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Just a Few Weeks Away! June 20th General Assembly and "Future of Cities" Symposium



WRCOG's 28th Annual General Assembly and Leadership Conference will be held on Thursday, June 20, 2019, at the Pechanga Resort Casino and will feature Josh Earnest, White House Press Secretary under President Barack Obama (2014 - 2017), and current Senior Vice President / Chief Communications Officer for United Airlines, as keynote speaker! This year's event will be an all-day affair, kicking off with the "Future of Cities" Symposium in the morning. The Symposium will highlight several key topics facing Western Riverside County, including housing production, transportation trends, and jobs automation. Join us for insightful panels during the Symposium, then take a break and enjoy the many amenities Pechanga has to offer before joining us for the main event and keynote during the evening.

Don't miss your opportunity to be a part of the event; become a sponsor! Check out our sponsorship opportunities [here](#).

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TUMF Fee Collection is Live in 16 Jurisdictions!

Beginning in March 2019, WRCOG assumed responsibility for calculating and collecting TUMF on behalf of 16 TUMF Program participating agencies. A recent policy change allowed WRCOG to calculate TUMF calculations and collection, which streamlines the process and ensures that fees are calculated correctly. Additionally, developers now have the option to make fee payments electronically and WRCOG is working to develop a more comprehensive online fee portal to provide more electronic payment options. The online fee portal is expected to be in operation by August 2019.

[Contact Staff](#)

CAPtivate 2.0 Coming February 2021

WRCOG is updating its Subregional Climate Action Plan, CAPtivate! CAPtivate was first completed in June 2014 and recommends strategies that agencies can use to reduce greenhouse gas (GHG) emissions and improve health outcomes across the subregion. With funding from Caltrans, WRCOG is updating CAPtivate to include a comprehensive update to GHG emissions inventories and GHG reduction strategies. It will also establish GHG targets for the year 2050 and involve each of WRCOG's member jurisdictions. The update will commence work this month and is scheduled to be completed in February 2021.

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A Fellow-tastic Celebration!



Last month, WRCOG celebrated the completion of the third round of the Public Service Fellowship Program! Graduating Fellows from the third cohort presented to the Technical Advisory Committee on their experience in the Program and future career aspirations. Following the meeting, Fellow supervisors, City Managers and County Executives, and regional partners gathered for a

Fellowship Completion Mixer which served as both a celebration and networking opportunity for graduating Fellows to connect with prospective employers.

The success of this Program would not be possible without the mentorship provided by host agencies. Thank you to WRCOG's member agencies and congratulations to all graduating Fellows!

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WRCOG International - The City of Riverside's Vietnamese Sister City

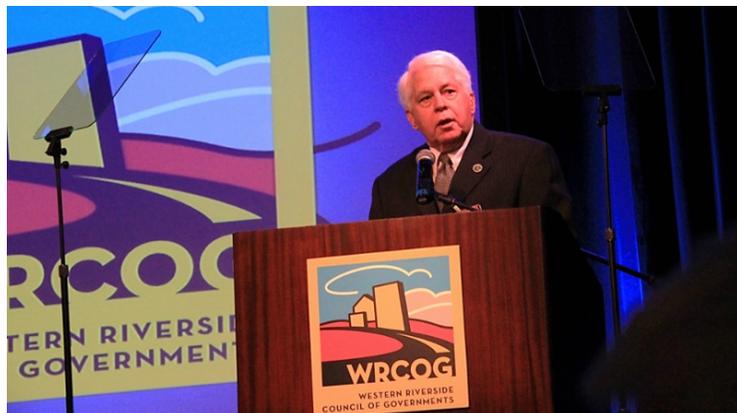
For two weeks in March, the City of Riverside hosted a delegation of officials from Can Tho, Vietnam, one of Riverside's Sister Cities. WRCOG staff took part in several sessions with members of the delegation (check out the photo!). Delegation officials and Western Riverside County representatives discussed key issues like land use, historic preservation, transportation, and the environment. WRCOG looks forward to future participation with member jurisdiction's sister cities from around the world!



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In Remembrance of Jim Hyatt

City of Calimesa Council Member James "Jim" Hyatt had a long history of community service. He was a member of the incorporation committee in the late 1980s, which resulted in the incorporation of the City of Calimesa and was elected to the first City Council on



December 1, 1990. He had served as a Council Member since, with a break in service from 1998-2006. Council Member Hyatt sat on many regional boards, including WRCOG's Executive Committee, where he served as Chair in 2013. Council Member Hyatt worked tirelessly on behalf of the City and will be remembered for his longstanding dedication to Calimesa and the subregion as a whole.

Executive Director's Column: California's Housing Crisis

Are the most talked-about approaches going to work?

Throughout California, there is a housing affordability crisis spurred by a mounting shortage of housing. Governor Gavin Newsom has made the issue a top priority in his administration, and there is good reason for doing so. According to a statewide housing assessment [report](#) released in 2018, the projected annual need of new homes to be built from 2015 – 2025 is 180,000. Yet there has not been a single year when the number of new homes built in the state has exceeded even 100,000 since 2008. A [2016 report](#) from the McKinsey Global Institute finds that, on a national level, California ranks 49th out of all 50 states in terms of per capita housing construction.



Governor Newsom has proposed that California strive to build 3.5 million homes by 2025, an average of 500,000 new homes per year. To provide just a bit more perspective, only twice, since 1954, have developers constructed more than 300,000 units in a single year.

The Governor is trying both carrots and sticks to engage local jurisdictions. Carrots include setting aside \$1.75 billion to spur new home construction, including \$500 million for incentives for localities that create new housing and \$250 million to provide technical assistance to ramp up local jurisdictions' zoning and permitting processes. Sticks, on the other hand, have included litigation and the threat of pulling transportation funding from cities and counties that fail to create plans for affordable housing.

Building from the 15-bill affordable housing package of 2017, lawmakers have put more than 180 housing-related proposals in play this legislative session. Some of the proposed legislation is focused on reducing what are viewed as barriers to development imposed through such means as limiting parking requirements and allowing development to proceed through a streamlined review process. Some of the more extreme proposals would severely limit or even remove local discretion regarding the approval of certain projects, such as those near transit.

Bills focused on regulating local jurisdictions' discretion will likely result in some increase in housing production, particularly in dense, urban areas where jobs are abundant and land prices are high. The problem is that they do little to address the myriad of other contributing factors curbing housing development and limiting individuals' ability to afford homes. Doubts exist about whether products in these areas can be affordable on a larger scale, and the potential impacts of displacing existing populations from neighborhood gentrification need to be better understood and addressed. And these approaches would have only a limited impact on housing production in less urban areas like Riverside and San Bernardino Counties where certain market conditions—like low resident incomes—are not conducive to building housing.

[Projected population growth](#) in Riverside and San Bernardino Counties ([1.5](#)

[million people between 2015-2040](#)) is nearly the same as the more urban and jobs-rich Los Angeles and Orange Counties ([1.7 million people between 2015-2040](#)), which underscores the significant opportunities that the inland counties hold to help address the housing crisis. To complement the Governor's and legislatures' policy strategies for some areas of the State (which have been to guide more housing to denser, jobs-rich areas) policy makers should also consider a demand-focused strategy that targets an individuals' ability to afford housing by incentivizing employment to locate in housing-rich areas, such as Riverside and San Bernardino Counties.

State policies that incentivize locating jobs in the inland counties would positively address a number of important housing and quality of life-related issues. Consider the following:

Building more homes: Bringing better jobs to inland locations might unleash more rapid construction of entitled homes as residents' incomes increase and people are better able to afford housing. Western Riverside County currently has 200,000 entitled homes, but only about 25,000 homes have been built in the last five years. While developers face their own significant challenges in making projects viable to construct (factoring in land costs, construction costs, fees, etc.), it makes sense that increasing the pool of qualified renters and buyers would help to accelerate housing construction. Family incomes adjusted for inflation in this region have actually fallen since 2012. Policies that would prioritize bringing higher income jobs to the inland regions can help reverse this trend and potentially spur housing development.

Increasing affordability: Increased housing affordability isn't guaranteed by building at higher densities in metropolitan / jobs-rich areas. A recent [report](#) examining the impacts of zoning reform on property values and housing construction in the Chicago area, for example, found that upzoning did not increase housing supply over a five-year period (2013-2018), and that housing prices increased on the parcels that were upzoned. Compared to the more urbanized areas of the southland, the inland counties offer two significant benefits that might contribute to improving affordability. First, there is more available land for housing construction, and second, homes here are already generally less expensive than in the coastal counties. More homes, at lower prices, are more likely to be built in the inland counties, so long as improved employment opportunities are introduced.

Reducing greenhouse gas emissions: Incentivizing jobs to locate in inland locations is a sure-fire way to reduce commutes and greenhouse gas emissions in support of state climate targets. Two-thirds of Western Riverside County residents currently commute outside of the subregion for work, a key reason why this County's average annual per capita vehicle miles traveled (VMT) of 10,461 exceeds the state-wide average by 210%. The state air resources board estimates that the state will miss its emission reduction targets unless Californians reduce the amount they drive by 25% by the year 2030. Accelerating employment growth in the inland counties is a no-brainer approach to achieving this desired outcome.

Reducing VMT with transit: Despite heavy investments in transit during the last 25 years, a 2018 report prepared for SCAG titled ["Falling Transit Ridership: California and Southern California"](#) concluded that per capita transit trips have mostly been declining in the region since 2007, and have fallen consistently since

2013. While there is evidence to suggest that building housing at higher densities around transit can increase ridership, regional planners and state policy makers should look closely at the significance of what could be achieved by redistributing employment throughout the region.

What lifestyles will people opt for in the future? In the end, the market will respond to what the home-buying public desires. Baby boomers and millennials are key demographic groups that will influence future decisions about what kinds of housing is built in California and where it is located. We're told that boomers are ditching the suburbs for the city, but a cursory google review provides mixed results on this claim. The same goes for millennial preferences. On the one hand is the assertion that millennials are "all in" for the urban amenities and lifestyle that city life offers. On the flip side, we're informed that [millennials prefer the suburbs](#) and will get there when they are able. Which is it for both of these groups?

Final thoughts: There should be no disagreement that California is woefully short when it comes to meeting its housing needs. And it is great that the Governor is, and now many in the legislature are, putting an emphasis on spurring housing development because it is critical for improving quality of life. The solution to this crisis needs to be multi-pronged, multi-sector, and in particular, mindful of the range of housing needs and desires that exist across the state. Of specific importance is the need to recognize the positive outcomes that can result if policymakers emphasize the role that economic development, specifically deliberate actions to incentivize the creation/placement of jobs in housing-rich areas, will bring.

Rick Bishop

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CALENDAR OF EVENTS



[CLICK HERE](#)

