

January 7, 2020

Douglas R. McCauley, Acting Director  
Department of Housing and Community Development State of California  
2020 West El Camino Avenue Sacramento, CA 95833

Re: Opposition to the Modified Methodology for the Regional Housing Needs Assessment Allocation Approved by the Southern California Association of Governments and Request for California Department of Housing and Community Development Rejection of the Modified Methodology

Dear Mr. McCauley:

On behalf of the City of Fullerton, I am writing to express our City's opposition to the action taken by the Regional Council of the Southern California Association of Governments (SCAG) on November 7, 2019, to approve an alternate Regional Housing Needs Assessment (RHNA) allocation methodology (the "modified RHNA allocation methodology"). The City requests that the California Department of Housing and Community Development (HCD) direct SCAG to reject the modified RHNA allocation methodology and adopt the SCAG staff recommended RHNA allocation methodology.

As you know, SCAG is responsible for adopting a RHNA allocation methodology for the six southern California counties, including Orange County, for the upcoming 6<sup>th</sup> cycle of the housing element update (2021 to 2029). Pursuant to this obligation, SCAG staff recommended an allocation methodology formulated following a comprehensive local public input process. On October 7, 2019, the SCAG RHNA Subcommittee voted to send the SCAG staff recommended RHNA allocation methodology to the SCAG Community, Economic, and Human Development (CEHD) Committee, and on October 21, 2019, the CEHD Committee voted unanimously to recommend that the SCAG Regional Council submit the staff recommended RHNA allocation methodology to HCD. The SCAG Regional Council, however, approved a modified RHNA allocation methodology at its November 7, 2019 meeting, upon a substitute motion, despite the lack of detail regarding compliance with statutory objectives, associated impacts, supporting documentation as to the merit of the proposed changes, and any opportunity for meaningful and informed stakeholder input.

The modified RHNA allocation methodology shifts housing requirements overwhelmingly to Orange County cities. As a result, under the modified RHNA allocation methodology, the City's affordable housing target would increase over 600% from the City's current allocation, a virtually unattainable target, thus setting the City up for failure and potential future penalties under evolving State law.

The City has taken its past RHNA allocations seriously and has taken concrete and significant steps to actually achieve housing production meeting affordable targets. As such, our opposition to the modified RHNA allocation methodology should be viewed in the light of a city that seeks to comply and achieve fair, equitable, and attainable RHNA allocations.

Accordingly, on Tuesday, January 7, 2020, the Fullerton City Council adopted the enclosed Resolution for your review. The Resolution opposes the modified RHNA allocation methodology and requests intervention by HCD to direct SCAG to reconsider its action due to the related lack of specificity regarding statutory compliance, unevaluated impacts, lack of supporting documentation, lack of vetting by SCAG staff, and near total absence of stakeholder engagement.

The City requests that HCD determine that the modified RHNA allocation methodology submitted by SCAG does not fairly and equitably accomplish the objectives listed in Government Code Section 65584(d). The City also asks HCD to take all possible steps, including providing comments to SCAG on the methodology selected, recommending the adoption of the staff recommended RHNA allocation methodology, and ensuring that the final RHNA allocation methodology is formulated with informed local stakeholder input and reflects a more reasonable, realistically attainable allocation.

Thank you for your consideration. If you have any questions, please contact Ken Domer, City Manager, or Matt Foulkes, Community and Economic Development Director at (714) 738-6878.

Sincerely,

Jennifer Fitzgerald, Mayor

cc: City of Fullerton City Council  
Ken Domer, City Manager  
Matt Foulkes, Community and Economic Development Director

Enclosure: Fullerton City Council Resolution