



CITY OF HUNTINGTON BEACH

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OFFICE OF THE CITY MANAGER OLIVER CHI

March 4, 2020

Hon. Bill Jahn, President
Regional Council
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 6th Cycle

Dear President Jahn:

This letter is submitted for the administrative record of the March 5, 2020 SCAG Regional Council meeting. The City of Huntington Beach has and continues to object to the arbitrary and capricious process being followed by the State in determining and allocating RHNA for Orange County and specifically the City of Huntington Beach. (Including Mayor Semeta being denied the right to speak at the November 7, 2019 Regional Council meeting.)

Final RHNA Methodology

The City of Huntington Beach incorporates all of its prior arguments both orally and in writing and again additionally requests that SCAG amend the Final RHNA methodology to reinstate local input (a critical) factor in determining actual existing need. The local input/household growth projections are a critical factor because it takes into consideration the unique growth characteristics of each jurisdiction. In addition, SCAG staff has previously stated (refer to the November 7, 2019, Regional Council staff report on the original SCAG staff-recommended RHNA methodology) that the reintroduction of household growth into the existing need would further the five objectives of state housing law. Moreover, the local input growth projections were provided to SCAG to be used globally to show growth development patterns supporting the Regional Transportation Plan/Sustainable Community Strategy (RTP/SCS) Connect SoCal as required by state law.

Prior to the February 24, 2020 SCAG RHNA Subcommittee meeting, the City of Cerritos submitted an alternate methodology dated February 4, 2020, which recommends that household growth forecasts be reintroduced 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%). While this does not address all concerns the City has with the methodology process, we believe it provides a better and more accurate methodology than the staff recommended Final RHNA methodology.

At the February 24, 2020 SCAG RHNA Subcommittee meeting, the Subcommittee voted to have SCAG staff include an analysis of the Cerritos methodology in the March 5, 2020 staff report. The "analysis" of the Cerritos methodology in the staff report consists of a single dismissive paragraph, which concludes that the Cerritos methodology would "perform more poorly" against the staff recommended methodology, would require additional HCD review, and jeopardize SCAG's ability to meet arbitrary state mandated deadlines. However, the staff report fails to mention that the Cerritos

methodology does in fact further the five RHNA objectives of state housing element law and that the Regional Council can make the findings to adopt this methodology even if HCD, upon review, does not.

Finally, the City would be more supportive of any methodology that utilizes a larger proportion of local input reflecting a more accurate and equitable RHNA allocation over the staff recommended Final RHNA methodology.

Regional Determination

The City advises that SCAG object again to the Department of Housing and Community Development (HCD) because the regional determination did not follow state law [see Government Code Section 65584.01(a)], and mount a legal challenge to this illegal determination. During the February 20, 2020 RHNA symposium in Anaheim, SCAG Executive Director Kome Ajise stated that SCAG would not file a legal challenge against HCD because the state has more money and lawyers to fight a lawsuit. This reason is not acceptable to the City of Huntington Beach and should not be acceptable to any member of the Regional Council. HCD has violated state law and should be held accountable.

Moreover, the Department of Finance's recently updated population projections show a significant population decrease since their previous forecast. Governor Newsom has also 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...suspiciously in time for the Governor's home region (ABAG) to begin its Housing Element/RHNA process.

The regional determination of 1.34 million housing units combined with an inequitable RHNA methodology adopted through questionable actions and political maneuvering during the November 7, 2019, Regional Council meeting, are legally flawed, following no apparent rational basis and setting up local jurisdictions for failure to comply with state housing law and based on inaccurate data assumptions. As the City has said, the data regarding the assignment of High Quality Transit Areas (HQTA) along Beach Boulevard within the City of Huntington Beach is inaccurate. The existing and 2045 planned bus service does not meet the definition of a HQTA.

We request that the Regional Council consider all of the legal and factual arguments made by the City of Huntington Beach including the two above referenced recommendations prior to the adoption of the RHNA. The Regional Housing Needs Allocation will have significant impacts on the City of Huntington Beach over the next decade and thoughtful policy decisions, and more importantly, the LAW cannot be abandoned in favor of an irrational attempt to solve a complicated problem. It is imperative that the RHNA be finalized in a way that is LEGAL, equitable and attainable in responding to state housing mandates.

Sincerely,



Oliver Chi
City Manager