

City of Huntington Beach 2000 MAIN STREET CALIFORNIA 92648

DEPARTMENT OF COMMUNITY DEVELOPMENT

Planning Division 714.536.5271

Code Enforcement Division 714.375.5155

Building Division 714.536.5241

August 12, 2022

RHNA Reform Comments
Attn: Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017

Submitted via email to: housing@scag.ca.gov

RE: CITY OF HUNTINGTON BEACH RHNA REFORM COMMENT LETTER

Dear Mr. Ajise,

Thank you for facilitating a public input process regarding AB 101. The City of Huntington Beach appreciates SCAG's public outreach efforts for the RHNA Reform process and offers the following comments for your consideration and forwarding to the State Department of Housing and Community Development (HCD).

Lack of Transparency in the RHNA Reform Process

There is a notable error on the SCAG website directing people looking for more information on AB 101 to the wrong website. The link provided on SCAG's website is AB 101 amending the Education Code to include an ethnic studies requirement for high school graduation in California. Member jurisdictions are at a disadvantage from providing meaningful comments (or any input at all) on AB 101 amending the Planning and Zoning law.

In the staff report and presentations given at TWG, Housing Working Group, Public Input Session, SCAG does not provide any detailed information regarding the intent of AB 101. Providing member jurisdictions with the details of AB 101 is necessary in order for jurisdictions to provide meaningful feedback and input. The blanket statement from SCAG indicates that RHNA Reform solely focuses on Government Code Section 65584 – 65584.2. Reading AB 101 makes it clear that this is untrue. AB 101 describes the intent of the Legislature to "revamp the existing regional housing need allocation process described in Sections 65584 to 65584.2, inclusive, of the Government Code *in order to accomplish the following objectives*:

(1) Create a fair, transparent, and objective process for identifying housing needs across the state.

- (2) Strategically plan for housing growth according to statewide priorities, consistent with Section 65041.1 of the Government Code, and expected future need for housing at all income levels.
- (3) Encourage increased development to address the state's housing affordability issues.
- (4) Improve compliance and outcomes through incentives and enforcement."

SCAG has not taken appropriate measures to educate or inform its member jurisdictions about the intent of the Legislature and the objectives of RHNA Reform.

Further, AB 101 states that HCD "shall develop a recommended improved regional housing need allocation process and methodology that promotes and streamlines housing development and substantially addresses California's housing shortage." SCAG has framed its public information sessions through the narrow lens of its own interpretation of AB 101 without informing its member jurisdictions of the written intent of the Legislature. The Legislature intends to update Government Code Section 65584 – 65584.2 pursuant to specific objectives and how RHNA relates to other Government Code Sections. Stating that RHNA Reform is limited to Government Code Section 65584 – 65584.2 is not consistent with the details of AB 101. SCAG should prioritize additional public outreach and information sessions regarding RHNA Reform that provide detailed information on AB 101 and the written intent of the Legislature.

SCAG Unnecessarily Expedites RHNA Reform Public Input Process

SB 197 extended the due date for HCD's RHNA Reform report from December 31, 2022 to December 31, 2023. SCAG did not meaningfully alter its public input process as a result of the extended timeline. SCAG only extended its public comment due date by three weeks even though the Legislature extended the timeline by a full calendar year. SCAG should conduct extensive public engagement over the next 17 months to ensure all of its member jurisdictions and stakeholders understand AB 101 and are able to participate in the process. This should include additional public outreach, publicizing the RHNA Reform process, engaging relevant stakeholders such as the County Transportation Commissions (CTC) and the California Coastal Commission, conducting multiple public workshops, and providing an additional public comment period. Any and all public workshops, information sessions, and public comment periods should provide at least one month notice, particularly if they are scheduled during the week of a federal holiday.

<u>A Comprehensive Overhaul of the RHNA Statute is Necessary to Achieve Statewide</u> Climate Goals and Solve the Affordable Housing Crisis

The RHNA statute has been in place since 1969. The RHNA laws and requirements have not achieved their intended goals. The State of California is in an affordable housing crisis, as stated by the Legislature in its Housing Crisis Act of 2019 (SB 330). The California Air Resource Board's (CARB) Draft 2022 Progress Report and Appendices¹

¹ CARB Draft 2022 Progress Report and Appendices https://ww2.arb.ca.gov/resources/documents/tracking-progress

finds that since 2005, the number of vehicles per household has increased, the relatively small percentage of people who walk and bike to work has decreased, and transit ridership in most MPO regions has decreased even though transit service hours either remained steady or grew in most regions between 2005 and 2019. Overall, RHNA has not achieved its goal to create affordable housing in job centers and SB 375 linking the RTP/SCS and RHNA has resulted in increased per capita GHG emissions and per capita VMT through 2019².

Rather than expanding upon the existing RHNA statute for RHNA reform, it should be completely reconstructed from beginning to end due to its failure to achieve any of its intended goals. The RHNA and RTP/SCS should be disentangled because connecting the two resulted in the opposite of the legislative intent. However, if this is not the intent of the Legislature, several reforms to the existing RHNA statute are discussed below.

<u>Legislative Changes Necessary to Create a Fair, Transparent, and Objective Process for Identifying Housing Needs across the State</u>

1. HCD consultations with council of governments shall be open to the public, adhere to public notice requirements, provide a public review and comment period, and include a public hearing (65584.01(b)).

The consultations between HCD and COGs/Metropolitan Planning Organizations are currently conducted behind closed doors. The process that develops the regional determination is strictly opaque. A major overhaul to the regional determination process is necessary in order to create a fair, transparent, and objective process for identifying housing needs across the State. Government Code section 65584.01(b) begins the Legislature's stated process for HCD and MPO's to determine the region's housing need. This section should be amended to state that these consultations are open to the public, provide public notice, a public review and comment period, and include a public hearing prior to approval of any methodology or the regional determination itself. Opening these consultations to the public, encouraging public input, and conducting a public hearing will increase fairness and transparency throughout the regional determination process. It will also ensure that jurisdictions, stakeholders, and the general public can verify that the process is objective and HCD and all MPOs are adhering to the statutory requirements of RHNA.

 Permit any jurisdiction to file an objection to HCD's determination of the applicable COGs regional existing and projected housing needs (65584.01(c)). Provide an appeal process and court remedies for any objection that is denied by HCD (65584.01(c)(3).

Government Code section 65584.01(c) allows a council of governments to file an objection to HCD's regional determination within 30 days of receipt of the determination. This section should be amended to state that the COG <u>and</u> any jurisdiction within the

² Ibid.

COG may file an objection to the regional determination within 30 days of receipt of the determination. Further, Government Code section 65584.01(c)(3) requires HCD to consider an objection and make a final written determination of the region's existing and projected housing need. However, the regional determination process ends there. There is no opportunity to appeal an objection that is denied. Government Code section 65584.01(c)(3) should be amended to state that the COG and any jurisdiction within the COG may file an appeal of the objection and provide judicial remedies to ensure that due process of the law is preserved in order to create a fair, transparent, and objective process for identifying housing needs across the State.

3. Provide an appeal process and court remedies for any jurisdiction's appeal of its RHNA that is denied by the applicable COG (65584.05).

Government Code section 65584.05 sets forth the process for jurisdictions to appeal to the COG for a revision of the share of the regional housing need proposed to be allocated to one or more local governments. Government Code section 65584.05(e) requires the COG to make a final determination that either accepts, rejects, or modifies each appeal and subsequently issue a proposed final allocation plan. The RHNA appeal process ends there. There is no opportunity to further pursue an appeal that is denied by the COG. Government Code section 65584.05 should be amended to provide judicial remedies to ensure that due process of the law is preserved in order to create a fair, transparent, and objective process for identifying housing needs across the State.

4. If the COG develops an alternative RHNA methodology after the public comment period closes, a subsequent public comment period and public hearing must be held for the alternative RHNA methodology (65584.04 (h)).

SCAG conducted a public comment period on its three proposed 6th Cycle RHNA methodologies from August 1, 2019 to September 13, 2019. SCAG also held four public hearings and one public information session on the three proposed methodologies during the public comment period. Based on comments received during the public comment period, SCAG staff concluded that each of the three original options failed to meet one or more of the five objectives of housing law and proceeded to develop an "alternative" proposed RHNA methodology. The "alternative" proposed RHNA methodology did not receive the same benefit of extensive public outreach or a public comment period. The "alternative" methodology effectively threw out the two years of research, consultation, and analysis that are required by Government Code section 65584.04.

The "alternative" methodology had no corresponding analysis as to access to high quality transit or access to jobs. This undermined and did not promote the critical objectives of socioeconomic equity, placement of housing that can be reached quickly by transit, and achievement of statewide greenhouse gas emissions reduction goals pursuant to SB 375. Housing Law requires that RHNA should be allocated based upon empirical data, not political determinations. The result of this arbitrary and capricious final RHNA allocation plan was to over exaggerate the actual need for housing in certain areas of the SCAG

region and under estimate the actual need for housing in other areas, due to last-minute political maneuvering.

SCAG was unrelenting in stating that its "hands are tied" due to statutory timelines related to RHNA. These statutory timelines were SCAG's scapegoat for not providing detailed analysis, public outreach, and public comment periods for the untimely alternative methodology. Government Code section 65584.04 (h) should be amended to state that any COG's draft allocation methodology shall be published on its internet website for a 30 day public review and comment period. Following the close of the 30 day public review and comment period, the COG shall conduct a duly noticed public hearing. At that point, if the revised draft allocation methodology is approved by the voting board of the COG then it shall be submitted to HCD.

This revision is necessary to create a fair, transparent, and objective process for identifying housing needs across the State and eliminate potential for political manipulation of the process as experienced during SCAG's 6th Cycle RHNA process.

5. Require collaboration between relevant State agencies throughout the regional determination and RHNA process (65584.01 and 65584.04).

Currently, the regional determination and RHNA process operates within a silo from any other State agency. Although other State agencies have ultimate authority to approve or deny development across the State, none of these agencies are engaged at any point throughout these processes. It is necessary for the Legislature to codify collaboration between these agencies and HCD, including the California Coastal Commission (CCC) by revising Government Code sections 65584.01 and 65584.04 to state this intention.

The State of California is highly concerned with the impact of sea level rise and planning for coastal inundation. The State's Ocean Protection Council adopted its first sea level rise guidance document in March 2013. The California Coastal Commission (CCC) has adopted multiple guidance documents since 2015 regarding climate change, sea level rise, and coastal inundation utilizing the best available data. At their May 13, 2020 meeting, the CCC adopted a document titled, "Making California's Coast Resilient to Sea Level Rise: Principles for Aligned State Action³." This document is a tool for aligned,

Exhibits to May 1, 2020 Staff Report: https://documents.coastal.ca.gov/reports/2020/5/W6g/w6g-5-2020-exhibits.pdf

³ CA Coastal Commission May 1, 2020 Staff Report: Making California's Coast Resilient to Sea Level Rise: Principles for Aligned State Action. https://documents.coastal.ca.gov/reports/2020/5/W6g/w6g-5-2020-report.pdf

consistent state agency action in planning and preparing for a minimum baseline 3.5 feet of sea level rise statewide. The principles are intended to guide unified, effective action towards sea level rise resilience for California's coastal communities, ecosystems, and economies across state agencies in order to improve effectiveness in addressing this immediate challenge. In sum, this document endorses principles around best available science, partnerships, alignment, communications, local support, and coastal resilience projects in order to support California's bold, statewide climate agenda.

The development of the RHNA methodology necessitates contributions from all relevant stakeholders throughout the state. The CCC is a key stakeholder for jurisdictions in the coastal zone and it has historically not been engaged at any point during the public review process for the RTP/SCS or RHNA. Development proposals in the coastal zone are subject to final approval of the CCC even if the jurisdiction has a certified Local Coastal Program. The CCC has the ability to appeal a City's approval of any project within the coastal zone and conduct their own review of the project, which may ultimately result in project disapproval beyond control of the jurisdiction. Rezoning and associated land use changes required to adequately plan for RHNA allocations will necessitate a Local Coastal Program Amendment for all jurisdictions with certified Local Coastal Programs. Coastal jurisdictions may adopt land use changes to comply with RHNA requirements, but there is no guarantee that those changes will be approved by the CCC.

This revision is necessary to create a fair, transparent, and objective process for identifying housing needs across the State. State agencies and COGs can no longer work within silos towards common goals to reduce greenhouse gas emissions, reduce vehicle miles traveled, and provide affordable housing. As an example, it is not fair, transparent, or objective to exclude the CCC as a reviewing stakeholder of the regional determination and RHNA allocation plans because jurisdictions and developers are held at the whim of the CCC to approve or deny projects and local land use plans. The Legislature should require the above mentioned collaboration opportunities among State agencies, including the CCC, in order for the RHNA process to be fair, transparent, and objective instead of leaving jurisdictions and housing developers subject to the restrictive purview of the CCC when a project is before them.

<u>Legislative Changes Necessary to Strategically Plan for Housing Growth According to Statewide Priorities, Consistent with Section 65041.1 of the Government Code, and Expected Future Need for Housing at all Income Levels</u>

1. Provide a statutory definition of a "job center."

Pursuant to California Government Code Section 65584 (a)(3), "the Legislature finds and declares that <u>insufficient housing in job centers</u> hinders the state's environmental quality and runs counter to the state's environmental goals." Therefore, RHNA as a whole is based upon achieving the state's environmental goals by providing adequate quantities of housing <u>within a job center</u>. However, the Government Code does not provide a definition of a job center. When a council of governments develops a RHNA methodology

and allocation plan, it is not bound to any parameters related to job centers, other than a jurisdiction's existing and projected jobs and housing relationship. In order to achieve the state's environmental goals, including reducing greenhouse gas emissions, decreasing vehicle miles traveled, and improving air quality, housing must be constructed in job centers in order to have a measurable impact on achieving these goals. Housing constructed outside of job centers specifically hinders the state's environmental quality and runs counter to the state's environmental goals.

HCD should rely on experts and local jurisdictions to develop an accurate definition of a job center. Meaningful public participation shall be achieved through public comment periods on proposed changes to the Government Code, and at least one public hearing should be conducted on the matter. Accordingly, Government Code Section 65584 shall be amended to include a definition of a job center in order to strategically plan for housing growth according to statewide priorities, consistent with Government Code section 65041.1, and expected future need for housing at all income levels.

2. High Quality Transit Areas (HQTA): Only permit HQTA to be utilized as a RHNA methodology factor if the HQTA exists at the time the methodology is developed and has funding to continue operating at this service level in perpetuity, is serviced by permanent infrastructure, and provides service from a jurisdiction to a job center.

Several factors that may contribute to a council of government's RHNA methodology as listed in Government Code Section 65584.04 (e) revolve around achieving the state's environmental goals. A catch-all category in Section 65584.04 (e)(13) permits a COG to include any other factors as long as they further the objectives in Section 65584 (d); factors may be unrelated to the objectives in Section 65584 (d) as long as they do not undermine them. This catch-all category is subjective and has enabled COGs to include factors that severely undermine the objectives in Section 65584 (d). Section 65584.04 (e)(13) should be removed as it has historically provided COGs with unfettered discretion in choosing RHNA methodology factors that undermine the objectives listed in Section 65584 (d). Should the Legislature intend to specifically add the presence of high quality transit areas as a RHNA methodology factors, then Section 65584.04 (e) should be amended to state that COGs may only utilize high quality transit areas (HQTA) as a factor in the RHNA methodology and allocation plan if the HQTA exists at the time the methodology is developed and has funding to continue operating at this service level in perpetuity, is serviced by permanent infrastructure, and provides service from a jurisdiction to a job center. As stated by CARB, Californians are not utilizing transit. Ensuring that residents of new housing units have access to reliable and frequent public transit is paramount to achieving statewide climate goals. Even though more housing has been constructed, the supporting HQTA has not been provided by transit agencies. In order to achieve GHG reduction goals and the RHNA statute intent to increase housing located within job centers, housing must be constructed where it is supported in perpetuity by HQTA that has permanent infrastructure and provides service to a job center.

3. Explicitly prohibit any RHNA methodology factor that includes driving an automobile.

Several factors that may contribute to a council of government's RHNA methodology as listed in Government Code Section 65584.04 (e) revolve around achieving the state's environmental goals. A catch-all category in Section 65584.04 (e)(13) permits a COG to include any other factors as long as they further the objectives in Section 65584 (d); factors may be unrelated to the objectives in Section 65584 (d) as long as they do not undermine them. This catch-all category is subjective and has enabled COGs to include factors that severely undermine the objectives in Section 65584 (d). Section 65584.04 (e)(13) should be removed as it has historically provided COGs with unfettered discretion in choosing RHNA methodology factors that undermine the objectives listed in Section 65584 (d). Specifically, SCAG included a few factors in the 6th Cycle RHNA methodology that do not further the state's climate change goals. One such factor increased a jurisdiction's RHNA allocation if it was within 30 minutes driving distance from a SCAGdesignated job center. Allocating RHNA to a jurisdiction based on driving an automobile is in direct conflict with the state's goals to reduce greenhouse gas emissions. This factor in the methodology will add a significant quantity of automobiles driven by a single occupant on the roads, thereby exacerbating CARB's findings that the number of vehicles per household has increased, the relatively small percentage of people who walk and bike to work has decreased, and transit ridership in most MPO regions has decreased since 2005. In order to achieve GHG reduction goals and the RHNA statute intent to increase housing located within job centers, housing must be constructed within a job center instead of within 30 minutes driving distance as determined by SCAG.

4. Availability of land suitable for urban development shall exclude lands that are areas of coastal inundation and subject to sea level rise (Gov. Code Section 65584.04 (e)(2)(B)).

The RHNA methodology is required to analyze the availability of land suitable for urban development or conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. Currently, Government Code Section 65584.04 (e)(2)(B) permits the exclusion of any land that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding, as determined by FEMA. This provision should be expanded to include the exclusion of lands subject to hazards such as coastal inundation (flooding) and sea level rise.

State of California policies require communities to address the impacts of sea level rise in their planning documents. The State's Ocean Protection Council adopted its first sea level rise guidance document in March 2013. The California Coastal Commission (CCC) has adopted multiple guidance documents since 2015 regarding climate change, sea level rise, and coastal inundation utilizing the best available data. At their May 13, 2020 meeting, the CCC adopted a document titled, "Making California's Coast Resilient to Sea

Level Rise: Principles for Aligned State Action⁴." This document is a tool for <u>aligned</u>, <u>consistent state agency action</u> in planning and preparing for a minimum baseline 3.5 feet of sea level rise statewide. The principles are intended to guide unified, effective action towards sea level rise resilience for California's coastal communities, ecosystems, and economies <u>across state agencies</u> in order to improve effectiveness in addressing this immediate challenge. In sum, this document endorses principles around best available science, partnerships, alignment, communications, local support, and coastal resilience projects in order to support California's bold, statewide climate agenda.

The authority of the CCC to make decisions based on sea level rise is specifically noted in Public Resources Code Section 30006.5 Legislative findings and declarations; technical advice and recommendations:

"The Legislature further finds and declares that sound and timely scientific recommendations are necessary for many coastal planning, conservation, and development decisions and that the commission should, in addition to developing its own expertise in significant applicable fields of science, interact with members of the scientific and academic communities in the social, physical, and natural sciences so that the commission may receive technical advice and recommendations with regard to its decision making, especially with regard to issues such as coastal erosion and geology, marine biodiversity, wetland restoration, the question of sea level rise, desalination plants, and the cumulative impact of coastal zone developments."

Further, the CCC's 2018 Sea Level Rise Policy Guidance for development in areas subject to sea level rise requires coastal cities completing Local Coastal Program Updates/Amendments⁵ (which is necessary as a result of RHNA) to do the following:

⁴ CA Coastal Commission May 1, 2020 Staff Report: Making California's Coast Resilient to Sea Level Rise: Principles for Aligned State Action. https://documents.coastal.ca.gov/reports/2020/5/W6g/w6g-5-2020-report.pdf

 $Exhibits \ to \ May \ 1, 2020 \ Staff \ Report: \ \underline{https://documents.coastal.ca.gov/reports/2020/5/W6g/w6g-5-2020-exhibits.pdf} \\$

⁵ CCC Sea Level Rise Policy Guidance Chapter 5: Addressing Sea Level Rise in Local Coastal Programs https://documents.coastal.ca.gov/assets/slr/guidance/2018/5_Ch5_2018AdoptedSLRGuidanceUpdate.pdf

"It is likely that policies throughout the LCP will need to be revised or developed to address impacts from sea level rise. Two major types of updates to the LCP will likely be needed to address sea level rise:

2. Updated land use and zoning designations, as well as programs to facilitate adaptive community responses, to reduce risks to specific coastal resources. For example, the LCP could modify the zoning of undeveloped land located upland of wetlands from residential to open space in order to provide the opportunity for wetlands to migrate inland, and protect wetlands for the future. "

The CCC Guidelines specifically recommend rezoning residential land to open space in order to accommodate managed retreat of areas subject to sea level rise. The associated challenges Huntington Beach and other coastal cities face result in vast amounts of land that are not suitable or safe for any type of development with permanent structures, including residences.

To further demonstrate the significance of sea level rise in land use planning, Chapter 7 of the CCC Guidelines⁶ includes specific adaptation strategies to consider in the planning and development review processes. These strategies include "gradually removing and relocating existing development" within vulnerable areas. This is a challenge unique to coastal cities which the RHNA allocation failed to include for analysis. The adaptation strategies also include the following which will impact all types of development other than protected open space in areas vulnerable to sea level rise, which will have a significant negative impact on the SCAG region's ability to achieve GHG emission reduction goals:

A.4 Limit new development in hazardous areas: Restrict or limit construction of new development in zones or overlay areas that have been identified or designated as hazardous areas to avoid or minimize impacts to coastal resources and property from sea level rise impacts.

A.7 Limit subdivisions in areas vulnerable to sea level rise: Prohibit any new land divisions, including subdivisions, lot splits, lot line adjustments, and/or certificates of compliance that create new beachfront or blufftop lots unless the lots can meet specific criteria that ensure that when the lots are developed, the development will not be exposed to hazards or pose any risks to protection of coastal resources.

A.9a Develop a plan to remove or relocate structures that become threatened: Require new development authorized through a CDP that is subject to wave action, erosion, or other hazards to be removed or relocated if it becomes threatened in the future.

A.10 Ensure that current and future risks are assumed by the property owner: New development should be undertaken in such a way that the consequences from development in high hazard areas will not be passed on to public or coastal resources. Recognize that over time, sea level rise will cause the public trust boundary to move

⁶ CCC Sea Level Rise Policy Guidance Chapter 7: Adaptation Strategies https://documents.coastal.ca.gov/assets/slr/guidance/2018/7_Ch7_2018AdoptedSLRGuidanceUpdate.pdf

inland. Establish standards, permit conditions, and deed restrictions that ensure that current and future risks are assumed by the property owner. Consider policies that would encourage or require property owners to set aside money, such as in the form of a bond, as a contingency if it becomes necessary to modify, relocate, or remove development that becomes threatened in the future.

Goal: Encourage the removal of development that is threatened by sea level rise

A.15 Use Rolling Easements: The term "rolling easement" refers to the policy or policies intended to allow coastal lands and habitats including beaches and wetlands to migrate landward over time as the mean high tide line and public trust boundary moves inland with sea level rise. Such policies often restrict the use of shoreline protective structures (such as the "no future seawall" limitation sometimes used by the Commission), limit new development, and encourage the removal of structures that are seaward (or become seaward over time) of a designated boundary. This boundary may be designated based on such variables as the mean high tide line, dune vegetation line, or other dynamic line or legal requirement. Despite the term "rolling easements," not all of the strategies related to rolling easements actually involve the use of recorded easements.

A.18 Acquisition and buyout programs: Acquisition includes the acquiring of land from the individual landowner(s). Structures are typically demolished or relocated, the property is restored, and future development on the land is restricted. Such a program is often used in combination with a TDR program that can provide incentives for relocation. Undeveloped lands are conserved as open space or public parks. LCPs can include policies to encourage the local government to establish an acquisition plan or buyout program to acquire property at risk from flooding or other hazards.

The CCC is actively implementing these guidelines. For example, a property within the City's certified LCP has a land use designation of medium density residential. The property owner submitted an entitlement application to the City to permit the development of 48 residential condominiums. This included four deed-restricted moderate income ownership units and payment of approximately \$200,000 in fees dedicated towards development of affordable units in the City. The City coordinated a meeting with the applicant and the CCC in an effort to bring new housing stock, including affordable housing opportunities within 800 feet of the State beach, to the City. The CCC explicitly stated they would not support residential development on this property due to hazard risks from sea level rise even though the existing, approved land use designation is medium density residential. The applicant has subsequently withdrawn their entitlement application. The applicant has sold the property, which will likely be developed with a commercial parking lot.

Given the CCC's authority to approve and deny projects and the statewide concern with coastal flooding and sea level rise, areas that are subject to coastal inundation and sea level rise must be excluded from any inventory of land suitable for urban development, or conversion to residential use, the availability of underutilized land, and opportunities for

infill development and increased residential densities. Climate change is a matter of statewide concern and the Legislative Analyst's Office determined that climate change will have several impacts on housing⁷, including affecting where new housing should be built. For the reasons listed above, Government Code Section 65584.04 (e)(2)(B)) should be amended to permit the exclusion of any land that is subject to coastal inundation and/or sea level rise in order to strategically plan for housing growth according to statewide priorities, consistent with Government Code section 65041.1, and expected future need for housing at all income levels.

5. HCD must ensure that a final RHNA allocation plan includes all of the RHNA methodology factors listed in Government Code Section 65584.04 (e) and deny a RHNA methodology/allocation plan that does not include all the statutorily required factors. Provide court remedies for a jurisdiction to challenge the final RHNA methodology/allocation plan that does not comply with statutory requirements.

SCAG's 6th Cycle Final RHNA methodology⁸ did not address the housing needs generated by the presence of public or private universities. This does not comply with the Government Code Section 65584.04(e)(9). SCAG's Executive Summary of the RHNA methodology indicates that an "evaluation of survey responses that indicated a presence of a university within their boundaries, SCAG staff concludes that <u>most</u> housing needs related to university enrollment are addressed and met by dormitories provided by the institution both on- and off-campus." Additionally, some SCAG jurisdictions "have indicated <u>outside of the survey</u> that off-campus student housing is an important issue within their jurisdictions and are in dialogue with HCD to determine how this type of housing can be integrated into their local housing elements." SCAG ultimately recommends that "housing needs generated by a public or private university be addressed in the jurisdiction's housing element if it is applicable" because "this circumstance only applies to a handful of jurisdictions."

During the 6th Cycle RHNA process, prior to the November 7th, 2019 Regional Council meeting, Mayor Bailey of Riverside repeatedly brought up concerns during public meeting discussions regarding university housing and its marked impact on Riverside's inability to meet its RHNA. Riverside is home to multiple public and private universities such as UC Riverside, California Baptist University, and La Sierra University. Mayor Bailey suddenly ceased to bring up university housing at the November 7th, 2019 meeting, likely as he was informed that the housing needs generated by universities would only ensure that Riverside's RHNA would increase to accommodate this real and quantifiable need for housing, particularly affordable housing as many university students are lower income, often cost burdened, and live in overcrowded conditions.

⁷ California Legislative Analyst's Office Report. Climate Change Impacts Across California: Housing. https://lao.ca.gov/reports/2022/4584/Climate-Change-Impacts-Housing-040522.pdf

⁸ SCAG 6th Cycle Final RHNA Methodology https://scag.ca.gov/sites/main/files/file-attachments/scag-final-rhna-methodology-030520.pdf?1602189316

Additionally, SCAG's own conclusion notes that only <u>most</u>, not <u>all</u> housing needs related to university enrollment are addressed and met by dormitories provided by the institution both on- and off-campus. The topic of off-campus housing provided by each institution is a vital topic for the RHNA methodology. Many universities develop their own long range housing and expansion plans in order to define their growth within the campus and vicinity. For example, the UCLA Student Housing Master Plan⁹ notes that between 2014 and 2019 their off-campus apartment inventory increased by 736 beds through university acquisition of existing housing units. Universities are removing existing housing units from the market available to the general population and reserving them solely for students.

Further, UCLA's 2018 Long Range Development Plan Amendment and Student Housing Projects SEIR¹⁰ concludes the following:

The current demand for housing on campus exceeds existing supply. Even with the additional beds from new developments, redevelopments, conversion of faculty buildings, and renovations, UCLA Housing is meeting current guarantees for undergraduate and transfer students by maintaining higher than desired triple occupancy percentages (putting three students in rooms designed for two students).

SCAG area universities are acquiring private market properties for student conversions and it is *still not enough housing* to meet the demand generated by their housing needs. Universities are contributing to an issue that is also statutorily required to be included in the RHNA methodology – overcrowding. A university room designed for two students can actually only house one person based on SCAG's persons per room analysis, and universities are actually housing three people per single room. UCLA's Student Housing Master Plan notes that "since the early 1990s, occupancy with triple rooms has exceeded 125 percent." Additionally, the California State University System Basic Needs Initiative¹¹ found that 10.9% of CSU students had experienced homelessness in the past 12 months. There is an increased demand for housing in university jurisdictions, which in turn increases price and overcrowding among students while simultaneously removing existing housing stock available to the local non-student population.

It is clear that the housing needs generated by universities in the SCAG region have not been sufficiently considered in previous housing element cycles and were not considered

UCLA Student Housing Master Plan 2016-2026 http://wscuc.ucla.edu/wp-content/uploads/2019/01/C5_23_UCLA_Student_Housing_Master_Plan_2016-26.pdf
 UCLA Long Range Development Plan Amendment and Student Housing Projects SEIR (2018)
 http://www.capitalprograms.ucla.edu/content/PDF/UCLA_LRDP_Amendment_Final_SEIR-January2018.pdf

¹¹ California State University System Basic Needs Initiative https://www2.calstate.edu/impact-of-the-csu/student-success/basic-needs-initiative/Documents/BasicNeedsStudy_phaseII_withAccessibilityComments.pdf

in the 6th Cycle RHNA, either. The student housing issue has reached its breaking point statewide, which indicates that RHNA allocation plans statewide may have not accurately accounted for the housing needs generated by universities within those jurisdictions. Trailer legislation enacted in 2021-22 established the Higher Education Student Housing Grant Program to support the construction of affordable student housing at public higher education facilities. This program will receive a total of \$2 billion over three years for three rounds of grants. A \$2 billion allocation to construct affordable housing specifically for students demonstrates the real, quantifiable need for student housing in jurisdictions with universities. As a comparison, Project Homekey has issued approximately \$2 billion to date to provide housing for persons experiencing homelessness or at risk of homelessness.

Affordable student housing is a matter of statewide concern, as determined by Governor Newsom's Budget, the Legislature, and Government Code Section 65584.04(e)(9). SCAG's 6th Cycle RHNA methodology ignored its statutory requirement to consider housing needs generated by the presence of universities in compliance with Government Code Section 65584.04(e)(9). Approximately 14% of SCAG's jurisdictions (27 cities out of 197 jurisdictions) have a public or private university presence, which is much greater than a "handful" as characterized by the SCAG Executive Summary. SCAG's 6th Cycle RHNA methodology evaded the real, quantifiable housing need generated by the presence of universities within specific jurisdictions and spread the responsibility to all SCAG jurisdictions, which will increase the quantity of single occupant vehicles on the road, greenhouse gas emissions, and vehicle miles traveled.

HCD must ensure that a final RHNA allocation plan includes all of the RHNA methodology factors listed in Government Code Section 65584.04 (e) and deny a RHNA methodology/allocation plan that does not include all the statutorily required factors. The Government Code should be amended to state this as a requirement and provide administrative and/or judicial remedies for challenges to final а methodology/allocation plan that does not include all the statutorily required factors. This change is necessary to strategically plan for housing growth according to statewide priorities, consistent with Government Code section 65041.1, and expected future need for housing at all income levels.

Consistency between the RTP/SCS and RHNA

 HCD must ensure that the final RHNA allocation plan is consistent with the COG's RTP/SCS and deny plans that are not consistent. Provide administrative and/or judicial remedies for challenges to a final RHNA allocation plan and Resolution that is not consistent with the COG's RTP/SCS.

SCAG misled its member jurisdiction at its November 7, 2019 Regional Council meeting wherein the Regional Council voted on the proposed "alternative" methodology that did

not receive the benefit of public participation. SCAG's November 7, 2019 staff report¹² states:

While consistency is not a requirement of housing law, it nonetheless must inform the RHNA methodology to ensure the Draft Connect SoCal and RHNA planning processes can proceed in parallel and in a timely manner to meet statutory deadlines.

Government Code Section 65584.04 (m)(3) explicitly states that "the resolution approving the final housing need allocation plan shall demonstrate that the plan is consistent with the sustainable communities strategy in the regional transportation plan..." SCAG may have provided the required consistency language in its resolution approving the final RHNA allocation plan, but it admitted prior to a vote of the Regional Council that the RTP merely "informed" the RHNA and that consistency is not required. This is unacceptable and does not support the state's climate change goals, will not result in housing constructed in job centers, and is not compliant with SB 375's requirement that the RHNA and RTP/SCS are consistent. HCD certified SCAG's final RHNA allocation plan despite its inconsistency with the RTP/SCS. In order to preserve due process, the Government Code should be amended to expressly provide for administrative and/or judicial remedies to local government agencies. This is especially critical where, as here, local agencies are striving to improve compliance with the RHNA statute and to improve reduced GHG emission outcomes.

Conclusion

Once again, thank you for facilitating a public input process regarding AB 101. The City of Huntington Beach appreciates SCAG's public outreach efforts for the RHNA Reform process and encourages an expanded outreach plan. The City reserves the right to expand upon the issues presented in this public comment letter and provide additional issues in subsequent public comments to SCAG and/or HCD. The City will continue to be an active participant during the RHNA Reform process as it occurs over the next 17 months.

Sincerely,

Nicolle Aube, AICP

Moll Ala

Senior Analyst

¹² SCAG November 7, 2019 Regional Council Meeting Agenda Packet https://scag.ca.gov/sites/main/files/file-attachments/rc_fullagn_110719.pdf?1604641113