

## Western Riverside Council of Governments

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August 1, 2022

Ma'Ayn Johnson, Housing Program Manager Southern California Association of Governments 900 Wilshire Blvd., Ste. 1700 Los Angeles, CA 90017

VIA E-MAIL: <a href="mailto:housing@scag.ca.gov">housing@scag.ca.gov</a>

Subject: SCAG RHNA Reform – WRCOG Comment Letter

Dear Ms. Johnson:

On behalf of the Western Riverside Council of Governments (WRCOG), I am submitting the following comments regarding the potential to reform or update the Regional Housing Needs Assessment (RHNA) process for the SCAG region. These comments relate to future iterations of the SCAG RHNA allocation process. As such, WRCOG is not commenting on the need for RHNA, the usage of RHNA by the State of California in any funding decisions, or the application of the RHNA process by the State Department of Housing and Community Development (HCD).

WRCOG has long participated in SCAG's RHNA allocation process, with involvement in the process since 2000. As staff have long observed, the RHNA allocation at the SCAG process is contentious and difficult for all parties involved. During the last allocation process, which occurred from 2019 to 2021, staff saw regions and even individual jurisdictions advocate for specific methodologies based on how that approach would benefit them instead of the region. WRCOG appreciate SCAG's desire to develop an inclusive approach and acknowledge the adoption of guiding principles which were as noted by SCAG:

- 1. The housing crisis is a result of housing building not keeping up with growth over the last several decades. The RHNA allocation for all jurisdictions is expected to be higher than the 5<sup>th</sup> RHNA cycle.
- 2. Each jurisdiction must receive a fair share of their regional housing need. This includes a fair share of planning for enough housing of all income levels, and consideration of factors that indicate areas that have high and low concentration of access to opportunity.
- 3. It is important to emphasize the linkage to other regional planning principles to develop more efficient land use patterns, reduce greenhouse gas emissions, and improve overall quality of life.

WRCOG's first comment is that staff believe that these principles should be ranked in order of importance and Principle #3 should in fact be the primary principle employed in the RHNA methodology. While not immediately obvious, staff believe that Principle #2 should be secondary to the 3<sup>rd</sup> Principle. WRCOG makes that recommendation based on not just the goals and policies in the SCAG RTP/SCS document but also the previous 20-years of State Legislation such as AB 32, SB 375, SB 743, and other applicable legislation. Additionally, the SCAG Region is currently facing issues such as water supply and climate adaptation which will reflect a desire to develop new housing in targeted areas instead of a broad regional basis.

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Because of that focus, WRCOG's second comment is that staff strongly support SCAG's continued use of transit and job accessibility as primary factors during the RHNA allocation. These factors emphasize regional population within high quality transit areas (HQTA) and share of regional jobs accessible within 30 minutes driving commute and were previously used in the 2019 RHNA process. WRCOG believes that any future RHNA allocation methodology should align with the use of these factors and to the extent possible, future growth should be directed to HQTAs on a regional basis. If SCAG were to prioritize allocations to HQTAs, what would follow is that there should then be less of a focus on the distribution of units to all jurisdictions. Other areas of the SCAG region have a much higher density of HQTAs than the WRCOG subregion, which means that a desire to distribute units equitably would conflict with the use of HQTAs to allocate units.

WRCOG's final comment regarding the RHNA allocation process is that staff would also call attention to the process by which SCAG estimates persons per household, which is a significant factor in determining the number of units based on anticipated population growth. Staff's review of the adopted growth projections in the most recent SCAG RTP/SCS indicate growth in the number of households which is vastly different than the anticipated population growth. For example, unincorporated Riverside County population is projected to grow from 278,000 persons to 394,000 persons in the next 25 years. This amount of growth is 40%. Over that same period, the number of units projected by SCAG are to nearly double from 57,000 to 105,000. This difference is an increase of over 80%. WRCOG strongly recommends that SCAG evaluate person per household projections as it relates to Western Riverside County, particularly as new data becomes available from the 2020 U.S. Census and other data sources. To the extent more accurate person per household projections can be incorporated into the SCAG growth projections and RHNA allocations, it would be more reflective of historic household occupancy factors.

In conclusion, WRCOG offers the following comments regarding future SCAG RHNA allocations:

- 1. Consistency with regional planning principles including the goals and objectives of the SCAG RTP/SCS should be primary consideration rather than attempting to ensure an equally uniform method of distribution of units among all jurisdictions.
- 2. Quantitative factors related to access to transit and regional accessibility should be the primary basis of any RHNA allocation process.
- 3. The use of updated persons per household data to reflect actual conditions within Western Riverside County.

WRCOG appreciates the opportunity to submit this comment letter regarding future RHNA allocations within the SCAG region and looks forward to continued collaboration with SCAG. If you have any questions regarding these comments, please contact me at <a href="mailto:kwilson@wrcog.us">kwilson@wrcog.us</a>.

Sincerely,

DocuSigned by:

Dr. Kurt Wilson Executive Director