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February 7, 2020

Dear Mayor Peterson, Mayor Pro Tem Semeta and Mr. Gates:

On behalf of the Southern California Association of Governments (SCAG), I am responding to your letter dated November 20, 2019, concerning the draft Regional Housing Needs Allocation (RHNA) methodology approved by the SCAG Regional Council on November 7, 2019.

SCAG respectfully disagrees with the City's characterizations of the actions of the Regional Council and staff throughout the RHNA process as set forth in your letter, and, as detailed below, we specifically dispute the material allegations in your letter.

First, the Regional Council took action on the RHNA methodology pursuant to a properly noticed agenda, and every member of the Regional Council, in addition, to a significant number of members of the public, had ample opportunity to place on the record, both in writing and in person, their relevant input for the Regional Council's consideration. Indeed, no less than fourteen (14) letters, one of which came from the City of Huntington Beach, were acknowledged on the record and these were made available for public and SCAG review prior to the Regional Council's action, all in compliance with applicable law.

Further, many members of the public offered oral testimony on the issue both in support of the original staff recommendation and in support of the alternative draft RHNA methodology that was ultimately approved after a robust discussion among the Regional Council, with staff offering input and answering questions as requested. Both methodologies had been presented in the staff report that was published in the November 7th Regional Council meeting agenda in advance of the meeting in accordance with applicable law. Finally, members of the Regional Council were given wide opportunity to offer input and comments during the course of the discussion and consideration of the item. This was after President Jahn announced that he would entertain a motion only after all comments by the Regional Council had been heard; he made this announcement more than once to ensure that every member of the Regional Council clearly understood the process and their opportunity and obligation to offer input prior to the making of a motion. No less than thirteen (13) Regional Council members did so.

SCAG also would like to address your contention that the City "was not allowed to provide any meaningful input, or place any objections on the record at the meeting before the vote," and, further, that Mayor Pro Tem Semeta's request to speak was "categorically denied." First, the City indeed

had an opportunity to comment, and did so in writing, as mentioned above. Huntington Beach's letter was one of the 14 letters received by SCAG, and it was referred to during the meeting and copies of were made available to the Regional Council members and the public prior to the meeting. At the City's Regular City Council meeting on November 18, 2019, Mayor Pro Tem Semeta specifically acknowledged that the City did have an opportunity to provide written input.

As to the assertion that Mayor Pro Tem Semeta was denied the opportunity to speak, SCAG respectfully disagrees that she was denied such an opportunity. It was more likely the case that President Jahn did not notice that Mayor Pro Tem Semeta had raised her nametag in an effort to be recognized to speak (as is the custom in the Regional Council meetings, which regularly include dozens of participants). We note that Councilmember Sean Ashton of the City of Downey, who also opposed the alternative motion that was ultimately adopted, did make his desire to speak known and was recognized by President Jahn even after President Jahn had announced the final six requests to speak (which did not initially include Councilmember Ashton).

The fact that the City of Huntington Beach prepared a comment letter in advance of the Regional Council meeting, is contrary to your assertions of a lack of proper notice. Further, as discussed above, the alternative methodology approved by the Regional Council was described in the November 7th Regional Council meeting agenda packet provided in advance of the meeting to all Regional Council members. Such meeting agenda packet was released and posted in accordance with the Brown Act, California Government Code Section 54950 et seq.

Next, the City's contention that "The new/alternative method fails to follow applicable State law in part by removing local input and growth forecast data" is incorrect. The methodology ultimately approved only removed the local input and growth forecast factor from allocating half of the "existing" need (or 31% of the total regional housing need). The "projected" need portion, accounting for about 38% of the total regional housing need, is still based on local input and growth forecast data.

Your letter also describes the state law requirements with respect to the RHNA process, citing specifically Government Code section 65584(d). Unfortunately, your reference to four objectives in that section appears to be outdated, as it does not include the recently-added fifth objective to affirmatively further concepts of fair housing. Nevertheless, the Regional Council could and did consider all of those objectives in discussing and debating the staff recommendation versus the alternative recommendation that was ultimately approved.

Your letter also discusses the complications of complying with a statutorily-mandated regional housing needs determination, and as the written comments from the City of Huntington Beach and others noted, all of this is in a time where issues of sustainability, environmental, economic and social justice and complex transportation alternatives are at play. Additionally, there is the very real challenge of funding all of the necessary public improvements to ensure our region grows in a productive, intelligent and fair manner.

The robust deliberation that occurred at the November 7th Regional Council meeting was an example of democracy in action. It was preceded by more than nine months of preparatory work, as alluded to in your letter. The regional planning process is necessarily complex and multi-faceted. That there are competing interests and priorities is not new. It has always been a hallmark of SCAG's work that our members work honestly, dutifully and earnestly to fulfill SCAG's role in the regional planning process,

including the RHNA allocation. We believe that tradition was followed here, as well, and we have gone to great effort to be as transparent as possible from the very beginning of the RHNA process in October 2018.

Please see attached, RHNA Timeline of Key Activities and Milestones between October 2019 and November 2019.

Finally, we note that your letter also expressed concerns about the total allocation of 1.3 million units provided to our region by the state Department of Housing and Community Development, as well as the series of recent housing laws signed by the Governor to address the housing crisis in our region and across the state. While we share some of this frustration, SCAG can only do our best to work within the constraints established by state law, as well as within the framework approved by the Regional Council. That is exactly what we have done and what we will continue doing.

Respectfully,

Kome Ajise

Executive Director

Kome Ajise

ATTACHMENT: RHNA Timeline of Key Activities and Milestone (October 2018- November 2019)

RHNA Timeline of Key Activities and Milestones

October 2018-November 2019

Date	Туре	Milestone
10/29/18	Meeting	RHNA Subcommittee Meeting #1: Kickoff
12/3/18	Meeting	RHNA Subcommittee Meeting #2: Action- Subcommittee charter
2/4/19	Meeting	RHNA Subcommittee Meeting #3: Action-subregional delegation guidelines
2/7/19	Meeting	Regional Council and CEHD Meeting: Action-RHNA Subcommittee charter
3/4/19	Meeting	RHNA Subcommittee Meeting #4: Action-release of methodology surveys, discussion on RHNA methodology
3/7/19	Meeting	CEHD Meeting: Action-Subregional delegation guidelines
3/27/19	Panel	Convened Panel of Experts on technical issues related to regional determination
4/1/19	Meeting	RHNA Subcommittee Meeting #5: Discussion on RHNA methodology
4/4/19	Meeting	Regional Council Meeting: Action-Subregional delegation guidelines
5/6/19	Meeting	RHNA Subcommittee Meeting #6: Action- regional determination package, discussion on RHNA methodology
6/3/19	Meeting	RHNA Subcommittee Meeting #7: Action- amended regional determination package, discussion on RHNA methodology
6/6/19	Meeting	CEHD and Regional Council Meeting: Action – submission of regional consultation package to HCD
6/20/19	Submission	Submission of regional consultation package to HCD
7/22/19	Meeting	RHNA Subcommittee Meeting #8: Action-release of proposed methodology options for public review
7/29/19	Webinar	RHNA 101 Webinar
8/1/19	Meeting	Release of Proposed Methodology for Public Comment (CEHD and Regional Council Action)
8/1/19-	Public comment	Public comment period on proposed RHNA methodology
9/1/319	period	
8/15/19	Hearing	Proposed Methodology Public Hearing #1, SCAG Los Angeles Office
8/20/19	Hearing	Proposed Methodology Public Hearing #2, SCAG Los Angeles Office
8/22/19	Correspondence	Receipt of regional determination from HCD
8/22/19	Hearing	Proposed Methodology Public Hearing #3, Irvine City Hall
8/22/19	Hearing	Proposed Methodology Public Hearing #4, SBCTA Board Room
8/29/19	Workshop	Proposed Methodology Public Information Session, Santa Clarita
9/5/19	Meeting	CEHD and Regional Council Meeting: Action-Objection to regional determination from HCD
9/13/19	Due date	Comment deadline for proposed methodology
9/18/19	Submission	Submission of objection letter of regional determination to HCD
9/25/19	Workshop	Preview workshop of staff recommended draft RHNA methodology

10/7/19	Meeting	RHNA Subcommittee Meeting #9: Action-recommendation of draft RHNA methodology
		Mayor Bailey's Substitute Motion failed in a 4-3 votes
10/15/19	Correspondence	Receipt of final regional determination from HCD
10/17/19	Meeting	Briefing on technical issues related to staff recommended draft RHNA methodology as part of the Technical Working
		Group meeting
10/21/19	Meeting	CEHD Special Meeting: Action- recommendation of draft RHNA methodology
10/21/19	Correspondence	Commenter letter from SBCTA objecting to staff-recommended draft RHNA methodology due to inequitable regional
		distribution
10/22/19	Correspondence	Received e-mail from Mayor Sahli-Wells requesting staff presentation of Mayor Bailey's Alternative RHNA Methodology
· I		for the November 7, 2019 Regional Council meeting
11/1/19	Correspondence	Received letter jointly signed by Mayor Bailey, Supervisor Spiegel, Mayor Navarro & EEC Member Toni Momberger
		recommending an Alternative RHNA Methodology for the November 7, 2019 Regional Council meeting
11/2/19	Staff Report	Staff Report posted including analysis of Alternative Methodology
11/5/19	Correspondence	Commenter letter from Mayor of Los Angeles objecting to staff-recommended draft RHNA methodology including
		recommendations with some overlap with Bailey's Alternative Methodology
11/5/19	Correspondence	E-mail from Kome Ajise to RC members including the letter from Mayor Bailey & the Estimator (calculator) for
		Alternative Methodology
11/6/19	Staff Memo	SCAG staff's initial response provided to City of Los Angeles on its Recommended Changes to RHNA methodology
11/7/19	Meeting	Regional Council Meeting: Action-Approval of Bailey's Alternative Methodology by a 43-19 votes; approved
		methodology submittal to HCD for review
11/14/19	Submission	Submission of draft RHNA methodology to HCD as approved by Regional Council