

# **Housing Working Group**

July 19, 2022

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# Agenda

- 1. Welcome, Introductions, Overview
- 2. Other-to-Residential Toolkit Presentation
- 3. Housing Element Updates and SB 197
- 4. RHNA Reform Input Session
- 5. Wrap-up and Next Steps



# **OTHER-TO-RESIDENTIAL TOOLKIT**

David Kyobe, Associate Regional Planner, SCAG

Shannon Heffernan, Principal Planner, Dudek

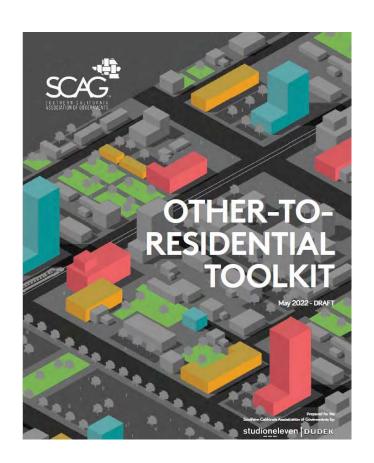
Steph Wong, Management Analyst, San Gabriel Valley Council of Governments & USC Sol Price School of Public Policy MUP Graduate





## Why is the Other To Residential Project Relevant?

WHAT is the OTR Toolkit?
WHO is it for?
WHY is it Needed?





## Typology Research - Understanding Industry Trends and Literature

Retail commercial strip centers, gas stations, golf courses, and brownfields have the potential to become attractive for conversion to residential due to market factors, the changing nature of their use, and broader policies and priorities for development Statewide.



# Typology Research - Understanding Industry Trends and Literature

### CONVERSION OF GOLF COURSES TO RESIDENTIAL

			POTENTIAL	
THEMES	OPPORTUNITIES	CHALLENGES	STRATEGIES	TOOLS
FINANCIAL/ MARKET	The CONTINUOUS CLOSURE of golf courses nationwide opens the debate on new uses for these spaces, among which housing plays a fundamental role  Municipal golf courses are PUBLICLY OWNED so cities and public agencies can have more control over how they are developed	9-Hole courses are often LESS FINANCIALLY ATTRACTIVE for operators and might be lower-hanging fruit for redevelopment  COMPLEX OWNERSHIP STATUS makes redevelopment challenging	Initiate a regulatory process to rezone the site for mixed-use or multi-family housing  Conduct extensive community outreach and stakeholder as part of the process of rezoning  Promote good design that	Specific Plan or Area Plan with Programmatic EIR  Proactive Stakeholder and Community Engagement  Urban Design Standards
PHYSICAL/ CONTEXT	GENEROUS PROPERTY SIZES of golf courses offer a unique opportunity to develop impactful projects that help to meet cities' housing goals  Large sites provide the opportunity for PHASED DEVELOPMENT	There is usually SIGNIFICANT COMMUNITY OPPOSITION to golf course conversions, primarily due to loss of "open space"  There is opposition to conversion from the GOLFING COMMUNITY  In los Angeles, as in so many other cities, efforts to build more housing often face COMMUNITY RESISTANCE  INFRASTRUCTURE challenges	respects the community context and development programs that integrate open space and other public amenities  Identify sensitive areas or habitats to be preserved within the site through a Specific Plan and Program-level EIR  Provide clear standards and guidelines for locating new development around existing	and Site Design Guidelines  Tailored Community Benefits Agreements  Development Phasing  General Plan Amendment along with Zoning Amendment or Ordinance
ENVIRON- MENTAL		B ENVIRONMENTAL CONSTRAINTS of existing golf courses	floodplains  - Identify underperforming golf courses that might be more attractive for redevelopment	Development Incentives for Residential Density Enhanced Infrastructure Financing Districts or Community
REGULATORY	There is a proposed bill to ENABLE THE TRANSFORMATION OF MUNICIPAL GOLF COURSES into housing - AB 672  HOUSING ELEMENT UPDATES offer an opportunity for cities to identify specific municipal golf courses that can be REZONED FOR RESIDENTIAL USES.  Surplus Land Act has enabled cities to REDEVELOP GOLF COURSES MORE EASILY	OCOMPLEX REGULATORY PROCESSES including extended entitlement timelines may deter interest in redevelopment to housing Golf course sites are sometimes DESIRABLE FOR OTHER USES such as logistics and warehousing	Initiate funding for capital infrastructure that can make sites attractive for new development Incentivize mixed-use and residential development and provide more flexibility in development density	Facilities Districts to fund infrastructure Improvements

## **Developer Case Studies - Successful Conversion Projects**

### **RIVERWALK GOLF**



### **GOLF COURSE**

200 acres

Mixed-use Urban Masterplan

Riverwalk Specific Plan permitting mixed-use with commercial and residential uses

### LA PLACITA CINCO



### **GAS STATION**

2.3 acres

Podium Parking with Housing Above

C2/R2 modified to allows residential uses through a zoning amendment

### **ALEXAN ASPECT**



### **RETAIL COMMERCIAL**

5.7 acres

Wrap housing

C-2 (General Commercial) to the Orangefair Specific Plan

### **DOMAIN**



### **BROWNFIELDS**

1.3 acres

Podium parking with housing above

CA (Commercial Arterial), allowing for mixed-use development with residential

## Example Case Study - La Placita Cinco (Former Gas Station & Strip Retail)



The site includes a closed gas station and commercial strip center parking lot with existing businesses that were retained in the project.

### **CONVERSION TOOLS**

REMOVING REGULATORY BARRIERS	General Plan Amendment	Zoning Amendment or Ordinance
INCENTIVIZING MIXED-USED NFILL	Flexible Development Standards	Parking Amendment or Incentive
FACILITATING COMMUNITY INVOLVEMENT	Prosctive Stakeholder & Community Engagement	
GENERATING REDEVELOPMENT INTEREST	Affordable Housing Grants	



### **OPPORTUNITIES**

Redevelopment was possible for a closed gas station site and its adjacent commercial parking lot which were all owned by the same property owner.

The gas station site did not require any remediation as part of the redevelopment process and therefore did not experience any costs or delays.

The City was a supportive partner throughout the project, working with the development team to remove regulatory hurdles and providing grant funding for affordable housing. Due to the City's Sunshine Ordinance and the development team's priorities, outreach was done with the local community to identify priorities for the site.

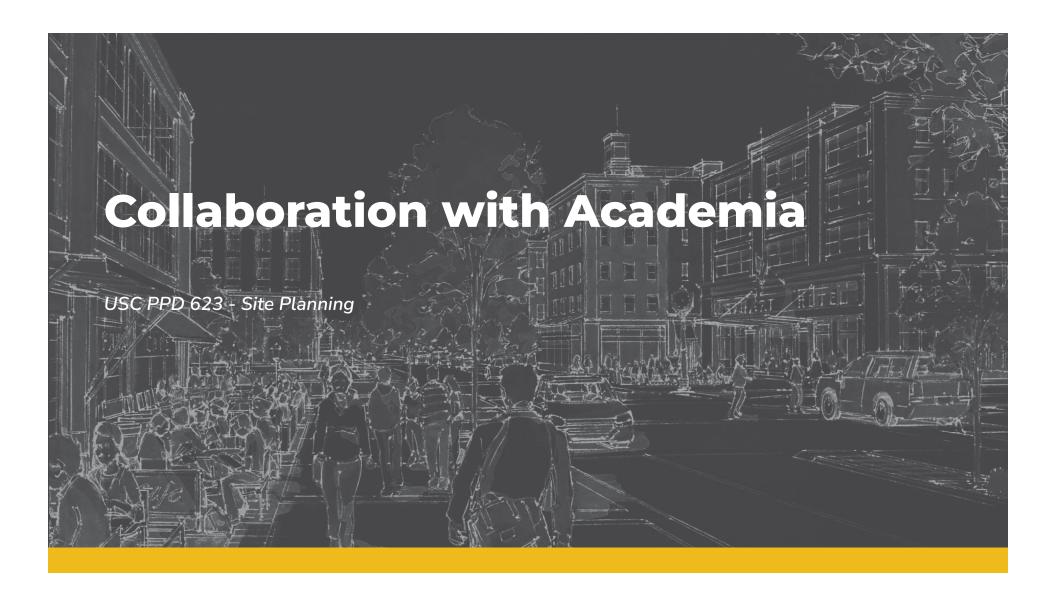
Retaining existing commercial businesses on the site and adding new residential development adjacent to it allowed the project density to be lower than building on the entire site. The lower density was helpful to avoid community opposition to the project.

Community outreach and support included partnerships with local artists and non-profit groups to help with programming and enhancement of the site.

#### CHALLENGES MITIGATED

Existing uses on the site were commercial, but the zoning was split between C2 and R2. C2 zoning did not allow for residential uses. The project went through an expansive entitlement process with outreach, site plan review. General Plan amendment and zone change tailored to

An existing commercial tenant on the project site had an ongoing long-term lease. The development team was able to use this as an advantage to advocate for keeping all the existing businesses and supporting them through the construction period and beyond, retaining valuable community amenities and protecting local businesses.



## **Example USC PPD 623 Project Scenario**

DEVELOPMENT PROGRAM

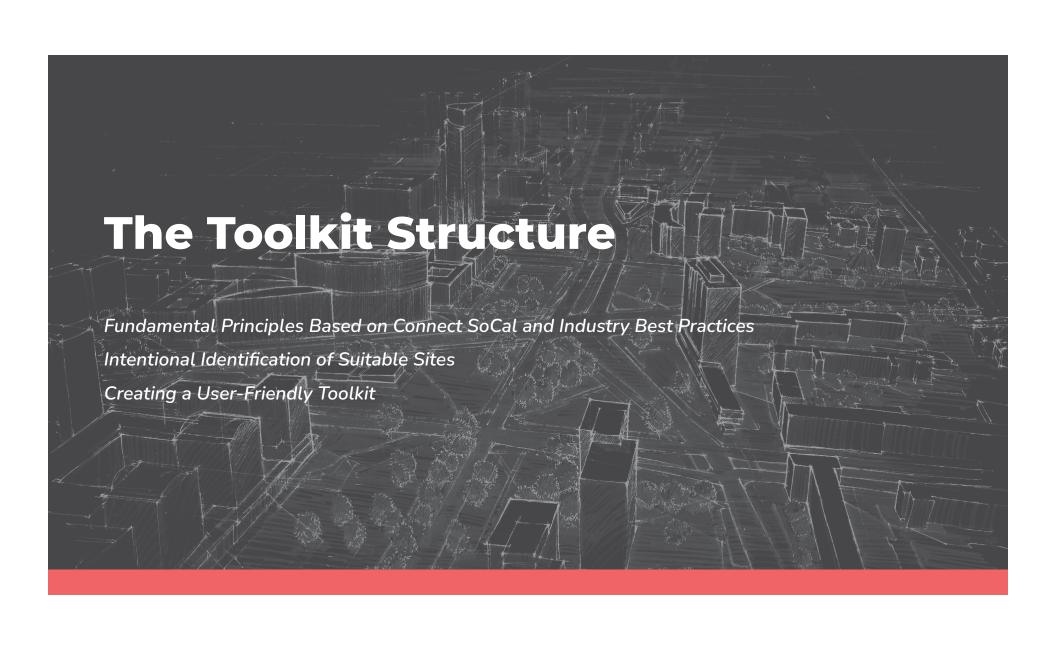
HOURING
TYPOLOGIES
SOMPHAGE
STEELEEL
HEW UNITS
DINTSLICE
OPEN SPACE
OPEN SPACE
OPEN SPACE

### SAMPLE PROJECT SCENARIO

### BIG BOX SITE ADJACENT SINGLE-FAMILY NEIGHBORHOOD







## Fundamental Principles Based on Connect SoCal and Industry Best Practices

Compact Cities / Sustainable
Development

Focus on Equity in Decision-Making and Development Outcomes

Housing Affordability and Diversity of Options



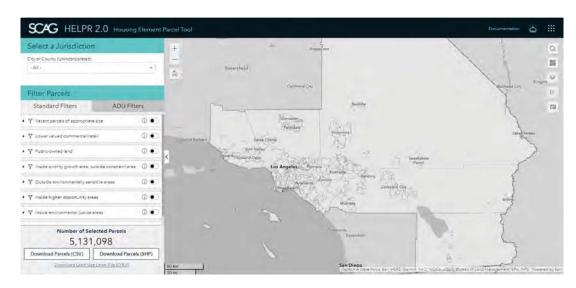
## **Intentional Identification of Suitable Sites**

## SCAG's *Annual Land Use Data* Helpr Tool

- Filters based on site constraints and site viability for residential development
- Physical site constraints
- Environmental constraints
- Access, equity, and opportunity

### **Results**

 55,776 acres in the SCAG region between all four typologies



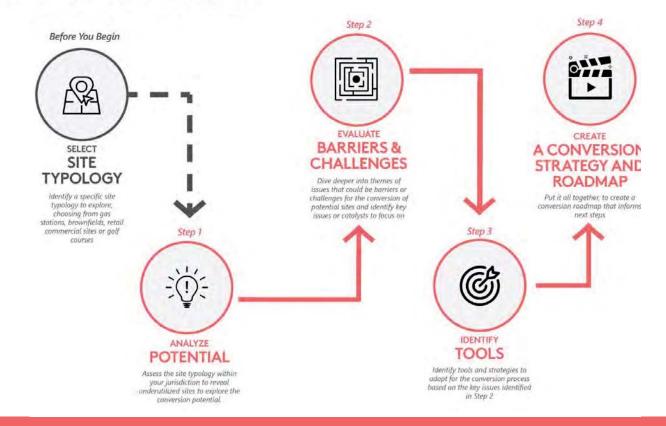








## STEP-BY-STEP PROCESS



## Step 2: Evaluate Barriers and Challenges





#### A) Brownfield Remediation

Brownfield site remediation and cleanup efforts create one of the most significant challenges to redevelopment. Marginating technical and financial aspects of cleanup, as well as agency approvals process adds time and costs for developers that may be determents to redevelopment.

### For Instance -

support on remediation and streamlined approvals for redevelopment on brownfield sites?

Can the agency provide O Can the agency create a Brownfields Program to clarify and provide details on the remediation process, apply for grant funding and partner with property owners for site assessment and clean up?

- O Can the agency create a dedicated Case Management Team to streamline the approvals process for sites requiring remediation, to incentivize developers in considering these opportunity sites?
  - O Can the agency partner with third party entities to provide technical assistance for grant writing and application preparation for communitybased organizations or local developers who may be invested in redeveloping and enhancing the community?
  - O Can the agency create an area-wide planning effort to coordinate efforts on site assessment and cleanup?

#### B) Regulatory Barriers

Brownfields often have a history of polluting uses such as industrial facilities, located along commercial corridors, in industrial areas, or underinvested communities. In the absence of planning efforts the underlying zoning might not permit for residential uses by-right on these sites.

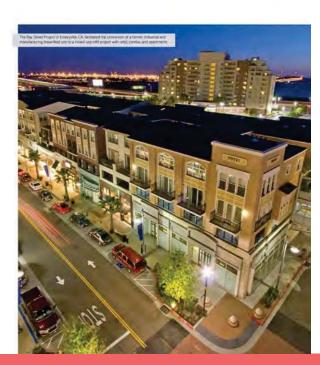
#### Consider -

### For Instance -

For the brownfield sites identified, does the underlying zoning designation create barriers to redevelop the sites for residential use?

O Does the underlying zoning for the brownfield opportunity sites prohibit by-right residential and mixed-use development?

- O Are there existing ordinances that expedite the entitlement process for the change of use on a brownfield site, to accommodate residential use?
- O For urban infill sites that are brownfields, if multifarnily residential is permitted, does it support compact development densities (min. 30 du/ac) and height (3 to 4 stories)?
- O Can the City conduct a combined planning effort to address and update zoning regulations for eligible brownfield sites to permit residential.



# **Step 3: Identify Potential Tools**





CATEGORY	TOOL(S)	TOOL TYPE	AGENCY ROLE	TOOBOX PAGE #
Remove Regulatory	General Plan Amendment Along with Zoning Amendment or Ordinance.  Use this tool when the underlying zoning designation for individual safety or the provisions of a zoning designation need to be updated to permit multifamily residential uses at urban densities.	U	Facilitator	72
Barriers	Specific Plan, Area Plan or Corridor Plan Use this tool when existing regulatory requirements for commercial sites within a certain apportunity area or district need to be amended to allow for multiformily residential or mixed-use development at urban densities.	U	Facilitator	74
Incentivize Residential Infill and Mixed-Use	Parking Incentive/Amendment Use this tool when salesy can be made more attractive for redevelopment to residential by reducing the minimum parking requirement.	U	Facilitator	77
	Flexible Development Standards or Development Incentives  Use this tool when sales), can be made more attractive for relevelopment to residential by providing density or height banuses or reductions an setbacks etc.	U	Facilitator	80
	Streamlined or Expedited Review Process Use this tool when stels) can be made more ottractive for redevelopment to residential by minimizing timelines for entitlement and any discretionary review processes.	U	Facilitator	82
Minimize Physical Challenges	Lot Egnsolidation Incentives  Use this tool when combining several smaller commercial sites in an area or corridor could create viable and attractive relevelepment opportunities	(GS), (CR)	Facilitator	85
Promote Good	Infill Site Design Guidelines  Use this tool to provide direction and guidance on best practices and appropriate design measures for redevelopment on tight urban infill sites	(GS),(CR)	Facilitator	88
Urban Design	Urban Design Standards Use this tool to provide decision and guidance on integrating redevelopment on infill sites into the existing community fabric or existing site context.	(GS), (CR)	Facilitator	89
Reduce Redevelopment Risk	Program EIRs Use this sool when area-wide program ERs for change of use or intensity can speed up the entitlement process and timelines, and reduce risk for individual indevelopment projects	U	Facilitator	92
	one this cold when performed an extra program and or internal peers for the material process and universes, peer transver has for internal performance of the streamlined in Lieu feets / Development Impact Feet for Impact Military Impacts and University of the streamlined in Lieu feets / Development Impact Feet for Impact Military Impacts and University of the streamlined in Lieu feets / Development Impact Feet for Impact Military Impacts of the streamlined in Lieu feets / Development Impacts of the streamlined in Lieu feets / Development Impacts of the streamlined in Lieu feets / Development Impacts of the streamlined in Lieu feets / Development Impacts of the streamlined in Lieu feets / Development Impacts / Develop	U	Facilitator	94
	District-wide Traffic Impact Studies Use this tool when streamlined impact fees for traffic impacts from new development can create more efficient entailment processes for sites conversion, such as for commercial sites next to State freeway infrastructure.	U	Facilitator	96
	Pollution Insurance  Use this tool to protest brownfield redevelopment projects from unforseen costs and delays due to undetected contamination that could stall redevelopment efforts	(GS), (BR), (CR)	Facilitator	97

Legend - Tool Types Agency Roles

U - Universal rial site typologiesd GS - Gos Sations (GS - Gos Sations - Agency uses these tools to set the stage for redevelopment of opportunity state to occur state to occur state to occur state to occur somewhat to opportunity uses these tools to procedulely initiate conversations and port occurrence of opportunity uses.

initiator/Partner - Agency uses these tools to proactively initiate conversations and partnerships for redevelopment of apportunity sites.



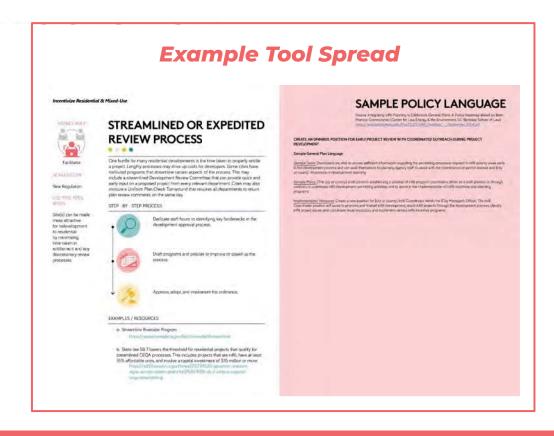
# **Step 3: Identify Potential Tools**



CATEGORY	TOOL(S)	TOOL TYPE	AGENCY ROLE	TOOLBOX PAGE #
	Local Business Assistance Grants and/or Legacy Business Programs  Use this tool when there are existing bood businesse that meet support to continue operations or be entigrated with new development.	(GS), (BR), (CR)	Initiator/ Partner	99
Facilitate Community Involvement	Proactive Community and Stakeholder Engagement Use this for when emborings on a large-scale redevelopment project or a physics, comitor or about the level planning effort to set as set up community outwood procedures to identify and gather corresults goods and provides through a community authors committee or broader outworts format.	u	Initiator/ Partner	100
	Tailored Community Benefits Agreements  Line this tool to decayable development objectives and community promises into individuance for larger-scale sites that will have an impact in the neighborhood or community.	U	Initiator/ Partner	103
Generate Development Interest	Opportunity Site Inventory/ Database Use this tool to document and share relevalsprent apportunities in your jurisdiction with a developer audiency to generate interest for sites convention.	(BR), (CR), (GS)	Initiator/ Partner	105
	Marketing and Outreach Programs  Use this loci to actively broadcast available divelopment apportunity sites, regulatory incentives, seed agency investments with the developer and flushness community to use interest in redivelopment media.	U	Initiator/ Partner	107
mates	Municipal Brownfields Inventory  Use this tool to create a public disobosic of brownfields in the jurisdiction that provides transporency and showcases, opportunity for indiovisionment within the community.	(GS), (BR)	Initiator/ Partner	108
Fund / Implement New Infrastructure Projects	Enhanced infrastructure Financing Districts (EFDs) / Community Revitalization and Investment Authorities (CRIAs)  lie this tool to alreade involvence in infrastructure segments in about or apparturely area that are identified for restreetingment potential.	U	Initiator/ Partner	111
	Community Facilities District (CFD)  We has bot help or hading upgrades and maintenance for infrastructure and foculates needed to support near development.	u	Initiator/ Partner	113
	Federal and State Funding for Infrastructure such as the Justice 40 Initiative  Use this tool to fund relationship investments, such as water, sever and brasilismed investments in disadvantaged areas paths jurisdiction to support housing development.	U	Initiator/ Partner	114
Brownfield Remediation	Brownfields "Case Management Team"  We this tool to create a thransiend agency review process and assist and especiale brownfields redevelopment initiatives.	U	Initiator/ Partner	116
	Technical Assistance for CBOs  Use this tool to enable community-based organizations to participate as redevelopment processes by providing technical assistance to novique entitlement processes and environmental cleanup efforts	(GS), (BR), (CR)	Facilitator	118

### **TOOLBOX**







Fund/Implement New Infrastructure Projects



Institutional Change, New Program

USE THIS TOOL

Initiate investments

upgrades in districts

or opportunity areas

that are identified

for redevelopment

in infrastructure

## FINANCING DISTRICT (EIFD)/ COMMUNITY REVITALIZATION INVESTMENT AUTHORITY

**ENHANCED INFRASTRUCTURE** 

(CRIA) @ BR (R) GC







New development may require infrastructure investments, and agencies can identify fiscal incentives to offset improvement costs. A series of bills including SB 628 (2014) and SB 1145 (2018) have authorized Enhanced Infrastructure Financing Districts (EIFDs), which municipalities may form to help fund economic development projects, including their infrastructure costs. EIFDs are governed by Public Financing Authorities that oversee the procurement of a percentage of property tax in the designated district and the use of funds. Funds may be put toward updates or capacity improvements to sewer systems, water service, utilities, pedestrian and bicycle circulation, parking, and landscaping, among others. Parcels located in EIFDs may be more attractive investment opportunities for developers. However, there are several factors that have led to the slow adoption of EIFDs. They can be characterized by a slow or cumbersome approval process, they take time before they can reap substantial revenue, and may be met with hesitancy by local governments who faced the dissolution of redevelopment agencies. Community Revitalization and Investment Authorities (CRIAs) can also help with infrastructure costs in low-income areas that have high unemployment rates, high crime rates. deteriorated structures, or deteriorated infrastructure. CRIAs are specifically geared toward the preservation and creation of affordable housing. However, because of their narrow parameters, this tool will not be applicable in many cases.

STEP - BY - STEP PROCESS



Consider focus areas in the city that are well-suited for residential conversions, but may require new or updated infrastructure

Other Tools in the Fund/ **Implement New Infrastructure Projects** Category:

- **Community Facilities** District (CFD)
- Federal and State **Funding for Infrastructure** such as the Justice 40

#### Reduce Development Risk



JCAN/NGOV

New Regulation, Streamlining / Technical Approach

US THE DOC

Make redevelopment of sites attractive by reducing uncertainty on development timelines through a streamlined in-lieu fee process

## STREAMLINED IN-LIEU FEES/ DEVELOPMENT IMPACT FEES FOR IMPACT MITIGATIONS







Agencies can implement more consistent and equitable development fee structures. This may include adopting a single methodology for calculating fees, making fees uniform across different areas of the agency, and distributing them more fairly where infrastructure is old or insufficient. New fee structures may be able to favor infill development through new incentives, further aiding the conversion of non-residential pareds with housing.

#### STEP - BY - STEP PROCESS



Take a broad view of the overall infrastructure fee structure that developers must havigate for residential conversion projects.



Identify key administrative bottlenecks that may allow down or confuse the process, such as separate methodologies for assessing similar fees or multiple fees per infrastructure category.



Create a set of proposals to streamline the process. This may include changes to how and where the fees are collected and how to redistribute the infrastructure funding in an equitable way.



Adopt the streamlining proposals and implement.

#### Reduce Development Risk

#### EXAMPLES / RESOURCES

o in 2014. Sacrumento embarked on a sweeping reform of its development fees system. The cty had found that its previous structure was costly to city administration and developers, imposed an unfair burden on infill projects, and was limiting economic development. In addition, the fees were highly dependent on location. Their solution involved (1) a uniform process for all fees, (2) a more predictable and affordable fee structure, (3) incentive structure to favor infill projects, and (4) a fee estimation service.

https://termercenter.baskeleyedu/wp-content/uploods/2002/07/ Development\_Fees\_Secret/ento.pdf

o San Diego Complete Communities - Cities can streamline their; infrastructure fees through programs like San Diego's Complete Communities program. This program helps the city organize its fee structure so that there is a flat fee across the city that goes into a single pot. Previously, there were separate fees for every neighborhood of the city and two different methodologies for calculating them. This program allows the more equitable distribution of fee previous to where it is most needed it also scales the fee depending on unit size (square footage instead of number of units).

https://www.sandiego.gov/saas/default/files/er. tad steed.edba. structure-nowadt

# Other Tools in the *Reduce*Development Risk Category:

Program EIRs

95

- District-wide Traffic
   Impact Studies
- Pollution Insurance

0

#### **Brownfields Remediation**



Institutional Change, New Program

USE THE TOOL

Create a streamlined agency review process and assist and expedite brownfields redevelopment initiatives.

# BROWNFIELDS "CASE MANAGEMENT" TEAM





GC

A \*Case Management\* Team for Brownfields or a City Brownfields and Site Reuse Program can facilitate the cleanup and redevelopment of brownfield sites. From its own budget of funding support from the EPA, a city may dedicate staff and resources to focus on identifying, assessing, and cleaning up brownfield sites. These sites may be part of a specific revitalization plan that includes a particular area with several target sites. By determining which parcels are best suited for residential redevelopment, the team or program staff can funnel appropriate resources to those sites. This may include preliminary Phase 1 and 2 Environmental Site Assessments (ESAs), which discover the historic uses, likely types of contaminants, and magnitude of contamination on the site. Some agencies may choose to undertake the entirety of the site cleanup themselves so that a prospective developer can focus on the typical construction process instead of the remediation process.

#### STEP - BY - STEP PROCESS



Determine a need or goal for city intervention on brownfield



Define the scope of a team or department that will work on these projects e.g., how many sites should be considered, what kinds of assessment and remediation activities should be undertaken, etc?



Assess the funding capability to support these activities and apply for grant funding.



Establish and promote the program.

#### **Brownfields Remediation**

EXAMPLES / RESOURCES

o The City of Bakersfield obtained a Brownfield Community-Wide Assessment (CWA) Grant grant from the EPA for FY2OT7. It used the funds to convene a working group composed of city staff, stakeholders, and an environmental consulting firm. The group determined a focus area, created an inventory of potential brownfield sites in that area, and identified known environmental challenges on the sites. They commissioned Phase 1 and 2 ESAs to assess the contamination status of parcets. The work culminated in a corridor revitalization plan, which identifies the work already done in the focus area and plans for the future redevelopment of the parcels. This included a specific action plan and a community gnagement strategy.

https://www.bakersfieldotyus/255/Brownfield-Site-Reuse-Program

o From 2000 to 2009, the City of Gardena was awarded \$750,000 in Brownfield Environmental Assessment funds from the EPA, with help from the EPA, it was able to identify 72 potential brownfield sites, perform 25 Phase 1 ESAs, create construction and clean jobs, and leverage an additional \$14 million in remediation funds through private partnerships. Since them, the EPA has awarded the city additional funds for hazardous waste assessments. A major component of Gardena's work was community engagement conducted through Environmental Justice workshops hosted by the Brownfield. Community Relations Committee Gardena's Brownfields Program continues to identify brownfield sites that are well suited for redevelopment.

https://citycloardena.om/brownfields-grogram/

# Other Tools in the *Brownfields Remediation* Category:

 Technical Assistance for CBOs

11

10

#### Incentivize Residential & Mixed-Use



SCALE/SCOPE

New Regulation

USE THIS TOOL.

Site(s) can be made more attractive for redevelopment to residential by minimizing time taken in entitlement and any discretionary review processes.

# STREAMLINED OR EXPEDITED REVIEW PROCESS @ @ @ @

One hurdle for many residential developments is the time taken to properly entitle a project. Lengthy processes may drive up costs for developers. Some agencies have instituted programs that streamline certain aspects of the process. This may include a streamlined Development Review Committee that can provide quick and early input on a proposed project from every relevant department. Agencies may also institute a Uniform Plan Check. Turnaround that requires all departments to return plan review comments on the same day.

#### STEP - BY - STEP PROCESS



Dedicate staff hours to identifying key bottlenecks in the development approval process.



Draft programs and policies to improve or speed up the process.



Approve, adopt, and implement the ordinance.

#### EXAMPLES / RESOURCES

o Streamline Riverside Program

https://www.riversideca.gov/buildnverside/#streamline

 State law SB 7 lowers the threshold for residential projects that qualify for streamlined CEQA processes. This includes projects that are infill, have at least 15% affordable units, and involve a capital investment of \$15 million or more.

https://sd39senaeca.gov/news/20210520-governor-newsorn signs arnate-leader-atkins/lis2%80%99-sb-7-restore-expandcega-streamlining

### SAMPLE POLICY LANGUAGE

Source Integrating Initial Planning in Californias General Plans: A Policy Roadmap Based on Best Practice Communities (Center for Law, Energy, & the Environment, UC Berheley School of Law). https://www.law.beskety.edu/fies/CCEE\_friffs\_Fermulate\_\_\_\_Scotlands\_\_2014.pdf.

CREATE AN OMNIBUS POSITION FOR EARLY PROJECT REVIEW WITH COORDINATED OUTREACH DURING PROJECT DEVELOPMENT.

#### SAMPLE GENERAL PLAN LANGUAGE

Samola Coats: Developers are able to access sufficient information regarding the permitting processes required in infill priority areas early in the divelopment process and can wait thereasiles to planning agency staff to assist with the coordination of permit exviews and Johy or countyl infrastructure development planning.

Sample Policy [The city or county) shall consider establishing a position of infill program coordinates other as a staff position or through contact, to coordinate infill development permitting activities and to assist in the implementation of infill ocentives and planning programs.

Implementation Measurer: Create a new position for (city or county) Intill Coordinator within the (City Marager's Diffice), The Will.
Coordinator pastion will serve by promote and market addition-experience, asset wild grounds fitmaged the development of occurs, identity mild project sales and coordinate least enablation, and implement various rels locatives programs.

# Other Tools in the *Incentivized Infill and Mixed-Use* Category:

Parking Incentive/
 Amendment

83

Flexible Development
 Standards or Incentives

82

# Housing Element Status – SCAG Region

# Status as of 07/19/22

Compliance Status	Adopted	Draft	No Submission	Total
In	19			19
Out	93	78	7	178
Total	112	78	7	197

No submission: Blythe, Commerce, Compton, Fillmore, Irwindale, San Bernardino, Westmorland

Adopted and In Compliance: Ventura County, Wildomar, Westlake Village, Victorville, Duarte, San Gabriel, Yorba Linda, Long Beach, Imperial County, El Centro, Jurupa Valley, Calabasas, Indio, Yucca Valley, Eastvale, Irvine, Los Angeles County, Los Angeles, Montebello

# Housing Element Status – SCAG Region [As of 07/19/22]



# SB 197: Extension of Housing Program Deadlines

- Enacted June 30, 2023
- Originally proposed as AB 197

- Extends HCD's RHNA reform report deadline to 12/31/2023
- Extends REAP 1.0 expenditure deadline to 12/31/2024
- Extends rezoning deadline for certain jurisdictions

# SB 197: Rezoning Deadline Extension

- AB 1398 required that SCAG jurisdictions that did not adopt a compliant housing element by February 2022 had to complete rezonings by October 2022
  - Normally jurisdictions have 3 years to complete rezoning (February 2025)
  - Only 6 jurisdictions met this requirement

# SB 197: Rezoning Deadline Extension

- SB 197 extends the rezoning deadline for SCAG jurisdictions that adopt a compliant housing element by <u>October 15, 2022</u>
  - Rezoning deadline is now February 2025 for jurisdictions that meet this date

To meet this deadline, jurisdictions should submit their adopted housing element no later than <u>August 15</u> (preferably earlier)



# **RHNA REFORM**

Ma'Ayn Johnson, Housing Program Manager

# **RHNA** Reform

- During the 6<sup>th</sup> RHNA cycle, a number of issues were raised by jurisdictions and stakeholders
  - Calculation of regional determination
  - Factors used to determine housing distribution in the methodology
  - Role of Connect SoCal household projections
  - And more!
- SCAG has committed to review these issues and facilitate conversations with HCD to reform RHNA

# State RHNA Reform

- AB 101 (2019) requires the California Department of Housing and Community Development (HCD) to "develop a recommended improved RHNA allocation process and methodology that promotes and streamlines housing development and substantially addresses California's housing shortage"
- Includes statewide stakeholder participation
- Limited to RHNA (Government Code 65584 through 65584.2)
  - Does not include zoning or housing element issues
- HCD must submit a report to the Legislature by December 31, 2023

# **SCAG RHNA Reform**

Date	Action
July 6, 2022	Public Information and Input Session on RHNA reform
July 19, 2022	Housing Working Group meeting
July 21, 2022	Technical Working Group meeting
August 12, 2022	RHNA reform comments due to SCAG: <a href="mailto:housing@scag.ca.gov">housing@scag.ca.gov</a>
TBD	Special CEHD Meeting
TBD	Presumed statewide workshops on RHNA reform by HCD
TBD	CEHD Meeting to review and approve recommendations to Regional Council
TBD	Regional Council approval of CEHD recommendations/submit final RHNA Reform recommendations to HCD
TBD	Presumed due date for comments to HCD on RHNA Reform
December 31, 2023	Due date for HCD's report to the Legislature on RHNA Reform

# Regional Housing Needs Assessment (RHNA)



State housing law requirement to determine existing and projected housing needs for each jurisdiction

8-year planning period

Not a building quota



**SCAG** 

5<sup>th</sup> cycle: 2013-2021

6<sup>th</sup> cycle: 2021-2029

# 6<sup>th</sup> Cycle RHNA Timeline



### **Regional Determination**

# HCD provides a regional determination in consultation with SCAG and the Department of Finance (DOF)

4<sup>th</sup> Cycle regional determination (2006-2014)

699,368

5<sup>th</sup> Cycle regional determination (2013-2021)

412,137

6<sup>th</sup> Cycle regional determination (2021-2029)

1,341,827

SCAG: 10.1% US avg: 3.4%

## Regional Determination

5 <sup>th</sup> cycle calculation			
Existing + Projected households	6,516,345		
-Occupied Units (and Tribal HH)	-6,044,940		
=Subtotal	468,595		
+Vacancy need	13,445		
+Replacement need, 0.5%	2,410		
-Vacant units	-75,390		
=Regional determination	409,060		

6 <sup>th</sup> cycle calculation	
Existing + Projected households	6,801,760
+Vacancy need	178,896
+Overcrowding, 6.7% (new!)	459,917
+Replacement need, 0.5%	34,010
-Occupied Units	-6,250,261
=Subtotal	1,224,352
+Cost burden (new!)	117,505
=Regional determination	1,341,827

### RHNA Methodology: Primary Factors

#### Based on:



Share of household growth



**Job Accessibility** 

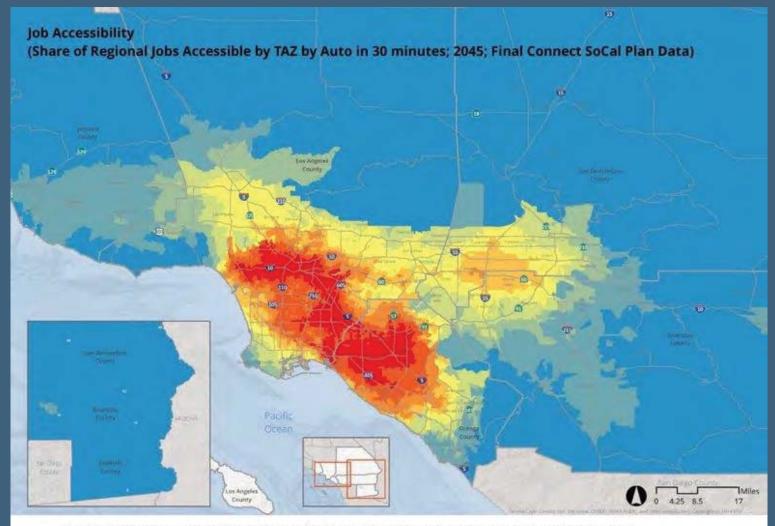


Transit Accessibility



Social Equity Adjustment

- Household income distribution
- Other indicators of resources (environment, education, economy)



Job Accessibility (Share of Regional Jobs Accessible by TAZ by Auto in 30 minutes; 2045; Final Connect SoCal Plan Data)

Les	ss Accessibl	e					Mo	re.Accesit	le
	2.5%	5%	7.5%	10%	12.5%	15%	17.5%	20%	
Source: SCAG,	2020								

#### Final RHNA Allocation

- Adopted March 2021
- Included redistribution of successfully appealed units
- Housing element deadline October 2021
  - As of early July, 19 jurisdictions have an adopted compliant housing element
- Rezoning deadlines adjusted due to recent enactment of SB 197

### RHNA Reform Input Session: July 6

#### Comment highlights

- There should be a panel of experts to review the regional determination by HCD before its finalized
- HCD did not reflect all required factors in State housing law when providing a regional determination
- The regional determination should have been a range as in prior cycles
- The 6<sup>th</sup> cycle determination was not sufficient to meet SCAG housing needs

### RHNA Reform Input Session: July 6

#### Comment highlights

- "Consistent with the development pattern of the SCS" should be more clearly defined
- More weight and emphasis should be put on transit accessibility and jobs access
- Transit and job access factors should be based on the planning period, not long-term
- Distribution methodology factors should include:
  - High wildfire risk
  - Exceeding prior RHNA need
  - Density
  - High median rents
  - Vacant office space and remote employee market
  - Aging infrastructure and cost of development

### RHNA Reform Input Session: July 6

#### Comment highlights

- More time should be provided for jurisdictions appealing their RHNA
- Trade and transfer of RHNA units should be allowed between jurisdictions, maybe with parameters
- Trade and transfer of RHNA units should not be allowed between jurisdictions
- Subregional delegation should not be made available



Q&A

#### **Discussion: General Outline**

- Raise your hand if you'd like to comment
- One speaker at a time
  - Mute if you're not speaking
- Address the issue, not the person
- Be open minded!
- Remember why we're here
  - In 17 years, Ma'Ayn still hasn't met anyone who is actually satisfied with the RHNA process

### Discussion: Regional Determination

- How do we minimize double counting for factors, such as overcrowding and cost-burden?
  - Should the factors be reordered in the calculation of regional determination?

- What are your thoughts on a panel of experts reviewing individual regional determinations from HCD before they are finalized?
  - Who should be on this panel? What role could it have?

### Discussion: Methodology/Distribution

- What other factors should be included in the RHNA methodology?
  - Should these additional factors be codified statewide or at the discretion of the COGs?
  - What should be the basis year for the factors? Current, short-term, long-term?
- How can we continue furthering the objective of affirmatively furthering fair housing?

#### Discussion: Other

- How can the appeals process be less cumbersome for jurisdictions (and stakeholders)?
- Should trade and transfer of RHNA units be allowed?
  - When could this be applied during the process?
  - Should there be parameters, such as only applying to market rate units?
- Should the requirement for the methodology to be "consistent with the development pattern of the SCS" be further defined in State housing law?

### **SCAG RHNA Reform**

Date	Action
July 6, 2022	Public Information and Input Session on RHNA reform
July 19, 2022	Housing Working Group meeting
July 21, 2022	Technical Working Group meeting
August 12, 2022	RHNA reform comments due to SCAG: <a href="mailto:Housing@scag.ca.gov">Housing@scag.ca.gov</a>
TBD	Special CEHD Meeting
TBD	Presumed statewide workshops on RHNA reform by HCD
TBD	CEHD Meeting to review and approve recommendations to Regional Council
TBD	Regional Council approval of CEHD recommendations/submit final RHNA Reform recommendations to HCD
TBD	Presumed due date for comments to HCD on RHNA Reform
December 31, 2023	Due date for HCD's report to the Legislature on RHNA Reform

#### **Announcements**

Housing Policy Forum – Equitable Homeownership Tuesday, August 2, 11 a.m. - 1 p.m.

Deadline to submit written comments on RHNA reform

Friday, August 12

Next HWG Meeting

Tuesday, October 18, 10 a.m. -12 p.m.



# **THANK YOU!**

For more information, please visit:

https://scag.ca.gov/housing