32400 PASEO ADELANTO SAN JUAN CAPISTRANO, CA 92675 (949) 493-1171 (949) 493-1053 FAX www.sanjuancapistrano.org



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September 13, 2019

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

Subject:

Regional Housing Needs Assessment (RHNA) Methodology Options

Dear Mr Ajise:

The City of San Juan Capistrano appreciates the opportunity provided by the Southern California Association of Governments (SCAG) to comment on the three RHNA methodology options being considered as part of the 2020 RHNA cycle.

The City of San Juan Capistrano believes that any methodology which allocates RHNA without adjustments for local input of capacity and constraints will result in unattainable allocations which will not accomplish the mission of providing new housing opportunities for the region's residents. The selected methodology must realistically address a jurisdiction's capacity to accommodate additional growth because ignoring local input undermines the critical role that cities play in determining the appropriate RHNA allocation. For example, much of the anticipated growth in south Orange County is planned for the unincorporated community known as Rancho Mission Viejo. However, methodologies based on existing share of the region's population do not allocate sufficient growth to newly developing areas such as Rancho Mission Viejo because their current population is very small. Instead, such methodologies distribute growth within built-out areas with less capacity for future development.

Based on the recently released HCD regional need of 1,344,740 units, all three proposed methodologies would more than double the City of San Juan Capistrano's RHNA allocation from the 5th cycle. While this dramatic increase may reflect the extent of the housing crisis in the state, the increase also places cities in an untenable situation of having to plan for such a substantial increase in the upcoming Housing Element Cycle. This challenge is magnified by recently adopted housing laws, AB1397, SB166, SB35 and AB101/SB102. These new laws place additional requirements and restrictions on cities with respect to achieving the specified RHNA allocation and a compliant Housing Element, and impose substantial penalties on jurisdictions that are unable to identify sufficient housing sites to meet their RHNA obligations.

Of the three proposed methodologies currently under review, the City of San Juan Capistrano finds Methodologies 1 and 2 unacceptable because they are based on the share of regional population and untenable. Only Methodology 3 appropriately utilizes local input with an added factor related to High Quality Transit Areas (HQTAs). This methodology could result in an allocation that is fair and equitable across the SCAG region. As a result, the City of San Juan Capistrano recommends that Methodology Option No. 3 be selected.

The City of San Juan Capistrano also agrees with the detailed comments provided by the Orange County Council of Governments (OCCOG) on August 23, 2019, and supports SCAG staff's recommendation to file an Objection to the state Department of Housing and Community Development's (HCD) determination of 1,344,740 units.

The City of San Juan Capistrano appreciates the efforts of SCAG to address local concerns and remains committed to doing its part in addressing the housing crisis in compliance with Housing Element law.

Sincerely,

Joel Rojas

Development Services Director