

# San Diego Association of Governments Regional Housing Needs Assessment Appeals Determination: City of Imperial Beach

The City of Imperial Beach (City) has appealed its draft Regional Housing Needs Assessment (RHNA) allocation. The following constitutes the final determination of the San Diego Association of Governments (SANDAG) Board of Directors regarding the City's appeal. This final determination is based on the information and methodology described in California Government Code Section 65584.04,<sup>1</sup> the information presented in the appeal, all comments received regarding the appeal, and information received during the public hearing.

## I. Statutory Background

The California Legislature developed the RHNA process in 1977 to address the affordable housing shortage in California. The RHNA process is codified in state law at Section 65580, et seq. Over the years the housing element laws, including the RHNA process, have been revised to address the changing housing needs in California. As of the last revision, the Legislature has declared that:

- (a) The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farmworkers, is a priority of the highest order.
- (b) The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.
- (c) The provision of housing affordable to low- and moderate-income households requires the cooperation of all levels of government.
- (d) Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.
- (e) The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments and the state in addressing regional housing needs.
- (f) Designating and maintaining a supply of land and adequate sites suitable, feasible, and available for the development of housing sufficient to meet the locality's housing need for all income levels is essential to achieving the state's housing goals and the purposes of this article.

See Section 65580.

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<sup>1</sup> All statutory references are to the California Government Code unless otherwise noted.

To carry out the policy goals above, the Legislature also codified the intent of the housing element laws:

- (a) To assure that counties and cities recognize their responsibilities in contributing to the attainment of the state housing goal.
- (b) To assure that counties and cities will prepare and implement housing elements which, along with federal and state programs, will move toward attainment of the state housing goal.
- (c) To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the state housing goal, provided such a determination is compatible with the state housing goal and regional housing needs.
- (d) To ensure that each local government cooperates with other local governments in order to address regional housing needs.

See Section 65581.

The housing element laws exist within a larger planning framework which requires each city and county in California to develop and adopt a comprehensive, long-term general plan for the physical development of the jurisdiction (See Section 65300). A general plan consists of many planning elements, including an element for housing (See Section 65302). In addition to identifying and analyzing the existing and projected housing needs, the housing element must also include a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. Consistent with Section 65583, adequate provision must be made for the existing and projected housing needs of all economic segments of the community.

#### A. RHNA Determination by HCD

Each cycle of the RHNA process begins with the California Department of Housing and Community Development's (HCD) determination of the existing and projected housing need for each region in the state (Section 65584(a)). HCD's determination must be based on population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments. (See Section 65584.01(a)). The RHNA Determination allocates the regional housing need among four income categories: very low, low, moderate, and above moderate.

Within 30 days of receiving the final RHNA Determination from HCD, the council of governments may file an objection to the determination with HCD. The objection must be based on HCD's failure to base its determination on either the population projection for the region established under Section 65584.01(a), or a reasonable application of the methodology and assumptions determined under Section 65584.01(b). Within 45 days of receiving the council of governments objection, HCD must "make a final written determination of the region's existing and projected housing need that includes an explanation of the information upon which the determination was made." (See Section 65584.01).

#### B. Development of RHNA Methodology

Each council of governments is required to develop a methodology for allocating the regional housing need to local governments within the region. The methodology must further the following objectives:

- (1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households.

- (2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.
- (3) Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.
- (4) Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.
- (5) Affirmatively furthering fair housing.

See Section 65584(b).

To the extent that sufficient data is available, the council of government must also include the following factors in development of the methodology consistent with Section 65884.04(e):

- (1) Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.
- (2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:
  - (A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.
  - (B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.
  - (C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to nonagricultural uses.
  - (D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or

preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to nonagricultural uses.

- (3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.
- (4) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.
- (5) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.
- (6) The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.
- (7) The rate of overcrowding.
- (8) The housing needs of farmworkers.
- (9) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.
- (10) The housing needs of individuals and families experiencing homelessness. If a council of governments has surveyed each of its member jurisdictions pursuant to subdivision (b) on or before January 1, 2020, this paragraph shall apply only to the development of methodologies for the seventh and subsequent revisions of the housing element.
- (11) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.
- (12) The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.
- (13) Any other factors adopted by the council of governments, that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions.

To guide development of the methodology, each council of governments surveys its member jurisdictions to request, at a minimum, information regarding the factors listed above (See Section 65584.04(b)). If a survey is not conducted, however, a jurisdiction may submit information related to the factors to the council of governments before the public comment period for the draft methodology begins ((See Section 65584.04(b)(5)).

Housing element law also explicitly prohibits consideration of the following criteria in determining, or reducing, a jurisdiction's share of the regional housing need:

- (1) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county.

- (2) Prior underproduction of housing in a city or county from the previous regional housing need allocation, as determined by each jurisdiction's annual production report.
- (3) Stable population numbers in a city or county from the previous regional housing needs cycle.

See Section 65584.04(g).

Finally, Section 65584.04(m) requires that the final RHNA Plan, which includes both the methodology and the allocation, is consistent with the development pattern included in the region's sustainable communities strategy, distributes the entire regional housing need determined under Section 65584, distributes units for low- and very low income households to each jurisdiction in the region, and furthers the five objectives listed in Section 65584(d).

### C. Public Participation

Government Code Section 65584.04(d) states that "public participation and access shall be required in the development of the methodology." The council of governments is required to "explain in writing how each of the factors described in subdivision (e) was incorporated into the methodology and how the methodology furthers the objectives listed in subdivision (d) of Section 65584" (See Section 65584.04(f)) as well as explain "how information about local government conditions gathered pursuant to subdivision (b) has been used to develop the proposed methodology" (See Section 65584.04(d)). The proposed methodology, "this information, and any other supporting materials used in determining the methodology, shall be posted on the council of governments' or delegate subregion's, internet website." (See Section 65584.04(f)).

The council of governments is required to open the proposed methodology to public comment and "conduct at least one public hearing to receive oral and written comments on the proposed methodology." (See Section 65584.04(d)). Following the conclusion of the public comment period and after making any revisions deemed appropriate by the council of governments as a result of comments received during the public comment period and consultation with the HCD, the council of governments publishes the proposed methodology on its website and submits it, along with the supporting materials, to HCD. (See Section 65584.04(h)).

### D. HCD Review of Methodology and Adoption by Council of Governments

HCD has 60 days to review the proposed methodology and report its written findings to the council of governments. The written findings must include a determination by HCD as to "whether the methodology furthers the objectives listed in subdivision (d) of Section 65584." (See Section 65584.04(i)). If HCD finds that the proposed methodology is not consistent with the statutory objectives, the council of governments must take one of the following actions: (1) revise the methodology to further the objectives in state law and adopt a final methodology; or (2) adopt the methodology without revisions "and include within its resolution of adoption findings, supported by substantial evidence, as to why the council of governments, or delegate subregion, believes that the methodology furthers the objectives listed in subdivision (d) of Section 65584 despite the findings of [HCD]." (See Section 65584.04(i)). Upon adoption of the final methodology, the council of governments "shall provide notice of the adoption of the methodology to the jurisdictions within the region, or delegate subregion, as applicable, and to HCD, and shall publish the adopted allocation methodology, along with its resolution and any adopted written findings, on its internet website." (See Section 65584.04(k)).

## E. RHNA Draft Allocation, Appeals, and Adoption of Final RHNA Plan

Based on the adopted methodology, each council of governments shall distribute a draft allocation of regional housing needs to each local government in the region and HCD, and shall publish the draft allocation on its website. (See Section 65584.05(a)). Upon completion of the appeals process, discussed in more detail below, each council of governments must adopt a final regional housing need allocation plan and submit it to HCD (See Section 65584.05(g)). HCD has 30 days to review the final allocation plan and determine if it is consistent with the regional housing need developed pursuant to Section 65584.01. The resolution approving the final housing need allocation plan shall demonstrate that the plan is consistent with the SCS and furthers the objectives listed in Section 65584(d) as discussed above. (See Section 65584.04(m)(3); Section 65584.045).

## II. SANDAG Oversight of the 6th Cycle RHNA Process

### A. RHNA Determination

SANDAG began consultation with HCD for the 6th Cycle RHNA process in April 2017. The consultation process included a review of HCD's calculations and data sources and presentations to the Regional Planning Technical Working Group (TWG)<sup>2</sup>, Regional Planning Committee (RPC)<sup>3</sup>, and the Board<sup>4</sup>.

In March 2018, SANDAG received a draft RHNA Determination from HCD. Consistent with Section 65584.01, HCD used the following data to prepare the draft RHNA Determination for the San Diego region:

- Population forecast from the California Department of Finance (DOF)
- Projected number of new households formed
- Vacancy rate in existing housing stock
- Percentage of renter's households that are overcrowded, defined as more than one person per room per dwelling unit
- Housing replacement needs

At its meeting on [May 4, 2018](#), the RPC considered potential changes to the draft RHNA Determination that could be proposed to HCD reflecting factors unique to housing in the San Diego region. The RPC recommended that the Board accept the draft RHNA Determination without modifications.

At its [May 11, 2018](#), meeting, the Board authorized the Executive Director to submit comments to HCD outlining suggested revisions to the RHNA Determination. Then on May 25, 2018, the Board voted to place this item on a future agenda for further discussion before submitting comments to HCD. On [June 8, 2018](#), the Board amended its May 11, 2018, action and directed staff to submit a letter to HCD accepting the draft RHNA Determination. Following [SANDAG's acceptance](#) of the draft RHNA Determination, the consultation process concluded when HCD submitted the final RHNA Determination in a [letter to SANDAG dated July 5, 2018](#).

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<sup>2</sup> SANDAG staff presented information related to the RHNA Determination to the TWG at its [March 26, 2018](#), and [April 12, 2018](#), meetings.

<sup>3</sup> SANDAG staff presented information related to the RHNA Determination to the RPC at its [April 6, 2018](#), and [May 4, 2018](#), meetings.

<sup>4</sup> SANDAG staff presented information related to the RHNA Determination to the Board at its [March 9, 2018](#), [May 11, 2018](#), and [June 8, 2018](#), meetings.

The final RHNA Determination requires SANDAG and its member agencies to plan for 171,685 total housing units through the 2021-2029 planning period to address the region's housing needs.

## B. RHNA Methodology and Public Participation

At its [September 14, 2018](#) meeting the Board was surveyed to determine each jurisdiction's priorities for the upcoming RHNA cycle, including which RHNA objectives and factors would be most important when determining the distribution of housing units in the region. The Board expressed a desire to take a different approach than what had been used in previous housing element cycles and wanted to play a bigger role in the development of the methodology. This culminated in the formation of the RHNA Subcommittee in December 2018, which included members of the Board from each SANDAG subregion to reflect the diversity of geography, jurisdiction size, and other attributes of member jurisdictions. The Board also requested that their initial set of priorities be further discussed by the Regional Planning Technical Working Group (TWG), which consists of the planning or community development director from each jurisdiction, among other members.

The RHNA Subcommittee began meeting in early 2019. To develop its recommendation to the Board, the RHNA Subcommittee explored options for how to build consensus around a RHNA methodology that complies with state law while best achieving the goals of the Board. The RHNA Subcommittee held six meetings<sup>5</sup> in spring and summer 2019, prior to the Board's release of the draft methodology for public comment. All meetings were noticed and open to the public.

SANDAG staff also solicited input on the development of the methodology from the TWG, whose membership is described above. The TWG advises the RPC and Board on the development and implementation of San Diego Forward: the Regional Plan, which includes the RHNA Plan. The TWG discussed and provided input on the development of the methodology over 12 meetings<sup>6</sup> from August 2018 to November 2019, including two workshops specifically focused on RHNA.

Attendees at the meetings of the Board, RHNA Subcommittee, RPC, and TWG provided information regarding the types of data SANDAG should use, assumptions that should be made, as well as information regarding conditions in individual jurisdictions that should be taken into consideration. Jurisdictions and stakeholders also provided written comments during the outreach process. In addition to addressing comments at public meetings, SANDAG staff responded to comments and questions related to the development of the methodology via phone calls and emails, which led to the creation of Frequently Asked Questions that were posted to the SANDAG website. Staff also presented at city council meetings upon request.

On [July 26, 2019](#), the Board released the draft methodology for public comment. At the end of a 42-day public comment period, SANDAG conducted a public hearing on [September 6, 2019](#). SANDAG received nearly 2,200 [public comments](#). During the public comment period, SANDAG compiled and posted on its website [supplemental information](#) requested by Board members, a list of [Frequently Asked Questions \(FAQs\)](#), and a [response to comments received during the public comment period](#).

On September 6, 2019, the Board authorized staff to submit the draft methodology to HCD for review. In a [letter dated November 1, 2019](#), HCD found that the draft methodology furthers the objectives in state law. At its November 22, 2019, meeting, the Board adopted by [resolution](#) the [final](#)

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<sup>5</sup> The RHNA Subcommittee met on [February 8, 2019](#), [February 22, 2019](#), [March 22, 2019](#), [April 26, 2019](#), [May 24, 2019](#), and [June 14, 2019](#).

<sup>6</sup> The TWG discussed RHNA at the following meetings: [August 9, 2018](#), [October 11, 2018](#), [December 13, 2018](#), [January 10, 2019](#), [February 14, 2019](#), [March 14, 2019](#), [April 3, 2019](#), [May 9, 2019](#), [June 6, 2019](#), [June 13, 2019](#), [June 27, 2019](#), and [November 14, 2019](#).

methodology and released the draft allocation. Following the Board meeting, the draft allocation was posted on the SANDAG website and distributed to each jurisdiction and HCD.

### III. RHNA Appeal Process

#### A. Statutory Background

Under Section 65584.05(b), a local government or HCD may appeal the council of governments within 45 days following receipt of the draft allocation “for a revision of the share of the regional housing need proposed to be allocated to one or more local governments.” Appeals “shall be based upon comparable data available for all affected jurisdictions and accepted planning methodology, and supported by adequate documentation, and shall include a statement as to why the revision is necessary to further the intent of the objectives listed in subdivision (d) of Section 65584.” Appeals also shall be consistent with the sustainable communities strategy included in the regional transportation plan (See Section 65584.05(b)). In accordance with Section 65584.05(b), appeals are limited to the following circumstances:

- (1) The council of governments or delegate subregion, as applicable, failed to adequately consider the information submitted pursuant to subdivision (b) of Section 65584.04.
- (2) The council of governments or delegate subregion, as applicable, failed to determine the share of the regional housing need in accordance with the information described in, and the methodology established pursuant to, Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584.
- (3) A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted pursuant to subdivision (b) of Section 65584.04. Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.

Following the 45-day period for filing an appeal, the council of governments “shall notify all other local governments within the region or delegate subregion and the department of all appeals and shall make all materials submitted in support of each appeal available on a publicly available internet website.” (See Section 65584.05(c)). Local governments and HCD may, within 45 days, comment on one or more appeals.

Within 30 days of the end of the appeals comment period, and with at least 21 days prior notice, the council of governments “shall conduct one public hearing to consider all appeals filed pursuant to subdivision (b) and all comments received pursuant to subdivision (c).” (See Section 65584.05(d)). Within 45 days of the public hearing to consider appeals, the council of governments is required to make a written final determination for each appeal filed that either accepts, rejects, or modifies the appeal and issue a proposed final allocation plan (See Section 65584.05(e)). The written finding(s) must describe how the determination is consistent with Section 65584.05.

If a final determination on an appeal requires the council of governments to adjust the allocation to one or more local governments that are not the subject of an appeal, Section 65584.05(f) provides: (1) if the adjustment totals 7 percent or less of the regional housing need, the council of governments must redistribute those housing units proportionally to all local jurisdictions; or (2) if the adjustment totals more than 7 percent of the regional housing need, then the council of governments shall develop a methodology to distribute the amount greater than the 7 percent to local governments. The total distribution of housing need shall not equal less than the regional housing need established under Section 65584.01. (See Section 65584.05(f))

Within 45 days after issuing the proposed final allocation plan, the council of governments “shall hold a public hearing to adopt a final allocation plan.” The council of governments must then submit the final allocation plan to HCD within 3 days of adoption. HCD has 30 days to determine if the final allocation plan is consistent with the regional housing need. (See Section 65584.05(g)). The council of governments has final authority to determine the distribution of the region’s housing needs “[t]o the extent that the final allocation plan fully allocates the regional share of statewide housing need, as determined pursuant to Section 65584.01 and has taken into account all appeals.” (See Section 65584.05(g)). HCD may revise the determination of the council of governments to obtain consistency with the existing and projected housing need for the region. (See Section 65584.05(g)).

## B. SANDAG Appeal Process

SANDAG received four appeals during the appeals period of November 22, 2019 to January 6, 2020. Following close of business on January 6, 2020, the appeals were posted on [SANDAG's website](#) and distributed to the planning or community development directors of each local jurisdiction and the Board consistent with Section 65584.05(c).

SANDAG received five comment letters on the appeals during the appeals comment period from January 7, 2020 to February 21, 2020.

On February 7, 2020, SANDAG issued a notice of public hearing to consider appeals and comments on appeals at a meeting of the Board on February 28, 2020, pursuant to Section 65584.05(d), which was posted on the SANDAG website and published in two local newspapers. The Executive Committee, a committee of the Board responsible for setting Board agendas and providing direction to staff in preparing items for Board consideration, was scheduled to consider proposed RHNA Appeals Hearing Procedures at its meeting on [February 14, 2020](#). Prior to the Executive Committee meeting, three of the appealing jurisdictions submitted letters to SANDAG stating that individual notice of the proposed public hearing was not received 21 days in advance of the February 28, 2020, public hearing date. To ensure compliance with the requirements of Section 65584.05(d), at its February 14, 2020, meeting, the Executive Committee approved continuing the public hearing to March 27, 2020, in addition to approving the RHNA Appeals Hearing Procedures with modifications. At its meeting on February 28, 2020, the Board ratified the Executive Committee’s actions.

On March 3, 2020, SANDAG issued a notice of the public hearing to consider appeals and comments on appeals on March 27, 2020, pursuant to Section 65584.05(d), which was provided to each jurisdiction, posted on SANDAG’s website, and published in two local newspapers.

The Board conducted the public hearing at its meeting on [March 27, 2020](#).

## IV. The City’s Appeal

In a letter dated December 12, 2019, the City appealed the draft allocation. The grounds for appeal<sup>7</sup> are as follows:

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<sup>7</sup> Jurisdictions may also appeal on the ground that a significant and unforeseen change in circumstances in the jurisdiction merits a revision to the information submitted pursuant to Section 65584.04(b). See Section 65584.05(b)(3). SANDAG received multiple letters during the appeals comment period requesting that SANDAG consider a new California Department of Finance (DOF) population projection released in January 2020. A prior DOF population projection was used by HCD in developing the RHNA Determination. On February 6, 2020, staff discussed the new DOF population projection with HCD to determine how it might affect the 6th Cycle RHNA. HCD stated that the RHNA statutes do not provide a process for revising a RHNA

- (1) SANDAG failed to adequately consider the information submitted pursuant to subdivision (b) of Section 65584.04.
- (2) SANDAG failed to determine the share of the regional housing need in accordance with the information described in, and the methodology established pursuant to, Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584.

#### A. Statutory Objectives Under Section 65584(d)

##### 1. Section 65584(d)(1): Increasing the Housing Supply

Section 65584(d)(1) states:

The regional housing needs allocation plan shall further all of the following objectives:

- (1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households. . . .

The City asserts that 95% of housing units allocated based on a jurisdiction's share of major transit stops are allocated south of Interstate 8 (I-8), "which comprises only about 25% of the County," while only 5% of housing units are allocated north of I-8. (City's Appeal, p. 1). The City also asserts that given there are only 4 of the County's 18 incorporated cities located south of I-8 (Imperial Beach, National City, Chula Vista and portions of San Diego), the methodology exacerbates the concentration of low income housing in communities that already have more affordable housing than the regional average. However, the City is focusing on a subcomponent of the methodology that would allocate only 16% of the entire regional housing need. Jurisdictions' share of regional transit services accounts for 65% of the total draft allocation of housing units. Of these units, 25% are allocated based on major transit stops within a jurisdiction ( $65\% \times 25\% = 16\%$ ) and 75% are allocated based on rail and *Rapid* stations within a jurisdiction. When looking at the transit component as a whole, the cities of Chula Vista, Imperial Beach, and National City, and portions of the City of San Diego south of I-8, would receive about 57%<sup>8</sup> of the housing units allocated based on transit, not a staggering 95%.

Moreover, the claim that using major transit stops "exacerbates the concentration of low-income housing in communities that currently already have more affordable housing than average" (City's Appeal, p. 1) is not supported in the appeal by

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Determination once it is final. Section 65584.01(a) provides that "[t]he department's determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments." The final RHNA Determination is produced by HCD based on the data available during the consultation process pursuant to Section 65584.01 and is not revised for either increased or decreased population estimates subsequently released. As such, SANDAG finds that the new DOF estimates do not constitute a "significant or unforeseen change in circumstances [that] has occurred in the local jurisdiction or jurisdictions . . ." See Section 65584.05(b)(3).

<sup>8</sup> This is based on visual confirmation of the location of rail and *Rapid* stations and major transit stops on a map relative to the I-8. North of the I-8, there are 86 rail & *Rapid* stations and 5 major transit stops. South of the I-8, there are 68 rail & *Rapid* stations and 135 major transit stops.

documentation or additional data. In fact, about 26% of the City's proposed allocation would be in the very low and low income range compared with the regional proportion of about 40%<sup>9</sup>.

Consistent with this statutory objective, the draft allocation distributes housing units in all four income categories to each of the region's 19 jurisdictions. The draft allocation does so equitably, ensuring each jurisdiction receives an allocation for low- and very low income units, and further, allocating a higher share of low- and very low units to jurisdictions that currently have a smaller share of low- and very low income households than the regional share. Because state law requires jurisdictions to zone at higher densities to accommodate their low- and very low income housing allocations, the mix of housing types will also increase.

## 2. Section 65584(d)(2): Promote Infill Development

Section 65584(d)(2) requires that the RHNA Plan further the following objective:

(2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.

The City states that "the major job centers in San Diego County [are] located north of Interstate 8" (City's Appeal, p. 2), therefore the vehicle miles traveled (VMT) by residents south of I-8 will be disproportionately increased by the draft allocation. The City fails to recognize, however, that the draft allocation distributes housing units based on the City's share of jobs in the region. As such, the City would be allocated housing units based on the number of jobs *within its own boundaries*. Other jurisdictions with "major job centers" would also be allocated housing units based on the number of jobs within their boundaries. As such, it is unclear how the draft allocation would result in a disproportional allocation to the City based on the major job centers in the region.

The City again states that 95% of housing units are distributed among 4 communities south of I-8 based on major transit stops. The transit component, however, includes both rail and *Rapid* stations in addition to major transit stops. When looking at the transit component as a whole, housing units are allocated to 16 of the 19 jurisdictions based on transit and, as discussed above, the cities of Chula Vista, Imperial Beach, and National City, and portions of the City of San Diego south of I-8, would receive about 57% of the housing units allocated based on transit.

Consistent with this statutory objective, by prioritizing transit (and jobs), the methodology encourages efficient development patterns and reduces greenhouse gas (GHG) emissions. An allocation based on transit and jobs will lead to more infill development while protecting natural resources and open space (See Final Methodology, p. 11). More specifically, placing residents near jobs and transit is consistent with the California Air Resource's Board's (CARB's) identified policy goals and guidance detailed in the [2017 Climate Change Scoping Plan](#) (Scoping Plan). The Scoping Plan proposes to strengthen major programs related to climate impacts and further integrate efforts to reduce both GHG emissions and air pollution. Among CARB's Vibrant

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<sup>9</sup> HCD's July 5, 2018, letter containing SANDAG' 6th Cycle Final Regional Housing Need Determination.

Communities and Landscapes / VMT Reduction Goals identified to reduce GHG emissions from the transportation sector are the following:

- Promote all feasible policies to reduce VMT, including:
  - Land use and community design that reduce VMT,
  - Transit oriented development,
  - Complete street design policies that prioritize transit, biking, and walking, and
  - Increasing low carbon mobility choices, including improved access to viable and affordable public transportation and active transportation opportunities.
- Increase the number, safety, connectivity, and attractiveness of biking and walking facilities to increase use.
- Promote shared-use mobility, such as bike sharing, car sharing and ride-sourcing services to bridge the “first mile, last mile” gap between commuters’ transit stops and their destinations.
- Continue research and development on transportation system infrastructure, including:
  - Integrate frameworks for lifecycle analysis of GHG emissions with life-cycle costs for pavement and large infrastructure projects, and
  - Health benefits and costs savings from shifting from driving to walking, bicycling, and transit use.
- Quadruple the proportion of trips taken by foot by 2030 (from a baseline of the 2010–2012 California Household Travel Survey).
- Strive for a nine-fold increase in the proportion of trips taken by bicycle by 2030 (from a baseline of the 2010–2012 California Household Travel Survey).
- Strive, in passenger rail hubs, for a transit mode share of between 10 percent and 50 percent, and for a walk and bike mode share of between 10 percent and 15 percent (Scoping Plan, p.76).

The Scoping Plan goes on to state that “compact, lower-VMT future development patterns are essential to achieving public health, equity, economic, and conservation goals, which are [] not modeled but are important co-benefits of the overall transportation sector strategy” (Scoping Plan, p. 77). Because the draft allocation encourages the development of housing near jobs and transit, it will provide the region’s residents with opportunities to live where they work and readily access transit, which can facilitate shorter commutes, reduce VMT, and increase trip-taking by transit or alternative modes.

### 3. Section 65584(d)(3): Promote Jobs- Housing Relationship

Section 65584(d)(3) requires that the RHNA Plan further the following objective:

- (3) Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.

Again, the City states that the draft allocation disproportionately allocates housing units because major job centers are located in other jurisdictions. As discussed above, the draft allocation distributes housing units to the City based on the City’s share of jobs in the region. Jobs associated with major job centers are allocated to jurisdictions where the major job centers are located. The City also argues that the major transit stops subcomponent results in a disproportional allocation, however, the transit component as a whole allocates about 57% of the associated housing units to the cities of Chula Vista, Imperial Beach, and National City, and

portions of the City of San Diego south of I-8. It is not clear how this distribution is disproportional.

Consistent with the statutory objective, SANDAG conducted an analysis of the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction. The analysis showed that the number of low-wage jobs far exceeds the number of existing housing units affordable to low-wage workers in every jurisdiction in the region. Therefore, allocation of low- and very low income housing units to all jurisdictions in the region would improve the balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers.

#### 4. Section 65584(d)(4): Allocation based on Income Categories

Section 65584(d)(4) requires that the RHNA Plan further the following objective:

(4) Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.

The City again points to the “inflated and disproportionate allocation resulting from the Major Transit Stop distribution,” which “negates any meaningful impact” (City’s Appeal, p. 2). Then the City points to its 5th Cycle housing unit allocation asserting that the 6th Cycle draft allocation is contrary to this statutory objective because it has significantly increased. The 5th Cycle, however, used a completely different methodology based on general plan capacities. In contrast, the 6th Cycle methodology and its draft allocation address the statutory objectives set forth by the Legislature by encouraging housing development near jobs and transit, which will provide the region’s residents with opportunities to live where they work and readily access transit.

Moreover, Section 65584(d)(4) does not require the allocation of fewer total housing units when a jurisdiction has a high share of households in a particular income category; it requires that a lower proportion of housing need be allocated to that income category. Consistent with this statutory objective, the draft allocation results in a jurisdiction receiving a lower proportion of its total housing units within an income category when it has a higher share of households within that income category compared to the region.

#### 5. Section 65584(d)(5): Affirmatively Furthering Fair Housing

Section 65584(d)(5) requires that the RHNA Plan “[a]ffirmatively further fair housing.<sup>10</sup>” The City argues that the draft allocation is contrary to advancing fair housing principles based on the resulting allocation from the major transit stops subcomponent. As mentioned above, only 16% of the regional housing need is allocated based on major transit stops. The City has not

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<sup>10</sup> For purposes of this section, “affirmatively furthering fair housing” means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

demonstrated how the inclusion of the major transit stops subcomponent, by itself, undermines the statutory objective to affirmatively further fair housing.

During development of the methodology, SANDAG reviewed the California Tax Credit Allocation Committee (TCAC) 2019 Opportunity Map for the San Diego region to address this statutory objective. (See Final Methodology, p. 12-13). The TCAC map demonstrates how public and private resources are spatially distributed within the region; it is part of a larger study that shows how communities with better air quality, higher educational attainment, and better economic indicators are communities that have higher “opportunity”, or pathways that offer low-income children and adults the best chance at economic advancement. The study finds that historically communities with higher opportunity – through plans, policies, and practices – may have systematically denied equal opportunity to low socioeconomic and minority populations.

Areas of “low resource” and “high segregation & poverty” on the TCAC maps are also many of the same areas with a high concentration of low-income households in the San Diego region. The draft allocation assists in overcoming patterns of discrimination and transforming racially and ethnically concentrated areas of poverty into areas of opportunity by allocating a higher proportion of low-income housing units to jurisdictions with a lower share of low-income households, which tend to be jurisdictions with a high concentration of resource-rich areas. The six jurisdictions that will receive the highest percentage of low- and very low- income housing units under the draft allocation also do not contain areas of high segregation and poverty or low resource census tracts, and compared to other jurisdictions in the region have the highest percentage of area in high or highest resource census tracts (76-100% of the jurisdiction). Conversely, the jurisdictions that currently have more area in low resource census tracts or census tracts that demonstrate high segregation and concentrations of poverty, generally receive a lower percentage of low- and very low-income housing units than the regional percentage.

## B. Statutory Factors Under 65584.04(e)

### 1. Section 65584.04(e)(1): Jobs-Housing Relationship

Section 65584.04(e)(1) states:

To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall include the following factors to develop the methodology that allocates regional housing needs:

(1) Each member jurisdiction’s existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.

As described above, pursuant to Section 65584.04, SANDAG has been charged with developing the RHNA methodology in consultation with HCD. SANDAG has the discretion to develop this methodology so long as it meets all the procedural requirements of state law and the methodology furthers the objectives in Section 65584(d) as ultimately determined by HCD. SANDAG carefully developed its methodology with input from HCD and local jurisdictions.

The City argues that the use of major transit stops does not “procure [*sic*] development opportunities because it is easily moved” (City’s Appeal, p. 3). State law, however, incentivizes

development near a major transit stop by providing a qualifying project with the option for CEQA streamlining.<sup>11</sup> Contrary to the City's claim, projects near major transit stops are specifically encouraged as infill opportunities. This distinguishes major transit stops from other definitions of transit in a way that furthers the statutory objective to promote infill development and was a primary reason in recommending the use of major transit stops to the Board. The definitions used in the transit component of the methodology, including major transit stop, were also discussed at length in the following public meetings:

- [March 22, 2019, RHNA Subcommittee Meeting](#) – Five subcommittee members discussed definitions used in the transit component for nearly 1 hour
- [April 3, 2019, TWG Meeting](#) – Three working group member discussed definitions used in the transit component
- [April 26, 2019, RHNA Subcommittee Meeting](#) – Four subcommittee members discussed definitions used in the transit component
- [May 24, 2019, RHNA Subcommittee Meeting](#) – Three subcommittee members discussed definitions used in the transit component. In addition, one public speaker discussed definitions used in the transit component
- [June 6, 2019, TWG Meeting](#) – Three working group member discussed definitions used in the transit component
- [June 27, 2019, TWG Meeting](#) – Three working group member discussed definitions used in the transit component
- [July 26, 2019, Board Meeting](#) – Two public speakers and four Board members discussed definitions used in the transit component. A Board member requested that staff provide information on an estimated allocation based on exchanging the major transit stops dataset with the high-frequency dataset. This supplemental information was provided directly to the Board and made available on the SANDAG website.
- [September 6, 2019, Board Meeting](#) – Three public speakers and three Board members discussed definitions used in the transit component. The Board rejected a motion to exchange the major transit stops dataset used in the draft methodology with the high-frequency transit dataset.

As demonstrated above, substantive discussion took place concerning the use of major transit stops. Ultimately, the major transit stop definition was recommended by both the RHNA Subcommittee and the TWG because it captured two high frequency, peak-service bus routes at a single stop and was recognized under state law for potential CEQA streamlining. In addition to the recommendation of the RHNA Subcommittee and TWG, the SANDAG Board also considered public comments and supplemental information concerning the definitions of regional transit services in the development of the draft methodology.

At the close of its appeal, the City requests to assign affordable units to all bus stops in the region equally. It is unclear how assigning affordable units based on the total number of bus stops within a jurisdiction would address the City's concern that bus stops are "easily moved, and may be moved without City consent" (City's Appeal, p. 3). Also, the City has not shown how allocating housing units based on the total number of all bus stops – as opposed to major transit stops - is necessary to further the statutory objectives.

The City also states that the allocation "is not balanced relative to existing and projected jobs and housing" (City's Appeal, p. 3). To the extent that the City also argues that more emphasis

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<sup>11</sup> Public Resources Code 21099 and California Code of Regulations 15064.3(b)(1), 15182(b)(1)(A), and Appendix M.

should have been placed on jobs as a determinant of the draft allocation, the relative weighting of jobs and transit was also discussed at length in the following public meetings:

- [April 3, 2019, TWG Meeting](#) – Working group members and public attendees broke out into small groups and used laptops provided by staff to test different weightings of the components in the methodology. Following the breakout, two working group members specifically discussed giving equal or greater weight to the jobs component.
- [April 26, 2019, RHNA Subcommittee Meeting](#) – Six subcommittee members and an additional elected official discussed the relative weighting of the jobs and transit component. The RHNA Subcommittee received comments from three TWG working group members about the relative weighting of the jobs and transit component – one of these comments specifically discussed giving equal or greater weight to the jobs component. These comments were included in the meeting agenda and discussed aloud at the meeting.
- [May 9, 2019, TWG Meeting](#) - Three working group members discussed the relative weighting of the jobs and transit component. One of these members specifically discussed giving equal or greater weight to the jobs component.
- [May 24, 2019, RHNA Subcommittee Meeting](#) – One public speaker discussed the relative weighting of the jobs and transit component.
- [June 6, 2019, TWG Meeting](#) – Four working group members discussed the relative weighting of the jobs and transit component. Two of these members specifically discussed giving equal or greater weight to the jobs component.
- [June 27, 2019, TWG Meeting](#) – One working group member specifically discussed giving equal or greater weight to the jobs component.
- [July 26, 2019, Board Meeting](#) – One public speaker and two Board members specifically discussed giving equal or greater weight to the jobs component. These two Board members requested that staff provide information on an estimated allocation based on equal weighting (50-50) to the transit and jobs component. This supplemental information was provided directly to the Board and made available on the SANDAG website.
- [September 6, 2019, Board Meeting](#) – Four public speakers and three Board members specifically discussed giving equal or greater weight to the jobs component.

As such, SANDAG adequately considered the relative weighting of jobs and transit in the final methodology and the resulting draft allocation.

## 2. Section 65584.04(e)(2): Opportunities and Constraints to Development

Section 65584.04(e)(2) states:

To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall include the following factors to develop the methodology that allocates regional housing needs:

(2) The opportunities and constraints to development of additional housing in each member jurisdiction . . .

The City argues that SANDAG did not adequately consider that the City is “built-out” with effectively non-existent greenfield development opportunities. However, SANDAG “may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for

increased residential development under the alternative zoning ordinances and land use restrictions.” See Section 65584.04 (e)(2)(B). In fact, HCD noted in its letter dated November 1, 2019, that “[p]articularly relevant to supporting infill development and climate change goals is the fact that this methodology does not consider land capacity or vacant land as a determinant of RHNA, and instead focuses on where housing is needed to encourage transit ridership and reduced commutes.” Because consideration of existing zoning ordinances and land use restrictions is specifically prohibited by state law, the facts raised by the City do not support this ground for appeal.

Nevertheless, SANDAG did specifically discuss land availability and jurisdictional capacity during development of the methodology at the following public meetings:

- [April 3, 2019, TWG Meeting](#) – Seven working group members and SANDAG staff discussed jurisdictional capacity at length
- [April 26, 2019, RHNA Subcommittee Meeting](#) – Five subcommittee members and an additional elected official discussed land availability and jurisdictional capacity. The Subcommittee received comments from four TWG working group members and one public member about land availability and jurisdictional capacity
- [May 24, 2019, RHNA Subcommittee Meeting](#) – One public speaker discussed land availability and jurisdictional capacity
- [May 10, 2019, Board Meeting](#) – In response to a question by a Board member, the Board received information from staff on the difference between the methodology used in the 5th Cycle RHNA, which considered a jurisdiction’s capacity, and the approach taken in developing the methodology for the 6th Cycle, which does not consider a jurisdiction’s capacity. Following receipt of this information, one Board member discussed jurisdictional capacity
- [June 27, 2019, TWG Meeting](#) – Two working group members discussed jurisdictional capacity
- [July 26, 2019, Board Meeting](#) – Three public speakers and six Board members discussed land availability and jurisdictional capacity
- [September 6, 2019, Board Meeting](#) – Three public speakers and nine Board members discussed land availability and jurisdictional capacity.
- [November 22, 2019, Board Meeting](#) – One public speaker and five Board members discussed land availability and jurisdictional capacity. The Board rejected two motions that considered jurisdictional capacity among other revisions to the draft methodology.

In addition, the City notes that “based upon development trends and economics, the ability to realize the allocated units appears unrealistic” and that “a funding mechanism to assist achievement of the housing allocation is needed as a way to incentivize housing development” (City’s Appeal, p. 4). Neither development trends and economics nor financial incentives are considerations in allocating the regional housing need under state law. In fact, state legislation in 2018 removed “[t]he market demand for housing” as a factor for consideration, and beginning in 2018, HCD introduced state funding programs to assist local jurisdictions with housing production in recognition of challenges arising from the statewide housing crisis. Notwithstanding, the economic arguments raised by the City do not support a ground for appeal.

3. [Section 65584.04\(e\)\(3\): Public Transportation & Existing Transportation Infrastructure](#)  
Section 65584.04(e)(3) states:

To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall include the following factors to develop the methodology that allocates regional housing needs:

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

In addition to the arguments described above, the City raises additional concerns regarding the use of major transit stops in the methodology related to Section 65584.04(e)(3). The City asserts: (a) only four cities have major transit stops, (b) placement of bus stops is outside the control of SANDAG and local jurisdictions, and (c) the Affordable Housing and Sustainable Communities (AHSC) Guidelines identify a preference for high quality transit, such as dedicated bus lanes, bus rapid transit, and rail.

*a. The Impact of Transit on the Draft Allocation*

The City again states that the impact of transit is disproportional when compressed into four cities. As discussed above, the transit component is not compressed into four jurisdictions; rather, it allocates housing units to 16 of the 19 jurisdictions. The City also mentions an estimated allocation based on high frequency transit that was considered during the development of the methodology. In fact, at its September 6, 2019, meeting, the Board rejected a motion to substitute high frequency transit for major transit stops in the transit component of the methodology. In any event, SANDAG adequately considered information related to the definition of transit, including the consideration of the high frequency transit definition, as described in more detail above. Moreover, the City has not demonstrated that the requested revision to use another transit definition is necessary to further the intent of the statutory objectives.

*b. Planning for Bus Stops*

The City states that placement of bus stops “is subject to change at any time without the approval of SANDAG or a local municipality” (City’s Appeal, p. 4). In fact, the Metropolitan Transit System (MTS) has a robust process for evaluating and adjusting existing transit services to improve performance. Specific to major service changes, including the significant realignment of a route, changes in scheduled headways, and subarea restructuring, MTS requires a public hearing and a Title VI analysis prior to the MTS Board of Directors making a final implementation decision.<sup>12</sup> Most notably, the City is a member of the MTS Board of Directors, where these decisions would take place.<sup>13</sup>

*c. AHSC Guidelines’ Transit Preference*

The City notes that the AHSC Guidelines states a preference for high quality transit “such as dedicated bus lanes, bus rapid transit, and rail” (City’s Appeal, p. 4). Rail and *Rapid* stations are in fact prioritized over the major transit stops subcomponent: only 25% of the transit

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<sup>12</sup> MTS Policies and Procedures, No. 42

([https://www.sdmts.com/sites/default/files/policy.42.transit\\_service\\_eval\\_and\\_adjustment.pdf](https://www.sdmts.com/sites/default/files/policy.42.transit_service_eval_and_adjustment.pdf)).

<sup>13</sup> MTS Policies and Procedures, No. 22

([https://www.sdmts.com/sites/default/files/policy.22.rules\\_of\\_procedure\\_for\\_the\\_mts\\_board\\_of\\_directors\\_0.pdf](https://www.sdmts.com/sites/default/files/policy.22.rules_of_procedure_for_the_mts_board_of_directors_0.pdf)).

component is based on major transit stops, while 75% is based on rail and *Rapid* stations in the region.

4. Section 65584.04(e)(12)<sup>14</sup>: The Region’s Greenhouse Gas Emissions Targets

Section 65584.04(e)(12) states:

To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall include the following factors to develop the methodology that allocates regional housing needs:

(12) The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.

The City asserts that SANDAG did not adequately consider the City’s lack of high-quality transit, such as rail, bus rapid transit, and dedicated bus lanes, in determining the draft allocation. In fact, SANDAG specifically considered where rail and *Rapid* stations are located in developing the methodology. As described above, the draft allocation prioritizes allocation of the housing units in jurisdictions with rail and *Rapid* stations, with a smaller proportion of housing units allocated based on major transit stops. Because the City does not have rail or *Rapid* stations, it would receive zero housing units for that subcomponent.

Jurisdiction	Rail & Rapid Stations		Major Transit Stops	
	Count	Regional Share (%)	Count	Regional Share (%)
Carlsbad	2	1.3%	0	0.0%
Chula Vista	9	5.8%	18	12.9%
Coronado	0	0.0%	0	0.0%
Del Mar	0	0.0%	0	0.0%
El Cajon	3	1.9%	0	0.0%
Encinitas	1	0.6%	0	0.0%
Escondido	14	9.1%	0	0.0%
<b>Imperial Beach</b>	<b>0</b>	<b>0.0%</b>	6	4.3%
La Mesa	5	3.2%	0	0.0%
Lemon Grove	2	1.3%	0	0.0%
National City	2	1.3%	15	10.7%
Oceanside	7	4.5%	0	0.0%
Poway	0	0.0%	0	0.0%
San Diego	100	64.9%	101	72.1%
San Marcos	3	1.9%	0	0.0%
Santee	1	0.6%	0	0.0%
Solana Beach	1	0.6%	0	0.0%
Unincorporated County	2	1.3%	0	0.0%
Vista	2	1.3%	0	0.0%
<b>Region</b>	<b>154</b>	<b>100.0%</b>	<b>140</b>	<b>100.0%</b>

Sources: R&R Stations - SANDAG ABM, Forecast Year 2025 No Build; Major Transit Stops - SANDAG ABM, Forecast Year 2020

<sup>14</sup> This subsection was renumbered to (12) from (11) effective January 1, 2020.

As such, SANDAG adequately considered the impact, and priority, of rail and *Rapid* transit services both regionwide, and specifically within the City.

The City goes on to argue that because major job centers are located outside of Imperial Beach, VMT will increase due to the trips generated by new housing units. However, given the state mandates to allocate the regional housing need and reduce GHG emissions, the draft allocation encourages housing growth near transit to provide residents with improved access to transit options, lowering VMT, and reducing GHG emissions. It also encourages housing growth near jobs to provide opportunities for more residents to live near their place of employment in furtherance of the statutory objectives.

### C. The City’s Additional Unaddressed Concern

The City states that the units allocated would result in a land use form that is contrary to the City’s Mission Statement. During development of the methodology, SANDAG also considered a number of comments concerning the housing unit allocation jeopardizing community character. Community character is not included among the objectives and factors in state law that must be considered in the development of a methodology. Following the allocation of housing units in the RHNA Plan, individual jurisdictions will undergo the process of updating the housing elements in their general plan to accommodate the housing need. It is during this local planning process that jurisdictions may consider community characteristics when planning for housing. As such, the City’s additional unaddressed concern does not support a ground for appeal.

## V. Conclusion

The City requests that SANDAG modify the allocation to assign affordable units to all bus stops equally, not just those that serve two different bus routes with a minimum peak frequency of 15 minutes. While not specifically included in the paragraph titled “Imperial Beach’s Request” on page 5 of City’s appeal, SANDAG also has considered the City’s requests to (a) adjust the allocation to more heavily emphasize jobs over transit, (b) adjust the allocation to accommodate the City’s existing zoning, and (c) adjust the allocation to account for the City’s community character. Based on the discussion above, SANDAG finds that the revisions requested are not necessary to further the objectives listed in Section 65584(d) and rejects the requests for a revised share of the regional housing need in the City’s appeal.<sup>15</sup>

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<sup>15</sup> During a discussion with Naval Facilities Engineering Command (NAVFAC) Southwest in February 2020, it became clear that the jobs data for the Naval Outlying Landing Field (NOLF) in Imperial Beach was not aligned with the Demographics report published by DMDC used to develop the SANDAG Employment Estimates. NOLF has at most 99 active duty military jobs according to the DMDC data. Similarly, the Silver Strand Training Complex (SSTC) in the City of Coronado also has at most 99 active duty military jobs. The total jobs data had erroneously treated both the SSTC and NOLF as remote stations of Naval Base San Diego 32nd Street and redistributed a portion of the jobs at the 32nd Street base located in the City of San Diego to SSTC and NOLF. As such, the jobs previously assigned to these two installations will be properly attributed to the City of San Diego as part of the 32nd Street base. For this reason, the City’s total jobs figure is reduced by 1,270 jobs and the allocation corrected as follows:

Jurisdiction	Very Low	Low	Moderate	Above Moderate	Total Allocation
Imperial Beach	225	123	183	798	1,329