



# City of Mission Viejo

## Memorandum

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Transmitted Via Email to [Natalie@southbaycities.org](mailto:Natalie@southbaycities.org)

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**Date:** November 18, 2020

**To:** South Bay Cities Council of Governments Board of Directors

**From:** Dennis Wilberg, City Manager

**For:** Public Comment: South Bay Cities Council of Governments 11/19/2020 Board of Directors Meeting

**Subject:** Request that SBCCOG send letter to SCAG Chairman, Rex Richardson, to convene a December 2020 Regional Council Closed Session to discuss RHNA Litigation Study Team Recommendations

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As you all know, we are all faced with having to update our housing elements by October 2021. For many of us, this will be a particularly challenging update, as we explore trying to find enough housing sites to house a significantly higher RHNA allocation than prior cycles.

Here at the City of Mission Viejo, we are questioning the starting point: the 1.34 million housing units that the State Department of Housing and Community Development (State HCD) has issued to the Southern California Association of Governments (SCAG) for the 6<sup>th</sup> cycle RHNA. The 1.34 million housing units is more than three times the RHNA allocation from our current 5<sup>th</sup> cycle RHNA. This high starting point has resulted, for many jurisdictions, in significantly higher RHNA allocations. **We seek your assistance in tasking SCAG to challenge this regional number.**

Two issues are at hand: (1) Recent studies that were issued in 2020, after State HCD released the final 1.34 million housing unit number as SCAG's share of the State's housing need. The two reports are a September 2020 report by the Embarcadero Institute, a Palo Alto non-profit public policy organization, entitled "Double-Counting in the Latest Housing Needs Assessment," and a February 2020 Freddie Mac report entitled "The Housing Supply Shortage: State of the States." Both reports raise question on the accuracy of the 1.34 million housing units, and provide analyses that a much lower number can be justified; and, (2) Whether State HCD explicitly followed housing statutes in calculating the SCAG regional number.

As a result of these two issues, SCAG President Rex Richardson (Long Beach) convened a closed session of the SCAG President's RHNA Litigation Study Team on November 2, 2020 to explore the new reports and re-discuss options.

At the November 5, 2020 SCAG Regional Council meeting, SCAG President Richardson reported out that it was the general consensus of the Study Team members that SCAG not pursue any litigation or other actions against State HCD on the regional number.

During this meeting, City of Mission Viejo City Council Member Wendy Bucknum raised questions, seeking to understand the Litigation Study Team's recommendations and requesting that SCAG conduct a special meeting of the SCAG Regional Council to allow the full Regional Council body an opportunity to discuss. Further, City of Anaheim City Council Member Trevor O'Neil supported Council Member Bucknum's request, and stated that the Regional Council should be afforded the opportunity to review the same information that was provided to the RHNA Litigation Study Team, to determine whether the full Regional Council agreed with the recommendation to not pursue any further actions against State HCD.

SCAG's President, its Executive Director, and Legal Counsel stated they would take the issue under advisement, and in particular, SCAG President Richardson sought the feedback of others in considering this request.

**Will SBCCOG consider making this request of SCAG? I've attached a template letter for your consideration, asking SCAG President Richardson to convene a special closed session of the Regional Council in December 2020.**

I believe perhaps the feeling is that Orange County is the only region in SCAG who is unhappy with the SCAG allocation from HCD. But I believe that cities across the SCAG region care about good governance and open and transparent decision-making. I hope that you will agree, at the least, that the entire Regional Council should hear what was presented to the RHNA Litigation Study Team on a critical issue that will be one of these most challenging for all cities during the coming decade, and thus request your consideration in transmitting the attached template letter to SCAG President Richardson.

Individual cities within SBCCOG have already submitted letters. Cities like Redondo Beach, Torrance, Rancho Palos Verdes, Gardena and Lawndale are already on record with this request.

We are concerned that imposing an artificially high regional housing need number, and then distributing that artificially high regional housing need to the jurisdictions in the SCAG region, only serves to neuter our ability to effectively plan for housing. We are concerned that an artificially high and unachievable RHNA allocation at the local level, coupled with a regional 42% affordability requirement and a lack of adequate subsidies that can be provided to our development community, will only result in an adverse situation where minimal housing will actually be built.

Thank you for your consideration.

Dennis Wilberg,  
City Manager  
City of Mission Viejo