## City of Seal Beach



March 2, 2020

Southern California Association of Governments Attn.: Mr. Kome Ajise, Executive Director 900 Wilshire Blvd., Suite 1700 Los Angeles, CA 90017

RE:

Opposition to 6<sup>th</sup> Cycle Regional Housing Needs Assessment (RHNA) Methodology,

Process and Allocation

Mr. Ajise,

This letter is being sent to express the City of Seal Beach's opposition to the 6<sup>th</sup> Cycle Regional Housing Needs Assessment (RHNA) methodology. The process to confirm the draft methodology and ultimately the allocation of housing units to the City of Seal Beach has been disingenuous and misleading due to the steps and actions taken just prior to and during the November 7, 2019 Regional Council meeting.

As you are aware, the majority of the 6<sup>th</sup> Cycle RHNA process was engaging and interactive, resulting in SCAG staff identifying three housing unit allocation options. These options were properly distributed for review and comment to member cities and counties. SCAG staff ultimately provided a recommendation, which was introduced and supported by the RHNA and Community, Economic, and Human Development (CEHD) Committees. This was unfortunately not supported by certain cities who in turn elected to introduce an alternative methodology without providing a timely opportunity for review and comment. The introduction of this alternative methodology as a substitute motion and the vote taken at the November 7, 2019 Regional Council meeting has caused great concern among virtually every Orange County city as the action resulted in approximately 75,000 housing units being shifted from other SCAG counties to Orange County.

Evidently, the 6<sup>th</sup> RHNA cycle is of great concern to most SCAG cities and counties due to the large number of housing units assigned by the State to the SCAG region. However, we anticipated and expected to experience a fair, objective and transparent process. Unfortunately, this has not been the case and the end result is a housing unit allocation that the City of Seal Beach simply cannot attain. Providing 1,240 housing units (latest draft allocation) to a City that is essentially built out in accordance with it's General Plan and also heavily regulated by the California Coastal Commission would require a dramatic change to its character and significantly influence quality of life to a point that is objectionable to and insupportable by the residents of Seal Beach. As a result, the Seal Beach City Council took action during the February 24, 2020 meeting to unanimously approve Resolution 7009 opposing the modified RHNA allocation methodology and the assigned housing units. A copy of Resolution 7009 is attached.

Though we don't expect this action to have much influence upon SCAG and the future action of the SCAG Regional Council to finalize the RHNA Methodology later this month, we do hope that what transpired during the November 7, 2019 meeting doesn't set a precedence that allows for an established process that provides reasonable opportunity for review, comment and discussion to be easily circumvented. Along with the vast majority of cities in Orange County, the City of Seal Beach is anticipating the draft RHNA allocation methodology to be approved by the Regional Council and, therefore, currently considering all options available to us.

We ask that the attached resolution is fully considered by the SCAG staff, appropriate Committees, and the Regional Council. Should you have any questions or would like to discuss this matter, please do not hesitate to contact me.

Sincerely,

Les Johnson

Community Development Director

Cc: Mayor and City Council

Jill Ingram, City Manager Craig Steele, City Attorney

## **RESOLUTION 7009**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEAL BEACH OPPOSING THE MODIFIED REGIONAL HOUSING NEEDS ASSESSMENT ALLOCATION METHODOLOGY APPROVED BY THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS REGIONAL COUNCIL

## THE CITY COUNCIL HEREBY RESOLVES AS FOLLOWS:

WHEREAS, California Government Code Section 65584 requires that each city and county plan for existing and projected housing need in accordance with the Regional Housing Needs Assessment (RHNA); and,

WHEREAS, the California Department of Housing and Community Development (HCD) is responsible for establishing the "regional determination", or total existing and projected housing need, for the Southern California Association of Governments (SCAG) region, which includes the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura; and,

WHEREAS, California Government Code Section 65584 requires a transparent and collaborative process for SCAG to develop the methodology for the distribution of the regional determination in an equitable manner among the 197 jurisdictions within the SCAG region for the 6<sup>th</sup> cycle RHNA, covering the planning period from October 2021 through October 2029; and,

WHEREAS, between February 2019 and June 2019, SCAG staff presented to its RHNA Subcommittee a variety of factors that could be used to develop a proposed RHNA methodology; and,

WHEREAS, in July 2019, SCAG's RHNA Subcommittee reviewed and recommended the release of three RHNA methodology options for public review and comment, which was approved for release by SCAG's Regional Council on August 1, 2019; and,

WHEREAS, on October 7, 2019, SCAG staff presented its recommended methodology based on over 250 public comments to the RHNA Subcommittee, which recommended approval of the staff recommended methodology to the Community, Economic, and Human Development (CEHD) Committee; and,

**WHEREAS**, on October 21, 2019, the CEHD Committee unanimously supported the SCAG staff recommended methodology and recommended its approval by SCAG's Regional Council; and,

WHEREAS, at the November 7, 2019 meeting of SCAG's Regional Council, a surprise substitute motion was made by the City of Riverside introducing a

modified RHNA methodology, which would effectively shift a significant portion of the 6<sup>th</sup> cycle RHNA allocation (approximately 75,000 housing units) away from Riverside and San Bernardino Counties and into Orange County; and,

WHEREAS, without significant public input, the modified RHNA allocation methodology was approved for submittal to HCD by the SCAG Regional Council on a contested vote of 43-19 (opposed by all Orange County SCAG representatives), despite a lack of detail regarding the associated impacts of the proposed methodology changes, supporting documentation as to the merit of the proposed changes, nor any opportunity for informed stakeholder input. Furthermore, the Regional Council's action denied the majority of Orange County members of SCAG an opportunity to object to the introduction of the alternative RHNA methodology, and which increased the City of Seal Beach's RHNA allocation from 182 housing units to 1,240 housing units (a more than 600% increase); and,

WHEREAS, the City of Seal Beach did not receive sufficient notice or adequate advanced notice that SCAG would entertain a substantially modified alternative methodology; and,

WHEREAS, the modified methodology fails to adequately account for local input and growth forecast data that, due to the late introduction by substitute motion, was not fully analyzed for potential impacts before a vote of the SCAG Regional Council; and,

WHEREAS, the ramifications of this sudden and un-vetted methodology shift are further compounded by recently passed state housing laws with which local jurisdictions are obligated to comply. Examples include, but are not limited to, SB 35 streamlining requirements and AB 101 penalties for cities which are out of compliance with housing element laws; and,

WHEREAS, the modified RHNA allocation methodology approved by the SCAG Regional Council effectively sets up many Orange County jurisdictions, including the City of Seal Beach, to fail to achieve compliance with infeasible and impossible state housing goals and laws; and,

WHEREAS, on January 13, 2020, HCD completed its review and provided written correspondence to SCAG in support of the modified RHNA methodology.

## THE SEAL BEACH CITY COUNCIL DOES HEREBY RESOLVE:

SECTION 1. The City Council of the City of Seal Beach is a strong advocate of local control. The best means to protect the City of Seal Beach, its residents and business owners, and to promote the goals and polices of the community is to permit local control of property development within a consistent and achievable set of State policy goals. The modified RHNA allocation

methodology, as well as the manner in which it was approved by the SCAG Regional Council, undermines the integrity of what is mandated to be a collaborative RHNA process, negates months of local participation conducted in good faith, and poses a significant threat of lasting damage to the City of Seal Beach if permitted to stand. The City Council, therefore, publicly states its opposition to the modified RHNA allocation methodology approved by the SCAG Regional Council in November of 2019.

SECTION 2. The City Council of the City of Seal Beach publically expresses its extreme disappointment with SCAG's Regional Council leadership and SCAG's executive staff for the manner in which the November 7, 2019 meeting of the Regional Council was conducted. Irrespective of the outcome of this decision, SCAG's Rules for the Conduct of Meetings were violated and Orange County members of SCAG were denied the opportunity to object to the introduction of the alternative RHNA methodology. First, the discussion on the alternative was RHNA methodology was wrongfully and prematurely cut off, leaving the members without the ability to discuss the complex and critically important issue before them. Second, the substitute motion made to introduce the alternative RHNA methodology was unreasonably vague and further confused through attempts to clarify the motion. Finally, SCAG members were not permitted sufficient opportunity to object to the complex and critically important issues raised. As a member of SCAG, the City Council respectfully demands that SCAG make the necessary policy changes to ensure that these types of procedural violations never happen again.

PASSED, APPROVED and ADOPTED by the Seal Beach City Council at a regular meeting held on the 24th day of February, 2020 by the following vote:

AYES:	Council Members_	Sustarsic.	Kalmick,	Moore	Varipapa,	Massa-Lavitt
NOES:	Council Members_	4.40				<del></del>
ABSENT:	Council Members_	2112				
ABSTAIN:	Council Members_					
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Schelly Sustarsic, Mayor

Gloria D. Harper, City Clerk

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS
CITY OF SEAL BEACH }

I, Gloria D. Harper, City Clerk of the City of Seal Beach, do hereby certify that the foregoing resolution is the original copy of Resolution 7009 on file in the office of the City Clerk, passed, approved, and adopted by the Seal Beach City Council at a regular meeting held on the 24th day of February, 2020.

Gloria D. Harper, City Clerk