



SCANPH

Southern California Association of Non Profit Housing



**INVESTING
in PLACE**



MOVE LA



September 13, 2019

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

Dear Kome,

The Regional Housing Needs Assessment/Allocation is more important than ever, and the undersigned thank the staff of the Southern California Association of Governments for their hard work developing a methodology that will encourage local solutions for housing affordability, homelessness, greenhouse gas emission reductions, and economic prosperity around the region. The Los Angeles County region, along with the rest of the SCAG region and California

as a whole, face an unprecedented combination of crises that require all Californians to work together with statewide legislation and local zoning aligned toward shared goals. We will not solve any of these interrelated crises separately, and RHNA is a critical part of the puzzle.

Not only are we supportive of the SCAG RHNA goal of 1.3 million housing units from the Housing and Community Development Department, we further strongly encourage SCAG and our local cities to ensure a regional allocation methodology that meets our needs. With state funding set aside for the RHNA planning process itself through the 2020 state budget (including approximately \$50 million for SCAG) as well as local planning funds from SB2 available to every municipality, this is a prime opportunity to make significant progress.

We recommend several refinements to SCAG's allocation methodology in order to more faithfully adhere to statutory RHNA objectives, without specifically endorsing any specific option of the three scenarios presented. As currently presented, each of the options appear to be insufficient in addressing all of the state's statutorily required RHNA objectives. We agree with the principle staff adopted in drafting the methodology - that "local input on household growth should not be the only deciding factor to determine a jurisdiction's RHNA allocation." (Page 4) We note that, even with the gaps that could be addressed in our recommendations, Option 3 appears to be the lowest performing option relative to advancing statutory objectives, and relies most heavily on local input and local planning factors.

Key provisions of state law

State housing law, with recent legislative updates, requires that the RHNA methodology must further five interrelated but distinct statutory objectives. As a reference point for our comments, we are restating those objectives here:

Objective 1: Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties.

Objective 2: Promoting infill development, socioeconomic equity, protection of environmental and agricultural resources, efficient development patterns, and greenhouse gas reductions.

Objective 3: Promoting an improved intraregional relationship between jobs and housing, especially for low wage workers.

Objective 4: Balancing housing options for each income category geographically rather than concentrating them.

Objective 5: Affirmatively furthering fair housing.

All five statutory objectives must be thoroughly considered. As presented in pages 17-27, SCAG's analysis of the three RHNA options do not sufficiently address how each scenario, independent of the others, addresses the full extent of these criteria. Instead, staff has presented analysis on how the three options, in combination, address these objectives.

Recommendation: We strongly encourage SCAG to refine its methodology and findings to properly demonstrate how any proposed option, considered independently and separately from the others, sufficiently advances all statutory objectives.

In addition to more carefully analyzing whether each of the three options sufficiently advances the statutory objectives, SCAG should provide clarity on how each local factor used in these formulas advances the objectives. For example, the proposed vacancy adjustment in Option 1 and Option 3 may increase the RHNA in jurisdictions with proportionally more renters. With that understanding, what effect will the proposed adjustment component in Options 1 and 3 have on the job/housing fit and affirmatively furthering fair housing? And what effect may it have on the allocation of RHNA for historically exclusionary jurisdictions as compared to the allocation to lower-income, majority renter jurisdictions?

Recommendation: We strongly encourage SCAG to properly demonstrate how any local factor used in its methodology sufficiently advances statutory objectives.

Equitable approach to sustainable growth

As our region grows, the SCAG RHNA and its Regional Transportation Plan/Sustainable Communities Strategy must work hand-in-hand towards sustainable and equitable growth. On one hand, housing growth near high quality transit is critical to meet the housing needs of low-income core transit riders and allow more households overall to live and work near transit. On the other hand, we know that large swaths of the region will continue to be underserved by transit and still need to accommodate growth. The updated approach of a jobs/housing fit analysis (as opposed to the traditional jobs/housing balance analysis) provides a more nuanced tool to provide affordable housing throughout the region that allows workers in low-wage jobs to live near their jobs *even in areas without access to high quality transit*. SCAG's final approach should strike the right balance, but clearly should not ignore the impact of High Quality Transit Areas (HQTAs). In particular, Option 3 appears not to directly address HQTAs, and as such does poorly to demonstrate advancing greenhouse gas reductions.

In some areas such as Los Angeles County, significant expansions of transit are planned for completion by 2028. **Recommendation: The RHNA methodology should include these projected lines in its definition of HQTAs.** Even if specific alignments and stations have not yet been identified, jurisdictions along future planned high quality transit lines should responsibly anticipate and plan for appropriate zoning that accommodates housing growth.

Fair Housing

Adopting an Affirmatively Furthering Fair Housing (AFFH) strategy, required by state law, requires that we not only recognize regional fair housing barriers, but also actively and affirmatively address removing those barriers. SCAG relies heavily on self-reporting in various elements – Connect SoCal forecast, RHNA local planning factors survey, and AFFH survey. Only 90 jurisdictions in the SCAG region submitted an AFFH survey. The Connect SoCal survey would require a deeper analysis, but as described in the staff report seems to rely

significantly on qualitative and subjective responses (see description on page 19). As presented, Option 3 standing alone appears not to adequately address fair housing.

Recommendation: SCAG should complete a further study of AFFH, given the insufficient quantity and quality of responses in either the AFFH survey process and the Connect SoCal process.

Jobs/Housing Fit

AB 1771 provided for a new approach to jobs and housing, a “jobs/housing fit” approach, that includes a particular focus on whether jurisdictions have an adequate supply of housing affordable to workers in low-wage jobs. As presented, SCAG’s draft RHNA shows that jobs/housing fit is worsening, but then appears to intentionally ignore the statutory requirement to address jobs/housing fit. As stated in the proposal, “...SCAG staff does not recommend using jobs housing fit as a factor in the distribution methodology.” (Page 20) As such, none of the proposed options propose jurisdiction level solutions for providing more affordable housing for workers in low-wage jobs. Staff has studied jobs and housing data, as demonstrated in the appendix pages, and should be encouraged to arrive at a conclusion that appropriately addresses how local jurisdictions can improve jobs/housing fit.

Recommendation: SCAG should complete a further study of jobs/housing fit, and develop methodology that enables jurisdiction level solutions.

Thank you for your important work, and for considering our input in developing the 6th cycle RHNA.

Sincerely,

Undersigned Organizations

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