

December 16, 2019

Mr. Doug McCauley
Acting Director
Housing and Community Development (HCD)
2020 W. El Camino Ave.
Sacramento, CA 95833

Subject: Southern California Association of Governments (SCAG) 6th Cycle Regional Housing Needs Assessment (RHNA) Draft Allocation Methodology for HCD Review

Dear Mr. McCauley:

The City of Chino Hills appreciates this opportunity to provide comments on the Draft RHNA Allocation Methodology approved by the Regional Council on November 7, 2019, and transmitted to you by SCAG on November 14, 2019. This letter follows Chino Hills' previous two comment letters submitted to SCAG on September 6, 2019 and November 6, 2019, both of which outlined our City's concerns with SCAG's various draft RHNA allocation methodologies.

Chino Hills is committed to being part of the statewide process to provide adequate and affordable housing. However, as currently proposed, the RHNA methodology is flawed, and consequently, it arbitrarily allocates too many units to places where they won't get built.

To develop a reasonable 6th cycle RHNA methodology for the SCAG region, the City of Chino Hills requests the following changes:

Consistency with State General Plan Requirements: The state of California General Plan Guidelines start by quoting Government Code § 65030.1 which states that *"Decisions involving the future growth of the state, most of which are made and will continue to be made at the local level, should be guided by an effective planning process, including the local general plan, and should proceed within the framework of officially approved statewide goals and policies directed to land use, population growth and distribution, development, open space, resource preservation and utilization, air and water quality, and other related physical, social and economic development factors."*

In compliance with this state General Plan requirement, Chino Hills recently

completed a comprehensive General Plan update. The update included adequate sites to accommodate expected RHNA allocations and future maximum buildout of all reasonably zoned residential properties. The update also included a forward looking plan to ensure adequate roads, water, utilities and services to support future housing.

As presented in our General Plan, Chino Hills is a largely built out community. Our undeveloped land is comprised of Chino Hills State Park, permanently dedicated open space, and land with average topographic grades above 25%. These constrained lands are located in high fire areas with limited road access and are correctly designated in the City of Chino Hills General Plan for open space or very low density residential development.

At the beginning of the 6th cycle RHNA process, General Plan information regarding cities' existing and future land use patterns was collected by SCAG staff. However this information appears to have been lost in the process. In its efforts to correct several decades-old housing issues, HCD has mandated that the SCAG region accommodate a minimum of 1,344,740 units in eight years. So many units within such a short time frame would place a heavy burden on local infrastructure and both existing and future residents. Problems of inadequate access, water supply, water quality, and increases in greenhouse gas emissions and fire hazards could result. To comply with HCD's mandate and the proposed RHNA methodology, many cities including Chino Hills may have to consider rezoning unsuitable and unlikely sites for high density. This process will result in many planned units not being built, and ignores important sections of the Government Code and current local General Plans that require planning comprehensively for the future. Planning for the 1,344,740 new housing units should be changed to extend past the 6th RHNA cycle which runs from 2021 through 2029 and spread over several future cycles. An extended planning time period would allow cities to properly accommodate this future growth in their General Plans.

Use of Correct Household Baseline Data: The proposed RHNA methodology relies on an outdated baseline to develop forecasted household growth. Many cities, including Chino Hills, have had notable residential growth during the past few years. For Chino Hills, the projected RHNA methodology applies 2020 household numbers that are substantially lower than our current state Department of Finance (DOF) 2019 count and even lower than SCAG's Local Profile Report 2018 numbers. The use of a deflated household baseline results in an over count of projected need. To correct this error, the methodology needs to recalculate 2020 household numbers based on current DOF 2019 numbers.

Use of Correct Forecast Data: The proposed RHNA methodology applies 2045 local growth projections to the 6th cycle RHNA process. Trying to fit 25 years of housing needs into an eight-year RHNA cycle is certainly not a sound methodology for building more housing. The infrastructure needed to support 2045 population growth takes years to plan and build. Available land and

market demand are other key ingredients to building future housing. By using 2045 projected household growth, the proposed methodology allocates too many units to places where they won't get built, and similarly, results in an over count of projected need. The methodology needs to be revised using 2030 growth projections which fits more closely the 2012-2029 RHNA cycle.

Use of Realistic HQTAs Projections: The proposed RHNA methodology applies an adjustment for 2045 transit accessibility which are identified in SCAG's Draft Connect SoCal Plan currently available for public review. For Chino Hills, this transit accessibility adjustment results in 22.8% of Chino Hills' population being assigned to HQTAs. However, according to the Draft Connect SoCal Plan, the HQTAs appear to be in the most northerly part of the City along Chino Avenue with no connection to the rest of Chino Hills, no connection to Orange County, and only nominal connection to Los Angeles. The SoCal Connect Plan does not provide data to support SCAG's estimate that 22.8% of Chino Hills' population will have transit in 2045.

Another flaw is using 2045 transit projections to support the proposed 6th cycle RHNA methodology. This assumes that either the transit will be built in eight years or the units planned for the next eight years won't be built until 2045. This also assumes that no additional RHNA allocations will be provided between now and 2045, as additional housing would skew the projections on which SoCal Connect is based. The HQTAs projections need to be recalculated to realistically account for new housing construction, including expected accessory dwelling units. Data to support HQTAs population assignments also needs to be provided.

We look forward to working with HCD and SCAG to create a reasonable 6th Cycle methodology and development of ample and affordable housing for the region.

Sincerely,

Joann Lombardo
Community Development Director, City of Chino Hills

cc: Ray Marquez, Councilmember, City of Chino Hills
Benjamin Montgomery, City Manager, City of Chino Hills
Kome Ajise, Executive Director, SCAG