



April 18, 2018

The Honorable Scott Wiener
California State Senate
State Capitol, Room 4066
Sacramento, CA 95814

**Re: Senate Bill 828 (Wiener): Housing Element: Regional Housing Needs
As amended on April 9, 2018 – CONCERNS
Set for hearing in Senate Transportation and Housing April 24, 2018**

Dear Senator Wiener,

The California State Association of Counties (CSAC), the Rural County Representatives of California (RCRC), and the Urban Counties of California (UCC) write to express our concerns with your Senate Bill 828, which would make significant changes to the existing Regional Housing Needs Assessment (RHNA) process, and, in turn, the resulting allocations to cities and counties within each region. We would also like to express our desire to work with you to improve this bill while it is under consideration by the Legislature.

Our members have an interest in ensuring that the allocations of regional housing needs to unincorporated areas are both realistic and consistent with other policy goals and we recognize the need for statewide policies to ensure that zoning is adequate to accommodate housing needs at all income levels. While we are open to considering whether current housing needs assessment processes, and the resulting allocations, are meeting these fundamental policy objectives, we write to express specific concerns with some of the language included in your bill.

RHNA Must Remain a Planning and Zoning Tool. SB 828 substantially alters provisions of existing law that explicitly acknowledge that, although local governments are charged with adequately zoning to accommodate housing needs at all income level, there are many factors out of local governments' control that determine whether every site zoned for housing will result in actual construction. RHNA must not be transformed into a production quota and should continue to serve as a zoning and planning tool, especially in light of the fact that the requirement to zone for below-market-rate housing allocations is not accompanied with sufficient subsidy to construct those units.

Bill Must Acknowledge Difference Between Entitlements and Permits. SB 828 includes new provisions which do not clearly acknowledge that agencies may approve land use entitlements for developments that aren't immediately constructed. Such delays are often due to factors beyond a local agency's control, including insufficient demand or insufficiently high housing prices to encourage developers to begin construction. If the new RHNA cycle will include "underproduction" from prior cycles, local agencies should be given credit for units that have received any discretionary or ministerial entitlement – not just those that have been physically

constructed or are "shovel ready." Otherwise, SB 828 would have the impact of requiring an unrealistic amount zoning for housing areas of the state with less demand. Absent such clarification, SB 828's framework would also likely require rezoning land further and further away from existing population centers.

Counties Must Receive Realistic Allocations. Recent changes in state law have made it more difficult to identify sites in unincorporated areas with limited infrastructure that can accommodate below-moderate-income housing. Additionally, utility providers are not generally required to extend service necessary to meet the demands that development envisioned in a housing element. Accordingly, our organizations have general concerns with SB 828's language that would unrealistically increase requirements to zone for certain types of housing in excess of amounts forecasted to be necessary at each income level, and potentially beyond the amount that can feasibly be accommodated in the unincorporated area. The requirement that the county "make at least 100 percent of the...county's share identified above available for multifamily housing located within developed areas..." is especially troubling, since unincorporated areas - particularly in rural areas - often lack sufficient "developed areas" that can realistically accommodate that much new multifamily housing each RHNA cycle.

We appreciate your consideration of our initial concerns and look forward to continuing to provide feedback, suggestions, and alternatives as your bill and other RHNA-related legislation move forward this year. If you need additional information, please contact Christopher Lee (CSAC) at clee@counties.org, Tracy Rhine (RCRC) at trhine@rcrcnet.org, or Jolena Voorhis (UCC) at jolena@urbancounties.com.

Sincerely,



Christopher Lee
Associate Legislative Representative
CSAC



Tracy Rhine
Legislative Representative
RCRC



Jolena L. Voorhis
Executive Director
UCC

cc: The Honorable Jim Beall, Chair, Senate Transportation and Housing Committee
Members, Senate Transportation and Housing Committee
Alison Hughes, Consultant, Senate Transportation and Housing Committee
Doug Yoakam, Consultant, Senate Republican Caucus