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Los Angeles, CA 90017
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www.scag.ca.gov

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Transportation
Cheryl Viegas-Walker, El Centro

REMOTE PARTICIPATION ONLY

COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE

Thursday, April 1, 2021
9:30 a.m. – 11:30 a.m.

To Participate on Your Computer:
https://scag.zoom.us/j/116153109

To Participate by Phone:
Call-in Number: 1-669-900-6833
Meeting ID: 116 153 109

Please see next page for detailed instructions on how to participate in the meeting.

PUBLIC ADVISORY

Given recent public health directives limiting public gatherings due to the threat of COVID-19 and in compliance with the Governor's recent Executive Order N-29-20, the meeting will be held telephonically and electronically.

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Peter Waggonner at (213) 630-1402 or via email at waggonner@scag.ca.gov. Agendas & Minutes are also available at: www.scag.ca.gov/committees.

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency's essential public information and services. You can request such assistance by calling (213) 630-1402. We request at least 72 hours (three days) notice to provide reasonable accommodations and will make every effort to arrange for assistance as soon as possible.

Instructions for Public Comments

You may submit public comments in two (2) ways:

1. **Submit written comments via email to: CEHDPublicComment@scag.ca.gov by 5pm on Wednesday, March 31, 2021.**

   All written comments received after 5pm on Wednesday, March 31, 2021 will be announced and included as part of the official record of the meeting.

2. **If participating via Zoom or phone, during the Public Comment Period, use the "raise hand" function on your computer or *9 by phone and wait for SCAG staff to announce your name/phone number. SCAG staff will unmute your line when it is your turn to speak. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.**

   If unable to connect by Zoom or phone and you wish to make a comment, you may submit written comments via email to: CEHDPublicComment@scag.ca.gov.

In accordance with SCAG's Regional Council Policy, Article VI, Section H and California Government Code Section 54957.9, if a SCAG meeting is "willfully interrupted" and the "orderly conduct of the meeting" becomes unfeasible, the presiding officer or the Chair of the legislative body may order the removal of the individuals who are disrupting the meeting.

Instructions for Participating in the Meeting

SCAG is providing multiple options to view or participate in the meeting:

To Participate and Provide Verbal Comments on Your Computer
1. Click the following link: https://scag.zoom.us/j/116153109
2. If Zoom is not already installed on your computer, click "Download & Run Zoom" on the launch page and press "Run" when prompted by your browser. If Zoom has previously been installed on your computer, please allow a few moments for the application to launch automatically.
3. Select "Join Audio via Computer."
4. The virtual conference room will open. If you receive a message reading, "Please wait for the host to start this meeting," simply remain in the room until the meeting begins.
5. During the Public Comment Period, use the "raise hand" function located in the participants' window and wait for SCAG staff to announce your name. SCAG staff will unmute your line when it is your turn to speak. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.

To Listen and Provide Verbal Comments by Phone
1. Call **(669) 900-6833** to access the conference room. Given high call volumes recently experienced by Zoom, please continue dialing until you connect successfully.
2. Enter the **Meeting ID: 116 153 109**, followed by **#**.
3. Indicate that you are a participant by pressing **#** to continue.
4. You will hear audio of the meeting in progress. Remain on the line if the meeting has not yet started.
5. During the Public Comment Period, press *9 to add yourself to the queue and wait for SCAG staff to announce your name/phone number. SCAG staff will unmute your line when it is your turn to speak. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.

CEHD - Community, Economic and Human Development Committee
Members – April 2021

1. **Hon. Jorge Marquez**
   CEHD Chair, Covina, RC District 33

2. **Hon. Frank A. Yokoyama**
   CEHD Vice Chair, Cerritos, RC District 23

3. **Hon. Adele Andrade-Stadler**
   Alhambra, RC District 34

4. **Hon. Al Austin**
   Long Beach, GCCOG

5. **Hon. David Avila**
   Yucaipa, SBCTA

6. **Hon. Megan Beaman-Jacinto**
   Coachella, RC District 66

7. **Hon. Drew Boyles**
   El Segundo, RC District 40

8. **Hon. Wendy Bucknum**
   Mission Viejo, RC District 13

9. **Hon. Juan Carrillo**
   Palmdale, RC District 43

10. **Hon. Michael Carroll**
    Irvine, RC District 14

11. **Hon. Letitia Clark**
    Tustin, RC District 15

12. **Hon. Paula Devine**
    Glendale, RC District 42

13. **Hon. Steve DeRuse**
    La Mirada, RC District 31

14. **Hon. Diane Dixon**
    Newport Beach, RC District 15

15. **Hon. Rose Espinoza**
    La Habra, OCCOG

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To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

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OUR CORE VALUES
Be Open | Lead by Example | Make an Impact | Be Courageous

16. Hon. Margaret Finlay
Duarte, RC District 35

17. Hon. Alex Fisch
Culver City, RC District 41

18. Hon. Mark Henderson
Gardena, RC District 28

19. Hon. Peggy Huang
TCA Representative

20. Hon. Cecilia Hupp
Brea, OCCOG

21. Hon. Kathleen Kelly
Palm Desert, RC District 2

22. Hon. Jed Leano
Claremont, SGVCOG

23. Hon. Patricia Lock Dawson
Riverside, RC District 68

24. Hon. Marisela Magana
Perris, RC District 69

25. Hon. Anni Marshall
Avalon, GCCOG

26. Hon. Andrew Masiel
Tribal Govt Regl Planning Board Representative

27. Hon. Lauren Meister
West Hollywood, WSCCOG

28. Hon. Bill Miranda
Santa Clarita, SFVCOG

29. Hon. John Mirisch
Beverly Hills, Pres. Appt. (Member at Large)

30. Sup. Holly Mitchell
Los Angeles County

31. George Nava
Brawley, ICTC

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32. Hon. Kim Nguyen
Garden Grove, RC District 18

33. Hon. Trevor O'Neil
Anaheim, RC District 19

34. Hon. Ed Paget
Needles, SBCTA

35. Hon. Sunny Park
Buena Park, OCCOG

36. Hon. Michael Posey
Huntington Beach, RC District 64

37. Hon. Misty Perez
Port Hueneme, Pres. Appt. (Member at Large)

38. Hon. Jan Pye
Desert Hot Springs, CVAG

39. Hon. Nithya Raman
Los Angeles, RC District 51

40. Hon. Rex Richardson
Long Beach, RC District 29

41. Hon. Sonny Santa Ines
Bellflower, GCCOG

42. Hon. Nicholas Schultz
Burbank, AVCJPA

43. Hon. David J. Shapiro
Calabasas, RC District 44

44. Hon. Becky Shevlin
Monrovia, SGVCOG

45. Hon. Andy Sobel
Santa Paula, VCOG

46. Hon. Wes Speake
Corona, WRCOG

47. Hon. Mark Waronek
Lomita, SBCCOG

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48. Hon. Acquanetta Warren
Fontana, SBCTA

49. Hon. Christi White
Murrieta, WRCOG

50. Hon. Tony Wu
West Covina, SGVCOG

51. Hon. Frank Zerunyan
Rolling Hills Estates, SBCCOG

Southern California Association of Governments
Remote Participation Only
Thursday, April 1, 2021
9:30 AM

The Community, Economic and Human Development Committee may consider and act upon any of the items on the agenda regardless of whether they are listed as Information or Action items.

CALL TO ORDER AND PLEDGE OF ALLEGIANCE
(The Honorable Jorge Marquez, Chair)

PUBLIC COMMENT PERIOD

Members of the public are encouraged to submit written comments by sending an email to: CEHDPublicComment@scag.ca.gov by 5pm on Wednesday, March 31, 2021. Such comments will be transmitted to members of the legislative body and posted on SCAG's website prior to the meeting. Written comments received after 5pm on Wednesday, March 31, 2021 will be announced and included as part of the official record of the meeting. Members of the public wishing to verbally address the Community, Economic and Human Development Committee will be allowed up to 3 minutes to speak, with the presiding officer retaining discretion to adjust time limits as necessary to ensure efficient and orderly conduct of the meeting. The presiding officer has the discretion to reduce the time limit based upon the number of comments received and may limit the total time for all public comments to twenty (20) minutes.

REVIEW AND PRIORITIZE AGENDA ITEMS

ELECTION OF CEHD CHAIR AND VICE CHAIR

CONSENT CALENDAR

Approval Item

1. Minutes of the February 23, 2021 Meeting

Receive and File

2. Quarterly Update on Climate Change Action Resolution Activities

3. Updated Regional Early Action Planning (REAP) Program Subregional Allocation Amounts Based on Final Regional Housing Needs Assessment (RHNA) Allocation

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ACTION/DISCUSSION ITEM

4.   Sustainable Communities Program - Housing & Sustainable Development Applications   15 Mins.
(Lyle Janicek, Associate Regioanl Planner)

RECOMMENDED ACTION FOR CEHD:
Recommend that the Regional Council approve the 2020/2021 Sustainable Communities Program (SCP) Housing and Sustainable Development (HSD) applications and authorize staff to initiate the projects.

INFORMATION ITEMS

5.   2024 Regional Transportation Plan/Sustainable Communities Strategy   20 Mins.
     Framework
(Sarah Dominguez, Senior Regional Planner)

6.   Inclusive Economic Recovery Strategy - Work Plan and Progress Report   20 Mins.
(Jenna Hornstock, Deputy Director for Planning, Special Initiatives)

7.   Supporting Development of Accessory Dwelling Units (ADUs)   25 Mins.
(Linda Wheaton, Senior Housing Policy Advisor; and Dori Ganetsos, Researcher, UC Berkeley Center for Community Innovation)

CHAIR'S REPORT
(The Honorable Jorge Marquez, Chair)

STAFF REPORT
(Jonathan Hughes, SCAG Staff)

FUTURE AGENDA ITEMS

ANNOUNCEMENTS

ADJOURNMENT

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MINUTES OF THE SPECIAL MEETING
COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE (CEHD)
TUESDAY, February 23, 2021

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE (CEHD). A VIDEO AND AUDIO RECORDING OF THE FULL MEETING IS AVAILABLE AT: http://scag.iqm2.com/Citizens/

The Community, Economic and Human Development (CEHD) Committee of the Southern California Association of Governments (SCAG) held its special meeting telephonically and electronically given public health directives limiting public gatherings due to COVID-19 and in compliance with the Governor's recent Executive Order N-29-20. A quorum was present.

Members Present:

Hon. Jorge Marquez, Chair	*Covina*	**RC District 33**
Hon. Frank Yokoyama, Vice Chair	*Cerritos*	**RC District 23**
Hon. Russell Betts	*Desert Hot Springs*	*Pres. Appt., Member-at-Large*
Hon. Drew Boyles	*El Segundo*	District 40
Hon. Wendy Bucknum	*Mission Viejo*	District 13
Hon. Juan Carrillo	*Palmdale*	District 43
Hon. Letitia Clark	*Tustin*	District 17
Hon. Steve De Ruse	*La Mirada*	GCCOG
Hon. Paula Devine	*Glendale*	District 42
Hon. Diane Dixon	*Newport Beach*	District 15
Hon. Margaret E. Finlay	*Duarte*	District 35
Hon. Alex Fisch	*Culver City*	District 41
Hon. Mark Henderson	*Gardena*	District 28
Hon. Peggy Huang		TCA
Hon. Cecilia Hupp	*Brea*	OCCOG
Hon. Kathleen Kelly	*Palm Desert*	District 2
Hon. Jed Leano	*Claremont*	SGVCOG
Hon. Patricia Lock Dawson	*Riverside*	District 68
Hon. Anni Marshall	*Avalon*	GCCOG
Hon. Lauren Meister	*West Hollywood*	WSCCOG
Hon. Bill Miranda	*Santa Clarita*	SFVCOG

Hon. John Mirisch	Beverly Hills	Pres. Appt., Member-at-Large
Hon. George Nava	Brawley	ICTC
Hon. Kim Nguyen	Garden Grove	District 18
Hon. Edward Paget	Needles	SBCTA
Hon. Sunny Park	Buena Park	OCCOG
Hon. Misty Perez	Port Hueneme	Pres. Appt., Member-at-Large
Hon. Michael Posey	Huntington Beach	District 64
Hon. Jan Pye	Desert Hot Springs	CVAG
Hon. Sonny Santa Ines	Bellflower	GCCOG
Hon. Nicholas Schultz	Burbank	AVCJPA
Hon. David Shapiro	Calabasas	District 44
Hon. Becky Shevlin	Monrovia	SGVCOG
Hon. Andy Sobel	Santa Paula	VCOG
Hon. Wes Speake	Corona	WRCOG
Hon. Mark Waronek	Lomita	SBCCOG
Hon. Acquanetta Warren	Fontana	SBCTA
Hon. Christi White	Murrieta	WRCOG
Hon. Frank Zerunyan	Rolling Hills Estates	SBCCOG

Members Not Present

Hon. Adele Andrade-Stadler	Alhambra	District 34
Hon. Al Austin, II	Long Beach	GCCOG
Hon. David Avila	Yucaipa	SBCTA
Hon. Megan Beaman Jacinto	Coachella	District 66
Hon. Michael C. Carroll	Irvine	District 14
Hon. Rose Espinoza	La Habra	OCCOG
Hon. Marisela Magana	Perris	District 69
Hon. Andrew Masiel, Sr.	Tribal Gov't Regl Planning	
Hon. Holly Mitchell		Los Angeles County
Hon. Trevor O'Neil	Anaheim	District 19
Hon. Nithya Raman	Los Angeles	District 51
Hon. Rita Ramirez	Victorville	District 65
Hon. Rex Richardson	Long Beach	District 29
Hon. Tony Wu	West Covina	SGVCOG

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The Honorable Jorge Marquez, called the meeting to order at 9:30 a.m. and asked Councilmember Wes Speake, City of Corona, to lead in the Pledge of Allegiance.

PUBLIC COMMENT PERIOD

Chair Marquez opened the public comment period and asked anyone on their computers to speak by using the "raised hands" function on the computer and/or wait for SCAG staff to announce their name or phone number. Additionally, public comments received via email to CEHDPublicComment@scag.ca.gov after 5pm the previous day, would be announced and included as part of the official record of the meeting.

SCAG Staff noted that there were three members of the public who submitted public comments regarding the RHNA Allocations, Appeals and Determination factors, before the 5pm deadline on February 22, 2021. Statements were received from: Nicolle Aubé, City of Huntington Beach; Tieira Ryder and Christopher Williamson.

Chair Marquez closed the public comment period.

REVIEW AND PRIORITIZE AGENDA ITEMS

No reprioritizations were made.

CONSENT CALENDAR

Approval Item

1. Minutes of the February 4, 2021 Meeting

A MOTION was made (Finlay) to approve the Consent Calendar. Motion was SECONDED (Waronek) and passed by the following roll call votes:

AYES: BETTS, BOYLES, BUCKNUM, CARRILLO, CLARK, DE RUSE, DEVINE, DIXON, FINLAY, FISCH, HUANG, HUPP, KELLY, LEANO, LOCK DAWSON, MARQUEZ, MARSHALL, MEISTER, MIRANDA,   MIRISCH, NAVA, NGUYEN, PAGET, POSEY, PYE, SANTA INES, SHAPIRO, SHEVLIN, SOBEL, SPEAKE, WARONEK, WHITE, YOKOYAMA AND ZERUNYAN (34).

NOES: (0).

ABSTAIN: (0).

ACTION/DISCUSSION ITEMS

2. Proposed Final 6th Cycle RHNA Allocation Plan

Chair Marquez introduced Ma'Ayn Johnson, SCAG staff, to present a brief verbal presentation on the action recommended by the RHNA Subcommittee/RHNA Appeals Board at their February 16, 2021 meeting.

Ms. Johnson provided a brief overview of the Proposed RHNA Allocation Plan timeline, which represents the projected housing need for each city and unincorporated county area in the SCAG region for the October 2021 - October 2029 housing element planning period. She explained and provided the results of the RHNA Appeals Board review and process.

After several Committee members expressed their concerns, observations and disapproval of the overall RHNA allocation process, including the total regional determination by HCD, and the lack of correlation between housing, jobs and the economy, Chair Marquez asked the Committee for a motion to recommend that the Regional Council adopt the Final RHNA Allocation Plan as part of the public hearing to take place on March 4, 2021.

The comprehensive staff report along with the Proposed Final Allocation Plan was included in the agenda packet.

A MOTION was made (Finlay) to approve staff's recommendation. Motion was SECONDED (Shapiro) and passed by the following roll call votes:

AYES: BETTS, CARRILLO, CLARK, DEVINE, FINLAY, FISCH, HUANG, KELLY, LEANO, LOCK
DAWSON, MARQUEZ, MARSHALL, NAVA, NGUYEN, PAGET, PARK, PEREZ, POSEY, PYE, SCHULTZ, SHAPIRO, SHEVLIN, SOBEL, WARREN, YOKOYAMA AND ZERUNYAN (26).

NOES: BOYLES, BUCKNUM, DE RUSE, DIXON, HUPP, MEISTER, MIRANDA, MIRISCH, SANTA
INES, SPEAKE, WARONEK, WHITE (12).

ABSTAIN: (0).

3. Report on RHNA Process and Consideration of Resolution

Chair Marquez introduced Kome Ajise, Executive Director. Mr. Ajise stated that SCAG staff share in the issues and concerns brought by the Committee today, including concerns with meeting actual housing obligations and reforming the RHNA process. He noted to address these issues and explore various strategies, at the request of the RHNA Subcommittee/RHNA Appeals Board Chair, SCAG staff developed a draft resolution highlighting some of the concerns raised during the 6th cycle

RHNA Appeals and providing direction on next steps for SCAG to pursue to improve upon the RHNA process and support local jurisdictions in updating their housing elements to meet their 6th cycle RHNA allocation.

Mr. Ajise provided a summary of the draft resolution and highlighted some of the concerns raised by the RHNA Subcommittee/RHNA Appeals Board. He noted some of the highlights in the draft resolution, which included, but were not limited to the following:

- Engage with the California Department of Housing and Community Development (HCD) to ensure clear understanding of challenges faced by local jurisdictions and that all development opportunities are fully considered;
- Work with State Legislature to pursue legislative changes to state housing law to allow for more flexibility for housing element development and implementation;
- SCAG will aim to enhance communication for the Connect SoCal and RHNA plans with the county transportation commissions (CTC), policymakers and stakeholders.

Mr. Ajise asked the Committee to recommend that the Regional Council adopt the resolution at its March 4, 2021 meeting.

The comprehensive staff report along with the proposed Draft Resolution – RHNA Reform, was included in the agenda packet.

Discussion ensued. The Committee members expressed their concerns regarding issues with HCD and state legislators regarding the RHNA determination process. Some of the issues centered on the lack of regional coordination, collaborative efforts and communication with the CTC, local jurisdictions and stakeholders; economic development initiatives, at the state level; building of actual housing with homes for homeowners and flexibility for RHNA to consider student housing and co-living housing arrangements.

After discussion, a motion to amend staff's recommendation was made to the draft resolution.

A MOTION to amend staff's recommendation was made (Posey) to recommend that the Regional Council adopt the resolution, as amended to include in the RHNA forecasting discussions with HCD: a discussion on student housing considerations; collaborative discussions on high quality transit areas (HQTA) with the CTCs and conversations at the state level regarding economic development initiatives. Motion was SECONDED (Bucknum) and passed by the following roll call votes:

AYES: BETTS, BOYLES, BUCKNUM, CARRILLO, CLARK, DE RUSE, DEVINE, DIXON, FINLAY, FISCH, HUANG, HUPP, KELLY, LEANO, LOCK DAWSON, MARQUEZ, MARSHALL, MEISTER,

MIRANDA, MIRISCH, NAVA, NGUYEN, PAGET, PARK, POSEY, PYE, SANTA INES, SCHULTZ, SHAPIRO, SHEVLIN, SOBEL, SPEAKE, WARREN, WARONEK, WHITE, YOKOYAMA AND ZERUNYAN (37).

NOES: (0).

ABSTAIN: (0).

CHAIR'S REPORT

Chair Marquez recognized and welcomed Hon. Nicholas Schultz, CEHD's newest member.

STAFF REPORT
Jonathan Hughes, SCAG staff, announced that in lieu of the CEHD meeting on Thursday, March 4, 2021, a Joint meeting of the Policy Committees will be held at 9:30 a.m., followed the Regional Council meeting. He also reminded everyone that the 2021 SCAG Sustainability Awards submissions are due on Friday, February 26, 2021.

FUTURE AGENDA ITEMS

A future agenda request was made for staff to prepare a report on economic development, specifically targeting the commuting patterns of the people in the SCAG region.

ADJOURNMENT
There being no further business, Chair Marquez adjourned the CEHD Committee meeting at 10:52 a.m.

Respectfully submitted by:
Carmen Summers
Community, Economic and Human Development Committee Clerk

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE CEHD COMMITTEE]
//

CEHD Members																
2020-2021																Total Mtgs Attended To Date
MEMBERS	CITY	Representing	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	JAN	FEB	23-Feb	MAR	APR	MAY	
Andrade-Stadler, Adele	Alhambra	District 34									1					1
Austin, Al	Long Beach	GCCOG														0
Avila, David	Yucaipa	SBCTA						1		1	1					3
Beaman Jacinto, Megan	Coachella	District 66		1		1		1		1	1					5
Betts, Russell	Desert Hot Springs	President's Appointment									1	1				2
Boyles, Drew	El Segundo	District 40					1	1			1	1				4
Bucknum, Wendy	Mission Viejo	District 13		1		1	1	1		1	1	1				7
Carrillo, Juan	Palmdale	District 43					1	1		1	1	1				5
Carroll, Michael, C.	Irvine	District 14				1		1		1	1					4
Clark, Letitia	Tustin	District 17									1	1				2
DeRuse, Steve	La Mirada	District 31		1		1	1	1		1	1	1				7
Devine, Paula	Glendale	District 42		1		1					1	1				4
Dixon, Diane	Newport Beach	District 15									1	1				2
Espinoza, Rose	La Habra	OCCOG		1												1
Finlay, Margaret	Duarte	District 35		1		1	1	1		1	1	1				7
Fisch, Alex	Culver City	District 41								1	1	1				3
Henderson, Mark	Gardena	District 28		1		1	1			1	1	1				6
Huang, Peggy	Yorba Linda	TCA		1		1	1	1		1	1	1				7
Hupp, Cecilia	Brea	OCCOG		1		1	1	1		1	1	1				7
Kelly, Kathleen	Palm Desert	District 2		1		1	1	1		1	1	1				7
Leano, Jed	Claremont	SGVCOG		1		1	1	1		1	1	1				7
Lock Dawson, Patricia	Riverside	District 68									1	1				2
Magana, Marisela	Perris	District 69					1			1	1					3
Marquez, Jorge, Chair	Covina	District 33		1		1	1	1		1	1	1				7
Marshall, Anni	Avalon	GCCOG				1	1	1		1	1					5
Masiel, Andrew		Tribal Govt Regl Planning Rep.		1							1	1				3
Meister, Lauren	West Hollywood	WSCCOG		1		1	1	1		1	1	1				7
Miranda, Bill	Santa Clarita	SFVCOG		1		1	1	1		1	1	1				7
Mirisch, John	Beverly Hills	President's Appointment		1		1	1	1		1	1	1				7
Mitchell, Holly		Los Angeles County														
Nava, George	Brawley	ICTC								1	1	1				3
Nguyen, Kim	Garden Grove	District 18		1		1	1	1		1	1	1				7
O'Neil, Trevor	Anaheim	District 19		1		1	1	1		1	1					6
Paget, Ed	Needles	SBCTA					1	1			1	1				4
Park, Sunny	Buena Park	OCCOG		1		1						1				3
Perez, Misty	Port Hueneme	President's Appointment									1	1				2
Posey, Michael	Huntington Beach	District 64						1			1	1				3
Pye, Jan	Desert Hot Springs	CVAG		1		1	1	1		1	1	1				7
Raman, Nithya	Los Angeles	District 51									1					1
Ramirez, Rita	Victorville	District 65		1				1								2
Richardson, Rex	Long Beach	District 29		1		1	1	1								4
Santa Ines, Sonny	Bellflower	GCCOG				1	1	1		1	1	1				6
Schultz, Nicholas	Burbank	AVCJPA										1				1
Shapiro, David	Calabasas	District 44		1		1	1	1		1	1	1				7
Shevlin, Becky	Monrovia	SGVCOG				1	1	1		1	1	1				6
Sobel, Andy	Santa Paula	VCOG									1	1				2
Speake, Wes	Corona	WRCOG									1	1				2
Waronek, Mark	Lomita	SBCCOG		1		1	1	1		1	1	1				7
Warren, Acquanetta	Fontana	SBCTA		1		1	1	1			1	1				6
Christi White	Murrieta	WRCOG								1	1	1				3
Wu, Tony	West Covina	SGVCOG		1		1	1				1					4
Yokoyama, Frank, Vice Chair	Cerritos	District 23		1		1	1	1		1	1	1				7
Zerunyan, Frank	Rolling Hills Estates	SBCCOG		1		1	1	1		1	1	1				7

To:	Community, Economic & Human Development Committee (CEHD)	**EXECUTIVE DIRECTOR'S APPROVAL**
	Transportation Committee (TC)	
	Energy and Environment Committee (EEC)	
From:	Kimberly Clark, Program Manager I, (213) 236-1844, clark@scag.ca.gov	
Subject:	Quarterly Update on Climate Change Action Resolution Activities	

RECOMMENDED ACTION:
Receive and File

STRATEGIC PLAN:
This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians. 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:
On January 7, 2021, the Regional Council adopted Resolution 21-628-1 affirming a climate change crisis in Southern California and called on SCAG and other local and regional partners to join together to further reduce greenhouse gas (GHG) emissions, improve regional resilience, and reduce hazards from a changing climate. The Regional Council's action will help to promote climate adaptation, mitigation and resilience in support of the 197 jurisdictions in Southern California and the 19 million residents who call the SCAG region home. This report serves as an update on the agency's progress for implementing the Resolution. Quarterly updates will be provided to the Energy and Environment Committee, which will oversee the work through the next several years.

BACKGROUND:
Resolution No. 21-628-1 calls on SCAG to pursue a number of activities to address climate change in order to strengthen regional resilience. These actions emphasize both adaptation to emerging climate-related hazards, as well as mitigation of greenhouse gas emissions to reduce the region's impacts from a changing climate. Importantly, the Regional Council's action underscores the need to strengthen partnerships amongst local governments with resources, technical assistance and other support for jurisdictions' climate-related planning initiatives. It also advances several goals, policies, and key connections from Connect SoCal.

Over the last several months, SCAG has been working to:

- Develop a regional resilience framework to help the region plan and prepare for a changing climate and other potential near- and long-term disruptions to Southern California;
- Initiate a regional climate planning network that will provide technical assistance for local climate adaptation and mitigation initiatives;
- Provide resource support and technical assistance for local jurisdictions to integrate climate planning in their local planning activities;
- Initiate a regional advanced mitigation program (RAMP) as described in the Connect SoCal PEIR;
- Develop a work plan to advance the Accelerated Electrification strategy envisioned in Connect SoCal;
- Evaluate the economic and job creation benefits of climate adaptation and mitigation practices for inclusion in regional planning efforts; and
- Develop climate adaptation and mitigation analysis and strategies for the 2024 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS).

Additionally, SCAG will continue to develop programs and outreach strategies to support near-term adaptation to address regionally significant vulnerabilities and long-term regional resilience planning.

Recent Initiatives

Regional Resilience: SCAG staff implemented a cross-departmental Resilience Policy Lab that has been developing the foundations of a regional resilience framework to explore pressing issues and potential near- and long-term disruptions to Southern California, such as extreme weather, drought, wildfires, pandemics, earthquakes and economic shocks. The regional resilience framework will also consider the potential degree of disruption to the region that could result from land based, atmospheric, public health and geologic natural hazards. Overall, it will help identify pathways for developing future regional and local plans, including those addressing resilience, emergency preparedness and health equity. Opportunities for being better prepared for climate change and public health impacts may be prioritized, and implementation tools for local jurisdictions and partner agencies will be established. Moreover, understanding that climate adaptation infrastructure and mitigation practices will have economic and job creation benefits and that regional resilience will be an important element in post-pandemic activities region-wide, SCAG is developing an inclusive economic recovery strategy for Southern California that will consider these factors.

Climate Planning Network: SCAG staff have been engaging with local jurisdictions and other stakeholders to initiate a regional climate planning network that will complement existing regional

collaborives and provide technical assistance for local jurisdictions' climate planning initiatives – including consensus building exercises and an information hub featuring a framework of effective mitigation strategies for cities and counties to use in climate action plans (CAPs) as well as a library of model policies that collectively foster climate change mitigation, adaptation, and resilience. In these engagements, local jurisdictions have emphasized the need for resources to support climate adaptation and mitigation activities, including identifying funding resources to support climate action plans, general plan safety element updates, local hazard mitigation infrastructure financing plans, electric vehicle permitting, urban heat mitigation plans, organic waste reduction plans, wildlife corridor restoration plans, greenway connectivity master plans, among other efforts. SCAG staff have been monitoring emerging state and federal opportunities to this end and have been working to advance the allocation, distribution, and expenditure of resources to meet the region's needs.

Regional Advance Mitigation: Since the conservation and management of natural and farm lands serves as an important strategy to mitigate climate change-inducing greenhouse gas emissions, SCAG staff have partnered with The Nature Conservancy to develop options for the establishment of a RAMP. Work in this regard has involved stakeholder interviews with organizations in the region that have established habitat conservation plans, natural community conservation plans, and multiple species habitat conservation plans. Overall, the RAMP will establish and/or supplement regional conservation and mitigation banks to offset impacts of transportation and other development projects.

Accelerated Electrification: Looking further into opportunities for climate mitigation, staff have been working to advance the Accelerated Electrification strategy adopted in Connect SoCal to provide a holistic and coordinated approach to decarbonizing or electrifying passenger vehicles, transit, and goods movement vehicles to go beyond benefits achieved through state mandates alone.

Climate Adaptation Framework: SCAG recently completed the Southern California Regional Climate Adaptation Framework, which serves as a resource for local planning that identifies the range of climate change hazards the SCAG region is likely to face in the coming decades. It also includes adaptation principles geared to the region, and it outlines a general process of adaptation planning that can be applied by any agency, no matter where they fall across the spectrums of funding, available resources, knowledge of vulnerabilities, and planning sophistication. It provides local agencies, including towns, cities, counties and subregional organizations with a compendium of tools, resources, and best practices to efficiently advance their adaptation planning using the best resources available. SCAG has been rolling out these tools to hundreds of stakeholders through one-on-one engagements with jurisdictions, subregional meetings, Toolbox Tuesday trainings, and presentations to the State of California's Integrated Climate Adaptation and Resilience Program (ICARP).

Looking forward, SCAG staff will continue to provide quarterly updates to the Energy and Environment Committee on the agency's progress in fulfilling the direction of Regional Council on the completion of activities in Resolution No. 21-628-1.

FISCAL IMPACT:
Work for this effort is funded in SCAG's Fiscal Year 2020-2021 Overall Work Program (OWP) under project 065-4092.01 (Adaptation Analysis).

Southern California Association of Governments
Remote Participation Only
April 1, 2021

		EXECUTIVE DIRECTOR'S APPROVAL
To:	Community, Economic & Human Development Committee (CEHD)	
	Energy & Environment Committee (EEC)	
	Transportation Committee (TC)	*Kome Ajise*
	Regional Council (RC)	
From:	Ma'Ayn Johnson, Regional Planner Specialist, (213) 236-1975, johnson@scag.ca.gov	
Subject:	Updated Regional Early Action Planning (REAP) Program Subregional Allocation Amounts Based on Final Regional Housing Needs Assessment (RHNA) Allocation	

RECOMMENDED ACTION:
Receive and File

STRATEGIC PLAN:
This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians. 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:
Based on Regional Council action at its March 5, 2020 meeting, SCAG has set aside half of its Regional Early Action Program (REAP) housing funding, or approximately $23 million, for the Subregional Partnership Program. As part of its action, the Regional Council authorized staff to develop a process and formula to make funds available relative to each subregion's total share of regional housing need, as determined by the adopted Final Regional Housing Needs Assessment (RHNA) Allocation Plan. The 6th cycle Final RHNA Allocation Plan was adopted by the Regional Council on March 4, 2021 and SCAG staff has updated the REAP funding available for each subregion based on these amounts.

BACKGROUND:
The REAP is one of two one-time planning programs enacted with the State 2019-20 Budget Act. Another one, the LEAP (or Local Early Action Program) program, is a formula grant program cities and counties are eligible for based on population size. Councils of government (COGs) such as SCAG are eligible for REAP program awards of planning funds of fixed amounts for planning activities that will accelerate housing production and facilitate compliance in implementing a jurisdiction's 6th cycle Regional Housing Needs Assessment (RHNA). SCAG is eligible to administer up to $47 million in REAP funding for activities to support local governments and stakeholders in housing planning.

The REAP program authorizes subregional partnerships and encourages inter-governmental collaboration on projects that have a broader regional impact on housing. Based on Regional Council action at its March 5, 2020 meeting, of the $47 million SCAG is eligible for, up to 50 percent, or approximately $23 million, of this amount will be allocated to fund subregional partnership projects.

At its September 3, 2020 meeting, the Regional Council approved the Subregional Partnership Program (SRP) Guidelines that included program requirements, eligible projects and applicants, and the application process. The approved guidelines also included an estimate of the amount available for each subregional partner based on the draft RHNA allocation that was included in the same meeting agenda. A RHNA allocation is a quantification of existing and projected housing need for a jurisdiction for a certain planning period. For the 6th RHNA cycle, this planning period covers October 2021 through October 2029.

The development of the Final RHNA Allocation Plan included an appeals process in which jurisdictions and the California Department of Housing and Community Development (HCD) could request a change to any draft RHNA allocation. A total of 52 appeals were filed on 49 jurisdictions during the 45-day filing period. SCAG staff reviewed all appeals and prepared reports, which included staff recommendations on the appeal. Two appeals were withdrawn at the request of the jurisdictions that filed them.

The RHNA Appeals Board, a Subcommittee of the Community, Economic and Human Development Committee, reviewed 47 appeals throughout January 2021 and made determinations for each appeal. Of the appeals filed, two were partially granted. The County of Riverside received a 215 unit reduction and the City of Pico Rivera received a 2,917 unit reduction. Per State housing law and the adopted RHNA Appeals Procedures, the total number of successfully appealed units, or 3,132 units, were redistributed proportionally to all jurisdictions in the SCAG region. The changes in RHNA allocation were reflected in the Final RHNA Allocation plan that was adopted by the Regional Council on March 4, 2021.

Due to the changes resulting from the appeals process, SCAG staff has adjusted the amount available for each subregional partner identified in the approved SRP Guidelines.

Subregion	RHNA Total	REAP amount based on draft RHNA allocation	REAP amount based on Final RHNA Allocation	REAP Allocation Change
City of Los Angeles	456,643	$8,058,425	$8,071,925	+$13,500

Coachella Valley Association of Governments	31,619	$558,207	$558,918	+$711
Gateway Cities COG	71,678	$1,316,458	$1,316,458	$0
Imperial County	15,993	$282,190	$282,703	+$513
Las Virgenes-Malibu COG[1]	933	$100,000	$0	$0
North Los Angeles County	15,663	$276,459	$276,870	+$410
Orange County COG	183,861	$3,244,579	$3,250,049	+$5,470
San Bernardino COG/SBCTA	138,110	$2,437,454	$2,441,324	+$3,870
San Fernando Valley COG	34,023	$600,395	$601,413	+$1,018
San Gabriel Valley COG	89,616	$1,581,508	$1,584,112	+$2,604
South Bay Cities COG	34,179	$603,172	$604,171	+$998
Unincorporated County of Los Angeles	90,052	$1,589,326	$1,591,819	+$2,493
Unincorporated County of Riverside	40,647	$721,086	$721,086	$0
Ventura COG	24,452	$431,573	$432,230	+$657
Western Riverside COG	95,085	$1,678,124	$1,680,786	+$2,661
Westside Cities COG	19,273	$340,068	$340,682	+$614
Total	**1,341,827**	**$23,819,825**	**$23,719,825**	$35,520

The subregional partners where the successful appeals occurred, the County of Riverside (unincorporated) and Gateway Cities Council of Governments, will not receive a reduction in their available SRP amounts though the regional share of RHNA allocation for these areas slightly decreased based on appeals results. The amount available to all other subregional partners have increased by varying amounts since their total share of the regional RHNA allocation increased due to the redistribution of successfully appealed units.

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[1] Per the SRP Guidelines, the minimum amount available for a subregion is $100,000. After the approval of the SRP Guidelines, this subregion elected not to participate in the SRP.

Applications for SRP projects were due on December 1, 2020. All submitted applications have been approved and at the time of the writing of this staff report, SCAG staff is working with individual subregional partners on finalizing memorandums of understanding so that project work can begin. All projects must be completed by June 30, 2023. SCAG staff will continue to update its policy committees on SRP and other REAP project progress, as needed.

FISCAL IMPACT:

Work associated with this item is included in the FY 20-21 Overall Work Program (21-300.4872.01: Regional Early Action Planning (REAP) Grants Program (AB 101)).

Southern California Association of Governments
Remote Participation Only
April 1, 2021

EXECUTIVE DIRECTOR'S APPROVAL

To: Executive/Administration Committee (EAC)
Community, Economic & Human Development Committee (CEHD)
Energy & Environment Committee (EEC)
Transportation Committee (TC)
Regional Council (RC)

From: Lyle Janicek, Associate Regional Planner,
(213) 236-1966, janicek@scag.ca.gov

Subject: Sustainable Communities Program - Housing & Sustainable
Development Applications

RECOMMENDED ACTION FOR CEHD:
Recommend that the Regional Council approve the 2020/2021 Sustainable Communities Program (SCP) Housing and Sustainable Development (HSD) applications and authorize staff to initiate the projects.

RECOMMENDED ACTION FOR RC:
Approve 2020/2021 Sustainable Communities Program (SCP) Housing and Sustainable Development (HSD) applications and authorize staff to initiate the projects.

RECOMMENDED ACTION FOR EAC, EEC AND TC:
Receive and File

STRATEGIC PLAN:
This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians. 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy. 4: Provide innovative information and value-added services to enhance member agencies' planning and operations and promote regional collaboration.

EXECUTIVE SUMMARY:
On November 5, 2020, the Regional Council approved the guidelines and scoring criteria for the 2020/2021 Sustainable Communities Program (SCP) Housing and Sustainable Development (HSD) Call for Applications. The SCP is a multi-year program designed to support and implement the policies and initiatives of Connect SoCal, the 2020 Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS) and continues the themes of the previous round of funded projects.

OUR MISSION
To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION
Southern California's Catalyst for a Brighter Future

OUR CORE VALUES
Be Open | Lead by Example | Make an Impact | Be Courageous

Upon Regional Council approval of guidelines, staff released the SCP Housing and Sustainable Development Call for Applications and received a total of twenty-six (26) project proposals across all project categories and types by the January 29th, 2021 deadline.

Staff has completed an evaluation of proposals and has identified that all twenty-six (26) projects meet the SCP program requirements, pending staff verification for Regional Early Action Program (REAP) guidelines. Approximately $4.8 million in State planning resources are expected to be available to cover anticipated project expenses based on the HSD program's inclusion in REAP final application to the California Department of Housing and Community Development. Staff is seeking Regional Council approval of all HSD applications and authorization to begin contacting project sponsors in order to develop a program schedule and initiate projects.

BACKGROUND:

Consolidated Call for Proposals

A consolidated SCP Call for Applications framework with associated guidelines and scoring criteria was developed by SCAG staff to support innovative approaches for addressing and solving regional issues. The revised program identified specific project types that provide practical, relevant strategies for meeting SB 375 greenhouse gas (GHG) reduction targets and queue jurisdictions for future funding opportunities. This approach allows SCAG to maximize benefits from available resources within the restrictive conditions associated with funding sources.

Rather than providing direct grants to jurisdictions, the HSD program provides resources and direct technical assistance to complete projects. Resources will be provided:

- To encourage development and preservation of diverse housing types in areas that are supported by multiple transportation options;
- To create dynamic, connected, built environments that support multimodal mobility, reduce reliance on single-occupant vehicles, and reduce VMT;
- To reduce greenhouse gas emissions and improve air quality;
- To support healthy and equitable communities;
- To complement and increase competitiveness for state funding programs, including by increasing the number of cities with "pro-housing local policies" focusing on location efficient development and access to opportunity to receive preference in designated state programs; and
- To employ strategies to mitigate negative community impacts associated with gentrification and displacement and achieve equitable outcomes.

Following the Regional Council's approval of guidelines on November 5, 2020, staff released the HSD Call for Applications. A total of twenty-six (26) project proposals were received across all project categories and types by the January 29, 2021 deadline. Staff completed an evaluation of proposals and identified that all twenty-six (26) projects meet the SCP Program requirements, pending staff verification for REAP guidelines.

Evaluation Process
The evaluation process was documented in the program guidelines as follows: For HSD projects, three (3) evaluation teams - one (1) per project type - were established to review, score and rank applications submitted to the SCP. Each team was comprised of State, Regional, and SCAG staff. Projects were evaluated against the approved Guidelines within their respective project types.

Application Recommendation
Staff has completed an evaluation of proposals and is recommending approval of all twenty-six (26) applications. Approximately $4.8 million in State planning resources are expected to be available to cover anticipated project expenses based on the HSD program's inclusion in SCAG's REAP final application to the California Department of Housing and Community Development. These proposals reflect stated SCP program goals, including but not limited to:

- Provide needed planning resources to local jurisdictions for active transportation and multimodal planning efforts, sustainability, land use, and planning for affordable housing;
- Promote, address and ensure health and equity in regional land use and transportation planning and to close the gap of racial injustice and better serve our communities of color;
- Encourage regional planning strategies to reduce motorized Vehicle Miles Traveled (VMT) and greenhouse gas (GHG) emissions, particularly in environmental justice communities where there is the highest need for air quality improvements;
- Develop local plans that support the implementation of key strategies and goals outlined in Connect SoCal and the Sustainable Communities Strategy;
- Develop resources that support the Key Connections as outlined in Connect SoCal, including Shared Mobility and Mobility as a Service, Smart Cities and Job Centers, Accelerated Electrification, Go Zones, and Housing Supportive Infrastructure;
- Support a resilient region that looks to climate adaptation and public health preparedness as key strategies to address community prosperity, safety and economic recovery and sustainability; and
- Increase the region's competitiveness for federal and state funds, including, but not limited to the California Active Transportation Program and Greenhouse Gas Reduction Funds.

The table below lists the twenty-six (26) projects that were evaluated. All the projects will be administered by SCAG through the SCP, and jurisdiction staff will be directly engaged in all key

phases of planning projects. The individual project budgets will be determined through the scoping and procurement process.

Sustainable Communities Program - Housing and Sustainable Development Recommended Applications		
Advancing Accessory Dwelling Unit (ADU) Implementation	**Housing Sustainability Districts, Workforce Housing Opportunity Zones & Housing Supportive Tax Increment Financing Districts**	**Objective Development Standards for Streamlined Housing, Prohousing Designation Program & Parking Innovation**
Buena Park	Covina	Burbank
Compton	Los Angeles – Hollywood Area	Coachella
Garden Grove	Los Angeles – LAC/USC Health Village	Grand Terrace
Laguna Beach	Los Angeles – San Pedro Area	Montebello
Paramount	Palmdale	Newport Beach
Pasadena	Yucaipa	Rialto
Santa Fe Springs		San Dimas
Santa Monica		Santa Fe Springs
		Santa Monica
		South El Monte
		South Pasadena
		Westminster

Next Steps

Pending RC approval, staff will contact all applicants to discuss details of their projects, define scopes of work and develop RFPs. A project initiation schedule and expectations regarding period of performance will be determined by mid-June 2021, and will be based on project complexity, funding source, and SCAG staff capacity.

FISCAL IMPACT:

Staff's work budget for the current fiscal year is included in OWP 310.4874.05 Additional funding is also anticipated to be available through June 2023.

ATTACHMENT(S):

1. PowerPoint Presentation - Housing and Sustainable Development Application Recommendations

Housing and Sustainable Development
Application Recommendations

Lyle Janicek
Associate Regional Planner, Sustainability
4/1/2021

www.scag.ca.gov

SCAG
INNOVATING FOR A BETTER TOMORROW

Executive Summary

26 applications received

1) Advancing Accessory Dwelling Unit (ADU) Implementation
  - 8 applications

2) Housing Sustainability Districts, Workforce Housing Opportunity Zones, and Housing Supportive Tax Increment Financing Districts
  - 6 applications

3) Objective Development Standards for Streamlined Housing, Prohousing Designation Program and Parking Innovation
  - 12 applications

County	No. of Apps	Percent of Regional Share
Imperial	0	0%
Los Angeles	17	65%
Orange	5	19%
Riverside	1	4%
San Bernardino	3	12%
Ventura	0	0%

Next Steps

- Seeking CEHD/Regional Council Approval – April 1st, 2021
- Pending approval, staff will contact all applicants to discuss:
  - details of their projects
  - define scope of work
  - and initiate the procurement process
- Projects must be completed by June 2023

Any Questions?

Lyle Janicek
Janicek@scag.ca.gov

www.scag.ca.gov

To:	Community, Economic & Human Development Committee (CEHD)	**EXECUTIVE DIRECTOR'S APPROVAL**
	Energy & Environment Committee (EEC)	
	Transportation Committee (TC)	
	Regional Council (RC)	

From: Sarah Dominguez, Senior Regional Planner,
(213) 236-1918, dominguezs@scag.ca.gov

Subject: 2024 Regional Transportation Plan/Sustainable Communities Strategy Framework

RECOMMENDED ACTION FOR EEC, CEHD, TC:
Information Only – No Action Required

RECOMMENDED ACTION FOR RC:
Receive and File

STRATEGIC PLAN:
This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians.

EXECUTIVE SUMMARY:
Every four years, the Southern California Association of Governments (SCAG) must prepare and adopt a Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). SCAG's Regional Council adopted the current-2020 RTP/SCS, or Connect SoCal, in two separate actions in April and September of 2020. The next RTP/SCS will be prepared for adoption by the Regional Council by April 2024. The purpose of this report is to outline the process for developing the next RTP/SCS, highlight major milestones, and outline SCAG's stakeholder outreach approach.

BACKGROUND:
Every four years, SCAG must prepare and adopt a RTP/SCS.   SCAG's Regional Council adopted the current 2020 RTP/SCS, Connect SoCal, in two separate actions in April and September of 2020. The next RTP/SCS will be prepared for consideration by the Regional Council for adoption by April 2024. The purpose of this report is to outline the process for developing the next RTP/SCS, highlight major milestones, and outline SCAG's stakeholder outreach approach.

What is the RTP/SCS?

The RTP/SCS is a long-range regional plan that builds upon land use and transportation strategies established over several planning cycles to increase mobility options and achieve a more sustainable regional development pattern. The RTP/SCS charts a path towards a more mobile, sustainable and prosperous region by strengthening regional connections between transportation networks, land use planning, and between the people whose collaboration can improve the quality of life for Southern Californians. Development of the RTP/SCS requires several years of data collection, rigorous technical analysis, robust policy discussions, and substantial stakeholder engagement.

As the Metropolitan Planning Organization (MPO) for the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura, SCAG must follow specific state and federal requirements in the development of the RTP/SCS. Meeting the following requirements is necessary to ensure receipt of transportation funding from both state and federal sources:

Regional Transportation Plan (RTP) – SCAG is required by federal law to prepare and update a long-range RTP (23 U.S.C. §134 et seq.). The RTP must include, among other things: the identification of transportation facilities such as major roadways, transit, intermodal facilities and connectors that function as an integrated metropolitan system over at least a 20-year forecast period; a financial plan demonstrating how the RTP can be implemented with "reasonably available" resources and additional financial approaches; strategies to improve existing facilities, relieve vehicular congestion, and maximize the safety and mobility of people and goods; and environmental mitigation activities. (23 U.S.C. §134 (i)(2)).

Transportation Conformity Requirements – Pursuant to the federal Clean Air Act, SCAG's RTP/SCS is required to meet all federal transportation conformity requirements, including regional emissions analysis, financial constraint, timely implementation of Transportation Control Measures, and interagency consultation and public involvement (42 U.S.C. §7401 et seq.).

System Performance Monitoring – Transportation system performance planning and monitoring became federal mandates with the passage of 'Moving Ahead for Progress in the 21st Century' (MAP-21) in 2012, and the 'FAST Act' in 2015. SCAG has been a pioneer in the development and use of performance metrics to evaluate progress toward achieving regional goals before MAP-21/FAST Act became law. Starting with the 1998 RTP, SCAG has been using quantitative performance measures to evaluate how the RTP is performing in terms of achieving the plan's regional goals.

Environmental Justice Analysis – As an MPO that receives federal funding, SCAG is required to conduct an Environmental Justice (EJ) analysis for the RTP/SCS. The plan is required to

consider the consequences of transportation projects on low-income and minority communities, and avoid, minimize, or mitigate disproportionately high and adverse human health and environmental impacts on low-income and minority populations. Consideration of EJ in the transportation planning process stems from Title VI of the Civil Rights Act of 1964, which establishes the need for transportation agencies to disclose to the general public the benefits and burdens of proposed projects on minority populations, later expanded through federal executive branch order to also include protections based on income.

Sustainable Communities Strategy – California Senate Bill 375, codified in 2008 in Government Code §65080 (b)(2)(B), requires that the RTP includes a Sustainable Communities Strategy (SCS) which can meet greenhouse gas (GHG) reduction targets set by the California Air Resources Board (CARB). Currently, the targets for the SCAG region are eight percent below 2005 per capita GHG emissions levels by 2020, and 19 percent below 2005 per capita emissions levels by 2035.

What's new for this RTP/SCS?

This next 2024 RTP/SCS will incorporate important updates of fundamental data, strategies and investments based on, and to strengthen, the plan adopted by the SCAG Regional Council in 2020. For this reason, SCAG staff anticipates using the same name, "Connect SoCal," to underscore the continuation of the planning effort. The pillars of the Connect SoCal, the Core Vision and Key Connections, will continue into the next plan. The Core Vision centers on maintaining and better managing the transportation network we have for moving people and goods, while expanding mobility choices by locating housing, jobs and transit closer together and increasing investment in transit and complete streets.

The Key Connections augment the Core Vision of the plan to address trends and emerging challenges. These Key Connections lie at the intersection of land use, transportation and innovation, aiming to coalesce policy discussions and advance promising strategies for leveraging new technologies and partnerships to accelerate progress on regional planning goals.

For this cycle, SCAG staff will focus on process improvements and on data updates and refinements. During the post-adoption period for the last RTP/SCS, SCAG staff debriefed on the plan development process internally as well as with select stakeholders. Based on these reflections there were several key takeaways, including maintaining one-on-one meetings with local jurisdictions, continuing to partner with Community-Based Organizations (CBOs), and improving the public engagement process through earlier outreach.

However, there will likely be many changes within the region that are yet to be fully understood as we recover from the COVID-19 pandemic, as noted in the 'Connect SoCal - Emerging Issues and Trends for Future' Planning staff report of September 2020. [1] The pandemic profoundly impacted the ways we live, work, and learn and will undoubtedly influence our planning processes for years to come. In developing the 2024 RTP/SCS, SCAG must reexamine trends and assess these emerging issues in order to put forth a plan that addresses the region's evolving needs, challenges and opportunities.

Two overarching issues identified in the previously cited 'Emerging Issues and Trends' staff report, 'Equity' and 'Resilience,' will have enhanced presence in the next plan. Both equity and resilience will be lenses through which various aspects of the plan content will be examined. Additionally, the issue of the digital divide within the region as discussed in the staff report will be incorporated into the next RTP/SCS.

Equity: As central to SCAG's work, racial equity describes the actions, policies, and practices that eliminate bias and barriers that have historically and systemically marginalized communities of color, to ensure all people can be healthy, prosperous, and participate fully in civic life. In July 2020, SCAG passed Resolution No. 20-623-2[2] stating that systemic racism is a human rights and public health crisis and established an ad hoc Special Committee on Equity and Social Justice. At its May meeting, the Regional Council is anticipated to consider a Racial Equity Early Action Plan (EAP), which will include the development of a Connect SoCal racial equity framework.

Resilience: In January 2021, SCAG passed Resolution No. 21-628-1[3] which states that SCAG will pursue a number of activities to address climate change, including mitigation and adaptation, to strengthen regional resilience. These include developing a regional resilience framework to help the region plan and prepare for a changing climate and other potential near- and long-term disruptions to Southern California. The resolution also stated that SCAG shall include climate adaptation and mitigation analysis and strategies in the 2024 RTP/SCS.

Digital Divide: In February 2021, SCAG passed Resolution 21-629-2[4] directing SCAG staff to develop a Broadband Action Plan which includes incorporating broadband planning, data and research findings, and strategies, as appropriate, into existing SCAG programs and, based on SCAG's findings, utilize data as part of Scenario Planning Process for upcoming and future long-range plans.

[1] https://scag.ca.gov/sites/main/files/file-attachments/rc_090320fullagn.pdf?1604639362

[2] https://scag.ca.gov/sites/main/files/file-attachments/rcresolution206232_0.pdf?1605039926

[3] https://scag.ca.gov/sites/main/files/file-attachments/rc010721resolution21-628-1.pdf?1610072923

[4] https://scag.ca.gov/sites/main/files/file-attachments/rc020421fullpacket.pdf?1612231563

Who will be involved in Connect SoCal development?

Obtaining local input is integral to the development of a robust plan, including both transportation projects from County Transportation Commissions and land use data from local jurisdictions. Gathering this information helps us understand where the region will grow and how people will move around the region. Connect SoCal also relies on extensive stakeholder engagement and policy discussions with local elected leaders, who make up SCAG's Policy Committees and Regional Council.

> **SCAG Policy Committees:** Each SCAG Policy Committee has unique purview over different aspects of plan development and makes recommendations for the Regional Council to take action. For overarching policy discussions, SCAG sometimes holds Joint Policy Committee meetings including all members from the Community, Economic, and Human Development, (CEHD), Environment and Energy Committee (EEC), and Transportation Committees (TC).

Outside of elected leadership, SCAG staff also engages with stakeholders through several formal working groups and direct communications.

> **Stakeholder Groups:** SCAG hosts many different topical working groups and technical advisory committees as well as engaging in direct communication with stakeholders throughout the development of different products of Connect SoCal. See the [stakeholder outline] attachment for more detail.

> **Local Input:** SCAG relies on the input from County Transportation Commissions to develop the Connect SoCal project list, in coordination with partner transportation agencies including Caltrans and transit operators, and on local jurisdictions to update and verify growth forecast land use data.

> **Public Outreach:** SCAG engages with the public in a variety of ways during the development of Connect SoCal. Before initiating public outreach efforts, SCAG will update and adopt a Public Participation Plan (PPP), anticipated in early 2022. The PPP will establish goals for ensuring a wide range of perspectives are heard and will be developed compliant with Title 23, CFR 450.316(a) and state planning law. Per Government Code §65080 (b)(2)(F), SCAG will hold at least 16 public workshops and at least three public hearings.

What's next for this RTP/SCS?

As illustrated in the [Major Milestones] attachment, several plan items will come before the SCAG Regional Council this year. Later this summer, SCAG staff will present several early RTP/SCS

development items including the SCS Subregional Delegation Guidelines, Growth Forecast Framework, and Performance Measures and Monitoring Framework. Not reflected in the major milestones overview are the many individual projects, research, and report items that SCAG staff will bring to the Regional Council which will then be incorporated into the draft plan. As a general overview, the work to develop the next Connect SoCal will proceed in four phases:

Foundations and Frameworks (Now – Early 2022): Initiate plan development process and establish plan goals.

Data Collection and Policy Development (Early 2022 – Early 2023): Collect input from local jurisdictions and transportation agencies, conduct research, identify emerging regional trends, and propose discuss plan policies and strategies with stakeholders.

Outreach and Analysis (Early 2023 – Mid 2023): Conduct public workshops, incorporate feedback from outreach activities and analyze data.

Draft Plan and Adoption (Late 2023 – Early 2024): Prepare draft plan for public review and final plan for consideration by the Regional Council for adoption by April 2024.

While the major development steps for the next RTP/SCS are largely known and driven by federal and state regulations, SCAG has discretion over the projects, policies, strategies and data presented in the plan. SCAG staff will work to identify and present these variables to the various SCAG Policy Committees and Regional Council. Further discussion with regional stakeholders and decision-makers will be necessary over the next three years as new information comes to light on the state of the region and in identifying the policy responses and underlying goals for the region moving forward.
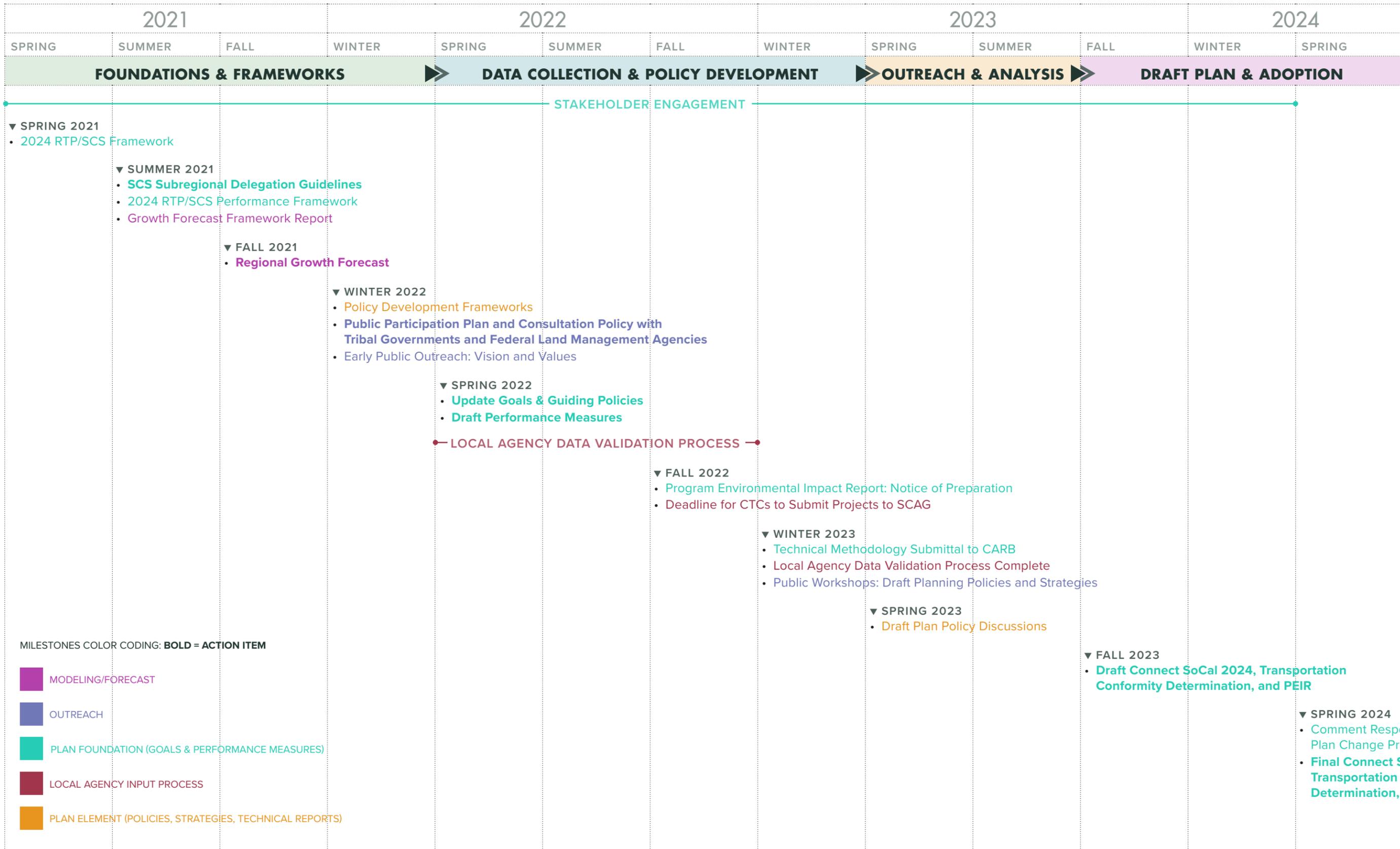
FISCAL IMPACT:
Work associated with this item is included in the FY 20-21 and proposed FY 21-22 Overall Work Program (310.4874.01: Connect SoCal Development).

ATTACHMENT(S):
1. 2024 Connect SoCal Major Milestones
2. 2024 Connect SoCal Stakeholder Overview

CONNECT SoCal

2024 RTP/SCS PRELIMINARY MILESTONES

2021			2022				2023				2024	
SPRING	SUMMER	FALL	WINTER	SPRING	SUMMER	FALL	WINTER	SPRING	SUMMER	FALL	WINTER	SPRING

FOUNDATIONS & FRAMEWORKS ▶▶ **DATA COLLECTION & POLICY DEVELOPMENT** ▶ **OUTREACH & ANALYSIS** ▶ **DRAFT PLAN & ADOPTION**

STAKEHOLDER ENGAGEMENT

▼ **SPRING 2021**
- 2024 RTP/SCS Framework

▼ **SUMMER 2021**
- **SCS Subregional Delegation Guidelines**
- 2024 RTP/SCS Performance Framework
- Growth Forecast Framework Report

▼ **FALL 2021**
- **Regional Growth Forecast**

▼ **WINTER 2022**
- Policy Development Frameworks
- **Public Participation Plan and Consultation Policy with Tribal Governments and Federal Land Management Agencies**
- Early Public Outreach: Vision and Values

▼ **SPRING 2022**
- **Update Goals & Guiding Policies**
- **Draft Performance Measures**

◄— LOCAL AGENCY DATA VALIDATION PROCESS —►

▼ **FALL 2022**
- Program Environmental Impact Report: Notice of Preparation
- Deadline for CTCs to Submit Projects to SCAG

▼ **WINTER 2023**
- Technical Methodology Submittal to CARB
- Local Agency Data Validation Process Complete
- Public Workshops: Draft Planning Policies and Strategies

▼ **SPRING 2023**
- Draft Plan Policy Discussions

▼ **FALL 2023**
- **Draft Connect SoCal 2024, Transportation Conformity Determination, and PEIR**

▼ **SPRING 2024**
- Comment Response Report and Plan Change Preview
- **Final Connect SoCal 2024, Transportation Conformity Determination, and PEIR**

MILESTONES COLOR CODING: **BOLD = ACTION ITEM**

- MODELING/FORECAST
- OUTREACH
- PLAN FOUNDATION (GOALS & PERFORMANCE MEASURES)
- LOCAL AGENCY INPUT PROCESS
- PLAN ELEMENT (POLICIES, STRATEGIES, TECHNICAL REPORTS)

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2024 RTP/SCS STAKEHOLDER OUTLOOK

SCAG staff relies on many different stakeholder meetings to get input for and review of materials related to the development of the 2024 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) before bringing them to SCAG Committees or Regional Council. The below summary is not inclusive of SCAG's broader public stakeholder outreach activities such as workshops or Community Based Organization partnerships, which will be further outlined in an updated Public Participation Plan. These stakeholder meetings fall along a spectrum of focus from technical to policy focused agenda items with some groups covering items from both categories.

TECHNICAL FOCUS	TECHNICAL/POLICY FOCUS	POLICY FOCUS

TECHNICAL FOCUS		TECHNICAL/POLICY FOCUS	POLICY FOCUS
MODELING TASK FORCE	PEER REVIEW OF MODEL	REGIONAL PLANNING WORKING GROUPS	CTC PLANNING DIRECTORS MEETING
AVIATION TECHNICAL ADVISORY COMMITTEE	SOCAL FREIGHT COLLABORATIVE	GLOBAL LAND USE AND ECONOMIC COUNCIL	SUBREGIONAL EXECUTIVE DIRECTORS MEETING
TRANSPORTATION CONFORMITY WORKING GROUP	PROJECT SPECIFIC STAKEHOLDER OUTREACH (E.G. DEDICATED BUS LANES STUDY)	CONSULTATION WITH STATE AND FEDERAL AGENCIES	
REGIONAL GROWTH TECHNICAL ADVISORY GROUP (NEW)	SOCAL ROUNDTABLE (TRANSPORTATION PROGRAMMING)		
REGIONAL TRANSIT TECHNICAL ADVISORY COMMITTEE			

■ Regular meetings   ▢ Direct, ad-hoc or limited duration stakeholder involvement

To:	Community, Economic & Human Development Committee (CEHD) Regional Council (RC)	**EXECUTIVE DIRECTOR'S APPROVAL**
From:	Jenna Hornstock, Deputy Director of Planning, (213) 630-1448, hornstock@scag.ca.gov	
Subject:	Inclusive Economic Recovery Strategy - Work Plan and Progress Report	

RECOMMENDED ACTION FOR CEDH:
Information Only - No Action Required

RECOMMENDED ACTION FOR RC:
Receive and File

STRATEGIC PLAN:
This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians. 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:
In efforts to implement SCAG Resolution No. 20-623-2 (regarding racial and social equity) and President Rex Richardson's FY20/21 Work Plan, SCAG staff has developed a work plan for development of an Inclusive Economic Recovery Strategy (IERS). The IERS Work Plan is based on the President's work plan phases of Listen, Convene, Catalyze. Early phases of listening and data collection occurred between July and December 2020 and culminated in the 2020 Economic Summit on December 1, 2020. Next steps will include holding a series of small convenings and drafting the IERS Strategy document.

IERS Work Plan
The Inclusive Economic Recovery Strategy (IERS) Work Plan was developed to deliver on President Rex Richardson's 2020/2021 Work Plan and also as an early activity of the Racial Equity Early Action Plan that was presented to the Special Committee on Equity and Social Justice on March 30, 2021. The Work Plan is structured around the three work phases outlined in the 2020/2021 work plan, of listen, convene, catalyze. It builds on listening sessions and data collection produced between July and December 2020, as well as the Racial Equity Baseline Indicators generated by the SCAG Equity Working Group, through the National Equity Atlas. The Work Plan was reviewed by SCAG's Executive Team, Chief Economist, the Economist Bench, President Rex Richardson and Charles T. Brown of Equitable Cities.

For Work Plan implementation, SCAG staff will be supported by the consultant firm of Estolano Advisors, with additional research and support from the UC Riverside Center for Social Innovation and the SCAG Economist Bench.

The **Work Plan** phases include:

1. **Understand Economic Recovery Planning Efforts to Date (from May 2020 – Nov 2020).** Completed work includes outreach through the Summer 2020 listening tours and related working groups and data collection, including development of the COVID Vulnerability Indicators, Economic Summit Briefing Book and National Equity Atlas Racial Equity Indicators.

2. **Inventory of Resources (Dec 2020 – March 2021).** This work includes: literature review of best practices in economic development and driving policy work through a racial and social equity lens; catalog of economic and community development organizations in each region; research economic recovery efforts underway at the regional, state and federal level; and reference list of public funding sources for economic development. This research and resource inventory will be completed by staff with some consultant support and the final work products will be included as an appendix to the final IERS.

3. **Draft Principles and Framework for the IERS (Jan 2021).** Staff developed a presentation deck that provides the framework for the IERS. The deck is for discussion purposes and to guide the convenings and feedback sessions (described in #4 below). The deck includes: (1) data on racial equity indicators pertaining to economic opportunity; (2) guiding principles for the IERS; and (3) focus areas for the IERS. The draft deck, along with the IERS workplan, was presented to the President's Committee on Racial and Social Equity on January 27, 2021.

4. **Small Group Convenings and Survey (Feb – March 2021).** Staff has organized over 20 convenings to vet the principles and focus areas, learn about existing efforts across the region, identify strategies from stakeholders and practitioners and identify opportunities for coordination and collaboration. The list of participants in the convenings was developed with input from SCAG's public affairs team, SCAG's economist bench, and completed with consultant support. There is an emphasis on ensuring that the convenings are racially diverse. The convenings target the following stakeholder groups:

   1) **Leaders in key sectors** – entertainment, healthcare, hospitality, manufacturing, bio-tech, technology, and energy;

2) **Developers** – urban and infill, affordable and market rate, commercial, and residential;
3) **Community Based Organizations** that work on economic and community development;
4) **Foundations** whose mission includes community and economic development;
5) **Labor Unions and their partners;**
6) **Workforce training/education/development** – academic and training institutions;
7) **Municipal entities** that work on economic development, such as Economic Development Corporations, economic development departments; and
8) **Financial sector** – banks and Community Development Financial Institutions/intermediaries.

Some of these convenings are divided by region (have multiple meetings to cover the perspectives of each region) and others are sector-based groups covering the region as a whole.

In addition to the convenings, staff will administer a survey to further secure feedback on the draft principles and strategic focus areas for the IERS. Survey questions will be developed with consultant support.

5. **DRAFT IERS Plan (March – April 2021).** Staff will combine the initial research and listening/convening as well as extensive feedback on the draft IERS framework to develop the final IERS. The draft IERS will be presented at the 2021 General Assembly and to the Regional Council. The proposed plan will reiterate the principles and focus areas and provide a set of recommended next steps. These next steps will provide a clear indication of what SCAG can do versus where SCAG can partner, incentivize, and/or leverage resources. The IERS will be augmented with a bibliography of reference and resource materials developed in Step 2. Staff will incorporate feedback and guidance from the Regional Council to finalize and publish the report by Summer 2021. SCAG will develop a web landing page dedicated to this work along with a resource hub.

The IERS Principles

Based on an extensive literature review and input from SCAG's Executive Team and consultants, staff has developed the following principles to guide discussion:

A. **Center racial and gender equity** – The IERS will focus on strategies to close the wealth and income gaps across race and gender. Its recommendations will uplift strategies to improve outcomes for communities of color, who have been hit hardest by the economic crisis stemming from the COVID-19 pandemic. Historically, we know that during times of economic recovery and expansion, these same communities are often left behind and excluded from fully accessing the benefits of a growing economy. We must chart a new path for this recovery so that we do not repeat past shortcomings. As the data suggests, by

centering racial and gender equity in our strategies and implementation, we stand to increase the economic impact of our investments.

B. **Rebuild our region's middle class** – A thriving middle class makes for a thriving economy. We want to build an economy in which every individual and family has economic stability and security so that they can more fully participate in local and regional economies. Right now, we have a segment of our population, predominantly people of color, that works full-time yet lives below the poverty line. As the economy grows during our recovery, we must ensure that the region's workforce benefits from the value it creates. We can rebuild Southern California's middle class through income growth and wealth generation. We know that we can help lift people out of poverty and into the middle class by focusing on high road employment – increasing the number of family-supporting jobs, ensuring accessible pathways to jobs, and creating opportunities for families to invest their savings in wealth generating vehicles.

C. **Contribute to a climate ready region** – This recovery will be one that respects our workforce and respects our natural resources. As an agency committed to reducing GHG, we can curb the physical, social, and economic impacts of climate change. The IERS will focus on investments that prepare our region for the worsening impacts of climate change such as drought, wildfires, flash floods, and extreme heat. We will seek out opportunities such as adopting and advancing clean technologies, maximizing infill development, and investing in green, multi-benefit infrastructure.

D. **Tailor our strategies** – While many of the overarching needs in our subregions are shared – more jobs, growing sectors, updated infrastructure – we know that a "one-size fits all" approach is inappropriate. The IERS will include strategies that are crafted to reflect the unique needs and opportunities of different subregions and sectors. We will work with local stakeholders to understand what would be most effective in supporting each sector and sub-region's economic recovery, where we can leverage existing assets and efforts, and those with whom we can partner.

E. **Reflect new and diverse voices** – As we know from our experiences and heard from Thomas Friedman at the 2020 Economic Summit, SCAG's impact on our economy will be greatest when we build "Complex Adaptive Coalitions" and work with partners. The IERS will reflect voices from a broad range of stakeholders working across sectors and disciplines to grow a clean and inclusive economy. The strategies we outline will require us to make "the table" bigger, so that we can have more voices and partners engaged in this work. We believe that including a broader range of perspectives in the strategy and its implementation will support aligned and sustained impact.

REPORT

The IERS Focus Areas

The focus areas were developed through a literature review, an effort to align with anticipated federal funding that will emerge through President Biden's Build Back Better plan, and review from the SCAG Executive Team and consultants. Using the principles to guide, shape and prioritize recommendations, the IERS will recommend key actions in each of the following focus areas – recognizing they are inter-connected and equally important:

A. **Transportation** – We will aim to advance a clean and accessible transportation system that meets the needs of historically marginalized communities and increases connectivity and accessibility to high-opportunity jobs. We expect to identify projects of regional significance that support a clean transportation future, hold the promise of creating new, equity-ready jobs, and be ready to move forward in implementation.

B. **Housing Production** – This section will identify strategies to support production of a range of housing to meet the needs of different householders at all income levels. This will help us ensure that we can have greater jobs-housing balance with critical workforce housing available near jobs. In addition, building new housing will generate new equity-ready construction jobs.

C. **Infrastructure** – In this focus area, we will identify foundational and catalytic infrastructure projects that will change the trajectory of our regional economy. These will be projects of regional significance that will create accessible, high-quality jobs and help to close the gap in long-term economic outcomes. Much needed infrastructure includes broadband, a smart grid, stormwater management, water recycling, and other green infrastructure.

D. **Sector Based Strategies** – The IERS will identify top needs of growth industries and sectors that provide the greatest opportunities for middle class, family supporting jobs – jobs that are accessible and have meaningful career ladders within the industry. These sectors will vary across subregions as they leverage local assets, and the same industries' needs and challenges may vary across sub-regions. This section will also identify strategies for SCAG and its partners to help local early-stage firms within these sectors access capital and space and expand their operations and their workforce.

E. **Human Capital** – To truly improve the lives of Southern Californians, we must ensure that individuals and households have access to the supports they need to thrive in their jobs and pursuit of economic mobility. We acknowledge that a range of underlying obstacles, barriers, and circumstances stemming from institutional racism in our country's policies affect historically marginalized communities' ability to fully participate in the economy. These obstacles include lack of access to affordable transportation choices, unaffordable childcare and mental/public health services, financial obligations that prevent individuals

from completing critical training programs, and more. Job creation via land use strategies and infrastructure investments alone will not pull our region out of the current economic crisis – we must invest in people.

Progress to Date

As of March 12th, staff have been working on the literature review, data collection and other resource materials. Staff have held 12 convenings, with 9 additional convenings scheduled. Convenings to date included: 3 convenings of community-based organizations working on environmental justice, housing and economic development; labor unions and organizations that work with them; industry incubators and accelerators; the financial sector; commercial developers; housing developers; workforce development organizations and community colleges; foundations; a special meeting of the GLUE Council; and industry leaders in Ventura County.

Between March 12th and April 6th, staff will hold County-specific convenings with both large and small employers, one convening of the subregional councils of government, and a convening with economic development representatives from various municipalities.

Preliminary Considerations

At this time, noting that convenings have not yet occurred with both large and small employers, staff has found some common themes across stakeholders. The early findings are organized around the key levers that SCAG can exercise: provision of data; advocacy for funding; policy advocacy; and convening. While this is not a complete set of findings, early feedback has suggested areas where SCAG could be impactful. The concepts below are organized by the focus areas identified in the IERS framework:

Human Capital
- Support a region-wide initiative to bring greater awareness of workforce development resources for employers.
- Facilitate regional coordination to ensure that California is prepared to allocate federal funding for childcare being provided through the Federal Recovery Act.
- Leverage the work of foundations across the region to broaden the reach of SCAG's work, and in particular to support equity-centered economic development work.
- Ensure that all work going forward brings diverse and inclusive voices to the table.
- Work with labor and the development community to strengthen the form and implementation of training and apprenticeship opportunities.

Sector Based Strategies
- Become a source of regional data that can support and inform policies around economic development, and in particular align with the data needs identified in the March 2021 report of the State's Future of Work Commission.
- Advocate for regulatory reforms that support businesses, in particular ensuring that start-ups and growing, early stage companies that start in the region, remain in the region.
- Support creation of stronger supply chains for small, women and minority owned businesses to secure both government contracts and contracts with anchor institutions.

Housing Production
- Support efforts to create regional financing strategies and funding sources for affordable housing for low and moderate income households as well as homeownership.
- Offer technical assistance for municipalities seeking to use CEQA streamlining and other ministerial approval options.
- Support regional efforts to streamline and finance development of accessory dwelling units (ADUs).

Transportation & Infrastructure
- Identify priority transportation and infrastructure projects across the region, tracking to the FTIP and advocate for funding at the state and federal level. Use these projects to pilot coordination on job training programs.
- Move forward with SCAG efforts for electrification of freight and the regional blueprint for electric charging and hydrogen fueling infrastructure for medium and heavy-duty trucks.
- Identify funding sources for environmental remediation and infrastructure development to facilitate housing production and economic growth.
- Lead regional efforts to bridge the digital divide.

Again, these early findings are prior to a host of convenings with both large employers and small business interests. Staff expects to flesh out recommendations that speak more directly to large and small employers' feedback as well as other findings through the process.

It is important to note that in order to move forward with these concepts, a key priority will be identifying funding sources for staff and professional support.

NEXT STEPS
In the period between March 12th and finalization of the IERS, staff will:
- Hold County-specific convenings with both large and small employers, one convening of the subregional councils of government, and a convening with economic development representatives from various municipalities.
- Dedicate the April 12th meeting of the GLUE Council to review preliminary recommendations.

- Invite all convening participants to a webinar on April 16ᵗʰ to share what was heard, recommendations and get a final round of feedback.

The draft Inclusive Economic Recovery Strategy will be presented to the Regional Council on May 6, 2021. With additional feedback from the Regional Council and targeted stakeholders, the final report will be released in Summer 2021.

FISCAL IMPACT:

Work associated with this item is included in the FY 20-21 Overall Work Program (055-1531.01, So Cal Economic Growth Strategy).

ATTACHMENT(S):

1. PowerPoint Presentation: Developing an Inclusive Economic Recovery Strategy for the SCAG Region

Developing an Inclusive Economic Recovery Strategy for the SCAG Region

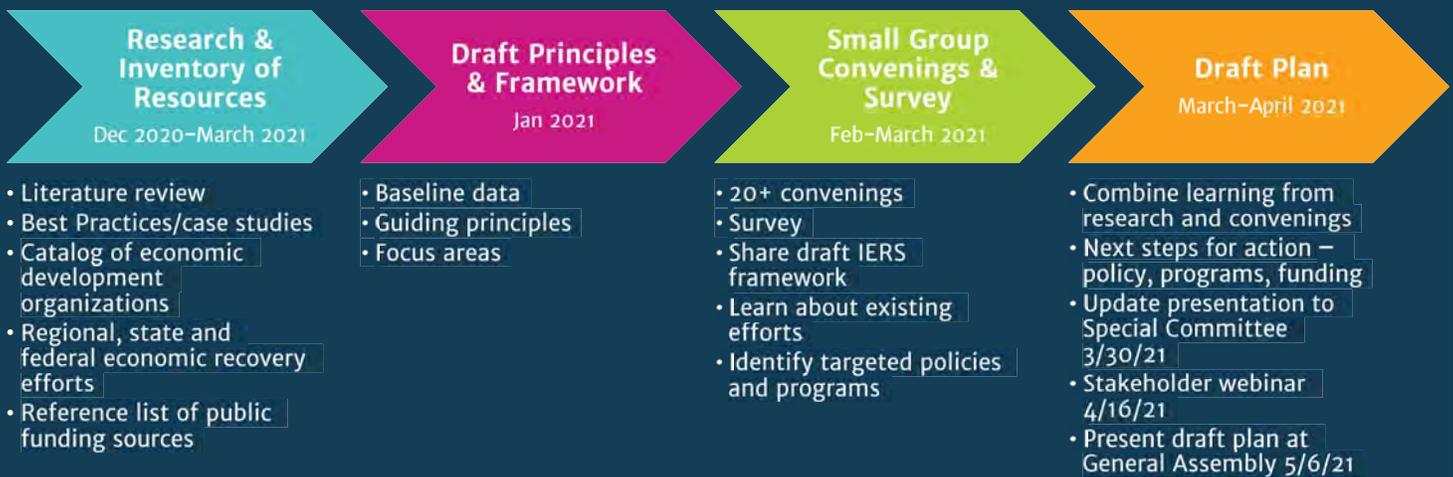Work Plan, Framework and Progress Report

Jenna Hornstock, Deputy Director of Planning, Special Initiatives
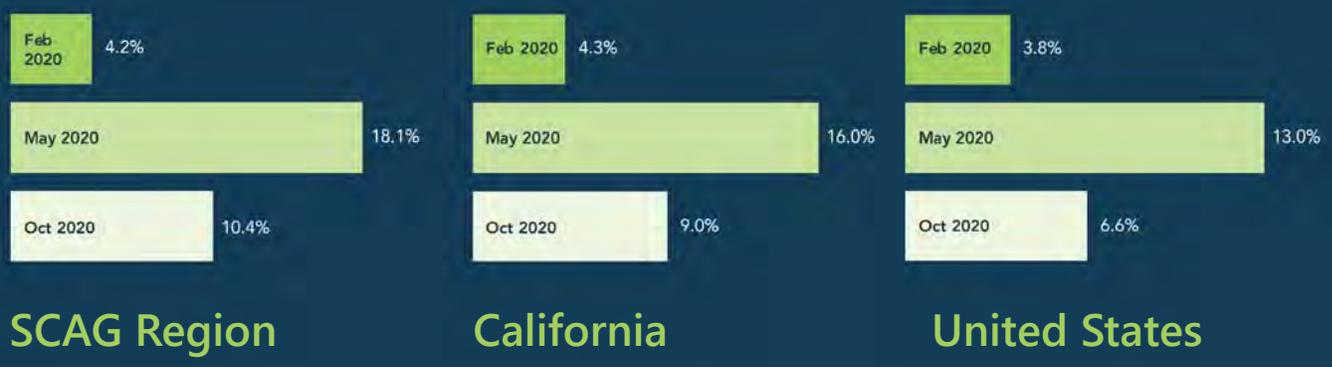
April 1, 2021

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SCAG
INNOVATING FOR A BETTER TOMORROW

Inclusive Economic Recovery Strategy (IERS) – Work Plan

Research & Inventory of Resources
Dec 2020–March 2021

- Literature review
- Best Practices/case studies
- Catalog of economic development organizations
- Regional, state and federal economic recovery efforts
- Reference list of public funding sources

Draft Principles & Framework
Jan 2021

- Baseline data
- Guiding principles
- Focus areas

Small Group Convenings & Survey
Feb-March 2021

- 20+ convenings
- Survey
- Share draft IERS framework
- Learn about existing efforts
- Identify targeted policies and programs

Draft Plan
March–April 2021

- Combine learning from research and convenings
- Next steps for action – policy, programs, funding
- Update presentation to Special Committee 3/30/21
- Stakeholder webinar 4/16/21
- Present draft plan at General Assembly 5/6/21

Status of the Economy

State, SCAG Region and County-specific

Unemployment at a Glance

|	SCAG Region	California	United States
Feb 2020	4.2%	4.3%	3.8%
May 2020	18.1%	16.0%	13.0%
Oct 2020	10.4%	9.0%	6.6%

One year into the pandemic, unemployment is starting to shrink – however it is higher in the SCAG region than the State and the country as a whole.

SCAG Region Overview

Feb 2020: 4.2%
May 2020: 18.1%
Oct 2020: 10.4%

Unemployment

- Sectors with the largest employment losses between February and April 2020:
  - Leisure and Hospitality: -45.4%
  - Other Services: -27.3%
  - Information: -22.7%
  - Nondurable Goods Manufacturing: -17.4%
  - Retail Trade: -17.2%
- The Beginnings of a Recovery — SCAG region recovered 704,400 jobs between April 2020 and January 2021, led by:
  - Retail Trade: +19.0%
  - Construction: +11.5%
  - Leisure and Hospitality: +7.7%

SCAG Region Economic Performance
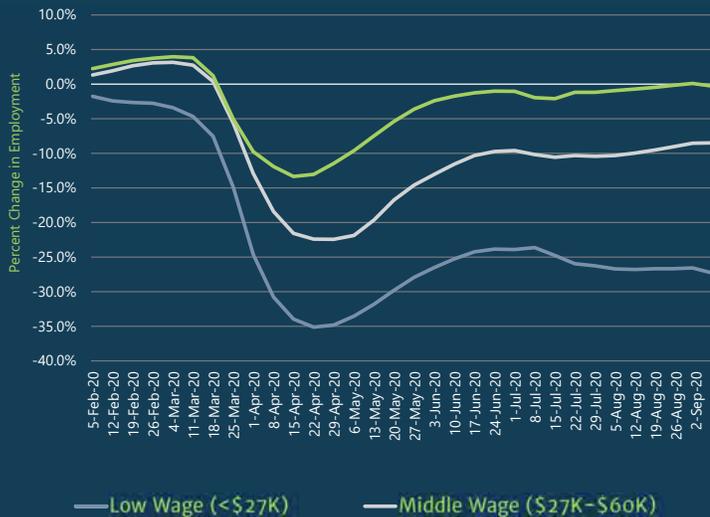
- Before the pandemic, SCAG median household incomes region grew to $76,981 by 7.1% in 2019, faster than the national rate.
- Lower-income SCAG residents saw higher employment losses between January and April and will likely see a slower recovery.
  - Low Income (<$27,000) saw jobs losses of 35.1%
  - Middle Income ($27,000-$60,000): - 22.4%
  - High Income (>$60,000): -13.0%

National Data

- Black and Hispanic workers faced 1.6 to 2.0 times the unemployment rates of white counterparts
- Households with less than $30,000 in income faced double the unemployment rates
- Women have accounted for 56% of workforce exits since the start of the pandemic despite making up 48% of the workforce

Source: McKinsey & Company, *Achieving an Inclusive US Economic Recovery*, Feb 3, 2021

Statewide Data

- The income gap has grown faster in CA than in the country as a whole
- The richest Californians have seen record wealth gains this year
- Those that already work paycheck to paycheck have been hit hardest

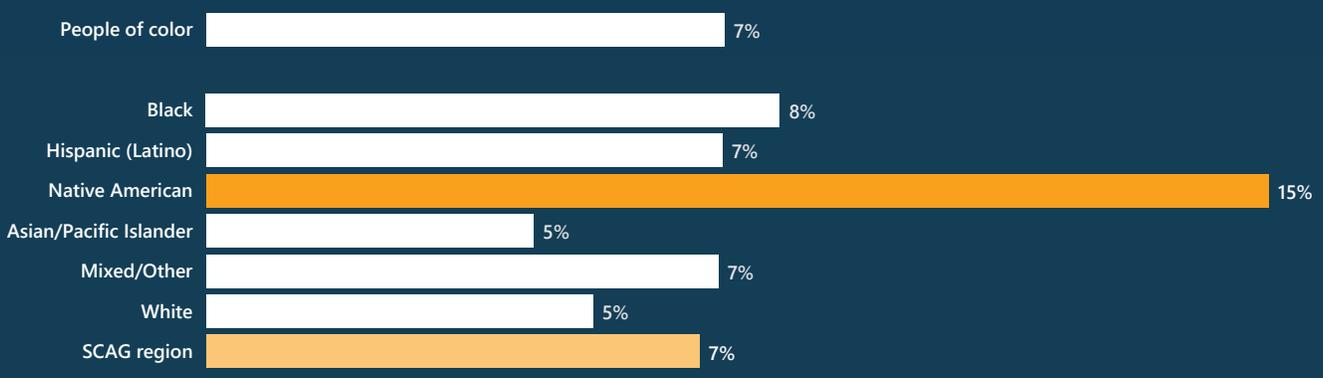Source: *2020 California Governor's Budget Proposal*

Equity Indicators

Baseline Data for the SCAG Region

National Equity Atlas

SCAG Region Baseline Equity Indicators: 2017 data

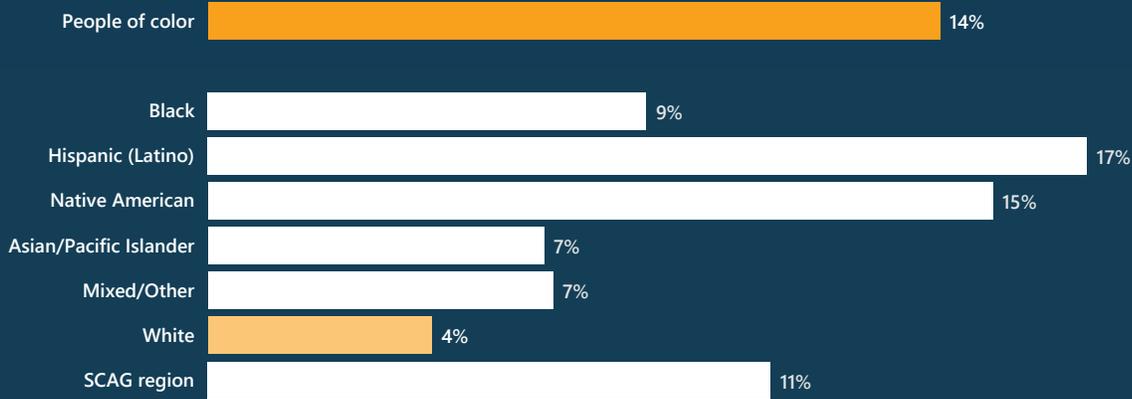### Unemployment Rate by Race/Ethnicity

Race/Ethnicity	Rate
People of color	7%
Black	8%
Hispanic (Latino)	7%
Native American	15%
Asian/Pacific Islander	5%
Mixed/Other	7%
White	5%
SCAG region	7%

While the disparity in unemployment between the White population and People of Color (POC) has shrunk, the unemployment rate for POC is still 38% higher.

SCAG Region Baseline Equity Indicators: 2017 data

Percentage of Working Poor by Race/Ethnicity

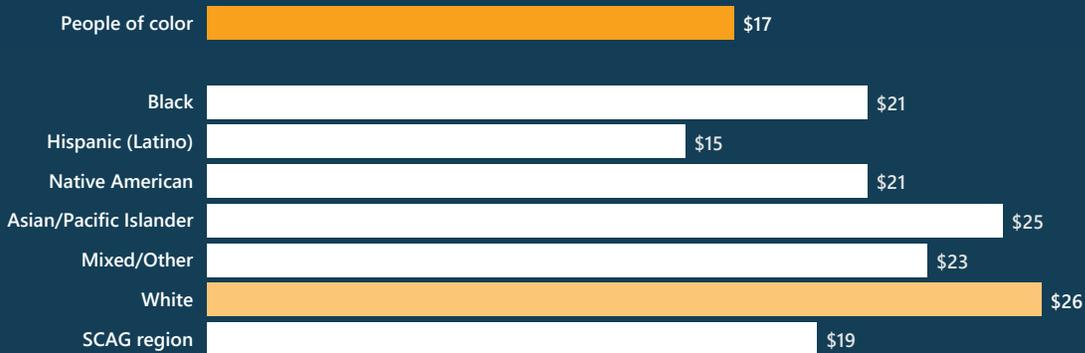| Category	Value
People of color	14%
Black	9%
Hispanic (Latino)	17%
Native American	15%
Asian/Pacific Islander	7%
Mixed/Other	7%
White	4%
SCAG region	11%

For all races, the percentage of Working Poor has <u>increased</u> in the SCAG region; People of Color are Working Poor at rates 3 times as high as the White population.

SCAG Region Baseline Equity Indicators: 2017 data

Median Hourly Wage by Race/Ethnicity

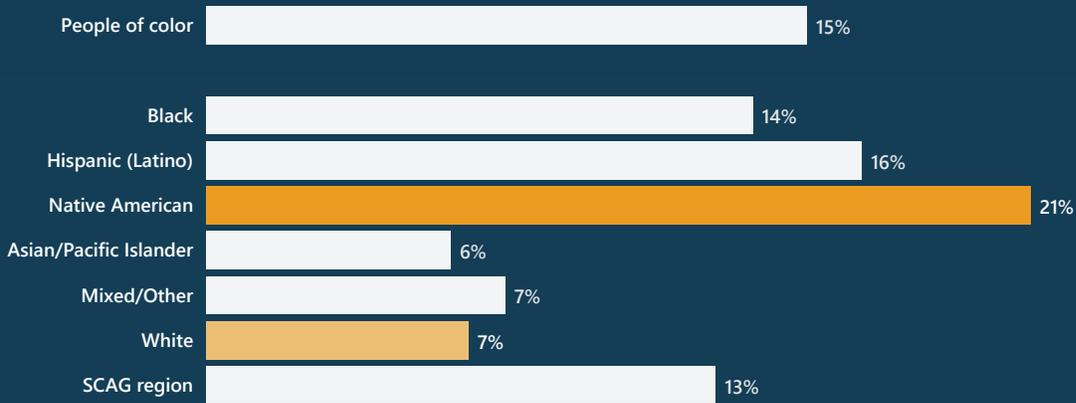| Category	Value
People of color	$17
Black	$21
Hispanic (Latino)	$15
Native American	$21
Asian/Pacific Islander	$25
Mixed/Other	$23
White	$26
SCAG region	$19

Workers of color make nearly $10 less per hour ($17) than their white counterparts ($26), equating to a nearly $20,000 deficit in pre-tax revenue.

Percent Living in High-Poverty Neighborhoods by Race/Ethnicity

People of color	15%
Black	14%
Hispanic (Latino)	16%
Native American	21%
Asian/Pacific Islander	6%
Mixed/Other	7%
White	7%
SCAG region	13%

In 2017, 15% of the SCAG region's People of Color lived in high poverty census tracts, compared to 6.5% of the white population.

The Business Case for Racial Equity

Attachment: PowerPoint Presentation: Developing an Inclusive Economic Recovery Strategy for the SCAG Region (Inclusive Economic

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> **The average earnings of persons of color in the U.S. are 63% of the average earnings of Whites of the same age and gender — roughly $25,000 per year versus $40,000 per year.**
>
> **Raising the average earnings of people of color to match those of Whites by closing gaps in health, education, and opportunity would generate an additional $1 trillion in earnings, a 15% gain.**

* Data from *The Business Case for Racial Equity, A Strategy for Growth,* by **Ani Turner (Altarum) WK Kellogg Foundation, 2018**

> **Under current consumer spending patterns, $1 trillion in higher earnings would translate to an additional $800 billion in spending..."**
>
> **To address racial inequalities by 2050 would result in an additional $2.6 trillion in spending.**

* Data from *The Business Case for Racial Equity, A Strategy for Growth,* by **Ani Turner (Altarum) WK Kellogg Foundation, 2018**

> **Closing the earnings gap for people of color would increase federal tax revenues by $450 billion and state and local tax revenues by $100 billion annually.**
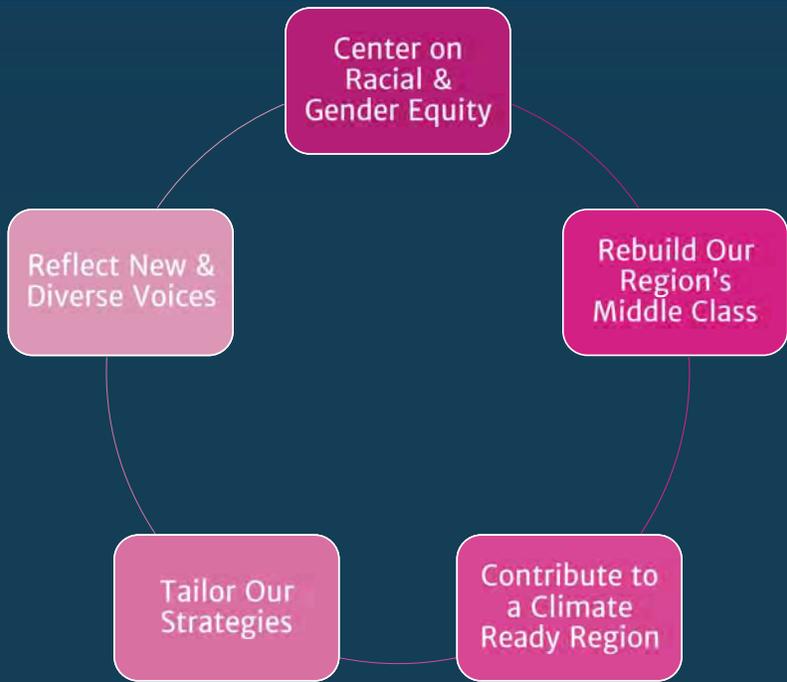
* Data from *The Business Case for Racial Equity, A Strategy for Growth,* by **Ani Turner (Altarum) WK Kellogg Foundation, 2018**

> **Between 1975 and 2018, if median income had grown at the same rate as GDP, median earners would make $92,000 per year vs the current median income of $50,000 per year.**

* *Source: Trends in Income from 1975 to 2018; Rand Education and Labor; Sept 2020*

Inclusive Economic Recovery Strategy Guiding Principles

IERS – Guiding Principles

Center on Racial & Gender Equity

Rebuild Our Region's Middle Class

Contribute to a Climate Ready Region

Tailor Our Strategies

Reflect New & Diverse Voices

Inclusive Economic Recovery Strategy Focus Areas

IERS Focus Areas: Inter-connected and Equally Important

Focus Areas
- Transportation
- Housing Production
- Sector-Based Strategies
- Infrastructure
- Human Capital
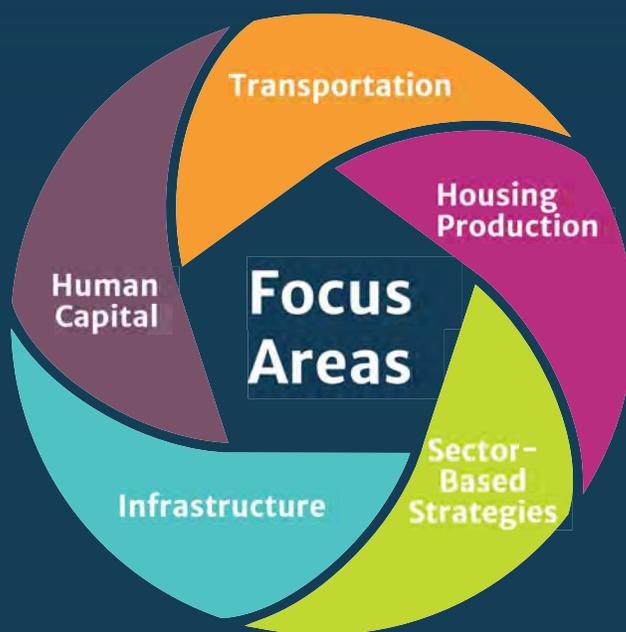
Preliminary Findings – Still in Development

Human Capital

- **Workforce Development:** Support a region-wide initiative to bring greater awareness of workforce development resources for employers.
- **Childcare:** Facilitate regional coordination to ensure that California is prepared to allocate federal funding for childcare being provided through the Federal Recovery Act.
- **Training and Apprenticeships:** Work with labor and the development community to strengthen the form and implementation of training and apprenticeship opportunities.
- **Data:** Strengthen SCAG's role as a hub for regional data that helps promote and drive economic recovery efforts.
- **Bring more voices to the table:** Leverage the work of foundations across the region to broaden the reach of SCAG's work, and in particular to support equity-centered economic development work.

Preliminary Findings – Still in Development

Transportation and Infrastructure

- **Prioritize Funding for Catalytic Projects:** Create a list of priority transportation and infrastructure projects across the region and advocate for funding at the state and federal level. Use these projects to pilot coordination on job training programs.
- **Charging and Fueling Infrastructure:** Move forward with SCAG efforts for electrification of freight and the regional blueprint for electric charging and hydrogen fueling infrastructure for medium and heavy-duty trucks.
- **Digital Divide:** Lead regional efforts to bridge the digital divide.
- **Environmental Remediation and Infrastructure:** Identify funding sources for environmental remediation and infrastructure development to facilitate housing production and economic growth.

Preliminary Findings – Still in Development

Housing Production

- **Financing:** Support efforts to create regional financing strategies and funding sources for housing of all types, and affordable to households at a variety of income levels.
- **Development Streamlining:** Offer technical assistance and training to support municipalities seeking to use CEQA streamlining and other ministerial approval options to accelerate housing production.
- **Accessory Dwelling Units (ADUs):** Become a repository of information and best practices to support regional efforts to streamline and finance development of accessory dwelling units (ADUs).

Preliminary Findings – Still in Development

Sector Based Strategies

- **Data:** Become a source of regional data that can support and inform policies around economic development, and in particular align with the data needs identified in the March 2021 report of the State's Future of Work Commission.
- **Regulatory Reform:** Advocate for regulatory reforms that support businesses, in particular ensuring that start-ups and growing, early stage companies that start in the region, remain in the region.
- **Contracting:** Support creation of stronger supply chains for small, women and minority owned businesses to secure both government contracts and contracts with anchor institutions.

Next Steps

- Convenings through first week of April 2021
- 4/12/21: GLUE Council meeting – share findings and preliminary recommendations, seek feedback
- 4/16/21: Stakeholder webinar – share findings and preliminary recommendations, seek feedback
- 5/6/21: Present findings and draft recommendations to Regional Council
- May – June: Refine recommendations based on feedback, additional outreach as needed
- July 2021: Final report published

Questions and Discussion

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		EXECUTIVE DIRECTOR'S APPROVAL
To:	Community, Economic and Human Development Committee (CEHD)	
From:	Linda Wheaton, Senior Housing Policy Advisor, (213) 236-1923, wheaton@scag.ca.gov	*Kome Ajise*
Subject:	Supporting Development of Accessory Dwelling Units (ADUs)	

RECOMMENDED ACTION:
Information Only – No Action Required

STRATEGIC PLAN:
This item supports the following Strategic Plan Goal 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:
Changes in state law in recent years have increased the potential for Accessory Dwelling Units (ADUs) to support increased housing supply. New laws have addressed barriers to their implementation at scale, for example: setting development criteria for ADUs, streamlined processing, and limiting impact fees. Implementation of state law requires updating local ordinances, estimating ADU capacity when used to address regional housing need allocations (RHNA) in housing element updates, and a housing element program to incentivize and promote ADUs that can be offered at affordable rents.

A University of California Berkeley Terner Center for Housing Innovation researcher will address ordinance issues and best practice recommendations regarding these needs.[1] SCAG staff will describe support for ADU development through a variety of the programs, including those funded by the Regional Early Action Plan (REAP) grant.

BACKGROUND:
An ADU is a housing unit with complete independent living facilities for one or more persons, with several variations:[2]

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[1] *"Reaching California's ADU Potential: Progress to Date and the Need for Finance,"* K. Chapple, D. Garcia, J. Tucker, E. Valchuis, Terner Center for Housing Innovation, Aug. 28, 2020.

[2] California Department of Housing and Community Development (HCD) *Accessory Dwelling Unit Handbook*, Updated December 2020.

- Detached: The unit is separated from the primary structure.
- Attached: The unit is attached to the primary structure.
- Converted Existing Space: Space (e.g., master bedroom, attached garage, storage area, or similar use, or an accessory structure) on the lot of the primary residence that is converted into an independent living unit.
- Junior Accessory Dwelling Unit (JADU): A specific type of conversion of existing space that is contained entirely within an existing or proposed single-family residence.

Local ADU Regulation

Provisions for local government adoption of "second unit" ordinances, also known as "granny flats," "in-law units" or "accessory dwelling units," were first adopted in State law in 1982. Government Code Section 65852.150 established legislative intent that provisions of an ADU ordinance "are not so arbitrary, excessive, or burdensome so as to unreasonably restrict the ability of homeowners to create accessory dwelling units." The State's intensifying housing crisis and inadequate effectiveness of earlier amendments to address barriers to broader implementation of ADU development,[3] rendered ADUs the subject of renewed focus of State housing policy in recent years. Numerous bills enacted in 2016, 2017, 2019, and 2020 amended ADU provisions, prompting the need for local governments to conform with changes in statutory provisions effective as of January 1, 2021.[4] While local governments are not required to adopt an ADU ordinance, they are obligated to ministerially permit ADUs consistent with at least the minimum standards set forth in Government Code Sections 65852.2 and 65852.22, and to report ADU permits to HCD in their Annual Progress Reports (APRs) (due April 1st annually). Local governments within the SCAG region reported permitting 16,856 ADUs from 2013-2019; the vast majority of these (68%) were within the City of Los Angeles. SCAG jurisdictions reported permitting 5,351 ADU permits in 2018, and 7,461 ADU permits in 2019, with 77 percent of them within the City of Los Angeles. Los Angeles has been a leader in ADU production and is also focusing on design through the ADU Standard Plan Program.[5, 6] Many jurisdictions did not report any ADU permits and many reported issuing only one ADU permit in 2018 or 2019.[7]

When a local ADU ordinance is adopted, it is to be sent to HCD within 60 days. UC Berkeley researchers periodically evaluate local ADU ordinances and report the evaluations (grades from A-F)

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[3] *"Second-unit Legislation Effective January 1, 2003 and July 1, 2003,"* Memorandum to Planning Directors, Interested Parties, C. Creswell, HCD Division of Housing Policy Development, August 6, 2003.

[4] HCD Accessory Dwelling Unit webpage https://www.hcd.ca.gov/policy-research/accessorydwellingunits.shtml

[5] "Stylish, affordable digs in LA? Yes." Sam Lubell, Los Angeles Times, March 5, 2021, pg. E6.

[6] "*How Los Angeles is bringing high design to the granny flat,*" Carolina Miranda, Los Angeles Times, March 5, 2020.

[7] These figures are based on data HCD provided to SCAG in February 2021.

to HCD.[8] As illustrated in the table below, the most common grades for a sample of ordinances of 56 SCAG jurisdictions with ordinances reviewed as of September 2019 were from C- to C+.[9]

ADU Ordinance Grades Reviewed as of September 6, 2019 of a Sample of 56 SCAG Jurisdictions
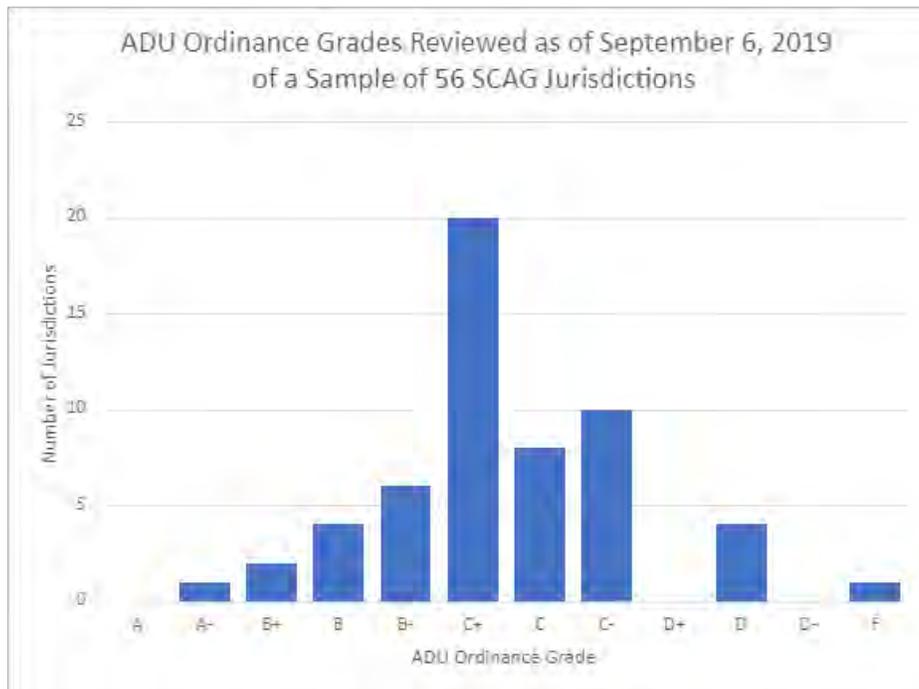
ADU Provisions of Housing Element Law

Planning for ADU development is relevant for housing element updates in both the adequate sites inventory for accommodating regional housing need allocations (RHNAs) and the program sections. Housing element law specifies that sites for ADUs can be identified as follows:

> *"[B]ased on the number of accessory dwelling units developed in the prior housing element planning period whether or not the units are permitted by right, the need for these units in the community, the resources or incentives available for their development, and any other relevant factors, as determined by the department."*

Robust projections for ADU development, particularly in cases of little prior ADU development, will be dependent on making regulatory and financial incentives available to the extent feasible via

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[8] HCD plans to post copies of review of local ordinances on their website, per this example

[9] Based on data compiled by SCAG staff from: *The ADU Scorecard – Grading ADU Ordinances in California* (PDF), (UC Berkeley Center for Community Innovation, September 2020).

supportive ordinance updates, and other administrative procedures and program development mitigating cost and other barriers to their development.

Housing element programs are also to include developing a plan to incentivize the creation of ADUs that can be offered at affordable rent for very low- to moderate-income households. See SCAG Regional Accessory Dwelling Unit Affordability Analysis described below and funding examples on the "ADU Affordable Housing Resources" attachment.

ADU Processes Support other Housing Development Objectives

Several provisions of ADU law are common features of other recent themes in new or amended housing laws and development, with a focus on increasing and accelerating housing production, controlling costs and supporting housing affordability:

- Streamlined permitting, with ministerial or by-right permit processing
- Inclusive education and outreach
- Objective design standards
- Standardized applications
- Increased reliance on tiered environmental review
- Pre-approved building plan options
- Modular or factory-built housing
- Greater variety of housing types
- Enabling modest increases to neighborhood densities

SCAG ADU Support

SCAG is funding a variety of ADU support activities as described below, including several with REAP funds for subregions, local governments and housing stakeholder partnerships. Staff will facilitate information sharing across the program activities. It is anticipated that adoption of common practices and tools, particularly within subregions, will accelerate ADU development, have potential to contribute significantly to addressing RHNAs, generate new housing at more affordable levels, foster streamlined permit processing, and offer homeowners a source of income.

- SCAG developed guidance for affordability calculations of housing element updates pre-approved by HCD, released in late summer 2020 and posted on the website: SCAG Regional Accessory Dwelling Unit Affordability Analysis. This can be used for affordability estimates for ADUs.

- The Housing Element Parcel (HELPR) Tool, released in December 2020, allows rudimentary site analysis for ADUs. This tool will be updated in Spring 2021 (version 2.0) with an ADU Potential Dataset being developed in collaboration with the Urban and Regional Planning Department at Cal Poly Pomona (CPP). The dataset is based on parcel-level land-use geospatial data, building footprint, ADU ordinance parameters of State law and other

relevant sources. Similar to other pre-selected filters in HELPR, users will have the capability to reconfigure values and dynamically combine it with other filters (e.g., environmentally sensitive areas, opportunity areas, environmental justice areas, etc.).

- In collaboration with the Regional Data Platform (RDP) project, SCAG has initiated a Local Information Services Team (LIST) to provide information and technical assistance services to support use of GIS software licenses for local planning activities. The LIST aims to (1) link SCAG's available information products to help address local information needs (e.g. data, applications, model policies and best practices, topical whitepapers, etc.) and (2) provides local jurisdiction staff an opportunity to offer feedback on how SCAG can improve our products to facilitate better collaboration. SCAG is providing one-on-one technical assistance services with SCAG local governments to introduce and demonstrate SCAG's housing-related products (i.e. Local Housing Data Report and HELPR tool. A detailed demonstration of the ADU Potential filter of HELPR 2.0 will be provided in these technical assistance services.

- Eight subregions will sponsor ADU support activities with REAP Subregional Partnership Program awards. These projects, described on Attachment 1, serving multiple jurisdictions, will include tasks such as feasibility analysis, best practice toolkits, homeowner checklists, design templates or pre-approved ADU prototypes, permitting, financing resources, and interactive websites.

- Eight cities within four subregions (OCCOG, Gateway Cities COG, SGVCOG and Westside Cities COG) have applied for support for ADU implementation from the Sustainable Communities Housing and Sustainable Development Program (SCP-HSD). Requests include for example, online analysis, prototype plans, cost estimators, applications and permitting, educational and community outreach, procedural manuals. Following approval by the Regional Council in April, SCAG staff will work with awarded applicants to begin scope of work development, with procurement for the selected projects in the Fall of 2021.

- While applications aren't yet through the approval process as of this writing, additional ADU support is being recommended for award via the Call for Collaboration Applications for which SCAG is partnering with the California Community Foundation, Irvine Foundation and Chan Zuckerberg Foundation.

- Additionally, staff will provide ADU resources such as the attachment "ADU Affordable Housing Resources," and promote and collaborate with stakeholders such as the Casita Coalition to support ADU development. For example, the Casita Coalition is sponsoring a webinar "ADU Best Practices: City of Los Angeles" on April 30th https://www.casitacoalition.org/webinarseries.

Guest Presentation

A researcher from the University of California Berkeley Terner Center for Housing Innovation will address ordinance, financing issues, and best practice recommendations regarding ADUs at the April 1, 2021 CEHD Committee meeting.

FISCAL IMPACT:

Work associated with this item is included in the FY 20-21 Overall Work Program (21-300.4872.01: Regional Early Action Planning (REAP) Grants Program (AB 101)).

ATTACHMENT(S):

1. REAP Subregional Partnership Program ADU Projects
2. ADU Affordable Housing Resources
3. PowerPoint Presentation - Supporting Development of Accessory Dwelling Units (ADUs)
4. PowerPoint Presentation - SCAG ADU Ordinance Compliance

REAP Subregional Partnership Program ADU Projects

Subregion	ADU Project Description(s)
Orange County Council of Governments (OCCOG)	■ Develop several pre-approved floor plans for ADUs and JADUs. ■ Create interactive website with design and financing tools for use by residents. ■ Develop communications toolkit for jurisdictions to use in educating the public about opportunities for ADU production.
Gateway Cities Council of Governments (GCCOG)	■ Create relevant tools, including ADU standard plans, additional policy, and permitting of existing ADUs to support increased ADU production and preservation.
San Bernardino County Transportation Authority (SBCTA)/ San Bernardino Council of Governments (SBCOG)	■ Conduct regional ADU survey to develop a toolkit providing ADU policies, qualitative analysis, and discussion of ADU enforcement capability to deliver a county-wide ADU feasibility analysis and methodology to satisfy RHNA requirements. ■ Develop regional ADU Capacity Report per each San Bernardino County jurisdiction. ■ Create pre-approved ADU designs to expedite the ADU permit process for SBCTA/SBCOG jurisdictions.
South Bay Cities Council of Governments (SBCCOG)	■ Identify and map location of ADUs in 7 South Bay cities to create GIS layer. ■ Develop memorandum comparing housing policy documents to each other and to regional best practices. ■ Conduct survey of a sample of ADU applicants/occupants. ■ Develop memorandum on city conditions that could impact ADU development, including ADU forecast.
Western Riverside Council of Governments (WRCOG)	■ Conduct regional ADU survey for toolkit providing ADU policies, qualitative analysis, and discussion of ADU enforcement; capability to deliver county-wide ADU feasibility analysis. ■ Develop regional ADU Capacity Report for each jurisdiction within the WRCOG subregion.

Westside Cities Council of Governments (WSCCOG)	■ Develop Policy Actions Memo identifying specific actions in each jurisdiction for streamlining and scaling ADU production to capacity, including design templates and financing resources.
	■ Model affordable ADU program including example program structure, identified governmental and non-governmental partners, construction budgets and potential funding sources.
	■ Draft necessary zone changes and ordinances for jurisdictions.
	■ Develop educational materials to encourage homeowners to build ADUs.
Ventura Council of Governments (VCOG)	■ Create a regional ADU permitting program with two types of pre-approved ADU plans.
	■ Develop interactive webpage with design, development, and financing resources to increase outreach to areas with low ADU activity.

ADU Affordable Housing Resources[1]

- SCAG is funding a variety of **ADU support with Regional Early Action Program funds** for local governments and housing stakeholder partnerships, including the REAP Subregional Partnership Program, the Sustainable Communities Housing and Sustainable Development Program SCP-HSD, rudimentary land use capacity analysis with the HELPR tool, and the Call for Collaboration.

- The California Health and Safety Code (HSC), Section 65583(c)(7), requires that cities and counties develop a plan, identified in their housing element, to incentivize and promote the creation of ADUs that can be offered at affordable rent for very low- to moderate-income households. **Guidance for the affordability calculations** are described in this document: SCAG Regional Accessory Dwelling Unit Affordability Analysis.

- **HCD list of Potential State Grants and Financial Incentives for ADUs**
  For the planning, construction, and operation of an ADU with affordable rent for very low- to moderate- income households:

  - CalHome Program – State funds to local public agencies and nonprofit corporations for first-time homebuyer mortgage assistance including a home purchase with an ADU or JADU; owner-occupied rehabilitation assistance including rehabilitation of ADUs or JADUs; ADU/JADU assistance including construction, repair, and reconstruction; and homeownership development project loans including predevelopment and carrying costs during construction related to ADUs and JADUs (HCD CalHome program)
  - Local Early Action Planning (LEAP) Grants – State grants to local jurisdictions including eligible partnerships for housing planning, and developing or improving an ADU ordinance in compliance with Section 65852.2 of the Government Code (HCD LEAP program)
  - Local Housing Trust Fund (LHTF) Program – Matching funds to local and regional housing trust funds. Funds may also be used for the construction, conversion, repair, reconstruction or rehabilitation of ADUs or JADUs (HCD LHTF program)
  - SB 2 Planning Grants – Grants to local governments including eligible partnerships for housing planning and to encourage ADUs and other innovative building types through ordinances, outreach, fee waivers, pre-approved plans, website zoning clearance assistance, and other homeowner tools or finance tools (HCD SB2 program)
  - Community Development Block Grant Program (CDBG) – Federal funds allocated to non-entitlement jurisdictions, and non-entitlement jurisdictions that partner with non-federally recognized Native American communities for community development activities including single- and multi-family rehabilitation and potential local ADU rehabilitation and planning programs. Applicants must be

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[1] SCAG, March 2021

income qualified in low- to moderate-income households for rehabilitation and areas for planning. Contact your local jurisdictions for more information.

- **Examples of Grants and Financial Incentives for ADUs by Local Governments**

  - [LA ADU Accelerator Program SHORT Homeowner Flyer](#); [Approved Standard Plans](#)
  - [Pasadena Second Unit ADU Program](#) – Provides financial assistance to build an ADU through new construction or garage conversion.
  - [City of Clovis: ADU Finance Program](#) – Provides financing to eligible property owners seeking funding to build or repair ADUs on their existing single-family lot in the City of Clovis.
  - [Santa Cruz County: ADU Forgivable Loan Program](#) – Offers forgivable loans up to $40,000 to homeowners who rent ADUs to low-income households at affordable rents for up to 20 years.
  - [San Mateo County: One Stop Shop Program](#) – Provides no-cost support from Hello Housing with design, permitting, and project management for building an ADU.
  - [Monterey Bay: My House My Home Program](#) – Creates affordable ADUs for low-income senior homeowners in the Monterey Bay area.
  - [City of San Jose: Accessory Dwelling Unit Program](#) – Provides pre-approved ADU plans and support for ADU construction.
  - [City of Chico ADU Program](#) – Provides pre-approved ADU plans and support for ADU construction.
  - [Housing Trust Silicon Valley](#) – Provides funding to support homeownership, rental housing, development financing, and offers programs for homeowners.
  - Town of Truckee's ADU incentive package https://www.townoftruckee.com/home/showpublisheddocument?id=20669
  - San Diego For-Sale Affordable Program – For qualifying nonprofit developers, reference SDMC 141.0302.b.1.B: https://docs.sandiego.gov/municode/MuniCodeChapter14/Ch14Art01Division03.pdf

- **For additional ADU resources and updates for California communities, visit**:

  - ADU Handbook and other resources from the California Department of Housing and Community Development (HCD) – https://www.hcd.ca.gov/policy-research/accessorydwellingunits.shtml
  - Casita Coalition – https://www.casitacoalition.org/homeowners
  - ADU California – https://www.aducalifornia.org/best-practices/

CONNECT SoCal

Supporting Development of Accessory Dwelling Units (ADUs)

Linda Wheaton & Kevin Kane, SCAG

**Dori Ganetsos, University of California Berkeley
Center for Community Innovation**

April 1, 2021

www.scag.ca.gov

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Growing Housing Role for ADUs

SCAG

- California's "second unit" law, a.k.a. granny flats, in-law units, and most recently Accessory Dwelling Units (ADUs), first enacted in 1982

- State law has been frequently amended to emphasize potential to address housing supply and affordability

- Removing barriers to implementation

- Subject to State monitoring and oversight by the Department of Housing & Community Development (HCD)

Accessory Dwelling Unit Handbook
September 2020
Where foundations begin
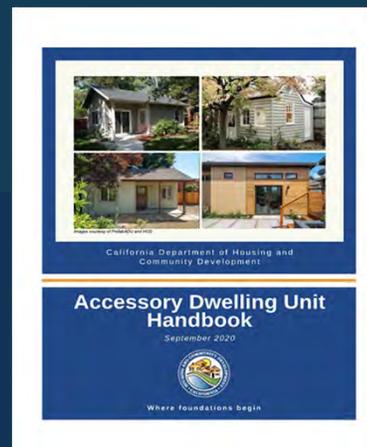
2

Local Government Requirements

- **Ministerial permitting of ADUs consistent with standards of State law**

- **Local ADU ordinances, while optional, are to be submitted to HCD for review**

- **ADU permitting is to be included in Annual Progress Reports (APRs) to HCD**

- **Housing elements are to include a program for affordable rental ADUs**

- **Number and affordability of ADUs proposed for credit toward RHNA**
  in housing element site inventory must be justified

3

Accessory Dwelling Units Can be in a Variety of Forms

DETACHED
new or renovated freestanding structure, such as a backyard cottage

ATTACHED
new or renovated sharing at least one wall with the primary house

REMODEL/ EXPANSION
adding sq footage to the primary house that can include a unit

INTERIOR CONVERSION
built from existing converted space (e.g. an attic or basement)

GARAGE APARTMENT
converted former garage space

ABOVE/BELOW GARAGE
unit built above or below garage

A Junior ADU (JADU) is enclosed within a single-family residence

CASITA COALITION
https://www.casitacoalition.org/

Supportive Housing Policies & Practices

- Clear ordinance provisions consistent with State law
- Regulatory incentives
- Objective design standards
- Outreach and education
- Public-oriented website materials
- Standardized applications
- Streamlined permitting
- Pre-approved building plan options
- Homeowner assistance
- Affordable housing subsidies

"Casita L.A.," a new ADU in East L.A. designed by Alexis Navarro in carport area. "He challenged himself to build an ADU for under $100,0000. What's his secret?", by Lisa Boone; Photo by Allen J. Schaben / Los Angeles Times, March 18, 2021.

Regional Early Action Planning (REAP) Program ADU Support

Partnerships and Outreach

- Sub-Regional Partnership Program ADU Projects
- Education/outreach

Regional Housing Policy Solutions

- HELPR ADU capacity screening, ADU Affordable Rent Data
- Best Practice Policy & Practice Briefs, University & Other Partnerships

SCS Integration

- Sustainable Communities Strategies - Housing & Sustainable Development Grants for ADUs
- Priority Growth Area Strategies

Coordination with HCD Subregional LEAP-REAP TA

6

Housing Element Updates Technical Support

- Pre-certified local housing data
  - Satisfies housing element's "housing needs" data requirement

- HELPR: Housing Element Parcel Tool Web Mapping Application
  - Parcel level filtering for local capacity, scenario analysis, plan development
  - Version 2.0 coming mid-2021

- Pre-certified ADU Affordability Assumptions

Visit www.scag.ca.gov/housing-elements

7
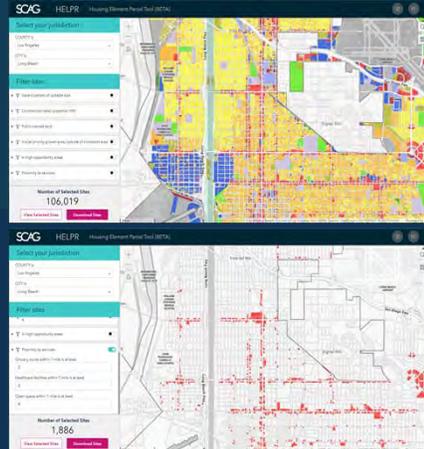
SCAG ADU Affordability Analysis for Housing Elements

- **For projected ADU development RHNA credit, local governments must provide analysis of anticipated affordability levels**

- **SCAG conducted a regional analysis of market rents from ADU rental listings compared to State income thresholds to assign ADUs to income categories**

- **HCD pre-certified SCAG's ADU affordability assumptions; local governments can supplement**

8

SCAG ADU Ordinance Compliance

April 1, 2021

Dori Ganetsos – Graduate Student Researcher

UC Berkeley Center for Community Innovation & Terner Center for Housing Innovation

www.aducalifornia.org

Our work

- ADU ordinance grading for compliance with State Legislation and identification of best practices

  - 2018 Legislation (grades published)

  - 2019 Legislation (grading in progress)

Why do the rules keep changing?

- State legislative focus on reducing local land-use barriers to ADU construction (2016-2020)

- Seems to have tapered off after 2019, more recent legislative focus is on scaling ADU production outside of zoning and land use regulations

How are SCAG jurisdictions doing?
2018 legislation

Grades of SCAG jurisdictions in 1st round of grading

Grade	Number of Jurisdictions
F	1
D	5
C-	10
C	7
C+	20
B-	6
B	4
B+	2
A-	1
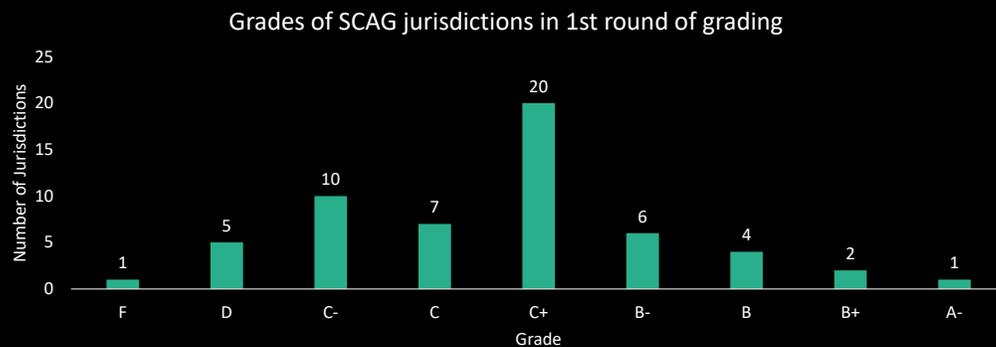
N=56

How are SCAG jurisdictions doing?

2019 legislation (grading in progress)

- 59 ordinances submitted to HCD
  - 39 adopted ordinances
  - 20 draft or urgency ordinances (not shown)

The good

2019 legislation (grading in progress)

👍 Allowing for taller and larger ADUs than required by State Legislation

👍 Completely waiving certain Planning requirements (like Floor Area Ratio and Lot Coverage) for all ADUs (more permissive than required by the State

👍 Not requiring **any** parking for ADUs

👍 Elimination of **all** impact fees for ADUs

👍 More public-facing information on City websites about ADUs, pre-approved plans, pilot programs to bolster production

The bad...
2019 legislation (grading in progress)

👎 Not mentioning that ADUs are now required to be permitted on lots with multifamily homes

👎 Not allowing existing buildings/structures to be expanded up to 150' to accommodate ingress/egress for ADU

👎 Not providing information on impact fees (or required relief from said fees)

👎 Not providing parking relief as required by the State

The bad cont'd
2019 legislation (grading in progress)

👎 Not permitting Junior ADUs

👎 (Still) requiring discretionary approval process for certain ADUs (e.g. 2 story ADUs are required to obtain "neighborhood compatibility determination" from Planning Commission)

👎 Still requiring owner-occupancy for certain ADUs (although prohibited by State Legislation)

Why this matters

- Housing affordability implications

- ADUs counting towards RHNA targets

- HCD may start to enforce legislation - $ proposed in 2021-2022 Budget to do so

Thank you!

www.aducalifornia.org

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