#### Sixth Cycle Regional Housing Needs Assessment (RHNA) Appeal Request Form

All appeal requests and supporting documentation must be received by SCAG October 26, 2020, 5 p.m.

Appeals and supporting documentation should be submitted to  $\frac{housing@scag.ca.gov}{Late\ submissions\ will\ not\ be\ accepted}.$ 

Date:		Jurisdiction Subject to This Appeal Filing: (to file another appeal, please use another form)
Filing P	Party (Jurisdiction or HCD)	
Filing P	Party Contact Name	Filing Party Email:
APPEAL	AUTHORIZED BY:	
Name:		PLEASE SELECT BELOW:
		Mayor Chief Administrative Office City Manager Chair of County Board of Supervisors Planning Director Other:
BASES	FOR APPEAL	
	Local Planning Factors and/or Information Government Code Section 65584.04 (b) Existing or projected jobs-hou Sewer or water infrastructure Availability of land suitable fo Lands protected from urban of County policies to preserve proplems County-city agreements to dir Loss of units contained in assi High housing cost burdens The rate of overcrowding Housing needs of farmworker Housing needs generated by the Loss of units during a state of The region's greenhouse gas of Affirmatively furthering fair house	using balance constraints for additional development r urban development or for conversion to residential use development under existing federal or state programs rime agricultural land wth assumed for purposes of comparable Regional Transportation rect growth toward incorporated areas of County sted housing developments  s the presence of a university campus within a jurisdiction emergency emissions targets ousing ent Code Section 65584.05(b), appeals based on change of
	circumstance can only be made by the occurred)	jurisdiction or jurisdictions where the change in circumstance
FOR STA	AFF USE ONLY: Hearing D	Pate: Planner:

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Late submissions will not be accepted.

Brief statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584 (please refer to Exhibit C of the Appeals Guidelines):

Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

Rrief Description of A	nneal Request and Desired	Outcome:	
brief bescription of A	ppear request and besired	<u>Outcome.</u>	
		Desired Outcome:  d or added to the jurisdiction's draft RHNA allocation (circle one): Added de and Number of Pages ditional supporting documentation):  (see https://vimeo.com/471771367/93d97ea9e1) (see http://rhna-appeal.yorbalindaca.gov)	
Number of units reau	ested to be reduced or add	led to the iurisdiction's	draft RHNA allocation (circle one)
Reduced	A	laaea	
List of Supporting Doc	rumentation by Title and N	lumber of Pages	
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1.			
2 Varbalinda M	avoric Massago (soo b	ettne://wimaa.com/	471771267/02d07aa0a1\
2. YOUDA LIIIUA IVI	ayor's iviessage (see ii	ittps://viineo.com/	4/1//130//93u9/ea9e1)
<sup>3.</sup> Yorba Linda Ap	peal Summary (see <u>b</u>	nttp://rhna-appeal.	yorbalindaca.gov)
FOR STAFF USE ONLY:			
Date	Hearing Date:		Planner:



# CITY OF YORBA LINDA

4845 CASA LOMA AVENUE

YORBA LINDA

CALIFORNIA 92886

October 26, 2020

Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, California 90017

Subject:

Appeal of the RHNA Allocation for the City of Yorba Linda

Dear Mr. Ajise:

In accordance with Government Code Section 65584.05(b), the City of Yorba Linda submits this appeal for a revision of its share of the regional housing need for the 6<sup>th</sup> Cycle Regional Housing Needs Assessment (RHNA). As proposed, the draft RHNA allocation assigned to the City of Yorba Linda was established in a manner that contradicts Government Code 65584.04 and undermines the intent of the RHNA objectives established under state housing law. Specifically, the RHNA was established in a manner where the regional housing need is inconsistent with the development pattern of SCAG's sustainable communities strategy.

Furthermore, SCAG failed to consider the planning factors submitted by the City to approximately two-thirds of the total RHNA. Finally, there are several significant and unforeseen changes in circumstances that have occurred that merit a revision of the information submitted. Therefore, on October 6, 2020, the City Council of the City of Yorba Linda directed staff to file this appeal through a unanimous vote (4-0-1) with Councilmember Peggy Huang recusing herself from the discussion. The City of Yorba Linda is requesting a reduction of at least 2,200 housing units from the draft RHNA for the reasons outlined in this written appeal.

The City recognizes and appreciates the time and effort provided by everyone on this important and complex issue and for your consideration of these items. Please let us know if you need any additional clarification or have any questions by contacting Nate Farnsworth, Planning Manager, at (714) 961-7131 or nfarnsworth@yorbalindaca.gov.

Sincerely,

Mark Pulone City Manager

CC:

Yorba Linda City Council

David Brantley, City Manager

Nate Farnsworth, Planning Manager

SCAG RHNA Appeals Board

# City of Yorba Linda Regional Housing Needs Assessment Appeal Summary

Government Code Section 65584.04(m) states that "it is the intent of the Legislature that housing planning shall be coordinated and integrated within the regional transportation plan. To achieve this goal, the [RHNA] shall be consistent with the development pattern included in the sustainable communities strategy." Furthermore, Government Code Section 65584.05(b) states that any RHNA appeal "shall be consistent with, and not to the detriment of, the development pattern in an applicable sustainable communities strategy."

On September 3, 2020, SCAG adopted Connect SoCal (also referred to as the Regional Transportation Plan/Sustainable Communities Strategy), which clearly outlines SCAG's development pattern. This development pattern directs future growth of employment and households into priority growth areas (PGAs) and avoids growth from "constraint" areas. SCAG's Forecasted Development Pattern claims that 60% of regional household growth would occur within PGAs and that growth through 2045 can be reduced and redirected from constrained areas.

The City of Yorba Linda does not have any PGAs located within its jurisdictional boundary and nearly 80% of the entire city is located within constraint areas according to the SCS. However, contrary to the development pattern of the SCS, the City of Yorba Linda has been assigned a RHNA nearly three times its 2045 jurisdictional growth totals as described in the SCS. Therefore, for the City of Yorba Linda's RHNA to be consistent with the development pattern of the SCS, as required by state housing law, the City's RHNA should be reduced to 211 housing units. Clearly, SCAG failed to determine the City's share of the regional housing need in accordance with state housing law.

Additionally, SCAG failed to adequately consider the information submitted from the City's analysis of impediments survey in relation to the existing need portion of the RHNA. Nearly 840,000 housing units were distributed throughout the region with no regard for the land use constraints within the cities and SCAG applied a one-size-fits-all approach to this "existing need." Furthermore, the residual need of 44,441 housing units reallocated within Orange County were also redistributed with no regard for these land use constraints. Had SCAG taken these constraints into consideration for the existing need, the City's total RHNA would have been approximately 94 housing units.

Moreover, the COVID-19 pandemic has resulted in a significant change in circumstance, which necessitates a reevaluation of several key data inputs in the RHNA methodology. Specifically, SCAG should reevaluate the number of jobs available within a 30-minute commute from each jurisdiction, which is used to determine the existing need for each jurisdiction.

Based on these arguments, which are supported by state housing law, the City of Yorba Linda's RHNA should realistically be reduced from 2,411 housing units to between 70 and 211 housing

units. This revision is necessary to further the objectives of RHNA for the following reasons, which will be explained in greater detail throughout the body of this appeal:

- The RHNA, as proposed, does not increase the housing supply and mix of housing types in an equitable manner as described in this appeal. This is primarily because the RHNA methodology ignores the constraints outlined in Connect SoCal for nearly two-thirds of the total RHNA and treats a significant portion of the RHNA through a one-size-fits-all approach. Furthermore, this revision would continue to require the 15 cities with the highest median housing costs to receive greater than 50 percent of the RHNA as lower income RHNA.
- The RHNA, as proposed, does not promote infill development and socioeconomic equity, encourage efficient development patterns, and will result in the inability to achieve the region's greenhouse gas reductions targets as described in this appeal. This revision would take into account certain constraints identified within SCAG's sustainable communities strategy as areas to avoid in development, which would encourage more efficient development patterns and would better achieve the region's greenhouse gas reductions targets. It would also more closely align the RHNA with the development pattern of the SCS as required by state housing law.
- With this revision, the RHNA will continue to promote an improved intraregional relationship between jobs and housing. Without this revision, the City would likely be forced to rezone commercial properties, which could potentially eliminate a significant number of low-wage jobs.
- With this revision, the RHNA will continue to allocate a lower proportion of housing need to income categories when a jurisdiction already has a disproportionately high share of households in that income category in that this revision does not alter the social equity adjustment factor.
- With this revision, the RHNA will continue to affirmatively further fair housing in that it will
  continue to assign the highest shares of lower income RHNA in regions with over 99.95%
  high and highest resource areas.

# Regional Housing Needs Assessment Appeal

State housing law outlines three grounds for appeals:1

- (1) [SCAG]...failed to adequately consider the information submitted pursuant to subdivision (b) of Section 65584.04.
- (2) [SCAG]...failed to determine the share of the regional housing need in accordance with the information described in, and the methodology established pursuant to, Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584.
- (3) A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted pursuant to subdivision (b) of Section 65584.04.

-

<sup>&</sup>lt;sup>1</sup> Government Code 65584.05(b)

The City of Yorba Linda is appealing its RHNA on all three grounds based on the points described below. However, as described previously, the City's primary argument is that SCAG failed to determine the share of regional housing need in accordance with state housing law, specifically, that the RHNA assigned to the City of Yorba Linda is inconsistent with the development pattern of the sustainable communities strategy approved in Connect SoCal. The City also contends that SCAG failed to apply the local planning factors to the existing need portion of the RHNA, which makes up nearly two-thirds of the total RHNA. The City has prepared a GIS webpage that helps to summarize its appeal, which can be accessed at the following website: <a href="http://rhna-appeal.yorbalindaca.gov">http://rhna-appeal.yorbalindaca.gov</a>.

# 6th Cycle RHNA Violates State Law

One of the major challenges jurisdictions in the SCAG region are facing with the 6<sup>th</sup> Cycle RHNA is that there are two major violations of state housing law: 1) The regional determination of 1.34 million housing units is too high and was calculated in a manner that did not adhere to state law; and, 2) The RHNA is inconsistent with the development pattern of the sustainable communities strategy. While SCAG has exhausted its administrative remedies by formally objecting to regional determination of 1.34 million housing units as calculated by the State Department of Housing and Community Development (HCD) by formally objecting to this determination <sup>2</sup>, SCAG's President Rex Richardson has committed to reconvene a Litigation Study Team to discuss and consider options to hold HCD accountable to the law.<sup>3</sup>

Even though the regional determination is inconsistent with state housing law, SCAG is required to establish a RHNA that is consistent with the development pattern of the SCS. Unfortunately, when SCAG's Regional Council approved a last-minute change to the RHNA methodology on November 7, 2019, it approved a RHNA methodology which was significantly different from the development pattern established in Connect SoCal. This was primarily the result of rushing through a RHNA methodology which had not been thoroughly analyzed and publicly vetted. Both issues are discussed in greater detail below.

# Regional Determination of 1.34 Million Housing Units Violates State Law

State housing law is very clear on how to calculate the regional determination. "If the total regional population forecast for the projection year, developed by the council of governments and used for the preparation of the regional transportation plan, is within a range of 1.5 percent of the total regional population forecast for the projection year by the Department of Finance,

Page | 3

<sup>&</sup>lt;sup>2</sup> September 18, 2019 SCAG Objection Letter to HCD's Regional Determination

<sup>&</sup>lt;sup>3</sup> SCAG's Litigation Study Team was originally convened by former SCAG President Bill Jahn at the October 21, 2019, CEHD Committee Meeting. At SCAG's November 7, 2019 Executive/Administration Committee (EAC), President Jahn reported that the Litigation Study Team "determined that litigation is not the preferred approach at this time." Instead SCAG staff was directed to prepare a letter a letter HCD outlining SCAG's frustration and concerns with the process and to arrange for SCAG to meet with state representatives to discuss and partner on realistic approaches to housing. At the September 3, 2020 Regional Council Meeting, Yorba Linda Councilmember Peggy Huang made a motion to reconvene the Litigation Study Team and current SCAG President Rex Richardson committed to reconvening. At the October 1, 2020 Regional Council Meeting, President Richardson stated that he was scheduling the Litigation Study Team meeting.

then the population forecast developed by the council of governments shall be the basis from which the department determines the existing and projected need for housing in the region...."

SCAG's regional population forecast for its Regional Transportation Plan (RTP) differs from the Department of Finance (DOF) projection by **1.32%**, which falls within the statutory range of 1.5% outlined in state law. Therefore, by statute, the regional determination should be based on SCAG's population projections.

However, HCD cites two reasons for not using SCAG's total regional population forecast:5

- 1) The total household projection from SCAG is 1.96% lower than DOF's household projection.
- 2) The age cohort of under 15-year old persons from SCAG's population projections differ from DOF's projections by 15.8%.

A careful reading of state housing law demonstrates that HCD's interpretation is incorrect for the following two reasons:

- 1) The law clearly states that that the 1.5% range is based on the total regional **population** forecast and not the regional **household** projection forecast.
- 2) The law clearly states that the 1.5% range is based on the **total** regional population forecast and not on **age-cohort** population forecasts.

While state housing law provides a significant level of discretion to HCD over many of the factors used for the regional determination (i.e., vacancy adjustments, overcrowding rates, replacement adjustments, cost-burdened adjustments, etc.), this one issue is clearly written into the law without any discretion from HCD. Therefore, even though we support all the arguments SCAG outlined in their September 18, 2019 objection letter, we also recognize that state law grants HCD the final determination for those factors. Notwithstanding, had HCD adhered to the law, SCAG has estimated that the regional determination should have been at least in the range of 823,808 and 920,772.

Among the other factors used by HCD to establish the regional determination, the City contends that HCD incorrectly applied the vacancy rate for the SCAG region and double-counted a significant number of units needed to accommodate overcrowded and cost burdened households. This is the result of the authors of Senate Bill 828 not understanding the DOF's methodology for developing household forecasts, and not understanding the difference between rental and owner vacancy rates. A recent study by the Embarcadero Institute corroborates this problem. The report demonstrates that the total regional housing need for the SCAG region should actually be approximately 651,000 housing units and not 1.34 million housing units. Other

<sup>&</sup>lt;sup>4</sup> Government Code Section 65584.01(a)

<sup>&</sup>lt;sup>5</sup> October 15, 2019 Response Letter from HCD to SCAG

<sup>&</sup>lt;sup>6</sup> September 18, 2019 Objection Letter from SCAG to HCD

<sup>&</sup>lt;sup>7</sup> Embarcadero Institute, *Double Counting in the Latest Housing Needs Assessment*, September 2020, See: <a href="https://embarcaderoinstitute.com/wp-content/uploads/2020/09/Double-counting-in-the-Latest-Housing-Needs-Assessment-Sept-2020.pdf">https://embarcaderoinstitute.com/wp-content/uploads/2020/09/Double-counting-in-the-Latest-Housing-Needs-Assessment-Sept-2020.pdf</a>

reputable sources also demonstrate that HCD's calculation of 1.34 million housing units is significantly overinflated.<sup>8</sup>

# Inconsistency Between Regional Housing Needs Assessment and Sustainable Communities Strategy

State law requires that SCAG "prepare a sustainable communities strategy" which shall, among many other things, "identify areas within the region sufficient to house an eight-year projection of the regional housing need for the region pursuant to Section 65584." Government Code 65584 clearly establishes that the eight-year projection of regional housing need includes both "existing **and** projected" housing need.

Additionally, California housing law states that "it is the intent of the Legislature that housing planning **shall** be coordinated and integrated within the regional transportation plan. To achieve this goal, the allocation plan [RHNA] **shall** be consistent with the development pattern included in the sustainable communities strategy." This point is further emphasized in the law regarding RHNA appeals: "An appeal pursuant to this subdivision shall be consistent with, and not to the detriment of, the development pattern in an applicable sustainable communities strategy..." 212.

Beginning in October 2018, SCAG began an in-depth public review process for the 6<sup>th</sup> Cycle Regional Housing Needs Assessment. In August 2019, SCAG released three RHNA methodology options for public review based on various factors discussed at the RHNA Subcommittee meetings between February and June 2019. Between August 1 and September 13, 2019, SCAG conducted four public hearings and received over 250 written comments. Based on the comments received, SCAG prepared a recommended RHNA methodology that met all five RHNA objectives. This RHNA methodology was recommended by the RHNA Subcommittee and unanimously supported by the CEHD Committee in October 2019. However, on November 7, 2019, a new RHNA methodology, which was inconsistent with the development pattern in the SCS, was introduced by Riverside Mayor Rusty Bailey and endorsed by Los Angeles Mayor Eric Garcetti and approved by a split vote of the Regional Council without any adequate public review or in depth analysis of the new methodology.

SCAG is now attempting to fit a square peg into a round hole by claiming that the "eight-year projection of the regional housing need" only applies to RHNA's "projected need" and does not apply to RHNA's "existing need" despite the fact that state housing law clearly defines RHNA

<sup>&</sup>lt;sup>8</sup> Freddie Mac, *The Housing Supply Shortage: State of the States*, February 2020, See: <a href="http://www.freddiemac.com/fmac-resources/research/pdf/202002-Insight-12.pdf">http://www.freddiemac.com/fmac-resources/research/pdf/202002-Insight-12.pdf</a>

<sup>&</sup>lt;sup>9</sup> Government Code 65080(b)(2)(B)

<sup>&</sup>lt;sup>10</sup> Government Code 65584 contains 25 individuals references clearly explaining that the regional housing need includes both existing and projected housing need. It is important to note that the regional housing need has included existing **and** projected housing need since at least 1980 according to the Statutes of California approved by the Voters in the General Election on November 4, 1980, and Codified as Volume 3, Chapter 1143, Section 65584.

<sup>&</sup>lt;sup>11</sup> Government Code 65584.04(m)

<sup>&</sup>lt;sup>12</sup> Government Code 65584.05(b)

<sup>&</sup>lt;sup>13</sup> Government Code 65080(b)(2)(B)

<sup>&</sup>lt;sup>14</sup> Connect SoCal, Appendix 2 (Comments and Responses), Master Response No. 1: Regional Housing Needs Assessment

as "existing and projected need." <sup>15</sup> SCAG states that "HCD identifies the 'existing need' as 836,857 units…" <sup>16</sup> This response is completely misleading and patently false. In fact, HCD has never differentiated between existing and projected need. A careful read of HCD's letter <sup>17</sup> demonstrates that it was actually SCAG (not HCD) that established an "existing need" of 836,857 and that HCD was simply acknowledging that this was SCAG's approach to the RHNA methodology. Moreover, HCD has never differentiated between existing need and projected need in any region in the state; HCD has only provided a total housing need.

In their calculations, HCD projected a total of 6,801,760 households in the SCAG region by October 2029 (see Figure 1). <sup>18</sup> HCD added in several adjustment factors (vacancy, overcrowding, replacement, and cost burden) and subtracted the current occupied households. However, even if one were to try to differentiate projected and existing need based on this data, it is clear that at least 551,499 housing units (projected households less occupied housing units) would need be attributed to "projected need." The only two new factors to be considered with RHNA this cycle are overcrowding and cost burden. Therefore, if one were to differentiate existing need and projected need, the existing need would more likely be 577,422 housing units and a projected need of 764,405 housing units. In other words, SCAG's "eight-year projection of the regional housing need" in Connect SoCal is underestimated by at least 259,435 housing units. However, since "the eight-year projection of the regional housing need" is RHNA, this eight-year projection really includes both existing and projected need.

	SCAG: June 30, 2021-October 15, 2029 (8.3 Years) HCD Determined Population, Households, & Housing Need							
1.								
2.	- Group Quarters Population: DOF 6/30/2029	9 projection adjusted	+3.5 months to	10/15/2029	-363,635			
3.								
	Household Formation Groups	HCD Adjusted DOF Projected HH Population	DOF HH Formation Rates	HCD Adjusted DOF Projected Households				
		20,079,930		6,801,760				
	under 15 years	3,292,955	n/a	n/a				
	15 – 24 years	2,735,490	6.45%	176,500				
	25 – 34 years	2,526,620	32.54%	822,045				
	35 – 44 years	2,460,805	44.23%	1,088,305				
	45 – 54 years	2,502,190	47.16%	1,180,075				
	55 – 64 years	2,399,180	50.82%	1,219,180				
	65 – 74 years	2,238,605	52.54%	1,176,130				
	75 – 84 years	1,379,335	57.96%	799,455				
	85+	544,750	62.43%	340,070				
4.	4. Projected Households (Occupied Unit Stock)							
5.	5. + Vacancy Adjustment (2.63%)							
6.	6. + Overcrowding Adjustment (6.76%)							
7.	7. + Replacement Adjustment (.50%)							
8.	8 Occupied Units (HHs) estimated (June 30, 2021)							
9. + Cost Burden Adjustment (Lower Income: 10.63%, Moderate and Above Moderate Income: 9.28%)								
6 <sup>th</sup> Cycle Regional Housing Need Assessment (RHNA)								

FIGURE 1 OCTOBER 15, 2019 REGIONAL DETERMINATION FROM HCD

<sup>&</sup>lt;sup>15</sup> Government Code 65584 et al

<sup>&</sup>lt;sup>16</sup> Connect SoCal, Appendix 2 (Comments and Responses), Master Response No. 1: Regional Housing Needs Assessment, Page iv

<sup>&</sup>lt;sup>17</sup> January 15, 2020 letter from HCD to SCAG regarding the RHNA methodology

<sup>&</sup>lt;sup>18</sup> October 15, 2019 letter from HCD to SCAG establishing the final regional determination of 1.34 million housing units

As a result, 81 jurisdictions in the SCAG region have been assigned a RHNA allocation that exceeds SCAG's 2045 jurisdictional growth totals. In fact, among those jurisdictions the average percentage increase of RHNA above SCAG's 2045 jurisdictional growth totals is 233% with some jurisdictions being assigned RHNA over 1000% higher than SCAG's 2045 jurisdictional growth totals. In contrast, the other 116 jurisdictions are receiving a RHNA on average that is 42% lower than their 2045 jurisdictional growth totals. The City of Yorba Linda has been assigned a RHNA 168% higher than its Connect SoCal jurisdictional growth total. In fact, when considering the housing units that have already been constructed from the City's 2045 jurisdictional growth total since 2016, the City's RHNA is actually 1,106% higher than its Connect SoCal 2045 jurisdictional growth total.

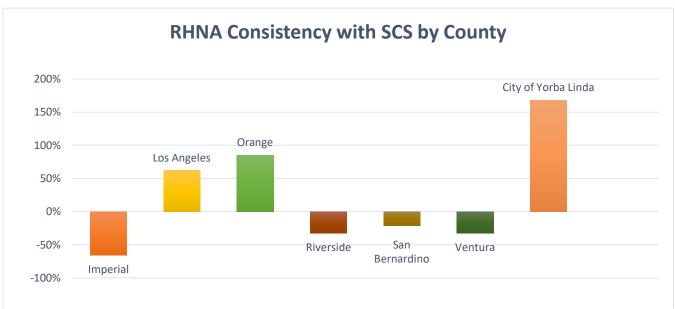


FIGURE 2 AVERAGE PERCENTAGE DIFFERENCE BETWEEN RHNA AND CONNECT SOCAL JURISDICTIONAL GROWTH TOTALS BY COUNTY AND THE CITY OF YORBA LINDA

# SCAG Failed to Determine the Share of the Regional Housing Need in Accordance with State Housing Law

#### Jurisdictional Growth Totals

SCAG's jurisdictional growth total for the City of Yorba Linda is 900 households between 2016-2045. Since households are simply occupied housing units, if one assumes a 5% healthy market vacancy rate for those 900 households, it can be inferred that the City's total housing unit growth between 2016-2045 is 945 housing units. Since 2016, the City of Yorba Linda has built 734 of the projected 945 housing units. Therefore, according to Connect SoCal, the City of

<sup>&</sup>lt;sup>19</sup> Nine jurisdictions were projected to have no growth by 2045 and were not included in this average percentage increase.

<sup>&</sup>lt;sup>20</sup> Connect SoCal, Demographics and Growth Forecast Technical Report, Table 14

Yorba Linda only has 211 housing units (or 200 households) remaining to reach its 2045 jurisdictional growth totals outlined in Connect SoCal. This would be an average of 8.5 housing units per year or approximately 70 housing units over the eight-year projection period. To assign any additional RHNA units beyond this would be inconsistent with Connect SoCal.

In fact, the housing need assigned through RHNA is dramatically inconsistent with the adopted Connect SoCal growth forecast. The draft RHNA projects the need for an additional 2,411 housing units between 2021 and 2029 (or an average of 301 housing units per year). This eight-year "housing need" is more than ten times the remaining 25-year jurisdictional growth total for the City of Yorba Linda of 211 housing units (or 200 households). Since RHNA is mandated to be consistent with the development pattern of Connect SoCal and SCAG only projects an additional approximately 211 housing units the next 25 years for the City of Yorba Linda, why would RHNA project the need for 2,411 housing units between 2021-2029?

Furthermore, according to the 2019 Department of Finance Population and Housing Estimates, the City of Yorba Linda has 861 vacant housing units (3.6% vacancy rate). The City could easily accommodate its remaining 2045 projected household growth of 200 households over the eight-year RHNA period through its existing vacant housing units and still have over 650 vacant housing units available without constructing any additional housing units. In other words, the proposed RHNA would essentially require the City to construct an additional 2,411 housing units plus utilize its 861 vacant housing units (a total of 3,272 housing units) to accommodate a projected population growth of 1,644 people and a projected household growth of 200 during the eight-year RHNA period.

# Development Pattern of the Sustainable Communities Strategy

The passage of SB 375 in 2008 requires that a Metropolitan Planning Organization, such as SCAG, prepare and adopt an SCS that sets forth a forecasted regional development pattern which, when integrated with the transportation network, measures and policies, will reduce greenhouse gas emissions from automobiles and light-duty trucks.

SCAG's Growth Vision "aims to increase mobility options and reduce the need for residents to drive by locating housing, jobs and transit closer together. To help the region achieve sustainable outcomes, Connect SoCal's Forecasted Development Pattern focuses growth within jurisdictions near destinations and mobility options, in line with the policies and strategies of the Growth Vision." SCAG's forecasted development pattern for the SCS relies on new housing development to be focused in "priority growth areas" and to avoid housing development in areas with "growth constraints." 22

As described in the SCS, priority growth areas include transit priority areas, high quality transit areas, livable corridors, neighborhood mobility areas, and job centers. However, the City of Yorba Linda does not have any priority growth areas located within its jurisdictional boundaries (see Figure 3). Thus, the growth and need assigned in RHNA is dramatically inconsistent with the adopted Connect SoCal growth forecast development pattern.

<sup>&</sup>lt;sup>21</sup> Connect SoCal, Sustainable Communities Strategy Technical Report, Page 28

<sup>&</sup>lt;sup>22</sup> Connect SoCal, Sustainable Communities Strategy Technical Report, Pages 17-19

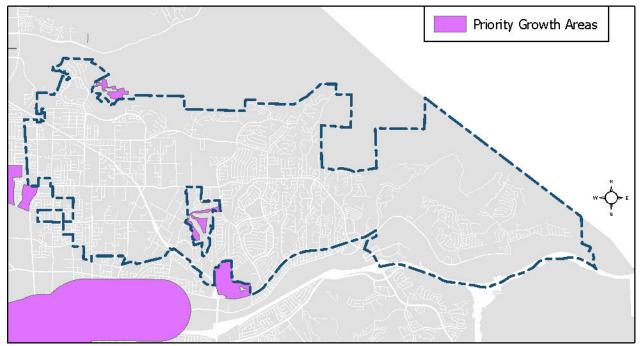


FIGURE 3 PRIORITY GROWTH AREAS AND THE CITY OF YORBA LINDA

SCAG's SCS also states that growth should be avoided in areas identified as growth constraints. SCAG's growth constraints include absolute constraints where growth is not to be directed (e.g., existing open space, conserved land, military use, farmland, etc.) and variable constraints where growth should be avoided (e.g., wildland urban interface, agriculture-grazing land, 500-year flood plains, wildfire-prone areas, and natural land and habitat corridors). The SCS identifies one exception – "when constraint conflicts with accommodating the jurisdictional growth total in the following order:"<sup>23</sup>

- Wildland Urban Interface
- Agriculture-Grazing Land
- Agriculture (within incorporated cities)
- 500-year flood plains
- Wildfire prone areas
- Natural lands and habitat corridors

It is important to note that SCAG only applied these absolute and variable growth constraints to the projected need portion of the RHNA (approximately 1/3 of the total RHNA). SCAG has attempted to focus the remaining approximately 2/3 of the total RHNA into priority growth areas, but completely ignored the SCS growth constraints for approximately 836,000 RHNA housing units. This is in direct conflict with Government Code Section 65080(b)(2)(B) and Government Code Section 65584.04(m) that require that Connect SoCal and RHNA be consistent with one another.

<sup>&</sup>lt;sup>23</sup> Connect SoCal, Sustainable Communities Strategy Technical Report, Page 19

This is significant for the City of Yorba Linda because 32.78% (4,167 acres) of the City of Yorba Linda falls within SCAG's absolute constraint areas (see Figure 4), where Connect SoCal states that no growth is anticipated to be constructed. This consists primarily of Chino Hills State Park and Featherly Regional Park. These areas are restricted open space in perpetuity and cannot be redeveloped for housing purposes.

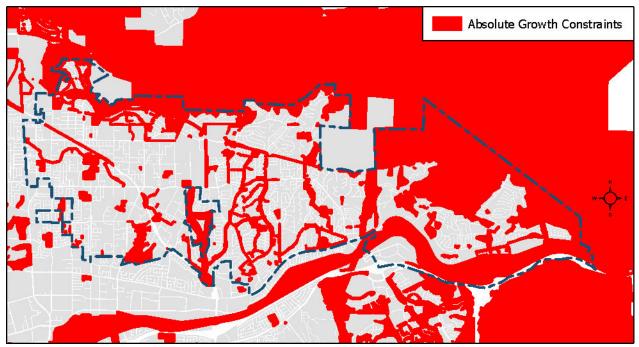


FIGURE 4 ABSOLUTE GROWTH CONSTRAINTS AND THE CITY OF YORBA LINDA

While there is some overlap with absolute constraint areas, 77.22% (9,819 acres) of the City are considered variable constraint areas (see Figure 5), where the Connect SoCal states that growth in these areas should be avoided unless those constraints conflict with accommodating the jurisdictional growth total. As discussed previously, **Yorba Linda's jurisdictional growth total for 2045 is 900 households**. Therefore, any proposed growth beyond the remaining 200 households from the jurisdictional growth totals should not be assumed in variable constraint areas. Therefore, the City's RHNA of 2,411 housing units would be limited to 20.68% (2,630 acres) of the entire City – an area that is almost entirely developed.

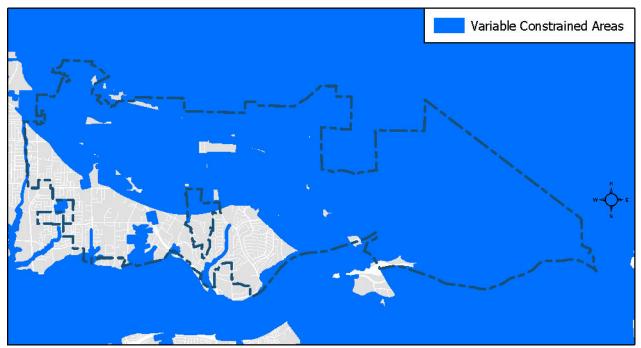


FIGURE 5 VARIABLE GROWTH CONSTRAINT AREAS AND THE CITY OF YORBA LINDA

Within the variable constraint areas, the City has over 6,700 acres located within wildland urban interface areas, nearly 750 acres of land designated where the Federal Emergency Management Agency (FEMA) has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding, and nearly 3,200 acres of land located within the very high fire hazard severity zone (see Figures 6-8).

Furthermore, within these non-constrained and non-priority growth areas, there are approximately 15 vacant properties (totaling less than 10 acres) remaining in the City that have not been developed, entitled, or are in the process of entitlement that are available for urban development. Most of these properties are undeveloped single-family parcels averaging approximately 0.5 acres in size.

Moreover, SCAG's SCS constraints do not take into account numerous local constraints including landslide zones, liquefaction zones, endangered species zones, earthquake fault zones, topography constraints, restrictions around abandoned oil wells, capacity issues from converting septic systems to sewer systems, and numerous public utility easements (see Figures 9-14). These issues will be discussed in greater detail in the section addressing how SCAG failed to adequately consider the information submitted from each jurisdiction's analysis of impediments survey.

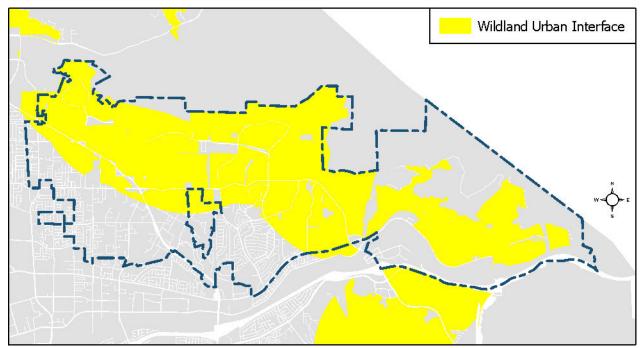


FIGURE 6 WILDLAND URBAN INTERFACE CONSTRAINTS IN THE CITY OF YORBA LINDA

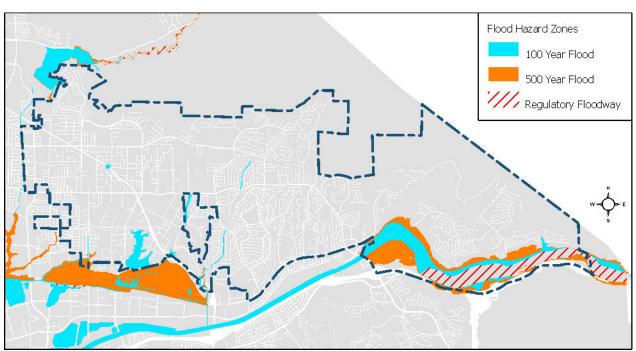


FIGURE 7 FEMA FLOOD ZONES IN THE CITY OF YORBA LINDA

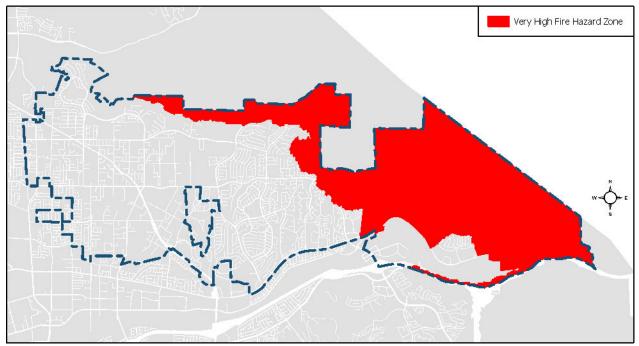


FIGURE 8 VERY FIRE HAZARD SEVERITY ZONES CONSTRAINTS IN THE CITY OF YORBA LINDA

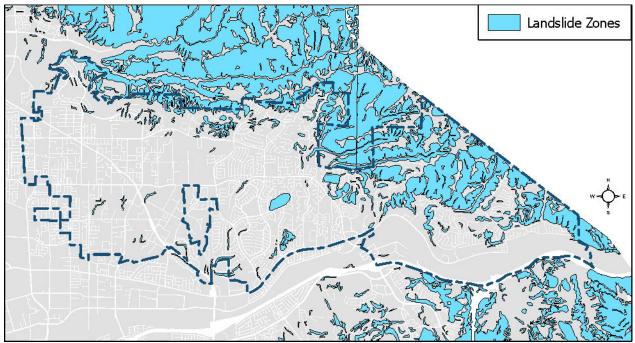


FIGURE 9 LANDSLIDE ZONES IN THE CITY OF YORBA LINDA

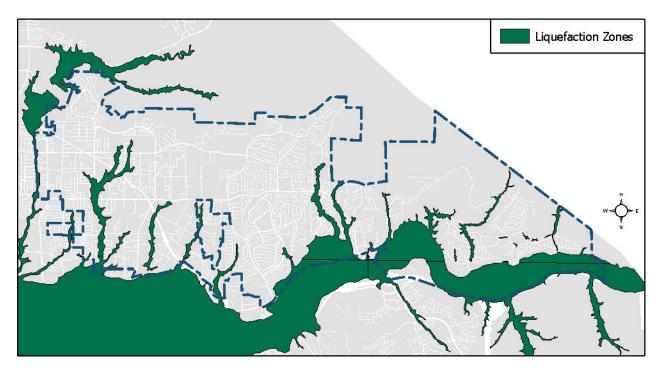


FIGURE 10 LIQUEFACTION ZONES IN THE CITY OF YORBA LINDA

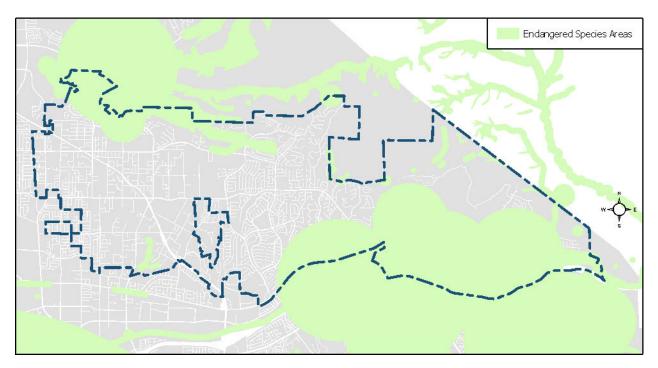


FIGURE 11 ENDANGERED SPECIES ZONES IN THE CITY OF YORBA LINDA

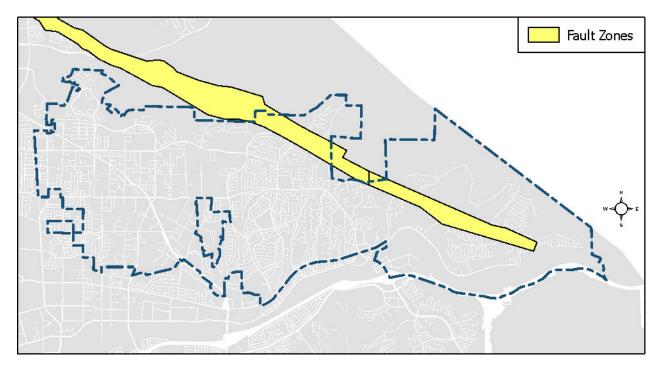


FIGURE 12 EARTHQUAKE FAULT ZONES IN THE CITY OF YORBA LINDA

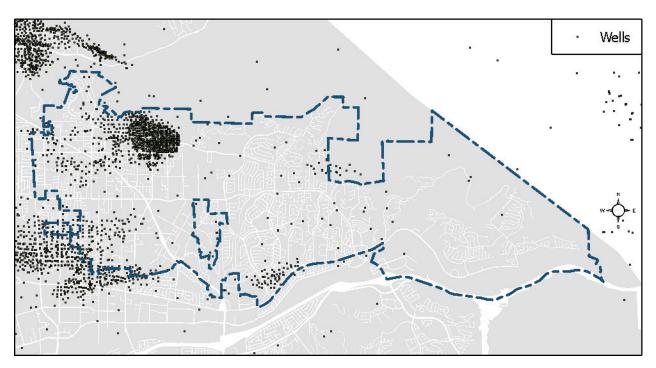


FIGURE 13 OIL WELLS IN THE CITY OF YORBA LINDA

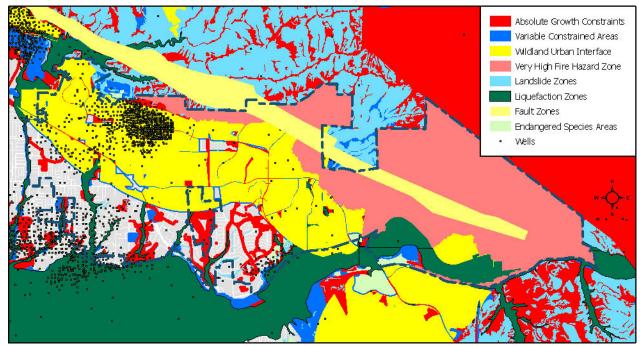


FIGURE 14 ALL CONSTRAINTS IN THE CITY OF YORBA LINDA

Therefore, this inconsistency clearly demonstrates that SCAG "failed to determine the share of the regional housing need in accordance with the information described in...Section 65584.04, and in a manner that...undermine[s] the intent of the objectives [of RHNA]"<sup>24</sup> when it assigned the City of Yorba Linda a RHNA of 2,411 housing units.

# SCAG Failed to Adequately Consider the Information Submitted from the City's Analysis of Impediments Survey

As discussed previously, SCAG only applied planning factors from the analysis of impediments survey to the projected need portion of the RHNA (approximately 1/3 of the total RHNA). The existing need portion of the RHNA, which makes up approximately 2/3 of the total RHNA, was assigned with no regard for these planning factors. The existing need was assigned solely based on a jurisdiction's share of the region's population within the high quality transit areas based on future 2045 HQTAs and based on a jurisdiction's share of the region's jobs that can be accessed within a 30-minute driving commute.<sup>25</sup>

The only constraint applied to the existing need was related to extremely disadvantaged communities (DACs), where these DACs would be capped in their total RHNA based on their household growth between 2020-2045. A total of 93,781 residual housing units from DACs are redistributed within the county of origin to non-DAC jurisdictions also irrespective of any planning

<sup>&</sup>lt;sup>24</sup> Government Code 65584.05(b)(2)

<sup>&</sup>lt;sup>25</sup> SCAG's Final RHNA Allocation Methodology Adopted March 4, 2020

factors outlined in a jurisdiction's analysis of impediments survey. Therefore, many jurisdictions, especially those in Orange County and Los Angeles County, are getting significantly more RHNA units from the existing need and from the DAC residual need with no regard for the planning factors outlined in their analysis of impediments survey.

When SCAG applied these constraints to the City's projected housing need, the City of Yorba Linda was determined to need to provide for 34 housing units (or 0.0067% of the total projected need). Nearly 840,000 housing units were assigned to the region with no regard for the land use constraints within the City and applied a one-size-fits-all approach to the existing need. Had the same constraints been applied to the existing need, the City's existing need should not have exceeded 57 housing units. Furthermore, the residual need of 44,441 housing units reallocated within Orange County were also redistributed with no regard for these land use constraints. The City would have only been responsible for 3 additional housing units had the same constraints been applied to the City's residual need. Therefore, had SCAG taken these constraints into consideration for the existing need and residual need, the City's total RHNA would have been approximately 94 housing units (34 projected need units + 57 existing need units + 3 residual need units).

The City of Yorba Linda identified the following planning factors that should have been considered for the entire RHNA of 1.34 million housing units and not just for the 504,970 projected need housing units:

### Jobs to Housing Balance

To the extent that sufficient data is available from local governments, SCAG shall consider each member jurisdiction's existing and projected jobs and housing relationship to develop the RHNA methodology. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.<sup>26</sup>

According to state housing law, "the Legislature finds and declares that insufficient 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."<sup>27</sup>

The City of Yorba Linda currently has approximately 22,400 households and approximately 11,424 jobs<sup>28</sup> (a ratio of nearly two households for every job) and only has 0.2% of the entire region's low-wage jobs. Connect SoCal projects that by 2045, the City will see an increase in 1,900 jobs and an increase of 900 households; <sup>29</sup> however, the approved RHNA will result in a

<sup>&</sup>lt;sup>26</sup> Government Code 65584.04(e)(1)

<sup>&</sup>lt;sup>27</sup> Government Code 65584(a)(3)

<sup>&</sup>lt;sup>28</sup> RHNA Methodology Data Appendix, Jobs-Housing Balance and Index of Dissimilarity Analysis

<sup>&</sup>lt;sup>29</sup> Connect SoCal, Demographics and Growth Forecast Technical Report, Table 14

potential increase of 2,411 new housing units by 2029 alone (a 167% increase above SCAG's own 30-year projection). It is important to note that despite the fact that the City of Yorba Linda has no job centers located within its jurisdictional boundaries, the City is receiving 2,376 housing units for RHNA solely based on its proximity to jobs within the region. The closest job centers are in Brea, Anaheim, and Corona.

Moreover, this significant RHNA allocation will more than likely require the City to rezone commercial properties, which would result in significant job losses, in order to accommodate the housing requirement. Furthermore, as the RHNA will not result in any increase in jobs, the proposed RHNA will further exacerbate the jobs and housing balance. However, if the City is required to rezone non-residential property, it will most likely come from lower performing commercial centers. Rezoning commercial centers results in several outcomes that are all contrary to the objectives of RHNA: 1) It will further reduce the City's jobs to housing ratio; 2) It will require the elimination of commercial areas that support low-wage jobs within the community; and 3) It will result in an increased amount of greenhouse gasses and other pollutants.

### Opportunities and Constraints

To the extent that sufficient data is available from local governments, SCAG shall consider the opportunities and constraints to development of additional housing in each member jurisdiction, including the following to develop the RHNA methodology. <sup>30</sup> Interestingly, SCAG's Final Methodology Data Appendix<sup>31</sup> does not identify any of these opportunities and constraints as factors in developing the RHNA methodology.

#### Sewer Capacity Limitations

The City of Yorba Linda has 26% of all Orange County septic systems within its jurisdictional boundary and as the highest number of septic systems within Orange County (even higher than the number of septic systems in unincorporated Orange County). The high density area within Yorba Linda has the greatest system density at 56 septic systems per square mile.<sup>32</sup> It is also of interest to point out that the septic systems tend to be in the areas identified in Connect SoCal as unconstrained areas of the City.

Subdivisions, redevelopment, and ADUs on properties with existing septic systems are required to connect to the sewer per requirements of the Santa Ana Regional Water Quality Board. While there is not a known capacity issue for sewer or water service, converting from septic to sewer is a significant cost that often makes it cost prohibitive for property owners to subdivide, redevelop or add ADUs onto their properties. SCAG failed to consider the information associated with this factor in the methodology for RHNA's existing need of 836,857 housing units.

<sup>&</sup>lt;sup>30</sup> Government Code 65584.04(e)(2)

<sup>&</sup>lt;sup>31</sup> http://www.scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Data-Appendix-030520.pdf

<sup>&</sup>lt;sup>32</sup> Local Agency Management Program for Onsite Wastewater Treatment Systems (OWTS) In Unincorporated Orange County Dated March 21, 2016

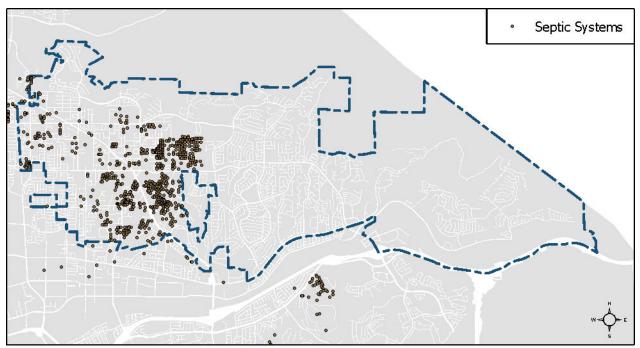


FIGURE 15 SEPTIC SYSTEMS IN THE CITY OF YORBA LINDA

#### Availability of Land Suitable for Urban Development

The majority of land suitable for urban development in the City of Yorba Linda has already been developed and the City is nearing build-out conditions. As of today, there are approximately 15 vacant properties (totaling less than 10 acres) remaining in the City that have not been developed, entitled, or are in the process of entitlement that are available for urban development. Most of these properties are undeveloped single-family parcels averaging approximately 0.5 acres in size. There are only two remaining large vacant or underutilized properties: 1) A 26-acre vacant parcel that is restricted through a development agreement for public use purposes only; 2) A state-owned 40-acre vacant parcel in Coal Canyon that has been restricted as a wildlife corridor.

Additionally, the City of Yorba Linda has nearly 750 acres of land designated where the Federal Emergency Management Agency (FEMA) has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

#### Protected Open Space

Chino Hills State Park takes up approximately 1,500 acres of open space within the City boundary. Furthermore, Featherly Regional Park takes up more than 600 acres of open space within the City boundary. Development of any of these properties would necessitate action by the State or the County to unenroll this dedicated parkland from its restricted public park use.

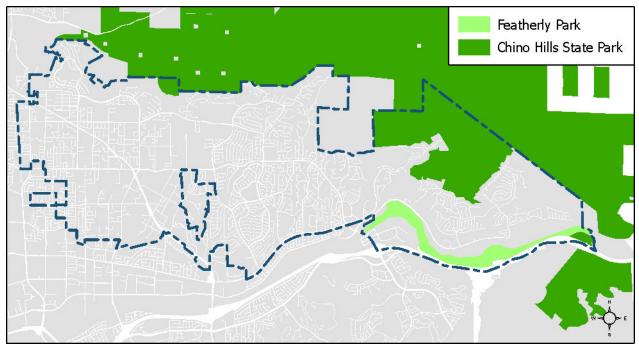


FIGURE 16 CHINO HILLS STATE PARK AND FEATHERLY REGIONAL PARK

#### Distribution of Household Growth

To the extent that sufficient data is available from local governments, SCAG shall consider 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 to develop the RHNA methodology.<sup>33</sup> It is important to note that Yorba Linda has no projected high quality transit areas (HQTAs), transit priority areas (TPAs), neighborhood mobility areas (NMAs), or livable corridors in the foreseeable future.<sup>34</sup>

The Orange County Transportation Authority (OCTA) operates two local public transit routes that extend into and through portions of Yorba Linda (see Figure 18). The 2016 OCTA Bus Service Plan revised bus service to address the decline in bus ridership and revenue, which eliminated two bus routes in Yorba Linda (Lines 20 and 26). With this change, there are three bus routes that serve limited areas near the City limit (with only two lines actually entering into the City). The average daily ridership in Yorba Linda was 68 in 2019 and dropped to 46 in 2020.

The Inland Empire/OC Metrolink line runs east to west just south of Yorba Linda with the nearest station stop located in Anaheim Canyon. Moreover, there is no vacant or underutilized land located within 1/2 mile of any public transit. Unless OCTA changes its Bus Service Plan (which is not anticipated), the majority of any new housing units built in the City would likely not be serviced by public transportation services and will definitely not be served by any HQTAs.

<sup>33</sup> Government Code 65584.04(e)(3)

<sup>&</sup>lt;sup>34</sup> Connect SoCal, Chapter 3, Exhibits 3.7 – 3.10

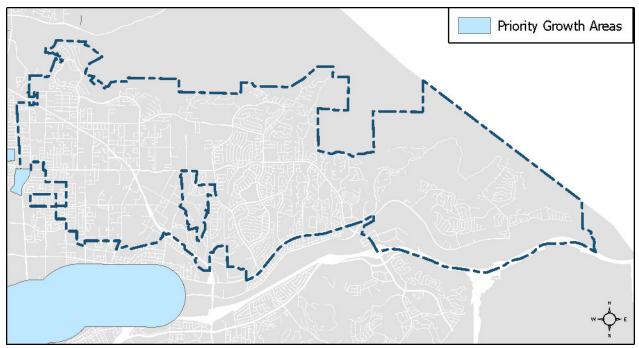


FIGURE 17 HIGH QUALITY TRANSIT AREAS, TRANSIT PRIORITY AREAS, NEIGHBORHOOD MOBILITY AREAS, AND LIVABLE CORRIDORS IN THE CITY OF YORBA LINDA

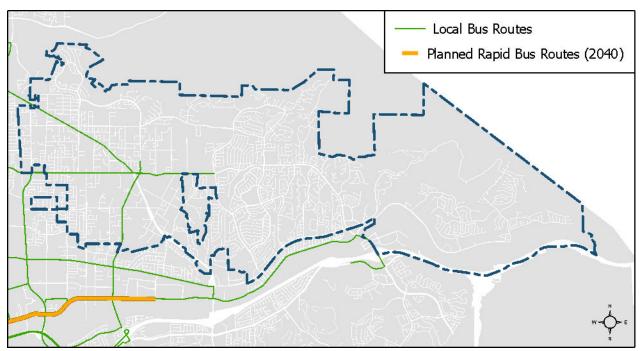


FIGURE 18 BUS ROUTES IN THE CITY OF YORBA LINDA

In summary, clearly SCAG's RHNA assignment of 2,411 housing units for the City of Yorba Linda is inconsistent with the development pattern of the SCS for the following reasons:

- There are no priority growth areas within the City's boundary.
- Over 80% of the City's land mass is restricted by constraints.
- The City's jurisdictional growth totals from Connect SoCal are 900 households, of which the City has already built 734 housing units.

Had SCAG followed state housing law, Yorba Linda's RHNA would be no greater than 211 housing units.

# Rate of Overcrowding

To the extent that sufficient data is available from local governments, SCAG shall consider the rate of overcrowding to develop the RHNA methodology.<sup>35</sup> The City of Yorba Linda only has a total of 452 "overcrowded" housing units (or 1.98% overcrowding rate).<sup>36</sup> Department of Finance figures show an average of 3.04 persons per household in Yorba Linda. Therefore, overcrowding is not a significant issue within the City of Yorba Linda.

Furthermore, the City is concerned that the definition of "overcrowding" is inappropriate. It is based on a self-reported response from the census asking an individual to identify the "number of rooms" in the housing unit. Although the term "number of rooms" is defined<sup>37</sup>, we question whether a respondent would actually read the definition to answer the question or would assume that "number of rooms" means number of bedrooms. Therefore, if any significant number of respondents assumes that "number of rooms" only includes bedrooms, then the overcrowding rates would be higher than actual conditions. The current method of calculating "overcrowding" is inadequate as the current definition would determine that a married couple in a studio apartment would be overcrowded. Depending on how they responded to the census, a family of six could be overcrowded if living in a three-bedroom home and they only assumed bedrooms in the "number of rooms." Neither of these are extreme examples but would constitute overcrowding under the current definition.

<sup>35</sup> Government Code 65584.04(e)(7)

<sup>&</sup>lt;sup>36</sup> SCAG's Final RHNA Methodology Data Appendix (<a href="http://www.scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Data-Appendix-030520.pdf">http://www.scag.ca.gov/programs/Documents/RHNA/SCAG-Final-RHNA-Data-Appendix-030520.pdf</a>)

<sup>&</sup>lt;sup>37</sup> Census Definition of "Number of Rooms" – Included in the count of rooms were whole rooms such as living rooms, dining rooms, bedrooms, kitchens, finished basements or attics, recreation rooms, permanently enclosed sun porches which are suitable for year-round use, and lodger's rooms. A partially divided room, such as dinette next to a kitchen or living room was counted as a separate room only if there was a partition from floor to ceiling, but was not counted as a room if the partition consisted solely of shelves or cabinets. Not included in the count of rooms were bathrooms, halls, foyers or vestibules, balconies, closets, alcoves, pantries, strip or pullman kitchens, laundry or furnace rooms, unfinished attics or basements, open porches, sun porches not suited for year-round use, unfinished space used for storage, mobile homes or trailers used only as bedrooms, and offices used only by persons not living in the unit.

# Loss of Units During State of Emergency

To the extent that sufficient data is available from local governments, SCAG shall consider the loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services...that have yet to be rebuilt or replaced at the time of the analysis to develop the RHNA methodology.<sup>38</sup> The City has nearly 4,000 parcels and over 3,000 acres of land located within the very high fire hazard severity zone.

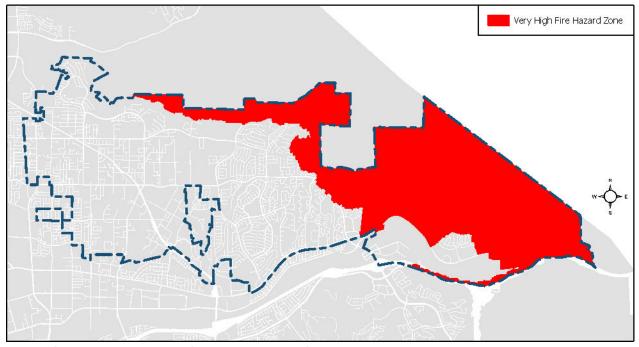


FIGURE 19 VERY HIGH FIRE HAZARD SEVERITY ZONE IN THE CITY OF YORBA LINDA

In 2008, the Freeway Complex Fire was a declared state of emergency by Governor Arnold Schwarzenegger.<sup>39</sup> The fire burned over 30,305 acres and ranks as the fourth largest fire on record in Orange County (see Figure 20). The fire completely burned 123 homes and partially burned 82 homes in the City of Yorba Linda (see Figure 21). While most of these homes have been rebuilt, there are still several properties that have yet to rebuild.

<sup>&</sup>lt;sup>38</sup> Government Code 65584.04(e)(10)

<sup>&</sup>lt;sup>39</sup> After Action Report Freeway Complex Fire, Orange County Fire Authority, November 15, 2008

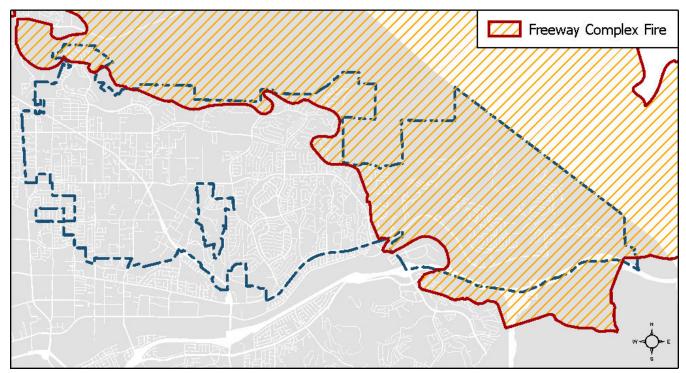


FIGURE 20 FREEWAY COMPLEX FIRE IN THE CITY OF YORBA LINDA



FIGURE 21 PROPERTIES DAMAGED OR DESTROYED IN THE FREEWAY COMPLEX FIRE



FIGURE 22 PICTURES FROM THE FREEWAY COMPLEX FIRE

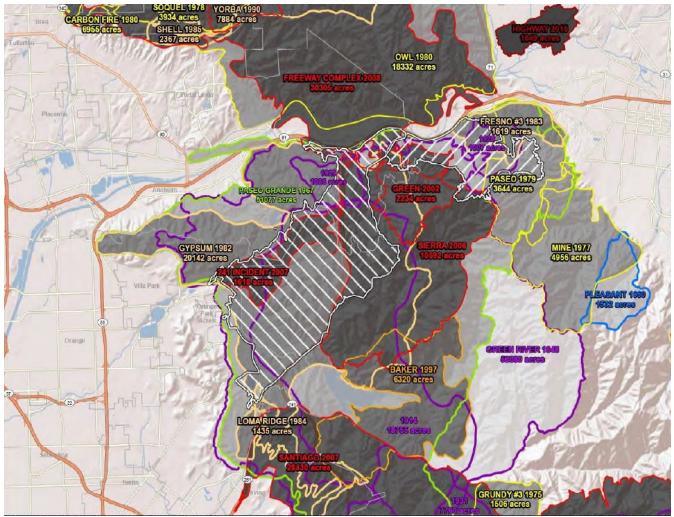


FIGURE 23 SEVENTY-YEAR MAJOR FIRE HISTORY MAP - ORANGE COUNTY

Historically, there have been a significant number of wildfires in and surrounding the City of Yorba Linda: (e.g., Paseo Grande Fire in 1967, Paseo Fire in 1979, Owl Fire 1980, Fresno #3 Fire in 1983, Yorba Fire in 1990, Freeway Complex Fire in 2008, Highway Fire in 2016, and Canyon 2 Fire in 2017). The City has seen a major wildfire within or near its borders every decade since the City's incorporation in 1967. Most recently, in October 2017, the Canyon 2 Fire broke out near the 91 Freeway and Gypsum Canyon Road on the border of the City of Yorba Linda. The fast-moving fire jumped the 241 toll road and burned a total of 9,217 acres including 80 structures in the cities of Anaheim and Orange. Fortunately, the City of Yorba Linda did not have to experience similar devastation from the Freeway Complex fire in 2017; however, this served as another reminder that the hillside terrain in Yorba Linda makes it a constant threat to potential wildfires.

#### Greenhouse Gas Emissions

To the extent that sufficient data is available from local governments, SCAG shall consider the region's greenhouse gas emissions targets provided by the State Air Resources Board to develop the RHNA methodology. 40 The City has prepared a Vehicle Miles Traveled (VMT) screening tool to calculate the impacts of new development. When utilizing this screening tool on the City's assigned RHNA, there is no scenario where VMT is reduced to a level that even comes close to meeting the state's greenhouse gas reduction targets.

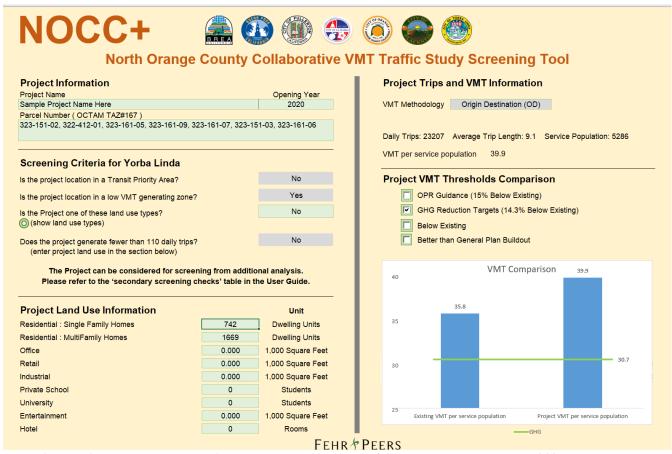


FIGURE 24 VMT SCREENING ANALYSIS ON 2,411 HOUSING UNITS WITH 742 SINGLE FAMILY HOMES AND 1,669 MULTI-FAMILY HOMES

The City's assigned RHNA of 2,411 will result in over 23,000 additional daily trips. Yorba Linda does not have any regional job centers and has a skewed jobs-housing balance towards the housing side of the ratio. Moreover, given that Yorba Linda has extremely limited public transit opportunities, the addition of more housing units (especially affordable housing units) in Yorba Linda would result in the significant addition to the number of vehicle commuters within the City, since vehicular travel is essentially the only current option. As discussed previously, there are two OCTA bus routes in the City with an average ridership of 68 persons (0.1% of City population) per day in 2019 and dropping to 46 person per day (or 0.068%) in 2020 (likely due to the COVID-19 pandemic).

<sup>&</sup>lt;sup>40</sup> Government Code 65584.04(e)(11)

Over 80% of the City's households own two or more vehicles.<sup>41</sup> In fact, only 3% of households do not own a vehicle. This significant increase in the number of households, would add over 5,000 vehicles into the region with less than 0.1% of those households utilizing public transit. This will significantly increase the vehicle miles traveled (VMT) within the region, which would conflict with AB 32, SB 375, and SCS goals.

# Other Planning Factors

The City of Yorba Linda has many properties that are impacted by oil wells. These properties are restricted in their use by the Division of Oil, Gas, and Geothermal Resources (DOGGR). In fact, as of 2011, DOGGR has adjusted their well abandonment and well access requirements such that development of property with abandoned oil well on it is more restrictive now than it has been in the past. Additionally, pursuant to AB 2729 (which took effect January 1, 2017) local land use authorities may be held responsible for cost of well reabandonment if development approvals are granted which deviate from DOGGR access regulations. Furthermore, these properties often have impacted soils that require remediation prior to residential development. These remediation plans can be cost-prohibitive in worst case scenarios, but often add significant cost to housing development in most cases. The City has approximately 330 acres located within oil-production areas.

The City would also recommend that SCAG consider other planning factors such as potential impacts from natural disasters (i.e., earthquakes, fires, floods, liquefaction, landslides, dam inundation, etc.). History of natural disasters should also be taken into consideration.

Furthermore, cities like Yorba Linda have many properties located in areas with slopes more than 15% grade. These slopes significantly restrict and add major cost increases to development opportunities. In other words, when evaluating the availability and suitability of land for urban development, it is important to note that hillside areas are extremely challenging and expensive to develop.

<sup>&</sup>lt;sup>41</sup> SCAG Profile of the City of Yorba Linda Local Profiles Report 2019

# Significant and Unforeseen Change in Circumstances

There are three significant and unforeseen changes that have occurred that merit a revision of the information used in the RHNA methodology and regional determination: 1) Updated data demonstrating that HCD incorrectly calculated the regional determination of 1.34 million housing units; 2) The COVID-19 pandemic has significantly altered assumptions related to growth projections related to jobs, households, and population; and, 3) The redistributed need coming from DACs and resulting in the City's residual need of 793 housing units needs to be recalculated based on updated data available from the City of Santa Ana's website.

# Updated Data for the Calculation of the Regional Determination

As stated previously, several recent studies from reputable sources have demonstrated that HCD incorrectly calculated SCAG's regional need for housing at 1.34 million housing units (i.e., Embarcadero Institute and Freddie Mac). The Embarcadero Institute explains how HCD double counted a significant number of housing units, resulting in a significantly higher regional determination for the SCAG region. This study calculates that the regional determination should have been approximately 651,000 for the SCAG region. By correctly calculating the regional determination at 651,000 housing units and still utilizing SCAG's approved RHNA methodology, the City's RHNA would be 441 housing units. This number is still more than double the 2045 jurisdictional growth totals for Yorba Linda within Connect SoCal; however, 131 of these units would be coming from the redistribution of Orange County DACs.

#### COVID-19 Pandemic

The COVID-19 pandemic has resulted in significant socioeconomic changes. As a result of the pandemic, the Governor has mandated which types businesses can operate and limited the way businesses can operate. A record number of people are unemployed or underemployed. There have been significant increases in the number of people working from home. It is unclear when these restrictions will end and even when they do finally end, it is highly unlikely that business will return to the way things were prior to the pandemic. This pandemic will likely completely change the way that people work. Therefore, it completely unreasonable to move forward with a housing plan that focuses growth around jobs and commute patterns that no longer exist. Tens of thousands of jobs have been lost within the 30-minute travel buffer used to determine the City's existing housing need.

Disney has already announced that it will be laying off 28,000 employees with estimates showing that at least 8,400 will be coming directly from Disneyland. Furthermore, with the closure of Disneyland and California Adventure comes the close of all the tourism industries that rely on the Disneyland Resort area. Cineworld (parent company to Regal Cinemas) has announced closures of nearly all its theaters.

# City of Santa Ana

The City of Yorba Linda is receiving a total of 793 housing units from the nearly 45,000 residual housing need units being redistributed from the five DACs in Orange County. As the City reviewed these numbers, it was discovered that the RHNA methodology resulted in Santa Ana alone contributing over 50% (23,167 housing units) of the Orange County residual housing need and that Santa Ana was capped at 2,974 housing units based on its local input for 2020-2045. This results in Yorba Linda receiving 413 housing units directly from Santa Ana.

Once the City discovered the significant impact this factor had on the RHNA methodology, City staff began to verify the data and discovered that Santa Ana's current household growth projections should be updated. Specifically, Santa Ana's website currently shows over 10,000 housing units that are either currently under review or entitled.<sup>42</sup>

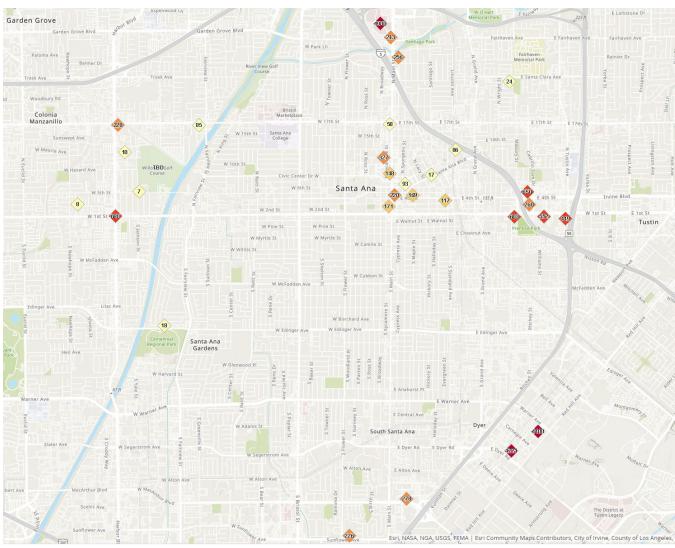


FIGURE 25 CITY OF SANTA ANA HOUSING MAJOR HOUSING PROJECTS LISTED ON THE CITY WEBSITE

<sup>42</sup> https://www.santa-ana.org/pb/planning-division/major-planning-projects-and-monthly-development-project-reports

Furthermore, on November 5, 2020, Santa Ana's Planning Commission will be considering a General Plan update, which projects 36,261 housing units to be built by 2045.<sup>43</sup> The City Council will consider the Planning Commission's recommendation on November 17, 2020. It is important to note that this growth projection is a realistic buildout projection and not a maximum theoretical buildout projection.<sup>44</sup>

TABLE LU-2. BUILDOUT TABLE

		Existing 1		Growth <sup>2</sup>		Buildout			
Planning Area	Housing Units	Building Sq. Ft. <sup>3</sup>	Jobs	Housing Units	Building Sq. Ft. <sup>3</sup>	Jobs	Housing Units	Building Sq. Ft. <sup>3</sup>	Jobs
Specific Plan / Special Zoning	4,685	13,924,891	38,548	15,839	3,033,554	1,154	20,524	16,958,445	39,702
Adaptive Reuse Overlay Zone 4	260	976,935	3,043	1,000	0	-476	1,260	976,935	2,567
Bristol Street Corridor Specific Plan	136	140,348	294	-1	2,791	-12	135	143,139	282
Harbor Corridor Specific Plan	1,324	1,767,937	3,286	3,298	200,045	-1,708	4,622	1,967,982	1,578
Main Place Specific Plan	0	1,108,080	2,216	1,900	1,318,843	3,164	1,900	2,426,923	5,380
Metro East Overlay Zone	844	2,516,056	7,524	4,707	2,169,891	4,734	5,551	4,685,947	12,258
Midtown Specific Plan	607	1,885,065	4,824	0	-66,812	-209	607	1,818,253	4,615
Transit Zoning Code	1,514	5,530,470	17,361	4,935	-591,204	-4,339	6,449	4,939,266	13,022
Focus Areas	6,380	13,421,155	28,428	17,575	2,263,130	6,616	23,955	15,684,285	35,044
South Main Street	1,720	1,685,978	3,455	588	-739,316	-1,304	2,308	946,662	2,151
Grand Avenue/17th Street	561	1,400,741	3,568	1,722	-696,847	-1,946	2,283	703,894	1,622
West Santa Ana Boulevard	2,658	3,090,472	9,170	1,262	-281,667	-2,393	3,920	2,808,805	6,777
55 Freeway/Dyer Road	1,221	5,666,453	8,898	8,731	475,830	4,404	9,952	6,142,283	13,302
South Bristol Street	220	1,577,511	3,337	5,272	3,505,130	7,855	5,492	5,082,641	11,192
All Other Areas of the City 5	67,727	39,772,550	92,004	2,847	552,536	3,666	70,574	40,325,086	95,670
Citywide Total	78,792	67,118,596	158,980	36,261	5,849,220	11,436	115,053	72,967,816	170,416

FIGURE 26 CITY OF SANTA ANA UPDATE GROWTH ASSUMPTIONS FROM THE 2020 GENERAL PLAN UPDATE

If Santa Ana were not a DAC, it would be receiving a total of 26,141 housing units; however, since it is a DAC, Santa Ana is redistributing 23,167 housing units throughout Orange County. Therefore, since Santa has now projected 36,261 housing units, the City of Yorba Linda is requesting that the City of Santa Ana be assigned back the 413 housing units currently being assigned to the City of Yorba Linda.

### Conclusion

<sup>&</sup>lt;sup>43</sup> See Santa Ana Public Hearing Draft General Plan, Land Use Element, Page LU-11, Table LU-2 and Santa Ana Complete Draft PEIR for the General Plan, Page 3-57, Table 3-8

<sup>&</sup>lt;sup>44</sup> <u>See Santa Ana General Plan Update Draft Program Environmental Impact Report, Appendix B-b, Santa Ana General Plan Buildout Methodology, Page B-b-3</u>

SCAG's 6<sup>th</sup> Cycle RHNA does not follow state housing law and as a result, jurisdictions throughout the region are being penalized with serious land use consequences that will have significant permanent ramifications related to a jurisdiction's ability to exercise local control over their own land use decisions. Despite the regional determination of 1.34 million housing units being incorrectly calculated by HCD, the biggest problem with the 6<sup>th</sup> Cycle RHNA methodology is that it is not consistent with the development pattern established by the SCS as required by state housing law. The City of Yorba Linda has been assigned a RHNA of 2,411 housing units over an eight-year period while the SCS projects 900 households over a 29-year period. Furthermore, SCAG only applied local constraint factors to one-third of the RHNA and utilized a one-size-fits-all approach to the remainder of the RHNA. In order to rectify this inconsistency, the RHNA Appeals Board would need to revise Yorba Linda's RHNA allocation to be in the range of 70 to 211 housing units.