News Release

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Public comment period to open soon on allocation methodology for determining local housing need

Los Angeles – Residents, businesses and stakeholders soon will have the opportunity to weigh in on three options for determining local housing needs as part of the Regional Housing Needs Assessment (RHNA) process.

The three allocation methodology options were presented Monday to the RHNA Subcommittee of the Southern California Association of Governments (SCAG), which must develop a proposed plan for how to allocate existing and projected housing need once the six-county region's overall need is determined. The California Department of Housing and Community Development (HCD) is expected to announce that regional number in late August, covering the planning period of October 2021 through October 2029.

A number of community members and stakeholders commented during Monday's meeting, offering varying points of views on the methodology options and the RHNA process generally.

SCAG's Regional Council will review the three allocation options on August 1, kicking off a public review period. During that time, SCAG will conduct four public hearings, tentatively scheduled for August 20 (two hearings), August 27 and September 3.

The three options were based on feedback received from RHNA Subcommittee members and members of the public:

Option 1 separates existing need and projected need from the regional determination and uses different mechanisms to assign need to jurisdictions. Instead, 70% of existing need is assigned to jurisdictions based on regional population share and 20% is assigned to jurisdictions based on their share of regional population within high-quality transit areas (HQTAs). The rest 10% will be allocated based on relative building permit activities. After adjusting for a 110% social equity, existing housing need is assigned to only very low-, low- and moderate-income categories. For projected need, household growth based on local input is used as the main factor and then a 150 percent social equity adjustment is applied. To determine a draft total RHNA allocation, existing need and projected need are combined.

Option 2 does not separate existing need and projected need. Instead, 80% of the regional need as determined by HCD is assigned based on regional population share and 20% is assigned based on a jurisdiction's share of regional population within an HQTA. A 150% social equity adjustment is then applied.

Option 3 considers local input as the main factor for RHNA distribution. However, this option is based on a jurisdiction's share of population growth. Moreover, the horizon year used to determine a jurisdiction's share is selected based on the total household growth from that time period that most closely aligns with the regional determination provided by HCD. In addition, future vacancy need by owner and renter, along with replacement need share, are added to the jurisdiction's share of regional need to determine its total housing need. Once total housing need is calculated, a 150% social equity adjustment is used to determine the four income categories.

"We strongly encourage the public to make their thoughts known on which of these three allocation options makes the most sense in determining local housing need and moving us closer, as a region, to addressing the housing crisis," said Kome Ajise, SCAG Executive Director.

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About SCAG

SCAG is the nation's largest metropolitan planning organization, representing six counties, 191 cities and more than 18 million residents. SCAG undertakes a variety of planning and policy initiatives to plan for a livable and sustainable Southern California now and in the future. For more information about SCAG's regional efforts, please visit <u>www.scag.ca.gov</u>.