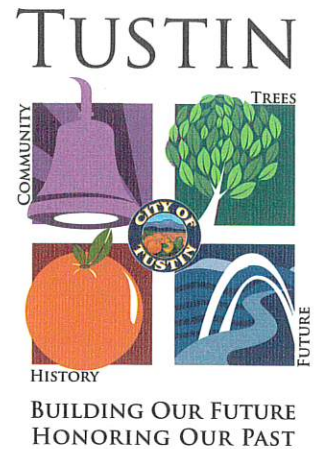Community Development Department

TUSTIN

August 30, 2019

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

RE: PROPOSED REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) ALLOCATION METHODOLOGY

Dear Mr. Ajise:

The City of Tustin supports SCAG's ongoing efforts to address California's critical housing needs and appreciates the opportunity to provide comments on the Proposed Regional Housing Needs Assessment (RHNA) Allocation Methodology.

The City of Tustin has the following comments and concerns regarding the Proposed RHNA Allocation Methodology for the 6th RHNA Cycle:

- SCAG should select a methodology which is consistent with local input that already incorporates existing and projected housing need. SCAG has solicited input from all 197 local jurisdictions in the SCAG region, including: population, housing, and employment projections; parcel level General Plan land uses, existing 2016 land uses and zoning; and survey information on policies and best practices for local planning. This local input has always been a foundational component of SCAG's RHNA planning process, and ensures consistency between the RHNA and the Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS).

- It is unclear how SCAG will address a possible inconsistency between the RHNA determination and the SCAG regional growth forecast and local input, which were used as a basis for the 2020 RTP/SCS, known as Connect SoCal, that is currently in development. The SCAG region potentially could be planning for additional housing, without planning for the transportation network to support the additional housing. If the RTP growth forecast is modified to reflect a RHNA determination by HCD that is inconsistent with local input, the RTP growth forecast would not be based on sound land use planning principles.

- Of the three (3) methodology options developed and released for public review by SCAG, the City of Tustin is most supportive of Option One. However, the City of Tustin is opposed to the reassignment of Above Moderate Income units to the three lower-income categories. Above Moderate Income housing units can be built without subsidies and are often developed in conjunction with affordable housing units that can be financially supported by the higher-income housing units.

- If one (1) of the three (3) RHNA Allocation Methodology options being reviewed at this time is revised or if a new methodology option is introduced based on the input received during the public review period, the City of Tustin requests that additional review time of at least ten (10) days be provided to allow local jurisdictions the time to assess this new information prior to any SCAG committee taking action on a preferred methodology.

- The City of Tustin supports the technical comments provided by the Center for Demographic Research at California State University, Fullerton, in their letter dated August 23, 2019 (attached). These technical comments are intended to improve the accuracy of the three (3) methodology options.

The City of Tustin continues to be a leader in the production of workforce and market rate housing. However, with the dissolution of redevelopment agencies the available funding for affordable housing subsidies has diminished and cities and counties are struggling to meet their RHNA targets. Hopefully, recently enacted funding measures will spur the development of more affordable housing throughout California and result in RHNA targets that are more attainable.

The City of Tustin urges SCAG to adopt a RHNA Allocation methodology for the 6th Cycle RHNA that reflects local input, is reasonable and equitable, is consistent with SCAG's stated goals, and allows communities to have local control over housing development and have their housing elements certified by the Department of Housing and Community Development (HCD). Not doing so may result in a RHNA allocation that is not achievable and one that will jeopardize the region's ability to successfully address California's housing crisis.

Sincerely,

Elizabeth A Binsack

Elizabeth A. Binsack
Community Development Director

cc: Tustin City Council
        Ma'Ayn Johnson, SCAG
        Marnie Primmer, OCCOG Executive Director
        Deborah S. Diep, CDR Executive Director
        Matthew S. West, City Manager
        Justina Willkom, Assistant Community Development Director
        Scott Reekstin, Principal Planner

Attachment: August 23, 2019, Center for Demographic Research Letter

August 23, 2019

Mr. Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Blvd., Suite 1700
Los Angeles, CA 90017
SENT VIA EMAIL: housing@scag.ca.gov

SUBJECT: PROPOSED REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) ALLOCATION METHODOLOGY

Dear Mr. Ajise:

The Center for Demographic Research (CDR) at Cal State Fullerton has reviewed the Proposed Regional Housing Needs Assessment (RHNA) Allocation Methodology and its Data Appendix. We recognize all of the work SCAG staff has done to produce these reports and the extensive work with local agencies during the development process. Further, CDR extends our thanks for SCAG's close coordination with us on behalf of Orange County jurisdictions to ensure that the 2018 Orange County Projections (OCP), Orange County's growth forecast, were utilized.

I would also like to express our appreciation for the ongoing coordination regarding the upcoming updates and corrections to the RHNA calculator. Though a new version of the RHNA calculator is forthcoming, some of the draft comments in the matrix below are indicated as pending after feedback from SCAG staff that these are expected to be included in the next iteration of the calculator. I would also like to acknowledge that comments 3 and 4 in the matrix below were prepared prior to the issuance of the draft regional number from HCD. As the income shares provided by HCD to not appear to include a redistribution of the above moderate income category, please also take these comments into consideration for any subsequent RHNA cycles.

We support SCAG's approach to developing an equitable methodology by releasing multiple potential methodologies for public review and comment. After a detailed review of each available option, we ask for your consideration and response to the following:

1. We support the comments provided separately by the Orange County Council of Governments:
   - Local input should underpin the selected RHNA methodology allocation option
   - Support for local input as the floor for any RHNA allocation of projected need
   - Allow time for peer review of new factors or methodologies
   - Adopt a methodology after HCD provides the regional determination
   - Align the definition of HQTAs with Cap and Trade for RHNA purposes
   - Opposition to the reallocation of Above Moderate units
   - Utilize share of growth for household population not total population growth
   - Remove land areas not compatible with residential uses from density calculation
   - Allow for vetting and corrections to CIRB units permitted data
2. Technical comments on the Proposed RHNA Allocation Methodology, Data Appendix, and the RHNA Calculator in Table 1 matrix below.
3. Suggested language changes to the Proposed RHNA Allocation Methodology in the redline version attached to this letter (Attachment C).

Table 1. Comments on Proposed RHNA Allocation Methodologies & Data Appendix Tables

Topic & Page Reference	Question/Comment
All	1. Provide a tracked changes document based on the changes made since publication of the documents for the public comment period.
	2. Please see Attachment 3 for a redline version of the Proposed RHNA Allocation Methodology pages 1-53 for text corrections, clarifications and suggestions.
Page 8, Option 1, Step 1d	3. Redistribution of Existing Need Above Moderate units is not consistent with the 6th cycle methodology of assigning total regional need to regions throughout the state.

On page 8 of the Proposed RHNA Allocation Methodology, Step 1d discusses the redistribution of the Above Moderate housing units for existing need to the three lower-income categories. Using SCAG's RHNA calculator, with a sample regional allocation of 659,144 units, Option 1 redistributes approximately 63,807 Above Moderate units into the three lower-income categories across the region, about 9.7% of the sample regional allocation total and 42.4% of the existing need total of 150,589. As seen in Table A below, lines 1, 2, and 8 show the differences in the percent shares by income category before and after the proposed redistribution of the Above Moderate units. This makes it impossible to match the allocations and percent shares by income category provided by HCD unless HCD factors the redistribution into its regional determination for SCAG before a decision on a methodology is made by the RHNA subcommittee, CEHD or Regional Council .

Table A: Differences in Methods for Redistribution of Existing Need Above Moderate Income Category

	Proportional Share:	Very Low Income	Low Income	Moderate Income	Above Moderate Income
1	Option 1 original 110% social equity adjustment	25.4%	15.5%	16.8%	42.4%
2	Option 1 after redistribution of above moderate units (proportional share)	44.1%	26.9%	29.1%	0.0%
3	Difference: Redistributed – original 110%	+18.7%	+11.4%	+12.3%	-42.4%
4	Option 1 original 110% social equity adjustment	38,242	23,311	25,229	63,807
5	Option 1 after redistribution of above moderate units (proportional share)	66,390	40,437	43,771	0
6	Difference: Redistributed – original 110%	+28,148	+17,126	+18,542	-63,807
	Equal Share:				
7	Option 1 original 110% social equity adjustment	25.4%	15.5%	16.8%	42.4%
8	Option 1 after redistribution of above moderate units (using equal share)	39.5%	29.6%	30.9%	0.0%
9	Difference: Redistributed – original 110%	+14.1%	+14.1%	+14.1%	-42.4%
10	Option 1 original 110% social equity adjustment	38,242	23,311	25,229	63,807
11	Option 1 after redistribution of above moderate units (using equal share)	59,533	40,437	43,771	0
12	Difference: Redistributed – original 110%	+21,291	+17,126	+18,542	-63,807

In order to utilize this redistribution methodology, HCD would have to be informed of the proposed redistribution methodology, accept the idea of redistribution, and provide either a range for each of the income categories in numbers and percent shares for the SCAG total regional allocation or pre-determine the social equity adjustments and pre-calculate the redistribution of the Above Moderate category to provide specific regional numbers and shares. To date, HCD has provided specific numbers and percent shares for each of the four income categories for each the 11 agencies it has already provided total regional allocations to for the

Topic & Page Reference	Question/Comment
	6th RHNA cycle (http://www.hcd.ca.gov/community-development/housing-element/index.shtml).

Providing SCAG income category ranges would be inconsistent with the methodology and regional assignments for the 11 regions in the state that have already received their regional allocations from HCD for the 6th cycle. Using either of the two methods described above, regional ranges or specific numbers and percentages that include redistribution of the Above Moderate units, could also set a precedent for the nine subsequent regions still waiting for their 6th cycle allocations and future RHNA cycles for all 21 regions.

4. Redistributing the Above Moderate units to the three lower-income categories further increases the burden of those jurisdictions that are already impacted and have higher shares of lower-income units by assigning more units into the three lower-income categories.

Using the relative share of the lower income categories to redistribute the Above Moderate units increases the burden for those jurisdictions that currently have higher concentrations of lower-income units. Lines 3 and 6 in Table A above show that an additional 28,000 very low and 17,000 low income units would be redistributed throughout the region. This includes those jurisdictions that are already impacted, lower-income communities.

If redistribution of the Above Moderate units is decided to be done by SCAG's elected officials and committees, at the very least to attempt to lessen the effect of further impacting local jurisdictions, apply an equal share to each of the three categories to lessen the impact on those jurisdictions that already have higher concentrations of lower-income housing. Lines 3 and 9 in Table A above show that the impact to those jurisdictions already burdened would be lessened by using an equal share to redistribute the Above Moderate units if the SCAG elected officials choose to do so. For example, if the Above Moderate total is 60 units and needs to be redistributed to the three lower-income categories, divide 60 by 3 = 20 and assign 20 units to each of the three lower-income categories. |
| Page 8, paragraph 3 | 5. "For example, in Los Angeles County 63 percent of all households live within an HQTA, with 72 percent of the County's very low income households living within an HQTA while only 56 percent of above moderate income households do."
--- Please add a table showing all shares for all counties for all data points listed in paragraph. |
| Page 20, paragraph 2 | 6. "At the jurisdictional level, between 2012 and 2017 the jobs…"
--- Please explain in the report why this specific time increment reported. |
| Page 28, paragraph 2 | 7. "The AFFH survey accompanied the required local planning factor survey and that was sent to all SCAG jurisdictions in mid-March 2019 with a posted due date of May 30, 2019"
--- Wasn't the initial deadline for input April 30? |
| Page 32, Jobs Housing Fit paragraph 1 | 8. "…enough affordable housing in high resources areas."
--- Please provide the definition of 'high resource areas' in the methodology document. |
| Page 37, Step 1b | 9. "The 20 percent of the regional existing housing need will be distributed based on a jurisdiction's share of 2016 regional population within an existing (2016) HQTA."
--- Please clarify if the 2019 DOF population was developed at the SCAG TAZ level and is being used or if the RTP TAZ/local input data for year 2016 was used. |
| Page 43, Step 2a | 10. "…the share of regional household growth for the jurisdictions, e.g., for years 2020-2030, is calculated and applied to the RHNA regional household growth"
--- Is this share of growth prorated to 2021-2029? If so, add text from Option 3. |
| All tables in RHNA Technical Appendix | 11. Add table ID numbers to each table.
12. Add in pagination for each table, e.g. 1 of 5. |

Topic & Page Reference	Question/Comment
Share of 2019 Population in 2016 HQTAs, 54-58	13. Add note that says "HQTAs may include permanently protected open space identified by state and/or federal agencies."
Number of Residential Units Permitted, CIRB and SCAG Local Profiles, 59-82	14. Why is SCAG looking at only the last two cycles of RHNA for permit activity? Why not go further back if it is to address the existing need/backlog? 15. Show calculations for how permits per 1,000 pop are calculated.
Social Equity Adjustments Existing/110%/1 50%, 88-93	16. Add formula page to show how 110% and 150% social equity adjustments are calculated.
Projected Household Growth- Local Input for Connect SoCal 99-103	17. "Source: Local Input from SCAG jurisdictions for Connect SoCal/2020 RTP/SCS, ~October ~~2019~~2018"
Local Population and Household Growth 2020-2045, Connect SoCal 110-113	18. "Source: Local Input from SCAG jurisdictions for Connect SoCal/2020 RTP/SCS, ~October ~~2019~~2018"
Vacant Units by Tenure and Type, American Community Survey 2013-2017 5-year Estimates 114-117 Options 1 & 3	19. If SCAG chooses to use the strict U.S. Census Bureau definitions for renter and owner vacancy rates (defined below), for the most accurate data possible, SCAG should use the raw, unrounded data from tables DP04 and B25004 to calculate the tenured (owner & renter) vacancy rates by jurisdiction for use in the healthy market vacancy rate adjustments. U.S. Census Bureau defines the following: https://www2.census.gov/programs-surveys/acs/tech_docs/subject_definitions/2017_ACSSubjectDefinitions.pdf? <u>Homeowner Vacancy Rate</u> – The homeowner vacancy rate is the proportion of the homeowner inventory that is vacant "for sale." It is computed by dividing the number of vacant units "for sale only" by the sum of the owner-occupied units, vacant units that are "for sale only," and vacant units that have been sold but not yet occupied, and then multiplying by 100. This measure is rounded to the nearest tenth. <u>Rental Vacancy Rate</u> – The rental vacancy rate is the proportion of the rental inventory that is vacant "for rent." It is computed by dividing the number of vacant units "for rent" by the sum of the renter-occupied units, vacant units that are "for rent," and vacant units that have been rented but not yet occupied, and then multiplying by 100. This measure is rounded to the nearest tenth. To calculate owner and renter vacancy rates, the U.S. Census Bureau reports the raw data in two separate tables: DP04 and B25004. DP04 includes the following: • Total housing units • Occupied housing units (Households) • Vacant units • Total vacancy rate • Number of owner-occupied units (owner households) [for owner vacancy rate] • Number of renter-occupied housing units (renter households) [for renter vacancy rate] • Owner vacancy rate- rounded to tenths • Renter vacancy rate- rounded to tenths B25004 reports the number of vacant units by the seven vacancy types: 1. For rent [for renter vacancy rate] 2. Rented, not occupied 3. For Sale only [for owner vacancy rate]

Topic & Page Reference	Question/Comment
	4. Sold, not occupied 5. For seasonal, recreational, or occasional use 6. For migrant workers 7. Other vacant Currently, SCAG is only using the rounded-to-tenths owner and renter vacancy rates from DP04 for the healthy market vacancy rate adjustments at the jurisdictional level. For example, in order to calculate the regional tenured vacancy rates for the HCD consultation package (June 6, 2019 CEHD agenda packet), SCAG imputed the renter and owner units from a single table's rounded data (DP04) rather than calculating the actual rates from raw data in two separate tables (DP04 and B25004). Table B below illustrates the differences when using imputed and rounded vs. raw, unrounded data to calculate the regional tenured vacancy rates. Though small differences in percentages are seen in the tenured vacancy rates, when applied to the regional totals of hundreds of thousands of housing units shown in Table C, the resulting differences when using imputed and rounded data vs. raw, unrounded data can be sizeable. Table B: Tenured Vacancy Rates for SCAG Region from Different Source Tables

	Owner Vacancy Rate	Renter Vacancy Rate
Only 1-year DP04 (requires imputation using rounded data)	1.1015%	3.2756%
Only 5-year DP04 (requires imputation using rounded data)	1.2018%	3.5850%
All 5-year data (Tables DP04 & B25004, raw, unrounded)	1.2443%	3.6182%

Sources: U.S. Census Bureau American Community Survey 2017 1-year and 2013-2017 5-year estimates

Using the occupied units by tenure from the June 6, 2019 CEHD HCD Consultation Package's Table 1 on page 16, Table C below shows the magnitude of the differences when using imputed/rounded data vs. the raw, unrounded data outputs from Table B to calculate the regional healthy market vacancy rate adjustments by tenure. When comparing the raw, unrounded data to the imputed/rounded data, the raw, unrounded data are 19.3% to 23.0% lower than using the imputed rates. Recognizing that 1-year and 5-year data are inherently different and will produce different results, Table C also shows the differences between the 5-year raw vs. 5-year imputed data.

Table C: Differences in Healthy Market Vacancy Rate Adjustments at the SCAG Regional Level by Tenure, U.S. Census Bureau American Community Survey (ACS)

		Projected Need		Total Vacancy Adjustments	Differences with Table 1*	
		Owner	Renter		Number	Percent
	SCAG Total	311,821*	282,916*	594,737*		
1	1-year ACS- only DP04*	1,247*	4,866*	6,113*	0	0.0%
2	5-year ACS- only DP04	797	3,909	4,707	(1,406)	-23.0%
3	5-year ACS (DP04 & B25004)	930	4,003	4,933	(1,180)	-19.3%

		Existing Need				
		Owner	Renter		Number	Percent
	SCAG Total	3,184,473*	2,889,288*	6,073,761*		
4	1-year ACS- only DP04*	12,738*	49,696*	62,434*	(0)	0.0%
5	5-year ACS- only DP04	8,141	39,924	48,066	(14,368)	-23.0%
6	5-year ACS (DP04 & B25004)	9,498	40,882	50,380	(12,054)	-19.3%

*SCAG's calculations reported in June 6, 2019 CEHD Agenda Packet's HCD Consultation Package, Table 1, p. 16

Sources: U.S. Census Bureau American Community Survey 2017 1-year and 2013-2017 5-year estimates, Tables DP04 & B25004

Topic & Page Reference	Question/Comment
	20. Since the raw data is available, in order to use the most accurate data possible during the RHNA process, unrounded vacancy rates for each jurisdiction should be calculated by using both tables DP04 and B25004 for use in the healthy market vacancy rate adjustments.
	21. Please include the table in Attachment 1 in the RHNA Data Appendix, which shows the raw data inputs, calculations and results of the owner and renter vacancy rates using both tables DP04 and B25004.
Vacant Units by Tenure and Type, American Community Survey 2013-2017 5-year Estimates 114-117	22. Consider using all, or more than two, of the seven categories of vacant units to calculate the tenured vacancy rates.
	The U.S. Census Bureau American Community Survey (ACS) 2017 5-year estimates report 6,470,403 housing units in the SCAG region with 5,970,784 occupied housing units (households) and 499,619 vacant units. The total vacancy rate for the region is 7.7% (6,470,403 / 499,619). As mentioned above on page 4, the Census Bureau divides vacant units into seven different categories. See Attachment 2 for Census definitions of all vacant unit types.
Options 1 & 3	Though all seven categories are used to calculate a jurisdiction's total vacancy rate, to calculate the tenured (owner & renter) vacancy rates, the Census Bureau only uses two of the seven types of vacant units. California statute does not specify how to calculate the homeowner and renter vacancy rates, nor does it require Census Bureau definitions to be used; it only specifies that the healthy market vacancy rate for renters is 5.0%.
	Five of the seven categories of vacant units, totaling 353,517 units, are not included in the calculation of owner and renter vacancy rates using the Census Bureau definitions (above on page 4). Thus, any RHNA methodology that utilizes the strict Census owner and renter vacancy rates will underestimate the tenured vacancy rates and actual number of vacant units for each jurisdiction. As a result, the region as a whole, and each of the 197 jurisdictions, will be assigned a higher RHNA allocation.
	For example, as seen in Table D below on page 7, Imperial County has a total of 12,000 vacant housing units (ACS 2017 5-year estimates) but only two categories of those vacant units (829 and 548 = 1,377) are used in the formula to calculate the owner and renter vacancy rates. That means that 10,623 vacant units are not being credited to Imperial County jurisdictions in the RHNA's healthy market vacancy rate adjustments. As a result, the owner vacancy rate is 2.1%, the renter vacancy rate is 4.0%, while the total vacancy rate for Imperial County is 21.0%.
	As a further example, Orange County has a total of 56,725 vacant housing units (ACS 2017 5-year estimates) but only two categories of those vacant units (14,542 and 5,037 = 19,579) are used to calculate the owner and renter vacancy rates. That means that 37,146 vacant units are not being credited to Orange County jurisdictions in the RHNA's healthy market vacancy rate adjustments due to this underestimation.
	These same strict definitions were used to calculate the regional vacancy rates as explained above (Item 20), for the consultation package sent by SCAG to HCD with the ultimate effect that the region was not credited with all the vacant units by ignoring five of the seven types of vacant units, thus underestimating the current vacant housing stock.
	23. Consider using all, or more than two, of vacant unit categories in the tenured vacancy rates. • Rented, not occupied • Sold, not occupied • For seasonal, recreational, or occasional use • For migrant workers • Other vacant

Topic & Page Reference	Question/Comment
	Table D: Types of Vacant Units, ACS 2013-2017 5-year estimates, Table B25004

	Imperial	Los Angeles	Orange	Riverside	San Bernardino	Ventura	SCAG
For rent	829	59,605	14,542	14,961	13,167	3,569	106,673
Rented, not occupied	338	16,188	4,294	2,153	2,848	477	26,298
For sale only	548	16,067	5,037	9,264	7,088	1,425	39,429
Sold, not occupied	88	9,393	4,274	3,726	3,397	943	21,821
For seasonal, recreational, or occasional use	3,028	32,662	17,727	64,887	43,155	5,672	167,131
For migrant workers	92	97	162	551	111	187	1,200
Other vacant	7,077	77,693	10,689	19,438	18,492	3,678	137,067
Total Vacant housing units	12,000	211,705	56,725	114,980	88,258	15,951	499,619

	Imperial	Los Angeles	Orange	Riverside	San Bernardino	Ventura	SCAG
Total vacant units used in vacancy calculation	1,377	75,672	19,579	24,225	20,255	4,994	146,102
Total vacant units not being credited to jurisdictions	10,623	136,033	37,146	90,755	68,003	10,957	353,517

Table E: Total and Tenured Vacancy Rates, ACS 2013-2017 5-year estimates, Table DP04

	Imperial	Los Angeles	Orange	Riverside	San Bernardino	Ventura	SCAG
Total Housing Units	57,198	3,506,903	1,081,701	826,704	711,900	285,997	6,470,403
Total Vacancy Rate	21.0%	6.0%	5.2%	13.9%	12.4%	5.6%	7.7%
Homeowner vacancy rate (Rounded)	2.1%	1.0%	0.8%	1.9%	1.9%	0.8%	
Rental vacancy rate (Rounded)	4.0%	3.2%	3.2%	5.6%	4.9%	3.5%	

Sources: U.S. Census Bureau American Community Survey 2013-2017 5-year estimates, Tables DP04 & B25004

Topic & Page Reference	Question/Comment
Overcrowding table 118-121	24. Add ACS source table number B25014
Cost-Burdened table 122-126	25. Add ACS source table number B25070
Industry Affiliation by Residence table 127-130	26. Add ACS source table number 27. Add second line to title or note at bottom of page "Number of residents employed in jurisdiction by industry"
Industry Affiliation by Workplace, ACS 2012-2016 5-year Estimates 131-134	28. Add ACS source table number 29. Add second line to title or note at bottom of page "Number of jobs in jurisdiction by industry"

Topic & Page Reference	Question/Comment
RHNA Methodology Survey Response Summary, Spring 2019 288-293	30. Indicate in notes at bottom of table what the four categories of the survey represent and dates for each.

RHNA Data Appendix, p. 99-103; 110-113 & RHNA Calculator	31. If HCD approves the removal of growth on tribal lands in unincorporated county areas, specifically Unincorporated Riverside & San Bernardino Counties, please:
	  a. Indicate these changes to population and household numbers in the Proposed RHNA Methodology Data Appendix tables:
	    i. Projected Household Growth- Local Input for Connect SoCal
	    ii. Local Population and Household Growth 2020-2045, Connect SoCal
	  b. Indicate these changes to population and household numbers in the RHNA Calculator RHNA_data worksheet columns:
	    i. POP20, POP30, POP35, & POP45
	    ii. HH20, HH30 & HH45

RHNA Calculator	32. In the RHNA Calculator RHNA_data worksheet, please add 2035 Households for all jurisdictions, which is needed to determine which increment of population growth share should be used for Option 3 and for general reference.
RHNA Data Appendix, p. 99-103; 110-113 & RHNA Calculator (PENDING)	33. Please correct Households 2045 in either the RHNA Calculator or the Proposed RHNA Methodology Data Appendix Tables: Local Population and Household Growth 2020-2045, Connect SoCal and Projected Household Growth – Local Input for Connect SoCal as 196 of 197 jurisdictions' data does not match.

RHNA Data Appendix, p. 54-58 & RHNA Calculator
 	
(PENDING)
	34. In the RHNA Calculator RHNA_data worksheet, for columns M (HQTAPOP16) & N (PCT_HQTAPOP16), please correct the sorting in either the Proposed RHNA Methodology Data Appendix Table: Share of 2019 Population in 2016 HQTAs or the RHNA Calculator for the following cities:
	  • Bell Gardens
	  • Bellflower
	  • La Habra
	  • La Mirada
	  • La Puente
	  • La Verne
	  • Laguna Niguel
	  • Lakewood
	  • Lancaster

RHNA Calculator
 	
(PENDING)
	35. Please correct the tenure rates by tenure in the RHNA Calculator RHNA_data worksheet for the following jurisdictions, as it is unlikely all have the same share of owner and renter units:
	  • Unincorporated Los Angeles
	  • Unincorporated Orange
	  • Unincorporated Riverside
	  • Unincorporated Ventura

RHNA Calculator	36. In the RHNA Calculator RHNA_data worksheet, Option 1 uses a total of 150,577 for existing need by using this formula:
	  a. Placeholder HCD regional total housing allocation (659,144) - projected household growth (468,428) - vacancy adjustments for projected need (14,580) - replacement need for projected growth (25,559) = 150,577.
	  b. The calculator is using the total number of replacement need of 25,559 for the projected need calculations, but the 25,559 is the existing need replacement number per Table 1 in the June 6, 2019 CEHD HCD consultation package. The projected replacement need number should be smaller, near 2,500 as seen in Table 1 in the HCD package.

Topic & Page Reference	Question/Comment
RHNA Calculator	37. In the RHNA Calculator RHNA_data worksheet, for Option 1, columns BC, BD, and BE divide the above moderate category into three equal shares, whereas the methodology on page 8 talks about using the relative share of the three lower-income categories. Please correct the formulas to match the methodology on page 8.
RHNA Calculator	38. With the newly-issued draft regional total from HCD of 1,344,740, SCAG may choose to update the calculator with only the option of 1,334,740 or a simple formula that utilizes the share of growth for 2020-2045. If SCAG chooses to retain the flexibility of the calculator inputs, please update Option 3's calculations to utilize if/then statements so the formulas are referencing the appropriate time increment (2020-2030, 2020-2035, or 2020-2045) based on the amount of household growth as is described on page 15 of the Proposed RHNA Methodology. The RHNA Calculator is currently set up to only use the growth increment of 2020-2045, which is not how the methodology is described on page 15 of the Proposed RHNA Methodology document.
RHNA Methodologies & RHNA Calculator	39. The formulas in the RHNA calculator currently "force-fit" the results to match an exact regional number. The expectation is that the final RHNA methodology and calculations would do the same. If this is the case, please revise the appropriate narrative to clarify that existing need will be the remainder of the regional determination after the projected need is determined, as utilizing a different progression would result in a different determination for each local jurisdiction.
RHNA Data Appendix & RHNA Calculator	40. Please republish the Proposed RHNA Allocation Methodology Technical Data Appendix and RHNA calculator after corrections are made.

Again, we thank you for your time and consideration of the comments above. If you have any questions, please do not hesitate to contact me.

Sincerely,

Deborah S. Diep
Director, Center for Demographic Research

Attachments:
1. Housing Tenure Vacancy Rates by SCAG Jurisdiction
2. U.S. Census Bureau Definitions of Types of Vacant Units
3. Tracked changes version of Methodology document (incl. Word version)

Email CC: CDR Management Oversight Committee
              CDR Technical Advisory Committee
              OCCOG Board of Directors
              OCCOG TAC
              Sarah Jepsen, SCAG
              Ma'Ayn Johnson, SCAG
              Ping Chang, SCAG
              Kevin Kane, SCAG
              Marnie Primmer, OCCOG
              Ruby Zaman, CDR