



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
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Los Angeles, CA 90017
T: (213) 236-1800
www.scag.ca.gov

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Sean Ashton, Downey

REMOTE PARTICIPATION ONLY

COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE

Thursday, November 4, 2021
9:30 a.m. – 11:30 a.m.

To Attend and Participate on Your Computer:
<https://scag.zoom.us/j/116153109>

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

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

PUBLIC ADVISORY

Given the declared state of emergency (pursuant to State of Emergency Proclamation dated March 4, 2020) and local public health directives imposing and recommending social distancing measures due to the threat of COVID-19, and pursuant to Government Code Section 54953(e)(1)(A), the meeting will be held telephonically and electronically.

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Maggie Aguilar at (213) 630-1420 or via email at aguilarm@scag.ca.gov. Agendas & Minutes are also available at: www.scag.ca.gov/committees.

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency's essential public information and services. You can request such assistance by calling (213) 630-1420. We request at least 72 hours (three days) notice to provide reasonable accommodations and will make every effort to arrange for assistance as soon as possible.



Instructions for Public Comments

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

1. **In Writing:** Submit written comments via email to: CEHDPublicComment@scag.ca.gov by 5pm on Wednesday, November 3, 2021. You are **not** required to submit public comments in writing or in advance of the meeting; this option is offered as a convenience should you desire not to provide comments in real time as described below.

All written comments received after 5pm on Wednesday, November 3, 2021 will be announced and included as part of the official record of the meeting.

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

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

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

OUR MISSION

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

OUR VISION

Southern California’s Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous



Instructions for Participating in the Meeting

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

To Participate and Provide Verbal Comments on Your Computer

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

To Listen and Provide Verbal Comments by Phone

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

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

- 1. Hon. Jorge Marquez**
CEHD Chair, Covina, RC District 33
- 2. Hon. Frank A. Yokoyama**
CEHD Vice Chair, Cerritos, RC District 23
- 3. Hon. Adele Andrade-Stadler**
Alhambra, RC District 34
- 4. Hon. Al Austin**
Long Beach, GCCOG
- 5. Hon. David Avila**
Yucaipa, SBCTA
- 6. Hon. Megan Beaman-Jacinto**
Coachella, RC District 66
- 7. Hon. Drew Boyles**
El Segundo, RC District 40
- 8. Hon. Wendy Bucknum**
Mission Viejo, RC District 13
- 9. Hon. Juan Carrillo**
Palmdale, RC District 43
- 10. Hon. Michael Carroll**
Irvine, RC District 14
- 11. Hon. Ramon Castro**
Imperial County CoC
- 12. Hon. Letitia Clark**
Tustin, RC District 17
- 13. Hon. Paula Devine**
Glendale, RC District 42
- 14. Hon. Steve DeRuse**
La Mirada, RC District 31
- 15. Hon. Diane Dixon**
Newport Beach, RC District 15

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COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE AGENDA

- 16. Hon. Rose Espinoza**
La Habra, OCCOG
- 17. Hon. Waymond Fermon**
Indio, CVAG
- 18. Hon. Margaret Finlay**
Duarte, RC District 35
- 19. Hon. Alex Fisch**
Culver City, RC District 41
- 20. Hon. Mark Henderson**
Gardena, RC District 28
- 21. Hon. Peggy Huang**
TCA Representative
- 22. Hon. Cecilia Hupp**
Brea, OCCOG
- 23. Hon. Kathleen Kelly**
Palm Desert, RC District 2
- 24. Sup. Matt LaVere**
Ventura County CoC
- 25. Hon. Jed Leano**
Claremont, SGVCOG
- 26. Hon. Patricia Lock Dawson**
Riverside, RC District 68
- 27. Hon. Marisela Magana**
Perris, RC District 69
- 28. Hon. Anni Marshall**
Avalon, GCCOG
- 29. Hon. Andrew Masiel**
Tribal Govt Regl Planning Board Representative
- 30. Hon. Lauren Meister**
West Hollywood, WSCCOG
- 31. Hon. Bill Miranda**
Santa Clarita, SFVCOG

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COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE AGENDA

- 32. Hon. John Mirisch**
Beverly Hills, Pres. Appt. (Member at Large)
- 33. Sup. Holly Mitchell**
Los Angeles County
- 34. George Nava**
Brawley, ICTC
- 35. Hon. Kim Nguyen**
Garden Grove, RC District 18
- 36. Hon. Trevor O'Neil**
Anaheim, RC District 19
- 37. Hon. Ed Paget**
Needles, SBCTA
- 38. Hon. Sunny Park**
Buena Park, OCCOG
- 39. Hon. Ariel Pe**
Lakewood, GCCOG
- 40. Hon. Michael Posey**
Huntington Beach, RC District 64
- 41. Hon. Misty Perez**
Port Hueneme, Pres. Appt. (Member at Large)
- 42. Hon. Nithya Raman**
Los Angeles, RC District 51
- 43. Hon. Gabriel Reyes**
San Bernardino County CoC
- 44. Hon. Rex Richardson**
Imm. Past President, Long Beach, RC District 29
- 45. Hon. Sonny Santa Ines**
Bellflower, GCCOG
- 46. Hon. Nicholas Schultz**
Burbank, AVCJPA
- 47. Hon. David J. Shapiro**
Calabasas, RC District 44

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COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE AGENDA

- 48. Hon. Becky Shevlin**
Monrovia, SGVCOG

- 49. Hon. Andy Sobel**
Santa Paula, VCOG

- 50. Hon. Wes Speake**
Corona, WRCOG

- 51. Hon. Mark Waronek**
Lomita, SBCCOG

- 52. Hon. Acquanetta Warren**
Fontana, SBCTA

- 53. Hon. Christi White**
Murrieta, WRCOG

- 54. Hon. Tony Wu**
West Covina, SGVCOG

- 55. Hon. Frank Zerunyan**
Rolling Hills Estates, SBCCOG

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COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE AGENDA

Southern California Association of Governments
Remote Participation Only
Thursday, November 4, 2021
9:30 AM

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

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

PUBLIC COMMENT PERIOD

Members of the public are encouraged, but not required, to submit written comments by sending an email to: CEHDPublicComment@scag.ca.gov by 5pm on Wednesday, November 3, 2021. Such comments will be transmitted to members of the legislative body and posted on SCAG's website prior to the meeting. Any writings or documents provided to a majority of the Community, Economic and Human Development Committee regarding any item on this agenda (other than writings legally exempt from public disclosure) are available at the Office of the Clerk, located at 900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017 during normal business hours and/or by contacting the office by phone, (213) 630-1420, or email to aguilarm@scag.ca.gov. Written comments received after 5pm on Wednesday, November 3, 2021, will be announced and included as part of the official record of the meeting. Members of the public wishing to verbally address the Community, Economic and Human Development Committee in real time during the meeting will be allowed up to 3 minutes to speak, with the presiding officer retaining discretion to adjust time limits as necessary to ensure efficient and orderly conduct of the meeting. The presiding officer has the discretion to equally reduce the time limit of all speakers based upon the number of comments received. The total time period for all public comments related to items on the agenda and any other matter within the agency's subject matter jurisdiction is five (5) minutes. However, the presiding officer retains discretion to extend the 5-minute general comment period so that all members of the public desiring to speak may do so.

REVIEW AND PRIORITIZE AGENDA ITEMS

CONSENT CALENDAR

Approval Items

1. Minutes of the Meeting – October 7, 2021

Receive and File

2. Assessing the Potential Impacts of Senate Bill 9 on Housing Supply



COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE AGENDA

INFORMATION ITEMS

3. SB 743 Implementation Strategies – Developer Panel 45 Mins.
(Michael Gainor, Senior Regional Planner)

4. Connect SoCal 2024: Preliminary Regional Growth Ranges for 2050 20 Mins.
(Beth Jarosz, Population Reference Bureau)

5. Orange County Equity Map and Social Progress Index 20 Mins.
(Katie Kalvoda, President & Board Chair, AdvanceOC)

CHAIR'S REPORT

(The Honorable Jorge Marquez, Chair)

STAFF REPORT

(Jonathan Hughes, Regional Affairs Officer, SCAG Staff)

FUTURE AGENDA ITEMS

ANNOUNCEMENTS

ADJOURNMENT



Southern California Association of Governments
Remote Participation Only
November 4, 2021

MINUTES OF THE REGULAR MEETING
COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE (CEHD)
THURSDAY, OCTOBER 7, 2021

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

The Community, Human and Development Committee (CEHD) of the Southern California Association of Governments (SCAG) held its regular meeting virtually (telephonically and electronically), given the declared state of emergency (pursuant to State of Emergency Proclamation dated March 4, 2020) and local public health directives imposing and recommending social distancing measures due to the threat of COVID-19, and pursuant to Government Code Section 54953(e)(1)(A). A quorum was present.

Members Present:

Hon. Jorge Marquez, Chair
Hon. Frank Yokoyama, Vice Chair
Hon. Adele Andrade-Stadler
Hon. Megan Beaman Jacinto
Hon. Wendy Bucknum
Hon. Juan Carrillo
Hon. Michael C. Carroll
Hon. Letitia Clark
Hon. Steve De Ruse
Hon. Paula Devine
Hon. Diane Dixon
Hon. Rose Espinoza
Hon. Waymond Fermon
Hon. Alex Fisch
Hon. Mark Henderson
Hon. Peggy Huang
Hon. Cecilia Hupp
Hon. Kathleen Kelly
Sup. Matt LaVere

Covina
Cerritos
Alhambra
Coachella
Mission Viejo
Palmdale
Irvine
Tustin
La Mirada
Glendale
Newport Beach
La Habra
Indio
Culver City
Gardena

Brea
Palm Desert
Ventura County

RC District 33
RC District 23
District 34
District 66
District 13
District 43
District 14
District 17
GCCOG
District 42
District 15
OCCOG
CVAG
District 41
District 28
TCA
OCCOG
District 2
CoC



Hon. Jed Leano	<i>Claremont</i>	SGVCOG
Hon. Patricia Lock Dawson	<i>Riverside</i>	District 68
Hon. Marisela Magana	<i>Perris</i>	District 69
Hon. Anni Marshall	<i>Avalon</i>	GCCOG
Hon. Lauren Meister	<i>West Hollywood</i>	WSCCOG
Hon. Bill Miranda	<i>Santa Clarita</i>	SFVCOG
Hon. Kim Nguyen	<i>Garden Grove</i>	District 18
Hon. Trevor O'Neil	<i>Anaheim</i>	District 19
Hon. Sunny Park	<i>Buena Park</i>	OCCOG
Hon. Misty Perez	<i>Port Hueneme</i>	Pres. Appt., Member-at-Large
Hon. Michael Posey	<i>Huntington Beach</i>	District 64
Hon. Nicholas Schultz	<i>Burbank</i>	AVCJPA
Hon. David Shapiro	<i>Calabasas</i>	District 44
Hon. Becky Shevlin	<i>Monrovia</i>	SGVCOG
Hon. Andy Sobel	<i>Santa Paula</i>	VCOG
Hon. Wes Speake	<i>Corona</i>	WRCOG
Hon. Acquanetta Warren	<i>Fontana</i>	SBCTA
Hon. Christi White	<i>Murrieta</i>	WRCOG
Hon. Tony Wu	<i>West Covina</i>	SGVCOG
Hon. Frank Zerunyan	<i>Rolling Hills Estates</i>	SBCCOG

Members Not Present

Hon. Al Austin, II	<i>Long Beach</i>	GCCOG
Hon. David Avila	<i>Yucaipa</i>	SBCTA
Hon. Drew Boyles	<i>El Segundo</i>	District 40
Hon. Ramon Castro	<i>Imperial County</i>	CoC
Hon. Margaret E. Finlay	<i>Duarte</i>	District 35
Hon. Andrew Masiel, Sr.	<i>Tribal Gov't Reg'l Planning</i>	
Hon. John A. Mirisch	<i>Beverly Hills</i>	Pres. Appt., Member-at-Large
Hon. Holly Mitchell		Los Angeles County
Hon. George A. Nava	<i>Brawley</i>	ICTC
Hon. Edward Paget	<i>Needles</i>	SBCTA
Hon. Ariel Pe	<i>Lakewood</i>	GCCOG
Hon. Nithya Raman	<i>Los Angeles</i>	District 51
Hon. Gabriel Reyes	<i>San Bernardino County</i>	CoC
Hon. Rex Richardson	<i>Long Beach</i>	District 29
Hon. Sonny Santa Ines	<i>Bellflower</i>	GCCOG
Hon. Mark Waronek	<i>Lomita</i>	SBCCOG

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The Honorable Jorge Marquez called the meeting to order at 9:30 a.m. and asked Business Representative, Randall Lewis, to lead the Pledge of Allegiance.

PUBLIC COMMENT PERIOD

Chair Marquez provided detailed instructions on the updated public comment protocols and called on Legal Counsel who read a statement for the record on the basis for holding this meeting pursuant to recent amendments to the Brown Act, noting the current recommended social distancing measures and existing declared state of emergency.

Chair Marquez opened the public comment period and noted that today's meeting is being held pursuant to recent Brown Act amendments relating to telephonic/videoconference meetings and process just described by SCAG's legal counsel. He noted the total time for all public comments related to items on the agenda and any other matter within the agency's subject matter jurisdiction is a minimum of ten (10) minutes and the public comment period will be held open for at least 10 minutes to afford the public the ability to comment on all items on this agenda.

Chair Marquez thanked everyone for participating remotely and asked anyone on their computers to speak by using the "raise hand" function on the computer and/or wait for SCAG staff to announce their name or phone number. Additionally, he noted that public comments received via email to CEHDPublicComment@scag.ca.gov after 5pm on October 6, 2021, would be announced and included as part of the official record of the meeting.

SCAG Staff noted there were no public comments received before the 5pm deadline on Wednesday, October 6, 2021, or via hands raised.

Chair Marquez closed the public comment period.

REVIEW AND PRIORITIZE AGENDA ITEMS

No reprioritizations were made.

CONSENT CALENDAR

Approval Item

1. Minutes of the September 2, 2021 Meeting
-

Receive and File

2. Connect SoCal CEQA Addendum No. 2 to Programmatic Environmental Impact Report (State Clearinghouse #2019011061)
3. Environmental Justice/Communities of Concern Update
4. California for Community Planning Voter Initiative

A MOTION was made (Bucknum) to approve the Consent Calendar. Motion was SECONDED (Shapiro) and passed by the following roll call vote:

AYES: ANDRADE-STADLER, BEAMAN JACINTO, BUCKNUM, CARRILLO, CARROLL, DERUSE, DEVINE, DIXON, ESPINOZA, FERMON, FISCH, HENDERSON, HUANG, HUPP, KELLY, LEVERE, LEANO, LOCK DAWSON, MAGANA, MARQUEZ, MARSHALL, MEISTER, MIRANDA, NGUYEN, O’NEIL, PARK, PEREZ, POSEY, SCHULTZ, SHAPIRO, SHEVLIN, SOBEL, SPEAKE, WHITE, WU, YOKOYAMA AND ZERUNYAN (37).

NOES: NONE (0).

ABSTAIN: NONE (0).

INFORMATION ITEMS

5. Accelerating Housing Production Panel Discussion on Best Practices and Recommendations for Southern California

Chair Marquez reported that under the California 2019-2020 Budget Act, SCAG was awarded \$47 million in REAP funding to support local governments and stakeholders to accelerate housing production and meet RHNA goals. SCAG anticipates an award of up to \$246 million from the REAP 2021 program established in AB 140 (2021). He noted, as part of efforts to strengthen SCAG’s role in supporting the region’s cities and counties in meeting RHNA housing production goals, staff will bring forward a panel discussion on policy recommendations and best practices for increasing housing production and addressing homelessness in the SCAG Region.

Chair Marquez asked Jenna Hornstock, SCAG staff, to moderate the discussion, provide background information on the presentations, and introduce the three speakers: Rick Bishop, Co-Director of the Inland Center for Sustainable Development; Cecilia Estolano, CEO of Estolano Advisors; and Charly Ligety, Director of The Housing Innovative Collaborative (“HICo”).

Each panelist shared their presentations, which included findings, best practices, recommendations, and tools to address the housing crisis, accelerate and streamline housing production and reduce the cost to deliver new units of housing.

The panelists also responded to questions and comments from the Councilmembers, including questions regarding ways to incentivize developers and reduce regulatory barriers, including CEQA reform concerns. Additional comments focused on the type of housing projects that serve the missing moderate income and that it would be helpful if more discussions could be shared with member cities as part of a professional development program.

Ms. Hornstock reported that a Housing Planning working group is convening soon that would help to address most of the comments presented today. She noted that a panel on CEQA reform may also be of interest in response to member requests. Ms. Hornstock stated she would keep the Committee posted on the composition of the working group.

The comprehensive staff report along with each panelist's extensive profile and research, including the PowerPoint presentations, were included in the agenda packet. A recording of the meeting, including the presentations, can be found on SCAG's website.

6. Regional Data Platform Status and Tool Demonstrations

Chair Marquez introduced Tom Vo, SCAG staff, who, along with the project team at ESRI, provided an overview of SCAG's Regional Data Platform (RDP) concept, status updates and demonstrations of its key features, to showcase the preliminary design of the RDP system.

Mr. Vo's presentation included a brief introduction and some background information on the vision and process development of the RDP process, including highlights for how the RDP can facilitate regional data sharing and collaboration to streamline the process and to enable better planning at the local and regional level. Some of the RDP tools demonstrated included the following:

- Regional Data Platform Hub
- Housing Element Parcel Tool
- Local General Plan Template Hub
- Local Data Exchange (LDX) Web

It was noted that the RDP Team anticipates having the pilot system operational in November 2021, rolling out as much functionality as possible to the entire region at that time to assist jurisdictions with General Plan updates, local planning activities, and Connect SoCal development.

Chair Marquez thanked the team for their presentation.

The comprehensive staff report, with detailed descriptions of the RDP tools and process, and the PowerPoint presentation were included in the agenda packet.

7. Regional Early Action Program (REAP) 2021 Program

Chair Marquez provided background information on AB140, which allocated \$600 million to the Regional Early Action Plan, (REAP) 2021 program. He asked Jenna Hornstock, SCAG staff, to present the REAP 2021 draft preliminary program framework.

Ms. Hornstock gave an overview of the REAP 2021 Grant Program, noting its formula share for the SCAG region is estimated to be \$246 million, with an initial allocation of 10 percent of funds likely available starting January 1, 2022. She noted all funds must be obligated by June 2024 and expended by June 2026.

Ms. Hornstock's preliminary draft framework presentation included guidelines and development strategies that align with some of the following REAP 2021 priorities:

- Implementation Approach: Aligning with the Connect SoCal Implementation Strategy;
- Outline of the EAC Strategic Work Plan - Leadership in Resource Deployment;
- Core Objectives – Support transformative planning;
- Draft Proposed Program Areas which include: Early Action Initiatives, CTC Partnership Programs and Housing Supportive Infrastructure Programs;
- Next Steps which include extensive outreach with communities, stakeholders and regional partners; Refining the Draft REAP 2021 Program Framework and updating the Policy Committees in January 2022.

Chair Marquez thanked Ms. Hornstock for her presentation.

The comprehensive staff report, and PowerPoint presentation were included in the agenda packet.

CHAIR'S REPORT

Chair Marquez welcomed Communities of Concern appointee, Ramon Castro of Imperial County, to the CEHD Committee.

Chair Marquez reported on some staff changes that will help streamline the agenda process and provide additional support to the CEHD. He noted that Deputy Planning Director, Jenna Hornstock will take on the role as Planning Lead and Jonathan Hughes would continue as the CEHD dedicated Staff Lead.

Chair Marquez reported on a series of four housing policy forums that will take place over the next year. He noted that the forum is free and encouraged everyone to register on the SCAG website.

STAFF REPORT

Jonathan Hughes, SCAG staff, announced that the November Policy Committee meetings were expected to continue in remote platform; with the EAC continuing to be a hybrid approach.

Mr. Hughes announced that the 12th Annual Southern California Economic Summit will take place on Thursday, December 2, 2021. He noted that additional details are on SCAG’s website and encouraged everyone to register for the event.

FUTURE AGENDA ITEMS

There were no future agenda items requested.

ADJOURNMENT

There being no further business, Chair Marquez adjourned the CEHD Committee meeting at 11:25 a.m.

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

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE CEHD COMMITTEE]

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COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE ATTENDANCE REPORT

2021-22

MEMBERS	Representing	2021-22												Total Mtgs Attended To Date		
		Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	April	May			
Andrade-Stadler, Adele	Alhambra, District 34	1			1	1									3	
Austin, II, Al	Long Beach, GCCOG														0	
Avila, David	Yucaipa, SBCTA				1										1	
Beaman Jacinto, Megan	Coachella, District 66				1	1									2	
Boyles, Drew	El Segundo, District 40	1	1												2	
Bucknum, Wendy	Mission Viejo, District 13	1			1	1									3	
Carrillo, Juan	Palmdale, District 43	1	1		1	1									4	
Carroll, Michael C.	Irvine, District 14				1	1									2	
Castro, Ramon	Imperial County, CoC														0	
Clark, Letitia	Tustin, District 17	1	1	D A R K		1									3	
De Ruse, Steve	La Mirada, District 31	1				1	1									3
Devine, Paula	Glendale, District 42	1	1			1	1									4
Dixon, Diane B.	Newport Beach, District 15		1			1	1									3
Espinoza, Rose	La Habra, OCCOG	1	1			1	1									4
Fermon, Waymond	Indio, CVAG		1			1	1									3
Finlay, Margaret E.	Duarte, District 35	1	1													2
Fisch, Alex	Culver City, District 41	1	1			1	1									4
Henderson, Mark E.	Gardena, District 28	1	1				1									3
Huang, Peggy	TCA	1	1				1									3
Hupp, Cecilia	Brea, OCCOG	1	1			1	1									4
Kelly, Kathleen	Palm Desert, District 2	1	1			1	1									4
LeVere, Matt	Ventura County, CoC					1	1									2
Leano, Jed	Claremont, SGVCOG	1	1			1	1									4
Lock Dawson, Patricia	Riverside, District 68	1	1				1									3
Magana, Marisela	Perris, District 69	1	1			1	1									4
Marquez, Jorge	Covina, District 33	1	1			1	1									4
Marshall, Anni	Avalon, GCCOG					1	1									2
Masiel, Sr., Andrew	Pechanga Band of Luiseno Indians				D A R K											0
Meister, Lauren	West Hollywood, WCCOG	1	1				1	1								
Miranda, Bill	Santa Clarita, SFVCOG	1	1			1	1									4
Mirisch, John A.	Beverly Hills, Pres. Appt.	1	1			1										3
Mitchell, Holly	Los Angeles County															0
Nava, George A.	ICTC	1				1										2
Nguyen, Kim B.	Garden Grove, District 18	1	1			1	1									4
O'Neil, Trevor	Anaheim, District 19	1	1			1	1									4
Paget, Edward	Needles, SBCTA/SBCCOG	1	1													2
Park, Sunny Youngsun	Buena Park, OCCOG	1	1			1	1									4
Pe, Ariel "Ari"	Lakewood, GCCOG	1	1			1										3
Perez, Misty	Port Hueneme, Pres. Appt.	1	1			1	1									4
Posey, Mike	Huntington Beach, OCCOG	1				1	1									3
Raman, Nithya	Los Angeles, District 51															0
Reyes, Gabriel	San Bernardino County CoC					1										1
Richardson, Rex	Long Beach, District 29	1	1													2
Santa Ines, Sonny	Bellflower, GCCOG	1	1			1										3
Schultz, Nick	Burbank, AVCJPA	1				1	1									3
Shapiro, David J.	Calabasas, District 44	1	1			1	1									4
Shevlin, Becky A.	Monrovia, SGVCOG	1	1			1	1									4
Sobel, Andy	Santa Paula, VCOG	1	1		1	1									4	
Speake, Wes	Corona, WRCOG	1	1		1	1									4	
Waronek, Mark	Lomita, SBCCOG	1	1	D A R K	1										3	
Warren, Acquanetta	Fontana, SBCTA	1	1			1	1									4
White, Christi	Murrieta, WRCOG	1	1			1	1									4
Wu, Tony	West Covina, SGVCOG					1	1									2
Yokoyama, Frank Aurelio	Cerritos, District 23	1	1			1	1									4
Zerunyan, Frank	Rolling Hills Estates, SBCCOG	1	1			1	1									4
TOTAL ATTENDANCE		41	37			42	39									

Attachment: CEHD Attendance Sheet FY 2021-22 (Minutes of the October 7, 2021 Meeting)



AGENDA ITEM 2
REPORT

Southern California Association of Governments
Remote Participation Only
November 4, 2021

To: Community Economic & Human Development Committee (CEHD)
Regional Council (RC)

From: Kevin Kane, Senior Regional Planner
(213) 236-1828, kane@scag.ca.gov

Subject: Assessing the Potential Impacts of Senate Bill 9 on Housing Supply

**EXECUTIVE DIRECTOR'S
APPROVAL**

RECOMMENDED ACTION CEHD:

Receive and File

RECOMMENDED ACTION FOR RC:

Information Only – No Action Required

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians. 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy. 3: Be the foremost data information hub for the region.

EXECUTIVE SUMMARY:

Senate Bill (SB) 9 (Atkins, D-San Diego) was signed into law by Governor Gavin Newsom on September 16, 2021. SB 9 allows for by-right lot split and duplex developments on single-family residential parcels. The Regional Council (RC) voted to oppose SB 9 at its meeting on September 2, 2021. At its October 7, 2021 meeting, the RC accepted a recommendation from the Legislative/Communications and Membership Committee (LCMC) to study the impacts and potential mitigation strategies of SB 9.

Ian Carlton of MapCraft Labs will present research conducted by UC Berkeley’s Terner Center for Housing Innovation on a study which used parcel-level data and an economic model to assess the potential impacts of SB 9’s provisions on housing in the SCAG region. By assessing both physical constraints and market feasibility, this model estimates that a small percentage of the region’s single-family parcels would meet the criteria for development under SB 9’s provisions. The model does not consider whether landowners would be willing to execute on feasible development sites.

The findings of the analysis may assist the RC in understanding the potential impacts from SB 9 on the SCAG region, as the agency continues the discussion on potential mitigation strategies needed to address the bill.

BACKGROUND:

SB 9 Summary

SB 9 requires ministerial approval for certain housing development projects containing up to two duplexes (i.e. up to four total units) on existing residential parcels. First, SB 9 requires that a proposed housing development containing no more than two residential units within a single-family residential zone to be considered ministerially, without discretionary review or a hearing of the local agency. This ministerial approval applies only if the proposed housing development does not require demolition or alteration of housing that is subject to a recorded covenant or a rent control ordinance, does not require demolition of more than 25 percent of the existing exterior structural walls, and is not located within a historic district nor designated as a historic property by a local agency.

Second, SB 9 requires a city or county ministerially approve a parcel map or tentative and final map for an urban lot split if that proposed action is located within a residential zone, does not require the demolition or alteration of housing that is subject to a recorded covenant or a rent control ordinance, and if that the parcel is not located within a historic district nor designated as a historic property by a local agency. As an urban lot split, the parcel would have to be in an urbanized area or urban cluster and could not be on prime farmland, wetlands, or on certain other sensitives uses.

By requiring ministerial approval for the actions described above, the proposed project(s) would not be subject to the California Environmental Quality Act (CEQA). CEQA requires a city or county to prepare an environmental impact report on a project that may have a significant impact on the environment. However, CEQA does not apply to the approval of ministerial projects.

The bill sets forth what a local agency can and cannot require in approving an urban lot split, relating to objective zoning standards, objective subdivision standards, and objective design standards, and prohibits certain standards if those standards would (a) have the effect of physically precluding the construction of two units on either of the resulting parcels, (b) physically preclude either of the two units from being at least 800 square feet in floor area, (c) prohibit the imposition of setback requirements under certain circumstances, and (d) set maximum setback requirements under all other circumstances.

Additionally, SB 9 prohibits a city or county from requiring more than one parking space per unit for either a proposed duplex or a proposed lot split. The bill further prohibits a city or county from imposing any parking requirements if the parcel is located within one-half mile walking distance of

either a high-quality transit corridor or a major transit stop, or if there is a car share vehicle located within one block of the parcel.

Amendments to SB-9 clarify that a local agency shall not be required to permit an accessory dwelling unit or junior accessory dwelling unit on parcels that use both ministerial authorities contained within the bill at the time when the lot split is authorized. In addition, the bill was amended to authorize lot splits to be up to a 40/60 split instead of two parcels of equal size. Further amendments require applicants for an urban lot split to sign an affidavit stating their intent to occupy one of the housing units as their principal residence for a minimum of three years from the date of the approval of the urban lot split, unless the applicants are a community land trust or a qualified nonprofit corporation.

In the Assembly, SB 9 passed off the floor on August 26, 2021, with a bipartisan vote of 45-19-15. SB 9 passed the Senate on August 30, 2021 by a vote bipartisan of 28-7-5. Governor Newsom signed SB 9 into law on September 16, 2021.

SCAG Position, Advocacy, and Next Steps

At its April 20, 2021 meeting, the LCMC unanimously voted to forward an “oppose unless amended” position to the RC. Subsequently, the RC voted to confirm this position by a vote of 37-17 on May 6, 2021. It is worth noting that during the discussion at that meeting, many RC Members who voted “no” on the motion to “oppose unless amended” were comfortable with an outright “oppose” position on the bill. As the 2021 legislative session progressed, SCAG-requested amendments to SB 9 were not incorporated into the bill, so the RC voted to update its formal position to outright “oppose” on September 2, 2021.

Subsequent to updating the agency’s formal position on SB 9, a meeting request and position letter were submitted to Governor Gavin Newsom urging a veto of SB 9. A virtual meeting was granted and on September 10, 2021, President Lorimore and several members of the Regional Council met with representatives from the Governor’s Office to express the agency’s opposition to this bill.

After SB 9 was signed by the Governor, the LCMC forwarded a status update on the bill to the RC and recommended that the agency study the impacts and potential mitigation strategies associated with the bill’s passage. Today’s presentation from Ian Carlton of MapCraft Labs is a first step in understanding SB 9’s potential impacts on the SCAG region.

About the Turner Center for Housing Innovation

Established in 2015, the Turner Center has become a strong voice for identifying, developing, and advancing solutions to housing policy challenges, particularly in California. The Center’s core focus areas are (i) increasing the supply and lowering the cost of housing in ways that align with equity and environmental goals, (ii) expanding access to quality homes and communities to support racial,

social, and economic inclusion, and (iii) driving innovation in housing policy and practice. The Turner Center's timely and data-driven analyses of proposed and existing housing policies have become important tools for policymakers and practitioners in recent years. The Center's briefs, papers, and analyses take advantage of the expertise of faculty and research staff at Berkeley and elsewhere as well as affiliated practitioners with both technical and policy expertise.

Turner Center Study of SB 9 with MapCraft Labs

Turner Center staff collaborated with MapCraft Labs, a policy analytics firm with expertise in spatial data and economic modeling, to analyze the potential impacts of SB 9 in a report released in July 2021. The study is available at <https://turnercenter.berkeley.edu/blog/duplexes-lot-split-sb-9/> and additional detail is provided in the attached presentation.

Summary of Findings and Linkage to SCAG's Development of the RTP/SCS

As part of the development of the quadrennial Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), SCAG develops long-range forecasts from the regional to the neighborhood level with the input of local jurisdictions and other stakeholders. Since at least 2008, SCAG has developed a standardized land use coding system and developed substantial open data resources to assess, analyze, and communicate land use and development information as it relates to regional planning.

SCAG is currently developing its forecast for the 2024 RTP/SCS, which will assess growth over 2019-2050 given existing and future anticipated trends as well as current policy. Following an expert panel, a preliminary range of growth trajectories for regional population, households, and employment was presented to CEHD in November 2021. As SCAG continues to develop the forecast at the county, jurisdictional, and neighborhood levels and begins engaging local jurisdictions for review and input in 2022, staff will continue to review the most up-to-date assessments of the potential impacts of policies including SB 9 on future growth.

Turner's study addresses both *physical constraints* – the size and/or suitable unbuilt area on parcels – and *financial constraints* – the market-based likelihood that the sale or rent price of a new unit would offset the cost to develop it. By comparison, SCAG previously collaborated with researchers at California State Polytechnic University at Pomona to analyze the *physical constraints* to ADU development following state legislation passed during 2016-2019. This study, available at <https://scag.ca.gov/post/accessory-dwelling-unit-adu-potential-scag-region> and dynamically through SCAG's Housing Element Parcel Tool (HELPR) at <https://maps.scag.ca.gov/helpr>, indicated that between 2.4 and 3 million parcels in the region could *physically* accommodate a detached ADU. MapCraft's econometric modeling is also able to consider which parcels may be suitable for development under SB 9 based on construction costs, market demand, and financing.

It is important to note that such a model is not a forecast of potential development over a particular time period. Rather, it assumes each property owner is making a rational decision based on the characteristics of their property and its economic potential. Furthermore, it is not able to comment on the preferences of property owners to substantially change their lot or to live in closer proximity to others. As such, it would likely take several years or longer for a combination of awareness of SB9's impacts, the construction industry and local jurisdictions' capacity to respond, and property owners' own preferences and decision making to realize this market potential.

Turner's July 2021 report concluded that SB 9's lot split and duplex provisions could enable the creation of over 700,000 new homes statewide that would otherwise not have been market feasible. Correspondingly, the study's data indicated that approximately 300,000 new homes would be feasible in the SCAG region's six counties (roughly 1 new unit for every 10 single-family parcels); however, due to data limitations related to city size, jurisdiction-level estimates from the original study were only available in 129 of the SCAG region's 197 jurisdictions.

While the above estimate indicates that SB 9 could result in a very small share of the region's parcels becoming financially feasible to develop, this potential supply increase could address a fairly substantial share of the region's housing need and is significant when compared to recent housing production. While this study is not linked to a particular time horizon, it demonstrates added potential equivalent in magnitude to nearly one-fourth of HCD's regional housing needs determination for the SCAG region of 1,341,827 million units over the period from 2021-2029. Additionally, during 2020 the region experienced a net gain of 44,769 housing units. In the eight-year period from 1/1/2013-1/1/2021, the region's net change in housing units was 302,696¹, which is roughly equivalent in magnitude to the above estimate of new market potential from SB 9 in the SCAG region.

Presenter – Ian Carlton, Ph.D

Ian Carlton, Ph.D. co-founded MapCraft Inc in 2015, which develops multi-user web apps for running interactive spatial analytics over wide geographies. MapCraft expands the capacity of urban planning professionals and helps institutions make effective urban policy.

Carlton's advisory work with local governments, transit agencies, regional planning organizations, and landowners focuses on analyses that aid policymaking, urban planning, and investment decision making. Carlton's project work encompasses land use modeling, transit planning, equitable transit-oriented development (TOD), affordable housing, economic development, public finance, land use planning, real estate investment, and value capture.

¹ State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties, and the State — January 1, 2011-2021. Sacramento, California, May 2021.



Carlton is a member of the Urban Land Institute's Transit-Oriented Development Product Council and sits on the Transportation Research Board's Economic and Land Development Committee. Carlton is also an adjunct professor of real estate development and planning at the University of Oregon and Portland State University. Carlton holds a Ph.D. and two master's degrees – City Planning and Transportation Engineering – from the University of California Berkeley and an Architecture degree focused on land development from the Georgia Institute of Technology.

FISCAL IMPACT:

None.

ATTACHMENT(S):

1. Turner SB 9 Brief July 2021
2. PowerPoint Presentation - MapCraft SB 9 SCAG

A TURNER CENTER REPORT - JULY 2021

Will Allowing Duplexes and Lot Splits on Parcels Zoned for Single-Family Create New Homes?

Assessing the Viability of New Housing Supply Under California's Senate Bill 9

AUTHORS:

BEN METCALF, MANAGING DIRECTOR, TURNER CENTER
DAVID GARCIA, POLICY DIRECTOR, TURNER CENTER
IAN CARLTON, CO-FOUNDER AND CEO, MAPCRAFT LABS
KATE MACFARLANE, PRODUCT MANAGER, MAPCRAFT LABS

Introduction

In recent years, California lawmakers have proposed a number of legislative changes to address the state's ongoing housing shortage and affordability crisis. While the most ambitious of these efforts have not passed, momentum has increased around one solution in particular: legislation to allow modest increases in smaller-sized units in existing single-family neighborhoods. In 2020, Senate Bill 1120—which would have allowed for up to four new homes on existing single-family parcels—passed both the California Assembly and Senate, but fell short of becoming law as time ran out at the end of the session. This year, Senate President Pro Tempore Toni Atkins has introduced Senate Bill 9 (SB 9), which proposes a similar policy shift. SB 9 has now passed through the State Senate and is under discussion in the State Assembly; if approved by the Assembly, it may be poised to be the most significant housing bill coming out of California's current legislative session.

SB 9 has potential to expand the supply of smaller-scaled housing, particularly in higher-resourced, single-family neighborhoods. In this way, SB 9 builds on recent state legislation that opened up access to accessory dwelling units (ADUs) for virtually all California single-family parcels. What distinguishes SB 9 is that it allows for the development of new, for-sale homes, either on a newly subdivided lot or through the conversion of existing single-family homes into multiple units. This ability to create duplexes and/or split the lot and convey new units with a distinct title would allow property owners to pursue a wider range of financing options than are available for ADU construction to build these new homes.¹ In so doing, SB 9

could open up new homeownership opportunities at more attainable price points for prospective purchasers, who would be able to apply for a traditional mortgage to buy the home.

Yet, the likelihood of creating new housing and homeownership opportunities as a result of SB 9 largely depends on local context. While Senate Bill 9 does not apply to single-family parcels in historic districts, fire hazard zones, and rural areas, local market prices and development costs play a large role in determining where there is financial viability for the addition of new homes. Moreover, physical constraints, such as small lot sizes and other local regulations, can limit the number of new homes built as a result of this bill. To assess the potential impact of SB 9 on new housing supply, this analysis assesses the market feasibility of new homes as allowed by the current version of the Bill (as of July 2021).²

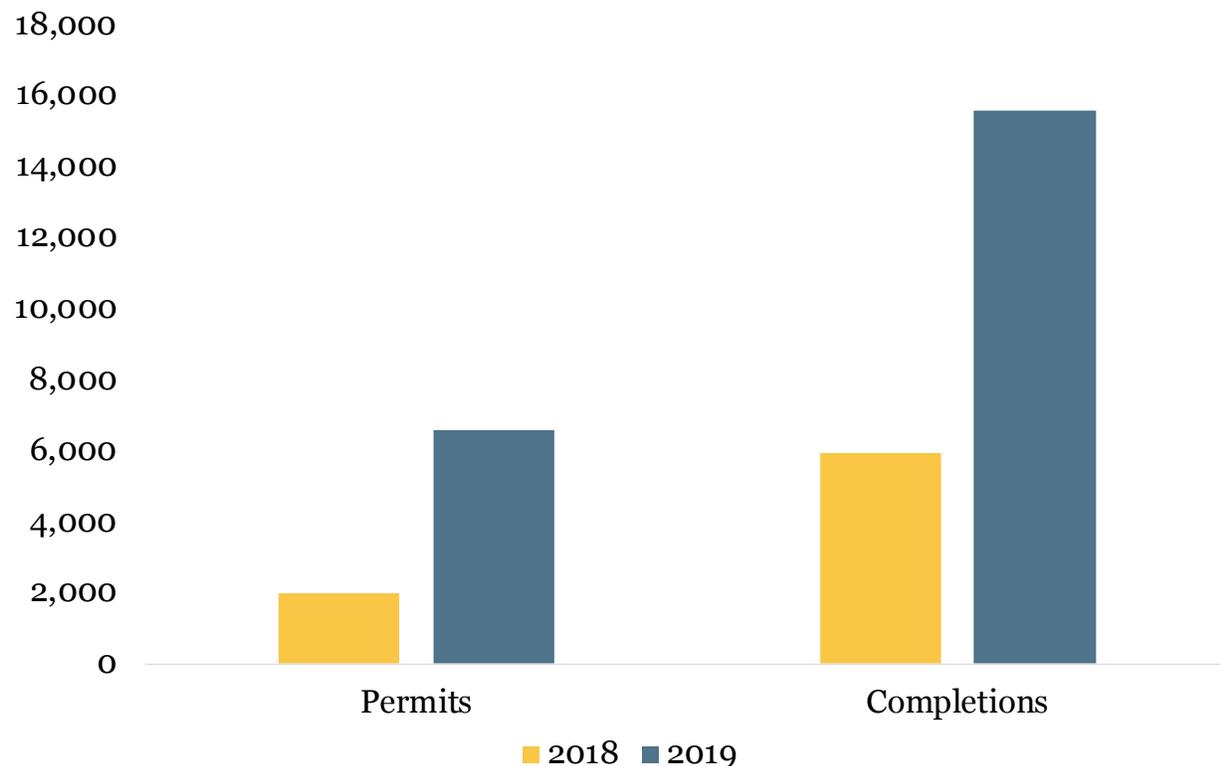
This analysis finds that SB 9's primary impact will be to unlock incrementally more units on parcels that are already financially feasible under existing law, typically through the simple subdivision of an existing structure. Relatively few new single-family parcels are expected to become financially feasible for added units as a direct consequence of this bill. While this analysis does not attempt to measure the actual rate of uptake for adding new units to single-family parcels, it is reasonable to assume that SB 9 will modestly accelerate the addition of new units relative to the status quo by facilitating access to conventional mortgage products for multiple households able to purchase homes on newly subdivided single-family parcels.

Background

California’s recent housing laws have largely failed to unlock significant housing production changes that would ease the ongoing housing and homelessness crisis. One of the state’s more effective housing solutions has been recent laws removing barriers to the construction and financing of ADUs. In 2016, Senate Bill 1069 and Assembly Bill 2299 expanded the ability of homeowners to build ADUs and Junior ADUs (JADUs). Subsequent legislation (Assembly Bill 68, Assembly Bill 881, Senate Bill 13) removed other barriers to ADU development, including lowering impact fees and removing owner occupancy requirements. The impacts of this legislation are already apparent throughout the state. Published state data demonstrates that the initial 2017 ADU law had immediate impacts: California

jurisdictions went from issuing 5,911 ADU permits in 2018 to 15,571 in 2019, with ADU completions following a similar upward trend, more than tripling over the same period (from 1,984 to 6,668 units) (Figure 1).³ The ADU laws that took effect in 2019 allowing two ADUs on single-family parcels and more on multi-family parcels are already having a significant impact on gently adding density across the state in single- and multi-family properties. In early 2021, the City of Los Angeles reports processing upwards of 20,000 ADUs where ADUs make up nearly 40 percent of all housing building permits, and the City of San Jose reports that ADUs make up 38 percent of all housing building permits.⁴ This progress signals the significance of easing approvals and barriers to smaller-scale, infill development in low-density areas.

Figure 1. ADU Permits and Completions in California, 2018 and 2019



Source: Chapple, K., et. al. (2020). "Reaching California’s ADU Potential: Progress to Date and the Need for ADU Finance." Retrieved from: <https://turnercenter.berkeley.edu/wp-content/uploads/2020/12/ADU-Brief-2020.pdf>.

The early success of recent ADU legislation has prompted lawmakers to examine similar policies that would incrementally unlock more homes in low-density urban infill neighborhoods where the housing crisis is particularly acute. Such policies would also align with state climate change policies encouraging additional homes near jobs and services to reduce vehicle miles travelled. Last year, SB 1120 proposed allowing up to four units in single-family-zoned parcels throughout the state. Analysis by the Turner Center of SB 1120 found that nearly six million single-family parcels statewide would theoretically be eligible, a significant expansion of buildable area in California.⁵ For example, if just 5 percent of those parcels created new two-unit structures as a result of SB 1120, that would have resulted in 597,706 new homes. That's more than five times the number of new homes that have been built in California annually since 2015.⁶ However, in a session marked by the disruptions related to the COVID-19 pandemic, SB1120 ran out of time to be sent to the governor's desk, despite passing both the Assembly and the Senate.

SB 9 was introduced with nearly identical language to its predecessor, SB 1120, but as the bill has progressed through the legisla-

tive process, some important changes have been made. Most notably, properties that have developed an ADU are not eligible for the density or lot split provisions of SB 9, and jurisdictions would have the option of imposing owner-occupancy requirements for lot split applicants, where the applicant would have to make one of the units on the site their primary residence for at least one year. This owner-occupancy provision has been added to address concerns that current homeowners could be incentivized to sell to private entities interested in speculative investment on single-family parcels and to encourage use of the law to create more opportunities for California families to buy a home. The provisions also ensure the law cannot be used to divide homes occupied by renters as a measure to prevent displacement. Other new provisions have made the legislation potentially more impactful. For example, SB 9 allows more flexibility in how the lot is split. SB1120 required that both newly created lots be of equal size, potentially limiting the number of instances where new homes would be feasible. New language in SB 9 requires that one of the newly created parcels only needs to be more than 40 percent of the original parcel size. Table 1 summarizes the key provisions of SB 9 as of July 2021.



Table 1: Eligibility Criteria Proposed for Split Lots Under SB 9

Location
<ul style="list-style-type: none"> • The parcel, lot, or development must be located in a single-family residential zone. • The parcel cannot not be located in a historic district or be a historic property itself (as defined by the state or local county or city). • The parcel cannot be located in a high fire zone area. • The parcel must be in a city whose boundaries include some portion of an urbanized area or urban cluster as designated by the U.S. Census Bureau. • If the parcel lies in an unincorporated area, then the parcel at stake must be a legal parcel wholly within the boundaries of an urbanized area/cluster.
Parcel Size
<ul style="list-style-type: none"> • The parcel must be a minimum of 2,400 square feet in size. • The newly created parcel as a result of a lot split may not be smaller than 40 percent of the lot area of the original parcel. • A locality cannot impose any standards that would preclude the construction of up to two units or physically precluding either of the two units from being at least 800 square feet in floor area. • A side and rear setback of up to four feet is allowed.
Anti-Displacement
<ul style="list-style-type: none"> • The lot split cannot require the demolition or alteration of a housing unit currently serving moderate-, low- or very-low income household(s) or a rent-controlled unit. • The lot split cannot result in the demolition or alteration of housing that has been occupied by a tenant in the last three years or where an owner has used the Ellis Act to remove a rental unit from the market within the last 15 years. • A jurisdiction may impose an owner-occupancy restriction for lot splits, where the applicant must intend to occupy one of the housing units as their principal residence for a minimum of one year from the date of the approval of the urban lot split.
Other
<ul style="list-style-type: none"> • The parcel cannot have been created from a previous lot split as provided by this policy. • The same person (or another party acting on their behalf) cannot perform a lot split on adjacent lots.

Methodology

It is unrealistic to assume that under SB 9, every single-family lot would be split, or that every existing single-family home would be demolished and replaced with four new units. For example, some lots may be too small, have other existing structures or ADUs, have a history of being rented, or other physical conditions that prevent changes. Some owners may have no interest in developing their property. And finally, even if a property owner is interested in pursuing new development on their land, trying to recoup this investment with market-rate rental or sales will prove financially infeasible in many instances. To develop a better estimate of the potential impact of SB 9 on new supply, we conducted an analysis of how many new homes would be both physically eligible and financially feasible as a result of SB 9, as well as what types of development would be most likely, taking into account on-the-ground market dynamics.

We partnered with MapCraft Labs, which developed a financial feasibility model to assess market-feasible housing capacity on existing parcels with detached single-family homes. The base layer for the analysis is a parcel dataset from UrbanFootprint which includes all counties in California with populations greater than 45,000 people, and covers homes built prior to 2020.⁷ This dataset includes roughly 7.5 million single-family parcels across the state. We used MapCraft's Lab analysis tool to determine what types and scales of housing development would be feasible with an approach that considers construction costs, market demand, financing, land use policies, and individual parcel characteristics.

To inform our model, several assumptions were made about market conditions and trends. For example, all properties with single-family detached land uses were assumed to conform to zoning and currently have exactly one existing unit (e.g., no ADUs). In combination with tax assessor data, we estimated the value of each existing single-family property on those parcels. MapCraft calculates standard development "pencil out" models to compute snapshots of market feasibility on every relevant parcel, both under current policies and as proposed in SB 9. These models are based on the financial evaluations conducted by developers to assess an investment's viability early in the development process by balancing the cost of developing the site with expected rental or sale income.⁸ MapCraft's models of small-scale development look at financial feasibility from the perspectives of owner-occupants, owner-occupant landlords, small-scale investors, and commercial investors, with market-feasible unit potential based on a probabilistic blend of all possible development options. Financial expectations of investors and lending terms are based on conversations with industry professionals and are updated by MapCraft regularly.

MapCraft's calculations incorporate data and assumptions about current rents, sales prices, construction costs, and investors' expected return on investment rates, and are validated by ECONorthwest, a West Coast economics consultancy. MapCraft's market demand information relies on multiple sources, including CoStar, Zillow, tax assessors, U.S. Census, and transaction records. MapCraft's construction cost information is based on interviews and RS Means. Finally, the modeling relies on

assumptions about parking requirements based on previous Turner Center research, typical unit sizes, and other factors that inform development.⁹

The provisions of SB 9 would allow for a variety of development options. For this analysis we examined the most likely development scenarios as shown in Appendix B. Our business-as-usual scenario evaluates development feasibility for housing supply changes currently permissible under single-family zoning, while the alternative policy scenario considers the additional set of development options allowed under SB 9. For example, under the business-as-usual scenario, a homeowner may decide to build an ADU but would only be able to split the parcel into two lots, each with two homes, under the alternative policy scenario allowed under SB 9.

Our estimates also account for the fact that SB 9 includes anti-displacement language that prohibits alteration or demolition of renter-occupied homes. To approximate this, we used the percentage of single-family home rentals in each census tract (as determined by ACS data) to discount results for development outcomes that alter or demolish the existing structure.

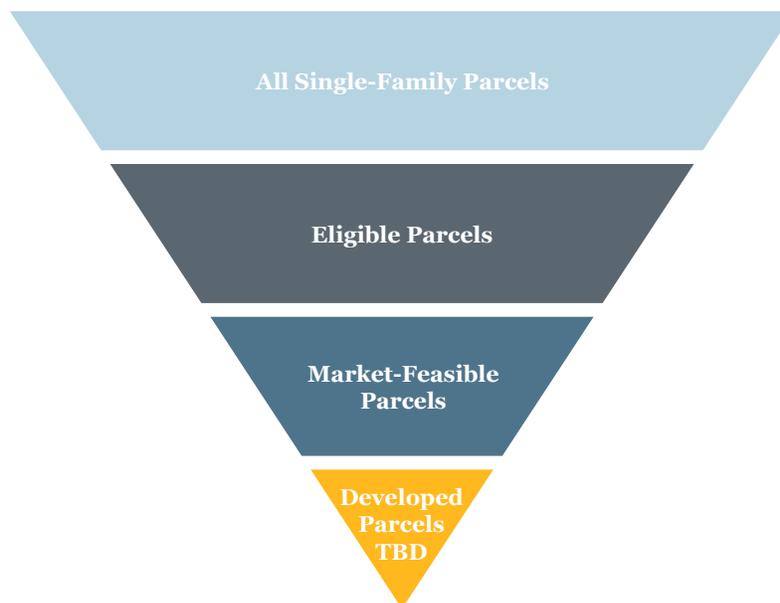
We also examined the potential impacts of owner-occupancy requirements by removing financial scenarios that assume all the new units are rentals, as well as development scenarios that require demolition of an existing structure. In addition, we assumed that owners received a 25 percent discount for the unit they occupied in split lot development scenarios.

Market-feasible capacity is not a forecast of future production.

While this analysis identifies the number of market-feasible units, in most cases these market-feasible units will take years to be developed, and some may never get built. This analysis considers the market feasibility of redevelopment on each eligible single-family parcel in isolation, and assumes that every property owner is maximizing the economic potential of their lot. However, that is not the case for several reasons.

First, the most economically feasible use does not consider the motivations and preferences of individual property owners. Any change in use requires the cooperation of the owner, either to sell the site or to redevelop it themselves. The economics

Figure 2: Production Funnel



may suggest that the highest value of a house may be to tear it down and rebuild it into a much larger house, but if a homeowner prefers a small house or the existing architecture, they're not going to rebuild. Converting a house to a duplex and renting out half may be most profitable for a homeowner, but that will not happen if that homeowner is uninterested in living more closely with others in what was formerly "their" space or in becoming a landlord or homeseller. Even when a property owner does wish to redevelop their site, they may lack the upfront capital and sophistication to initiate the process; and then may be unable to access financing due to a low credit score or other underwriting barrier.

In addition, redevelopment does not happen instantaneously; it requires homeowner awareness and interest, available construction industry capacity, a suitable financing ecosystem and viable routinized business models for development in order to proceed. State ADU laws, for example,

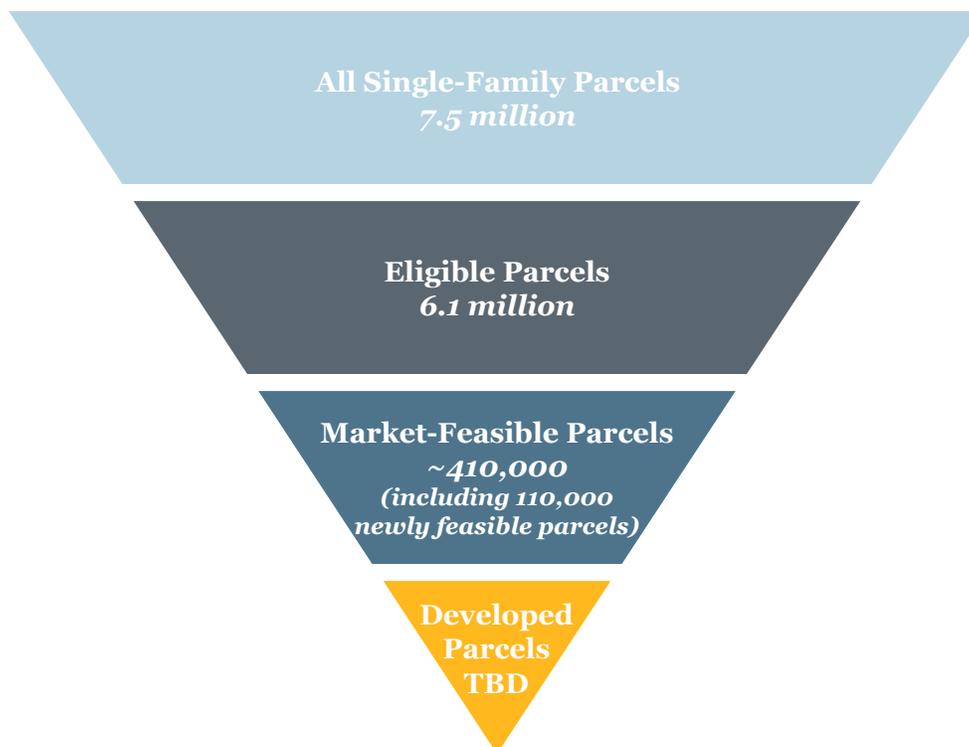
have taken several years to ramp up as awareness, delivery models, industry and local agency capacity have adapted to law changes. It is reasonable to assume that it may take years for that capacity to fully emerge in California if SB 9 becomes law.

Findings

SB 9 could enable the creation of over 700,000 new homes that would otherwise not be market feasible.

Under our business-as-usual scenario, we estimate 1,800,000 new ADUS/JADUS are currently market-feasible and could be built under today's zoning laws across California's 7,500,000 existing single-family housing parcels. With SB 9, we estimate that approximately 700,000 additional new units would become market-feasible, representing a 40 percent increase in existing development potential across California's single-family housing parcels.

Figure 3: Parcel Development Funnel (Total Numbers)



SB 9 would enable the development of more units on 410,000 single-family parcels, of which only 110,000 parcels would become newly feasible.

Overall, SB 9 would change the development feasibility of a relatively small number of parcels. First, the conditions stipulated by the legislation limit the number of parcels that can utilize the bill’s provisions, as illustrated in Figure 3. For example, the bill’s current limitations on new development in high fire hazard areas, historic districts, non-urbanized areas, and existing renter homes removes approximately 1.4 million existing single-family homes from consideration.¹⁰ Of the 6.1 million remaining parcels, the majority would not be affected because of an absence of physical capacity or financial feasibility. However, on 5.4 percent of current single-family parcels, SB 9 would enable new development. For 110,000 single-family parcels (1.5 percent of total single-family parcels), SB 9 would enable new development where none was financially feasible before, and for another

300,000 parcels, SB 9 would allow for more units than under our business-as-usual scenario.

For the majority of single-family properties, we find the most financially viable outcome is not to pursue any development whatsoever, both under our business-as-usual scenario and under our SB 9 scenario.

Under our assumptions about today’s regulations, market conditions, and development alternatives, we found that doing nothing was the most likely option for California’s single-family parcels: development is not feasible for 80 percent of parcels (Figure 4). If SB 9 passed, 110,000 parcels would be newly developable, causing the share of infeasible parcels to tick down slightly to 78 percent. The primary benefit of SB 9 comes from allowing slightly more units on parcels where development already makes sense and in opening up any added units to homeownership opportunities through the ability to legally subdivide those parcels.

Figure 4. Likely Parcel Feasibility By Number of Feasible Units

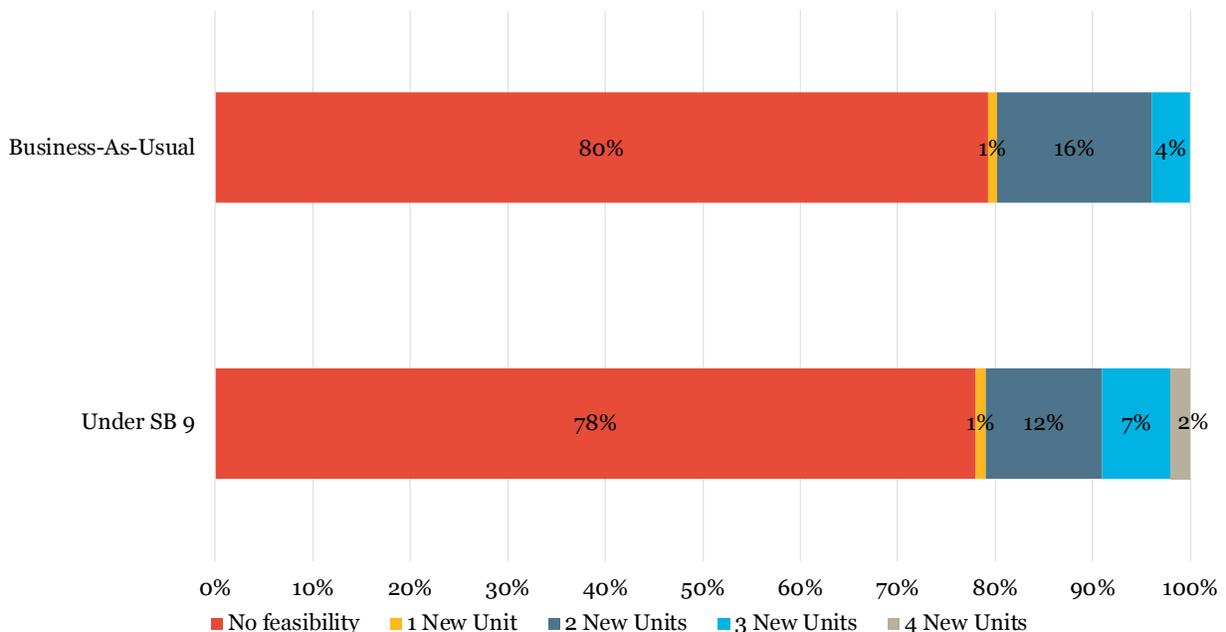
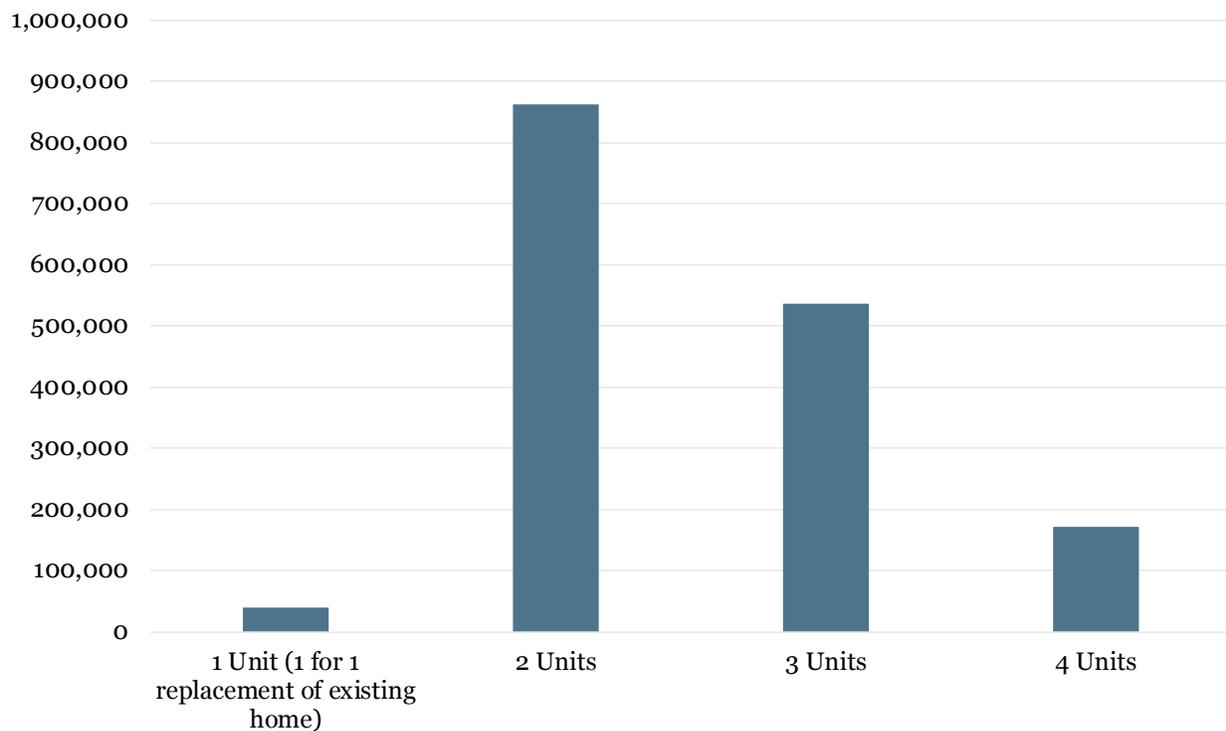


Figure 5. Estimates of Parcels with Feasible Capacity Under SB 9



SB 9 is unlikely to lead to significant demolition of the existing stock.

We found that nearly 97 percent of single-family homes would be retained under SB 9’s provisions, either without any modification or with less intensive development (e.g., subdividing the existing structure to enable a duplex conversion). In many places, existing zoning allows homes to be demolished and replaced with larger single-family homes, which we found was the most financially attractive scenario on 1 percent of all single-family parcels under our business-as-usual scenario. Under SB 9, the likelihood of tearing down a single-family home and replacing it with a larger single-family home falls by half to 0.5 percent due to other viable development opportunities.

While SB 9 would provide a boost in three- and four-unit feasibility, duplexes would be the most dominant form of financially-feasible development.

The majority of viable development opportunities should SB 9 be enacted would result in two units per existing lot (Figure 5). Duplexes comprise an important block of this new capacity, accounting for 35 percent of all new units, two thirds of which would be in converted existing single-family homes. SB 9 would also enable a somewhat higher total number of feasible units by allowing greater uptake of three- and four-unit development.

There is wide regional variation in market-feasible units.

The amount of new market-feasible units varies by region. Los Angeles County resulted in the most new market-feasible units under SB 9 with approximately 126,000 new homes. While significant, Los Angeles County also comprises both the most single-family parcels and SB 9 eligible parcels (Table 2). Analyzing new market-feasible units per eligible single-family parcel finds that Yuba, El Dorado, Sutter, and Nevada counties would see the most new market-feasible potential per parcel, although the overall number of new feasible units is relatively low compared to larger counties. Many coastal California counties exhibited higher than average per parcel unit ratios, such as Marin, Santa Cruz, San Luis Obispo, and Santa Barbara counties, signaling that rents and sales prices there could support new homes resulting from SB 9. Meanwhile, most Central Valley counties, such as Fresno, Merced, Kern, and Stanislaus, showed below average potential for new homes per parcel, reflecting lower financial feasibility. For a list of all county results, see Appendix A. At the city level, the state's most populous jurisdictions were all below average for market-feasible units per parcel, as shown in Table 3.

Owner-occupancy requirements would have a limited negative impact on the market feasibility of development pursuant to SB 9, but they could have a much larger impact on actual delivery of units under SB 9.

SB 9, as currently written, allows jurisdictions to impose owner-occupancy requirements for lot split applicants, but not for duplex conversions. Our analysis finds that, if every jurisdiction imposed

owner-occupancy requirements, the total financially feasible units enabled by SB 9 would decrease by roughly 6 percent, or approximately 40,000 units. This limited impact reflects the fact that our model indicates only 10 percent of new units under SB 9 would be attributable to lot splits.

While the owner-occupancy requirement would have only a modest impact on the financial viability of new units, it may have a significant effect on the number of owners willing to actually pursue new development on their properties. By preventing owners from splitting a lot unless they plan to live there themselves for at least a year, or from allowing a developer to take on development involving a lot-split pursuant to SB 9, the owner-occupancy requirement may reduce the number of homes that will result from SB 9.

Shifts in construction costs and rental and sales prices could change development feasibility.

In addition to assessing the potential impact of SB 9 using current market conditions, we also ran a sensitivity analysis to examine the potential impact of SB 9 under different market scenarios. Our analysis found that a 10 percent decrease in construction costs could increase the amount of market-feasible units by 5 percent, or roughly 36,000 more units than the 700,000 baseline impact of SB 9. Local and state policymakers should therefore also consider policies that could help reduce the costs of production to enable policies such as SB 9 to work more effectively in more places. In the opposite direction, we found that a 10 percent increase in construction costs lowers development feasibility by 4.5 percent, or by approximately 32,000 units. Our

Table 2. SB 9-Eligible Parcels and Market-Feasible New Units by Largest Counties

County	Total single-family parcels	SB 9-eligible parcels	Parcels where SB 9 would increase the number of market-feasible units	Parcels where SB 9 changes feasible outcome from no net new units to 1+ net new units*	Total market-feasible new units if SB 9 is enacted**	Total market-feasible new units divided by SB 9 eligible lots
Los Angeles	1,441,000	1,210,500	79,500	18,000	127,000	0.10
San Diego	554,500	398,500	28,500	9,000	54,500	0.14
Orange	557,000	486,000	26,500	8,500	47,000	0.10
Riverside	563,000	483,000	36,500	10,000	62,500	0.13
San Bernardino	493,000	385,000	32,000	8,000	56,500	0.15
Santa Clara	331,000	319,500	22,000	8,500	40,000	0.13
Alameda	306,500	277,000	16,000	3,500	25,000	0.09
Sacramento	369,500	360,500	25,000	5,000	40,500	0.11
Contra Costa	263,500	239,000	20,000	7,500	38,000	0.16
Fresno	203,500	186,000	5,500	500	10,500	0.06
Statewide totals (excluding counties with pop. under 45,000)	7,470,500	6,182,500	410,000	111,500	714,000	0.12

*Note: This is a subset of the parcels where SB 9 would increase the number of market-feasible units.

**Note: Market-feasible new units are rounded.

Table 3. SB 9-Eligible Parcels and Market-Feasible New Units by Most Populous California Cities*

City	Total single-family parcels	SB 9-eligible parcels	Parcels where SB 9 would increase the number of market-feasible units	Parcels where SB 9 changes feasible outcome from no net new units to 1+ net new units**	Total market-feasible new units if SB 9 is enacted	Total market feasible new units divided by SB 9 eligible lots
Los Angeles	447,500	355,000	23,000	6,000	37,500	0.11
San Diego	203,500	133,000	7,000	3,000	13,000	0.10
San Jose	168,500	168,000	10,500	2,500	16,000	0.10
San Francisco	94,500	93,500	6,500	500	8,500	0.09
Fresno	104,000	104,000	2,000	100	4,000	0.04
Sacramento	116,500	116,000	6,500	800	9,500	0.08
Long Beach	59,500	58,500	3,000	200	3,500	0.06
Oakland	66,500	51,000	3,000	100	3,500	0.07
Bakersfield	87,500	87,500	5,000	2,000	9,000	0.10
Anaheim	43,000	36,000	2,500	1,000	4,000	0.11

*Note: This is a subset of the parcels where SB 9 would increase the number of market-feasible units.

**Note: Market-feasible new units are rounded.

model also analyzed sensitivity to changes in rental and sales prices. We found that a 10 percent increase in prices resulted in an 8 percent increase in market-feasible units, or roughly 57,000 more units.

Policy Implications

A significant amount of land in California has historically been designated for single-family homes, limiting the development of a greater diversity of urban infill housing options in jurisdictions across the state. Solving California's housing crisis—let alone tackling the challenges of climate change and residential segregation—requires policies that intensify land use in these communities. California's statewide ADU laws were a step in the direction of gently adding more density to simultaneously address the housing, climate, and equity challenges faced by the state. But, in other ways, California lags behind other states in its land use regulations and dogged resistance to changing single-family zoning. For example, the state of Oregon recently required jurisdictions to allow multifamily housing—either two or three units—on all single-family parcels. Some cities have gone even further, such as Portland and Minneapolis, both of which have voted to loosen allowable homebuilding on single-family parcels. While many cities in California—including Los Angeles, San Diego, San Jose, Sacramento, Berkeley, and Oakland—are exploring similar options, SB 9 could play an important role in enabling the construction of a significant amount of new house options that are smaller-scale, more cost-effective, more varied, and inclusive across the urban areas of the state.

Our analysis shows that approximately 700,000 new, market-feasible homes would be enabled under SB 9. But despite the concerns of some of its detractors, SB 9 will not lead to the overnight transformation of residential neighborhoods. Differential owner preferences and limited applicability means that only a share of that potential is likely to be developed, particularly in the near term as awareness and capacity expands. As such, while important, the new units unlocked by SB 9 would represent a fraction of the overall supply needed to fully address the state's housing shortage.

Policymakers should consider complementary strategies to ensure that this legislation is effective. These strategies could include outreach to make sure that homeowners are aware of and understand the opportunities allowed by recent policy changes, either through SB 9 or existing ADU laws, and the expansion of more robust financing options to moderate- and low-income owners who wish to add new units to their parcels. Increasing housing production in single-family zoned areas is also not the only policy shift that is needed. Policymakers should add additional tools to boost supply overall, including by expanding permissible residential development on commercial property and by further reducing local barriers to new housing through expedited approval processes for conforming projects and reform of the local regulatory barriers and fees.

APPENDIX A

Appendix Table 1. County-Level Results

County Name	Existing SFR Lots	SFR Lots Eligible for SB 9	Additional Lots with 1+ Unit Capacity Under SB 9	SB 9 Net Change in Market-Feasible Units*	SB 9 Net Units Per Eligible Lot
Alameda	306,306	276,795	3,633	25,000	0.09
Butte	65,020	32,720	47	3,000	0.09
Contra Costa	263,303	238,957	7,438	38,000	0.16
El Dorado	57,386	19,133	583	4,500	0.24
Fresno	203,474	185,908	564	10,500	0.06
Humboldt	35,672	22,560	93	2,500	0.11
Imperial	33,036	27,002	76	1,500	0.06
Kern	216,321	174,219	2,226	14,500	0.08
Kings	29,045	26,784	87	1,500	0.06
Lake	27,095	10,257	60	1,000	0.10
Los Angeles	1,441,148	1,210,729	18,130	127,000	0.10
Madera	35,785	22,474	1,196	4,500	0.20
Marin	60,998	46,841	2,163	9,500	0.20
Mendocino	19,350	8,949	90	1,500	0.17
Merced	55,676	51,972	106	2,500	0.05
Monterey	75,348	55,097	845	6,000	0.11
Napa	31,248	25,890	1,108	5,000	0.19
Nevada	43,090	5,618	199	1,500	0.27
Orange	557,820	485,756	8,730	47,000	0.10
Placer	125,458	94,273	1,448	13,000	0.14
Riverside	562,935	482,821	10,149	62,500	0.13

APPENDIX A

Appendix Table 1. County-Level Results (Continued)

County Name	Existing SFR Lots	SFR Lots Eligible for SB 9	Additional Lots with 1+ Unit Capacity Under SB 9	SB 9 Net Change in Market-Feasible Units*	SB 9 Net Units Per Eligible Lot
Sacramento	369,605	360,485	5,006	40,500	0.11
San Benito	12,747	9,940	740	2,500	0.25
San Bernardino	492,806	385,243	7,848	56,500	0.15
San Diego	554,502	398,386	9,015	54,500	0.14
San Francisco	94,400	93,514	486	8,500	0.09
San Joaquin	164,796	147,577	2,159	14,000	0.09
San Luis Obispo	75,016	53,068	1,229	8,500	0.16
San Mateo	151,508	134,531	3,112	17,000	0.13
Santa Barbara	91,540	75,399	1,506	10,000	0.13
Santa Clara	331,232	319,319	8,527	40,000	0.13
Santa Cruz	54,817	43,522	1,422	8,000	0.18
Shasta	55,366	25,997	402	3,500	0.13
Solano	110,592	105,962	684	8,500	0.08
Sonoma	124,610	103,452	2,688	16,500	0.16
Stanislaus	123,922	116,754	1,542	9,500	0.08
Sutter	24,707	19,357	1,111	4,000	0.21
Tehama	18,504	7,903	35	500	0.06
Tulare	104,235	86,679	1,096	6,000	0.07
Tuolumne	25,386	995	1	100	0.10
Ventura	184,033	135,836	1,604	14,500	0.11
Yolo	43,761	40,940	550	4,500	0.11
Yuba	16,743	13,064	2,016	4,500	0.34
Statewide Total	7,470,342	6,182,678	111,746	714,100	0.12

+Note: Parcels that could have feasibly built ADUs or JADUs in a pre-SB 9 scenario are not included in the “New Market-Feasible Lots Under SB 9” category in this table, even if our analysis found that under SB 9, they could now feasibly build three or four units. As a result, per lot averages of new feasible units will yield results higher than four units per lot.

*Note: Market-feasible new units are rounded

APPENDIX B

Specific Modeling Assumptions

The following assumptions were incorporated into MapCraft’s analysis of SB 9.

Allowed Prototypes

The prototypes in the following tables were evaluated on each site.

Appendix Table 2. Prototype Options When SB 9’s Lot Split Provision Is NOT Used

Keep Existing Structure	Demo Existing Structure
<i>Do nothing</i>	<i>Build new single-family residence (SFR)</i>
<i>Add detached ADU (DADU)</i>	<i>Build new SFR + detached ADU (DADU)</i>
<i>JADU conversion + DADU</i>	<i>Build new SFR + DADU + JADU</i>
Convert to duplex	Build duplex
Convert to duplex + DADU	Build duplex + DADU
Convert to duplex + DADU + JADU	Build duplex + DADU + JADU

Italicized indicates outcomes that are possible in the business-as-usual scenario under current single-family zoning, without SB 9.

Appendix Table 3. Prototype Options When Using SB 9’s Lot Split Provision

Keep Existing Structure		Demo Existing Structure and Create Two Lots
Subdivided Lot with Existing Structure	New Lot	
		Build two new SFR
Do nothing	SFR	Build two new SFR + ADU
Add detached ADU (DADU)	SFR	Build two new SFR + JADU + ADU
JADU conversion	SFR	Build two new duplexes
JADU conversion + DADU	SFR	
Duplex conversion	SFR	
Do Nothing	SFR + ADU	
Add detached ADU (DADU)	SFR + ADU	
JADU conversion	SFR + ADU	
JADU conversion + DADU	SFR + ADU	
Duplex conversion	SFR + ADU	
Do nothing	SFR + JADU + ADU	
Add detached ADU (DADU)	SFR + JADU + ADU	
JADU conversion	SFR + JADU + ADU	
JADU conversion + DADU	SFR + JADU + ADU	
Duplex conversion	SFR + JADU + ADU	
Do nothing	Duplex	
Add detached ADU (DADU)	Duplex	
JADU conversion	Duplex	
JADU conversion + DADU	Duplex	
Duplex conversion	Duplex	

For new-built duplex prototypes, MapCraft evaluated both stacked and side-by-side variations at a variety of scales. Also, four scales of single-family prototypes were tested. In total, 652 pro formas were evaluated on each parcel.

Data Inputs

The parcel data for this analysis was provided by UrbanFootprint and includes approximately 7.5 million parcels: all parcels with single-family dwellings in California counties with populations greater than 45,000 people.

For the purposes of this work, all properties with single-family detached land use were assumed to currently have one existing unit (i.e., no ADUs) and single-family zoning that limited development of multiple primary units. To support the assumption, UrbanFootprint scanned zoning in a sample of cities, finding that the vast majority of parcels with single-family homes are zoned for single-family. UrbanFootprint's parcel data included information on each lot and the single-family homes on those lots. In combination with tax assessor data, the value of each existing single-family property was estimated in the second quarter of 2020.

To be realistic about the policy constraints that limit development under current policies and SB9, MapCraft relied on coarse zoning-like limitations interpolated from homes built in each tract between 2005 and 2020. MapCraft assumed that developments on a parcel would need to conform to the 90th percentile of height, FAR, and lot coverage of other recently built homes in the same census tract. In other words, MapCraft assumed that plexes would be held to the same bulk restrictions as newer single-family homes.

MapCraft's financial calculations incorporated data and assumptions about early 2020 rents, sales prices, construction costs, and investors' expected return rates, which were validated by ECONorthwest and Economic & Planning Systems, two West Coast economics consultancies. Early 2020 data was used given the volatility of both the rental and for-sale prices during the COVID-19 pandemic. MapCraft's market demand information relied on multiple sources, including CoStar, Zillow, tax assessors, U.S. Census, and transaction records. MapCraft's construction cost information was based on interviews with cost observations localized based on RS Means. Financial expectations of investors and lending terms were based on MapCraft's conversations with industry professionals. Finally, the modeling relied on assumptions about parking requirements, typical unit sizes, development fees, and other factors that inform development. The Turner Center provided input on parking and fees that were incorporated into the analysis.

Tenancy-Based Eligibility Restrictions

SB 9 prohibits demolition or alteration of renter-occupied housing. To address this, Mapcraft used the percentage of single-family rentals in each tract (per the U.S. Census) to discount results for outcomes that require demolition of the existing structure.

SB 9 also allows jurisdictions to impose certain owner-occupancy requirements. Mapcraft tested the impact of this provision by running bookend scenarios at two extremes: 1) no jurisdictions impose owner-occupancy restrictions, and 2) all jurisdictions impose

owner-occupancy restrictions. To model the owner-occupancy requirement, Mapcraft disallowed all-rental valuation options and prototype options that required demolition of the existing structure. Mapcraft also tested the imposition of a risk premium threshold that eliminates any second split lot prototypes that do not generate residual land values that exceed the reduced value of the original property by 25 percent.

Notably, the results do not estimate the number of owner-occupants that may pursue development given an owner-occupancy requirement.

Lot Splitting Limitations

MapCraft used the following assumptions in modeling the ability of a parcel to split into two lots:

- Lots smaller than 2,400 square feet cannot be split.
- In cases where the existing structure is retained, the lot must have at least 4,000 sq ft of unbuilt area (after deducting the footprint of the existing structure from the lot size).

Parking Provision

MapCraft used Turner Center’s California Residential Land Use Survey to help define parking delivery minimums. Even if a jurisdiction’s code or SB 9 eliminates parking requirements, demand for parking may still exist, and developers will still provide parking. MapCraft assumed that developers will provide at least the parking ratios shown in Appendix Table 4.

Appendix Table 4. Assumptions of Minimum Demanded Parking for New Construction

	Within ½ Mile of High-Capacity Transit	Not Near High-Capacity Transit
Small Units (2 Bedrooms or Fewer)	0.5 stalls/unit	1 stall/unit
Large Units (3+ Bedrooms)	1 stall/unit	2 stalls/unit

In prototypes where a small unit is added without a lot split or demolition of the existing structure, MapCraft assumed that no new parking spaces will be added.

Relaxed Zoning Restrictions

SB 9 prohibits local jurisdictions from imposing zoning standards on two-unit developments or newly split lots that would physically preclude the construction of up to two units, or that would preclude units from being at least 800 square feet. To reflect this, MapCraft increased the existing zoning restrictions on FAR, lot coverage, and impervious coverage. FAR was relaxed by increasing the allowed FAR by one quarter, lot coverage was relaxed by one quarter up to 75 percent coverage, and impervious coverage was increased one quarter up to 90 percent coverage.

ENDNOTES

1. It is often difficult for a homeowner to finance an ADU. Few loan products exist to finance ADU construction, and those that are available often do not go far enough to cover the costs of development. See <https://turnercenter.berkeley.edu/research-and-policy/reaching-californias-adu-potential-progress-to-date-and-the-need-for-adu-finance/>.
2. Senate Bill 9: Housing development approvals, April 27, 2021. https://leginfo.ca.gov/faces/billVersionsCompareClient.xhtml?bill_id=20210220SB9
3. Chapple, K., et. al. (2020). “Reaching California’s ADU Potential: Progress to Date and the Need for ADU Finance.” Retrieved from: <https://turnercenter.berkeley.edu/wp-content/uploads/2020/12/ADU-Brief-2020.pdf>.
4. 2021 Casita Coalition Best Practices Webinar Series. https://www.youtube.com/playlist?list=PLRPPog7f6IzVUuadN9ED5HztZGU_tgY32
5. Garcia, D., Tucker, J. & Schmidt, I. (2020). “Single-Family Zoning Reform: An Analysis of SB 1120.” Turner Center for Housing Innovation, UC Berkeley. Retrieved from: https://turnercenter.berkeley.edu/wp-content/uploads/2020/12/Single-Family_Zoning_Reform_An_Analysis_of_SB_1120.pdf.
6. On average, California added roughly 100,000 new homes each year between 2015 and 2019. California Industry Research Board, “Housing Production in California, 2005-2019”.
7. The following counties are not included: Calaveras, Siskiyou, Amador, Lassen, Glenn Del Norte, Colusa, Plumas, Inyo, Mariposa, Mono, Trinity, Modoc, Sierra, and Alpine.
8. For more information on the financial dynamics of development decisions, see our 2019 brief “Making it Pencil: The Math Behind Housing Development”.
9. Mawhorter, S. & Reid, C. (2018). Turner California Residential Land Use Survey. Berkeley, CA: University of California, Berkeley. Retrieved from: <https://californialanduse.org/>.
10. Historic areas were determined using National Park Service data, which does not include local or state historic designations.

ABOUT THE TERNER CENTER

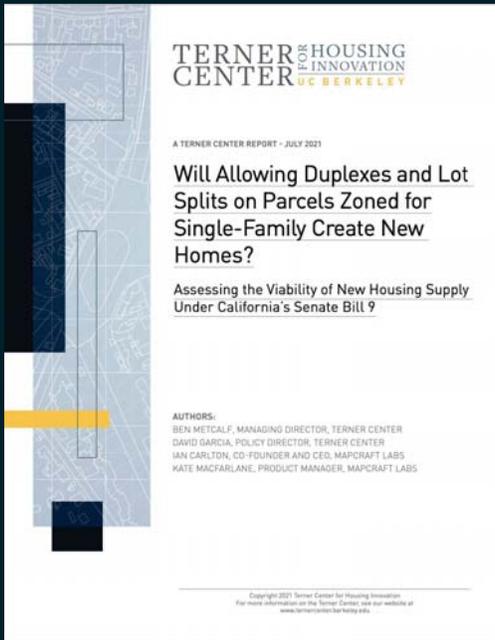
The Turner Center formulates bold strategies to house families from all walks of life in vibrant, sustainable, and affordable homes and communities. Our focus is on generating constructive, practical strategies for public policy makers and innovative tools for private sector partners to achieve better results for families and communities.

For more information visit: www.turnercenter.berkeley.edu

ACKNOWLEDGMENTS

Thank you to the Turner Center team including Issi Romem, Carolina Reid, and Elizabeth Kneebone for their review and expertise as well as Paavo Monkkonen and Denise Pinkston for their input and feedback. Also, thank you to UrbanFootprint for the use of their statewide parcel dataset.

This research does not represent the institutional views of UC Berkeley or of Turner Center's funders. Funders do not determine research findings or recommendations in Turner Center's research and policy reports.



SB9 Analysis Overview for SCAG Board

Ian Carlton
MapCraft Inc

November 2021

California's SB9 Policy

As of January 2022, state law will allow up to 4 homes in eligible single-family zones, regardless of local zoning

Eligibility is limited to urbanized areas

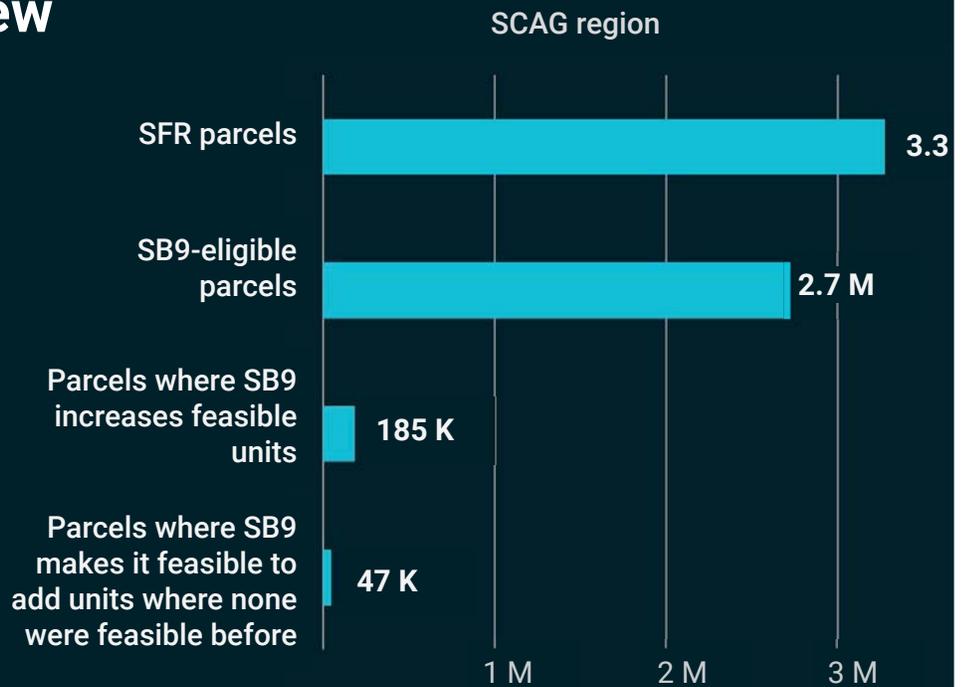
Sites are ineligible in areas subject to fire, earthquake, historic districts, and other restrictions

If splitting the lot, owners must occupy an existing or new house for 3 years



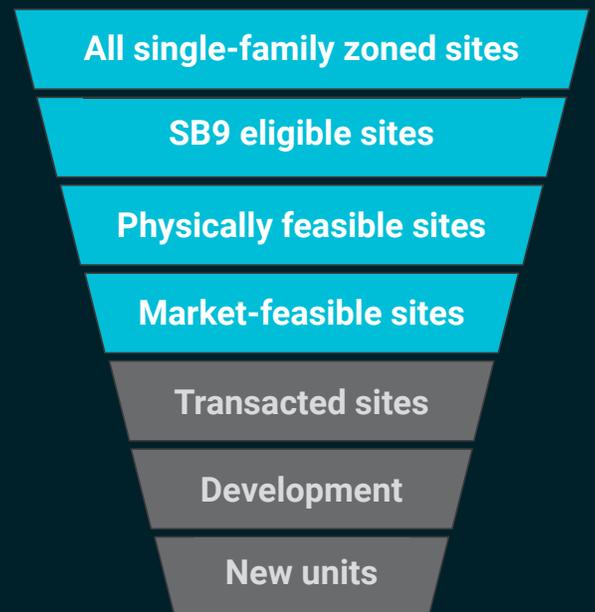
SCAG SB9 Overview

- 83% of existing SFR lots are eligible for SB9
- SB9 increases the number of market-feasible units on 7% of eligible lots
- 309,000 market-feasible units enabled by SB9
- Increase in market-feasible capacity: 0.09 homes per eligible lot



Market-feasible Capacity Estimation

- Investment pencil-outs for each parcel
- Assess dozens of investment options on each site, including “do nothing”
- Sites evaluated in isolation
- No estimation of whether landowners will actually sell or develop
- No timeline for build-out of market-feasible units



NOT A FORECAST OF NEW UNITS

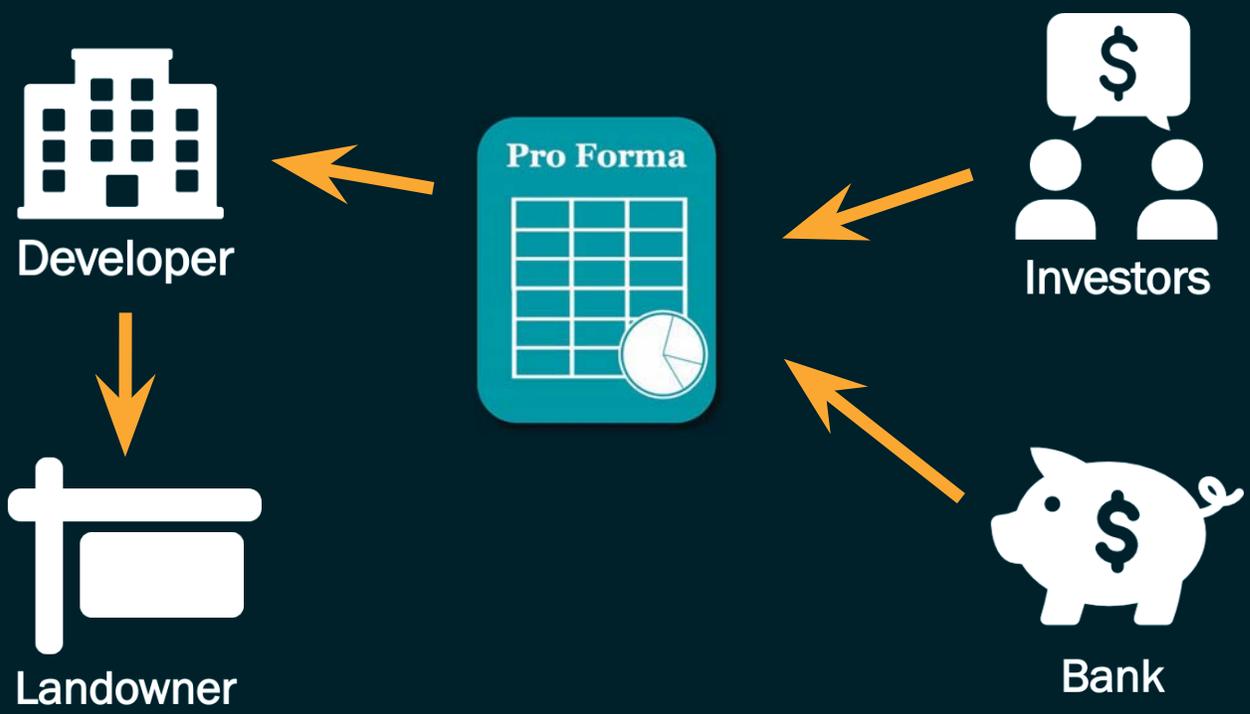
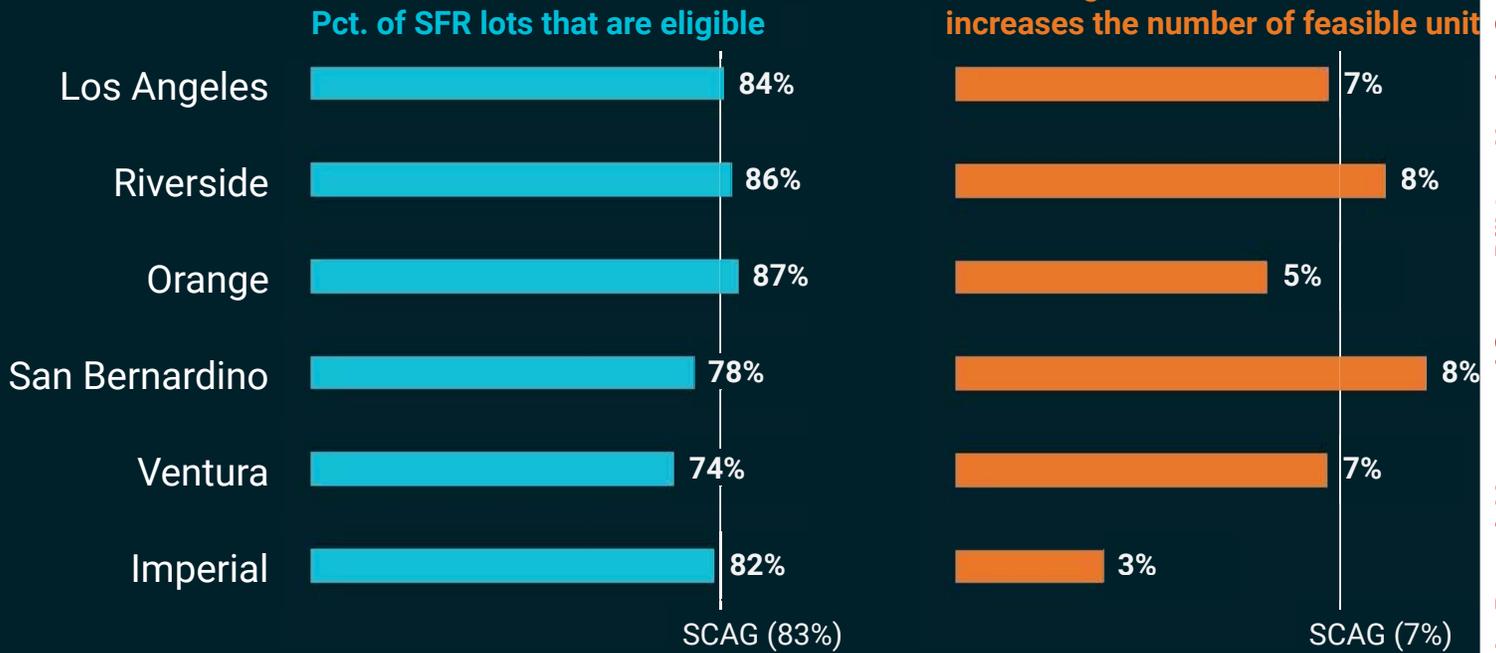
Terner/MapCraft SB9 Analysis Limitations

- Imperfect estimate of lot eligibility:
 - Used existing SFR land use as proxy for SFR zoning (due to lack of statewide zoning data)
 - Incomplete or missing data on Ellis Act actions, septic systems, protected species habitat, historic designations, and renter occupancy
- Analyzed draft bill language as of May 2021:
 - Tested up to 6 units/lot (using ADUs+JADUs), but final bill limits to 4 units
- Other issues:
 - Relied on pre-COVID market data
 - No parcel data on presence of existing ADUs/JADUs

SB9 Impact on SCAG Parcels



SB9 County Overview



Looking Ahead: SB9 Unit Production Uncertainties

- Any change in use requires the cooperation of the owner, either to redevelop or sell
 - Many factors other than profitability go into people's land use decisions
 - Developers must overcome homeowner preferences, concerns, and path dependency
- Redevelopment is not automatic. It requires:
 - Available construction industry capacity
 - Suitable financing ecosystem
 - For owner-occupants: upfront capital, credit score, time and energy, nuisance acceptance
 - For developers: viable routinized business models that can attract investors
- Jurisdictions have wide implementation authority that will lead to diverse paradigms



AGENDA ITEM 3 REPORT

Southern California Association of Governments
Remote Participation Only
November 4, 2021

To: Community Economic & Human Development Committee (CEHD)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Michael Gainor, Senior Regional Planner
(213) 236-1822, gainor@scag.ca.gov

Subject: SB 743 Implementation Strategies - Developer Panel

RECOMMENDED ACTION:

Information Only - No Action Required.

STRATEGIC PLAN:

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

EXECUTIVE SUMMARY:

In response to the challenges posed by climate change and the significant role played by vehicle miles travelled (VMT) in the generation of greenhouse gas emissions, the California state legislature passed Senate Bill 743 (SB 743) in 2013. SB 743 required the adoption of an alternative methodology for evaluating transportation impacts under the California Environmental Quality Act (CEQA) review process. The new methodology was developed to reduce greenhouse gas emissions, facilitate development of compact, transit-oriented communities, and encourage development of bicycle and pedestrian facilities and improvements. This new methodology relies heavily on VMT mitigation for land use, development, and transportation improvement projects. Many projects that are located within densely populated urban areas or near major transit centers may be exempt from, or find their projects are more easily facilitated through the SB 743 VMT assessment and mitigation requirements. However, VMT assessments and mitigation have created challenges in other areas of the SCAG region, particularly in suburban or exurban areas where implementation of site based VMT mitigation options are often less feasible.

In September 2021 staff organized a panel of cities and County Transportation Commissions to share how they are implementing SB 743 and in particular their approaches to assessment and mitigation through the lens of VMT. To continue this exploration on the practical experience of SB 743 local implementation in our region, SCAG has assembled a panel of representatives with direct experience navigating the SB 743 VMT analysis and mitigation requirements for real estate development in the SCAG region.

The panel will be moderated by SCAG Senior Regional Planner Michael Gainor.

BACKGROUND:

SB 743 tasked the Governor's Office of Planning and Research (OPR) with developing an alternative transportation impact methodology that best meets the criteria of reducing greenhouse gas (GHG) emissions, facilitating development of compact, transit-oriented communities, and encouraging development of bicycle and pedestrian facilities and improvements. The previously used methodology for evaluating CEQA transportation impacts, Level of Service (LOS), focused exclusively on the reduction of motor vehicle delay, which often resulted in roadway capacity expansions that generated additional VMT and GHG. SB 743 sought to revise the CEQA transportation impact assessment criteria to promote reduction of GHG. Following a lengthy outreach and consultation effort that included participation by a wide range of state, regional, and local stakeholders, including SCAG, OPR published its final guidance in November 2017, selecting VMT as the preferred transportation impact assessment criteria. Since taking effect statewide on July 1, 2020, the new CEQA regulation requires local implementation agencies and developers to minimize or reduce additional VMT generated by new land use development projects.

The adoption of a VMT-based metric is intended to eliminate the exclusive focus on automobile delay as the primary parameter for evaluating CEQA transportation impacts, as was the focus of the previously used LOS methodology. Transportation impact analysis based on VMT is expected to encourage, and improve the viability of, infill and transit-oriented development projects, as well as encourage the development of land use plans and projects that serve to reduce GHG emissions through decreased dependency on single occupancy vehicle travel and increased use of active transportation and transit options.

The mitigation of project generated VMT has been the singular greatest concern expressed among both local implementing agencies and private land use development firms that operate in the SCAG region. While there are a variety of proven project-based VMT mitigation strategies available including transit system improvements, bicycle and pedestrian network enhancements, and transportation demand management (TDM) programs, many areas in the SCAG region lack the development intensity and population density required to fully realize the VMT reduction potential of these types of project-based mitigation strategies.

To ensure the successful implementation of SB 743 in all areas of the SCAG region, including in those locations where urbanization is less intense, it is imperative that a full range of feasible VMT mitigation options be examined. Areas where VMT mitigation is particularly challenging include locations where suburban, rural, and exurban land use contexts predominate. The expansion of transit service, enhancement of active transportation facilities, and implementation of comprehensive TDM solutions tend to be significantly less feasible in these areas than in more

densely populated, centrally located urban locations. For this reason, the concept of programmatic, or regionally based VMT mitigation mechanisms, including VMT banking or exchange programs, have been gaining momentum in the SCAG region and throughout the state.

Following up on the panel discussion provided at the September meeting of this Committee, which offered perspectives of local agency representatives on the SB 743 implementation experience within their respective jurisdictions, the panel assembled for November 4th consists of representatives from private land use development firms that operate within the SCAG region. Panelists will share some of their experiences in the navigation of SB 743 requirements in their local development activities. While the discussion may include the sharing of experiences related to the implementation of the technical elements of SB 743, such as analysis of the VMT impact of specific development projects, the conversation will focus on both the opportunities and challenges encountered by land use developers relative to the mitigation of VMT impacts.

The panel will be moderated by Senior Planner Michael Gainor. Each panelist will present their experiences for ten (10) minutes, and then Mr. Gainor will begin with a set of questions specific to the experience of each panelist. The initial moderator-led discussion will be followed by a period when Committee members will be provided the opportunity to pose questions or requests for clarification to any (or all) of our guest panelists.

The panelists participating in the discussion include:

Alex Valente (Senior Vice President, Trammell Crow)

Alex Valente serves as a Senior Vice President for the Los Angeles Business Unit of Trammell Crow Company (TCC). Alex focuses on all multifamily opportunities within Greater Los Angeles for High Street Residential, TCC's residential subsidiary. In his role, Alex is responsible for identifying new development and investment opportunities, debt and equity partnerships, entitlements and community outreach, design, construction and leasing. Prior to joining TCC, Alex worked for The Ratkovich Company, a Los Angeles-based developer. Alex focused his time working on three Ratkovich assets: The Hercules Campus at Playa Vista, a 28-acre 530,000-square-foot creative office and studio campus, 5900 Wilshire, a 30-story 491,000-square-foot office building in Miracle Mile, and The Alhambra, a 1,000,000-square-foot office campus.

Winston P. Stromberg (Latham & Watkins)

Winston Stromberg, a land use, and environmental partner, advises major real estate, energy, and infrastructure project developers on land use entitlements, environmental approvals, and related litigation. Mr. Stromberg advises clients in a wide range of industries on a broad spectrum of projects in California. Mr. Stromberg's cross-disciplinary approach helps clients through the complete life cycle of a project, from initial concept and diligence to obtaining land use entitlements and environmental approvals from local, state, and federal agencies. As an

experienced litigator, he has successfully defended and prosecuted numerous land use and environmental disputes in trial and appellate courts. He leverages the real estate component of his practice to draft and negotiate agreements to successfully implement projects.

Alfred Fraijo, Jr. (Partner, Sheppard Mullin)

Alfred Fraijo, Jr. is a partner in the Real Estate, Land Use and Natural Resources Practice Group in the firm's San Francisco and Los Angeles office. He is a member and former Leader of the firm's Latin America Practice Group, a global initiative that provides specialized legal representation to Hispanic/Latino-owned companies and companies focused on the U.S. Latino market. Alfred has significant experience in obtaining and negotiating land use entitlements for complex housing and mixed-use development projects throughout California, including advising clients with innovative, urban renewal projects in the inner-city and other sectors with emerging markets. His expertise extends to complex project permitting and financing of affordable housing projects and mixed-income housing developments. His real estate and land use expertise extends to master planning projects, green energy facilities development and permitting campuses for educational institutions and universities.

FISCAL IMPACT:

Work associated with this item is included in the Fiscal Year 21/22 Overall Work Program (155.4864.01: SB 743 VMT Mitigation Assistance Program).

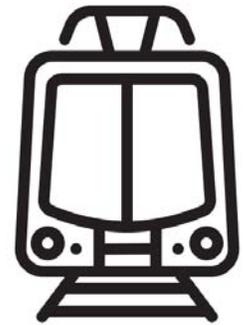
ATTACHMENT(S):

1. PowerPoint Presentation - Sheppard Mullin
2. PowerPoint Presentation - Trammell Crow Company



POSITIVE OUTCOMES OF IMPLEMENTATION

- Streamlines the CEQA process for infill development
- Supports both housing and job-creating development in higher density areas that have more access to transit and community resources
- Reduces cost to deliver infill housing through reduced mitigation fees and reduced time to entitle, creating more affordable housing opportunities in high resource areas



Challenges With Implementation

- Makes the entitlement and mitigation process more difficult/expensive in exurban areas that offer more affordable housing options
- Incentivizes tenant-based TDM measures
- A Project-only approach is not effective at combating large scale transportation deficiencies in the short term
- Assumes that public transit will supplant personal vehicles for many people in less-affluent communities of color, where housing, employment, and other opportunities are often more dispersed
- In the short term, we cannot expect the travel behavior changes presumed by the VMT approach will be realized – there will be impacts on LOS and queuing



SheppardMullin

Attachment: PowerPoint Presentation - Sheppard Mullin (SB 743 Implementation Strategies - Developer Panel)

REAL WORLD OUTCOMES

URBAN INFILL PROJECT <i>Near Job Centers</i> <i>Existing Transportation Infrastructure</i> <i>Higher Resourced</i>	MIXED USE / COMMERCIAL PROJECT <i>Sometimes more Affordable Areas</i> <i>Limited Jobs and Transportation Infrastructure</i>
<ul style="list-style-type: none"> • Incentivizes development in areas with existing infrastructure and greater access to resources 	<ul style="list-style-type: none"> • Disincentivizes development in areas that already experience historic disinvestment
<ul style="list-style-type: none"> • VMT modeling is geared towards infill projects, especially in larger cities, minimizing transportation impacts under CEQA and facilitating the entitlement process 	<ul style="list-style-type: none"> • VMT calculation methodologies that don't practically fit the reality of the Project
<ul style="list-style-type: none"> • Focuses planning and mitigation on activities that promote active transportation, public transit and shared mobility, reduces focus on facilitating single occupant vehicles 	<ul style="list-style-type: none"> • CEQA review of transportation impacts becomes timely and potentially cost prohibitive
<ul style="list-style-type: none"> • Makes infill projects more financially feasible 	<ul style="list-style-type: none"> • Short/medium term traffic impacts are not considered in a practical reality where most residents will drive single occupant vehicles to their destinations, which leads to prohibitive development fees and mitigation requirements

SheppardMullin

WHY LEVEL OF SERVICE STILL MATTERS

- LOS is what practically impacts many stakeholders in the short-term. The community is impacted in the long-term
- LOS is what the community understands
- LOS is connected to vehicle delay and the need to assess air quality emissions for projects with a large number of trips (e.g. warehouse distribution centers)
- LOS provides a corollary view at project queuing for developments near multiple intersection and alleys, and how these impacts are related to other CEQA considerations (e.g. air quality, GHG, noise)



SheppardMullin

REFORM?

- Balance the need for housing supply in all communities versus the reduction of GHG emissions
- Incentivize the creation of jobs, housing, and alternative transportation in areas historically designated for single-family residential uses
- Establish more comprehensive and creative mitigation strategies that can allow development of housing in exurban areas that also embrace strategies to reduce reliance on single occupant vehicles
- increase active transportation and rideshare options while acknowledging the need for strategies that also increase level of service



SheppardMullin

Trammell Crow Company



SCAG PRESENTATION COMMUNITY ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE TRAMMELL CROW COMPANY

NOVEMBER 4, 2021

COMPANY OVERVIEW

1948

FOUNDED

#1

RANKED DEVELOPER
NATIONALLY¹

2,800

PROPERTIES DEVELOPED

\$70B+

AGGREGATE VALUE

\$15.0B*

PROJECTS IN PROCESS

\$6.8B*

PIPELINE



OUR VALUES ARE THE FOUNDATION OF OUR COMPANY

- RESPECT
- INTEGRITY
- SERVICE
- EXCELLENCE

TRAMMELL CROW COMPANY | 3

PEOPLE & CULTURE



VISION

To create long-term INCLUSIVITY and DIVERSITY across our company, industry, and the communities that we serve

MISSION

Together we work to foster a diverse, equitable and inclusive workplace.

CORE PRINCIPLES



COMMUNITY IMPACT



40 LEED® & WELL APS Professionals at TCC

50 MSF TOTAL LEED® PROJECTS Delivered and in the Pipeline

OUR OFFICES

625 TOTAL EMPLOYEES

27 OFFICES

8 COUNTRIES



TRAMMELL CROW COMPANY | 4



OFFICE



1 Block 185 | Austin, TX | 2 Twelve24 | Atlanta, GA | 3 Indeed Tower | Austin, TX 4 The Boardwalk | Irvine, CA | 5 500 W. 2nd Street | Austin, TX
6 Energy Center III, IV, V | Houston, TX | 7 Riverview at 1700 Platte | Denver, CO

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INDUSTRIAL



1 35-Eagle | Fort Worth, TX | 2 BW Gateway | Harmans, MD | 3 Subaru | Portland, OR 4 DB Schenker | Houston, TX | 5 Coldwater Depot Logistics Center, Phase 3 | Avondale, AZ
6 The Center at Needham Ranch | Santa Clarita, CA

TRAMMELL CROW COMPANY | 6

Attachment: PowerPoint Presentation - Trammell Crow Company (SB 743 Implementation Strategies - Developer Panel)



RESIDENTIAL



1 Avidor Glenview | Glenview, IL | 2 The Dalton | Alexandria, VA | 3 LA Plaza | Los Angeles, CA
4 The Kincaid at Legacy | Dallas, TX | 5 The Highline | Poplar - London, UK
6 NorthShore | Austin, TX | 7 Glasshouse | Pittsburgh, PA

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LIFE SCIENCES



1 Reata Pharmaceuticals | Plano, TX | 2 Chemours Discovery | Newark, DE
3 USC Health Sciences Building | Los Angeles, CA | 4 Fulton Labs | Chicago, IL
5 1375 W. Fulton | Chicago, IL | 6 Boren Lofts | Seattle, WA

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Attachment: PowerPoint Presentation - Trammell Crow Company (SB 743 Implementation Strategies - Developer Panel)



1



2

HEALTHCARE



3



4



5



6

1 Riverside University Health System | Moreno Valley, CA | 2 MLK Community Health Building | Los Angeles, CA
 3 First Hill Medical Pavilion | Seattle, WA | 4 Medstar Georgetown University Hospital | Washington, DC
 5 Emerus Micro Hospital | Houston, TX | 6 Medical Pavilion at White Oak | Silver Spring, MD

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MIXED-USE



1



2



3



4



5



6

1 Denver Union Station | Denver, CO | 2 Vermont Corridor | Los Angeles, CA
 3 Park District | Dallas, TX | 4 Greenwater Redevelopment | Austin, TX
 5 Osborn Marketplace & The Astor at Osborn | Phoenix, AZ | 6 Armature Works | Washington, DC

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Attachment: PowerPoint Presentation - Trammell Crow Company (SB 743 Implementation Strategies - Developer Panel)

WHAT IS SB 743?

Senate Bill 743, which was codified in Public Resources Code section 21099, required changes to the guidelines implementing CEQA regarding the analysis of transportation impacts → SB 743 became effective on July 1, 2020.

While vehicle Level of Service (LOS) was the default metric for determining transportation environmental impacts for many years, it was determined that this vehicle operations focused measure did not support statewide sustainability goals and can no longer be used within CEQA.

Instead, LOS was replaced with Vehicle Miles Traveled (VMT) as it better aligns transportation impacts and mitigation outcomes with State policies reducing GHG & AQ and has the effect of encouraging infill development.

- VMT per capita measures how many miles a person is likely to travel based on their home or work location and the existing transportation network and land use around that location.
- Effectively, a location that is walkable, bikeable, and transit accessible would perform well when using VMT per capita under CEQA.

CASE STUDY | HOLLYWOOD & GOWER

H&G

Los Angeles, California

H&G is a luxury 220-unit high rise residential project located on the corner of Hollywood Blvd & Gower Street. The 21-story community includes 3,270 SF of ground-floor retail and 323 parking stalls. H&G was entitled in September 2019.

→ H&G utilized LOS and we did have a significant impact (per CEQA)

→ H&G would not have had a significant impact had we used VMT

Recently Entitled

1.01 ACRES
 220 UNIT HIGH RISE DEVELOPMENT
 323 AUTOMOBILE PARKING STALLS
 250 BIKE PARKING STALLS



CASE STUDY | HOLLYWOOD & GOWER

We would not have needed to implement any TDM strategies as mitigation, and we still did not have a traffic impact using VMT

CITY OF LOS ANGELES VMT CALCULATOR Version 1.3

Project Information
 Project: [Blank]
 Scenario: [Blank]
 Address: 6100 W HOLLYWOOD BLVD, 90028

TDM Strategies
 Select each section to show individual strategies. Use [X] to denote if the TDM strategy is part of the proposed project or is a mitigation strategy.

Analysis Results

Proposed Project	With
1,061 Daily Vehicle Trips	1,061 Daily Vehicle Trips
6,744 Daily VMT	6,744 Daily VMT
4.6 Household VMT per Capita	4.6 Household VMT
N/A Work VMT per Employee	N/A Work VMT per Employee

Significant VMT Impact?

Household: No	Household: No
Threshold = 6.0 15% Below APC	Threshold = 6.0 15% Below APC
Work: N/A Threshold = 7.6 15% Below APC	Work: N/A Threshold = 7.6 15% Below APC

No impact using VMT

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CASE STUDY | 3200 E. FOOTHILL

3200 E. FOOTHILL *Pasadena, California*

3200 E. Foothill is a 550-unit mid rise residential project located on Foothill Blvd in E. Pasadena. The mixed-use community includes 9,800 SF of ground-floor retail and 839 parking stalls. 3200 E. Foothill was entitled in March 2019.

- Pasadena, like City of LA, has its own DOT
- Pasadena was one of first cities to adopt VMT

3200 E. Foothill did NOT have a significant traffic impact under VMT; nor would it have had one under LOS

Recently Entitled
 9.27 ACRES
 550 UNIT MID RISE DEVELOPMENT
 839 AUTOMOBILE PARKING STALLS
 96 BIKE PARKING STALLS



TRAMMELL CROW COMPANY | 14

Attachment: PowerPoint Presentation - Trammell Crow Company (SB 743 Implementation Strategies - Developer Panel)

REAL WORLD IMPACTS...

- VMT helps urban; hurts suburban development...
- LOS helps suburban; hurts urban development...
 - At LOS level D/E/F (i.e. Urban), any little change (from a new dvmt), typically results in a CEQA IMPACT.

Does switch (from LOS to VMT) end up hurting housing, as current (post COVID) trends are pushing demand into more suburban secondary and tertiary markets...?

**One thing LOS & VMT have in common:
Neither consider DEMAND in its analysis**



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QUESTIONS?



"OK, I'll take one more question and then I'll begin backpedaling."



AGENDA ITEM 4 REPORT

Southern California Association of Governments
Remote Participation Only
November 4, 2021

To: Community Economic & Human Development Committee (CEHD)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Kevin Kane, Senior Regional Planner
(213) 236-1828, kane@scag.ca.gov

Subject: Connect SoCal 2024: Preliminary Regional Growth Ranges for 2050

RECOMMENDED ACTION:

Information Only – No Action Required.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians. 3: Be the foremost data information hub for the region.

EXECUTIVE SUMMARY:

As SCAG develops a preliminary growth forecast for the 2024 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) horizon year of 2050, the region and nation face uncertainties including the COVID-19 pandemic, housing cost increases, climate change, and demographic shifts. New 2020 Census data indicate that the region has been growing more slowly than prior expectations, and while economic recovery is expected, the need for housing remains clear. Due to various federal and state planning requirements in addition to technical modeling requirements, the next RTP/SCS must demonstrate a single growth trajectory despite these uncertainties. To strengthen the basis for the upcoming preliminary regional forecast, SCAG staff has conducted a regional growth range exercise acknowledging and assessing the uncertainties in projecting population, households, and employment over a long-range horizon. Staff has concluded that the Mid/Baseline scenario ("Slower Growth, Steady Improvement") is the most reasonable outlook given currently available information and expert review. Staff will next refine the preliminary regional baseline projection to develop county-level projections and then allocate growth at the local level. Ultimately the preliminary regional forecast will be used for further plan development and policy discussions.

BACKGROUND:

The regional growth forecast reflects recent and past trends, key demographic and economic assumptions, and local, regional, state, and national policy. The objective of the forecast is to project reasonably foreseeable future growth in population, households, and employment over a

long-range time horizon extending from 2019-2050. It is the technical underpinning of much of the policy work associated with development of the RTP/SCS.

Due to the various federal and state planning requirements that drive SCAG's regional planning and the technical requirements of the activity-based travel demand model (ABM), the forecast must ultimately demonstrate a single growth trajectory. In recent years the SCAG region has experienced several shocks including a pandemic, skyrocketing housing costs, and drought. These events reflect broader national and global uncertainties including climate change, demographic shifts, and technological innovation that could affect the direction of future growth in population, jobs, and households. Exploring regional growth ranges helps acknowledge and assess this uncertainty in order to provide a strong basis for the preliminary regional baseline projection which will then be allocated to the jurisdiction and Transportation Analysis Zone (TAZ) levels for further review and plan development.

SCAG held its Panel of Experts meetings on August 5th and 11th, 2021 to review trend predictions and assumptions for the regional growth forecast. Panelists were asked to consider the most likely, but also reasonable higher and lower levels of seven key inputs to SCAG's long-range forecast. These included **jobs, births, deaths, immigration, domestic migration, labor force participation, and household formation.**

Assumptions about the future level of each of these inputs involves a degree of uncertainty. Furthermore, there is an inherent difference between short-range forecasting and long-range forecasting, the latter of which focuses more on demographic trends and regional strengths versus the nation. Long-range forecasting can and must use the best available expert opinion to assess the impacts of existing and likely future policy and other conditions which can change the future level of population, households, and jobs. This includes, for example, the future of federal immigration policy, the likelihood and potential scope of future childcare supportive policy, changes in state housing policy, as well as technological and environmental change.

Effects can be greater in combination. For example, assuming low fertility and low immigration together may result in lower growth than the sum of either assumption individually. Additionally, some factors tend to balance each other out to a degree: the lowest reasonably foreseeable fertility rate is not likely to be seen alongside the lowest foreseeable immigration rate, since slightly higher immigration is a likely response to fewer native-born Southern Californians. Therefore, the purpose of the regional growth range exercise is not simply to add the low, medium, and high assumptions together. It is to develop a coherent baseline as well as an understanding of where low and high ranges might fall based on expert assessment of these demographic and economic factors.

This technical regional growth range exercise is limited in scope to the seven key inputs described above and is not intended as a comprehensive regional scenario planning exercise which assesses a wide range of drivers of regional growth. The regional growth projection ranges discussed herein

are intended to provide a strong basis for the preliminary regional baseline projection which will help guide plan development and subsequent regional policy discussions.

Developing Regional Projections

As described in further detail in the Regional Growth Forecast Framework presented to the CEHD committee in September 2021, SCAG projects population using a cohort-component model and employment using a shift-share model. Household formation rates are applied to the population to project households (Figure 1).

Regional Economic-Demographic Forecast Process

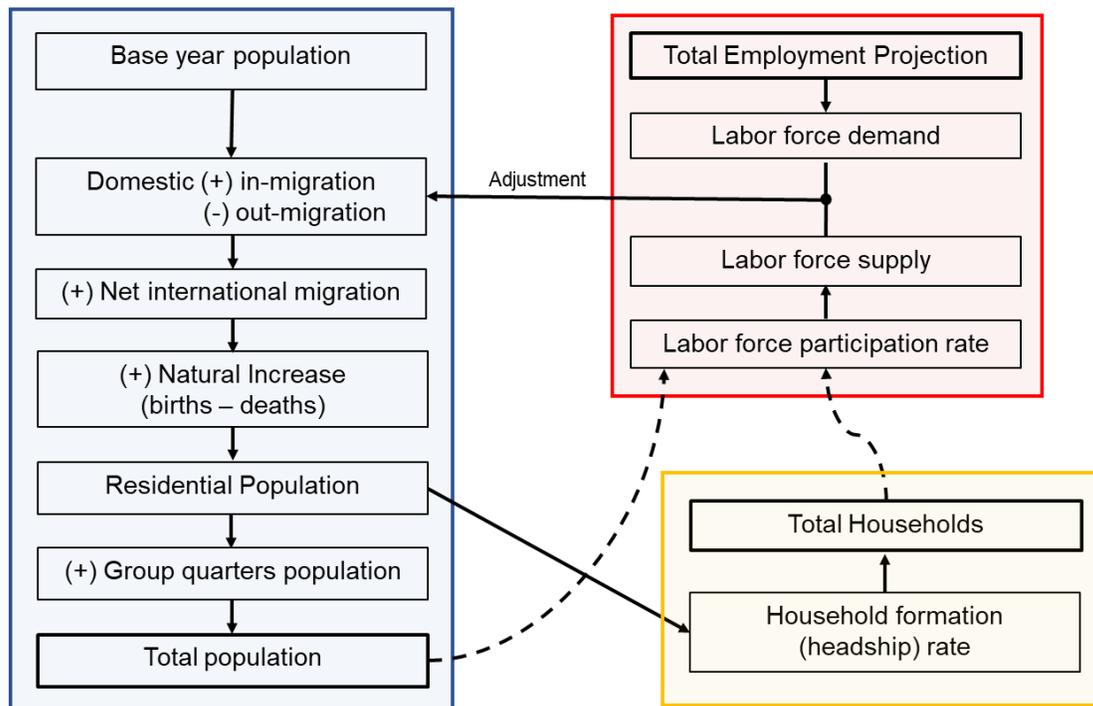


Figure 1

The development of regional projection ranges begins with a baseline employment projection produced by the Center for the Continuing Study of the California Economy (CCSCE) and three population projections developed by SCAG staff and the Population Reference Bureau (PRB) and utilizes inputs and insights from the Panel of Experts. Staff adopted CCSCE’s total jobs projection as the baseline employment projection and adjusted it in order to balance with population in SCAG’s cohort-component model.

Staff developed low and high employment projection scenarios using estimated differences in working-age population between high and low population projections. Additionally, the high jobs scenario assumed a slight increase in the SCAG region’s share of national employment. The result of this process are three distinct regional projection scenarios described further below.

Some key points relevant to all three projection scenarios:

- Census 2020 indicates that the current population is lower than previously projected. The 2020 Census showed a SCAG region population of 18,824,382, which is below the 2016 base year population estimate (18,832,000) for the 2020 RTP/SCS.
- Since the 2020 RTP/SCS regional forecast was produced in July 2017, fertility rates have declined sharply in the SCAG region, mirroring national and global trends. In addition, the final few years of the last decade saw slowing international immigration and more net domestic out-migration.
- Despite the lower base year population, the region’s number of households was far closer to expectations, largely due to the ageing population and smaller average household sizes.
- The region lost over 700,000 jobs in 2020. However, by September 2021, the region had recovered over half of the lost jobs. While this exercise focuses on a long-range forecast, expert assessment of short-term job growth suggests a continued steep recovery, a return to pre-pandemic levels by the late 2022, and continued strong growth through 2024.
- Other forecasts, such as the latest forecasts from the California Department of Finance and Caltrans, show substantial slowing in population growth for the SCAG region. Both forecasts predict that the region’s population will begin to shrink before 2050.
- Labor force participation rates by race, age, and gender are kept constant across the scenarios below and reflect the Panel of Expert’s insights that female and older-age labor force participation will increase in the long run. However, because population characteristics vary across the scenarios, total labor force participation may differ.

Regional Projection Scenarios

- Table 1 and Figures 2-5 summarize the preliminary projection scenarios. Each scenario is described further below.

Preliminary Projection Scenarios

	Population	Households	Employment
	----- (Thousands) -----		
Baseline Projection			
2019 Actual	18,832	6,191	8,949
2050 Projection	20,801	7,723	10,127
Percent Change	10.5%	24.7%	13.2%
Ranges			
2050 Low	19,519	7,103	9,544
2050 High	21,922	8,007	10,589

Table 1

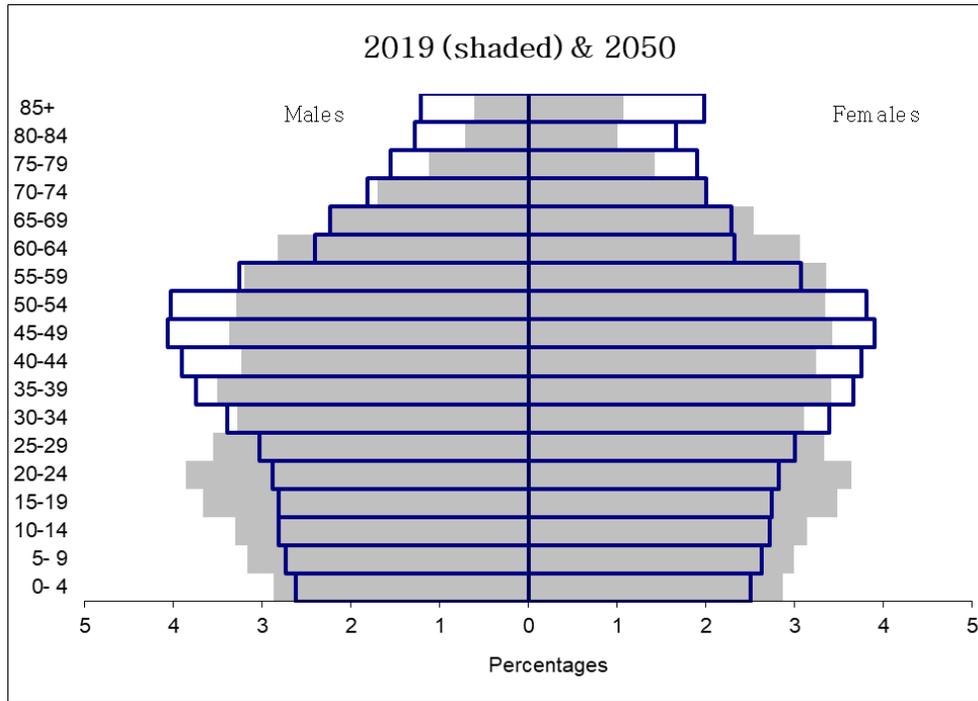


Figure 2: Population pyramid showing age structure, 2019 and 2050 Baseline (Mid) Projection

SCAG Region Population Projection Scenarios
2019-2050

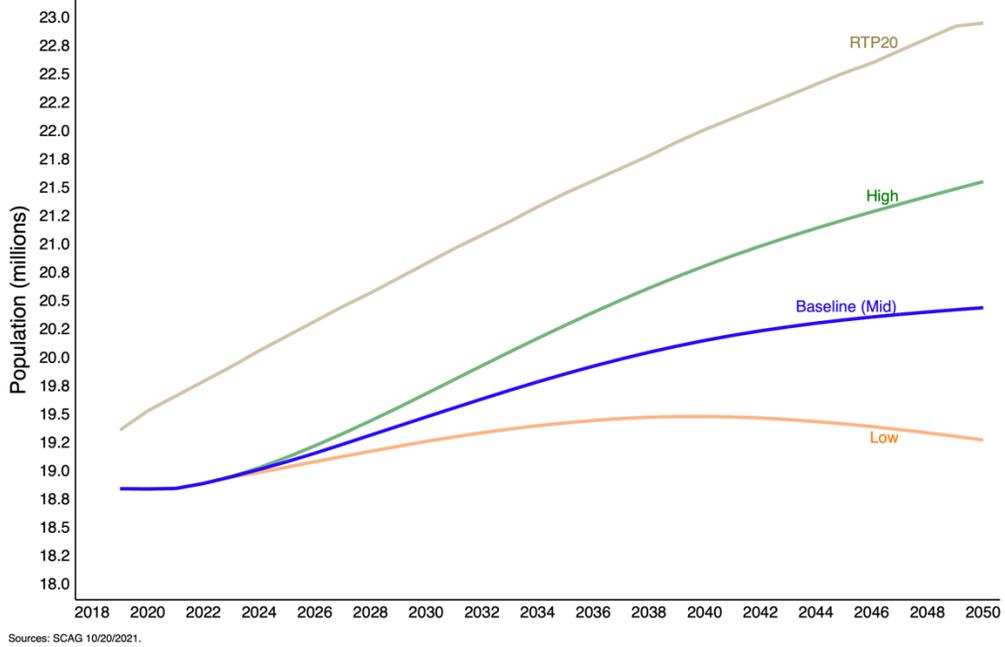


Figure 3

SCAG Region Household Projection Scenario
2019-2050

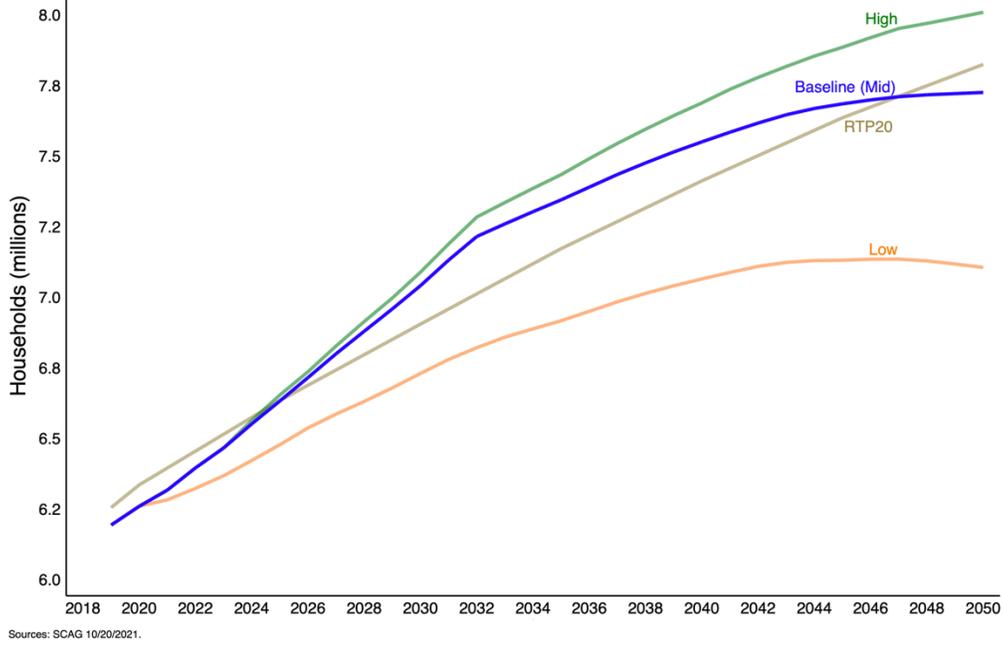


Figure 4

SCAG Region Actual Employment and Projection Scenarios
All Industries, 2010-2050

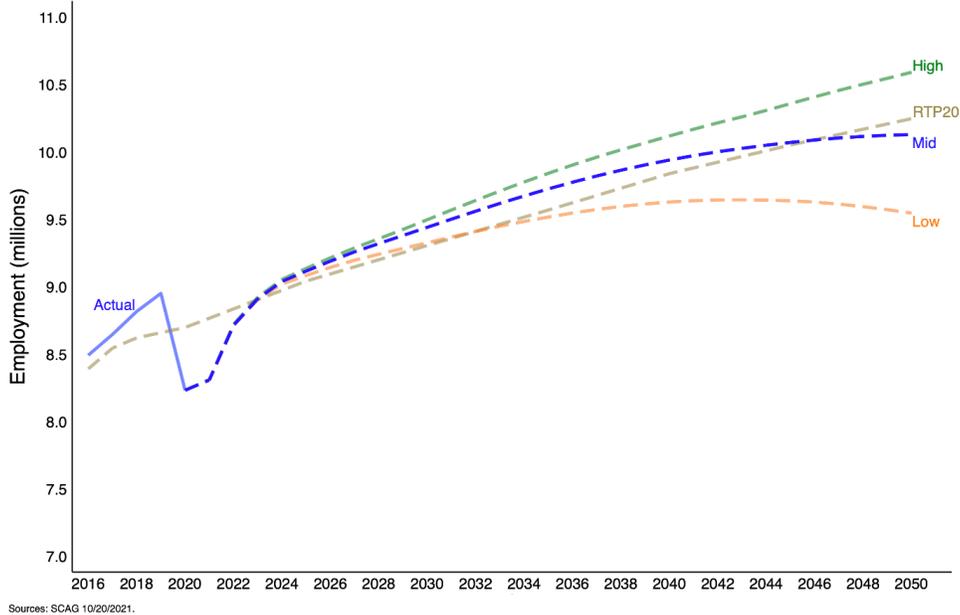


Figure 5

The following sections outline the assumptions relied upon for development of the baseline, low and high scenarios.

Regional Baseline: Slower Growth, Steady Improvement

Birth Rates

- Birth rates continue on the same trajectory they have been since their recent peak in the mid-2000s (falling for teens and young adults, rising at older ages), but stabilize early in the forecast at approximately 1.5 births per woman.
- Historically low rates, coupled with an aging population, lead to a declining number of births in later years of the forecast.

Mortality Rates

- Mortality rates remain stable throughout the forecast at 2019 levels—this reflects uncertainty and lack of consensus among the Panel of Experts about the direction of change.
- Some suggested that health care interventions could lead to improvements in life expectancy, while others suggested that climate change could raise mortality and that rising rates of “deaths of despair” (suicide, overdose) were “just beginning” in California.

Household Formation (Headship)

- Headship rates for most age groups trend back upward toward their 2005-2007 levels. This reflects an expectation that housing policies will successfully reverse the trend of increasing overcrowding and falling headship through increased housing production overall and innovations in housing production.
- Rates for teens and young adults are expected to stay low, reflecting nationwide shifts.
- Average household size is expected to decrease by roughly 0.3, yielding more small households. This reflects an ageing population as well as addressing past housing shortfalls.

Economic Competitiveness

- The region continues to have structural economic advantages, due to its diverse industry mix, accessible ports, natural amenities, world-class educational institutions, and a welcoming place for all types of people, which promotes innovation.
- Recent investment in education increases regional human capital and provides a foundation for innovation.
- High labor force participation mitigates the slower population growth, allowing job growth in the region to slightly outpace the nation as a whole.
- The region becomes more attractive relative to Texas, Arizona, and other substitute regions, thus increasing demand for regional housing. However, due to labor constraints increased housing supply may not lead to substantial reductions in housing cost.
- While the cost of living remains high, two-worker households and more supportive childcare and healthcare policies mitigate the impact of higher costs on living standards.

Immigration and Domestic Migration

- Immigration to the SCAG region returns to higher levels seen in the past two decades (i.e. levels from the early 2000s) with the expectation that the need for workers will continue to drive immigration. U.S. immigration policy remains favorable and Southern California remains a key landing point for immigrants.
- The trend of net domestic out-migration continues in the short term, in part as family-seeking Millennials and middle-class workers consider out-of-region alternatives such as Texas, Arizona, and Nevada. However, increases in housing production combined with the continual draw of jobs, amenities, and a welcoming culture result in net losses of fewer residents to other regions and states throughout the duration of the forecast.
- The Panel of Experts also discussed the implications of climate change on migration. In the baseline scenario there is no net effect of climate on population growth. While environmental hazards and climate change affect the region, this remains a national and global issue and this scenario does not assume that migration to or from Southern California is impacted by the region faring better or more poorly than elsewhere.

Low: "Secular Stagnation"

Birth Rates

- The low forecast reflects declining birth rates, with an average of approximately 1.4 births per woman. The number of births peaks in the early 2030s, and falls in later years, with the total number of births falling below 2019 levels in the 2040s. Falling birth rates reflect an expectation of high cost of living in this scenario.

Mortality Rates

- Mortality rates remain stable at 2019 levels throughout the forecast.

Household Formation (Headship)

- Headship rates remain stuck at current levels, which are at or near all-time lows. These levels are consistent with housing production levels over the last several years.
- In this scenario, neither housing policies nor market forces are able to measurably improve indicators of housing shortage – high cost and factors such as overcrowding prevent improvement of housing inequality and dissuade in-migration of workers.

Economic Competitiveness

- Policies to increase housing supply have had limited effect on production, and the high cost of housing has not been mitigated. Unmitigated increases in regional cost of living increases the net outflow of residents to other regions and states.
- Climate change takes significant toll on the region with more frequent droughts and wildfires.
- Automation in leisure, hospitality and food service sectors lowers regional employment as sector substitutes local employees with technology developed outside of the region.

Immigration and Domestic Migration

- Immigration levels remain at the average level from the past decade, and below that of the Baseline projection, with the expectation that the region continues to be a draw for highly-educated in-migrants seeking jobs and amenities, but increasingly challenging for middle-class families.
- Vacillations in federal immigration policy and the rise of other global regions prevent any increase in immigration to Southern California despite an economic need for workers.
- The net loss of residents to other states and regions is greater than in the Baseline projection due to high housing costs, living costs, and increasing drought and wildfire which outweigh the advantages of Southern California.

High: Robust and Equitable Future Growth Supported by Policy and Technology

Birth Rates

- The high forecast reflects fertility rates of approximately 1.6 births per woman, based on an expectation of supportive childcare and healthcare policy and economic growth.

Mortality Rates

- Mortality rates fall slightly from 2019 levels in this scenario, particularly continuing a trend toward declining infant mortality and an expectation that policies begin to address racism and thus reduce health disparities.

Household Formation (Headship)

- Headship rates are unchanged from the Baseline forecast, but higher levels of natural population increase and migration result in a higher total number of households.

Economic Competitiveness

- Trade becomes more competitive as the region leverages resilience to attract trade from less climate resilient regions (e.g., reduced throughput of the Panama Canal, more intense hurricanes on the Atlantic coast).
- The region's share of national jobs increases slightly compared to the Baseline scenario reflecting even greater structural economic and amenity advantages; impacts from the worst climate scenarios are mitigated through adaptation and resilience-building policy.
- Innovation and success in housing development as well as technological change help ensure that the region's higher living costs do not severely limit job growth potential.

Immigration and Domestic Migration

- Immigration levels return to levels from the early 2000s, with the expectation that U.S. immigration policy remains favorable. The high scenario also includes robust job growth that would be a draw for immigrants as well as improvements in housing availability.
- Net domestic out-migration is lower than in the Baseline scenario, reflecting regional job growth, housing supply improvements, and climate-ready policies which make the Southern California more attractive than less resilient regions.

Conclusions and Next Steps

While long-range projection of population, households, and employment involves inherent uncertainty, the development of a regional forecast and ultimately an RTP/SCS begins with a technical process supported by expert review. This assessment of regional growth ranges is based on expert-derived assessments about regional jobs, births, deaths, immigration, domestic migration, labor force participation, and household formation. While these scenarios envision how input assumptions could result in higher or lower growth, the Mid/Baseline scenario ("Slower Growth, Steady Improvement") is the most reasonable outlook given currently available information and expert review.

Following this exercise SCAG will refine the preliminary regional baseline projection for 2019-2050 and develop county-level projections which match this baseline prior to allocating growth to jurisdictional and Transportation Analysis Zone (TAZ)-levels for further review and RTP/SCS development.



FISCAL IMPACT:

This work is supported by OWP item 055.4856.01, Regional Growth and Policy Analysis.

ATTACHMENT(S):

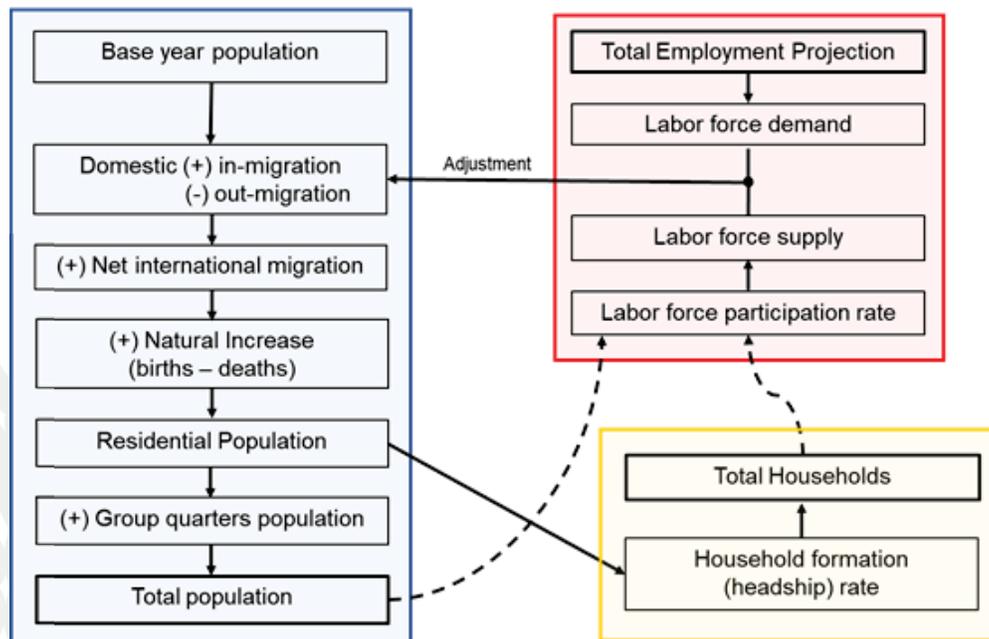
1. PowerPoint Presentation - SCAG Forecast Ranges Exercise

Forecast Ranges for the SCAG Region in 2050

October 2021

www.prb.org

Regional Economics-Demographic Forecast Process



Regional Growth Ranges

Baseline: Slower Growth, Steady Improvement
Low: “Secular Stagnation”
High: Robust and Equitable Future Growth Supported by Policy and Technology



Photo credit: Henning Witzel via Unsplash

PRB 3

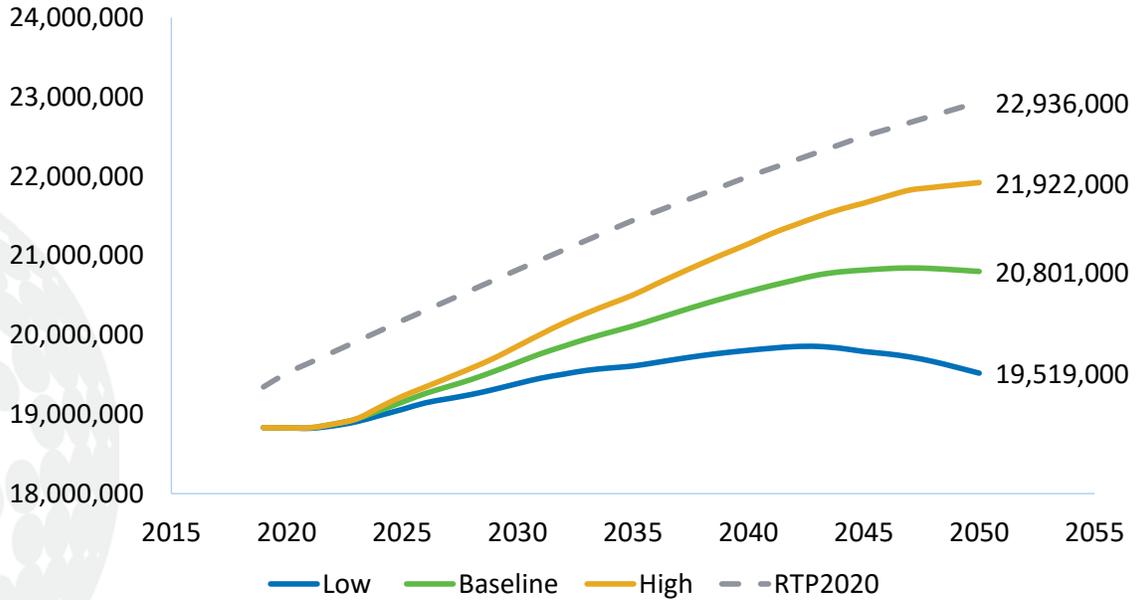
Assumptions Driving Regional Baseline and Low/High Ranges

Levers we have to explore scenarios:

Factor	Baseline	Low	High
Births	1.5 births/woman	1.4 births/woman	1.6 births/woman
Deaths	Stable rates (2019)	Same	Rates decline through equity improvements
Net Migration	Net int'l is high, net out migration moderate	Net int'l is low, net out migration continues	Net int'l. Is high, net out is low
Labor Force	Slight increase, but close to 2019	Same	Same
Household Formation	Most groups return to 2005-07 levels.	No improvement (2015-19 levels)	Most groups return to 2005-07 levels.
Economic Competitiveness	Region remains competitive and innovative, climate change has no net effect on growth	Climate change & high relative cost of living are challenges	Region captures a larger share of U.S. jobs, climate resilience and easing cost of living encourage growth

Population growth has been slower than predicted in the RTP2020

SCAG Region Population Growth Ranges

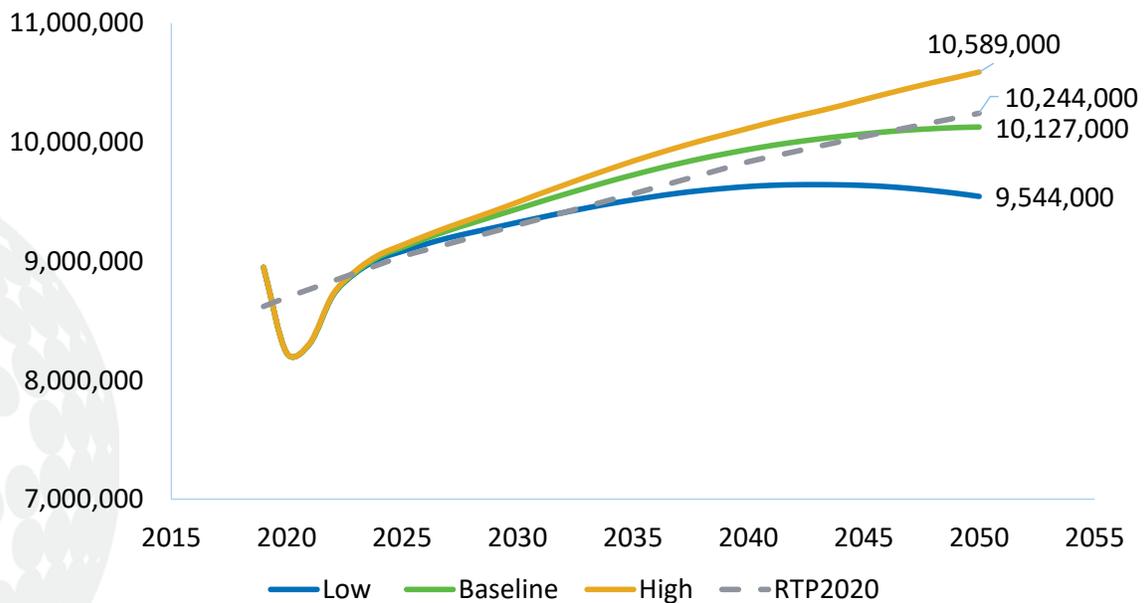


Source: SCAG 10/20/21

PRB 5

Job growth is associated with population growth.

SCAG Region Job Growth Ranges

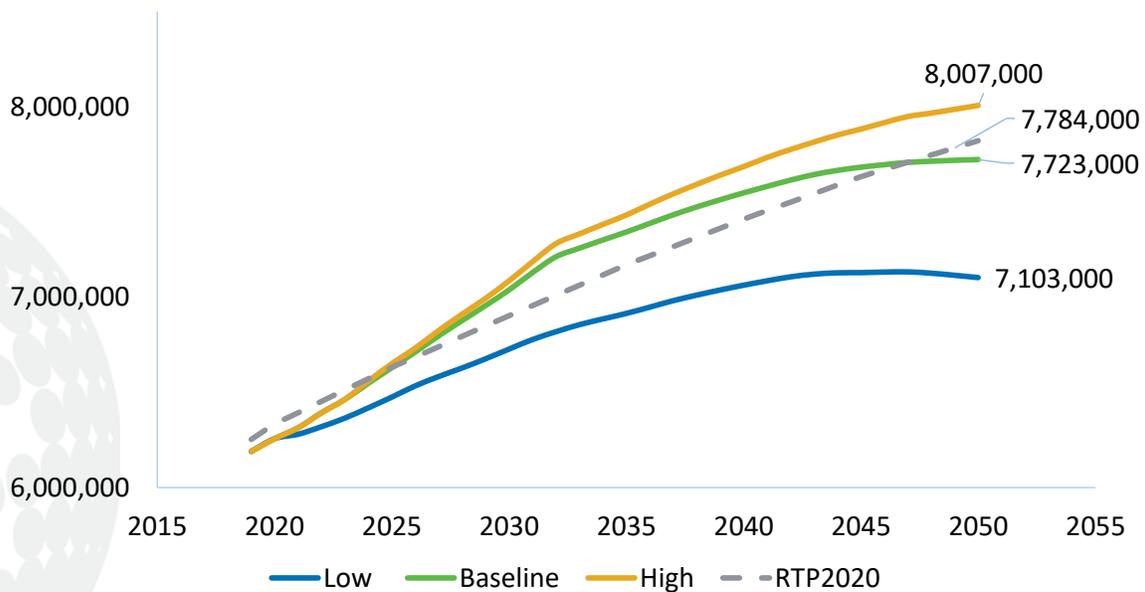


Source: SCAG 10/20/21

PRB 6

Number of households is closer to the RTP2020

SCAG Region Household Growth Ranges

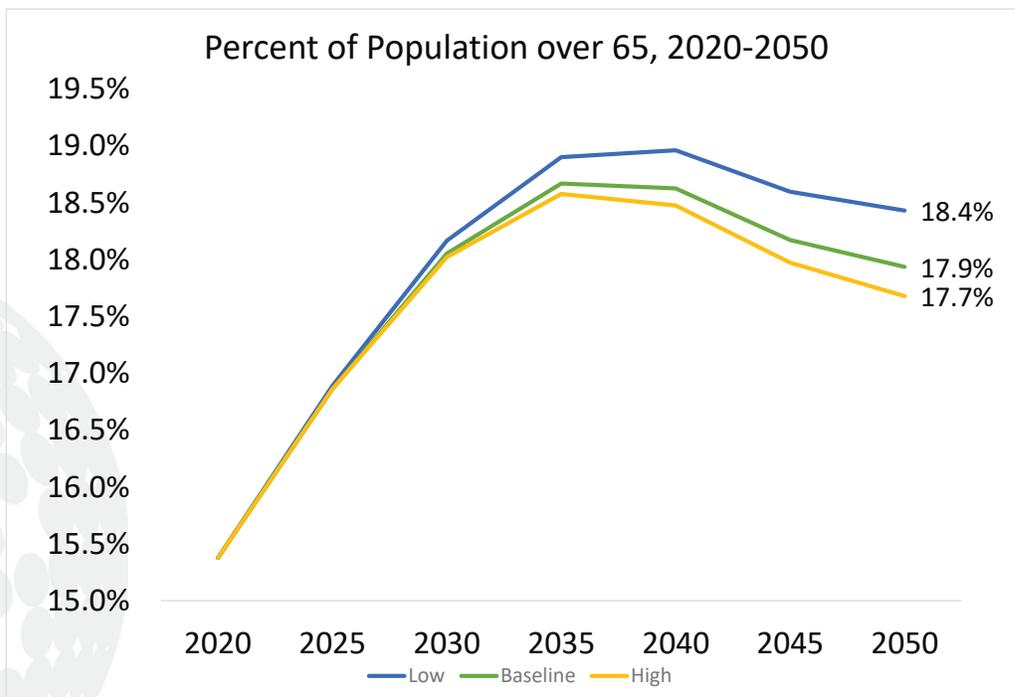


Source: SCAG 10/20/21

PRB 7

Share of population age 65 or older will increase.

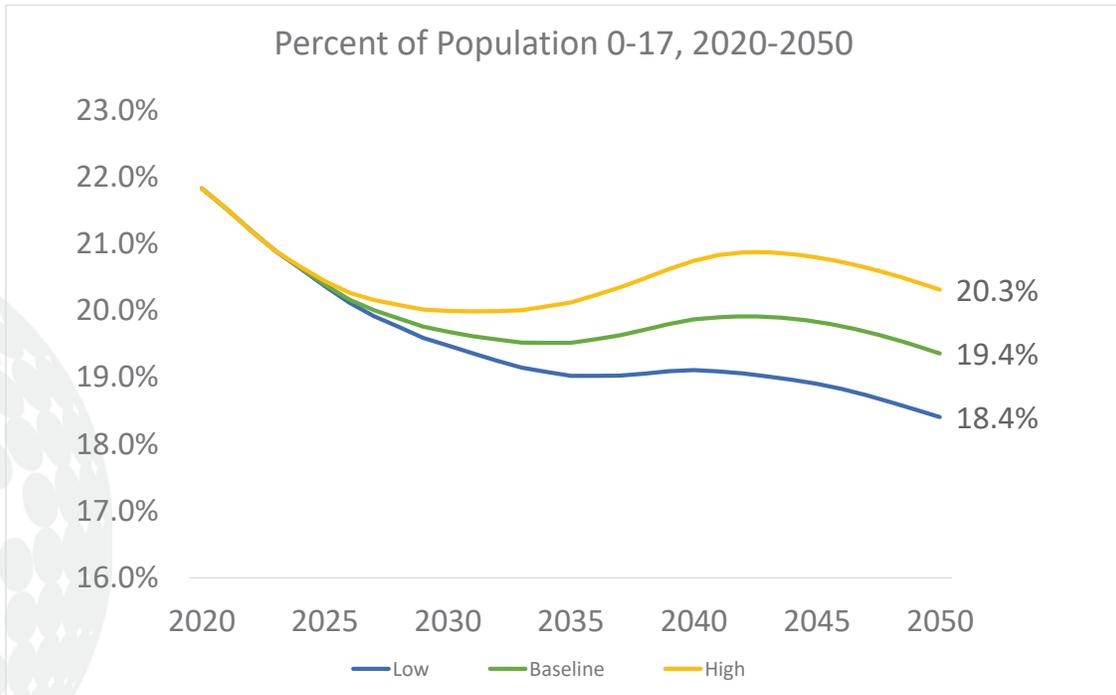
Percent of Population over 65, 2020-2050



Source: SCAG 10/20/21

PRB 8

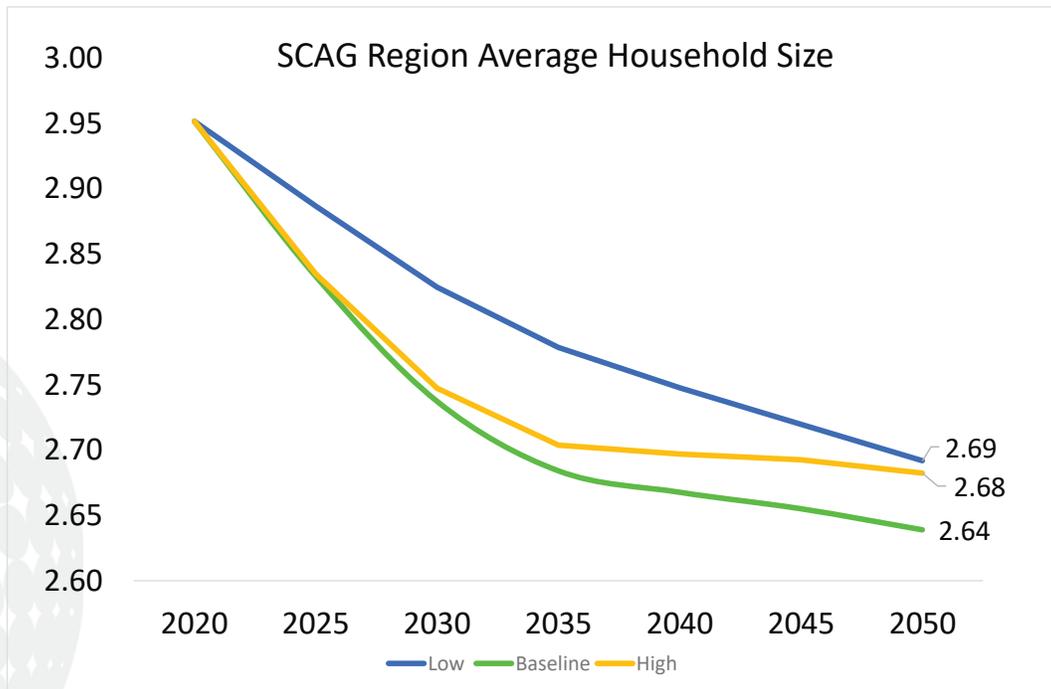
Share of children (ages 0-17) will decrease, but level varies by projection scenario.



Source: SCAG 10/20/21

PRB 9

Average household size is expected to shrink.



Source: SCAG 10/20/21

PRB 10



AGENDA ITEM 5
REPORT

Southern California Association of Governments
Remote Participation Only
November 4, 2021

To: Community Economic & Human Development Committee (CEHD)
Energy & Environment Committee (EEC)
Regional Council (RC)
From: Anita Au, Senior Regional Planner
(213) 236-1874, au@scag.ca.gov
Subject: Orange County Equity Map and Social Progress Index

**EXECUTIVE DIRECTOR'S
APPROVAL**

RECOMMENDED ACTION FOR EEC AND CEHD:

Information Only – No Action Required

RECOMMENDED ACTION FOR RC:

Receive and File

STRATEGIC PLAN:

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

EXECUTIVE SUMMARY:

Katie Kalvoda, President and Board Chair of AdvanceOC, will provide a presentation on the Orange County Equity Map and Social Progress Index. In July 2020, AdvanceOC created the Orange County Equity Map using the Social Progress Index (SPI) which was developed through a public-private partnership between AdvanceOC, the County of Orange, and the Health Care Agency. This index, used world-wide, was developed to enable users to identify root causes, understand social determinants, investigate disparities, and help create equity focused strategies and solutions. Using 50 indicators, SPI can measure, track, and map inequities with neighborhood precision. The Orange County Equity Map, created from SPI, displays data for all 580 neighborhood census tracts within the county and provides the county’s Average Component score.

BACKGROUND:

In July 2020, SCAG’s Regional Council adopted Resolution 20-623-2, affirming its commitment to advancing justice, equity, diversity, and inclusion throughout Southern California and subsequently adopted the Racial Equity Early Action Plan (EAP) in May 2021. The EAP provides a set of overarching goals and strategies to advance racial equity through SCAG’s policies, practices, and

activities. One implementation action listed in the EAP includes encouraging racial equity in local planning by providing elected officials with information and tools to promote racial equity. AdvanceOC's Orange County Equity Map and Social Progress Index is an innovative tool that can promote and advance equity. Katie Kalvoda, President and Board Chair of AdvanceOC, will provide a presentation on this resource and how it is being used in local jurisdictions to advance equity.

AdvanceOC's mission is to use innovative and strategic philanthropy to address inequities in Orange County communities. They bring together leaders from the public, private, and non-profit sectors to champion equity-oriented, data-driven strategies.

In July 2020, the Orange County Board of Supervisors commissioned AdvanceOC to create an Orange County Equity Map using the Social Progress Index (SPI). The Orange County Equity Map and Social Progress Index are products of a public-private partnership between AdvanceOC, the County of Orange, and the Health Care Agency, with technical help on the index from Social Progress Imperative.

AdvanceOC developed the SPI to measure, track, and map inequities with neighborhood precision to identify root causes, understand social determinants, and help create equity focused strategies and solutions. The index, which is used world-wide, includes 55 population indicators, shown in Attachment No.1 – Social Progress Index Indicators, organized within three broad dimensions: Basic Human Needs, Foundations of Wellbeing, and Opportunity.

The SPI enables users to review scores, out of 100, at various geographic levels including countywide, by city, by zip code or by census tract. The platform enables data to be presented at the neighborhood level to allow local agencies to understand local issues and the disparities between their neighborhoods.

Developed from SPI, the Orange County Equity Map, shown in Attachment No.2 – Orange County Equity Map, displays data for all 580 neighborhood census tracts as well as CDC population health and U.S. Census Bureau demographic data for the county and includes the county's Average Component SPI score, shown in Attachment No.3 – Orange County Average Component Scores, which is an average of all scores of all census tracts within the county.

The SPI, Orange County Equity Map and additional information on AdvanceOC can be found on their website at <https://www.advanceoc.com/>.

FISCAL IMPACT:

None.



ATTACHMENT(S):

1. PowerPoint Presentation - AdvOC
2. Attachment 1 - Social Progress Index Indicators
3. Attachment 2 - Orange County Equity Map
4. Attachment 3 - Orange County Average Component Scores



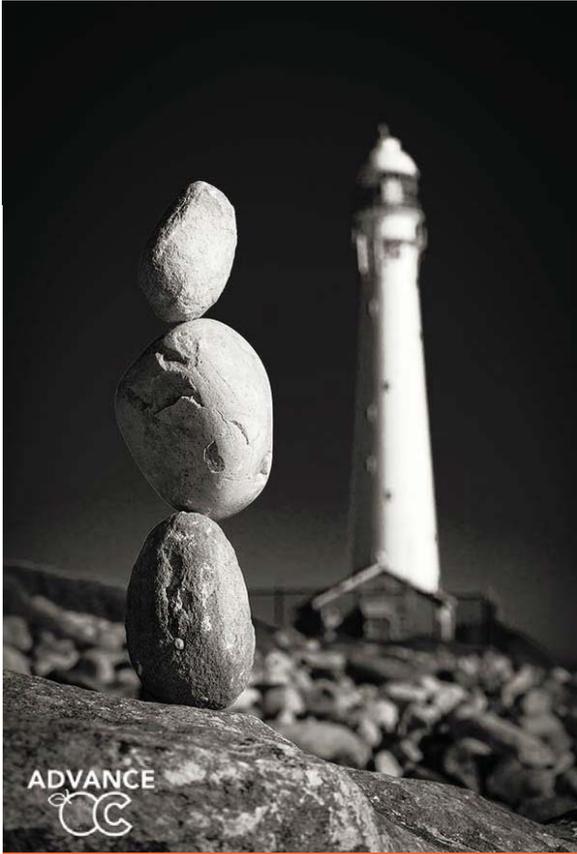
FULFILLING THE DREAM

www.advanceoc.com

OUR THEORY OF CHANGE

What would you do if you knew
Where suffering lives,
Where poverty persists,
And dreams are denied?





ALL VOLUNTEER BOARD OF DIRECTORS

KATIE KALVODA

Katie is the founder of G3 Ventures, a nonprofit organization specializing in impact investments. In addition, Katie serves as a Board Member for California Health Facilities Financing Authority as an appointee of the Honorable Anthony Rendon, Speaker of the CA Assembly.

NAZY FOULADIRAD

Nazy is President and Chief Operating Officer of Tevora, a cyber security consulting firm, named one of the fastest growing companies in the US. Nazy and her husband Ray, a veteran, are lifelong community philanthropists contributing to local causes like the Children's Hospital of Orange County.

SISTER THUY TRAN

Sister Thuy is a Sister of St Joseph of Orange. She is part of the Mission Integration team with Providence St. Joseph, formerly Director of Community Relations and trustee of the Sisters of St Joseph Healthcare Foundation.

DAVID THRESHIE

David is Director of Marketing at the Texas Children's Hospital and founder of Thewonk.com, a digital communications and fundraising platform for nonprofits. David was previously a Board Member of Freedom Communications, Inc., where he served in multiple editorial and marketing roles.

NIOSHA SHAKOORI

Niosha is an employment attorney and human resources consultant with a specialty in building a culture of success and innovation. She is the founder of clarusHR, which provides strategic and cost-effective consulting services on all workplace matters.

Attachment: PowerPoint Presentation - AdvOC (Orange County Equity Map and Social Progress Index)



A TALE OF TWO HORIZONS

Orange County has one of the most beautiful landscapes in California. However, our community, like many others, is challenged by systemic health, housing, educational, economic and opportunity disparities.

How can we close these gaps? At Advance OC, we aim to address these disparities by bringing community stakeholders together to invest in equity focused strategies. We start by developing a **Social Progress Index**. Using 50 indicators, we can measure, track, and map inequities in our community with neighborhood precision. Doing this enables us to identify root causes, understand social determinants, and help advance Orange County.



FROM INDEX TO ACTION TO **IMPACT**

PARTNERING WITH SPI

Delivering local data and insight that is meaningful, relevant and actionable



AdvanceOC partnered with Social Progress Imperative, a 501(c)(3) public charity with the following mission:

“We dream of a world in which people come first. A world where families are safe, healthy and free.”

AdvanceOC envisions a world where a person’s zip code does not limit their human potential.



Social Progress Index: Orange County

BASIC HUMAN NEEDS

Nutrition and Basic Medical Care

- Supermarket access (% of pop.)
- Kindergarten vaccination rate (% of kindergarteners)
- Preventative care visits (% of adults)
- Dental care visits (% of adults)
- Households with food stamp benefits in the past 12 months (% of households)

Water and Sanitation

- Safe Drinking Water Act health-based violations
- Resource Conservation and Recovery Act hazardous waste violations
- Businesses in compliance with health standards (% of total businesses)

Housing

- Housing cost burden (owners) (% of housing units)
- Housing cost burden (renters) (% of housing units)
- Housing overcrowding (% of households)
- Eviction Rate (per 100 renter homes)

Personal Safety

- Violent crime rate (per 1,000 pop.)
- Property crime rate (per 1,000 pop.)
- Motor vehicle accident rate (per 1,000 pop.)

FOUNDATIONS OF WELLBEING

Access to Basic Education

- Preschool enrollment (% of 3 & 4 year olds)
- Social-emotional vulnerable (% of children under 5)
- Communication and general knowledge (% of children under 5)
- Third grade language arts proficiency (% of 3rd graders)
- Eighth grade math proficiency (% of 8th graders)
- Population without high school diploma or equivalent (% of pop. ages 18-24)

Access to Information and Communications

- Broadband subscription (% of pop.)
- Average broadband speed (Mbps download)
- Cellular data subscription (% of pop.)
- One or more types of computing devices present (% of households)
- No Internet Access (% of pop.)

Health and Wellness

- Vulnerable or at risk physical health (% of children under 5)
- Poor mental health days
- Obesity prevalence (% of adults)
- Diabetes prevalence (% of adults)
- Cancer prevalence (% of adults)

Environmental Quality

- PM2.5 average annual concentration ($\mu\text{g}/\text{m}^3$)
- Ozone average 8-hour concentration (ppm)
- Nitrogen dioxide average annual concentration (ppb)
- Carbon footprint (metric tons CO₂)
- Wildfire hazard potential

OPPORTUNITY

Personal Rights

- Home ownership (% of households)
- Voter registration rate (% of voting eligible pop.)
- Voter turnout (% of voting eligible pop.)

Personal Freedom and Choice

- Child care deserts
- Disconnected youth (% of 16-19 year olds)
- Walkability index
- Alternative transportation usage (% of commuters)

Inclusiveness

- Linguistic isolation
- Gender pay gap
- Residential segregation (non-white/white)
- Residential isolation (non-white/white)

Access to Advanced Education

- Bachelor's Degree Holders (% of pop. age 25+)
- Advanced Degree Holders (% of pop. age 25+)
- Associates Degree Holders (% of pop. age 25+)



Community Centered & Locally Informed

COMMUNITY BASED APPROACH

Public Agencies

- Orange County Health Care Agency
- Orange County Social Services Agency
- OC Human Relations Commission
- First 5 OC
- CalOptima
- County Board of Supervisors

Education

- Orange County Department of Education
- Cal State Fullerton
- UCI

Health

- Providence St Joseph Health
- MemorialCare
- UCI Health
- Hoag Hospital
- Kaiser Permanente
- The Children's Hospital of Orange County (CHOC)
- Orange County Health Improvement Partnership

Philanthropy (Partial List)

- United Way
- OC Grantmakers
- Sisters of St Joseph Foundation
- Tarsadia Foundation

GUIDED BY LOCAL NEEDS

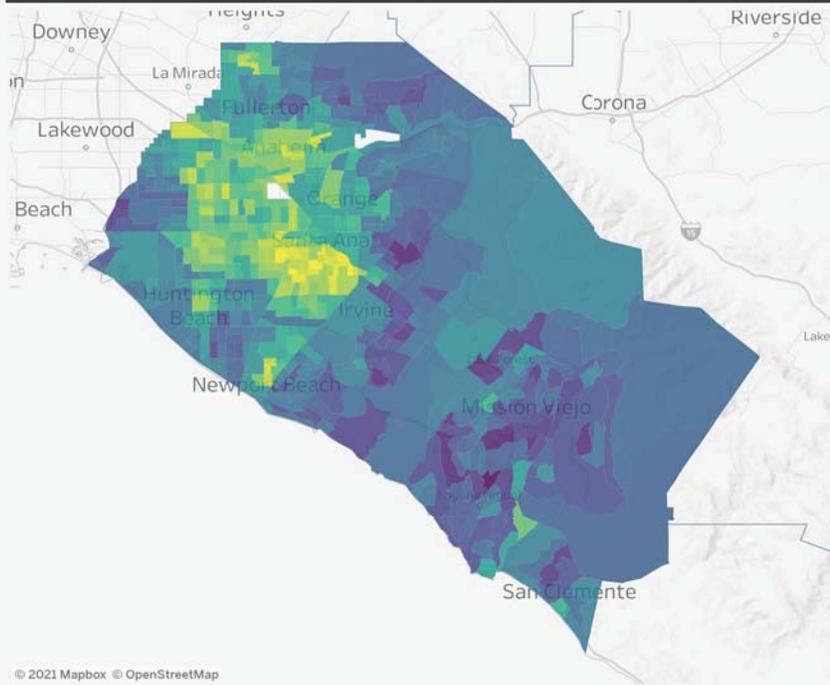
Community Engagement (Partial List)

- Launch Event (July 14, 2021)
- Fullerton City Council
- Orange County Aging Services Collaborative
- City of Stanton Collaborative
- Orange County COVID-19 Vaccine Task Force
- Kiwanis Club of Greater Anaheim
- RevHUB OC
- Orange County Business Council
- Mesa Water District
- Costa Mesa City Council
- Southern CA Association of Governments (SCAG)
- Mayor's DEI Task Force (City of Tustin)
- City of Irvine Community Services
- City of Garden Grove Collaborative
- Behavioral Health Advisory Board
- AltaMed Health
- American Academy of Pediatrics
- Latino Health Access
- Abrazar
- MECCA (Multi-Ethnic Collaborative of Community Agencies)
- Chinese American Chamber of Commerce
- OC Behavioral Health
- National Health Equity Summit
- Fullerton Fire Department
- Orange County Labor Federation





ORANGE COUNTY EQUITY MAP



Choose a City: (All) District*: All Census Tract: Highlight G...

BASE LAYER

- Social Progress Index SPI QUARTILE (All)
- CDC HEALTH INDICATOR (Choose one)
- POPULATION DEMOGRAPHICS (Select one)

OVERLAY

- NONE
- VIEW STREET MAP
- COVID CASES by Census Tract
- COVID CASE RATE/TESTING % ... by Zip Code
- OPPORTUNITY ZONES
- COUNTY & PUBLIC RESOURCE...
- SCHOOL DISTRICTS - All

Low values in the legend are shown in Yellow and High values are shown in Purple. For some indicators, low scores may be positive and for other indicators, low scores may not be positive. This legend should be interpreted relative to the data presented.

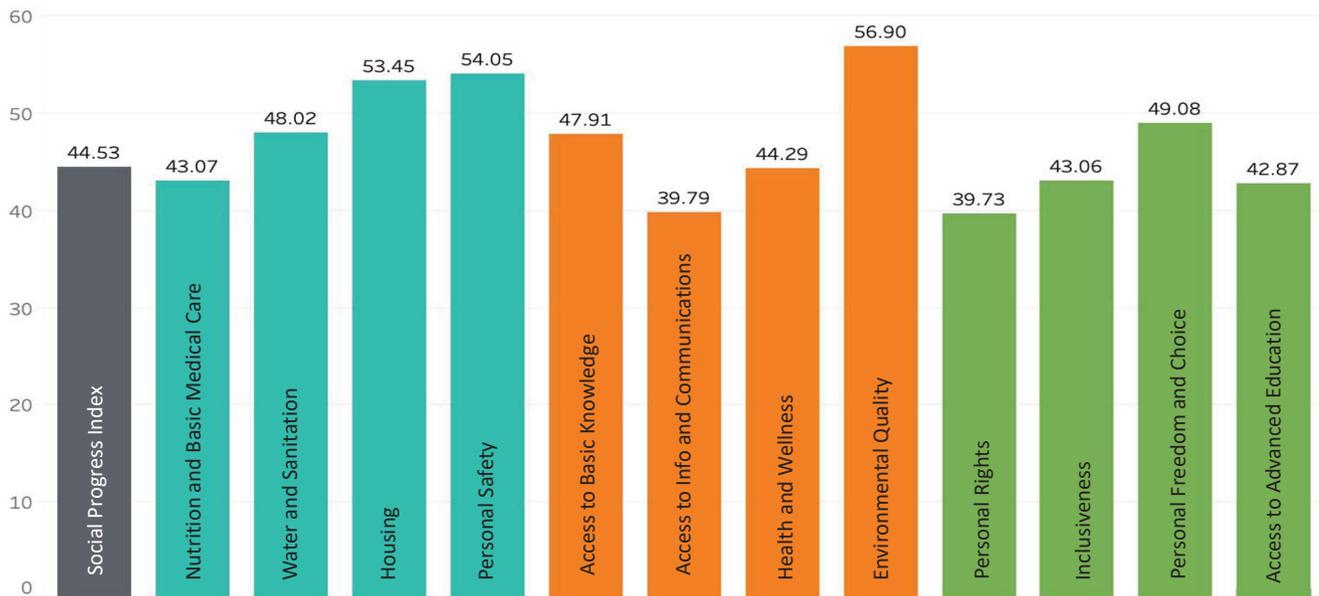


Sources: SPI, CDC PLACES Local Data, American Community Survey, First 5 OC, OC Health Care Agency and CA Opportunity Zone



ORANGE COUNTY AVERAGE COMPONENT SCORES

US SPI score = 85.7





OC SOCIAL PROGRESS INDEX BY CITY

City	SPI
ALISO VIEJO	55
MISSION VIEJO	55
LAGUNA NIGUEL	54
LAGUNA HILLS	54
YORBA LINDA	54
LOS ALAMITOS	53
RANCHO S. MARGARITA	53
SEAL BEACH	53
NEWPORT BEACH	53
IRVINE	53
LAGUNA BEACH	52
VILLA PARK	52

City	SPI
LAKE FOREST	52
BREA	51
CYPRESS	51
SAN CLEMENTE	50
LAGUNA WOODS	50
DANA POINT	50
FOUNTAIN VALLEY	48
HUNTINGTON BEACH	48
PLACENTIA	47
SAN JUAN CAPISTRANO	46
LA PALMA	46
TUSTIN	45

City	SPI
ORANGE	44
FULLERTON	43
COSTA MESA	42
LA HABRA	40
BUENA PARK	39
WESTMINSTER	37
ANAHEIM	37
GARDEN GROVE	36
STANTON	32
SANTA ANA	31

Population weighted average scores based on City:Tract crosswalks.



TOP 50 CENSUS TRACTS

OC Average SPI score = 44.5

Tract Number	City	SPI Score	Tract Number	City	SPI Score
6059042336	Laguna Niguel	65	6059021823	Yorba Linda	59
6059042328	Mission Viejo	63	6059052502	Irvine	59
6059075606	Tustin	62	6059052419	Irvine	59
6059042327	Laguna Hills	62	6059032053	Rancho Santa Margarita	59
6059032040	Mission Viejo	62	6059062612	Irvine	58
6059062633	Laguna Beach	62	6059052526	Irvine	58
6059032045	Rancho Santa Margarita	61	6059062643	Irvine	58
6059062631	Irvine	61	6059052421	Irvine	58
6059052408	Irvine	61	6059032012	Mission Viejo	58
6059062635	Laguna Woods	61	6059032020	Mission Viejo	58
6059052513	Irvine	60	6059032039	Mission Viejo	58
6059110006	Los Alamitos	60	6059062701	Newport Beach	58
6059032031	Mission Viejo	60	6059062900	Newport Beach	58
6059042111	San Juan Capistrano	60	6059075703	Irvine	58
6059011718	Yorba Linda	60	6059062629	Irvine	58
6059052506	Irvine	59	6059062634	Laguna Beach	58
6059032038	Rancho Santa Margarita	59	6059032034	Rancho Santa Margarita	58
6059052427	Lake Forest	59	6059075703	(Unincorporated, North Tustin)	58
6059052422	Lake Forest	59	6059062632	Aliso Viejo	57
6059110007	Los Alamitos	59	6059032015	Lake Forest	57
6059052415	Lake Forest	59	6059052527	Tustin	57
6059042319	Laguna Niguel	59	6059032002	Mission Viejo	57
6059099243	Huntington Beach	59	6059075603	Tustin	57
6059021824	Yorba Linda	59	6059042323	Laguna Niguel	57
6059042315	Mission Viejo	59	6059032032	Mission Viejo	57





BOTTOM 50 CENSUS TRACTS

OC Average SPI score = 44.5

Tract Number	City	SPI Score	Tract Number	City	SPI Score
6059087802	Anaheim	30	6059001304	La Habra	28
6059089001	Garden Grove	30	6059075202	Santa Ana	28
6059089004	Santa Ana	30	6059074806	Santa Ana	27
6059087504	Anaheim	30	6059087806	Garden Grove	27
6059074108	Santa Ana	30	6059110500	Buena Park	27
6059099802	Westminster	30	6059086502	Anaheim	27
6059074403	Tustin	30	6059089106	Garden Grove	27
6059089102	Santa Ana	30	6059074408	Tustin	27
6059075004	Santa Ana	29	6059075002	Santa Ana	27
6059074602	Santa Ana	29	6059011720	Anaheim	27
6059099904	Westminster	29	6059087405	Anaheim	27
6059001201	La Habra	29	6059063701	Costa Mesa	26
6059074802	Santa Ana	29	6059074902	Santa Ana	26
6059074102	Santa Ana	29	6059075201	Santa Ana	26
6059063808	Costa Mesa	29	6059074502	Santa Ana	26
6059087902	Garden Grove	29	6059089104	Garden Grove	26
6059076103	Anaheim	28	6059074300	Santa Ana	26
6059087803	Anaheim	28	6059075003	Santa Ana	26
6059087404	Anaheim	28	6059074406	Tustin	25
6059086405	Anaheim	28	6059074701	Santa Ana	25
6059089003	Santa Ana	28	6059074501	Santa Ana	25
6059074801	Santa Ana	28	6059089105	Santa Ana	24
6059074405	Santa Ana	28	6059074805	Santa Ana	24
6059086901	Anaheim	28	6059074901	Santa Ana	24
6059063605	Costa Mesa	28	6059074407	Santa Ana	24



ORANGE COUNTY: 17.07

SOCIAL PROGRESS INDEX

Score **43/100** Overall Rank **369/580** Relative Strength/Weakness

La Habra/ Fullerton

Basic Human Needs

Score: 52, Overall Rank: 189, Relative Strength/Weakness:

Nutrition and Basic Medical Care

Score: 48, Overall Rank: 154, Relative Strength/Weakness:

Dental care visits (% of adults): 74.3, 185

Households with food stamp benefits in the past 12 months (% of households): 4.245, 283

Preventative care visits (% of adults): 70.22, 5

Supermarket access (% of pop.): 65.991, 402

Kindergarten vaccination rate (% of kindergarteners): 94.355, 414

Water and Sanitation

Score: 54, Overall Rank: 170, Relative Strength/Weakness:

Safe Drinking Water Act health-based violations: 1.024, 12

Resource Conservation and Recovery Act hazardous waste violations: 3.813, 544

Businesses in compliance with health standards (% of total businesses): 91.935, 111

Housing

Score: 56, Overall Rank: 272, Relative Strength/Weakness:

Eviction Rate (per 100 renter homes): 0.18, 116

Housing cost burden (% of households, owners): 35.783, 388

Housing cost burden (% of households, renters): 52.56, 254

Housing overcrowding (% of households): 4.49, 284

Personal Safety

Score: 52, Overall Rank: 317, Relative Strength/Weakness:

Motor vehicle accident rate (per 10,000 pop): 0.077, 136

Property crime rate (per 10,000 pop): 257.975, 492

Violent crime rate (per 1,000 pop): 77.758, 305

Foundations of Wellbeing

Score: 59, Overall Rank: 39, Relative Strength/Weakness:

Health and Wellness

Score: 64, Overall Rank: 19, Relative Strength/Weakness:

Cancer prevalence (% of adults): 4.9, 170

Diabetes prevalence (% of adults): 9.8, 402

Poor mental health days: 8.94, 5

Obesity prevalence (% of adults): 16.78, 2

Vulnerable or at risk in physical health (% of children under 5): 12.745, 142

Access to Basic Knowledge

Score: 63, Overall Rank: 129, Relative Strength/Weakness:

Third grade language arts proficiency (% of 3rd graders): 57.574, 291

Eighth grade math proficiency (% of 8th graders): 60.098, 200

Population without high school diploma or equivalent (% of pop. ages 18-24): 0, 4

Preschool enrollment (% of 3 & 4 year olds): 59.028, 242

Communication and general knowledge (% of children under 5): 40.196, 305

Social-emotional vulnerable (% of children under 5): 6.863, 214

Access to Information and Communications

Score: 50, Overall Rank: 154, Relative Strength/Weakness:

Broadband subscription (% of pop.): 90.571, 283

Average broadband speed (Mbps): 109.853, 262

Cellular data subscription (% of pop.): 75.51, 100

One or more types of computing devices present (% of households): 97.184, 172

No internet access (% of pop.): 3.673, 124

Environmental Quality

Score: 58, Overall Rank: 220, Relative Strength/Weakness:

Carbon Footprint (metric tons CO2): 46.829, 249

Nitrogen dioxide average annual concentration (ppb): 13.473, 82

Ozone average 8-hour concentration (ppm): 41.911, 164

PM2.5 average annual concentration (g/m3): 9.409, 373

Wildfire hazard potential: 27.899, 495

Opportunity

Score: 25, Overall Rank: 488, Relative Strength/Weakness:

Personal Rights

Score: 45, Overall Rank: 260, Relative Strength/Weakness:

Home ownership (% of households): 76.082, 164

Voter registration rate (% of voting eligible pop.): 75.837, 345

Voter turnout (% of voting eligible pop.): 69.616, 303

Personal Freedom and Choice

Score: 7, Overall Rank: 579, Relative Strength/Weakness:

Child care deserts: 0, 409

Alternative transportation usage (% of commuters): 5.299, 525

Disconnected youth (% of 16-19 year olds): 7.212, 448

Walkability index: 9.596, 523

Inclusiveness

Score: 19, Overall Rank: 564, Relative Strength/Weakness:

Residential segregation (non-white/white): 0.392, 525

Gender pay gap: 0.574, 454

Residential isolation (non-white/white): 0.683, 524

Linguistic isolation (% households): 13.071, 407

Access to Advanced Education

Score: 70, Overall Rank: 107, Relative Strength/Weakness:

Associates degree holders (% of pop. age 25+): 6.174, 437

Bachelors degree holders (% of pop. age 25+): 38.162, 2

Advanced degree holders (% of pop. age 25+): 20.071, 160

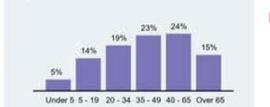
Median Household Income: \$126.2

Population: 7.2

Race/Ethnicity (%)



Age Distribution



Foreign Born Population (%): 51

Below 200% Poverty Line (% of pop.): 14

Legend:

- Expected
- Overperforming
- Underperforming
- Very Overperforming
- Very Underperforming

Strengths/weaknesses are relative to the 10 Orange County census tracts with the most similar median household income: 219.20, 219.24, 320.20, 422.05, 525.22, 626.32, 992.31, 996.05, 1100.06, 1100.10

* Missing indicator values imputed

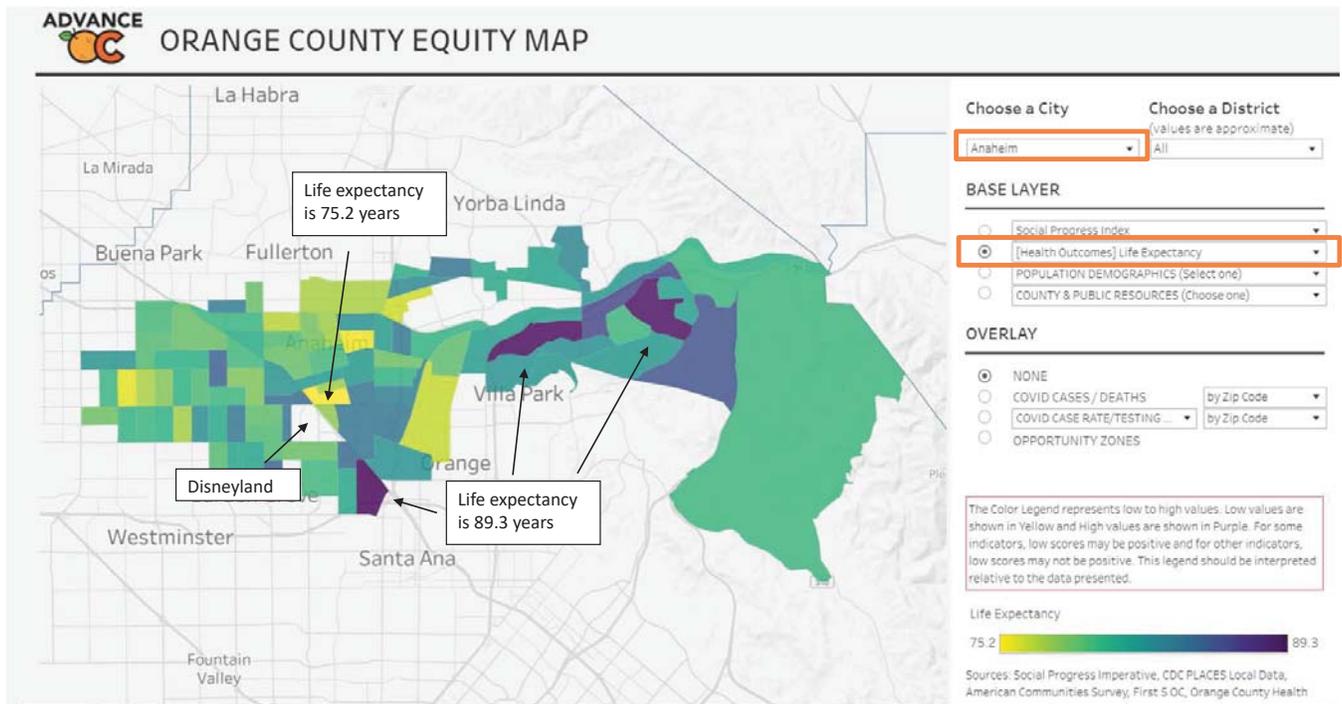


FROM INDEX TO ACTION TO **IMPACT**

PARTNERING WITH HCA

To understand neighborhood health disparities

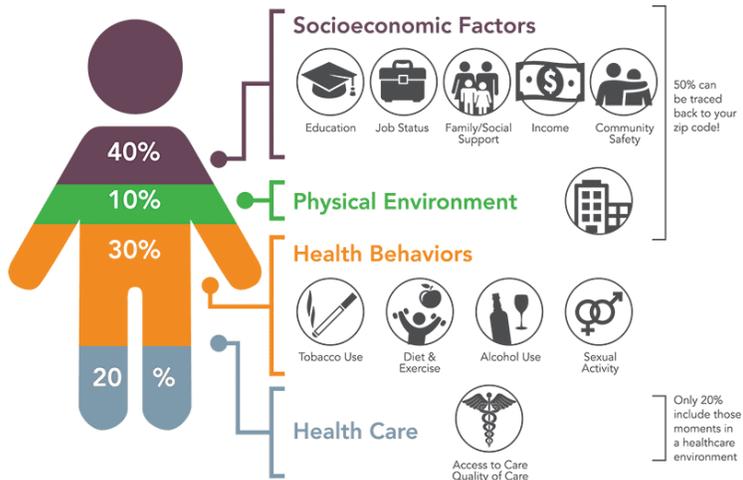
[NEIGHBORHOOD LOOKUP TOOL](#)



WHY DO SOCIAL DETERMINANTS OF HEALTH MATTER?

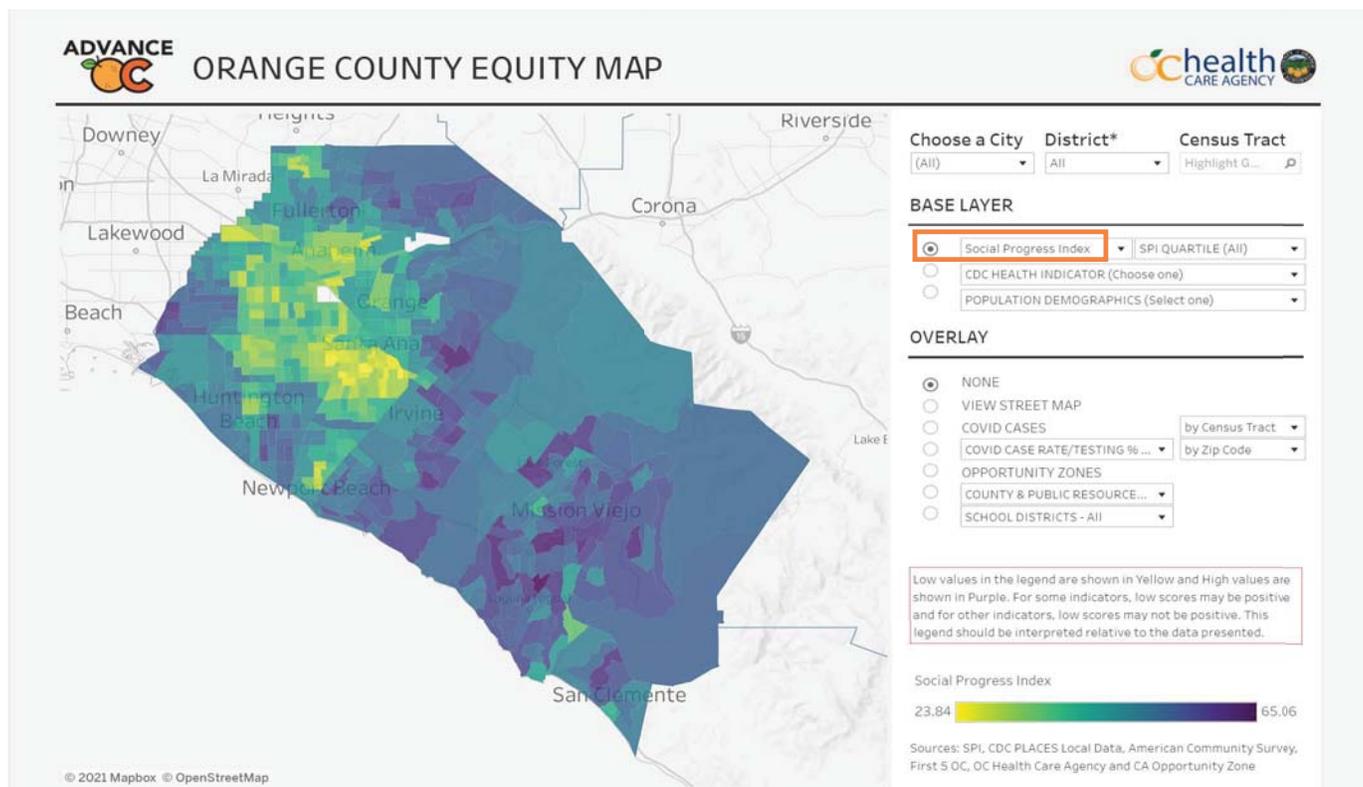
BECAUSE THEY ARE SOCIAL DETERMINANTS OF

- Education
- Opportunity
- Income
- Life Outcomes



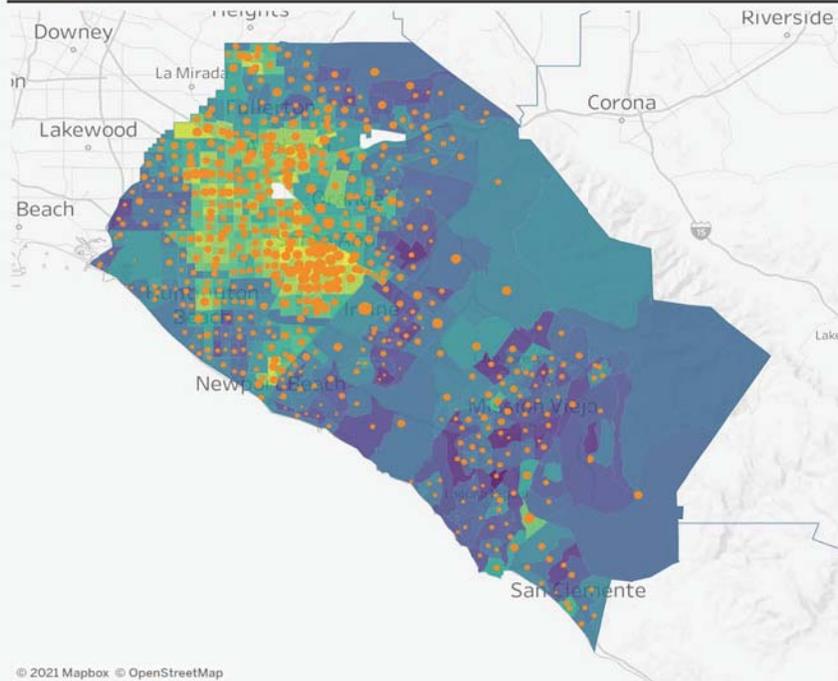
Source: Institute for Clinical Systems Improvement, Going Beyond Clinical Walls: Solving Complex Problems (October 2014)

Attachment: PowerPoint Presentation - AdvOC (Orange County Equity Map and Social Progress Index)





ORANGE COUNTY EQUITY MAP



Choose a City: (All)
 District*: All
 Census Tract: Highlight G...

BASE LAYER

Social Progress Index SPI QUARTILE (All)
 CDC HEALTH INDICATOR (Choose one)
 POPULATION DEMOGRAPHICS (Select one)

OVERLAY

NONE
 VIEW STREET MAP
 COVID CASES by Census Tract
 COVID CASE RATE/TESTING % ... by Zip Code
 OPPORTUNITY ZONES
 COUNTY & PUBLIC RESOURCE...
 SCHOOL DISTRICTS - All

As of 8/2/2021

Low values in the legend are shown in Yellow and High values are shown in Purple. For some indicators, low scores may be positive and for other indicators, low scores may not be positive. This legend should be interpreted relative to the data presented.

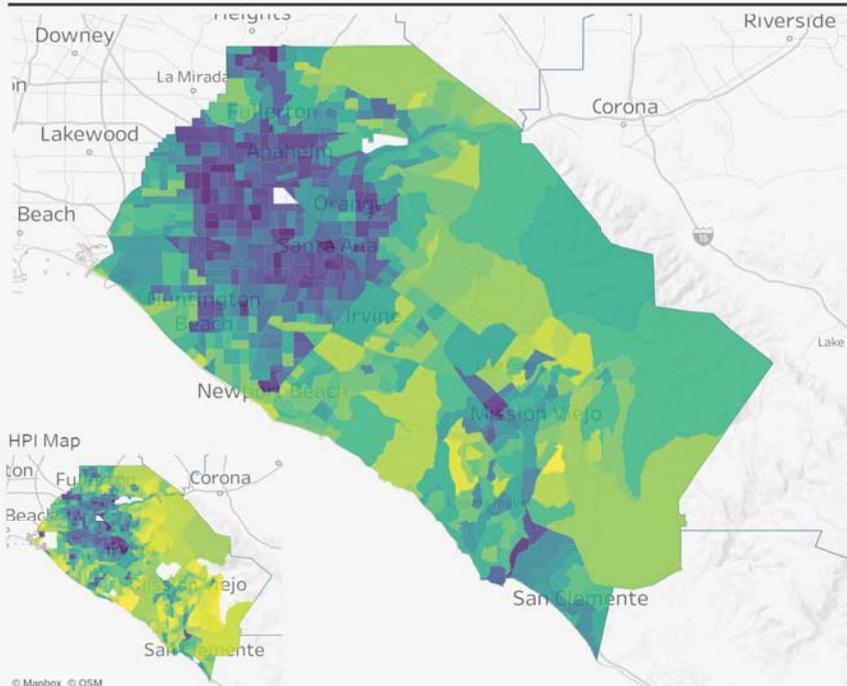


Sources: SPI, CDC PLACES Local Data, American Community Survey, First 5 OC, OC Health Care Agency and CA Opportunity Zone

© 2021 Mapbox © OpenStreetMap



ORANGE COUNTY COVID VULNERABILITY MAP



City: All
 District: (values are approximate) All

Overlay Existing Community Infrastructure: (none)

Show Asset Labels: No

COVID-19 Vulnerability Composite Indicators

Health & Comorbidity Risk Factors (CDC)

- Diabetes Prevalence
- Cancer Prevalence
- Obesity Prevalence
- High Blood Pressure
- Coronary Heart Disease
- Asthma Prevalence
- Smoking Prevalence
- COPD Prevalence
- Chronic Kidney Disease

- C19 Cases & Deaths (OCHCA)
- % Hispanic (ACS/Census)
- Age 65+ (ACS/Census)

Social Progress Index Indicators

- Households with food stamps
- Housing cost burden (renters)
- Housing overcrowding
- Eviction Rate
- Population Uninsured
- Below 200% Poverty Rate
- Population w/o HS diploma
- Low access to Info & Comm
- No internet access
- Linguistic Isolation
- Residential Isolation
- Physically at-risk Children
- Median HH Income



© Mapbox © OSM

Attachment: PowerPoint Presentation - AdvOC (Orange County Equity Map and Social Progress Index)

EXAMPLES OF USE CASES



Population Health



COVID Vulnerability Index
Social Determinants of Health



Food & Nutrition



Food Insecurity
Promoting Long Term Nutrition



Community Development



Housing & Homelessness
Opportunity Zones



HOW TO INTERPRET THE DATA



AS AN ORANGE COUNTY RESIDENT

The Social Progress Index scorecard shows you how your neighborhood is doing across multiple measurements in basic needs, foundations of wellbeing and opportunity. This information empowers you with the most recent, relevant data to speak to your local elected officials about how to improve the conditions of your neighborhood and address funding gaps.



AS A LOCAL ELECTED OFFICIAL OR POLICYMAKER

The Social Progress Index scorecard is an opportunity to create a participatory budgeting process by encouraging active engagement with your constituents to address areas of greatest need in your community. This data is especially valuable as it provides a means to map, measure and track community investments over time.



AS AN EDUCATOR, HEALTHCARE PROVIDER, PHILANTHROPIST

The Social Progress Index provides a baseline for community health and wellness, highlighting areas of need that require greater attention and community investment. Student and patient outcomes are strongly influenced by social and environmental factors. These social determinants are structural in nature and require partnership between community stakeholders and government agencies to address.



YOUTH VULNERABILITY INDEX

BASIC HUMAN NEEDS

Health & Nutrition

Kindergarten Vaccination Rates
Supermarket Access
Households with food stamps

Water & Sanitation

Safe Drinking Water
Hazardous Waste Violations
Businesses in Compliance with Health Standards

Shelter

Housing Cost Burden (owners)
Housing Cost Burden (renters)
Housing Overcrowding
Eviction Rate

Personal Safety

Violent Crime
Property Crime
Motor Vehicle Accident Rate
Security on Campus
Gang Activity

FOUNDATIONS OF WELLBEING

Access to Basic Knowledge

Third grade language arts proficiency
Eighth grade math proficiency
Population without highschool diploma

Access to Info & Communications

Broadband subscription
Avg broadband speed
Cellular data subscription
No internet access
One or more types of computing devices

Health & Wellness

Social-Emotional Vulnerable (under 5)
Poor mental health days
Diabetes prevalence
Obesity prevalence
Substance abuse
Binge drinking
Smoking Prevalence

Environmental Quality

PM2.5 average annual concentration
Ozone average 8-hour concentration
Nitrogen dioxide avg annual concentration
Carbon footprint
Wildfire hazard potential

OPPORTUNITY

Personal Rights

Homeownership
Voter Registration Rates
Voter Turnout

Personal Freedom & Choice

Disconnected youth (16-19)
Childcare deserts
Walkability Index
Alternative transportation usage
Commute Time
Youth Unemployment

Inclusiveness

Linguistic isolation
Gender Pay Gap
Residential Isolation
Residential Segregation

Access to Advance Education

Bachelors Degree Holders
Advanced Degree Holders
Associate Degree Holders



OVERLAYS

Education Indicators

- Education Outcomes
- Preschool enrollment
- Kindergarten Readiness
- HS Dropout/ Graduation Rates
- College Enrollment
- Chronic Absenteeism
- College Graduation Rate
- Total ESL Students
- Student Proficiency (LS/MS/HS)
- Suspension Rates

Education Goals

- Language Immersion
- Ethnic Studies
- SEL Curriculum
- Civic Engagement

Educational Environment

- Diversity of School Administration
- Rates of Bullying
- LGB Alliance/ LGBTQ Clubs
- Co-Ed Sports

County & Public Resources

- Behavioral Health Centers
- HS Wellness Centers
- Mental Health Hospitals
- Boys & Girls Club/ Afterschool Centers
- Section 8 Housing

Mental Health Screens

- Suicide Attempts
- Suicide Ideations
- % of Anxious/ Depressed Children
- % Use of Antidepressants
- Rate of Eating Disorders

ADVANCE



We're here to answer your questions:
katie@advanceoc.com

Attachment: PowerPoint Presentation - AdvOC (Orange County Equity Map and Social Progress Index)

Social Progress Index: Orange County

BASIC HUMAN NEEDS

Nutrition and Basic Medical Care

- Supermarket access (% of pop.)
- Kindergarten vaccination rate (% of kindergarteners)
- Preventative care visits (% of adults)
- Dental care visits (% of adults)
- Households with food stamp benefits in the past 12 months (% of households)

Water and Sanitation

- Safe Drinking Water Act health-based violations
- Resource Conservation and Recovery Act hazardous waste violations
- Businesses in compliance with health standards (% of total businesses)

Housing

- Housing cost burden (owners) (% of housing units)
- Housing cost burden (renters) (% of housing units)
- Housing overcrowding (% of households)
- Eviction Rate (per 100 renter homes)

Personal Safety

- Violent crime rate (per 1,000 pop.)
- Property crime rate (per 1,000 pop.)
- Motor vehicle accident rate (per 1,000 pop.)

FOUNDATIONS OF WELLBEING

Access to Basic Education

- Preschool enrollment (% of 3 & 4 year olds)
- Social-emotional vulnerable (% of children under 5)
- Communication and general knowledge (% of children under 5)
- Third grade language arts proficiency (% of 3rd graders)
- Eighth grade math proficiency (% of 8th graders)
- Population without high school diploma or equivalent (% of pop. ages 18-24)

Access to Information and Communications

- Broadband subscription (% of pop.)
- Average broadband speed (Mbps download)
- Cellular data subscription (% of pop.)
- One or more types of computing devices present (% of households)
- No Internet Access (% of pop.)

Health and Wellness

- Vulnerable or at risk physical health (% of children under 5)
- Poor mental health days
- Obesity prevalence (% of adults)
- Diabetes prevalence (% of adults)
- Cancer prevalence (% of adults)

Environmental Quality

- PM2.5 average annual concentration ($\mu\text{g}/\text{m}^3$)
- Ozone average 8-hour concentration (ppm)
- Nitrogen dioxide average annual concentration (ppb)
- Carbon footprint (metric tons CO₂)
- Wildfire hazard potential

OPPORTUNITY

Personal Rights

- Home ownership (% of households)
- Voter registration rate (% of voting eligible pop.)
- Voter turnout (% of voting eligible pop.)

Personal Freedom and Choice

- Child care deserts
- Disconnected youth (% of 16-19 year olds)
- Walkability index
- Alternative transportation usage (% of commuters)

Inclusiveness

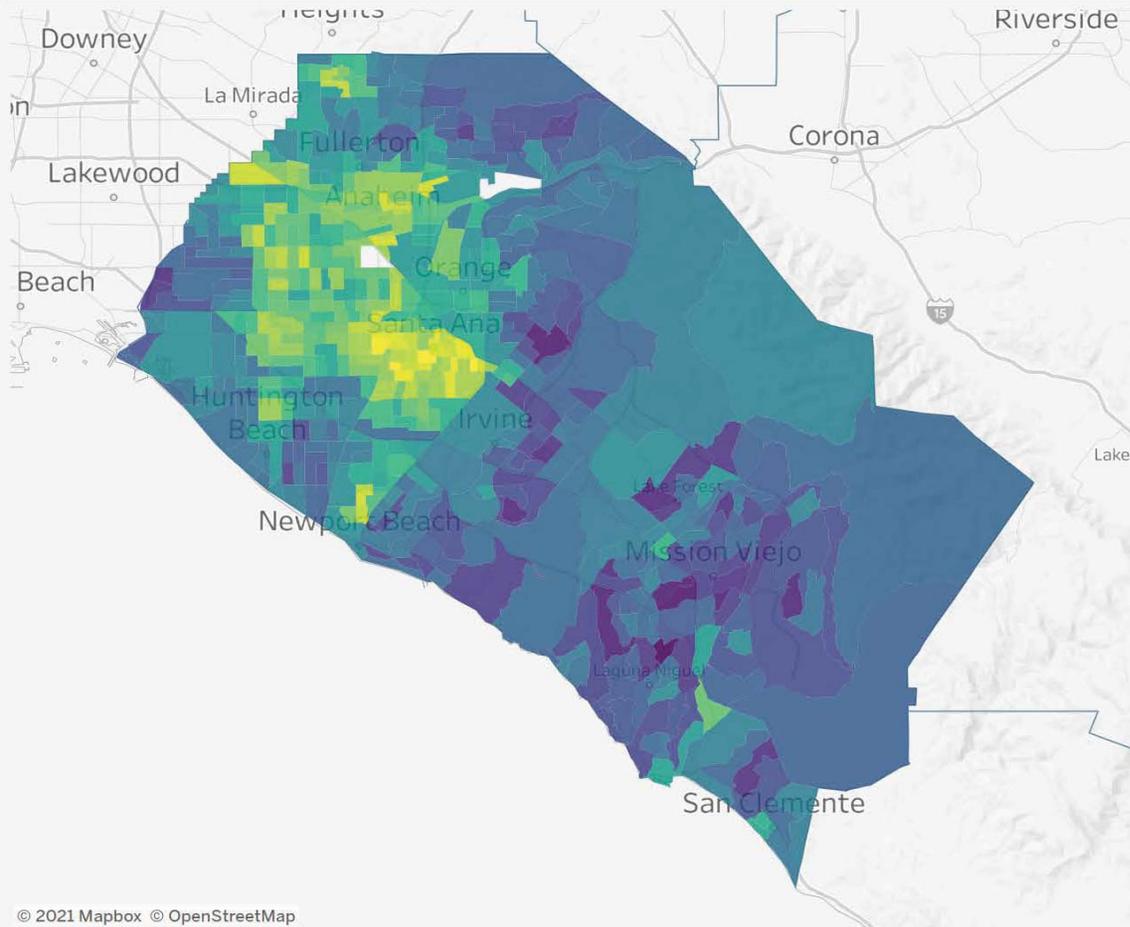
- Linguistic isolation
- Gender pay gap
- Residential segregation (non-white/white)
- Residential isolation (non-white/white)

Access to Advanced Education

- Bachelor's Degree Holders (% of pop. age 25+)
- Advanced Degree Holders (% of pop. age 25+)
- Associates Degree Holders (% of pop. age 25+)



ORANGE COUNTY EQUITY MAP



© 2021 Mapbox © OpenStreetMap

Choose a City (All) District* All Census Tract Highlight G...

BASE LAYER

Social Progress Index SPI QUARTILE (All)
 CDC HEALTH INDICATOR (Choose one)
 POPULATION DEMOGRAPHICS (Select one)

OVERLAY

NONE
 VIEW STREET MAP
 COVID CASES by Census Tract
 COVID CASE RATE/TESTING % ... by Zip Code
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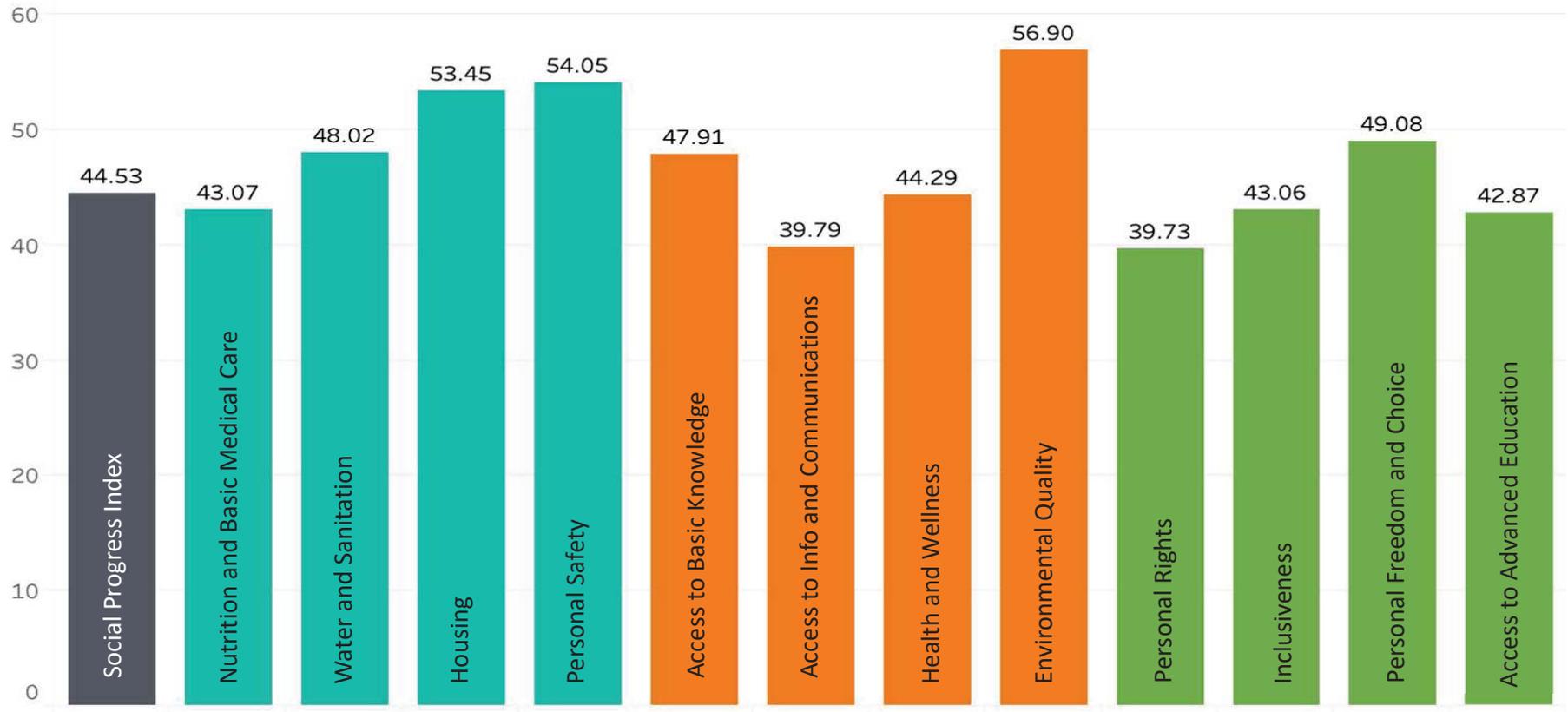


Sources: SPI, CDC PLACES Local Data, American Community Survey, First 5 OC, OC Health Care Agency and CA Opportunity Zone



ORANGE COUNTY AVERAGE COMPONENT SCORES

US SPI score = 85.7



Attachment: Attachment 3 - Orange County Average Component Scores (Orange County Equity Map and