

**Description of the City's Appeal, Desired Outcome and Statements on Why
Huntington Beach's Requested Revision is Necessary to
Further the Intent of State Law**

The City of Huntington Beach (City) appeals the Draft 6th Cycle (2021-2029) RHNA allocation to the City (City RHNA Allocation) totaling 13,337 units, which consists of 3,652 very-low income units, 2,179 low income units, 2,303 moderate income units, and 5,203 above-moderate income units. This Appeal is based upon empirical data that is comparable to the data used by Southern California Association of Governments (SCAG) and California Department of Housing and Community Development (HCD), and which is supported by evidence, including expert reports.

A revision to the City RHNA Allocation is necessary to further the intent and objectives of State law, and to further sound and established principles of planning and land use, such as placing housing where it is actually needed. As the State legislature has found:

[I]nsufficient housing in job centers hinders the state's environmental quality and runs counter to the state's environmental goals. In particular, when Californians seeking affordable housing are forced to drive longer distances to work, an increased amount of greenhouse gases and other pollutants is released and puts in jeopardy the achievement of the state's climate goals....

(California Government Code Section 65584(a)(3).)

The City RHNA Allocation is not consistent with the development pattern included in the sustainable communities strategy, or with preventing urban sprawl by encouraging efficient development patterns (i.e., placing housing in or near adequate job centers, ensuring adequate infrastructure including water supply, and protecting environmental and open space resources and reducing greenhouse gases). SCAG's determination of the City RHNA Allocation does not further the objectives of State Planning Law. SCAG did not reasonably apply the methodology and requisites of state law, but instead created an illegal, arbitrary and capricious methodology of allocation. For each of the arguments set forth below, SCAG and HCD failed to create and apply a methodology that supports the legally mandated objectives of state law. Instead, these agencies used a political process, adopting and abusing unfettered discretion to hap-hazardously determine the City RHNA Allocation.

In addition, the State's attempt to impose RHNA allocation upon Charter Cities violates the State Constitution. For over 120 years, the California Constitution has recognized and advanced "the principle that the municipality itself knew better what it wanted and needed than the state at large...." (*Fragley v. Phelan* (1899) 126 Cal. 383, 387 (Garrouette, J.).) "The state constitution is... the highest expression of the will of the people of the state,

and so far as it speaks, represents the state.” (*Ex Parte Braun* (1903) 141 Cal. 204, 211.) Article XI, section 5 of the California Constitution authorizes municipalities to organize themselves under city charters and further provides: “City charters adopted pursuant to this Constitution **shall supersede** any existing charter, **and with respect to municipal affairs shall supersede all laws inconsistent therewith.**” (Cal. Const., art. XI, § 5(a) (emphasis added).)

For nearly quite as long as charter city home rule has been established in our Constitution, the Legislature has consistently recognized charter cities’ local control and home rule over their land use and zoning decisions. The State is now using a housing crisis and environmental greenhouse gas reduction goals to force one-size-fits-all land use policies upon Charter Cities. However, it is the City’s contention, consonant with the California Constitution, that the City knows best how to manage the use of its land and resources to meet local needs. The State’s attempt to impose RHNA allocation requirements is in and of itself an illegal act.

As detailed in a letter sent to SCAG by the City of Huntington Beach, SCAG failed to follow the process outlined in California Government Code Section 65584.04(b)–(f) when it voted to follow an arbitrary and capricious formula that incorrectly allocated approximately 6,000 additional RHNA units to the City of Huntington Beach. This vote was not based upon any empirical data, and was not based on the rule of law, but was instead based on last minute political wrangling. Government Code 65584.3(a) requires that actions taken by SCAG be done according to a vote provided for in established rules following general principles of due process. Huntington Beach was not provided due process in participating in this vote. This new formula had no corresponding analysis as to access to high quality transit or access to jobs. This allocation undermines and does 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. Housing Law requires that RHNA should be allocated based upon empirical data, not political determinations. The result of this arbitrary and capricious allocation of RHNA is to over exaggerate the actual need for housing in Huntington Beach and corresponding Cities.

The City requests its allocation of Housing units be reduced as described below.

II. Huntington Beach Issues on Appeal

A. Appeal Issue #1 – The portion of Beach Boulevard within the City is incorrectly identified as a High Quality Transit Area.

1. Bases for Appeal:

- a. Pursuant to California Government Code Section 65584.05(b)(1) SCAG failed to adequately consider the information the City of Huntington Beach submitted to address existing or projected jobs housing balance, the region's greenhouse gas emissions targets, and the distribution of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure .
- b. Pursuant to California Government Code Section 65584.05(b)(2) SCAG failed to determine the City's share of the regional housing need in a manner that furthers and does not undermine the following objectives listed in Section 65584(d):
 - Promoting socioeconomic equity and the achievement of the region's greenhouse gas reduction targets (Section 65584(d)(2))
 - Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction (Section 65584(d)(3))

As noted in multiple public comments from the City,¹ the portion of Beach Boulevard within the City is incorrectly identified as a High Quality Transit Area (HQTA). Government Code Section 65584.04(e)(3) requires the RHNA methodology to include "the distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure." SCAG's Final RHNA Allocation Methodology explains that HQTAs "are based on state statutory definitions of high-quality transit corridors (HQTCs) and major transit stops." SCAG's RHNA Methodology to determine a jurisdiction's existing housing need "assigns 50 percent of regional existing need based on a jurisdiction's share of the region's population within the high quality transit areas (HQTAs) based on future 2045 HQTAs." However, SCAG's application of HQTC is incorrect. Public Resources Code Section 21155(b) defines a high-quality transit corridor (HQTC) as "a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours." Public Resources Code Section 21155(b) **does**

¹ A copy of each letter sent by the City is attached hereto – refer to Attachment No. 3.

not include future planned facilities within the definition. SCAG's RHNA methodology creates its own definition of HQTTC as inclusive of planned HQTTC, which conflicts with the statutory definition. This new definition is illegal and cannot be used in calculation of RHNA.

SCAG's RHNA methodology designates all of Beach Boulevard within the City as a HQTTC. According to SCAG²:

Peak Period Bus Service Interval (Frequency)

To determine whether the peak commute bus service interval (also called frequency) meets the statutory threshold of 15 minutes or less, SCAG uses the peak period defined in its regional travel demand model. The morning peak is defined as 6am to 9am and the afternoon peak is defined as 3pm to 7pm. A transit operator may have a different, board-adopted or de facto peak period; in such cases SCAG will accept requests to use operator-specific peak-hour periods on a case-by-case basis.

SCAG uses the total population of bus trips during the combined seven-hour morning and afternoon peak periods to determine the peak frequency at a bus stop. This is done for each bus route, by direction. The peak frequency is calculated by dividing 420 minutes (the seven hour peak converted to minutes) by the total peak bus trips. This average frequency should be 15 minutes or less in order to qualify. The threshold is strict, at 15.0 minutes.

Beach Boulevard in Huntington Beach has failed to meet the HQTTC definition at any time during the RHNA process, including the baseline year 2016. During 2016, 2017 and 2018, Route 29 met the HQTTC threshold only northbound during the morning peak and southbound during the evening peak. Additionally, based on the October 13, 2019 Orange County Transportation Authority (OCTA) Bus Schedule³, there are no bus stops on Beach Boulevard within the City of Huntington Beach with headway times of 15 minutes or less. Route 29 services Beach Boulevard from the City of La Habra to PCH in the City. The shortest headway time during peak hours for bus service is on the Route 29 stop at PCH/1st Street (which is clearly not a stop on Beach Boulevard) traveling southbound with an average headway time of 18.23 minutes during the PM peak hours. Most stops have an average peak hour headway time of approximately 19-25 minutes. Some stops, such as the Beach Boulevard/Talbert Avenue stop, have peak hour headway times of 40-49 minutes. One stop (Beach Boulevard/Atlanta Avenue) did not list any stop times as part

² SCAG Meeting of the Technical Working Group, "High Quality Transit Corridors and Major Transit Stops," (Agenda item 1-d)
<http://www.scag.ca.gov/committees/CommitteeDocLibrary/twg101619fullagn.pdf>

³ OCTA Bus Book <http://www.octa.net/ebusbook/CompleteBusBook.pdf>

of any route for this stop. It must also be noted that OCTA eliminated Route 211 in October 2019, which serviced Huntington Beach to Irvine (a major Orange County job center) due to low ridership.

Peak period service on Route 29 was reduced 19% from 2018 to 2019. In 2018, a total of 102 buses served the two stops, which was reduced to 83 buses in 2019. This service reduction was maintained in the February 2020 schedule. Route 29 has failed to meet the HQTAs frequency threshold during either peak period as of the February 9, 2020 (pre-COVID19) bus schedule (Table 1-1). Route 29 does not meet the HQTAs service frequency threshold in any of the peak periods in the City, south of Heil Avenue⁴. For this reason as well, the area from Heil Avenue south to the southern route terminal at Pacific Coast Highway and First Street in the City is wrongly designated as an HQTAs.

Although Route 29 has been indicated as an HQTAs in the “2018 OCTA Long Range Transportation Plan (LRTP)” in Figure 4.10, reaffirmed by SCAG in response to a request for correction by the City of Huntington Beach⁵, OCTA’s 2018 LRTP⁶ Figure 4.1 – *Local, Community, and Bravo! Final Route Recommendations* recommends that Route 29 receive a **reduction** in frequency of service. This will add further delay to the 19-25 minute average peak hour headway service times on Beach Boulevard. In addition, the City of Huntington Beach has engaged with OCTA regarding implementation of their 2018 Long Range Transportation Plan, including the Final Beach Boulevard Corridor Feasibility Study (Study). The suggested improvement elements within the Study are conceptual and are not developed into any specific project to be implemented on any specific timeline. It is at the discretion and capability of the local jurisdiction to coordinate implementation and infrastructure improvements with all relevant agencies, such as CalTrans. For example, if Bus Rapid Transit (BRT) to achieve service at 15 minute intervals is hypothetically chosen to be implemented for a portion of Beach Boulevard, a subsequent specific BRT study is required to determine potential alignments, project limits, and other details. There is no requirement upon any City within the Study or OCTA to implement any particular recommendation of the study or the LRTP, and no evidence that Beach Boulevard is currently, or will be in 2045, an HQTAs.

///

⁴ Peak periods are defined by SCAG as 6:00 am to 9:00 am and 3:00 pm to 7:00 pm. SCAG, “Connect SoCal: Community Input: Public Participation and Consultation: Master Response No. 1: Regional Housing Needs Assessment,” page 92,

https://www.connectsocial.org/Documents/Proposed/pfConnectSoCal_Public-Participation-Appendix-2.pdf, <http://www.scag.ca.gov/committees/CommitteeDocLibrary/twg101619fullagn.pdf>

⁵ SCAG, “Connect SoCal: Community Input: Public Participation and Consultation: Master Response No. 1: Regional Housing Needs Assessment,” page 92, https://www.connectsocial.org/Documents/Proposed/pfConnectSoCal_Public-Participation-Appendix-2.pdf.

⁶ OCTA Long Range Transportation Plan, Figure 4.1
<http://www.octa.net/pdf/OCTALRTP111618FINAL.pdf>

Finally, the OCTA Board of Directors wrote a letter dated March 23, 2020 to Governor Newsom discussing the impact of COVID19 on their operations. The following excerpt describes the changes in circumstances that have created a substantial strain on the ability of OCTA to provide transit service:

The COVID-19 response has fundamentally changed the way people interact, and the resulting collapse of nonessential economic activity will have a dramatic impact on the availability of federal, state, and local funding. Short-term revenue decreases will cause extraordinary budgetary constraints. OCTA collects approximately \$48 million annually in transit fares, which partially fund bus operations that help our agency maintain ridership. Transit fares are expected to decrease significantly as a result of our current ridership decline. OCTA will also see a severe decline in revenues from Orange County's half-cent sales tax dedicated to transportation improvements, Measure M2. ***During the Great Recession, OCTA saw a 20 percent decrease in sales tax revenue and ridership levels never fully recovered. If the impacts are similar from COVID-19, long-lasting impacts will be felt systemwide.*** Similarly, gas tax revenues are likely to fall as people across the country heed social distancing guidance, which will only exacerbate the Highway Trust Fund's on-going structural revenue deficit. Given the likelihood of long-term revenue instability, ***OCTA is planning for an uncertain future while maintaining our long-standing commitment to fiscal responsibility.*** (Emphasis Added)

SCAG must acknowledge that the COVID19 pandemic has truly shifted mobility methods, transit patterns, and the way people utilize public transportation within the region. Decreased OCTA funding and reduced on-time performance reliability⁷ demonstrates not only that the identification of HQTAs in the City is inaccurate.

2. Requested Revision

It is estimated that only 7.2% of the City's population lives in HQTAs that are not appealed. (Attachment No. 2 - Wendell Cox Expert Report) This is a reduction from the 36.4% incorrectly determined by SCAG to reside in an HQTAs in the City. This requires an estimated reduction of 80.7%, or 2,455 units from the City's HQTAs allocation of 3,059 units and an additional 1,170 units from the residual adjustment. ***The total requested reduction due to inaccurate HQTAs data is 3,625 units.***

///

⁷ OCTA June 22, 2020 Board Agenda Packet - Item 22: Bus Operations Performance Measurement
<https://octa.legistar.com/View.ashx?M=E1&ID=749492&GUID=340A1A00-DE29-4B85-845E-B1697E8B9FB7>

3. Statement as to why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584

This revision is necessary to further the intent of the objectives listed in Government Code Section 65884 because the present allocation method undermines and does not promote socioeconomic equity. (Government Code § 65584(d)(2).) The present allocation method also undermines and does not promote an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction. (Government Code § 65584(d)(3).)

In addition, SCAG's incorrect assumptions for HQTAs in Huntington Beach undermine and do not promote important intentions of SCAG's *Connect SoCal 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy*, such as housing construction in transit rich areas (page 4), strategies that result in reduced demand for single occupancy vehicle use (page 10) and land use patterns that facilitate multimodal access to work (page 25).⁸

Generally, the objectives of state law and SCAG's Sustainable Communities Strategy would be served by a larger share of solo drivers being attracted from their cars to transit and other non-motorized modes. Minimization of solo driving commutes requires considerably better transit job access. State and regional policies have been adopted to seek these objectives by constructing housing units close to jobs that can be filled by nearby resident workers.

The higher number of units incorrectly allocated to Huntington Beach will also have related consequences, because the city has more limited transit job access measures than other jurisdictions and areas of Orange County, Los Angeles County and the 5-county Los Angeles-Long Beach combined statistical area (CSA).⁹

The City has virtually no 30-minute transit access to the richest job centers in the CSA. (Attachment No. 2 – Wendell Cox Expert Report.) This is unlikely to change materially in the foreseeable future. This is in contrast to the huge transit investments in urban rail and busways have been and are being further developed in Los Angeles County, with the intent of materially increasing transit access and creating a more compact urban form.

The promotion of socioeconomic equity is undermined by the overestimate of residents in HQTAs in the City, which results in a higher RHNA Allocation to the city of Huntington Beach than is warranted. Potential new residents will have considerably less economic

⁸ Page numbers refer to the Sustainable Communities Strategy within the *Connect SoCal 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy*.

⁹ This analysis uses the Los Angeles-Long Beach combined statistical area (the SCAG area, without Imperial County), which is the largest labor market definition by the U.S. Office of Management and Budget. As a labor market area, the CSA is also a housing market.

opportunity due to the limited transit job access. As a result, low-income residents moving to the City are likely to face significant impediments to socioeconomic advancement. The higher allocation to the City will undermine the intraregional relationship between jobs and housing because transit access is so limited. Conversely, the interregional relationship between jobs and housing would be promoted by allocating a smaller number of units to the City. Consistent with trends already evident in research prepared for SCAG (Attachment No. 2 – Wendell Cox Expert Report), the limited transit job access from the City is likely to require workers to purchase cars to access far-flung employment opportunities. This means higher incidence of solo commuting and high commuting expenses. The longer transit commutes significantly reduce the incentive for some potential workers to seek employment and imposes a substantial drag on socioeconomic advancement for those that do.

Relatively short commute times are crucial for transit to maintain its market share. In the United States, the average drive alone time is less than 30 minutes and is 26.8 minutes in Orange County. By comparison, transit commute times average 53.6 minutes¹⁰ in Orange County, nearly double the drive alone time.

Around the country, a 30-minute standard is increasingly being used to evaluate transit and automobile commuting. SCAG uses a 30-minute standard for auto trips, though uses 45-minutes for transit trips in its RHNA allocation. The Puget Sound Regional Council (Seattle area) uses a 30-minute standard for both auto and transit trips. The Center for Neighborhood Technology (CNT) publishes comprehensive 30-minute transit commute data within many metropolitan areas, including estimates from virtually any address (below). The University of Minnesota Accessibility Observatory publishes 30-minute transit and car job access estimates for 50 of the nation's largest metropolitan areas.

As the data below indicates, access to jobs by transit tends to be considerably lower than by driving alone. For RHNA to encourage transit commuting rather than driving alone, affordable housing needs to be built in jobs-rich areas, where transit can be more competitive with the auto.

However, the transit trends in the SCAG region are working against any such policy objective. Low-income workers are buying cars, and they are abandoning transit. A SCAG sponsored research report noted:¹¹

///
///

¹⁰ Derived from American Community Survey, 2013/2017.

¹¹ Michael Manville, Bryan Taylor and Evelyn Blumenberg, "Falling Transit Ridership: California and Southern California," January 2018.

https://www.scag.ca.gov/Documents/ITS_SCAG_Transit_Ridership.pdf.

Driving is relatively easy, while moving around by means other than driving is not. These circumstances give people strong economic and social incentives to acquire cars, and — once they have cars — to drive more and ride transit less.

With its below average transit job access, residents of the allocated housing are likely to obtain vehicles to improve their employment prospects.

The following facts are asserted in support of the appeal analysis:

(1) Lower Income Worker Transit Commuting is Declining

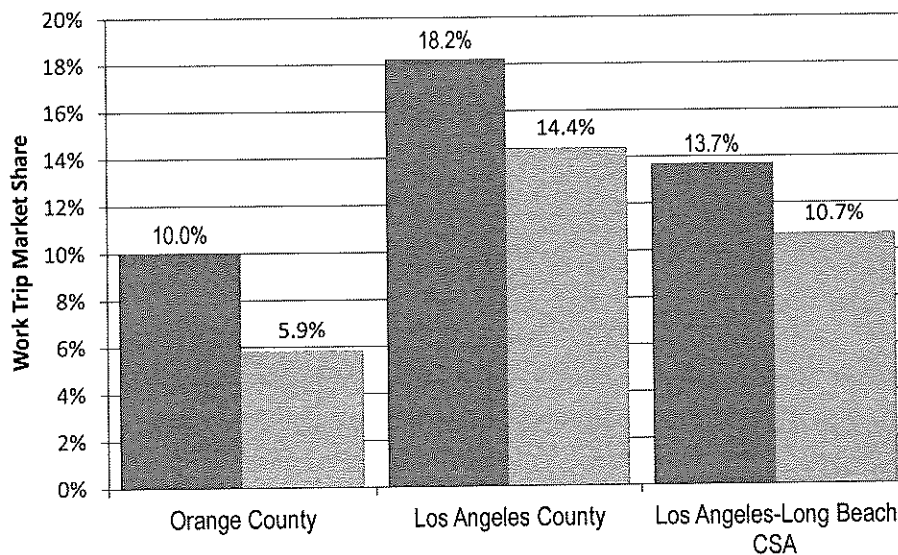
Low income residents are far more likely to drive alone than to commute by transit and this is becoming increasingly so. In Orange County, workers with earnings below the poverty line are 12 times as likely to drive alone than to commute by transit. In the last seven years (2006/2010) to 2013/2017) transit commuting by workers below the poverty line has decreased by 41%. By comparison, in Los Angeles County, below poverty line commuters are only four times as likely to drive alone, while, in the 5-county CSA, workers below the poverty line are six times as likely to drive alone (Table 1-2). A similar downward trend in low-income commuting is evident in both Los Angeles County and the CSA (Figure 1).

The very demographic that is the primary target of affordable housing under RHNA drives alone at a rate similar to that of all workers and is increasingly abandoning transit.

Table 1-2 Commuting by Workers Earning Less than 100% of the Poverty Line			
	Drive Alone Share	Transit Share	Drive Alone per Transit Ratio
Los Angeles County	58.8%	14.4%	4
Orange County	68.2%	5.9%	12
Los Angeles-Long Beach CSA	62.2%	10.7%	6
Derived from American Community Survey, 2013/2017			

///
///
///

Below Poverty Line Transit Commuting 2008/2012 TO 2013/2017



Derived from American Community Survey

Figure 1

(2) Huntington Beach residents are far more likely to drive alone than to use transit.

Among the City's residents, driving alone accounts for 80% of commuting, while transit's market share (1.1%) is less than one half that of Orange County overall (2.3%). About 75 times (7,500%) as many workers from the City drive alone as use transit. This is more than twice the rate of Orange County overall (36x) and more than six times the rate of Los Angeles County (12x). The drive alone-to-transit ratio in the City is also well above that of the five-county CSA average of 57 times (Table 1-3).

Table 1-3

Driving Alone & Transit Commuting: 2013/2017

	Drive Alone	Transit	Drive Alone times Transit
Huntington Beach	79.7%	1.1%	75
Los Angeles County	73.7%	6.3%	12
Orange County	78.6%	2.2%	36
Los Angeles-Long Beach CSA	77.2%	1.3%	57

Derived from American Community Survey, 2013/2017

///
///
///

Further, as previously noted, bus ridership is declining in Orange County. OCTA bus ridership dropped 46 percent, from 68.9 million in 2008 to 37.3 million in 2019.¹² The COVID19 pandemic has led to even greater ridership losses and uncertainty with respect to when or even if, ridership will return to previous levels. It is inconceivable that there will be a sufficient increase in Huntington Beach transit service to sustain a materially larger share of workers.

(3) 30-minute transit access to jobs from Huntington Beach is materially less than the CSA, Los Angeles County and Orange County.

Estimates of 30-minute transit jobs access are reported by the Alltransit.cnt.org website (Alltransit), sponsored by the Center for Neighborhood Technology (CNT). Estimates are provided at the metropolitan, county, and city levels for much of the United States, and specific street address inquiries are available.

Alltransit data indicates that transit employment access from the City is far below that of Orange County, Los Angeles County and a number of constituent jurisdictions (Table 1-4).¹³

- Approximately 134,000 jobs, overall, can be reached by transit within 30 minutes from the City. By comparison, 30-minute job access was 2.4 times higher in Los Angeles County (322,000) and 1.3 times higher, on average, in Orange County (173,000). On average, 217,000 jobs can be reached by transit within the SCAG region, 1.6 times that from the City.
- Approximately 40,000 jobs requiring no more than a high school education were accessible by transit in 30 minutes from the City. By comparison, 30-minute job access was 2.4 times higher in Los Angeles County (97,000), 1.3 times higher, on average, in Orange County (52,000) and 1.6 times higher overall in the SCAG region.

///
///
///

¹² From American Public Transportation Association Fourth Quarter Ridership Reports (https://www.apta.com/wp-content/uploads/Resources/resources/statistics/Documents/Ridership/2008_q4_ridership_APTA.pdf and <https://www.apta.com/wp-content/uploads/2019-Q4-Ridership-APTA.pdf>).

¹³ Data downloaded October 11, 2019.

Table 1-4 30-Minute Transit Access to Jobs (Average Household)		
	All Jobs	Jobs Requiring High School Education or Less
Huntington Beach	133,743	39,989
Los Angeles County	321,664	96,821
Orange County	172,595	51,261
SCAG Region	216,605	65,198
Source: Alltransit.cnt.org		

30-minute transit access is even lower in Huntington Beach compared to jobs rich areas, especially in central Los Angeles County. Examples are indicated in Table 1-5. This is largely due to proximity to the most transit oriented major job center in the SCAG region (downtown Los Angeles).

- In three of the areas, near the densest employment center in the CSA, where much of the regional transit system converges (downtown Los Angeles), more than 1,000,000 jobs can be accessed within 30-minutes. This is between eight and nine times the transit access from the City. Residents of a number of other areas have 30-minute transit access to more than 500,000 jobs, which is far greater than the City's transit access of 134,000 jobs.
- In these three areas, more than 330,000 jobs requiring a high school education or less can be accessed in 30-minutes, which is from 8.5 to 9.2 times the transit access from the City. Residents of a number of other areas have 30-minute transit access to more than 150,000 of these jobs, which is far greater than the City's transit access of 40,000 jobs (Table 1-5).

///
///
///

Table 1-5 30-Minute Transit Access to Jobs (Average Household) Huntington Beach & Jobs/Transit Rich Area Examples		
	All Jobs	Jobs Requiring High School Education or Less
Huntington Beach	133,743	39,989
Los Angeles Historic Core	1,186,787	367,904
Los Angeles Bunker Hill	1,144,474	354,787
Los Angeles Civic Center	1,100,441	338,936
Mid-Wilshire	928,498	259,051
Westlake-Dockweiler	909,290	272,787
Silver Lake	837,378	243,677
Echo Park	832,655	247,299
Hollywood	768,614	210,600
Pico-Union	767,775	229,565
Boyle Heights	682,286	221,743
Westwood	654,120	177,267
Culver City	566,368	156,318
East Los Angeles	485,477	156,809
Source: Alltransit.cnt.org		

CNT does not produce similar data for driving alone.

Comparative transit and drive alone employment access data is available from the University of Minnesota Accessibility Observatory (<http://access.umn.edu/>) for 50 of the largest metropolitan areas. In 2017, the average resident of the Los Angeles metropolitan area (Los Angeles and Orange County) could reach 33 times (3,300%) as many jobs in 30 minutes driving alone as by transit.¹⁴

(4) Actual transit access to jobs in much of the 5-county CSA, measured by commuting behavior, is considerably higher than that of Huntington Beach.

Among the City's commuters reaching work in less than 30 minutes, 133 times as many drive alone as use transit. This is five times the 5-county CSA rate (26x), eight times the Los Angeles County rate (17x) and more than double that of Orange County (59x) (Table 1-6).

¹⁴ CNT and the University of Minnesota use different criteria for transit access.

Table 1-6 Commuters Reaching Jobs in Less than 30 Minutes (of all commuters)			
	Drive Alone Share	Transit Share	Drive Alone per Transit Ratio
Huntington Beach	45.3%	0.3%	133
Los Angeles County	40.2%	2.4%	17
Orange County	49.4%	0.8%	59
Los Angeles-Long Beach CSA	43.6%	1.7%	26
Derived from American Community Survey, 2013/2017			

Transit is far more competitive in other parts of the SCAG region than in the City. This is illustrated by ACS data for Public Use Microdata Areas (PUMAs).¹⁵ In the SCAG PUMA with the lowest drive alone to transit ratio, only 2.3 times as many commuters drive alone as use transit (Los Angeles County [Central]--LA City [Central/Koreatown PUMA]) Huntington Beach's 133 drive alone to transit 30 minute commute ratio is 58 times that figure.

Among the nation's more than 2,300 PUMAs, the Los Angeles County [Central]--LA City [Central/Koreatown PUMA] had the 27th highest population density in 2013/2017. It also has the highest transit market share (27.3%) of any PUMA in the CSA. This PUMA also contains some of the most intense transit service in the SCAG region. The region's only station serving two fully grade separate subway lines is in the Los Angeles County [Central]--LA City [Central/Koreatown PUMA].

Another 17 PUMA's have 30-minute drive alone to transit commute ratios no greater than one-tenth that of Huntington Beach (Table 1-7).

///
///
///

¹⁵ PUMAs are analysis zones designated by the Census Bureau that divide the United States into areas of similar population, averaging 130,000. PUMAs are especially helpful for examining somewhat smaller area data within large jurisdictions, such as the cities of Los Angeles, Anaheim and Santa Ana.

Table 1-7

Local Areas (PUMAs) with Less than 1/10th Huntington Beach Drive Alone to Transit Commuting Ratio
Commuters Reaching Jobs in Less than 30 Minutes (of all commuters)

	Drive Alone Share	Transit Share	Drive Alone per Transit Ratio
Huntington Beach	45.3%	0.3%	133.2
Los Angeles County (Central)--LA City (Central/Koreatown) PUMA	25.3%	11.0%	2.3
Los Angeles County--LA City (East Central/Silver Lake, Echo Park & Westlake) PUMA	27.9%	11.5%	2.4
Los Angeles County (Central)--LA City (Southeast/East Vernon) PUMA	28.9%	9.5%	3.0
Los Angeles County--LA City (Central/Univ. of Southern California & Exposition Park) PUMA	22.8%	6.2%	3.7
Los Angeles County (Central)--LA City (East Central/Central City & Boyle Heights) PUMA	30.6%	7.4%	4.1
Los Angeles County (Central)--LA City (East Central/Hollywood) PUMA	31.7%	7.6%	4.2
Los Angeles County (Central)--Huntington Park City, Florence-Graham & Walnut Park PUMA	32.1%	4.4%	7.2
Los Angeles County (South Central)--LA City (South Central/Watts) PUMA	28.6%	3.8%	7.5
Los Angeles County (Central)--East Los Angeles PUMA	37.8%	4.4%	8.6
Los Angeles County (South)--Long Beach City (Southwest & Port) PUMA	36.5%	4.1%	8.8
Los Angeles County (North)--LA City (North Central/Mission Hills & Panorama City) PUMA	37.1%	4.1%	9.1
Los Angeles County--LA City (Mount Washington, Highland Park & Glassell Park) PUMA	35.3%	3.7%	9.6
Los Angeles County (Southeast)--Long Beach (Central) & Signal Hill Cities PUMA	40.5%	3.7%	11.0
Los Angeles County (South Central)--LA City (South Central/Westmont) PUMA	29.8%	2.7%	11.2
Los Angeles County (Northwest)--LA City (North Central/Van Nuys & North Sherman Oaks) PUMA	34.6%	2.9%	11.8
Los Angeles County (West Central)--LA City (West Central/Westwood & West Los Angeles) PUMA	45.5%	3.7%	12.4
Los Angeles County (West Central)--LA City (Central/Hancock Park & Mid-Wilshire) PUMA	40.7%	3.2%	12.7
Los Angeles County (Central)--LA City (Central/West Adams & Baldwin Hills) PUMA	34.2%	2.6%	13.2

Derived from American Community Survey, 2013/2017

B. Appeal Issue #2 – SCAG Incorrectly Projected Household Growth and Employable Population

1. Bases for Appeal:

- a. Pursuant to California Government Code Section 65584.05(b)(1) SCAG failed to adequately consider the information regarding the City's existing and projected jobs and housing relationship.
- b. Pursuant to California Government Code Section 65584.05(b)(2) SCAG failed to determine the City's share of the regional housing need in a manner that furthers and does not undermine the following objectives listed in Section 65584(d):
 - Promoting socioeconomic equity and the achievement of the region's greenhouse gas reduction targets (Section 65584(d)(2))
 - Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction (Section 65584(d)(3))

California Government Code 65584.01(a) uses a projection year as the basis for the development of housing need. SCAG defines the "projection period" as that period between July 1, 2021 and October 1, 2029. On that basis, SCAG should have limited its analysis to regional growth projections for that period. However, because SCAG's projections for the period ending in 2030 did not generate sufficient household formation to justify the HCD's allocation to the Southern California region, SCAG improperly introduced growth projections to 2045 in order to be able to reach "total housing need in excess of household growth...." In other words, as stated in SCAG's methodology, HCD's determination of 1,341,827 housing units needed between 2021 and 2029 exceeds SCAG's own projection of housing unit demand. SCAG appears to have determined that the only way to reconcile the disparity was to include projections to 2045. The basis for the methodology SCAG has implemented, therefore, is fundamentally flawed.

SCAG has used this flawed basis to differentiate between Projected Need and Existing Need. The Projected Need calculation is presented as that need for each jurisdiction for the planning period of 2021 to 2029. For the City, that calculation results in a RHNA allocation of 441 housing units, which is consistent with the projected household growth for the planning period. However, since the Projected Need calculations for all SCAG jurisdictions, calculated based on 2030 growth projections, did not add up to HCD's allocation of 1.3 million units, SCAG improperly determined that the difference between the HCD's allocation and the Projected Need should be assumed to be Existing Need. This backwards presumption, unsupported in the methodology, is that there are 836,857

households in the SCAG region that are currently unhoused. Further, in order to allocate this backwards-reasoned assumed Existing Need, and because SCAG's own growth forecasts did not support the HCD allocation, SCAG used growth projections all the way out to 2045. This presumption, especially as the basis for the calculation of the current and future regional housing needs for all SCAG jurisdictions, is unfounded and unsupported.

SCAG projected the City's household growth to reach 79,565 in 2030¹⁶. By 2045, there are expected to be 80,309 households in the City¹⁷. By substituting the 2045 household data for the period through 2030, the methodology over-estimates household growth in the planning period by 744 units, and population by 1,905.

In addition, the methodology bases Job Accessibility on total population, not on employable population. According to the US Census, 66.7% of the City's population is in the labor force (both employed and unemployed)¹⁸. The City will have a 2030 total population of 203,405. Its employable population will be 135,671. This population should have been the basis for job accessibility by population, not the inflated gross population.

The City's corrected dataset should reflect:

- Total 2030 Population: 203,405 (not 205,310 as shown in the Methodology Worksheet)
- Total 2030 Employable Population: 135,671 (not 205,310 as shown in the Methodology Worksheet)
- Total Job Accessibility by Population: 23,824 (not 36,052 as shown in the Methodology Worksheet)
- Existing Job Need: 3,673 (not 5,534 as shown in the Methodology Worksheet).

2. Requested Revision

On the basis of the above analysis, the requested reduction based on the inaccurate application of the household growth and employment population is a reduction of 1,861 units.

///
///
///

¹⁶ Draft RHNA Methodology Data Appendix, prepared by SCAG.

¹⁷ Ibid.

¹⁸ 2018 American Community Survey 5-Year Estimates Data Profiles, US Census Bureau

3. Statement as to why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584

The requested reduction is necessary to further the RHNA objectives of increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner; and promoting an improved intraregional relationship between jobs and housing.

The use of longer term projections results in an inequitable RHNA allocation because the data is so unreliable. This is illustrated by the downward revisions in state Department of Finance population forecasts. In 2007, the DOF projected a state population of 59.7 million by 2050. The DOF January 2020 revised projection is 44.9 million. This reduction of almost 15 million residents is more people than live in all but four states (California, Texas, Florida and New York).

The current 2045 DOF population projection for the six SCAG counties combined is 20.5 million, approximately 9 % below the SCAG figure for the same year (22.5 million), as indicated in the RHNA Allocation spreadsheet. Household projections generally also show the same pattern. Taking Los Angeles County as an example, in 2007, the **DOF projected** it would have **13.1 million residents** by 2050. The **DOF's latest 2050 projection** is **10.1 million residents**, which is below the DOF's current estimate of 10.3 million residents (indicating that population is projected to decrease).

The changing demographic trends in California make longer term projections particularly unreliable. To use them in calculating and allocating the Existing Need is arbitrary and illogical, resulting in RHNA allocations that are unreasonably high and inequitable. In addition, the use of 2045 projections is inconsistent with state law and the legislative intent.

C. Appeal Issue #3 – The SCAG allocation of the regional housing need fails to account for the low rate of housing overcrowding in the City

1. Bases for Appeal:

- a. Pursuant to California Government Code Section 65584.05(b)(1) SCAG failed to adequately consider the information regarding the rate of overcrowding.
- b. Pursuant to California Government Code Section 65584.05(b)(2) SCAG failed to determine the City's share of the regional housing need in a manner that furthers and does not undermine the following objectives listed in Section 65584(d):
 - Promoting socioeconomic equity and the achievement of the region's greenhouse gas reduction targets (Section 65584(d)(2))
 - Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction (Section 65584(d)(3))

In 2018, the Legislature required the addition of an overcrowding measure to the determination of housing need by HCD. Approximately 34% of the RHNA allocation for the SCAG region is attributable to the overcrowding measure. However, the SCAG RHNA methodology did not reflect the level of overcrowding in the City.

HCD describes the overcrowding adjustment as follows:

Overcrowding Adjustment: In regions where overcrowding is greater than the U.S overcrowding rate of 3.35%, HCD applies an adjustment based on the amount the region's overcrowding rate (10.11%) exceeds the U.S. overcrowding rate (3.35%) based on the 2013-2017 5-year ACS data. For SCAG that difference is 6.76%.¹⁹

However, the SCAG allocation formula does not reflect the differences in overcrowding rates by jurisdiction. The City has a far lower overcrowding rate than the SCAG region, at 3.66%, which is little more than the US overcrowding rate of 3.35%, a difference of 0.31%. SCAG's failure to specifically adjust the RHNA allocation for overcrowding, effectively imposing a blanket allocation for overcrowding, applies the regional average excess overcrowding rate of 6.76% to the City. This is more than **20 times the City's actual** excess overcrowding rate.²⁰

¹⁹ Calculated from data in HCD Regional Housing Need Determination Letter, August 22, 2019.

²⁰ Note: By an alternative measure, which defines overcrowding based on multiple households occupying the same housing unit (additional households are called "subfamilies" (ACS 2013-2017 table C-11014)

2. Requested Revision

As noted, the Huntington Beach overcrowding rate (relative to the national rate) is considerably less than that of the SCAG region. Approximately 34% of the overall SCAG allocation is attributable the HCD overcrowding adjustment. At this rate, the overall Huntington Beach allocation includes 4,564 units due to the blanket application of the SCAG overcrowding adjustment. The Huntington Beach RHNA allocation should reflect an overcrowding adjustment of 0.31%, rather than the SCAG overall overcrowding adjustment of 6.76%, which results in a requested reduction of 4,354 units and an additional 2,074 units residual reduction. ***The total requested reduction due to inaccurate overcrowding rate application is 6,428.***

3. Statement as to why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584

As discussed, this revision is necessary to further the intent of the objectives listed in Government Code Section 65884 because the present allocation method undermines and does not promote socioeconomic equity" (Section 65584(d)(2)). The present allocation method also undermines and does not promote an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction (Section 65584(d)(3)).

The promotion of socioeconomic equity is undermined by failing to apply the City's actual overcrowding rate instead of the SCAG region average rate. Residents of the City will have considerably less economic opportunity due to the limited transit job access. As a result, low-income residents moving to Huntington Beach are likely to face significant impediments to socioeconomic advancement.

The higher allocation to Huntington Beach will undermine the intraregional relationship between jobs and housing because transit access is so limited. Conversely, the interregional relationship between jobs and housing would be promoted by allocating a smaller number of units to Huntington Beach.

In addition, SCAG's failure to adjust the RHNA Allocation for the actual level of overcrowding in the City undermines and does not promote important intentions of SCAG's *Connect SoCal 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy*, such as housing construction in transit rich areas (page 4), strategies that result in reduced demand for single occupancy vehicle use (page 10) and land use patterns that facilitate multimodal access to work (page 25).

Huntington Beach's overcrowding rate is 19% below the national average (3.66% compared to the US average of 3.26%).

Generally, the objectives of state law and SCAG's Sustainable Communities Strategy would be served by a larger share of solo drivers being attracted from their cars to utilize transit and other nonmotorized modes. Minimization of solo driving commutes requires considerably better transit job access. State and regional policies have been adopted to seek these objectives by constructing housing units close to jobs that can be filled by nearby resident workers.

Additionally, the same four justification assertions from the City's HQTAs (Issue #1) are made in support of a revision to adjust for overcrowding rate to ensure that the RHNA allocation furthers the RHNA objectives in furthering socioeconomic equity and improving the intraregional relationship between jobs and housing. (Wendell Cox Expert Report – Attachment No. 2)

D. Appeal Issue #4 – The Final RHNA methodology does not address the housing needs generated by the presence of public or private universities in Huntington Beach.

1. Bases for Appeal:

Pursuant to California Government Code Section 65584.05(b)(1) SCAG failed to adequately consider information submitted regarding the housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.

The Final RHNA methodology²¹ does not address the housing needs generated by the presence of public or private universities, which does not comply with the Government Code Section 65584.04(e)(9). SCAG's Executive Summary of the RHNA methodology indicates that "evaluation of survey responses that indicated a presence of a university within their boundaries, SCAG staff concludes that most 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 outside of the survey 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."

It must be noted that the SCAG survey sent to university jurisdictions and any communications from those jurisdictions about university housing "outside of the survey" is another example of illegal political manipulation of the RHNA process by Riverside and Los Angeles County. Prior to the November 7th 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. Mayor Bailey suddenly ceased to bring up university housing at the November 7th 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, quantifiable need for housing.

²¹ Final RHNA methodology <http://www.scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Methodology-030520.pdf>

Additionally, SCAG's own conclusion notes that only most, not all 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 Plan²² notes that between 2014-2019 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 SEIR²³ 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 included in the RHNA methodology – overcrowding. A university room actually designed for two students only counts for one person based on SCAG's persons per room analysis, and universities are actually housing up to three people per such 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 Initiative²⁴ 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.

²² 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
²³ 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

²⁴ 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

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 have not been considered in the 6th Cycle RHNA, either. An accurate quantitative analysis of housing needs within SCAG university jurisdictions is necessary to affirmatively further fair housing by promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets. Failure to address these needs does not further the five statutory requirements of RHNA, does not comply with the statutory requirements of the RHNA methodology, and does not comply with statutes requiring Connect SoCal and RHNA to be consistent (Government Code Section 65080(b)(2)(B) and Section 65584.04(m)).

2. Requested Revision

The total requested reduction due to failure to consider the housing needs of universities is 360 units.

3. Statement as to why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584.

The RHNA methodology completely ignores its statutory requirement to consider housing needs for 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. This assumption completely discounts the impact placed on specific jurisdictions by State schools, and improperly spreads the impact to all SCAG jurisdictions.

In order to determine if SCAG's assumptions were valid, the City commissioned an analysis of the published off-campus demand for housing for 13 total University of California and California State University campuses within the SCAG region (Attachment No. 16 – Terra Nova Planning and Research Inc. Memorandum). In order to analyze the future demand for off-campus housing, each school's planning documents were collected and analyzed. Once the total future growth patterns and need for housing was determined, the demand for the period from 2020 to 2030 was developed. The analysis found that a total of 27,826 students will require off-campus housing in the region within these two public university systems by 2030. This represents 2.7% of the total RHNA for the planning period. Since this impact has been spread across the entire SCAG jurisdiction, rather than assigned to those jurisdictions who will be impacted, Huntington Beach's total RHNA should be reduced by 2.7%, (360 units). This reduction is necessary to ensure that RHNA objectives to increase the housing supply and promote intraregional jobs/housing relationship are furthered.

E. Appeal Issue #5 – SCAG failed to consider the impact of sea level rise, planning for coastal inundation and FEMA designated flood zones when allocating RHNA to the City.

1. Bases for Appeal:

- a. Pursuant to California Government Code Section 65584.04(e)(2)(B), SCAG failed to adequately consider the City's availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.
- b. Pursuant to California Government Code Section 65584.05(b)(1) SCAG failed to adequately consider the information the City of Huntington Beach submitted to address existing or projected jobs housing balance and the region's greenhouse gas emissions targets.
- c. Pursuant to California Government Code Section 65584.05(b)(2) SCAG failed to determine the City's share of the regional housing need in a manner that furthers and does not undermine the following objectives listed in Section 65584(d): Promoting socioeconomic equity and the achievement of the region's greenhouse gas reduction targets (Section 65584(d)(2))

Sea Level Rise

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 Action²⁵." This document is a tool for aligned,

²⁵ <https://documents.coastal.ca.gov/reports/2020/5/W6g/w6g-5-2020-report.pdf>

<https://documents.coastal.ca.gov/reports/2020/5/W6g/w6g-5-2020-exhibits.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.

The development of the RHNA methodology necessitates contributions from all relevant stakeholders throughout the SCAG region. The CCC has not been engaged in the public review process. The CCC is a key stakeholder for jurisdictions in the coastal zone across Ventura, Los Angeles, and Orange counties. 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 City. 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.

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 to complete Local Coastal Program Updates/Amendments 26 (which will be necessary as a result of RHNA) to do the following:

²⁶ 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 the City, and other coastal cities, faces 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 Guidelines²⁷ 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

²⁷ CCC Sea Level Rise Policy Guidance Chapter 7: Adaptation Strategies

• https://documents.coastal.ca.gov/assets/slr/guidance/2018/7_Ch7_2018AdoptedSLRGuidanceUpdate.pdf

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 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 is now selling the property, which will likely be developed with a commercial parking lot.

SCAG's RHNA methodology has not addressed the impact of sea level rise, coastal inundation, and other coastal issues which affect the ability of coastal jurisdictions to plan for their RHNA Allocations. SCAG's 2017 RTP Data Map Book for Huntington Beach includes an exhibit depicting "Sea Level Rise Impacted Areas (2 feet) 2040 Scenario in Orange County²⁸." Nearly all of the lowest lying land in Orange County is within the City and its annexation of Sunset Beach; a small portion affects Newport Beach and Seal Beach. The data from the Map Book does not utilize the best available science/data as the State has since revised SLR analysis to plan for a baseline of 3.5 feet of SLR statewide. It must also be noted that the Map Book contains these exhibits and information regarding SLR, but SCAG does not utilize them for any analysis within Connect SoCal or RHNA.

The Map Book's exhibit for Potential Infill Parcels in City of Huntington Beach also contains errors that do not affirmatively further fair housing. Notably, this exhibit depicts an existing 265 unit mobile home park as a refill parcel (north of PCH and east of Beach Blvd. – 80 Huntington St.). SCAG's own documents undermine the statutory objectives to affirmatively further fair housing by designating a mobile home park, one of the most affordable existing housing developments in the City's coastal zone, as an area desirable for redevelopment. This is another example of the unattainable goals set by SCAG and competing interests created by RHNA that result in a RHNA allocation that is unrealistic for the City to achieve. It should be noted that the City provided input to delete this map from the map data book and use the City's own GIS files for vacant properties.

SCAG fails to address this critical information from the CCC. Coastal cities are explicitly unable to accommodate **any** development, especially residential development as it is specifically vulnerable and unable to adapt to managed retreat, within areas of sea level rise. The CCC expects all Local Coastal Programs to recognize that lands adjacent to the Pacific Ocean and harbors will extend inward as a direct result of sea level rise²⁹. This information alone indicates that coastal cities will lose land available for development (and land that is currently developed) to the public trust boundary. The CCC recommends that coastal cities purchase land within sea level rise areas and remove all associated structures to conserve the land as open space.

²⁸ <http://scagrtpscs.net/Documents/DataMapBooks/HuntingtonBeach.pdf>

²⁹ California Coastal Commission Sea Level Rise Policy Guidance
https://documents.coastal.ca.gov/assets/slr/guidance/2018/0_Full_2018AdoptedSLRGuidanceUpdate.pdf

The development challenges faced by coastal cities due to sea level rise are arbitrarily and capriciously ignored by SCAG throughout the RHNA and Connect SoCal process to accommodate political will from other areas of the SCAG region. Connect SoCal and its PEIR characterize coastal cities as opposed to new development due to “community resistance to new housing, especially medium and high density projects.” In order to serve political will in the LA and Inland areas of SCAG, the RTP/SCS and RHNA purposefully do not acknowledge **any relevant information** regarding the significant negative environmental impacts and CCC prohibition on coastal development other than protected open space within areas subject to sea level rise, **including SCAG's own Data Map Book exhibits produced in 2017**. Excluding this pertinent analysis from the RHNA and RTP/SCS process only serves to enable Connect SoCal and RHNA to arbitrarily and capriciously achieve on paper Governor Newsom's admitted “stretch goal” to construct 3.5 million units in California by 2025.

All areas within the SCAG region that are subject to sea level rise, including the City, must be accurately identified in Connect SoCal and RHNA, removed from the model scenarios in each, and also excluded from the RHNA calculation (including but not limited to job accessibility, HQT proximity, reallocated residual need, and additional social equity adjustments) in order for Connect SoCal and RHNA to be consistent (Government Code Section 65080(b)(2)(B) and Section 65584.04(m)).

FEMA Designated Areas of Flood Hazard Risk

The RHNA allocation does not include any analysis of land areas located in or near a 100-year flood hazard zone. Approximately 2.4 square miles of land within Huntington Beach is within a FEMA designated 100-year flood hazard zone³⁰. Exponentially more area of land within the City is located near a 100-year flood hazard zone in MM HYD-4 of Connect SoCal's PEIR. The City's land that is within or near a 100-year flood hazard zone must be excluded from the RHNA calculation (including but not limited to job accessibility, HQT proximity, reallocated residual need, and additional social equity adjustments).

The analysis presented above regarding sea level rise and FEMA flood zone areas demonstrates the environmental challenges faced by the City. These challenges result in the City's inability to accommodate any type of development other than protected open space in these areas, which will have a significant negative impact on the region's ability to achieve statewide GHG emission reduction goals.

2. Requested Revision

Residential uses in the coastal zone represent 34% of the land area in the coastal zone, 15% of the total residential acreage in the City, and 6.5% of the total land area of the City. **The total requested reduction based on failure to account for areas unavailable due**

³⁰ <https://msc.fema.gov/portal/search?AddressQuery=huntington%20beach%2C%20ca#searchresultsanchor>

to hazards from sea level rise impacts is 866 units (6.5% of the draft RHNA allocation).

Approximately 2.4 square miles of land within the City is located in a FEMA-designated flood zone. This equates to approximately 8.5% of the City's total land area. **The total requested reduction based on failure to account for areas unavailable due to hazards from FEMA designated flood zones is 1,134 units (8.5% of the draft RHNA allocation).**

3. Statement as to why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584

As discussed, this revision is necessary to further the intent of the objectives listed in Government Code Section 65884 because the present allocation method undermines and does not promote **"infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080."** (Section 65584(d)(2) (emphasis added).) The present allocation method also undermines and does not promote an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction (Section 65584(d)(3)).

The promotion of socioeconomic equity is undermined by failing to correctly consider **the availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities** in compliance with Government Code Section 65584.04(e)(2)(B), because SCAG has not considered areas subject to sea level rise, FEMA designated flood zones, or areas of tsunami hazard. The City has considerably less land available for urban development than analyzed in the RHNA process, resulting in reduced economic opportunity due to the City's limited ability to increase the housing supply and the mix of housing types, tenure, and affordability. The RHNA Allocation does not further an increase in housing supply in all cities and counties within the region **in an equitable manner** in that it unreasonably allocates units to the City that would either never be approved due to CCC actions or put new residents (including lower-income peoples and at-risk populations) in an substantial physical and economic danger due to environmental hazards.

F. Appeal Issue #6 – Residual Adjustment

1. Bases for Appeal

The “Residual Adjustment” is not found in State law, and is therefore an illegal and arbitrary and capricious methodology. The SCAG residual adjustment is so high that it materially undermines and fails to promote other substantial statutory objectives, which may be of greater importance given state and regional policy priorities (Wendell Cox Expert Report – Attachment No. 2).

Approximately one-third (32%) of the City RHNA Allocation is attributable to the SCAG residual adjustment (redistribution methodology), comprising 4,303 of the 13,337 units allocated to the City. Subdivision (d)(2) of Section 65584 requires a RHNA allocation to further an objective of “socioeconomic equity,” addressing fundamental human economic needs and upward mobility. By basing such a large portion of the RHNA allocation to lower “the proportion of housing need when a jurisdiction already has a disproportionately high share of households in that income category...” the potential to promote “socioeconomic equity” is materially diminished. The methodology substantially increases the City RHNA Allocation irrespective of, and detrimental to, the City’s ability to promote socioeconomic equity, in comparison to other jurisdictions.

The promotion of socioeconomic equity is undermined by failing to apply the City’s overcrowding rate instead of the SCAG region average rate. Under the current City RHNA Allocation, residents will have considerably less economic opportunity due to limited transit job access, in both absolute and relative terms. As a result, low-income residents moving to the City are likely to face significant impediments to socioeconomic advancement. The higher allocation to the City will undermine the intraregional relationship between jobs and housing because transit access is so limited.

Santa Ana has one of the best Jobs Accessibility and HQTAs of all the Orange County cities. Santa Ana’s share of the regional HQTAs population is 3.11% and the share of job accessibility is 2.66%, which represent the highest and second highest shares in Orange County respectively. As such, they should have a much higher RHNA allocation in order to truly reflect the statutory objectives. According to the current SCAG methodology, Santa Ana should have an additional 23,168 units. However, Santa Ana’s RHNA allocation is arbitrarily capped at 3,087 due to its reported 2045 household growth. Because they are identified as a disadvantaged community, their share of the RHNA allocation is redistributed within the County to cities, such as the City, with significantly worse transit and jobs access. This is not only contrary to the RHNA objectives, it conflicts with many of the preferred policies of the state, California Air Resources Board, HCD, and the recently approved Connect SoCal (2020 RTP/SCS). This arbitrary household growth cap is based on Santa Ana’s self-reported growth, which is outdated and misleading. According to the City of Santa Ana website, over 10,000 units are either under construction, approved or currently under review and should be counted toward their 2045

household growth. This also doesn't include additional growth that would be permitted under their General Plan Update, which is the final phases of approval.

A more modest residual adjustment allocation to the City would better promote socioeconomic equity by taking into account the capacity of the City's transit job access to support residents' efforts to obtain jobs and socioeconomic security and advancement, while still easing the challenges faced by disadvantaged cities. For example, a residual adjustment allocation one-fifth that of the current method to jurisdictions with richer transit and jobs environments could benefit a large number of households by placing housing where the opportunities for upward mobility are better, while moderating the allocations for disadvantaged cities. (Expert report Wendell Cox)

2. Requested Revision

The total reduction based on the suggested residual adjustment is 3,442 units.

3. Statement as to why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584.

As discussed, this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 because the present allocation method undermines and does not promote "***infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080***" (Section 65584(d)(2) (emphasis added).) The present allocation method also undermines and does not promote an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction (Section 65584(d)(3)).