

October 21, 2019

Honorable Peggy Huang
Southern California Association of Governments
Attn. SCAG Community, Economic and Human Development Committee
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017

Subject: SBCTA/SBCOG Opposes Regional Housing Needs Assessment (RHNA) Methodology and Suggests Linking it to Future Funding Allocations

Dear CEHD Committee:

The San Bernardino County Transportation Authority and the San Bernardino Council of Governments (SBCTA/SBCOG), on behalf of our 25 member jurisdictions would like to thank you for the opportunity to provide comments on the proposed Regional Housing Needs Assessment (RHNA) methodology for the Sixth RHNA Cycle. Per our letter dated September 13, 2019, we would like to reiterate that SBCTA/SBCOG and the jurisdictions we serve remain active partners in the RHNA process and fully recognize the importance of increasing housing supply. Based on the selected RHNA methodology, however, it is evident that there is an imbalance in the methodology that disproportionately assigns a significant number of housing units to inland Southern California. The inland counties have a smaller share of the current regional population and regional job market as compared to the coastal counties, which have greater housing demand (as evidenced by housing price appreciation), greater concentration of jobs, and more mature infrastructure.

SBCTA/SBCOG opposes the staff recommended methodology, which inadvertently assigns built-out jurisdictions that have a high demand for housing with lower RHNA allocations. The recommended methodology consequently shifts these housing allocations inland, away from the current job concentrations, in part because of the perception that there is more land to build on. The scale of the resulting housing allocation does not consider the lack of transit, lack of sufficient infrastructure, and jobs needed to accommodate and balance the population contemplated by the number of housing units proposed through the updated methodology. As it stands, more than 82 percent of the total RHNA allocation is dependent on the local input process associated with the SCAG 2020 RTP/SCS and distributed to jurisdictions based on their growth share, using a horizon year of 2045. Although our jurisdictions expected growth shares to be incorporated into the RHNA methodologies, many of the jurisdictions did not anticipate that SCAG would assign a majority of the 2045 projected growth into the much shorter 2029 RHNA horizon year timeframe.

The new methodology, compared to the previously proposed option 1 or 2, will create unintended consequences of working against achievement of the State's GHG and VMT goals for our region. Shifting a large portion of housing inland and accelerating the projected growth places our jurisdictions in the difficult position of having to plan for the new housing units in areas where the market is not ready, while trying to mitigate the additional GHG emissions and VMT associated with the increase. This strongly contradicts the State's environmental and transportation goals.

Peggy Huang
October 18, 2019
Page 2

If the new methodology is adopted by SCAG, SBCTA/SBCOG would also like to then strongly request that SCAG utilize a similar methodology (i.e. based on growth shares) when allocating future discretionary funding to the counties. This will allow our jurisdictions to receive a greater proportion of state and regionally-based funding for transportation, housing, infrastructure and other planning-related efforts that will be needed to sustain the implementation of the RHNA.

SBCTA/SBCOG truly appreciates the opportunity to provide comments on this important matter and recognizes the hard work that SCAG staff invests in this process. Should you have any questions, please do not hesitate to contact me at (909) 884-8276 or at rwolfe@gosbcta.com

Sincerely,

A handwritten signature in black ink, appearing to read "Ray Wolfe". The signature is fluid and cursive, with the first name "Ray" and the last name "Wolfe" clearly distinguishable.

Ray Wolfe
Executive Director
San Bernardino County Transportation Authority
San Bernardino Council of Governments