

Attachment A: City of Irvine Regional Housing Needs Assessment Appeal Documentation

In accordance with Government Code Section 65504.05, subdivisions (b)(1), (b)(2) and (b)(3), the City of Irvine submits this appeal for a revision of the share of the regional housing need proposed to be allocated to the City of Irvine under the Regional Housing Needs Assessment (RHNA) methodology adopted for the 6th Cycle. The City of Irvine appreciates and encourages the Southern California Association of Governments Regional Housing Needs Assessment Appeal Board to review the appeal outlined below because a revision of the draft allocation is necessary to further—and not undermine—the intent of the statutorily mandated objectives listed in Government Code Section 65584, subdivision (d) (“Section 65584(d)” and “Section” refers to the Government Code unless otherwise noted).

With the issuance of the draft allocation, there were failures not only (1) to adequately consider the information submitted as part of the methodology, but also (2) to determine the share according to information and the methodology established, pursuant to Section 65584.04, subdivision (b). These failures ultimately undermine—instead of further—the intent of the objectives in Section 65584(d). As required by Section 65504.05, subdivision (b), this appeal is consistent with—and not to the detriment of—the development pattern in the applicable sustainable communities strategy developed pursuant to paragraph (2) of subdivision (b) of Government Code Section 65080.

SUMMARY OF THE APPEAL:

The City of Irvine is requesting a reduction of **8,259 total units** from the draft RHNA allocation or 23,554 on the grounds outlined below. This revision is necessary to further the objectives in Section 65584(d) for the following reasons, which will be explained in greater detail throughout the body of this appeal:

- The draft allocation does not increase the housing supply and mix of housing types in an equitable manner;
- The draft allocation does not promote infill development and socioeconomic equity, encourage efficient development patterns, and will result in the inability to achieve the region’s greenhouse gas reduction targets;
- The draft allocation does not promote an improved intraregional relationship between jobs and housing.

City of Irvine Grounds for Appeal #1: Failure to Adequately Consider Information for the Methodology (Government Code Section 65584.05, subd. (b)(1)).

1. A. Three of the four stops associated with 2045 High Quality Transit Area (HQTA) are contingent on two transportation projects NOT included in the adopted Connect SoCal Project List. The State Route 55 Bus Rapid Transit (BRT) and Interstate 5 Bus Rapid Transit (BRT) are NOT projects in either the financially constrained project list or the strategic project list. Therefore, these three station stops should NOT be included in any calculations for 2045 population within a half mile of the HQTA since they are NOT projects and inclusion of the stations stops would be inconsistent and in conflict with the adopted Connect SoCal plan. (Attachment 1: Final Project List for Connect SoCal)
- B. 2045 High Quality Transit Area (HQTA) population factor for existing need is based on conceptual stops, not fully vetted by the City of Irvine.
- C. HQTA population for 2045 was not prorated to accurately reflect the population within the half mile radius of a HQTA stop. The 2045 population for Irvine's one HQTA (Irvine Transportation Center) should be prorated to reflect the percentage of the geographic unit (Traffic Analysis Zone or Scenario Planning Zone) within the half mile radius ONLY. (Attachments 2-10)

HQTA Population for Existing Need Allocation: 1,794 units

City of Irvine requests reduction of: 1,500 units (combination of 1.A. - 1.C.)

1. A.
 - 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 (2020 Regional Transportation Plan/Sustainable Communities Strategy), freeway-running HQTCs have been excluded from HQTAs to better reflect the level of service they provide to nearby areas. However, SCAG, in coordination with the Orange County Transportation Authority (OCTA), made the decision to include the conceptual station stops associated with these freeway-running HQTCs, even though they have not yet been studied or deemed feasible.

SCAG identified four HQTAs in the City of Irvine.

1. The Irvine Transportation Center: The Irvine Station, located in the Spectrum area of the City, is a growing transportation hub in South Orange County. As the busiest station in Orange County serving over a million commuters annually, the Irvine Transportation Center is currently served by Amtrak and Metrolink passenger rail services, as well as being a hub for express, local and rail-feeder bus services operated by the Orange County Transportation Authority (OCTA).
2. Alton Parkway BRT stop: According to information provided to City of Irvine staff in September 2019, this stop was identified by the OCTA without consultation with the City of Irvine and would be established to support the non-existent, but possible

future bus rapid transit on State Route 55. There is currently no off-ramp from SR 55 at Alton Parkway to support a station stop. The SR 55 BRT project is **NOT** included in the adopted Connect SoCal project list, either as a financially supported project or unfunded, strategic project. **As such, this HQTa should be removed from the RHNA methodology.**

3. Jeffrey Road Park and Ride BRT stop: According to information provided to City of Irvine staff in September 2019, this stop was identified by OCTA without consultation with the City of Irvine and would be established to support the non-existent, but possible future bus rapid transit on Interstate 5. The Interstate 5 BRT project is **NOT** included in the adopted Connect SoCal project list, either as a financially supported project or as an unfunded, strategic project. **As such, this HQTa should be removed from the RHNA methodology.**
 4. Spectrum Center BRT stop: According to information provided to City of Irvine staff in September 2019, this stop was identified by OCTA without consultation with the City of Irvine and would be established to support the non-existent, but possible future bus rapid transit on Interstate 5. The Interstate 5 BRT is **NOT** included in the adopted Connect SoCal project list, either as a financially supported project or as an unfunded, strategic project. **As such, this HQTa should be removed from the RHNA methodology.**
- On numerous occasions throughout the development of the RHNA methodology, the City of Irvine expressed verbal and written disagreement with the inclusion of HQTa stops associated with Bus Rapid Transit (BRT) routes that are hypothetical and in the earliest of planning stages. At the time the methodology was developed, the Orange County Transportation Authority (OCTA) had not vetted the proposed BRT station stops along the Interstate 5 corridor with the City of Irvine and the BRT station stop along State Route 55 had been introduced with concern expressed by City of Irvine staff. The HQTa stops at Alton Parkway, the Jeffrey Road Park and Ride, and Spectrum Center were provided to SCAG staff by OCTA without consultation with the City of Irvine.

The City disagrees with and disputes the use of a BRT route and proposed station stops that are not only conceptual at this time, but may also be infeasible, in the methodology for the RHNA. As stated above, neither the SR 55 BRT project nor the Interstate 5 BRT project are listed as a project for Orange County in the Connect SoCal project list adopted by the Regional Council on September 3, 2020. Inclusion of the three station stops associated with these two projects is inconsistent and in conflict with the Connect SoCal plan.

1. B.

- Even if the SR 55 BRT and Interstate 5 BRT routes were included in the adopted Connect SoCal plan, the stops were never vetted or discussed with the City of Irvine prior to their incorporation into the RHNA methodology. Constraints associated with the three BRT related station stops are outlined below:

- a. State Route 55 BRT: OCTA has conceptually proposed the incorporation of Direct Access Ramps (DAR) as part of the future Alton Parkway Overcrossing project to accommodate a BRT stop in the Irvine Business Complex (IBC). The Alton Parkway Overcrossing project is led by the City of Santa Ana, with 50 percent of construction funding to come from City of Irvine. The Alton Parkway Overcrossing has been designed but does not have adequate funding for construction, and may not for quite some time. This funding shortfall is exacerbated particularly in light of the change of circumstances associated with the COVID-19 pandemic. In addition, the inclusion of this DAR is inaccurate because it is not a part of the project, has not been demonstrated to be geometrically feasible, and has no identified funding. Furthermore, the BRT and proposed station stop in the vicinity of Alton Parkway would primarily support non-residential uses in the IBC, such as Edwards Lifesciences, one of the City's largest employers. The half mile radius around the Alton Parkway station stop is not zoned and will not be zoned to support a residential population given that it is within the flight path of John Wayne Airport (JWA). In general, residential development is not considered an acceptable use within the 65 CNEL noise contour, within certain safety zones for approaching/departing flight paths, and similar limits to residential use tied to federal restrictions under an active (here, very active) flight path and airport. Additional height restrictions also vary depending on project location. Any future residential project within a half mile radius of the proposed stop would be found inconsistent with the Airport Environs Land Use Plan for JWA and would result in safety and noise concerns for the future residents. According to the Final OC Transit Vision Report (January 2018), the proposed BRT stop at Alton Parkway is considered to have a relatively low BRT stop score.
- b. Interstate 5 BRT Stop - Existing Jeffrey Park and Ride: OCTA has proposed a BRT stop at the existing Caltrans park and ride adjacent to the I-5 at Jeffrey Road on/off-ramps. The park and ride would not support future residential development as it is surrounded by the under construction Innovation Office Park, Interstate 5, and an existing utility corridor that will feature the extension of the Jeffrey Open Space Trail (JOST). Two neighborhood commercial centers are located on the north side of Jeffrey Road, but these commercial centers are part of *no* plan to be converted to residential use. According to the Final OC Transit Vision Report, the proposed BRT stop at the Jeffrey Park and Ride is considered to have a relatively low BRT stop score.
- c. Interstate 5 BRT Stop - Spectrum Center: The Irvine Spectrum Center BRT stop is highly conceptual and an exact location is not known and has not been provided to the City of Irvine at any time during the development of the RHNA methodology. Existing residential population is limited in this area and no new residential growth is expected. According to the Final OC Transit Vision Report, the proposed BRT stop at the Spectrum Center is considered to have a relatively low BRT stop score. As noted below in detail, there was a failure to have the 2045 population prorated to reflect what percentage of a TAZ or SPZ was included in the half mile radius of the conceptual HQT stop.

1. C.

- After researching the 2045 population growth forecast utilized for the existing need calculation, it appears that SCAG did not prorate the population of the land that is actually located within a half mile of the HQTAs. The City of Irvine has conducted a review of the Traffic Analysis Zones (TAZ) located within a half mile of the HQTAs included by SCAG staff in the methodology, and, without prorating, the population is equal to the one used in the RHNA methodology. In many cases, only a very small percentage of the land within a TAZ or even a Scenario Planning Zone (SPZ), if that was the level of geography utilized, is within that half mile radius of the HQTAs. Yet, the *entire* 2045 estimated population for that geographic unit is included in the calculation, and this is most notable in the areas around the Irvine Transportation Center (ITC) and the conceptual Spectrum HQTAs. Regrettably, there was a lack of transparency in the methodology, as jurisdictions are not able to access ALL the input data because it is not clearly traceable in models, and there are multiple formulas and models that need to be run to determine all of this.
 - Irvine Transportation Center: As noted above, the Irvine Transportation Center is the only HQTAs stop that exists in the City of Irvine today and is the ONLY HQTAs stop projected for the year 2045 (according to the adopted Connect SoCal Project List). It is currently served by Amtrak and Metrolink passenger rail services, as well as being a hub for express, local and rail-feeder bus services operated by OCTA. Based on review of the 2045 population data included in the RHNA methodology background information, the 2045 population was NOT prorated to reflect the actual percentage of the TAZ or SPZ located within the a half mile of the ITC. SCAG must prorate the 2045 population to accurately reflect the percentage of population that will be located within a half mile of the ITC.
 - The City of Irvine estimates approximately 15% of TAZ 1223, the only TAZ projected to have residential population, is within ½ mile radius of the ITC. Therefore, only 15% of the projected 7,456 population should be included in the calculation for Irvine's HQTAs share of existing need.
- In conclusion, the City of Irvine has identified three areas of inconsistency and concern with the HQTAs component of the existing need calculation. Due to the complexity of the RHNA estimator tool, and because it is impossible for a jurisdiction to determine whether the impact of the requested corrections to the HQTAs component is accurate, the City of Irvine is estimating the HQTAs component of the existing need should be reduced by approximately 1,500 units. At a minimum, SCAG should recalculate the 2045 population within an HQTAs for the City of Irvine to exclude any 2045 population associated with the Alton Parkway HQTAs, the Jeffery Road Park and Ride HQTAs, and the Spectrum Center HQTAs; and
- Prorate the 2045 population associated with the Irvine Transportation Center HQTAs to accurately reflect the percentage of the population located within a half mile of the HQTAs stop.

2. Residual Allocation Redistribution due to Disadvantaged Community component of the RHNA Methodology

Net residual factor for existing need: 5,294

City of Irvine requests reduction by 2,759

According to the approved RHNA methodology, two factors were included in the determination of a jurisdiction's existing need. For extremely disadvantaged communities (hereafter "DACs") the residual need was identified. The residual need is defined as total housing need in excess of household growth between 2020 and 2045. 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. According to the methodology for the 2020 TCAC/HCD Opportunity Index Scores and Map (June 2020), "the opportunity mapping is a way to measure and visualize place-based characteristics linked to critical life outcomes. Opportunity maps can be used to inform how to target investments and policies in a way that is conscious of the independent and inter-related effects that research has shown places on economic, educational, and health outcomes." However, "Opportunity mapping also has limitations. For example, maps' accuracy is dependent on the accuracy of the data behind them. Data may be derived from self-reported surveys of subsets of the area's population and sometimes may not be recorded or reliable in some areas. Further, even the most recent publicly available datasets typically lag by two years, meaning they may not adequately capture conditions in areas undergoing rapid change." The TCAC/HCD Opportunity Maps and corresponding Opportunity Index Scores are designed to identify high-opportunity areas for the investment of private capital into the development of affordable rental housing for low income Californians. It is not the purpose of the TCAC/HCD Opportunity Index Scores to identify disadvantaged communities (DACs) for the purposes of calculating the RHNA.

- The residual existing need was then reallocated by Orange County to non-DAC jurisdictions within the same county based on the formula (50% transit accessibility and 50% job accessibility). The redistribution of the DAC residual at the county level was not vetted at the RHNA Subcommittee or the CEHD and was introduced days before the vote at the Regional Council. Had the DAC residual been redistributed at the SCAG regional level, the impact would not have been as significant to non-DAC jurisdictions within the county. There are five jurisdictions in Orange County that qualify for the DAC protection of the 2020-2045 household growth (Anaheim, La Habra, Orange, Santa Ana, and Stanton), resulting in 44,452 units that are redistributed to non-DAC Orange County jurisdictions. Over 23,000 of these units are redistributed from a single jurisdiction, the City of Santa Ana. The City of Irvine receives a total of 5,294 units from the five Orange County DACs. The City of Irvine receives 52 percent of its net residual factor for existing need from the City of Santa Ana (2,759 units). The City of Irvine requests the net residual factor for existing need be reduced by 2,759 units based on the information outlined below.

- Utilizing the RHNA methodology approved by the SCAG Regional Council, the City of Santa Ana would have received an allocation of 26,255 units. However, SCAG added an exception for jurisdictions that are considered a disadvantaged community (DAC) utilizing information from the TCAC.
- The City of Santa Ana's RHNA allocation of 3,087 housing units is being capped to the household growth between 2020 and 2045 per the adopted RHNA methodology.
- The remaining 23,168 units (the residual) are being redistributed to other non-DAC Orange County jurisdictions. The DAC redistribution to the county of origin was added to the methodology days before the adoption by the Regional Council. The impact of the DAC redistribution on jurisdictions within the county of origin was not adequately vetted by jurisdictions and the true impact of the methodology were not realized until after the plan was adopted by the Regional Council. According to the November 7, 2019 Regional Council report for the RHNA methodology (page 56), SCAG staff states: "Staff was also asked by several members of the Regional Council to analyze for Board consideration the merits of the staff recommendation versus a substitute motion that was defeated in a 4-3 vote during the October 7, 2019, RHNA Subcommittee." It should be noted that the substitute motion that was proposed by Subcommittee Member Rusty Bailey on October 7, 2019 did NOT contain any component even remotely close to the DAC residual; it simply asked for the elimination of the household growth component (local input) between 2030 and 2045.
- This alternative methodology from Member Bailey was not considered at the October 17, 2019 Community, Economic and Human Development (CEHD) meeting where the CEHD unanimously approved the original methodology recommended by the RHNA Subcommittee. If this component of the final November 7, 2019 methodology had been known, the City of Irvine would have raised the concern with the outdated growth forecast for the City of Santa Ana at that time.
- SCAG staff received a copy of the letter from Member Bailey proposing an alternative methodology on November 1, 2019 and ultimately, this became the proposed SCAG staff RHNA methodology. The City of Irvine still expresses concern with the quick turn around and analysis of Member Bailey's methodology, which was outlined in the Regional Council staff report released for public review on the day SCAG received the letter from Member Bailey. From the November 7, 2019 Regional Council agenda: "the RHNA methodology considers many factors across the complex regional geography of Southern California, and as such, **changes to a single factor may have unintended consequences that should be considered and addressed.** However to be responsive to the request **and for discussion purposes**, staff conducted preliminary analysis of the defeated motion (Bailey substitute motion from RHNA Subcommittee). In conducting the analysis, staff modified the Recommended Draft Methodology as follows to reflect the desire to eliminate the use of Household Growth between 2030 and 2045:
 - The Existing Needs allocation factors were changed to only rely on "transit accessibility" and "jobs accessibility" factors (for the year 2045) with 50% of existing need assigned to each. The share of existing need allocated based Household Growth between 2030 and 2045 was eliminated.

- The cap on RHNA allocation to a jurisdiction's 2045 Household Growth was eliminated for all jurisdictions except those in Disadvantaged Communities (DACs). Caps were retained in DACs and assigned within county as a measure to guard against gentrification in job and transit-accessible disadvantaged areas per HCD requirements. Removing caps reduces the impact of the "residual" redistribution to approximately 7 percent of total regional housing need, compared to 12 percent in the Recommended Draft Methodology."
- Had this component been introduced at ANY of the previous RHNA Subcommittee meetings related to the development of the methodology or the CEHD meeting of October 17, 2019, the City of Irvine and other impacted jurisdictions would have raised their concern with the outdated growth forecast for the City of Santa Ana and would have insisted that updated information be provided based on the information Santa Ana had provided adjacent jurisdictions through interagency review.
- Furthermore, the RHNA estimator calculator was not posted until November 19, 2019, well after the adoption of the RHNA methodology. With no Regional Council meetings scheduled for the remainder of the 2019 calendar year, the first opportunity for jurisdictions to express their concerns with the DAC residual redistribution or discuss an issue with the outdated growth forecast information utilized to cap the RHNA allocation for the DACs was February 6, 2020. Again, the City of Irvine vehemently emphasizes that, *IF* the City of Irvine (and other cities) had been made aware of the DAC residual redistribution component added to the RHNA methodology at the last moment and immediately prior to the November 7, 2019 Regional Council meeting, public comments on this matter would have been made verbally and in writing to all decision making committees.
- The projected household growth for the City of Santa Ana is outdated and does not reflect the reality of projects under construction, approved, or currently under review. According to the City of Santa Ana project website, there are over 10,000 units under construction, approved, or currently under review that will be completed during the 6th Cycle RHNA timeframe. (Attachments 11-12)
- This does not include the additional units that would be permitted when the City's General Plan is adopted. According to the City of Santa Ana General Plan Environmental Impact Report, the "No Project/Existing General Plan" results in the potential for more than 18,000 units than the growth projections in the adopted Connect SoCal (2020 RTP/SCS. The proposed General Plan Update would result in the potential for 31,515 more units than the "2020 RTP/SCS Consistency Alternative". The General Plan Update is tentatively scheduled for review by the Santa Ana Planning Commission in October 2020 and the City Council in November 2020.
- The City of Irvine recommends the City of Santa Ana's RHNA should be updated to reflect the total number of units identified on the City's website. A comprehensive list of projects that should be included in the revised growth forecast is attached. The residual should be readjusted to reflect the revised RHNA.
- Within Orange County, the City of Santa Ana has the second highest share of the region's job accessibility in Orange County and the highest share of the region's HQT population in Orange County.

- Failing to update Santa Ana’s RHNA allocation to reflect the units that are being constructed, approved or nearing approval within Santa Ana, prior to redistributing the residual units to other jurisdictions that have significantly lower shares of the region’s HQTAs and job accessibility population, is contrary to many of the preferred policies of the state, the California Air Resources Board, HCD, and the recently approved Connect SoCal (2020 RTP/SCS). Specifically, the redistribution is in conflict with the following:
 - As it relates to the adopted Connect SoCal plan, this includes focusing growth near destinations and existing transit options, promoting diverse housing choices, reducing vehicle miles travelled, and reducing greenhouse gas emission reductions. SCAG’s Growth Vision: “aims to increase mobility options and reduce the need for residents to drive by locating housing, jobs and transit closer together. To help the region achieve sustainable outcomes, Connect SoCal’s Forecasted Development Pattern focuses within jurisdictions near destinations and mobility options, in line with the policies and strategies of the Growth Vision.”¹ SCAG’s forecasted development pattern for the SCS relies on new housing development to be focused in “priority growth areas” and to avoid housing developments in areas with “growth constraints.”² The redistribution of growth from the City of Santa Ana to other jurisdictions within Orange County that may not have a “priority growth area”, transit, or be near jobs is in conflict with and contradicts the SCAG Growth Vision.
 - Senate Bill 375 (Chapter 728, Statutes of 2008): Requires SCAG to prepare and adopt a sustainable communities strategy that sets forth a forecasted regional development pattern which, when integrated with the transportation network, measures and policies, will reduce greenhouse gas emissions from automobiles and light-duty trucks.

City of Irvine Grounds for Appeal #2: Failure to Determine the City of Irvine’s Share of the Regional Need in Accordance with Information Described in, and Methodology Established, in a Manner that Furthers and Does Not Undermine the Intent of the Objectives in Section 65584(d) (Government Code Section 65584.05, subd. (b)(2)).

SCAG failed to consider information submitted by the local jurisdiction relating to certain local factors outlined in Government Code Section 65584.04, subdivision (e), and information submitted by the local jurisdiction relating to affirmatively furthering fair housing (AFFH) pursuant to Government Code Section 65584.04, subdivision (b)(2) and 65584, subdivision (d)(5), as described below.

City of Irvine requests reduction of 1,500 units

The information submitted by the local jurisdictions relating to certain local factors outlined in Government Code Section 65584.04, subdivision (e), and information submitted by the local jurisdictions relating to affirmatively furthering fair housing pursuant to Government Code Sections 65584.04, subdivision (b)(2) and 65584, subdivision (d)(5), were utilized on the projected need portion of the methodology, but were NOT applied to the existing need. It is important to note that SCAG only

¹ Connect SoCal, Sustainable Communities Strategy Technical Report, Page 28

² Connect SoCal, Sustainable Communities Strategy Technical Report, Page 17-19

applied these absolute and variable growth constraints to the projected need portion of the RHNA (approximately 1/3 of the total RHNA). SCAG has attempted to focus the remaining approximately 2/3 of the total RHNA into priority growth areas, but completely ignored the sustainable community strategy (SCS) growth constraints for approximately 836,000 RHNA housing units. This is in direct conflict with Government Code Section 65080, subdivision (b)(2)(B) and Government Code Section 65584.04, subdivision (m), which require that Connect SoCal and RHNA be consistent with one another.

a. Each jurisdiction's existing and projected jobs and housing relationship.

The City of Irvine has always strived to be a complete community that offers the opportunity to live, work, and play in the same jurisdiction. The City of Irvine has two major job centers, the Irvine Business Complex (IBC) and the Irvine Spectrum, which are regional in nature and are situated on the city border with other Orange County jurisdictions. An employee working in the IBC may decide to live in Newport Beach, Costa Mesa, or Santa Ana because it is closer to the employment center than living in Portola Springs or Orchard Hills in more distant areas that are nonetheless still within the City of Irvine, thus reducing vehicle miles travelled and greenhouse gas emissions. Employees working in Irvine are encouraged to live within the city they work in, but it is not requirement and it shouldn't be dictated by the State or SCAG. In fact, living in an adjacent jurisdiction to the employment center may result in a shorter commute, possibly providing the employee an opportunity to walk or bike to work. Additionally, if the City is required to find adequate sites for both the aggregate total of the RHNA allocation and the various income levels, the employment centers may need to be rezoned. These job losses would negatively impact Irvine's jobs and housing relationship.

b. The opportunities and constraints to development of additional housing in each jurisdiction, including the following:

Legal Criteria: Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply distribution decision 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; and 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.

- City's Reasons for Failing to Meet this Legal Criteria: The majority of land suitable for urban development in the City of Irvine is entitled through development agreements that allow units to be constructed in phases. In addition, nearly all planning areas have met the maximum number of units and there is no vacant land available. Nearly all the residential units in Irvine are less than 50 years old, with the majority of these units constructed since the mid-1990s. Out of the 114,093 units, 59,031 units have been built from 2000-present. The housing stock is new and would not be available for redevelopment or repurposing. The neighborhoods are primarily single family neighborhoods that will not be redeveloped. Furthermore, the City of Irvine has areas identified as Natural Community Conservation Plan/Habitat Conservation Plan (NCCP/HCP), which areas are protected and not suitable or permitted for urban development.
- The City does not have the ability to modify development agreements that are legal documents without the participation of the land owner;

- Legal Criteria: *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 that a jurisdiction that prohibits or restricts conversion of non-agricultural uses.*
- City's Reasons for Failing to Meet this Legal Criteria: In the mid-1990s, the City of Irvine joined the regional Natural Community Conservation Plan (NCCP). The NCCP created a regional network of land reserves to protect entire communities of native plants and animals, while allowing development to move forward in other areas. The majority of the NCCP lands are also identified in the Habitat Conservation Plan (HCP) that is the mechanism by which the Federal government permitted the City of Irvine land use and conservation program. In addition, the City of Irvine has identified additional areas of locally preserved open space under the City of Irvine Open Space Initiative that permanently protects specific areas from development.

Specifically, on June 7, 1988, in the General Municipal Election, Irvine voters overwhelming approved Initiative Resolution 88-1, titled "An Initiative Resolution of the City of Irvine Directing the Amendment of the Conservation and Open Space Element and the Land Use Element of the Irvine General Plan." The Open Space Initiative reflected the following principal objectives:

- To consolidate important conservation and open space areas into large contiguous areas that may be integrated into local and regional open space areas;
- To establish a network of open space spines, linking the consolidated conservation and open space areas; and
- To assure the preservation of conservation and open space areas through a phased dedicating and compensating development opportunities program, acceptable to the City and owner of the land involved, which transfers development opportunities from conservation and open space areas and consolidates them in appropriate development areas.

It was further outlined in the Memorandum of Understanding Implementing Initiative Resolution 88-1 between the City of Irvine and the Irvine Company, whereby the Irvine Company agreed to convey to the City open space lands – in the form of Preservation Areas – in exchange for development rights in other areas of Irvine. These Preservation Areas that comprise the Irvine Open Space Preserve are dedicated to the City in perpetuity as protected open space. The deeds include language that restricts the use of the land solely for infrastructure, resource conservation, habitat enhancement and passive recreation purposes such as hiking. In other words, these lands cannot ever be sold, leased or used for any commercial, office, industrial, or residential purposes.

- Legal Criteria: *County policies to preserve prime agricultural land, as defined pursuant to Government Code 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.

- City's Reasons for Failing to Meet this Legal Criteria: The City of Irvine General Plan Conservation and Open Space Element includes Objective L-10 that encourages the maintenance of agriculture in undeveloped areas of the City until the time of development and in areas not available for development.
- 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.*

The growth forecast for the City of Irvine included in the adopted 2020 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), known as Connect SoCal, is inconsistent with the City's existing General Plan and Zoning Code. However, the RHNA allocation deviates from local input and greatly exceeds the existing General Plan and Zoning Code. Accommodating the RHNA allocation for all income levels will create a significant impact on the jurisdiction. This will place a tremendous strain on the existing transportation infrastructure. There is limited existing or future plans for public transportation in the City of Irvine as the County transportation committee (OCTA) has reduced or eliminated public transit throughout much of Irvine and south Orange County.

- d. *The rate of overcrowding.*

Although the 2018 Department of Finance figures show an average of 3.1 persons per household in Irvine, the City does not track the number of occupants per dwelling unit. The City is concerned that the definition of "overcrowding" has not been clearly established. Therefore any jurisdictional responses to this question would not be an accurate comparison. The City recommends that SCAG determine a consistent and perhaps more appropriate definition of overcrowding rather than using the US Census definition of one person per room. The current Census definition would determine that a married couple in a studio apartment would be overcrowded or that a family of six would be overcrowded if living in a three-bedroom home. Census does not take into consideration multi-generational housing, which is a growing trend in the City. None of these extreme examples would constitute overcrowding except under the current Census definition.

- e. *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.*

The City of Irvine is home to Irvine Valley College, Concordia University, and the University of California, Irvine. Irvine Valley College is a two-year public community college and is part of the South Orange County Community College District. Prior to March 2020, the majority of the students attending Irvine Valley College lived locally and commuted to class. Concordia University is a private four year university with a total student population of 4,123 (1,334 undergraduate). Concordia currently has 256 dormitory units with 1,024 beds and another 74 dormitory units with 296 beds have been entitled through discretionary approval. The University of California, Irvine (UCI) has an approved long range development plan (LRDP) that has a maximum of 22,000 beds and over 2,000 dwelling units for faculty and staff. With all colleges and universities, the COVID-19 pandemic has required instruction to be held remotely for the remainder of the 2020 calendar year and it is unknown how long digital learning will continue into the future. It is a very realistic possibility that restrictions on the percentage of students

permitted to attend in person classes may not be lifted for years to come, dramatically impacting the number of students and faculty needing on campus or near campus housing.

- f. 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.*

Historically, there have been a significant number of wildfires in and surrounding the City of Irvine. The City has seen a major wildfire within or near its borders every decade since the 1980s. Fortunately, the City of Irvine has not experienced any devastation from these fires, but it serves as a constant reminder that the hillside terrain and open space that surrounds the City of Irvine makes it a constant threat to potential wildfires. (Attachment 13)

- g. The region's greenhouse gas emissions targets provide by the State Air Resources Board pursuant to Section 65080, to be met by SCAG's Connect SoCal Plan.*

The City of Irvine has limited public transit opportunities and the conversion of office to additional residential as a way to meet the RHNA would likely increase the number of vehicle miles traveled (VMT) within the region, which could potentially conflict with AB 32 and SB 375 goals.

The City of Irvine initiated a review of the proposed RHNA allocation (required site inventory to address all income levels) and the impact to the vehicle miles travelled for the City. Based on this preliminary review, the impact of the RHNA as a "project" and it would result in 19.78 VMT/capita vs. 14.88 VMT/capita (threshold) with potential need to mitigate a VMT impact amount 24.8% through mitigation strategies. The majority of the units were hypothetically located near the Irvine Transportation Center (ITC) or within the Irvine Business Complex (IBC) that is serviced by the iShuttle, Irvine's locally serving transit. Both of these areas are near the City's two large job centers, the Spectrum and the IBC and it does not take into consideration the possible reduction in nonresidential uses to accommodate the dwelling units. The detailed report is included as Attachment 14.

Furthermore, the California Air Resources Board (CARB) has established goals of reducing GHGs in the SCAG region by 19% by 2035 beginning October 1, 2018. Previously, the targets were to reduce GHGs by 13% by 2035. This 6% target reduction increase could potentially limit housing production within the City as these target adjustments result in increased housing production costs. Specifically, according to the local Building Industry Association (BIA), the cost to construct high density, multifamily residential on developed land in Orange County and Los Angeles County is extremely costly and may result in limited to no housing production. The principle is supported by several sections of the state's RHNA methodology process (such as Government Code Sections 65584, subd. (a)(3), 65584, subd. (d)(2), and 65584, subd. (d)(3).)

- h. 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.

The City of Irvine identified several other factors in the RHNA Local Planning Factor Survey submitted in April 2019 that limit residential development. Areas of the Great Park Neighborhoods will be developed, but are limited to non-residential development due to soil contamination that has not been cleaned to residential standards. For residential to be possible, extensive remediation would be required. Remediation plans can be cost-prohibitive in worst case scenarios, but often add significant cost to housing development in most cases. Additionally, there are other areas within the City such as Rancho San Joaquin that have limitations on what portions of the site could be converted to residential due to active methane gas emissions from a previous landfill site.

The City of Irvine recommends that SCAG consider other planning factors such as potential impacts from natural disasters (i.e., earthquakes, fires, floods, liquefaction, landslides, dam inundation, etc.) History of natural disasters or recent fire events should also be taken into consideration.

i. Information not considered: Achievability

Per California State Law, the City of Irvine must prepare a housing element update that identifies adequate sites for both the aggregate RHNA allocation AND each of the income level categories (Assembly Bill 1397; Chapter 375, Statutes 2017). In addition, the City must also allocate additional units to ensure that there is no net loss per Senate Bill 166; Chapter 367, Statutes 2017). The City of Irvine received the following draft allocation:

Draft RHNA Allocation	23,554
Very Low	6,379
Low	4,225
Moderate	4,299
Above Moderate	8651

The City of Irvine has one of the most progressive inclusionary housing programs in Orange County and as a result, the City has constructed 4,608 affordable housing units, the most in Orange County. Eighty percent of the affordable units are extremely low, very low, and low. The City's inclusionary housing program requires 15% of all units be set aside as affordable utilizing a 5%/5%/5% split for very low, low, and moderate income levels. Therefore, to meet the very low income levels using Irvine's existing inclusionary housing program would need to identify sites for at least 127,580 units:

Total Allocation to Meet All Income Levels	127,580
Very Low	6,379
Low	6,379
Moderate	6,379
Above Moderate	108,443

As previously noted, the majority of land suitable for urban development in the City of Irvine is entitled through development agreements that allow units to be constructed in phases. In addition, nearly all planning areas have met the maximum number of units and there is no vacant land available that is not permanently protected open space. Nearly all the residential units in Irvine are less than 50 years old, with the majority of these units constructed since the mid-1990s. Out of the 114,093 units, 59,031 units have been built from 2000-present. The housing stock is new and would not be available for redevelopment or repurposing. The City incorporated in 1971 and while a number of units were constructed prior to incorporation, it has taken nearly fifty years to construct 114,093 units. The City is now being asked to more than double the existing housing inventory and find adequate sites for 127,580 new, additional units to be able to accommodate the very low income RHNA allocation. For the City to actually construct enough units to meet the RHNA allocation, Irvine would need to construct almost 16,000 units each year. Any allocation that is disproportional AND is not attainable, does not further the statutory requirements and is patently flawed.

While some argue the RHNA is a hypothetical planning exercise, it should be noted that jurisdictions are evaluated through HCD's RHNA Annual Progress Report (APR). Jurisdictions that are not meeting their RHNA goal for construction of affordable housing are subject to streamlined housing approvals for certain housing projects under Senate Bill 35 (Chapter 366, Statutes 2017).

Additionally, if the City of Irvine is unable to identify adequate sites to meet both the total need and the need by each income category, the City will not be able to have a certified Housing Element. If the City is unable to have a certified Housing Element, we will be ineligible to receive Senate Bill 2 Permanent Local Housing Allocation funding in the amount of approximately \$4.5 million over a five year period.

City of Irvine Appeal Grounds for Appeal #3: A Significant and Unforeseen Change in Circumstances Has Occurred that Merits a Revision of the Information Submitted for the Methodology (Government Code Section 65584.05, subd. (b)(3)).

A significant and unforeseen change in circumstances has occurred in the City after April 30, 2019 that merits a revision of the information previously submitted by the local jurisdiction.

- **The City of Irvine is requesting a reduction of 2,500 units.** In March 2020, the Southern California region came to a halt due to the COVID-19 pandemic. Seven months later, the majority of the counties in the SCAG region are in the purple tier or widespread category where many of the non-essential indoor business operations are closed. Orange County recently moved into the red tier or substantial category where some non-essential indoor business operations are closed. The California Department of Public Health (CDPH) requires working remotely in the red tier and continues to encourage teleworking in the orange tier (moderate) and yellow tier (minimal). What these unprecedented times have demonstrated is that telecommuting can be a viable, flexible work option. The interest in working remotely is not going to end once the pandemic is behind us, and while the long term impacts of the COVID-19 pandemic will not be known immediately, there are indications that the pandemic will have long term

impacts on how work will be reimagined. On October 13, 2020, the City of Irvine unanimously approved a Resolution encouraging long-term telecommuting, where possible, for the City and its businesses. This is an opportunity to proactively make adjustments that benefit the City's residents (less traffic, improved air quality), employees (increased productivity, higher employee satisfaction), businesses (reduced operational costs, improved recruitment and retention) and our environment (reduced greenhouse gas emissions, reduced fuel usage).

- According to an article published in the Orange County Register on September 16, 2020, Los Angeles-Orange County's joblessness rate of 16.8% is the highest in the United States. Major corporations are rethinking how they will do business and there have been articles written about Google and REI. Both corporations have recently completed new campuses, but are looking to sell the campuses due to changes resulting from COVID-19. (see articles for Google and REI). The Orange County Business Council recently released the 2020-21 Orange County Community Indicators Report that included a special section on COVID-19 and the potential long term impacts. According to the report "the COVID-19 pandemic has dramatically impacted economies and workplaces at all levels, both regionally and globally. While many believed the economy would rebound into a quick recovery, continued levels of unemployment and financial distress suggest the recovery will likely take years."
- Reliance on the 2045 employment to determine the existing need in the RHNA methodology is flawed. It will be argued that the impacts of COVID-19 can be addressed in future iterations of Connect SoCal (2024 and 2028) and the 7th Cycle RHNA (2028), but the damage to a jurisdiction will be done by that point in time. Jurisdictions will have been forced into modifying their General Plans and Zoning to accommodate the unrealistic and unachievable RHNA allocations for the 6th Cycle.
- On September 28, 2020, John Wayne Airport (JWA) posted the statistics for August 2020. This is only one month of data reflecting the impact of COVID-19 on a local economy that relies on commercial aircraft operations. In August 2020, JWA served 266,986 passengers, a decrease of 71.7% when compared with the August 2019 passenger traffic count of 942,385. The loss of revenue associated with airline travel has had a tremendous impact on the operating budgets of the jurisdictions surrounding JWA. Based on information provided by the California Employment Development Department (EDD) in the Worker Adjustment Retraining Notification (WARN report), the City of Irvine has suffered a loss of 2,490 jobs from July 2020 to present. According to the WARN report, statewide job losses since March have been catastrophic:
 - July 2019: 2,720 jobs
 - August 2019: 3,927 jobs
 - September 2019: 6,825 jobs
 - October 2019: 5,119 jobs
 - November 2019: 4,483
 - December 2019: 2,343
 - January 2020: 5,949 jobs
 - February 2020: 6,016 jobs
 - March 2020: 44,922 jobs

- April 2020: 240,362 jobs
- May 2020: 130,152 jobs
- June 2020: 56,596 jobs
- July 2020: 33,088 jobs
- August 2020: 32,875 jobs
- September 2020: 49,021 jobs
- October 2020: 12,701 jobs
- There will be long term impacts to the local colleges and universities if complete distance learning is continued into the near future or even modified to allow a percentage of students learning on campus. The University of California, Irvine and Concordia University both offer on-site student housing for undergraduates and graduate students that might be enough to house the existing on campus student population and faculty.
- Additionally, numerous articles have documented a shift in the desire for there to be more housing that allows residents to have open space and is less dense. Below are the links to ongoing news articles regarding the long term impacts of COVID-19.
 - <http://www.freddiemac.com/research/insight/20200227-the-housing-supply-shortage.page>
 - <https://calmatters.org/commentary/dan-walters/2020/07/california-local-housing-shortage-crisis/>
 - <https://padailypost.com/2020/04/16/economic-slowdown-is-a-new-factor-in-determining-housing-quotas/>
 - <https://www.citywatchla.com/index.php/cw/los-angeles/20136-a-powerful-lesson-from-the-pandemic-trickle-down-city-planning-does-not-work>
 - <https://www.ocregister.com/2019/12/10/can-southern-california-build-1-34-million-homes-in-a-decade/>
 - <https://uccs.ucdavis.edu/events/2020-July-15-Blumenberg>
 - https://calmatters.org/commentary/rethinking-work-and-life-in-lessons-learned-from-covid-19/?utm_campaign=CHL%3A%20Daily%20Edition&utm_medium=email&_hsmt=88358094&hsenc=p2ANqtz--mmjM_srt2o0plbA-HD570CcmAgf2UTTAX-K0guxe8Rb5OTBIGQ1YXa0xrCkoOF6xBlkRcm0iMwr79tNV2MXByD8JD7w&utm_content=88358094&utm_source=hs_email
 - https://www.hostcompliance.com/sharing-econ-post-covid-planners?mkt_tok=eyJljoIIRka09UQTVOVFeyTW1RdyIsInQiOiJvMjVrVGgieXQ4SjFCL2UrRTZ4Mms4aXFQTXNCQVh0cINSNSUpnd3F5VW1iRjVTRlI4QQVINWpoREVVVQ1ROVEwwTUeEkFUbfIWWTUrUUUZdndYcFNouUFFPUMRxNyt0bmR4ZTRYvjISNJnKQ1h2ZU1UcmtWYW1JbW9QzdjIaHhyTzAifQ%3D%3D
 - <https://www.cp-dr.com/articles/cpdr-news-briefs-may-12-2020>
 - http://www.newgeography.com/files/Policy_Delusion.pdf
 - <https://ternercenter.berkeley.edu/news/affirmatively-furthering-fair-housing-in-california>
 - http://www.scag.ca.gov/Documents/scag-COVID-19-Transportation_Impacts.pdf?utm_medium=email&utm_campaign=SCAG%20Update%20August%2012&utm_content=SCAG%20Update%20August%2012+CID_58f8861a62362ccce09f7628b1bbb022&utm_source=SCAG%20Campaign%20Monitor&utm_term=new%20study
 - <https://www.forbes.com/sites/retailwire/2020/08/18/rei-sells-its-headquarters-others-should-take-notice/#70f53e273166>
 - <https://www.wsj.com/articles/rei-built-an-iconic-hq-because-of-covid-19-the-outdoor-retailer-wants-to-sell-it-11597263188https://www.msn.com/en-us/money/companies/google-abandons-plan-to-rent-dublin-office-for-2000-workers/ar-BB18NsOQ>

- <https://www.barrons.com/news/google-abandons-dublin-office-plan-for-up-to-2-000-staff-01599562531>

City of Irvine Grounds for Appeal 4: Regional Determination of 1.34 Million Housing Units Violates State Law (Government Code Section 65584.01, subd. (a)).

- State housing law is very clear on how to calculate the regional determination. “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, 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...”
- SCAG regional population forecast for its Regional Transportation Plan (RTP) differs from the 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 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%
- The City of Irvine responds, however, that HCD’s interpretation is incorrect for the following two reasons:
 1. The law clearly states that the 1.5% range is based on the total regional **population** forecast 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 state housing law provides a significant level of discretion to HCD over many of the factors used for the regional determination (*e.g.*, vacancy adjustments, overcrowding rates, replacement adjustments, cost-burdened adjustments), there is no discretion granted HCD on this numeric issue. Therefore, while the City of Irvine supported the arguments SCAG outlined in its September 18, 2019 objections letter, the City also recognizes that state law grants HCD the final determination for those factors. Notwithstanding, had HCD adhered to Section 65584.01, subdivision (a) as clearly stated, the City estimates that the regional determination should have been approximately 133,000 housing units lower, or no more than approximately 1.2 million housing units.
- Among the other factors used by HCD to establish the regional determination, the City contends that HCD incorrectly applied the vacancy rate for the SCAG region and double-counted a significant number of units needed to accommodate overcrowded and cost burdened households. This is the result of “Double Counting,” as described by a recent study from the Embarcadero Institute, “*Double Counting in the Latest Housing Needs Assessment*” (September 2020). The report demonstrates that the total regional housing need for the SCAG region should actually be approximately 651,000 housing units and not 1.34 million housing units. Other reputable sources, including the Freddie Mac report, “*The Housing Supply Shortage: State of the*

States” (February 2020), also demonstrate that HCD’s calculation of 1.34 million housing units is significantly overinflated. This new and credible data should at a minimum be explored if not incorporated into the final allocation.

- . On October 1, 2020, SCAG President Rex Richardson verbally confirmed his intent to reconvene the SCAG RHNA Litigation Study Team. To date, the SCAG RHNA Litigation Study Team has not been reconvened, but it is our hope 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.

City of Irvine Grounds for Appeal #5: Inconsistency Between Regional Housing Needs Assessment and Sustainable Communities Strategy (Government Code Sections 65080, subd. (b)(2) and 65584, subs. (a) & (d)).

- State law requires that SCAG, “prepare a sustainable communities strategy”, which shall, among many other things, “identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Section 65584.” Government Code 65584 clearly establishes that the eight-year projection of regional housing need includes both “existing **and** projected” housing need.
- Additionally, California housing law states that, “it is the intent of the Legislature that housing planning shall be coordinated and integrated with the regional transportation plan. To achieve this goal, the allocation plan (RHNA) shall be consistent with the development pattern included in the sustainable communities strategy.” This point is further emphasized in the law regarding RHNA appeals: “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...”
- Previous iterations of the RTP/SCS (2008 and 2012) were amended after the adoption of the final RHNA to ensure the consistency between the RHNA and SCS.
- Beginning in October 2018, SCAG began an in-depth public review process for the 6th Cycle RHNA. In August 2019, SCAG released three RHNA methodology options for public review based on various factors discussed at the RHNA Subcommittee meetings between February and June 2019.
- Between August 1 and September 13, 2019, SCAG conducted four public hearings and received over 250 written comments. Based on the comments received, SCAG prepared a recommended RHNA methodology that met all five RHNA objectives and was consistent with the development pattern in the draft SCS.
- This RHNA methodology was recommended by the RHNA Subcommittee and unanimously supported by the CEHD Committee in October 2019.
- However, on November 7, 2019, a new RHNA methodology, which was inconsistent with the development pattern in the SCS, was introduced by Riverside Mayor Rusty Bailey and endorsed by Los Angeles Mayor Eric Garcetti and approved by a split vote of the Regional Council without any adequate public review or in depth analysis of the new methodology.

- SCAG is now attempting to fit a square peg into a round hole by claiming that the eight-year projection of the regional housing need³ only applies to RHNA's "projected need" and does not apply to RHNA's "existing need"⁴ despite the fact that state housing law clearly defines RHNA as "existing and projected need"⁵. SCAG states that "HCD identifies the 'existing need' as 836,857 units..."⁶ This response is completely misleading and patently false. In fact, HCD has never differentiated between existing and projected need. A careful read of HCD's letter⁷ demonstrates that it was actually SCAG (not HCD) that established an "existing need" of 836,857 and that HCD was simply acknowledging that this was SCAG's approach to the RHNA methodology. Moreover, HCD has never differentiated between existing need and projected need in any region in the state; HCD has only provided a total housing need.
- In their calculations, HCD projected a total of 6,801,760 households in the SCAG region by October 2029 (see Figure 1).⁸ HCD added in several adjustment factors (vacancy, overcrowding, replacement, and cost burden) and subtracted the current occupied households. However, even if one were to try and differentiate projected and existing need based on this data, it is clear that at least 551,499 housing units (projected households less occupied housing units) would need to be attributed to "projected need". The only two new factors to be considered with RHNA this cycle are overcrowding and cost burden. Therefore, if one were to differentiate existing need and projected need, the existing need would more likely be 577,422 housing units and a projected need of 764,405 housing units. In other words, SCAG's "eight-year projection of the regional housing need" in Connect SoCal is underestimated by 259,435 housing units.

³ Government Code 65080(b)(2)(B)

⁴ Connect SoCal, Public Participation and Consultation, Appendix 2 (Comments and Responses), Master Response No. 1: Regional Housing Needs Assessment

⁵ Government Code 65584 et al.

⁶ Connect SoCal, Public Participation and Consultation, Appendix 2 (Comments and Responses), Master Response No. 1: Regional Housing Needs Assessment, Page iv

⁷ January 15, 2020 letter from HCD to SCAG regarding RHNA methodology

⁸ October 15, 2019 letter from HCD to SCAG establishing the final regional determination of 1.34 million housing units

Figure 1: October 15, 2019 Regional Determination from HCD

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.	- Group Quarters Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029			-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.	- Occupied Units (HHs) estimated (June 30, 2021)			-6,250,261
9.	+ Cost Burden Adjustment (Lower Income: 10.63%, Moderate and Above Moderate Income: 9.28%)			117,505
6 th Cycle Regional Housing Need Assessment (RHNA)				1,341,827

- As a result, 81 jurisdictions in the SCAG region have been assigned a RHNA allocation that exceeds SCAG's 2045 growth totals. In fact, among those jurisdictions the average percentage increase of RHNA above SCAG's 2045 jurisdictional growth totals is 233% with some jurisdictions being assigned a RHNA over 1000% higher than SCAG's 2045 jurisdictional growth totals.⁹ In contrast, the other 116 jurisdictions are receiving a RHNA on average that is 42% lower than their 2045 jurisdictional growth totals. This result is not supportable under Sections 65080, subdivision (b)(2)(B) and 65584, subdivision (a) and (d).

CONCLUSION

The City of Irvine respectfully requests the total RHNA be reduced by 8,259 units and that SCAG modify the allocations to address the following outstanding issues:

- Grounds for Appeal #1: Methodology
 - HQTA Errors: reduction of 1,500 units
 - Residual Allocation Redistribution due to Disadvantaged Community component of the RHNA Methodology, specifically outdated growth forecast information: reduction of 2,759 units
- Grounds for Appeal #2: Local Planning Factors and Information Furthering Fair Housing (AFFH): reduction of 1,500 units
- Grounds for Appeal #3: Changed Circumstances: reduction of 2,500 units

⁹ Nine jurisdictions were projected to have no growth by 2045 and were not included in this average percentage increase

4. Grounds for Appeal #4: Regional Determination of 1.34 Million Housing Units Violates State Law
5. Grounds for Appeal #5: Inconsistency Between Regional Housing Needs Assessment and Sustainable Communities Strategy

Finally, the City of Irvine is requesting errors in the underlying data included in the RHNA methodology and the change in circumstances associated by the global COVID-19 pandemic be addressed to ensure there is an equitable distribution of affordable units throughout the SCAG region. The City of Irvine is a model of providing affordable housing in the region and even with the requested revision will still be responsible for accommodating one the Orange County's highest RHNA allocation.

Attachments:

1. Final Project List for Connect SoCal
2. City of Irvine High Quality Transit Area (HQTa) Traffic Analysis Zone (TAZ) 2045 Population Data
3. Irvine Transportation Center HQTa ½ mile radius map
4. Irvine Transportation Center HQTa Extended TAZ map
5. Future Alton Parkway HQTa ½ mile radius map
6. Future Alton Parkway HQTa Extended TAZ map
7. Jeffrey Park and Ride HQTa ½ mile radius map
8. Jeffrey Park and Ride HQTa Extended TAZ map
9. Spectrum Center HQTa ½ mile radius map
10. Spectrum Center HQTa Extended TAZ map
11. City of Santa Ana Major Development Project Map/HQTa
12. City of Irvine Major Development Project List
13. City of Irvine Major Fire History Map
14. Preliminary VMT Analysis of Proposed RHNA Allocation
15. City of Irvine Comment on RHNA – May 6, 2019
16. City of Irvine Comment Letter on RHNA – October 4, 2019
17. City of Irvine Comment Letter on RHNA – February 20, 2020
18. Orange County Mayors' Letter on RHNA - September 18, 2020

Cc: City Council
Marianna Marysheva, Interim City Manager
Jeff Melching, City Attorney
Pete Carmichael, Director of Community Development Department
Timothy Gehrich, Deputy Director of Community Development Department
Kerwin Lau, Manager of Planning Services
Mark Steuer, Director of Public Works and Transportation
Jaimee Bourgeois, Deputy Director of Transportation
SCAG RHNA Subcommittee/RHNA Appeals Board
Honorable Peggy Huang, Chair RHNA Subcommittee
Honorable Wendy Bucknum, Orange County Representative RHNA Subcommittee