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# News Release

FOR IMMEDIATE RELEASE

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## ***SCAG adopts final allocation plan for 6<sup>th</sup> Cycle Regional Housing Needs Assessment***

**Los Angeles** – The governing body of the Southern California Association of Governments (SCAG) formally adopted a final allocation plan to meet anticipated housing needs in the six-county region over much of the next decade.

Thursday's action covers the 1.34 million units assigned to the SCAG region as part of the 6<sup>th</sup> Cycle Regional Housing Needs Assessment (RHNA), covering the period from October this year through October 2029. The state Department of Housing and Community Development (HCD) determined that overall regional number last year, and it has been SCAG's mandated responsibility to come up with an allocation formula and plan.

SCAG's Regional Council approved the plan after an extensive appeals process, in which 49 jurisdictions requested revisions to draft RHNA allocations that were distributed in September 2020. Two of those appeals were partially granted by SCAG's RHNA Appeals Board, and the Final Allocation Plan was recommended for adoption last week by the agency's Community, Economic and Human Development Committee.

"The housing crisis has been and remains one of the most significant challenges we face as a region and a state," said SCAG President Rex Richardson, Vice Mayor of Long Beach. "From our perspective, the RHNA process has always been about working together and doing everything within our authority to address the housing crisis and ensuring that the determination is on the firmest possible technical ground."

The allocation formula was developed by SCAG based on input from throughout the region and an assessment of various methodology options. The allocations also took into account data from Connect SoCal, SCAG's 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy, including an emphasis on job and transit access. This is a notable shift from prior RHNA cycles that did not have as strong emphasis on linkages to Connect SoCal strategies. Additionally, the adopted RHNA methodology includes factors to affirmatively further fair housing, replacing segregated living patterns with integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and complying with civil rights and fair housing laws.

"In the end, we challenged ourselves to come up with a formula that addresses our formidable housing challenges in an effective and equitable manner," said SCAG Executive Director Kome Ajise. "This is about more than just counting housing units: it also carries forward our regional plan for sustainable

development, improved mobility, and increased access to jobs, housing, and amenities. As this process plays out, SCAG looks forward to providing our communities with the technical support they need to meet their needs.”

Southern California has been one of the hardest hit regions in the country when it comes to the housing crisis. The average home price is nearly 2 ½ times above the national average, and the average rent is nearly 50% higher than the rest of the country.

The impact is far reaching, limiting our ability to attract businesses and jobs and forcing households – particularly in underserved communities – to spend a disproportionate percentage of their income on housing. Across the region, Black, Hispanic/Latinx and Native American households, regardless of whether they own or rent their homes, experience the greatest housing cost burdens.

As part of the RHNA process, the regional number – in this case, 1.34 million units – is determined by the state. SCAG is required by state law to make sure the Final Allocation Plan meets HCD’s determination. The regional number for this cycle is significantly larger than the previous cycle’s need of approximately 412,000 units and local jurisdictions will face challenges in planning and zoning to accommodate their recently assigned need. SCAG has committed to working with local jurisdictions and subregional partners in identifying planning resources available to help accommodate need locally and also explore ways to improve the RHNA and housing element process. This includes deployment of \$47 million in funds from the state’s Regional Early Action Plan program, which SCAG is using to support municipalities and community stakeholders toward land use plans and policies that accelerate housing production.

During SCAG’s appeals process, the County of Riverside was granted a reduction (215 units) and the City of Pico Rivera was granted a total reduction of 2,917 units. Both were partial reductions from their original requests. The total reduction for the two jurisdictions – 3,132 units – was then redistributed proportionally back to the SCAG region.

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#### **About SCAG**

SCAG is the nation’s largest metropolitan planning organization, representing six counties, 191 cities and nearly 19 million residents. SCAG undertakes a variety of planning and policy initiatives to plan for a livable and sustainable Southern California now and in the future. For more information about SCAG, please visit: [www.scag.ca.gov](http://www.scag.ca.gov).