



May 2, 2019

SCAG RHNA Subcommittee  
RC Board Room  
900 Wilshire Blvd, Suite 1700  
Los Angeles, CA 90017

**Re: SCAG RHNA Subcommittee Estimates of Existing & Projected Housing Need**

Subcommittee Members,

Established in 1924, Central City Association (CCA) is committed to advancing policies that enhance Downtown Los Angeles' vibrancy and increase investment in the region. CCA represents more than 400 businesses, trade associations, and nonprofit organizations, and we support efforts to improve housing affordability and provide housing options for residents at all income levels. We have closely monitored the SCAG RHNA Subcommittee's meetings and developed recommendations for improving the RHNA process in a March 2018 [white paper](#).

The SCAG region has the worst homelessness crisis and one of the most unaffordable housing markets in the country, and after 30-plus years of housing production falling far short of population and job growth the state legislature has finally stepped in. Among other efforts, their interventions include RHNA reform bills like SB 828 intended to hold cities to a higher standard – and hold them accountable – so that we can finally address the housing backlog that has been accumulating for decades.

As we expressed in public comment at the February meeting of the Subcommittee, CCA has been discouraged to see SCAG and the RHNA Subcommittee treating these new state laws as an imposition rather than an opportunity.

What we saw in the agenda reports from February's meeting, and what we continue to see now, is not a prioritization of objectives such as increased affordability, sustainability, and access to opportunity. Instead, the goal of these reports and the RHNA Subcommittee seems to be maintaining the status quo, to the greatest extent possible, by limiting the growth of housing goals above previous RHNA cycles.

For every matter before this Subcommittee, we believe the guiding question should be "How can we create a region that is as affordable, sustainable, and economically and socially enriching as possible?" Instead, as the Subcommittee reviews reports and discusses important issues like vacancy targets, household overcrowding, and other technical details, the unspoken direction appears to be "How can we keep our estimate of housing need as low as possible?"

We see this in the suggestion that we might spread our existing housing need across multiple RHNA cycles, taking an additional 25 years to correct a housing backlog that's already 30 years in the making (5/6/19 agenda, page 25 of 49). We see it in the way an adequate supply of homes is framed as eliminating a safety net for low-income households, or somehow forcing families to live apart from one another even when they prefer to live together (page 19). We see it in the deflection of responsibility toward the Bay Area (page 21). And we see it in the argument that households earning \$50,000 a year or more (less than the median household income for our region) should not count when assessing additional need based on cost-burden.



SCAG staff and RHNA Subcommittee members may argue that each of these positions has a rationale – that they demonstrate a thoughtful and nuanced approach to a difficult task. This is true, and we genuinely appreciate the depth of analysis in these reports. But at a certain point we have to rank our priorities. “If everything is important, then nothing is.” If housing affordability and sustainability are top priorities – as we believe they should be – we must be willing to put aside the incrementalism and act like we mean it. We have to say, “Yes, there are arguments we could use to limit our housing goals, but we’re in the midst of a historic housing crisis and it’s time we act with the urgency this crisis deserves.” To date, that urgency has been completely lacking in the Subcommittee’s meetings and materials.

SCAG and the Subcommittee appear unduly concerned with the impact of overestimating regional housing need, but we know that *underestimating* housing need is the much greater threat and the reason we have so many challenges today. Last year there were 226,000 births and 129,000 deaths in the Los Angeles metro area, a net increase of 97,000 people. Despite this, the total population of the area increased by just 45,000, meaning 52,000 people departed. For every two new residents gained from natural increase (births minus deaths), more than one is now moving away. This is not because people don’t want to live in Southern California; the cost of housing and strong in-migration trends make that clear. So many people are leaving because we’ve given them no viable housing options.

If regional need is overestimated rather than underestimated – a tall order in a state with a housing backlog of 3.5 million homes – fewer of those born here will be forced to someday leave. Vacancy rates will increase slightly, giving tenants more leverage in negotiating fair rents. Southern California will export fewer residents to places like Las Vegas and Dallas where per-capita carbon emissions are much higher. More people will live near their work and other daily needs, in dense communities where transit and active transportation are most viable. Cities and employers will be able to hold onto the talented youth being trained and educated at our world-class institutions. These are not outcomes to be fearful of, they are exactly the outcomes we should be prioritizing.

This body of elected officials, which has no representation from the City of Los Angeles (the largest city in the region), has been granted incredible authority to shape the future of our region. That authority can be wielded to keep things much the same, with the challenges we face growing steadily worse day by day. Alternatively, it can be used to help realize a vision for a healthier, more affordable, better-connected, environmentally sustainable Southern California. We encourage SCAG staff and the RHNA Subcommittee to reorient their focus and establish affordability, connectivity, and sustainability as real priorities for this region.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. Lall". The signature is fluid and cursive, with a large initial "J" and a long, sweeping tail.

Jessica Lall  
President & CEO, Central City Association of Los Angeles

Cc: Mayor Eric Garcetti, City of Los Angeles  
Councilmember Gil Cedillo, Chair, Housing Committee  
Vince Bertoni, Director, Los Angeles Department of City Planning  
Rushmore Cervantes, General Manager, Housing and Community Investment Department