



















January 24, 2020

via U.S. Mail to:

Draft Connect SoCal Plan Comments Attn: Connect SoCal Team Southern California Association of Governments 900 Wilshire Blvd., Ste. 1700 Los Angeles, CA 90017

and by electronic mail to: <u>2020PEIR@scag.ca.gov</u>

# Re: Comments on the the Draft "Connect SoCal" (SCAG's 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy) and the Related Draft Program Environmental Impact Report (PEIR).

Ladies and Gentlemen:

On behalf of the Southern California Leadership Council (SCLC), the Building Industry Association of Southern California (BIASC) and the other business/industry associations subscribing to this letter, we appreciate this opportunity to comment on the Draft 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy ("Connect SoCal") and its associated Program Environmental Impact Report (draft "PEIR"). Our comments set forth below relate to both the draft policy document (i.e., the draft Connect SoCal) and the related Southern California Association of Governments January 24, 2020 Page 2 of 18

draft PEIR because our concerns about each are inextricably related. We therefore respectfully ask SCAG to consider our comments below in the context of both SCAG's policy determinations and its compliance with the California Environmental Quality Act ("CEQA"), the discussion of which begins on page 12 hereof.

Our organizations, and the members and industries that they represent, have been involved with the implementation of Senate Bill 375 (2008) (hereinafter "SB 375") ever since its original introduction. As Southern California stakeholders, we were also highly attentive to and involved in the formulation and adoption by the Southern California Association of Governments ("SCAG") of its inaugural, 2012 regional transportation plan/sustainable communities strategy ("RTP/SCS") and its more recent 2016 RTP/SCS. Indeed, we have been heavily involved with SCAG's activities for the entire last decade.

The companies and individuals comprising our collective memberships care very deeply about economic development, job creation and the quality of life in Southern California. Many of our members engage in developing the housing, business properties and infrastructure (i.e. transportation, water, utilities, etc.) that are and will be needed to make the region the best possible place to live and work. Collectively, our organizations also include some of Southern California's largest private employers. With that in mind, the comments set forth below about SCAG's draft Connect SoCal and the related draft PEIR are based on our concern for the overall betterment of the SCAG region, its economy, its communities, and its citizens.

When we weighed in concerning SCAG's 2012 RTP/SCS, its 2016 RTP/SCS, and recently in February 2019 concerning the scoping of the PEIR Connect SoCal, our group has consistently espoused principles concerning SCAG's regional planning efforts; and we've always championed consistent policy outcomes. Even more recently, in September 2019, our coalition commented to SCAG concerning its then-proposed allocation of a preliminary sixth-cycle Regional Housing Needs Assessment (RHNA) for the SCAG region. When we did so, we recounted both the principles that we espouse and the societal and economic outcomes that we champion. We will also set them forth again below as they relate to the present context.

But before getting into such details, we will state here briefly our overall view of the draft Connect SoCal and its draft PEIR:

Insofar as the draft Connect SoCal relates to the distribution of new housing and purports to accommodate housing production, we believe that it takes large steps leading in the wrong direction. Our region is suffering from an urgent and worsening housing crisis, one which can be solved only through extraordinary increases in housing production and consequent improvements in housing affordability. Yet, if adopted as it is drafted, Connect SoCal will foreseeably combine with SCAG's most recently vetted sixth-cycle RNHA allocation to channel the majority of the region's future homebuilding overwhelmingly into already developed, densely urbanized areas. When combine, they largely aim for the near-total preclusion of other types of reasonable and

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appropriate community development (specifically surburban, annexed edge, greenfield and new town development). This is a dangerous policy prescription for any region that is suffering from a critical housing crisis, because it depends almost entirely on realizing – without precedent – massive production of the type of new housing that both is the hardest to produce and costs the most.

We recognize that SCAG's rationale for its heavy emphasis on infill is caused by increasingly imposing state mandates to reduce per capita VMT. However, we believe SCAG, when planning our region's future, must address and confront the need to balance VMT impacts against housing impacts both wisely and realistically. We believe that, unfortunately, SCAG's most recent proposals do not strike a wise and realistic balance of the kind that is needed now. Instead, if both the draft Connect SoCal and SCAG's recently-vetted RHNA distribution methodology were to be adopted as they are now proposed, they would combine to propel our region in the wrong direction vis-à-vis housing production and affordability. Given the severity of our region's housing crisis and the urgency of this moment, when SCAG's RTP/SCS and RHNA will converge to set a new course for land use throughout Southern California well into the future, it is imperative that we pause and get it right.

Therefore, we respectfully urge SCAG to do what its southern brethren, the San Diego Association of Governments (SANDAG), did recently: seek and obtain permission to take an additional year in which to study and correct its overall regional planning. Our group would like to work with SCAG over the course of 2020 to fashion a much more realistic final Connect SoCal – one that will accommodate the entitlement of new housing units in such quantities, at such locations, and at such levels of affordability as will permit the housing of the SCAG region's population.

Lastly, we strongly urge SCAG to undertake preparation of an alternative planning scenario (APS) alongside a substantially revised and realistic sustainable communities strategy (SCS). As long as the California Air Resources Board (CARB) continues to impose unrealistically high targets for greenhouse gases (GHG) reductions which can be demonstrated only through radical cuts in per capita VMT, consequently worsening of our housing supply and affordability crises, SCAG should recognize and admit that such targets cannot possibly be met consistent with adopting a more realistic and appropriately accommodating SCS. The preparation of a complementary APS, therefore, one that reflects radical VMT reductions that CARB wants to see – however illusory they may ultimately prove to be, would allow SCAG to comply with its statutory requirements while simultaneously putting in place a much more realistic and beneficial RTP/SCS.

As the draft Connect SoCal reads now, poised for its potential final adoption if not changed substantially, it will constitute a harmful policy document vis-à-vis housing supply and affordability at a time when the housing crisis indicates the need for a major course correction in policy. Consistent with this need, SCAG should recognize, grasp, and begin to champion Southern California Association of Governments January 24, 2020 Page 4 of 18

urgently the need for changes in our state government's planning policies. Specifically, the current policies should be corrected so that SCAG's still-pending sixth-cycle RHNA allocation and its transportation planning do not continue driving the SCAG region down the road toward unduly centripetal development and re-development, with negative ramifications for housing supply and unaffordability. Accordingly, SCAG should lead regional planning toward a more balanced mix of both urban and peripheral development.

## **DISCUSSION**:

## A. Our Group's Consistent Principles and Warnings Concerning SCAG's SCS Planning.

As is noted above, as our coalition has worked with SCAG's staff over the last decade, we have consistently espoused certain principles that we believe are essential to the effective and successful growth and development of the SCAG region. Last September, in connection with our comments concerning the then-proposed sixth-cycle RHNA allocation, we restated our support for sound regional planning that does all the following:

- <u>Provides positive economic impacts and is a plan that is conducive to economic growth and</u> <u>job creation</u> – Our organizations and our members are extremely aware of the economic implications of the spatial dispersion of homebuilding. When viewed at all scales (at the regional, the local, and the neighborhood levels), missteps and mistakes concerning how best to distribute land uses can profoundly impact economic vibrancy and stability. Specifically, the RTP/SCS must undergo a true economic cost/benefit analysis so that economic impacts are understood and known by SCAG Regional Council members (and stakeholders) before making a final decision on the RTP/SCS.
- <u>Reasonably respects local governments' perogatives</u> Policymakers need to respect the essential role of local government in sound land use decision-making, because local governments (much more than relatively central governments) have the best understanding of local needs, pressures, and aspirations of their growing and evolving communities. Maintaining local control of land use is essential to maintaining so-called "small d" democracy.
- <u>Appreciates the organic nature of land use and development</u> Policymakers must appreciate the organic and dynamic nature of land development over time. Given this reality, land use planning must reflect continuous balancing and rebalancing of possible growth alternatives such as urban redevelopment and densification, and new town or greenfield development.
- <u>Does not impose unrealistic, inflexible land use prescriptions on diverse jurisdictions</u> Our respective members constitute the businesses and individuals who know how to actually build new homes and communities. Accordingly, we see the many varying opportunities

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and challenges that are inherent in providing necessary housing throughout the SCAG region. Because of the widespread work that our members regularly undertake, we see the need for local governments to continue to entitle for new housing development or redevelopment on many diverse sites. Local governments must retain and exercise the necessary flexibility to take into account diverse local conditions of all types when making sound land use and entitlement decisions.

- <u>Assures that new revenue sources are put in place to allow local governments to plan for</u> <u>achievable densification, while appreciating the beneficial primacy of market forces – Our</u> group has noted in other contexts (such as pertaining to SCAG's RTP/SCS development) that many of the desired changes in existing land uses are unlikely to occur unless there are put in place new and sufficient financial tools benefiting local government and public infrastructure. For example, in recent years, California dispensed with its erstwhile favorable urban redevelopment agency policies. Such helpful policies and tools must be restored and improved upon if local governments are required to spur positive community development and, especially, redevelopment.
- <u>Anticipates and, where possible, overcomes legal and procedural roadblocks to housing construction</u> For years, our group has been calling for meaningful CEQA reform and other changes which would allow homebuilding to proceed more quickly when faced with NIMBY ism and community resistance against change. In this environment, CEQA can be misused to halt progress toward housing goals. Sound regional planning, therefore, should meet all CEQA requirements and, more importantly, facilitate all related streamlining. Additionally, the state should adopt measures necessary to prevent the ongoing abuse of CEQA as a means to stop or significantly delay much needed and worthwhile housing projects.

Whereas the principles set forth above are stated as positive characteristics, we have also shared our continuing views about the negative effects of some of the unhelpful policy directives that have been applied in California and the SCAG region. To a large extent, we remain sorely disappointed by the fact that there remain far too many regulatory and legal impediments to homebuilding. Several persistent regulatory trends are actually working against meaningful increases in housing production, and especially production at the scale needed to alleviate our state's housing crisis.

First, there is a strong, growing and thus ever-worsening regulatory preference for fostering transit-oriented, urban infill, and increasingly dense, multi-family development and redevelopment. While we certainly support reasonable efforts to increased production of higher density housing within the urban core, this particular housing type should be deployed in reasonable relative volume, in appropriate locations, and with a clear understanding and appreciation of the heightened costs that are associated with an excessive reliance on such dense, urban-infill housing types.

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With that in mind, we do not support an over-reliance on increased urban densification to the exclusion of more affordable, common and readily-available community types. The regulatory trend toward an over-emphasis on urban renewal and densification is particularly problematic from an affordability standpoint because the costs of building urban housing is often several times higher (on a square foot basis) than are the costs of other available and potential housing types – particularly less dense, suburban, and peripheral types of development, which are variously called relative "greenfield," "new town," "edge," or "fringe" development.

Because the costs of developing and constructing dense urban housing is much higher than other types of homebuilding, fewer households can afford to buy or even to rent such new urban housing, at least not without significant government subsidies or housing assistance programs. As a consequence, the still-growing regulatory preference for more intense urbanization, and the broad disfavoring of any and all greenfield development, are leading to sharp housing cost and price increases. These in turn exacerbate the under-supply of housing, and decrease both home ownership and regional living standards. These harmful trends should be especially alarming to those who are concerned about social equity and economic mobility – because home ownership has long provided a critical pathway for working class households to both secure housing and to accumulate family wealth and financial security.

As noted, the excessive regulatory preference for urban densification and redevelopment has been accompanied by complementary regulations aimed at curbing homebuilding activities of all types that do <u>not</u> constitute high-density, urban, "transit-oriented" or so-called "centripital" (i.e., moving toward the center) development. The best example of this is the recently-imposed requirement to apply the California Environmental Quality Act ("CEQA") to effectively tax and disincentivize vehicle miles traveled ("VMT") – which is a costly attack on individual mobility alone, with profound implications for millions of prospective households. At a minimum, these new CEQA requirements related to VMT add further disincentives, costs, and hurdles to greenfield and new town development.

Concerning these new VMT mandates, everyone can agree on the need for efficient, smart, safe and well-functioning regional transportation solutions. Rather than focusing excessively on reducing VMT and individual vehicular mobility, however, new housing opportunities should be promoted, considered and pursued with proper attention to all of the following:

- (i) the relative costs of construction and infrastructure,
- (ii) the public demand for different housing types and at different prices (to accommodate social equity for working households),

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- (iii) the relative costs of providing different housing types in different areas (e.g., urban versus greenfield or edge), and
- (iv) the complicated relationships among housing and job locations (e.g., achieving a jobs-housing balance sometimes requires putting more housing where jobs are, even when jobs are located outside of the urban core).

Regrettably, the draft Connect SoCal very much perpetuates, incorporates and reflects the harmful policy push toward radical per capita VMT reductions. Again, we appreciate that SCAG feels compelled to do so in light of a state agency's (CARB's) mandate forcing SCAG to focus on VMT reductions as the primary means to demonstrate GHG reductions. In our view, however, the time has come for SCAG to take the lead in pushing back strongly against such state mandates, so that more realistic and ameliorative regional planning can then unfold. In doing so, SCAG should point out to state regulators that its decisions concerning the dispersion of new housing opportunities must take into account not only VMT, but also the real-life, existing, affordable, and dominant housing choices that are made by today's regional workforce. SCAG's ongoing failure to do so will have negative implications for social equity – especially for vulnerable communities. The lack of affordable and available housing in the Southern California region has played a role in exacerbating a number of serious problems such as homelessness, the disappearing middle class and the increasing outward migration from our region.

Lastly, we have seen continuing increases in the costs of entitlement and construction. New and increasing fees and exactions continue to place a disproportionately large fiscal burden on homebuilding activities. Growing mandates for project developers and homebuilders to provide rental or ownership subsidies for the less advantaged, and/or homeless housing funding, will not achieve promised levels of housing production unless such mandates are accompanied by a suite of policies that will expedite entitlement approvals, reduce construction costs, and reduce other fees and exactions. Achieving the level of homebuilding activity necessary to address the current housing crisis will require the circumspect review of and substantial relief from the fiscal and regulatory cost burdens that impede the production of new housing.

In short, unless and until SCAG realizes that our region is mired in a worsening crisis concerning both the supply and affordability of new housing opportunities, SCAG will continue to pursue and implement unwise regional planning policies at the insistence of CARB. A substantial course correction is needed; and it should begin now. SCAG needs to take the lead in creating and pursuing such a course correction. If it were to fail to do so, our region will continue to be directed indefinitely toward a bleaker future and unnecessary, worsening crises in terms of both housing supply shortages and housing unaffordability.

In light of these concerns, we must note here and express our very strong disappointment concerning the SCAG Regional Council's decision to ignore and reject entirely our September

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2019 comments concerning the then-proposed sixth-cycle RHNA allocation for the SCAG region. We set forth in those comments the need for SCAG to expand the areas over which new housing can and should be built to include more vacant land (for surburban, annexed edge, greenfield and new town development). Notably, as we stated in our September comments, we were not opposed to the overall large size of the proposed sixth-cycle RHNA, we were instead concerned about the allocations and ultimately the indicated locations of more than 1.34 million new housing units envisioned within the SCAG region.

Specifically, our RNHA concern was and remains about where new housing units can best and most affordably be located and distributed amongst the nearly 200 local jurisdictions within the SCAG region. Housing has a higher likelihood of actually being built if the obligations to provide sufficient building sites for new housing are spread out in a more realistic, balanced and achievable manner. Because of this, we continue to urge SCAG to endeavor to allocate relatively more housing units toward the local jurisdictions that have a relatively meaningful supply of vacant land available.

Unfortunately, after we lodged our September 2019 comments concerning the RHNA allocation, SCAG chose to redirect the sixth-cycle RHNA allocation in the opposite direction from that which we advocated. Specifically, SCAG has since voted to squeeze even more of the envisioned homesite allocations into the already urbanized, densely populated, and – importantly – least affordable relatively coastal communities. SCAG should not finalize the currently pending RHNA allocation without improvement; and SCAG most certainly should not hold the course that it is currently on for the entire sixth-cycle RHNA process (which is prescribed to last eight years).

Similarly, SCAG should be aiming now to adopt a 2020 RTP/SCS that reflects much more realistic assumptions about (i) where within the SCAG region there can be constructed nearly 1.5 million new housing units in the decade of the 2020's, and especially (ii) what will be the affordability of those units. Obviously, a substantial amount – but not all – of the needed additional housing stock can and should be provided as urban infill and through more urban densification. On the other hand, a very substantial portion of the needed additional housing stock will need to be instead in the form of so-called "new towns" and "edge" or "greenfield" development. In short, a meaningful and significant portion of new housing units will need to be planned and built where there is now vacant land. Doing so will undoubtedly conflict with both (i) CARB's ideal of significantly reducing per capita VMT in the region to unrealistically low levels, and (ii) the Connect SoCal plan as it is now proposed.

This is not to say that SCAG's staff and CARB should abandon their goal of planning for a sustainable region in which per capita *GHG-emissions reductions* can be realized. Moderate growth (i.e., relatively tempered growth) in per capita VMT is consistent with achieving the kinds of GHG-emissions reduction goals that climate-change scientists argue must be pursued – provided our society makes meaningful, steady improvements in our fleets and fuels over time.

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Steady improvements in both the efficiency of our transportation fleet and/or fuel options seem increasingly likely to unfold in the years ahead. Importantly, foreseeable improvements in our transportation fleet and fuel options will <u>decrease</u> the GHG-emissions reduction benefit that can be realized through any given decrease in per capita VMT – so much so that if we were to pursue enough of the former (fleet and/or fuel changes) and other technological advances, we would need none of the latter (per capita VMT reductions) to meet our GHG reduction goals.<sup>1</sup>

#### B. <u>The Draft Connect SoCal is Fundamentally Contrary to Our Group's Longstanding</u> <u>Principles and Goals.</u>

In light of the above-stated principles and prior consistent urgings, we now encourage SCAG's staff to re-address and substantially correct the draft Connect SoCal and the related draft PEIR. Rather than adopt these drafts as they are, SCAG should refashion and adopt a 2020-2045 RTP/SCS that will allow for a realistic degree of ongoing per capita VMT growth in and about the SCAG region. To be sure, per capita VMT growth should be *tempered* and *moderated* as much as possible. It should even potentially be decreased slightly, but only if such a result can be achieved consistent with the ability to reasonably employ, mobilize and house our region's growing and partially-homeless population.

To do so, SCAG needs to study and promote more new housing opportunities within a more relaxed span of potential locations. Such a direction is desperately needed if our SCAG region is to have any realistic hope of fairly and affordably housing its population. Local governments, in turn, must explore, condition and approve many different kinds of new housing opportunities in the most relatively sensible locations. The new kinds of housing opportunities that should be pursued and their specific siting must take into account and include the following: (1) new urban development and redevelopment opportunities at varying densities, (2) the ongoing growth and expansion of budding and still-growing communities, and (3) well-planned, entirely new communities.

<sup>&</sup>lt;sup>1</sup> See K. Leotta & C. Burbank, *One Percent [Annual] VMT Growth or Less to Meet Greenhouse Gas Emissions Reduction Goals* (2009). Their study concludes that ambitious 2050 GHG emissions reduction goals can be achieve consistent with a moderated one percent annual increase in aggregate VMT – specifically if *emissions per VMT* can be decreased on average by roughly 72 percent over the 45-year projection period (2005-2050). Importantly, the combination of California's standards requiring aggressive improvements in automobile emissions and the accelerating adoption of electric vehicles, natural gas, plug-in electric hybrid and even hydrogen vehicles suggests that California is well on its way to achieving greatly reduced GHG emissions per vehicle mile traveled. This foreseeable achievement will also predictably lessen over time the marginal benefit that will flow from any marginal reduction or constriction of per capita VMT.

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To its detriment, the draft Connect SoCal does not appreciably reflect either the ongoing expansion of budding and growing communities, or the future entitlement of any new, well-planned communities. Instead, the draft Connect SoCal largely comports with the same policy direction that underpins its recent RHNA allocation decision.

Even worse, the draft Connect SoCal literally boasts of its policy aim of curtailing any and all such organic development. For example, on page 36 of the draft Connect SoCal, the text reads:

<u>The conservation of natural area and farmlands on the edges of urban and suburban</u> <u>development is an integral aspect of Connect SoCal</u> as it incentivizes infill development and the concentration of different land uses. This makes it easier to travel shorter distances which reduces greenhouse gas emissions. Many counties and cities in Southern California have excelled in their work to protect these vulnerable lands, but few plans or policies have been enacted to preserve habitat and farmlands on a regional scale. With regional population increases, conservation decisions made now can safeguard the endurance of these lands, protecting threatened wildlife and the local agricultural economy, and reducing carbon emissions, while also contributing to a high quality of life for future generations.

Similarly, the draft Connect SoCal describes all land on the edge of existing development to be regrettably "vulnerable" to development, expressly stating on page 32 of the draft Connect SoCal the following (emphasis added):

A range of local conservation plans, habitat conservation agencies and state/federal park designated areas provide protection for a significant amount of natural and farmland in the SCAG region. However, most of these protected lands are in remote desert areas far from incorporated areas .... Therefore, *a substantial amount of land on the urban and suburban fringe is <u>vulnerable to</u> development.* 

Rather than lament the fact that peripheral, vacant land is "vulnerable to" development, SCAG should instead be encouraging local jurisdictions to ascertain which such land "on the urban and suburban fringe" is the most <u>suitable for</u> development. In particular, SCAG should be encouraging the counties' supervisors, who respectively govern the use of nearly all of the vacant land suitable for smart development, to identity and make available for housing products the "land on the urban and suburban fringe" which is most suitable for smart development.

Importantly, the draft Connect SoCal also boasts of the fact that new single family residential construction has been falling as a *percentage* of total new residential construction in the SCAG region, while multi-family housing (apartments and attached condominiums) have conversely been gaining in terms of its relative share of all new residential construction. For

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example, concerning the typology or mix of new housing units in the SCAG region between 2006 and 2016, page 20 of the draft Connect SoCal reads in part:

In meeting ... new residents' demand for housing, the [SCAG] region also added about 400,000 units from 2006 to 2016 – 54 percent of which were multi-family units. Comparing to current conditions in 2016, 39 percent of the region's housing units are multi-family and 61 percent are single-family units. .... Riverside County and Los Angeles County again took the highest shares, ... and Los Angeles County added an additional 164,000 housing units - with 90 percent representing multi-family developments, largely occurring in denser areas that are well served by transit.

While the draft Connect SoCal thus boasts that new multi-family housing units have been gaining in the *relative share* of new housing units, the change in relative share has come at the expense of total number of all new housing units (as is shown by Figure 2.4 on page 21 of the draft Connect SoCal). In fact, the data shows that overall new housing production has fallen along with – and most likely primarily due to – a corresponding decrease in single family residential construction.

It must be understood and appreciated as well that the new, relatively-increasingly multifamily housing production about which the draft Connect SoCal boasts (such as Los Angeles County's additions of mainly "multi-family developments, largely occurring in denser areas that are well served by transit") tends to be the most expensive type of new residential housing. Indeed, highly urban, dense, new housing is relatively and increasingly unaffordable to most renters – let alone to most would-be homebuyers. To achieve some levels of affordability on this type of housing product often requires government funding, in part or in whole, through various "affordable housing" programs. While we have consistently supported the more reasonable types and levels of these programs and recognize their benefit, we have great concern that these programs are becoming increasingly necessary in order to make this type of housing project affordable. It must be the goal of the RTP/SCS, RHNA and any good housing plan to assure that it accommodates "market rate" affordable housing, which is housing that is built and funded by the private sector and sold or rented at market rates affordable to Southern Californians. Given the size and scope of the region's housing shortage and the tremendous affordability gap, we must maintain and increase strong private sector participation in new housing production because there is simply not enough government funding to solve this massive problem through the public sector alone. Therefore, we must be wary of plans that are heavily dependent on government subsidies to achieve housing affordability.

These facts have led our group to conclude that SCAG needs to reconsider and reverse its policy of championing almost exclusively dense infill redevelopment to the exclusion of all new town, urban edge and greenfield development. Only by reversing such an institutional policy can SCAG play its proper role in solving the housing supply and related housing affordability crises that currently grip the SCAG region and California as a whole.

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#### C. The Draft PEIR is Inadequate as a CEQA Disclosure Document.

As we discussed above, there is no evidence that the policy prescriptions reflected in the draft Connect SoCal will meet either the realistically regarded housing and transportation needs of the region, or provide for sustainability as required by SB 375. We believe that the draft Connect SoCal, if it were to be adopted as proposed, would instead negatively impact many elements of the human environment throughout the SCAG region, such as by greatly worsening vehicular congestion and homelessness, certainly displacing the poor, and the like. The draft PEIR purports to discuss the environmental impacts of the draft Connect SoCal. We believe that the draft the draft PEIR fails to do so adequately.

The draft Connect SoCal would implement a variety of policy choices aimed at fostering more high density infill housing. The higher density housing typologies that the draft Connect SoCal aims to foster are frequently five to seven times more expensive to build than are one and two-story detached or attached structures in less dense and relatively peripheral communities. The latter communities more typically provide home rental and ownership options at prices that are relatively attainable to the region's workforce.

Similarly, the draft Connect SoCal would reject a more diverse range of transportation options (including voter-approved and funded transportation improvements) of types that would increase transportation efficiencies in the region. Instead, the draft Connect SoCal would singularly favor bus, electric scooter, and other transit modes which are either increasingly ineffective (e.g., fixed route bus transit) or infeasible in relation to the needs of many commuters within the region's workforce (e.g., electric scooter programs, which are no help to our region's construction workers, who must carry or move tools and material to jobsites).

As a disclosure document, the draft PEIR fails to identify, analyze, impose legallymandated, feasible mitigation measures for the reasonably foreseeable consequence of the draft Connect SoCal's proposed implementation. It fails to disclose the scale and significance of unavoidable adverse impacts for impacts that cannot be mitigated through measures enforced by SCAG. The impacts which were unlawfully omitted from the analysis provided in the draft PEIR include:

• The reasonably foreseeable demolition and displacement of existing uses in and near transit stations and corridors. Such demolition and displacement will cause significant localized noise and air emission impacts, significant new burdens on local infrastructure and public service, the significant or potentially significant displacement of local businesses (which will result in the absence of such businesses or greater travel distances to such local business services), and the significant or potentially significant displacement of existing residents who will most likely be forced to relocate to less costly residential locations farther away from their present workplaces, all with attendant increases in

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travel-related impacts such as the explosive growth of "supercommuters" with higher commute-related air emissions, health and safety hazards, traffic congestion, and noise impacts.

- The reasonably foreseeable ongoing increase in "supercommuters" even for populations that are not physically displaced by urban, transit-oriented development. As was examined in a reent Chapman University study completed by economist John Husing, even households headed by union construction workers cannot afford a median priced home in any county that touches the ocean in Southern California.<sup>2</sup> The disconnect between the draft Connect SoCal's high-cost, high-density, disproportionately infill housing vision assures that the pattern that Dr. Husing identified will continue and get worse.
- The draft PEIR fails to discuss the fact that there are and will remain no practical, fixedroute public transit options to serve the distantly-residing construction workers and other middle class households who need their mobility. The draft Connect SoCal's prioritization of mass transit over roadway expansions would therefore worsen the growing tendency toward gridlocked conditions. Consequently, work force commutes will lengthen – thereby increasing air emissions and causing other adverse impacts. These are not speculative impacts: both the housing shortage and affordability crises and the performance of the SCAG region's transportation network worsened after the first two rounds of RTP/SCS plans were adopted; and the draft Connect SoCal, especially when viewed in light of SCAG's recent actions involving the sixth-cycle RHNA allocation, would effectively double down on the unsuccessful over-dependency and over-emphasis on fixed-route, public transit. SCAG's own transit studies demonstrate that housing density does not result in increased transit ridership because, in the real world, jobs are widely distributed throughout the region and workers (including low income hourly wage workers) often can practically commute only by using cars.<sup>3</sup>
- There is clearly not enough public funding to bridge the massive gap between (i) the costs of constructing high-density, infill-only housing, and (ii) the lower cost of the housing that is actually needed by affordable to middle class households in the region. Relatively affordable housing is widely available outside the SCAG region. Because of California's stringent building and efficiency codes, and its commitments to renewable

<sup>&</sup>lt;sup>2</sup> John E. Husing, "Impact of California's Housing Prices on Construction Workers," March 3, 2019, available at: <u>https://www.newgeography.com/content/006254-impact-californias-housing-prices-construction-workers</u>

<sup>&</sup>lt;sup>3</sup> See, e.g., UCLA "Falling Transit Ridership: California and Southern California," available at: <u>https://www.its.ucla.edu/2018/01/31/new-report-its-scholars-on-the-cause-of-californias-falling-transit-ridership/</u>

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> energy and electric and other alternative energy vehicles and modes of transit, California's future residents are projected to have the lowest per capita GHG footprint in the nation. By failing to solve the housing shortage and affordability crises, our society will worsens GHG emissions globally by forcing an increasing number of Californians to relocate to other regions, states or nations where housing is more affordable. Presently, the top three out-migration destinations for departing Californians are Texas, Nevada and Arizona; and they all have far higher per capita GHG emissions. The draft PEIR discusses and analyses no impacts related to such out-migration caused by the draft Connect SoCal's foreseeable worsening of the housing supply and affordability crises.

The Program EIR also fails to identify all feasible mitigation measures for the scores of significant unavoidable adverse impacts it identifies. Even though SCAG cannot itself implement or enforce some potential mitigation measures, CEQA requires that the final EIR must identify feasible measures to avoid or reduce impacts and note, where applicable, that such measures can and should be implemented by other agencies. Measures such as reducing housing costs through accelerated and by-right entitlement approvals, reducing fees and other regulatory costs, and enhancing local government revenues with tax-increment financing to pay for the community infrastructure and public service improvements needed to accommodate new housing, are omitted from the PEIR. The omission must be corrected.

The draft PEIR does and analyze the foreseeable failure of VMT reduction policies, taking into account the region's plummeting transit ridership and the evidence that any growing population which enjoys strong employment typically has increased or barely reduced per capita VMT; but has never significantly reduced it. The draft PEIR fails to identify and alternate GHG reduction strategies (other than VMT reduction) which could more feasibly and beneficially reduce regional GHG. Moreover, even if CARB continues to dictate that SCAG must envision and plan for large per capita VMT reductions, the draft PEIR should have analyzed and discussed the broader environmental impacts and potential mitigation of such a policy.

In addition, the draft PEIR also omits any discussion of the reasonably foreseeable cumulative impacts that will flow from the 2019 determination that SCAG must allocate more than 1.34 new housing units through the RHNA process for the sixth cycle of RHNA, and that SCAG has already decided to disproportionately allocate that large number of housing units to the more expensive, relatively near-coastal areas and communities. Although the localities' respective general plans have not yet been amended to make sites available for these housing unit allocations, CEQA does not allow for the deferral of consideration of cumulative impacts analyses for reasonably foreseeable new projects and activities simply because they have not yet been fully or finally approved. The draft PEIR must be reworked to include discussion of the consequences of tripling the availability of housing unit sites and SCAG's decision to largely focus this large quantity of new potential housing units in the already dense, expensive near-coastal communities.

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Finally, because of all of the concerns which are stated above in this comment letter, the draft Connect SoCal policy document and the related draft PEIR should each be revised to include an alternative – one that will actually result in more ameliorative housing and transportation solutions for the region.

The draft PEIR's fails to adequately identify, analyze and/or discuss the mitigation of environmental impacts. It fails to identify the reasonably foreseeable consequences of the cumulative housing increase prescribed by the RHNA process. Both it and the draft Connect SoCal fail to identify and analyze an alternative that would actually result in housing and transportation solutions needed by this region. These are all flaws that can be remedied only if SCAG were to recirculate a revised draft PEIR which corrects its deficiencies. This is all the more reason for SCAG to seek and obtain a one-year extension in additional time to revise and ultimately adopt a better Connect SoCal.

#### D. Conclusion.

To summarize our conclusions:

- We believe that the draft Connect SoCal compounds the policy mistakes that were latent in SCAG's prior two RTP/SCSs but are now recognizable in light of the housing crisis; and it is, therefore, not a sound plan for the region. Whereas a major policy course correction is needed to best address the region's housing supply dearth and housing affordability crisis, the draft Connect SoCal would combine with SCAG presently-proceeding RHNA allocation to worsen these crises.
- SCAG should therefore request a one-year extension of time during which to entirely revisit the draft Connect SoCal, and substantively re-make it with a view toward better balancing the environmental and transportation goals of the RTP/SCS with approaches that will address more urgently and deliberately the region's housing supply and affordability crises.
- The draft PEIR is legally infirm as it now reads, and should be redone when analyzing a substantially new, more realistic and more achievable regional plan.
- If we are correct in assuming that a resulting, newly-drafted, more realistic and more achievable regional plan will conflict with CARB's overly-ambitious per capita VMT reduction, then we urge SCAG to prepare and adopt both a SCS and a complementary APS for presentation to CARB.

We have always recognized the daunting regulatory and administrative challenges that are inherent in SB 375 and the federal requirements with which SCAG must comply. We

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recognize that it will be a major challenge for SCAG's staff to re-evaluate all of the VMT implications of envisioning a more circumspect regional land use plan than those which underpinned SCAG's last two RTP/SCSs and now underpin the draft Connect SoCal and its draft PEIR. It is especially challenging to do so in a way that better accommodates the large housing needs assessment that must be allocated regionally via the sixth-cycle RHNA process. We remain, however, confident in SCAG and both its Regional Council and professional staff to lead the way on smart, innovative approaches for solving our region's most daunting problems. Likewise, given our longstanding involvement with the SB 375 process and the depth of our concerns, we look forward to continuing to work with SCAG and participating in ongoing discussions about Connect SoCal. With such collaboration in mind, we respectfully ask for your meaningful consideration of these comments.

Sincerely,

Richard Lambros Managing Director Southern California Leadership Council



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