

Board of Supervisors

District 1 **Kevin Jeffries**

District 2

District 5

951-955-1010

Karen Spiegel 951-955-1020

District 3 Chuck Washington 951-955-1030

V. Manuel Perez

District 4 951-955-1040

> **Jeff Hewitt** 951-955-1050

October 23, 2019

Honorable Bill Jahn, President Regional Council Southern California Association of Governments (SCAG) 900 Wilshire Blvd, Ste. 1700 Los Angeles, CA 90017

RE: 6th Cycle Regional Housing Needs Assessment (RHNA) Allocation

Dear President Jahn,

This comment letter is provided on behalf of the County of Riverside regarding SCAG's RHNA allocation process to be presented for consideration to the SCAG Regional Council on November 7, 2019.

County staff has reviewed the draft methodology recommended by the RHNA subcommittee on October 7th and the Community, Economics, and Human Development (CEHD) committee on October 21st. Our concerns with this option mirror those concerns we identified for original Options 1 and 3, as stated in the attached TLMA's letters dated July 18th, August 27th, October 3rd, and October 16th. These letters point out major concerns that the County has with the draft methodology, which is inequitable, and that identifies a target housing number for Riverside County of over 46,000 units for the next cycle.

We also want to go on record to reiterate the past comments made by County staff, as indicated in the prior attached comment letters, regarding significant concerns with the 5th cycle RHNA allocations, which are now being carried into the 6th cycle. As a result of the 5th Cycle of RHNA, the unincorporated areas of Riverside County were allocated 30,303 dwelling units, for an unincorporated population of approximately 385,000. This total unit allocation was larger than any other jurisdiction received within the SCAG region (except the City of Los Angeles, which had 82,002 allocated units with a population of over 4 million). In comparison, Los Angeles County (unincorporated) was allocated 30,145 total dwelling units (with an unincorporated population of 1,052,000), while San Bernardino County was allocated 39 units (with an unincorporated population of 311,000 - similar to Riverside County).

We are providing comments below on draft methodology that should be presented to the Regional Council ahead of the November 7th public hearing:

As stated in previous letters, we continue to support original Option 2 as the most equitable means to fairly provide housing allocation. In addition to considering transit access, this option does not create what appears to be an artificial distinction between existing and projected need a need is a need. It also does not include variables such as vacancy rates and replacement need, which can be addressed differently by the jurisdictions. The draft methodology does not adequately address these inconsistency issues.



Board of Supervisors

District 1 Kevin Jeffries

951-955-1010

Karen Spiegel

951-955-1020

District 3 Chuck Washington

951-955-1030

District 4 V. Manuel Perez

District 2

951-955-1040

District 5 Jeff Hewitt

951-955-1050

• The focus on the RHNA allocation should be on the 6th Cycle timeframe of 2021-2029 and the housing needs for that period. No consideration should be given to 2045 projections that are so far out into the future, as demographics can change significantly between the end of the decade and 2045, and the County's General Plan buildout projection, as well as that of our neighboring jurisdictions, does not extend out to 2045.

- Greater consideration needs to be given to jobs and transit than is being proposed in the draft
 methodology to address job/housing imbalance and promote housing development near transit.
 The County continues to support the substitute motion presented at the RHNA Subcommittee,
 which is to consider jobs access and transit access for existing need, additionally even for
 projected need.
- The unincorporated areas of Riverside County lack the basic infrastructure to support urban-type high-density housing. There is a tremendous need to align infrastructure funding opportunities from State and Regional sources to SCAG-adopted housing targets, as mentioned in the October 21st CEHD committee meeting. Consideration has to be given to help prioritize funding for those jurisdictions that lack back-bone infrastructure yet are expected to provide for a significant share of the regional housing needs.
- The existing need, if calculated separately than the projected need, should be calculated using
 existing conditions because projected growth and planned facilities have little to no bearing on
 current housing need.

Thank you for the opportunity to provide these comments. We remain willing to engage with SCAG staff more closely, as we have offered in the past, to discuss our concerns in more detail, specifically as it relates to Riverside County's allocation.

Respectfully,

Kevin Jeffries, Chairman

Riverside County Board of Supervisors

Enclosures

Cc: Riverside County Board of Supervisors

Hon. Rusty Bailey, Riverside, RHNA Subcommittee Representative

Hon. Russell Betts, Desert Hot Springs, CEHD Committee Representative

Mr. Kome Ajise, SCAG Executive Director

Ms. Ma'Ayn Johnson, SCAG Housing and Land Use Planner

George Johnson, CEO

Lisa Brandl, COO

Juan C. Perez, Assistant CEO & Director of TLMA

Charissa Leach, Assistant Director of TLMA



Transportation and Land Management Agency



Juan C. Perez Assistant CEO/TLMA Director

Transportation Department

Planning Department

Building and Safety Department

Code Enforcement Department

October 16, 2019

The Honorable Peggy Huang, Chair Community Economic & Human Development Committee (CEHD) Southern California Association of Governments 900 Wilshire Blvd, Ste. 1700 Los Angeles, CA 90017

RE: 6th Cycle of the Regional Housing Needs Assessment (RHNA) Allocation.

Dear Ms. Huang,

The comments letter are provided on behalf of Riverside County's Transportation and Land Management Agency (TLMA) regarding the RHNA allocation process and allocation option to be presented for consideration to the Community Economic & Human Development (CEHD) Committee.

TLMA has reviewed the Modified Option 1 presented by SCAG staff on October 7th of the RHNA subcommittee. Our concerns with this option mirror those concerns we identified for original Options 1 and 3, as stated in TLMA's letter of August 27, 2019 to SCAG President Bill Jahn. This letter points out major concerns that Riverside County Staff has with the methodology that SCAG has used to arrive at an inequitable RHNA allocation in the 5th cycle, which we request be addressed individually for Riverside County as part of the 6th cycle process.

We are providing additional comments below on Modified Option 1 which should be presented to the aforementioned SCAG recommending and decision-making bodies.

• The focus on the RHNA allocation should be on the 6th Cycle timeframe of 2021-2029 and the housing needs for that period. No consideration should be given to 2045 projections that are so far out into the future, as demographics can change significantly between the end of the decade and 2045, and the County's General Plan buildout projection, as well as that of our neighboring jurisdictions, does not extend out to 2045. Before 2045 projections are used, they should be vetted with local jurisdictions and reconciled with their projections.

- The existing need, if calculated separate than the projected need, should be calculated using existing conditions because projected growth and planned facilities have little to no bearing on current housing need. Therefore, similar to the original Option 1, share of "existing" population and share of "existing" population within HQTAs should be used, with the addition of an "existing" job accessibility component. (Proposed existing need: existing pop. [50%] + existing pop./HQTAs [25%] + existing job accessibility [25%]).
- SCAG is to be commended for addressing access to jobs and transit in response to the comments received in formulating Modified Option 1. However, such consideration should extend beyond "existing need" and also include "projected need". In order to create a balance of land uses, access to jobs and transit is a critical consideration for the present, and will continue to be in the future. (Proposed projected need: projected HH growth for 2029 [50%] + pop. w/in planned HQTAs up to 2029 [25%] + future job accessibility areas up to 2029 [25%]).
- A further reason for addressing access to jobs and transit for the 6th Cycle is because Riverside County is in the midst of updating its Climate Action Plan. The County will be challenged to meet 2030 and 2045 greenhouse gas reduction targets even without having to absorb additional vehicles miles travelled to accommodate housing, which for the foreseeable future will likely be further from existing and planned job centers because of the sheer size of the numbers expected from the RHNA allocation.
- As stated in TLMA's August 29th letter, we continue to support original Option 2 as the most equitable means to fairly provide housing allocation. In addition to considering transit access, it does not create, what appears to be, an artificial distinction between existing and projected need a need is a need. It also does not include variables such as permit activity, vacancy rates and replacement need which can be addressed differently by the jurisdictions, making these variables potentially inconsistent between the jurisdictions. Modified Option 1 does not address this inconsistency issue, except for the removal of the permit activity variable.
- Because of state law changes, the preparation of annual progress reports which monitor a jurisdiction's efforts toward meeting housing targets have become increasingly complex and labor intensive regarding data collection. Modified Option 1 will continue this trend and make it extremely difficult to maintain priorities, including the preparation of annual progress reports in the face of budget limitations and competing priorities. Therefore, a more standardized Modified Option 1 should be considered, if not a re-opener of original Option 2.

Thank you for the opportunity to provide these comments. We remain willing to engage with SCAG staff more closely, as we have offered in the past, to discuss our concerns in more detail.

Sincerely

Charissa Leach

Assistant Director Transportation and Land Management Agency

Cc: Riverside County Board of Supervisors

Hon. Bill Jahn, SCAG President

Hon. Rusty Bailey, Riverside, RHNA Subcommittee Representative

Hon. Russell Betts, Desert Hot Springs, RHNA Subcommittee Alternate

Mr. Kome Ajise, SCAG Executive Director

Ms. Ma'Ayn Johnson, SCAG Housing and Land Use Planner

George Johnson, CEO



Transportation and Land Management Agency



Juan C. Perez Assistant CEO/TLMA Director

Transportation Department

Planning Department

Building and Safety Department

Code Enforcement Department

October 3, 2019

Honorable Peggy Huang, Chair RHNA Subcommittee of the Southern California Association of Governments 900 Wilshire Blvd, Ste. 1700 Los Angeles, CA 90017

RE: 6th Cycle of the Regional Housing Needs Assessment (RHNA) Allocation.

Dear Ms. Peggy Huang,

Thank you for the opportunity to provide additional comments on behalf of Riverside County's Transportation and Land Management Agency (TLMA) regarding the RHNA allocation process and allocation option to be presented for consideration to the RHNA Subcommittee, CEHD Committee and the Regional Council.

TLMA has reviewed the Modified Option 1 presented by SCAG staff at the September 23, 2019 workshop. Our concerns with this option mirror those concerns we identified for original Options 1 and 3, as stated in TLMA's letter of August 27, 2019 to SCAG President Bill Jahn. These letters point out major concerns that Riverside County Staff has with the methodology that SCAG has used to arrive at an unequitable RHNA allocation in the 5th cycle, which we request be addressed individually for Riverside County as part of the 6th cycle process.

We are providing additional comments below on Modified Option 1 which should be presented to the aforementioned SCAG recommending and decision-making bodies.

The focus on the RHNA allocation should be on the 6th Cycle timeframe of 2021 2029 and the housing needs for that period. No consideration should be given to

2045 projections that are so far out into the future, as demographics can change significantly between the end of the decade and 2045, and the County's General Plan buildout projection, as well as that of our neighboring jurisdictions, does not extend out to 2045. Before 2045 projections are used, they should be vetted with local jurisdictions and reconciled with their projections.

- The existing need, if calculated separate than the projected need, should be calculated using existing conditions because projected growth and planned facilities have little to no bearing on current housing need. Therefore, similar to the original Option 1, share of "existing" population and share of "existing" population within HQTAs should be used, with the addition of an "existing" job accessibility component. (Proposed existing need: existing pop. [50%] + existing pop./HQTAs [25%] + existing job accessibility [25%]).
- SCAG Staff is to be commended for addressing access to jobs and transit in response to the comments received in formulating Modified Option 1. However, such consideration should extend beyond "existing need" and also include "projected need". In order to create a balance of land uses, access to jobs and transit is a critical consideration for the present, and will continue to be in the future. (Proposed projected need: projected HH growth for 2029 [50%] + pop. w/in planned HQTAs up to 2029 [25%] + future job accessibility areas up to 2029 [25%]).
- A further reason for addressing access to jobs and transit for the entire 6th Cycle Riverside County is in the midst of updating its Climate Action Plan. It will be challenged to meet 2030 and 2045 greenhouse gas reduction targets even without having to absorb additional vehicles miles travelled to accommodate housing which for the foreseeable future will likely be further from existing and planned job centers because of the sheer size of the numbers expected from the RHNA allocation.

• As stated in TLMA's August 29th letter, we continue to support original Option 2 as the most equitable means to fairly provide housing allocations. In addition to considering transit access, it does not create, what appears to be, an artificial distinction between existing and projected need – a need is a need. It also does not include variables such as permit activity, vacancy rates and replacement need which can be addressed differently by the jurisdictions, making these variables potentially inconsistent between the jurisdictions. Modified Option 1 does not address this inconsistency issue, except for the removal of the permit activity variable.

Because of state law changes, the preparation of annual progress reports which
monitor a jurisdiction's efforts toward meeting housing targets have become
increasingly complex and labor intensive regarding data collection. Modified
Option 1 will continue this trend and make it extremely difficult to maintain
priorities, including the preparation of annual progress reports in the face of
budget limitations and competing priorities. Therefore, a more standardized
Modified Option 1 should be considered, if not a re-opener of original Option 2.

Thanks again for the opportunity to provide these additional comments. We remain willing to engage with SCAG staff more closely, as we have offered in the past, to discuss our concerns in more detail.

Sincerely,

Charissa Leach

Assistant Director Transportation and Land Management Agency

Cc: Riverside County Board of Supervisors

Hon. Bill Jahn, SCAG Regional Council President

Hon. Rusty Bailey, Riverside, RHNA Subcommittee Representative

Hon. Russell Betts, Desert Hot Springs, RHNA Subcommittee Alternate

Mr. Kome Ajise, SCAG Executive Director

Ms. Ma'Ayn Johnson, SCAG Housing and Land Use Planner

George Johnson, CEO



Transportation and Land Management Agency



Juan C. Perez Assistant CEO/TLMA Director

Transportation Department

Planning Department

Building and Safety Department

Code Enforcement Department

August 27, 2019

RHNA Subcommittee of the Southern California Association of Governments *clo* Bill Jahn, President 900 Wilshire Blvd, Ste. 1700 Los Angeles, CA 90017

RE: 6th Cycle of the Regional Housing Needs Assessment (RHNA) Allocation.

Dear Mr. Jahn,

Thank you for the opportunity to submit this comment letter on behalf of Riverside County's Transportation and Land Management Agency. Our Agency serves as the Planning entity for Riverside County's unincorporated communities. The County of Riverside has very significant concerns with the methodology options being considered by SCAG for the upcoming RHNA allocation processes. Those concerns are even further heightened by the most recent release by the State Housing and Community Development (HCD) of significantly expanded housing targets for Southern California. We are asking that our concerns be addressed as part of the upcoming 6th Cycle RHNA allocation process.

As a result of the 5th Cycle of RHNA, the unincorporated areas of Riverside County were allocated 30,303 dwelling units, for an unincorporated population of approximately 385,000. Of these 30,303, 17,578 (58%) were designated as non-market rate housing (moderate, low, and very low income). This total unit allocation was larger than any other jurisdiction within the SCAG region (except the City of Los Angeles, which had 82,002 allocated units with a population of over 4 million). In comparison, Los Angeles County (unincorporated) was allocated 30,145 total dwelling units (with an unincorporated population of 1,052,000), while San Bernardino County was allocated 39 units (with an unincorporated population of 311,000 – similar to Riverside County).

We have reviewed the recent SCAG release of methodology options to be considered for the 6th cycle. Of the three options presented, it is our opinion that Option 2, which more closely takes into account each jurisdiction's share of the overall SCAG population (80% weight), combined with a consideration on High Quality Transit Areas (20% weight), most accurately allocates units in an equitable and feasible way.

That being said, we note that even with this Option 2, Riverside County would be allocated an additional 10,861 units (both market date and affordable) using the SCAG estimator. Using the overall target numbers released by HCD on August 22, 2019, that number increases to 21,493 (or which 12,089 are moderate, low or very low income).

By its very nature, the unincorporated areas of Riverside County have no "city core" of urban centers, and thus does not have urban-level infrastructure. Riverside County is home to the last four Cities incorporated in California (Jurupa Valley in 2011, Eastvale in 2010, and Menifee and Wildomar in 2008). These cities are located along major transportation corridors such as I-15, SR-60, and I-215, and constitute much of what previously used to be the denser, semi-urbanized portions of the unincorporated area.

There are no commuter rail stations anywhere in the unincorporated areas of Riverside County, on in the Coachella Valley. There are few dense employment centers within the unincorporated areas. Any development that occurs within our jurisdiction has to "pay its own way" for infrastructure improvements, and many of our unincorporated communities lack urban-level infrastructure such as sewer systems, a developed roadway network, sidewalks, and frequent transit service. Often, housing projects incur significant costs to connect to sewer service miles away, or expand inadequate roads, making it extremely challenging to provide non-market rate housing in a fiscally achievable way. Mandating higher density urban-level development in areas lacking basic infrastructure will cause additional strain on our over-burdened existing infrastructure, and on our communities.

We note that the RHNA 5th Cycle was based on the 2010 census data, with a population estimate of 502,392 used for Riverside County. In fact, given the above-mentioned incorporations, our County unincorporated 5th Cycle population was approximately 385,000. The current SCAG estimate for the unincorporated area is 394,200.

In order to more equitable distribute target numbers for the 6th Cycle, the population number that was incorrectly used for the 5th Cycle needs to be taken into consideration, rather than simply adding more units to the County through the 6th Cycle. This would also be consistent with the concept of phasing housing allocations beyond a single RHNA cycle, which the County supports.

In 2015, the County undertook a major planning effort to update our Housing Element in order to meet our 5th Cycle RHNA allocations. This resulted in re-zoning about 1,000 parcels to highest-density residential (20-40 dwelling units per acre), including mixed- use areas, to meet our housing targets. This was a most difficult undertaking, and further points out the challenges that the County will face in finding suitable land if we receive a further significant RHNA allocation as part of the 6th Cycle.

We further request that an analysis be conducted to assess how infrastructure funding opportunities that SCAG participates in (through grants etc.), or can advocate for at the State-level, can be better aligned with SCAG-adopted housing targets. Consideration should be given to help prioritize funding for those jurisdictions that lack back-bone infrastructure yet are expected to provide for a significant share of the regional housing needs.

We appreciate the opportunity to provide these comments, and would very much appreciate the opportunity to have a more in-depth discussion with SCAG staff as this process moves forward.

Respectfully,

Juan C. Perez, Assistant CEO &

Director of Transportation and Land Management Agency

Cc: Board of Supervisors

Hon. Rusty Bailey, Riverside, RHNA Subcommittee Representative Hon. Russell Betts, Desert Hot Springs, RHNA Subcommittee Alternate Mr.

Kome Ajise, SCAG Executive Director

George Johnson, CEO



Transportation and Land Management Agency



Juan C. Perez Assistant CEO/TLMA Director

Transportation Department

Planning Department

Building and Safety Department

Code Enforcement Department

July 18, 2019

RHNA Subcommittee of the Southern California Association of Governments 900 Wilshire Blvd, Ste. 1700 Los Angeles, CA 90017 C/o Bill Jahn, President

RE: 6th Cycle of the Regional Housing Needs Assessment (RHNA) Allocation.

Dear Mr. Jahn,

Thank you for the opportunity to submit this comment letter on behalf of Riverside County's Transportation and Land Management Agency. Our Agency serves as the Planning entity for Riverside County's unincorporated communities. This letter is intended to highlight and expand on my testimony to the RHNA Subcommittee on June 3, 2019, highlighting concerns with the methodology used in the past by SCAG for the RHNA allocations. We are asking that our concerns be addressed as part of the upcoming 6th Cycle RHNA allocation process.

As a result of the 5th Cycle of RHNA, the unincorporated areas of Riverside County were allocated 30,303 dwelling units, while having a population in the unincorporated area of approximately 385,000. Of these 30,303 units, 17,578 (58%) are designated as non-market rate housing (moderate, low, and very low income). This total unit count is larger than any other jurisdiction within the entirety of the SCAG region (with the exception of the City of Los Angeles, which has 82,002 total units allocated over a population of over 4 million). As a comparison, Los Angeles County (unincorporated) was allocated 30,145 total dwelling units (with an unincorporated population of 1,062,000), while San Bernardino County was allocated 39 units (with an unincorporated population of about 311,000 – similar to Riverside County).

Riverside County is concerned about the RHNA Allocation process producing statistical outliers that cannot be easily rectified. Not only is the unincorporated area of Riverside County being expected to generate a vast amount of dwelling units relative to its population, but a number of cities within our County are facing the same dilemma, such as Desert Hot Springs, with an allocation of 4,196 units for a population of 28,815. We also note that, proportionally, the unincorporated areas of the County constitute about 16% of the total County's population of 2.45 million, but nearly double (30%) of the County-wide unit allocation of 101,374. This allocation in units to the unincorporated area is out of proportion to our ability to provide for urban-scale development.

By its very nature, the unincorporated areas of Riverside County have no "city core" of urban centers, and thus does not have urban-level infrastructure. Riverside County is home to the last four Cities incorporated in California (Jurupa Valley in 2011, Eastvale in 2010, and Menifee and Wildomar in 2008). These cities are located along major transportation corridors such as I-15, SR-60, and I-215, and constitute much of what previously used to be the denser, semi-urbanized portions of the unincorporated area.

There are no commuter rail stations anywhere in the unincorporated areas of Riverside County, and no commuter rail stations anywhere whatsoever in the Coachella Valley, whether in incorporated cities or the unincorporated area. There are few dense employment centers within the unincorporated areas of Riverside County. Any development that occurs within Riverside County has to "pay its own way" for infrastructure improvements, and many of our unincorporated communities lack urban-level infrastructure such as sewer systems, a developed roadway network, sidewalks, and frequent transit service. Often, projects incur significant costs to connect to sewer service miles away, or expand inadequate roads, making it extremely challenging to provide non-market rate housing in a fiscally achievable way. As such, mandating higher density urban-level development in areas that lack the basic infrastructure to support it will cause additional strain on the already over-burdened existing infrastructure, and on our existing unincorporated communities.

In 2015, the County undertook a major planning effort to update our Housing Element in order to meet our 5th Cycle RHNA allocations. This resulted in re-zoning about 1,000 parcels to highest-density residential (20-40 dwelling units per acre), including mixed-use areas, to meet our housing targets. This was a most difficult undertaking and further points out the challenges that the County will face in finding suitable land, if we receive a further significant RHNA allocation as part of the 6th Cycle.

We are therefore requesting that SCAG consider the following as part of the 6th Cycle allocation process:

- A proportionality analysis be conducted that takes into account a jurisdiction's ability to accommodate additional housing growth based on its current population.
- An infrastructure component be included to take into account those communities that lack the back-bone infrastructure to provide in-fill, urban-scale development.
- We support the concept of phasing housing allocations beyond a single RHNA cycle. This will provide for a more achievable phase-in for housing growth beyond the 8-year cycle frequency.
- A truly consultative process be established to allow jurisdictions to engage SCAG staff in meaningful discussions as draft housing targets are developed, so that local and sub-regional concerns can be better captured in the final allocations.

 An analysis be conducted to assess how infrastructure funding opportunities that SCAG participates in (through grants etc.), or can advocate for at the State-level, can be better aligned with SCAG-adopted housing targets. Consideration should be given to help prioritize funding for those jurisdictions that lack back-bone infrastructure yet are expected to provide for a significant share of the regional housing needs.

We appreciate the opportunity to provide these comments, and would very much appreciate the opportunity to have a more in-depth discussion with SCAG staff as this process moves forward.

Sincerely,

Assistant TLMA Director Community Development

Juan C. Perez, Assistant CEO &

Director of Transportation and Land Management Agency

Cc: Board of Supervisors

Hon. Rusty Bailey, Riverside, RHNA Subcommittee Representative Hon. Russell Betts, Desert Hot Springs, RHNA Subcommittee Alternate

Mr. Kome Ajise, SCAG Executive Director

George Johnson, CEO