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CITY OF



RE: Regional Housing Needs Assessment Reform

The City is pleased to see that the Southern California Association of Governments (SCAG) is soliciting feedback on the Regional Housing Needs Assessment (RHNA) process to lead to potential reforms in the future. To say that the 6th cycle process for the regional determination, the subsequent RHNA allocations, and now the Housing Element certification process has been frustrating to all cities is an understatement. Each step of the process has been wrought with challenges, and improvement is certainly needed so that cities throughout the state can be successful in serving the public and facilitating appropriate development.

Additionally, the City recognizes that the RHNA reform efforts do not directly involve the Housing Element review process with the Department of Housing and Community Development (HCD). However, because the RHNA is one of the driving factors for the Housing Element process, and many of the key challenges that cities have faced with the adoption of their Housing Element during this housing cycle comes down to the significant RHNA provided to the entire SCAG region, we would be remiss if we did not acknowledge the Housing Element challenges. Every city and county agency we have spoken with has noted that HCD reviews have been inconsistent, including providing many subjective comments rather than objective requirements that often exceed what is specified by state law. While the ability to address these ever-changing comments are difficult just by itself, the challenges are significantly exacerbated by the RHNA obligations and make it hard to create a successful plan that will work for our respective communities. Simply addressing the complexity of the Housing Element adoption process is exponentially more difficult for communities when you are planning for a significant increase in the number of units required when compared to previous cycles. As such, it is important to remember that the RHNA has a direct impact on the subsequent HCD process and that the RHNA cannot be divorced from a discussion on Housing Elements, as all of these elements are intertwined with each agency's long term land use planning efforts.

In light of the practical implications of the RHNA and its impacts to land use planning efforts, additional consideration is needed to determine the feasibility of the regional determination and subsequent allocations to jurisdictions. While the RHNA allocation is not a mandate that a jurisdiction must construct a certain number of units, nor does the RHNA process force developers

or even jurisdictions to build units, the consequences for not meeting the RHNA are still very significant, and perhaps may become even stronger based on the current rhetoric. While a jurisdiction can demonstrate that there is enough land zoned at the appropriate densities that would support the RHNA, setting the expectations far beyond what the market can actually bear destines each jurisdiction to likely failure. The regional determination for the 6th cycle far exceeds the number of units that were built in prior cycles, and while the thought process in the 6th cycle has assumed that the insufficient development achieved in prior cycles is the fault of agencies impeding development, the reality is that many other market forces have impacted the housing supply. In the determination process, there needs to be greater recognition of the actual development capacity and market trends in the home building industry.

To help support the future regional determination process, much more effort should be taken to look at the “big picture,” and see where the housing market is, whether growth projections are feasible, and take into consideration the capacity of the building trades and associated labor and building material supplies. An economist should be involved in the process to add a pragmatic voice to the process – creating unreasonably high expectations for housing development that cannot be met because it does not align with the market demands seems disingenuous to everyone since it means the collective efforts will fail.

Separate from the regional determination, additional efforts should be made to strengthen the distribution in a manner that is consistent with good planning principles and where demand is highest. In many past cycles, the RHNA has been skewed towards the Inland Empire, where we have less transit infrastructure and where there are fewer jobs. This results in more people commuting further distances by car, which in turn increases pollution and congestion on our roadways as vehicle miles traveled (VMT) is increased. In addition to the greenhouse gas and infrastructure issues, people end up spending more money on commuting expenses to maintain and operate their car, and also have to spend more time away from their family in a chore that does not bring any additional income – employers simply do not pay their employees for their hour or more sitting in traffic. The RHNA distribution pattern needs to better tie into SCAGs Connect SoCal plan since the plan also ties housing with the region’s job and infrastructure growth priorities. In addition, the VMT analysis should be redesigned to incentivize jobs and infrastructure support to provide jobs in the semi-urban environment found in much of the Inland Empire, which will help to create job centers here that cater to the new homes in the region. Substantial infrastructure investments are needed in the inland areas to accommodate the jobs and growth that would create a sustainable development pattern if future housing growth were relegated to these areas.

Lastly, the appeals process also needs to be reformed. It was clear before the appeal period, and certainly reenforced following the outcome of that process, that the appeal provisions were simply a perfunctory element. Rather than maintaining a drawn-out process for a foregone conclusion,

the process should be further developed to *actually* matter or be removed. Most jurisdictions summarized the process with “what’s the point?” after the process ended.

Make no mistake, planning for the needs of existing and future residents of a community is an important role of government and a key tenet of land use planning ideals. Further, following Maslow’s hierarchy of basic needs: water, food and *shelter* are the fundamental elements for survival, and highlight the importance of planning for housing, and is all the more reason that we should have a process in place that make our collective efforts successful.

Sincerely,

CITY OF YUCAIPA



David Avila
Mayor



Benjamin Matlock
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c.c. Ray Casey, City Manager