing, the amount of available land needs to be included in a regional fair share distribution, with available land being broadly defined to include undeveloped, underutilized, and future redevelopment sites.

At the beginning of the 6th cycle RHNA process, SCAG asked each jurisdiction to provide detailed maps and spreadsheets of developed and undeveloped land. Chino Hills' staff spent many hours providing accurate information to SCAG. However, the only land use number that appears to have been incorporated into the SCAG model is Chino Hills' total land area of 28,736 acres. The model doesn't deduct area that is permanent open space, streets, or topographically or otherwise constrained land. In Chino Hills' case, half of the City's total acreage is part of Chino Hills State Park or other permanently dedicated open space, or has average topographic grades between 25-45%. Paper units applied to Chino Hills or other similar cities with lands that are practically unbuildable will stay paper units, and the real, needed housing units will remain unbuilt.

Guiding Principle #3: Local input on household growth should not be the only deciding factor to determine a jurisdiction's RHNA allocation.

Guiding Principle #3 recognizes that local input should not be the only deciding factor. But only Option 1 applies local input for the 6th cycle period and, consequently, is the most reasonable methodology of the three. Option 3 applies projected local growth for 2045, 26 years in the future. Trying to fit 26 years of housing needs into an eight-year RHNA cycle is certainly not a sound methodology for building more housing.

Guiding Principle #4: 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.

Guiding Principle #4 recognizes the importance of other regional planning principles, including efficient land use patterns, greenhouse gas emission reductions, and overall quality of life.

Options 1 and 2 add high quality transit areas (HQTAs) into the methodologies. This is a good first step in planning for efficient, environmentally sound and quality residential development.

Existing and future SCAG region residents need functioning transit and roads to get to and from work, and housing needs to be planned as close as possible to existing employment centers. These factors need to be weighted heavily in the RHNA distribution methodology. Otherwise, SCAG region residents will be spending even more of their lives in roadway gridlock with little time to actually live in all the new houses that the state wants to be built.

Housing and the people who will live in them also need water. In the SCAG region that has had years of drought, availability of water is essential to future housing. Similarly, to provide efficient, environmentally sound and quality residential development, other important infrastructure and services must also be considered, such as sewer, refuse collection, energy, schools, parks, police and fire safety. None of the methodologies include a process for locating housing proximate to existing services or retaining land for the needed infrastructure and services to support future housing.

Recommendations for a Reasonable SCAG RHNA Methodology

The four guiding principles outlined in SCAG's July 22, 2019 Agenda Report are sound. Regrettably, none of the current three methodologies follows these principles. To develop a reasonable 6th cycle RHNA methodology for the SCAG region, the City of Chino Hills suggests the following:

1. Include local input for household growth for the 6th cycle planning period. Local input should include projected household growth, vacancy and replacement needs through 2029.
2. Include available land defined as undeveloped, underutilized, and future redevelopment areas, incorporating input from each jurisdiction. Utilize the maps and spreadsheets of developed and undeveloped land previously provided by SCAG jurisdictions and reopen the process to involve jurisdictional input.
3. Include number of jobs per jurisdiction to locate housing as close as possible to existing and planned employment centers. Use the employment numbers that were included in the information previously provided by SCAG jurisdictions. Locate housing proximate to employment centers and existing services, and retain land for the needed infrastructure and services to support future housing.
4. Include a minimum HQTAs population share of 20%. A number of SCAG region cities are already planning for increased residential development by existing and planned transit routes. Those cities should be given an opportunity to input directly to the reasonable distribution of the HQTAs share.
5. Distribute the regional fair share over the 6th and 7th RHNA cycles. A several decades old housing issue and a state SCAG RHNA allocation of over a million units will take multiple RHNA cycles to successfully correct.

We look forward to working with SCAG to create a reasonable 6th Cycle methodology and development of ample and affordable housing for the region.

Sincerely:



Joann Lombardo
Community Development Director, City of Chino Hills

cc: City Council
Benjamin Montgomery, City Manager
Planning Commission