Regional Housing Needs Assessment (RHNA) Reform Survey

In July and August 2022, SCAG Staff conducted an outreach process to get input and comments on RHNA reform. SCAG staff has prepared draft recommendations for public input, which will be reviewed and approved by its CEHD Committee and Regional Council in late summer 2023. The approved recommendations will be used to inform a comment letter that will be submitted to HCD in mid-September 2023.

Below are questions and concept statements for draft recommendations that SCAG would like your input on. **Please submit your answers no later than Friday, June 30, 2023.** Additional comments may be submitted to housing@scag.ca.gov. The full draft recommendations are available on the SCAG RHNA webpage at www.scag.ca.gov/rhna.

1. **First Name:**
2. **Last Name:**
3. **Organization:**
   City of Newport Beach

4. **Email:**
5. **Which region(s) does your work or interest focus on? (Select all that apply)**
   Orange County

6. **Please identify your organization type/area of expertise (Select all that apply)**
   Government Agencies – Local

7. **The regional determination is provided 26 months before Housing Elements are due. Should the regional determination be provided by HCD earlier than what is currently in statute?**
   Yes

8. **Existing need from the RHNA regional determination should be spread out over multiple planning cycles instead of one 8-year period (e.g., this could span one and a half planning cycles, or 12 years).**
   Strongly agree

9. **The appeals hearing process needs additional time.**
   Neutral

10. **HCD should convene an advisory third-party panel of experts as part of the regional determination process. Potential panelists could include representatives from the U.S. Department of Housing and Urban Development (HUD), the Census Bureau, and/or academia.**
    Strongly agree

11. **The option for a trade and transfer of the draft RHNA allocation was removed from state housing law prior to the 6th cycle. Should trade and transfer be reinstated with parameters**

that further AFFH (e.g., transfer of market rate units only or limiting the transfer to originate only from disadvantaged communities)?
Disagree

12. **Please use the space below to add any additional comments or recommendations for RHNA reform.**

    A. **More Consideration of Local Planning Factors.**
       State law requires SCAG to conduct a survey of "local planning factors" to identify local conditions and explain how each of the factors are incorporated into the proposed methodology. Unfortunately, the 6th Cycle allocation methodology was primarily based on a jurisdiction's proximity to jobs or population within transit-rich areas without consideration for local development constraints. These factors should be more carefully evaluated and reviewed in an objective manner instead of taking a one-size-fits-all approach. Specifically, consideration should be given to local constraints within a jurisdictional boundary, including the area of lands preserved or protected from urban development under federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis.

       Aside from protected lands, additional consideration should be given to the development challenges that are unique to a jurisdiction and can affect the land available for urban development or for conversion to residential use. While constraints vary by location, for Newport Beach, they include:
       - Coastal Zone limitations and Coastal Commission as a barrier for housing development projects;
       - Sea level rise and storm inundation;
       - High Fire Severity Hazard Zones and pending CalFire map changes and wildfire risk through expanded affected areas;
       - Airport adjacency and an additional land use plan (AELUP);
       - Natural Community Conservation Planning (NCCP) and Environmental Study Areas (ESA);
       - Seismic Hazard Zones;
       - Availability of vacant land; and
       - Unsuitable Developed Residential Land.

    B. **Internal Consistency with Connect SoCal Growth Projections and Realistic Timing.**
       The City of Newport Beach contends that a realistic estimate of future growth need should be directly tied to realistic projections of household formation, consistent with SCAG's own projections in the Connect SoCal Plan. For Newport Beach, the Connect SoCal Plan states that approximately 2,900 households are projected to be formed through 2045, yet the current 6th Cycle RHNA allocation assigns 4,845 new units to be constructed in the City during the eight-year planning cycle (2021-2029), far exceeding this projection. As Connect SoCal projects growth to 2045, the expectation of producing 4,845 new units by 2029 is unrealistic and sets the City up to fail.

C. **Remove or Modify Residual Need Adjustment.**
   According to the 6th Cycle RHNA methodology, allocation of "existing need" is based on:
      i. **share of population in High Quality Transit Areas (HQTAs);**
      ii. **share of region's jobs that can be accessed within 30-minute commute (jobs accessibility); and**
      iii. **a Residual Need adjustment.**

   The Residual Need adjustment either increases or decreases a jurisdiction's RHNA depending on its classification as an Extremely Disadvantaged Community (DAC). DACs are jurisdictions with more than half of their population living in high segregation and poverty or low resource areas as defined by the California Tax Credit Allocation Committee (TCAC)/HCD Opportunity Index Scores. However, the purpose of the TCAC/HCD Opportunity Index Scores and Mapping is to "inform how to target investments and policies in a way that is conscious of the independent and inter-related effects that research has shown places have on economic, educational, and health outcomes". The purpose of the TCAC/HCD Opportunity Index Scores and Mapping was never intended to be used for the purposes of calculating the RHNA. If a jurisdiction is defined as a DAC, such as the City of Santa Ana, their Draft RHNA allocation is capped at their household growth projections reported through 2045. Any residential need beyond that cap is then reallocated to other non-DAC jurisdictions in the same county, such as Newport Beach.

   According to the 6th Cycle RHNA methodology, the City of Santa Ana has the second highest share of the region's job accessibility in Orange County and the highest share of population in high quality transit areas (HQTAs) in Orange County. Despite this information and Connect SoCal's emphasis on providing more housing at all income levels near existing and high ridership HQTAs and job center to reduce vehicle miles traveled, SCAG's methodology does the opposite by redistributing City of Santa Ana's RHNA to jurisdictions that have less access to transit and longer drives from the job centers.

   The redistribution of units is contrary to many of the sustainable policies outlined in both the adopted Connect SoCal plan and established State statutes like Senate Bill 375.

Project Concepts

Below is a list of project concepts that may be funded through RPI. SCAG's goal is to target investments towards critical infrastructure that improve mobility, quality of life, and economic potential for the 19 million people who call the SCAG region home and the 3.7 million new residents projected by 2045. Your responses will help SCAG prioritize existing project concepts and identify other areas of exploration.

Mobility Hubs serve as community anchors that enable travelers of all backgrounds to access multiple transportation options and supportive amenities. Typically, mobility hubs provide access to at least two or three transportation options that can include transit, bikeshare, carshare, and other shared-mobility

options. Mobility hub projects will build on research and create mobility hubs through interventions such as placemaking and signage, amenities, and co-location of modes. Projects will have the flexibility to adjust the number of hubs, typologies, and types of investments selected.

Mobility Wallets and Universal Basic Mobility projects will focus on digital multi-modal mobility as a service (MaaS) actions that make modes other than driving alone more accessible and integrated. These models will use pricing, incentives, customer experience improvements, and subsidies to influence consumer choice and will be paired with research to understand traveler preferences. One example of this work is the California Integrated Travel Project (Cal-ITP) to pilot and scale improved real time arrival information and expanded payment options to include folks who do not have access to a bank account or credit card. Due to the complexity of setting up MaaS, the project may need to be one phase of a Mobility Wallet/UBM system.

Big Data Research projects will work with small and underserved local jurisdictions to identify and research key transportation planning and policy questions using powerful analytical tools like the StreetLight Big Data Platform. These projects will drive usage of existing big data platform contracts, build capacity for the use of tools and data-driven decision-making, and will have the flexibility to tailor the work to specific local community needs.

Active Transportation refers to human-powered transportation, and low-speed electronic assist devices. Innovative active transportation projects employ new or novel processes to achieve the following: (1) context-specific community engagement and project development; (2) devising processes to deliver complete, connected, and safe pedestrian and bicycle route networks quickly and efficiently); and/or (3) enabling communities to use active transportation in a way that is responsive to local demographic, socioeconomic, and physical contexts. Examples include electric bike (e-bike) programs that subsidize and distribute e-bikes to users, quick-build active transportation networks, and "stroads" to roads treatments.

Transportation Demand Management (TDM) & Technology focuses on innovative programs or projects that reduce the demand for solo car trips. Options for pilots may include the following: (1) hosting a convening for jurisdictions coordinating TDM programs and policies, (2) creating a regional dashboard that provides aggregated TDM data from employers, (3) piloting residential TDM programs where tenants gain access to transit and bike share services, and/or (4) piloting innovative TDM software that facilitates shared employer shuttle service and carpooling.

Curbside Management may incorporate several treatments, including dynamic curb pricing and curb use designations. Pilots may include designating areas for loading and street parking, as well as reallocating space for bicycle parking, shared-used mobility, parklets, and/or piloting tech

13. **Which of the project concepts seem most applicable to your community?**
    Mobility Hubs
    Active Transportation
    Transportation Demand Management (TDM) & Technology
    Curbside Management

14. **Is your organization currently planning, designing or implementing projects that fall into the categories listed above? If so, please provide the project name and a short description.**

Commercial Parking Requirements Update
- Reevaluation for efficient use of parking supply and curbside management in active areas

Annual pavement rehabilitation in the City's Capital Improvement Program (CIP)
- Annual program provides an opportunity to review existing roadways for active transportation improvements, such as improved bike lane and pedestrian facilities, pedestrian and bicycle network gap closures, and other modifications to encourage active transportation

15. **Are there barriers or local conditions that limit your community's ability to plan for or implement the project concepts listed above?**
Barriers to implementing and improving the active transportation network include limited available public right-of-way, higher land values, Coastal Act parking replacement requirements, difficulty obtaining public consensus of active transportation programs or facilities, and lack of coastal tourist-serving long-distance transit (i.e., the ability to bring visitors and their gear to the coastal area via transit).

16. **How can SCAG help support project development or implementation to serve your community (e.g., by providing funding, technical assistance, access to data, convening stakeholders, etc.)? Are there areas where SCAG should not be involved? (1500 character limit)**
Continue to provide educational materials regarding active transportation for the public, elected officials, and agency staff.
Provide funding to facilitate required parking replacement for active transportation projects.

17. **Is your organization interested in advancing one or more of the project concepts? Please describe your project concept and any barriers in the planning or implementation process. (1500 character limit)**
Not at this time.

18. **Do you have additional feedback for SCAG? (1500 character limit)**
The City strongly believes and would like to reiterate that the RHNA allocation must coincide with SCAG's Connect SoCal growth projections. Considering that the Connect SoCal plan projected 2,900 new households will form in Newport Beach by 2045, the allocation of 4,845 new units within the 8-year planning period is inconsistent with the projection and sets the City up to miss the mark.