

**Executive Administration Committee and Regional Council  
List of Public Comments**

Received **before** 5pm on Tuesday, January 2, 2024

	Date	Sender Name	Organization	Agenda Item (AI #)	Subject Matter
1.	12/19/2023	Ana Gromis	Building Industry Association of Southern California	EAC AI #1 – RHNA Reform – Legislative Action  RC AI #5 – RHNA Reform – Legislative Action	<p>BIA requests additional transparency and review to the following LCMC recommendation: “Authorize staff to develop draft legislative language, identify and obtain a legislative author, and advocate for the successful passage of the proposed legislative bills.”</p> <p>Additionally, BIA urges the Regional Council to direct staff to include the LCMC in the process of approving draft legislative language concurrently with obtaining a legislative author(s) in addition to the following recommendation noted in the LCMC November 14 staff report, “If a Legislator is interested in authoring a bill that captures SCAG’s RHNA reform concepts, SCAG staff and lobbyists would work with the Office of Legislative Counsel to draft legislative language, including a recommendation on where to insert the language into the existing code. Requests by legislators to Legislative Counsel are generally due by the third week of January. The deadline by which a bill proposal must be introduced is generally the third week of February.”</p>

## Cecilia Pulido

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**Subject:** BIA Comment Letter - SCAG RHNA Reform  
**Attachments:** BIASC Comment Letter to SCAG RHNA Reform.pdf

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**From:** Ana Gromis <[agromis@biasc.org](mailto:agromis@biasc.org)>  
**Sent:** Tuesday, December 19, 2023 1:23 PM  
**To:** Maggie Aguilar <[aguilarm@scag.ca.gov](mailto:aguilarm@scag.ca.gov)>; Darin Chidsey <[CHIDSEY@scag.ca.gov](mailto:CHIDSEY@scag.ca.gov)>; Kevin J. Gilhooley <[Gilhooley@scag.ca.gov](mailto:Gilhooley@scag.ca.gov)>; Kome Ajise <[ajise@scag.ca.gov](mailto:ajise@scag.ca.gov)>; Sarah Miller <[miller@scag.ca.gov](mailto:miller@scag.ca.gov)>  
**Subject:** BIA Comment Letter - SCAG RHNA Reform

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Please see the attached correspondence on behalf of the Building Industry Association of Southern California. Please direct any questions regarding this matter to BIASC CEO Jeff Montejano at [jmontejano@biasc.org](mailto:jmontejano@biasc.org) or BIASC Senior Vice President Adam Wood at [awood@biasc.org](mailto:awood@biasc.org).



Ana Gromis  
Director of External Affairs

Building Industry Association of Southern California, Inc.  
[agromis@biasc.org](mailto:agromis@biasc.org)  
ph: (951) 756-5813 w: [biasc.org](http://biasc.org)  
Baldy View • Los Angeles/Ventura • Orange County • Riverside County



## Building Industry Association of Southern California, Inc.

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December 19, 2023

Mr. Kome Ajise  
Executive Director  
Southern California Association Of Governments  
900 Wilshire Blvd. Ste. 1700  
Los Angeles, CA 90017

### **RE: RHNA Reform Legislative Action**

Dear President Brown, Regional Council, Director Ajise and Staff,

On behalf of the Building Industry Association of Southern California (BIA), we write today in response to the Legislative/Communications and Membership Committee (LCMC) vote on November 14, to pursue RHNA reform. We write regarding the LCMC's support of SCAG staff's recommendation to forward a recommendation to the Executive/Administration Committee (EAC) and to the Regional Council (RC) to authorize SCAG staff to work with SCAG lobbyists to develop legislative language, identify and obtain a legislative author, and advocate for the successful passage of two separate legislative bills, in pursuit of the following two RHNA reform concepts:

1. Increased RHNA Transparency Measures – Require the Department of Housing and Community Development (HCD) to publicize its data sources, analyses, and methodology prior to finalizing a region's RHNA determination and require HCD to establish and convene a panel of experts that would advise HCD on its assumptions, data, and analyses prior to making its final determination to a region; and
2. RHNA Trade and Transfer – Reinstatement of a trade and transfer option of RHNA units between two jurisdictions with limitations so that it also furthers state housing objectives, including affirmatively furthering fair housing.

BIASC recognizes the significant concerns shared by the California State Auditor report in March 2022, which concluded, "Overall, our audit determined that HCD does not ensure that its needs assessments are accurate and adequately supported." [Click here](#)

However, while the aforementioned two RHNA reform concepts may serve as a basis for legislation, BIA respectfully requests additional transparency and review to the following LCMC recommendation to:

*"Authorize staff to develop draft legislative language, identify and obtain a legislative author, and advocate for the successful passage of the proposed legislative bills."*

**Specifically, if SCAG intends to pursue RHNA reform legislation, we urge the Regional Council to direct staff to include the LCMC in the process of approving draft language concurrently with obtaining a legislative author(s). While the two RHNA reform concepts provide general guidelines for potential legislation, the details and means by which to accomplish these goals are complex and warrant review by the LCMC prior to committing SCAG to sponsoring legislation.**

It is important to note that the State Legislature continues to introduce dozens of housing bills annually, many of which are identified as “Housing Killers” by our colleagues at the California Building Industry Association because of the inherent harm they would do to housing production. We appreciate any effort by SCAG to pursue legislation that would encourage housing production and help address the dire shortage in the Golden State. As such, the further involvement by the LCMC throughout the proposed RHNA reform process will ensure that the draft legislation benefits from additional SCAG elected member and public input. The additional transparency will also help address any potential concerns with the draft language prior to introducing the two bill proposals to the legislative committee process.

**In summary, we urge the Regional Council to direct staff to include the LCMC in the process of approving draft legislative language concurrently with obtaining a legislative author(s) in addition to the following recommendation noted in the LCMC November 14 staff report,**

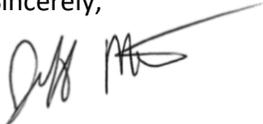
*“If a Legislator is interested in authoring a bill that captures SCAG’s RHNA reform concepts, SCAG staff and lobbyists would work with the Office of Legislative Counsel to draft legislative language, including a recommendation on where to insert the language into the existing code. Requests by legislators to Legislative Counsel are generally due by the third week of January. The deadline by which a bill proposal must be introduced is generally the third week of February.”*

In closing, BIA recognizes the concerns in the RHNA process as discussed in the California State Auditor report in March 2022. In addition to those issues, it is also important to note that RHNA’s challenged track record in producing low income housing is not properly attributed to RHNA: the “affordable housing,” deed-restricted form of housing with income limits have never resulted in any significant fraction of California’s overall housing supply (e.g., even during Redevelopment-funded affordable housing periods, these units were only about 5% of the total housing market).

Likewise, government policies that systematically penalize and block housing that median income earners can afford to buy, and want to raise their family, such as the regulatory opposition to Greenfield and so-called “edge” development, are the root cause of the region’s housing shortage – and derive solely from political decisions made by government officials. In the future, we suggest adding another principle, which is that RHNA reform is needed to align RHNA with market conditions to spur the production of housing that is affordable for purchase without taxpayer subsidies for median income earners. Restoring this “missing middle” market, including in the Greenfields of unincorporated counties, will free up older urban rental housing units that is far more affordable – again without government subsidies or income-restrictions – to lower income households. Moving forward, we would welcome the opportunity to discuss these additional constraints to housing production and explore potential solutions.

In the meantime, thank you for your consideration regarding our recommendations for further involvement by the LCMC in crafting any potential RHNA reform legislation sponsored by SCAG.

Sincerely,



Jeff Montejano  
CEO, BIASC