

## City of Anaheim PLANNING AND BUILDING DEPARTMENT

Planning Services Division

February 20, 2020

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

RE: Request to the Southern California Association of Governments (SCAG) to Amend the Regional Housing Needs Assessment (RHNA) Methodology for the 6<sup>th</sup> Cycle

Dear Mr. Ajise:

The City of Anaheim requests that SCAG amend the RHNA methodology to reinstate local household growth input as a factor in the allocation of units to meet the region's existing housing need. In addition, we request that SCAG advocate on behalf of its jurisdictions to urge the Department of Housing and Community Development (HCD) to reduce the SCAG region's regional determination of 1.3 million units to a number that is reasonable and supported by factual and reliable data in compliance with State law.

Anaheim staff believes that local input is an important element in determining whether jurisdictions have the capacity for future household growth to meet both existing and projected housing need. Every four years, the City provides its forecasted growth to SCAG through the Orange County Projections (OCP) process for inclusion in the RTP/SCS. The City develops its forecast for anticipated growth based upon a number of factors. These factors include the City's analysis of existing need; sites suitable for the construction of housing; market demand; the City's General Plan and Zoning Map/Code; past Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) goals, policies and principles, such as concentrating new development around high quality transit areas and corridors (HQTA/C); and, projected population and employment growth.

Anaheim supports the proposal submitted by the City of Cerritos dated February 4, 2020, which recommends that SCAG reintroduce household growth forecasts back into the calculations for the existing need as follows: household growth (33.3%), job accessibility (33.3%), and population within high quality transit areas (33.3%). These household growth projections are an important factor in that it takes into consideration the unique characteristics of each jurisdiction. Moreover, these growth projections more closely align RHNA with the development patterns established within Connect SoCal, as stated in the staff-recommended RHNA methodology staff report for the November 7, 2019, Regional Council meeting, the reintroduction of household growth into the existing need would further the five objectives of state housing law.

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Anaheim staff appreciates that as a Disadvantaged Community (DAC), SCAG used local input to cap the total number of units allocated to Anaheim and redistributed these units to higher resourced jurisdictions. This methodology helps ensure that DAC conditions are not exasperated. However, Anaheim staff believes that SCAG should distribute these units to higher resourced jurisdictions across the region, not just the county. It is not typical that residents limit their employment and housing within one county, and in some cases, a resident in an adjacent county may have a shorter commute or better transit access to and from Anaheim, than a resident within Orange County may have to Anaheim.

Furthermore, we are also strongly urging SCAG to object, again, to the faulty regional determination of 1,341,827 housing units for the 6<sup>th</sup> RHNA cycle given to our region by HCD. SCAG should continue to assert that HCD did not follow statute when allocating 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 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..." ..." [Gov. Code § 65584.01(a)]

The use of a number that does not comply with statute sets a dangerous precedent not only for SCAG, but also for other metropolitan planning organizations across the State to have their projections cast aside capriciously in pursuit of political agendas not based in fact but in hyperbole. Additionally, as you are likely aware, the Department of Finance recently updated its population projections, which show a significant decrease since their previous forecast. Furthermore, Governor Newsom has stated that his commitment to building 3.5 million homes by 2025 was a "stretch goal" and that the state would soon be releasing a more pragmatic estimate of the housing needs by region. The regional determination of 1.34 million housing units is therefore not only unsupported by statute, it is not a feasible allocation given recent housing projections. Combined with an inequitable RHNA methodology, we are fearful that local jurisdictions are being set up for failure to comply with state housing law.

We request that the RHNA Subcommittee, CEHD Policy Committee, and Regional Council consider these recommendations prior to the adoption of the RHNA. We recognize that there are time constraints established by state law; however, the RHNA will have significant impacts on jurisdictions over the next decade. Therefore, it is imperative that SCAG finalize the RHNA in a way that is equitable and attainable in responding to the housing crisis.

Respectfully submitted,

Ted White

Planning and Building Director