From: Fred Allebach
To: mayor@cityofberkely.info; Fred Castro; David Rabbitt; jmackenzie@rpcity.org
Subject: Public Comment for ABAG 10/15/20 Executive Board meeting
Date: Saturday, October 10, 2020 11:50:38 AM
Attachments: ABAG Excutive Board letter.docx

External Email

Fred Allebach
PO Box 351
Vineburg, CA 95487

10/10/20

Public Comment for ABAG 10/15/20 Executive Board meeting
Concerning whether to approve the RHND Option 8a

President Arreguin, Supervisor Rabbitt, Council Member McKenzie and members of the ABAG Executive Board,

I respectfully ask you to please read my comments. I believe I have strong points to support asking you to **please vote NO on Option 8a** and send it back to re-do the RHND formula and get higher RHNA allocation numbers for the City of Sonoma *and* the contiguous Springs unincorporated urban area of Sonoma County.

Option 8a is unfair for Sonoma and the Sonoma Valley urban cluster. Here are my reasons.

Option 8a reduced Sonoma's RHNA allocation from 480 to 330. No one in the public knows what other ABAG, RHND options were considered.

From 2000 -2020 (from RHNA website data), the city of Sonoma under-produced moderate, low and very low units by 236 and over-produced above moderate by 293 units. This shows that Sonoma has sorted more and more to the high end and become more segregated.

A 2019 City of Sonoma-sponsored public meeting series called Housing Our Community was held. 30-50 civically active, well-informed members of the public attended each of the three meetings. The consensus public recommendation for Sonoma over the 6th RHNA cycle was for 735 new units with 52% being deed-restricted.

Sustainable Sonoma, a broad coalition of local interest groups (from the local Chamber to environmental groups to social equity advocates) endorses higher housing numbers of all types, and especially for affordable housing. As a member of the Sustainable Sonoma council, and a Housing Our Community series participant, I can say that there is substantial public

opinion that would not back a letter from the city asking the RHND methodology committee to lower the city's RHNA allocation. We were not asked to weigh in.

Sonoma's population is 11,000 but the city is immediately ensconced in an urban cluster of 32,000 that would be the fourth largest city in the county after Rohnert Park. The notion that the City of Sonoma is a discreet, small, rural town is simply not true. Sonoma is an island of privilege inside a larger 32,000 person urban cluster where the majority of people are disenfranchised and where Sonoma's 11,000 people have a whole city government to themselves.

The US Census shows Sonoma to be 87% white and 77% non-Hispanic white, while the contiguous Springs unincorporated area is 50% Latino. There are 11,600 Latinos in the Springs urban area.

There are US Census disadvantaged communities in the Springs where area median incomes are in the low and very low categories.

Numerous local studies show serious Sonoma Valley Inequity: Hidden in Plain Sight study, Economic Development Board demographic study, Hanna Institute Foralezas study, North Bay Jobs With Justice's State of Working Sonoma Fall 2018. The City of Sonoma's upscale, exclusivity stands in stark contrast to its "other side of the tracks", displaced workforce.

How does Sonoma get to lower its RHNA allocation for 480 to 330 when its workforce only gets a diffuse county RHNA allocation that does not address the unified need here in Sonoma Valley? The notion that Sonoma needs to protect its small town character and have adjustments made in Option 8a for its unique regional geography is belied by the demographic stats of the unified urban cluster here, by the number of people already displaced by gentrification, and by the demonstrable Sonoma RHNA under-performance in creating affordable housing.

If Sonoma County's own RHNA does not account for Sonoma Valley's discreet demographic situation, and bump up the RHNA allocation for the Springs, this will in effect further disenfranchise local Latinos, and also allow Sonoma to lower its RHNA allocation with Option 8a, and skate as the same kind of Huntington Beach fantasy island that the RHNA fair share housing policy is supposed to directly address and mitigate.

This whole picture demonstrates that the real housing needs here are being elided by a municipal shell game where Sonoma tries to protect its privilege and lower its RHNA allocation while the Springs keeps getting the short end of the stick.

I suggest not approving Option 8a for Sonoma, and reinstating the Option that had 480 as the

RHNA allocation.

Thank you for your consideration.
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I suggest not approving Option 8a for Sonoma, and reinstating the Option that had 480 as the RHNA allocation.

Thank you for your consideration.
Fred Allebach

CITY of BELVEDERE

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October 13, 2020

Mayor Jesse Arreguín, President
Association of Bay Area Governments, Executive Board
375 Beale Street, Suite 700
San Francisco, CA 94105-2066

Dear Board President Arreguín,

On behalf of the City of Belvedere, please accept this letter of comment on the proposed Regional Housing Needs Allocation (RHNA) methodology recommended by the Housing Methodology Committee (HMC). We request that these comments be read and considered in advance of the October 15, 2020 ABAG Executive Board meeting where the recommended methodology will be discussed, because we believe a flaw in the methodology may defeat the chances of progress you seek to achieve.

The City of Belvedere appreciates the dedication of the officials, staff members and volunteers in seeking to develop a methodology and to achieve consensus on an appropriate distribution of 441,000 new housing units. It is a daunting undertaking, given the complexities among competing goals: housing supply and affordability; climate change; and transportation infrastructure and funding.

Belvedere has a population of fewer than 2,000 residents, and is located within a constrained land area of only .54 square miles surrounded on three sides by water, that is almost totally built out. While we have taken concrete actions to meet our housing needs allocation, no amount of effort, incentives or policy changes would be enough to add the number of units allocated to Belvedere under the methodology proposed by the HMC. Creating 160 units in this confined space of privately held land is simply unattainable.

Belvedere completed its housing element update process for the fifth cycle of State-mandated housing element updates (2015-2023). In May of 2015, the City Council approved the adoption of the Housing Element and the associated environmental document. At that time, and as part of the Housing Element update, the City also adopted amendments to the City of Belvedere

Zoning Ordinance (Title 19 of the Municipal Code) in order to implement specific programs in our 2030 General Plan Housing Element and to comply with the California Department of Housing and Community Development State laws. These include:

- amendments to "Transitional and Supportive Housing," as a permitted use in all residential Zoning Districts;
- amendments to comply with the State density bonus law (Government Code Section 65915 et seq.); and
- provision for reasonable accommodation for persons with disabilities seeking equal access to housing under the Federal Fair Housing Act and the California Fair Employment and Housing Act (the "Acts") in the application of zoning laws and other land use regulations, policies and procedures.

The City received a letter from HCD, dated May 18, 2015, stating that the adopted Housing Element was in full compliance with State Housing laws.

Additionally, in 2017, 2018 and 2019, code amendments were adopted regarding Accessory Dwelling Units and Junior Accessory Dwelling Units to further comply with State law (Government Code sections 65852.2 and 95852.22). Our planning officials regularly meet with project applicants to encourage private implementation of these laws and policies.

Thus, Belvedere has been active in taking steps to meet regional housing needs.

We recommend that the Executive Board take ABAG staff's July 2020 suggestion to incorporate the Draft Blueprint in the RHNA methodology by using each jurisdiction's share of Household Growth from 2010 to 2050 as the baseline. ABAG staff stated in their July 9, 2020 meeting materials that this approach is consistent with how long-range forecasts have been used in past methodology development. The advantages of this baseline were summarized by ABAG staff this way (July 9, 2020, HMC Meeting #8, Item 6a, Attachment A, Page 3):

- Simple and straightforward to implement and discuss (e.g., "the methodology aligns with growth predicted by Plan Bay Area 2050")
- Integrates transit, hazards, and market feasibility through strategies and modeling
- Better aligned with Plan Bay Area 2050
- Emphasis on current and future employment development patterns leads to RHNA allocations more focused in Silicon Valley, region's largest job center
- Higher RHNA allocations in high resource areas near major job centers – notably in the South Bay

Belvedere endeavors, within its significant topographical constraints, to encourage the development of new housing. Without modification, however, the recommended HMC methodology would result in unrealistic housing quotas during the 2023-2031 RHNA cycle that would be impossible to achieve. It is common knowledge that setting impossible goals reduces the incentive to reach any goal at all. Accordingly, we strongly urge that you rethink the allocation methodology as indicated above.

We appreciate your consideration of these comments. Do not hesitate to contact us if we can be of further assistance.

Best Regards,

Nancy Kemnitzer

Nancy Kemnitzer
Mayor

City of Brisbane
50 Park Place
Brisbane, CA 94005-1310
415-508-2100
415-467-4989 Fax

October 14, 2020

ABAG Executive Board
375 Beale Street, Suite 800
San Francisco, CA. 94105-2066

Subject: Proposed RHNA Methodology

Dear ABAG Executive Board,

The City of Brisbane is writing in opposition to the Plan Bay Area 2050 (PBA 2050) Households as the baseline for the regional housing needs allocation (RHNA) methodology before the ABAG Executive Board on October 15, 2020. While the City understands the rationale for utilizing the projections from draft PBA 2050 as applied to Brisbane, it results in an unrealistic allocation based on inaccurate information of the available developable land in the City. And ultimately, this outsized burden on Brisbane will result in less housing production in the Bay Area region overall at a time when our state critically needs it.

There are important limits on Brisbane's ability to dramatically expand in size. The Baylands, the City's largest opportunity site for future housing, includes areas that are not suitable for housing development, not because of local preferences but due to environmental hazards and existing regional uses that cannot be diverted to other jurisdictions. Brisbane's dramatic increase in growth projections in the PBA 2050 model are largely driven by the assumption that the entire Baylands area and areas designated with existing uses are available for housing development. It is critical that the Executive Board accounts for these limitations and develop planning projections that will actually serve to expand housing availability.

Specifically, the Brisbane Baylands includes an unregulated landfill that is environmentally hazardous and unsuitable for housing development. This accounts for a significant portion of the Baylands, covering roughly 364 acres. The clean-up required is significant and based on a previous EIR of the area would take the better part of a decade to remediate. Even then, the existing developer has expressed no intention of putting housing on that property due to these hazards. In fact, the state's High Speed Rail Authority has identified the Baylands landfill as a critical location for a train maintenance facility as they develop the peninsula portion of the rail line. These plans demonstrate the point that the landfill area of the Baylands is best suited for industrial use, not housing development.

In addition, Brisbane is home to existing critical infrastructure for the Bay Area region that also needs to be removed from consideration as areas available for housing development. The Recology facility which processes waste from San Francisco, the PG&E energy substation just west of the Baylands, the tank farm which houses fuel used for San Francisco International Airport are all existing uses that are obviously not appropriate for housing development. PBA 2050 does not take those uses into consideration in developing the projections for Brisbane.

The Baylands also includes aquatic resources such as Guadalupe Channel and Brisbane Lagoon, and Icehouse Hill which is home to protected wildlife, which will limit housing development on the property. None of these factors were adequately taken into account in the projections for PBA 2050 that will ultimately inform the RHNA allocations that ABAG develops.

The City's objections to the proposed methodology is not an indication that the City is unwilling to do its part to address the regional housing shortage. In 2018, the residents of Brisbane voted to amend its General Plan to permit the development of housing on the Baylands and approximately double its population and number of housing units. No other City in the region has made this type of bold commitment to help solve the housing problem. And again, the City's residents did this knowing the development of the property, given the significant environmental impacts on the Baylands, will be a huge undertaking for the City in conjunction with the landowner.

PBA 2050 however, projects more than 9,000 households in Brisbane by 2050 where the City currently has approximately 1,900 households. That proposed methodology applied to this RHNA cycle would generate an estimated allocation of 2,819 units, within a single 8-year RHNA cycle. And this is the more conservative approach that ABAG is considering. The Modified Option 8A that some jurisdictions are advocating would result in Brisbane being saddled with 7,591 units of housing in one RHNA cycle. For context, our current RHNA obligation is 83 units of housing, and we've already started planning for more than 1,800 units. The PBA's projection that the City quadruple this commitment is absolutely unrealistic given the geography of the City and impossible given the decades and costs of the environmental cleanup that would be required before most parts of the Baylands could even be suitable for housing. The lack of adequate consideration of these constraints in PBA 2050 creates a starting point for Brisbane that sets our City up to fail and to suffer the funding penalties for failure. Brisbane continues to work with ABAG and MTC to incorporate these limiting factors into the planning process as they will improve the accuracy of the regional model.

The RHNA consequences of relying on these figures will be dire for the City of Brisbane. Establishing such an unattainable target will not increase housing production or further fair housing as the statutory objectives for the regional housing allocation require. Instead this target will put Brisbane in a perpetual state of failure that has real consequences for our residents that affect City planning, housing development allowances, and economic investment in the area. And when Brisbane is unable to meet this impossible allocation, it will mean the entire region continues to lag behind appropriate planning and development overall.

Do not confuse the City's objections to the proposed methodology as an indication that the City of Brisbane is unwilling do to its fair share (and more) to address the regional housing problem. We stand ready to do that in an environmentally responsible manner. In this spirit, the City of Brisbane looks forward to continuing these conversations with ABAG and getting to a result that is achievable for the City and the region.

Thank you for your consideration.

Sincerely,

T O'Connell

Terry O'Connell
Mayor, City of Brisbane

SUSAN CANDELL

October 14, 2020
Re: Item 7a Recommendation for Regional Housing Needs Allocation (RHNA) Proposed Methodology

Dear ABAG Executive Board,

I am the Vice Mayor if the City of Lafayette but am responding as a private resident.

The City of Lafayette signed a letter along with the Mayor's Conference of Contra Costa County opposing the Option 8A which places housing far from jobs and does not consider climate change which is counter to your prior goals. I agree with this opposition and feel that housing still should be close to jobs, but that is not the intent of this letter.

Instead, I would like to address the total housing allotments from HCD for the Bay Area. I had the pleasure of listening to Gab Layton's review from the Embarcadero Institute[1] (attached) showing how HCD over-counted allotments by 900,000 units in our state. This was due to both a double-count and an inaccurate vacancy rate for homes in our state. But these errors resulted in a huge difference between what our last housing cycle would have considered as true projections and now this cycle's projections. She merely ran their own analysis with the correct numbers with vastly different results.

In addition, in Freddie Mac's assessment[2] (attached) for California, they estimated that California only needs 820,000 units, not the mythical 3.5 million contained in our current projections.

32 cities in Orange County wrote a letter (attached) to SCAG to oppose their allocations based on these two reports. They are asking to assess HCD's allocation to the SCAG region, and include the Bay Area also needs to be re-examined.

Both analyses show inaccuracies in the projections, and both were PRE-COVID. ABAG and MTC have not successfully provided any strategy for dealing with the Bay Area in a post-COVID world, which is quickly becoming our reality. This should be a CORE objective for regional planners, and we should be setting up working groups to acquire our own data in terms of jobs, housing, traffic, public transportation ridership and population. We as a region need to learn to fight today's battles, not yesterdays.

I urge you to re-assess the allocations based on this new and credible data.

With appreciation,

Susan Candell
Vice Mayor, City of Lafayette

[1] https://embarcaderoinstitute.com/portfolio-items/double-counting-in-the-latest-housing-needs-assessment/
[2] http://www.freddiemac.com/fmac-resources/research/pdf/202002-Insight-12.pdf

1085 Martino Road, Lafayette, CA 94549
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Economic & Housing Research **Insight**

FEBRUARY 2020

The Housing Supply Shortage: State of the States

The United States suffers from a severe housing shortage. In a recent study, The Major Challenge of Inadequate U.S. Housing Supply, we estimated that 2.5 million additional housing units will be needed to make up this shortage. Our earlier study used national statistics, treating the United States as a single market. What happens when we look closer, basing the analysis at the state level?

When we account for state-level variations, the estimated housing deficit is even greater in some states because housing is a fixed asset. A surplus of housing in one area can do little to help faraway places. For example, vacant homes in Ohio make little difference to the housing markets in Texas. We estimate that there are currently 29 states that have a housing deficit, and when we consider only these states, the housing shortage grows from 2.5 million units to 3.3 million units.

We estimate that there are currently 29 states that have a housing deficit, and when we consider only these states, the housing shortage grows from 2.5 million units to 3.3 million units.

Unsurprisingly, the states with the most severe housing shortage are the states that have recently attempted to loosen zoning policy regulations. States like California, Oregon, and others have undertaken policy action to address this issue. California, for example, has been working on chipping away at single-use zoning while Texas has passed a density bonus program, an ordinance which amends the city code by loosening site restrictions and promoting construction of more units in affordable and mixed-income housing developments. Oregon was one of the first states to pass legislation to eliminate exclusive single-family zoning in much of the state. The Minneapolis City Council voted to get rid of single-family zoning and started allowing residential structures with up to three dwelling units in every neighborhood. We took a deep dive into the supply/demand dynamics to analyze state-level variations.

Accounting for housing supply/demand conditions

To estimate housing supply, we rely on U.S. Census Bureau estimates of the total number of housing units in each state. These estimates include single-family homes, apartments, and manufactured housing. We compare supply to our estimates of housing demand. We first focus on static estimates of housing demand, and then we consider the impact of interstate migration.

Our estimate of housing demand relies on two components. First, we need an estimate of long-term vacancy rates (v^*). Second, we need an estimate of the target number of households (h^*).[1] The estimates of v^* and h^* give an estimate of housing demand (k^*) using the formula:

$$k^* = \frac{h^*}{1 - v^*} \quad Eq(1)$$

Vacancy rates

As we discussed in our earlier study, for the housing market to function smoothly, year-round vacant units are needed. Vacancy rates are often used to track the vitality of the housing market. Too high of a vacancy rate reflects a moribund market, while too low of a rate means demand is outstripping supply. Our previous research estimated the average U.S. vacancy rate to be around 13%.

For long-term vacancy rates (v^*), we use historical estimates of vacancy rates in each state as well as the share of the state in the housing stock to obtain the state weight. We compute the weighted average national vacancy rate for the U.S. and then estimate the deviation of the state vacancy rate from the average national vacancy rate (see **Appendix 1.1** for a detailed methodology). We use each state's average from 1970 to 2000 as the estimate for v^* because this was the period before the boom and the bust in the housing market began. Historical vacancy rates vary dramatically by state. States like Vermont and Maine tend to have high vacancy rates because a large fraction of the housing stock serves as vacation/second homes. On the other hand, states like California tend to have very low vacancy rates.

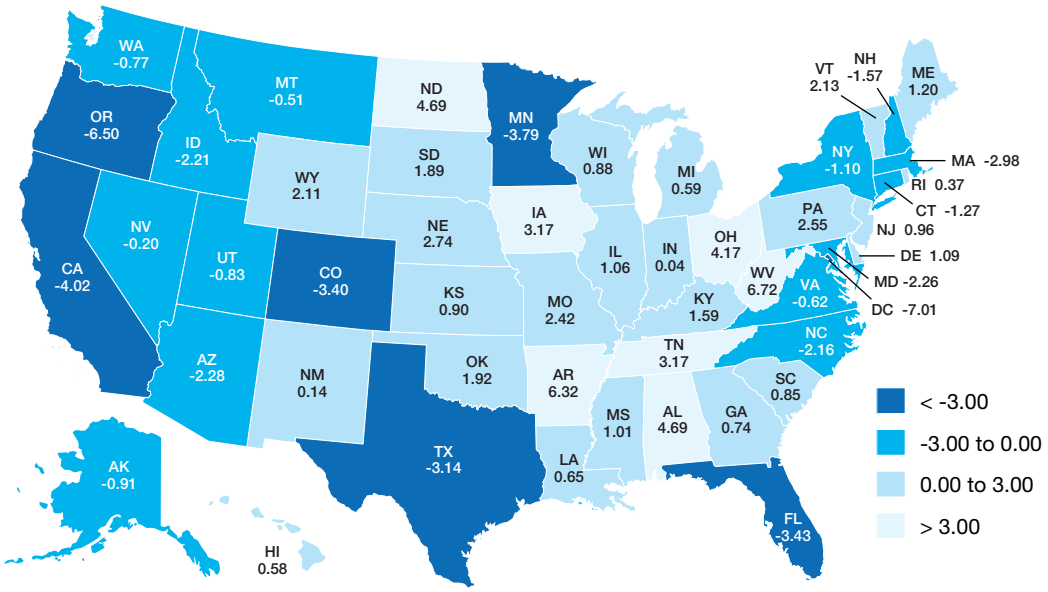
1 The target number of households is the number of unconstrained households that would have formed if households did not face any constraints related to housing costs.

It is interesting to compare each state's long-term vacancy rate (v^*) to recent estimates (v). This measure estimates the number of housing units needed to close the gap between the current vacancy rate and long-term average rates. **Exhibit 1** shows the difference between the estimated vacancy rate in 2018 and the long-term vacancy rate for each state. States like Oregon, California, and Minnesota have much lower current vacancy rates compared to their historical averages, while states like West Virginia, Alabama, North Dakota, and Ohio have witnessed an increase in the vacancy rates as the populations of these states have decreased.

Exhibit 1

Difference between 2018 vacancy rate and historical vacancy rate

States that are losing (gaining) population have high (low) vacancy rates.



Source: Author's calculations based on CPS, HVS, and Moody's Analytics estimated data.

Target households

Our previous research has shown that high housing costs have constrained household formation. These high housing costs have hit the Millennial generation particularly hard. To overcome these cost barriers, some young adults have turned to shared living arrangements. Others have moved back home with parents. As a result, there are more than 400,000 missing households headed by 25- to 34-year-olds (households that would have formed except for higher housing costs).

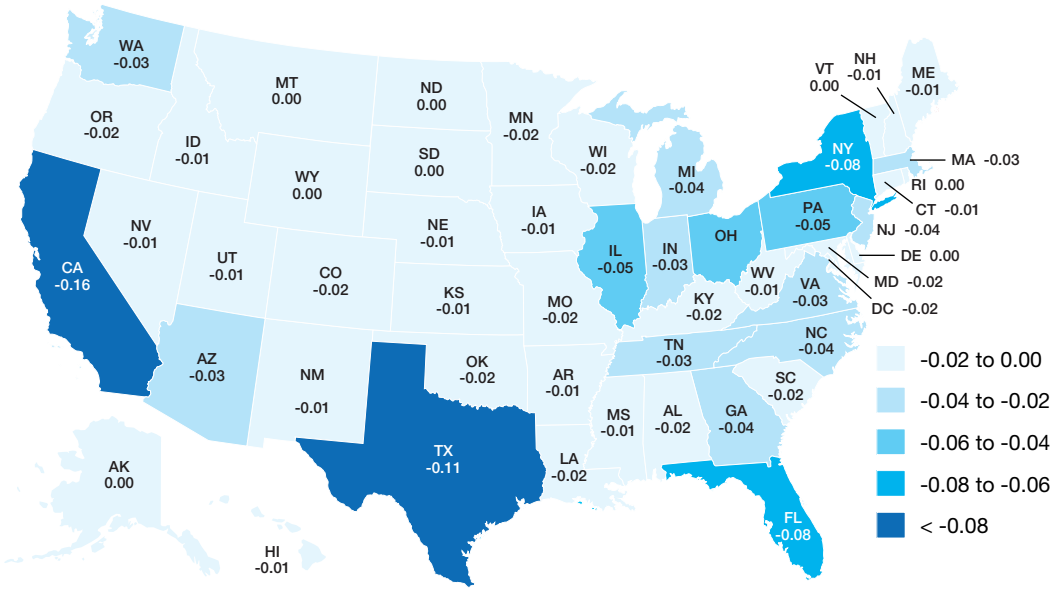
While high housing costs have hit young adults hardest, they have affected all age groups. If housing costs were lower, more households would form. We use our model estimates of the number of households reduced due to unusually high housing costs and add them back. We do this for each age group (see **Appendix 1.2** for more details.)

Due to different age profiles, the share of missing households varies by state. **Exhibit 2** plots the share of missing households due to housing costs for each state. In general, states with relatively lower vacancy rates have proportionally more missing households.

Exhibit 2

Missing households due to high housing costs (millions)

States with relatively lower (higher) vacancy rates have proportionally more (fewer) missing households.



Source: Author's calculations based on American Community Survey data.

Static estimate of housing deficit

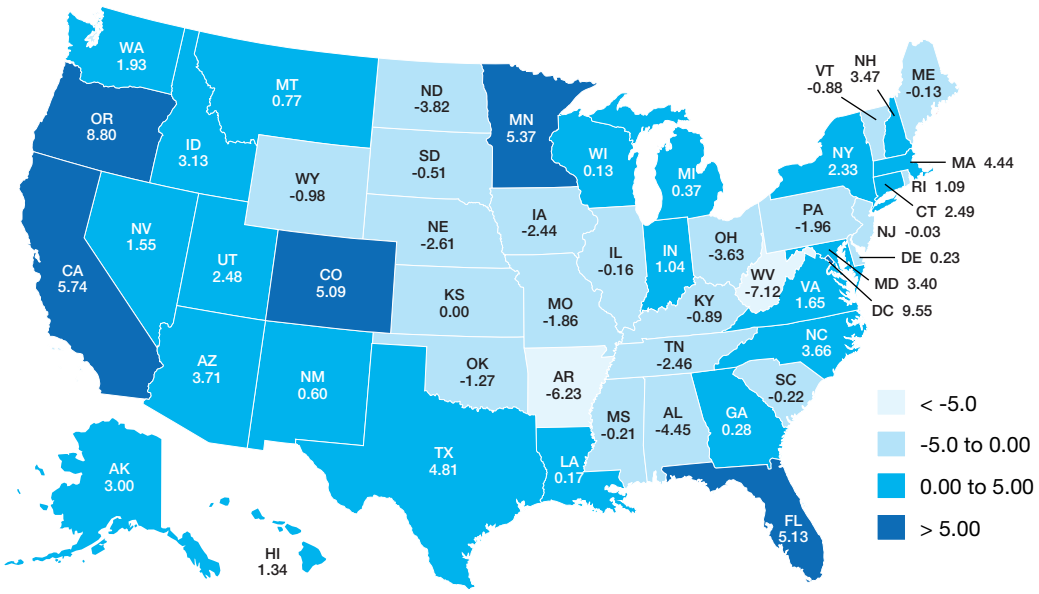
We combine our target vacancy rate and target households to estimate housing demand. Subtracting our estimated housing demand from the Census estimate of housing supply gives us the estimated housing deficit. **Exhibit 3** shows our results by state.

As a percent of the housing stock, the state housing supply deficit varies from -7 to 10%. Excluding the District of Columbia, Oregon has the largest deficit (nearly 9%) followed by California (nearly 6%).[2] Some states have a negative deficit, meaning they are oversupplied. According to our estimate, 21 states are oversupplied, the largest being West Virginia, at more than 7%.

Exhibit 3

Housing stock deficit as proportion of a state's housing stock (static estimate not considering interstate migration flows)

A static view suggests that 29 states have a housing undersupply.



Source: Author's calculations.

2 The District of Columbia had the highest deficit as a share of the existing housing stock at 9.7%.

Impact of migration on the housing deficit of the states

While houses stay in place, people do not. Job growth attracts in-migrants, while a dearth of opportunity drives out-migration. High housing costs also contribute to migration patterns. When the rents get too high, people move away. This dynamic can impact our estimates.

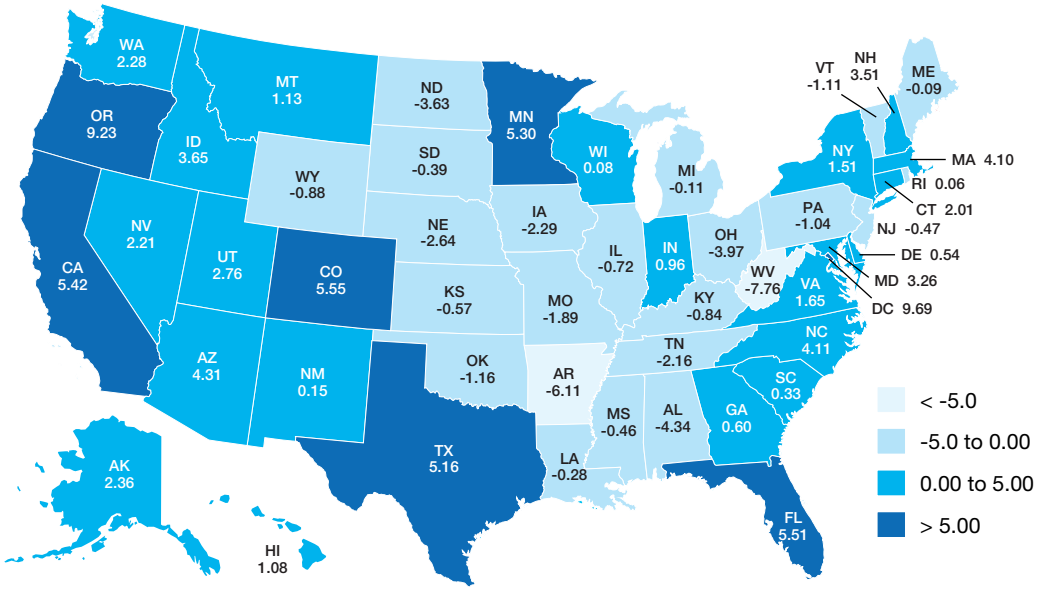
It's helpful to consider the case of California. Our estimates indicate that California has a shortage of 820,000 housing units. But history suggests that California's shortage may be overestimated if interstate migration is considered. For more than four decades, California's state population has grown, but this increase has been driven primarily by international migration. High housing costs have driven many U.S. citizens and households out of California, driving housing demand higher in their destination states.

A robust model of domestic migration flows between states is beyond the scope of this study. But we can approximate how migration may affect our estimates. We can use the historical average of state-to-state migration flows as a forecast of future flows. If the future interstate migration exactly matches past flows since 2001, we can create a rough, but useful approximation (**Exhibit 4**).[3]

Exhibit 4

Housing stock deficit as proportion of state's housing stock (dynamic estimate considering interstate migration flows)

A dynamic view indicates that some states' deficit is overestimated, like California, while others' is underestimated, like Texas. Some states, like Michigan, move from a deficit to a surplus.



Source: Author's calculations.

3 We used the average net migration flows between states from 2001 to 2017 for the past flows.

For example, when considering migration flows, the estimated housing demand in Michigan changes from deficit to surplus; Ohio's surplus increases; and Florida's deficit increases (see **Appendix 1.3** for details on our estimation method).

Given the severity of the problem, states have started addressing the issue of supply shortages by taking legislative action. Some of these states such as California, Oregon, Minnesota, and North Carolina have passed legislation to eliminate exclusive single-family zoning. Removing these zoning restrictions will provide builders with the flexibility to build a range of housing options which could help alleviate some of the shortage.

Conclusion

A shortage of housing remains a major issue for the United States. Years of underbuilding has created a large deficit, particularly for states with strong economies that have attracted a lot of people from other states. The issue of undersupply will be further exacerbated as Millennials and younger generations enter the housing markets, especially as housing costs become more favorable.

Dynamic estimates suggest that contrary to expectations, it isn't only the larger states that have a higher housing supply shortage. Some of the smaller states, which have been attracting a lot of migrants from other states, also need to build more housing units to accommodate the needs of their growing population.

Appendix

1.1 Vacancy rate calculations

We calculate the vacancy rate based on the historical vacancy rate. For this purpose, we obtain the historical vacancy rates by state from Moody's analytics for the period from 1970 to 2000[4] and estimate the average vacancy rate for this period for each state.

$VR_i = average(VR_i)$ for 1970–2000,

where i is the state.

We then obtain the housing stock information by state from the Housing Stock (HVS) ('000s) U.S. Census Bureau (BOC): Housing Vacancies and Homeownership–Table 8–Quarterly Estimates of the Housing Inventory. From these data, the share of the state in the total housing stock is calculated to get the state weights.

$$w_i = \frac{K_i}{\Sigma_i K_i}.$$

The sum product of the vacancy rate of the state and the state's weight in the housing stock gives us the U.S. average vacancy rate.

U.S. average vacancy rate: $VR = \Sigma_i VR_i * w_i$.

We then compute the difference between the state vacancy rate and the average U.S. vacancy rate to see how far away the state is from the U.S. average.

$$D_i = VR_i - VR.$$

This deviation for the states is then applied to the long-run vacancy rate for the United States (which we estimated earlier to be 13%) to get the state-wise vacancy rate.

State-wise Vacancy Rate = 13% + Di for each state.

1.2 Estimating target households

We obtain the headship rates[5] for the year 2018 by state and by age for all the 50 states and District of Columbia.[6] We then estimate target households using this headship rate and adding back housing

4 Data is available from 1970:Q2 onward. We estimate the average for the period up to 2000:Q4. This corresponds to the period before the boom and bust in the housing market began.
5 Headship Rate = Number of Head of Households/Total Households.
6 Data source: Current Population Survey–Annual Social and Economic Supplement (CPS-ASEC) using the Integrated Public Use Microdata Series (IPUMS) (Steven Ruggles, Sarah Flood, Ronald Goeken, Josiah Grover, Erin Meyer, Jose Pacas and Matthew Sobek. IPUMS USA: Version 9.0 [dataset]. Minneapolis, MN: IPUMS, 2019.)

costs assuming that housing costs become more favorable for household formation. The target headship rate would be

$$hr^{*}_{i.j} = hr_{(i,2018)} + \alpha_{(\text{housing costs}, i)}.$$

We then use this target headship rate and the population by five-year age buckets to compute the households in each state.

$$hh^{*}_{i} = \Sigma_{j} hr^{*}_{i,j} * pop_{i,j},$$

where i is the state and j is the five-year age buckets.

The product of headship rate and population by age gives the households by age group. Summing it up over all the ages gives the total households in the state.[7]

1.3 Domestic migration flows between states

For the estimate of the states' share of the deficit, we need to obtain the share of the migration flows between states by age. To get detailed age-wise distribution of population, we use the ACS data from 2001 to 2017. We obtain the population by age and by state for these years. We identify people who had a different state of residence from a year ago, which indicates that they migrated to a different state. We then get estimates of the in-migrants and out-migrants by state and age.

We then estimate the net domestic migrants for each state as the difference between the in-migrants and out-migrants.

$$NM_{i,j} = I_{i,j} - O_{i,j}$$

where i is the state, j is the five-year age buckets, I is the in-migrants, and O is the outmigrants.

To estimate the net outmigrants from states that have a $NM < 0$, we obtain the Moody's historical net domestic migration data. We then apply these shares by state and age to the net migration data for 2018 to obtain the number of people leaving a state by the five-year age bucket.

$$\Delta P^{*}_{i,j,out} = \frac{NM_{i,j}}{\Sigma_{i,j} NM_{i,j}} * P_{m,i},$$

where $P^{*}_{i,j,out}$ is the total change in population (net out-migrants) for states that have net outmigration,

7 These households would be based on the Current Population survey (CPS). To make them consistent with estimates of housing supply from HVS, we apply a multiplier to this gap that is proportional to the gap between the CPS-ASEC and HVS household counts. The CPS-ASEC household estimate for 2018 was 127.6 million. The HVS estimate for that year was 121.3 million. We deflate our target households by a factor equal to 121.3/127.6, or 0.95.

$NM_{i,j}$ is the net out-migrants by age group and state,

$\Sigma NM_{i,j}$ is the sum of the total out-migrants for the state, and

$P_{m,i}$ is the historical net domestic migration data from Moody.

The ratio of $NM / \Sigma NM$ gives the share of the five-year age group in the total out-migrants from the state.

This pool of out-migrants ($P^{*}_{i,j,out}$) is then divided among the in-migrating states, given that the net flows for the country are O.

We distribute these migrants according to the share of the state in the total in-migrants as well as by the share of the age group in the total in-migrants to the state.

$$\Delta P^{*}_{i,j,in} = SI_{i} * SA_{i,j} * \Delta P^{*}_{i,j,out}$$

where $\Delta P^{*}_{i,j,in}$ is the in-migrants to the state i from the outmigrants pool,

SI is the share of the state in total in-migrants,

SA is the share of the five-year age bucket in the total in-migrants, and

$\Delta P^{*}_{i,j,out}$ is the total out-migrants.

The population of each state is then adjusted according to the change in the population estimated above.

$$Population^{*}_{i} = P_{i,j} + \Delta P^{*}_{i,j,out} \ \ if \ \ NM < 0.$$
$$= P_{i,j} + \Delta P^{*}_{i,j,in} \ \ if \ \ NM < 0.$$

The households are then computed based on this adjusted population for each state by applying the headship rates by age group. Then the housing stock is estimated as per equation (1).

Prepared by the Economic & Housing Research group

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www.freddiemac.com/finance

Do the Math: The state has ordered more than 350 cities to prepare the way for more than 2 million homes by 2030. But what if the math is wrong?

Senate Bill 828, co-sponsored by the Bay Area Council and Silicon Valley Leadership Group, and authored by state Sen. Scott Wiener in 2018, has inadvertently doubled the "Regional Housing Needs Assessment" in California.

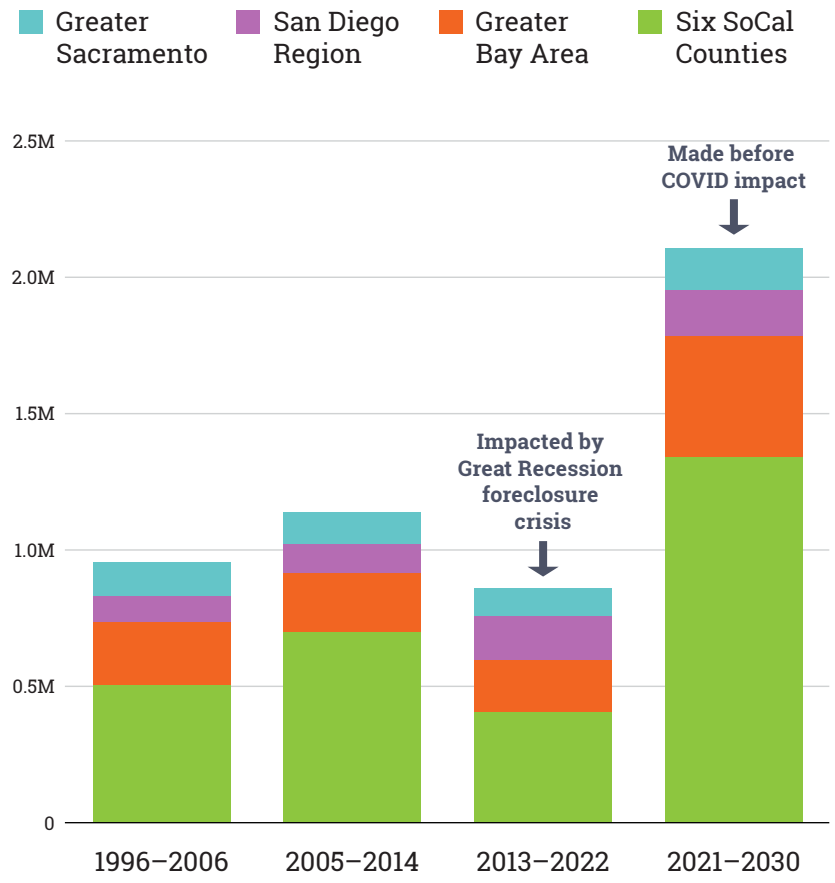
Use of an incorrect vacancy rate and double counting, inspired by SB-828, caused the state's Department of Housing and Community Development (HCD) to exaggerate by more than 900,000 the units needed in SoCal, the Bay Area and the Sacramento area.

The state's approach to determining the housing need must be defensible and reproducible if cities are to be held accountable. Inaccuracies on this scale mask the fact that cities and counties are surpassing the state's market-rate housing targets, but falling far short in meeting affordable housing targets. The innacuracies obscure the real problem and the associated solution to the housing crisis—the funding of affordable housing.

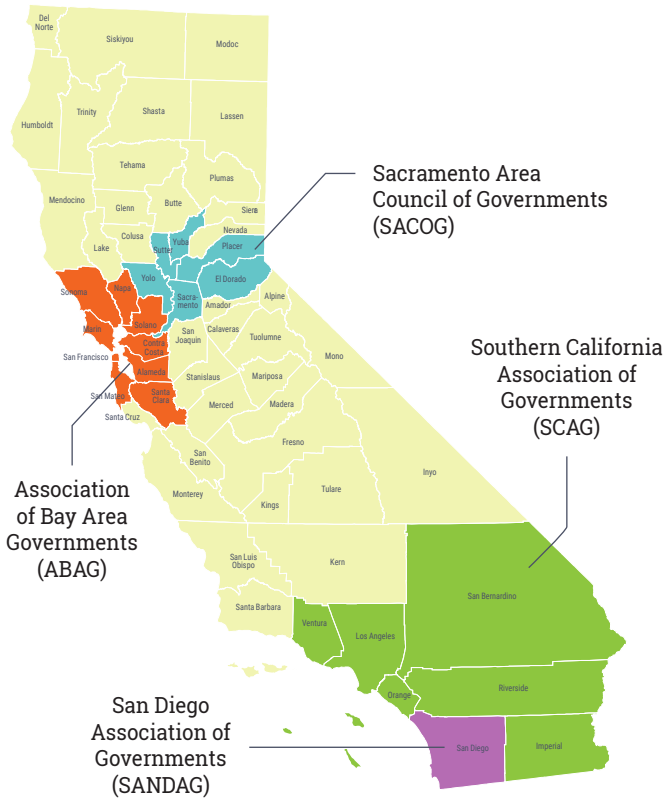
Double counting (not surprisingly) doubled the assessed housing need for the four major planning regions.

Every five to eight years the Department of Housing and Community Development (HCD) supervises and publishes the results of a process referred to as the Regional Housing Needs Assessment (RHNA). Four regional planning agencies cover the 21 most urban counties and account for 80% of California's housing. All four regions saw a significant jump in the state's assessment of their housing need for the years 2021 to 2030.

Housing Units Needed According to the State, (1996–2030)



Four Regions Contain 80% of the State's Housing



The double count, an unintended consequence of Senate Bill 828, has exaggerated the housing need by more than 900,000 units in the four regions below.

California plans for its housing needs in "cycles." The four regions are on cycles that last roughly eight years with staggered start dates. In the 2021–2030 housing cycle, errors introduced by language in SB-828 nearly equal the entire 1.15M units of new housing required during the 2013–2022 "cycle." As illustrated, Southern California and the Bay Area are the most impacted by the state's methodology errors.

Senate Bill 828 was drafted absent a detailed understanding of the Department of Finance's methodology for developing household forecasts, and absent an understanding of the difference between rental and home-owner vacancies. These misunderstandings have unwittingly ensured a series of double counts.

SB-828 MISTAKENLY ASSUMED:

1. SB-828 wrongly assumed 'existing housing need' was not evaluated as part of California's previous Regional Housing Need Assessments, or RHNA. There was an assumption that only future need had been taken into account in past assessments. (In fact, as detailed in The Reality section, the state's existing housing need was fully evaluated in previous RHNA assessment cycles).

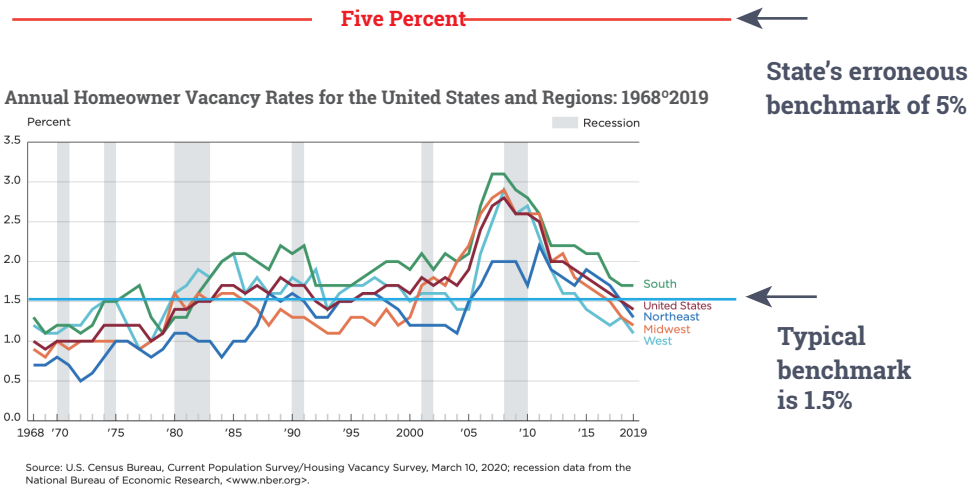
2. SB-828 wrongly assumed a 5% vacancy rate in owner-occupied housing is healthy (as explained in the column on the right, 5% vacancy in owner-occupied homes is never desirable, and contradicts Government Code 65584.01(b)(1)(E) which specifies that a 5% vacancy rate applies only to the rental housing market).

3. SB-828 wrongly assumed overcrowding and cost-burdening had not been considered in Department of Finance projections of housing need. The bill sought to redress what it mistakenly thought had been left out by requiring regional planning agencies to report overcrowding and cost-burdening data to the Dept. of Housing and Community Development (as explained in the right column).

THE REALITY IS:

1. Existing housing need has long been incorporated in California's planning cycles. It has been evaluated by comparing existing vacancy rates with widely accepted benchmarks for healthy market vacancies (rental and owner-occupied). The difference between actual and benchmark is the measure of housing need/surplus in a housing market. Confusion about the inclusion of "existing need" may have arisen because vacancy rates at the time of the last assessment of housing need ("the 5th cycle") were unusually high (higher than the healthy benchmarks) due to the foreclosure crisis of 2007–2010, and in fact, the vacancy rates suggested a surplus of housing. So, in the 5th cycle the vacancy adjustment had the effect of lowering the total housing need. Correctly seeing the foreclosure crisis as temporary, the state Department of Finance did not apply the full weight of the surplus, but instead assumed a percentage of the vacant housing would absorbed by the time the 5th cycle began. The adjustment appears in the 5th cycle determinations, not as 'Existing Housing Need' but rather as "Adjustment for Absorption of Existing Excess Vacant Units."

2. While 5% is a healthy benchmark for rental vacancies, it is unhealthy for owner-occupied housing (which typically represents half of existing housing). Homeowner vacancy in the U.S. has hovered around 1.5% since the '70s, briefly reaching 3% during the foreclosure crisis. However, 5% is well outside any healthy norm, and thus does not appear on the Census chart (to the right) showing Annual Homeowner Vacancy Rates for the United States and Regions: 1968–2019.



3. Unknown to the authors of SB-828, the Department of Finance (DOF) has for years factored overcrowding and cost-burdening into their household projections. These projections are developed by multiplying estimated population by the headship rate (the proportion of the population who will be head of a household). The Department of Finance (DOF) in conjunction with the Department of Housing and Community Development (HCD) has documented its deliberate decision to use higher headship rates to reflect optimal conditions and intentionally "alleviate the burdens of high housing cost and overcrowding." Unfortunately, SB-828 has caused the state to double count these important numbers.

The forced double-counting errors are significant.*

1. Incorrect use of a 5% benchmark vacancy rate for owner-occupied housing.
The vacancy rate was incorrectly used for both existing and projected owner-occupied households.

+ 229,000 housing units

2. Current vacancies were assumed to exist in household projections.
This error is unrelated to SB-828, but is an accounting error introduced by HCD methodology.

– 22,000 housing units

3. Overcrowding and cost-burdening were double counted.**

In addition to the household projection methodology outlined by the Department of Finance (shown to account for overcrowding and cost-burdening), the matter is also mentioned in meeting notes available on the Association of Bay Area Government's (ABAG) website.***

+ 734,000 housing units

> **Quote from ABAG's Housing Methodology Committee Agenda Packet for the 4th RHNA Cycle, July 2006**
>
> "There was also a lot of discussion about the headship rates used by HCD/DOF. Several people commented that headship rates in the Bay Area are generally lower than the State's estimates because the region's high housing costs limit household formation. In response, Mr. Fassinger noted that HCD uses these higher headship rates because the RHNA process is intended to alleviate the burdens of high housing cost and overcrowding."

Despite this, overcrowding and cost-burdening were counted a second time as adjustment factors required by SB-828.

TOTAL: +941,000 housing units

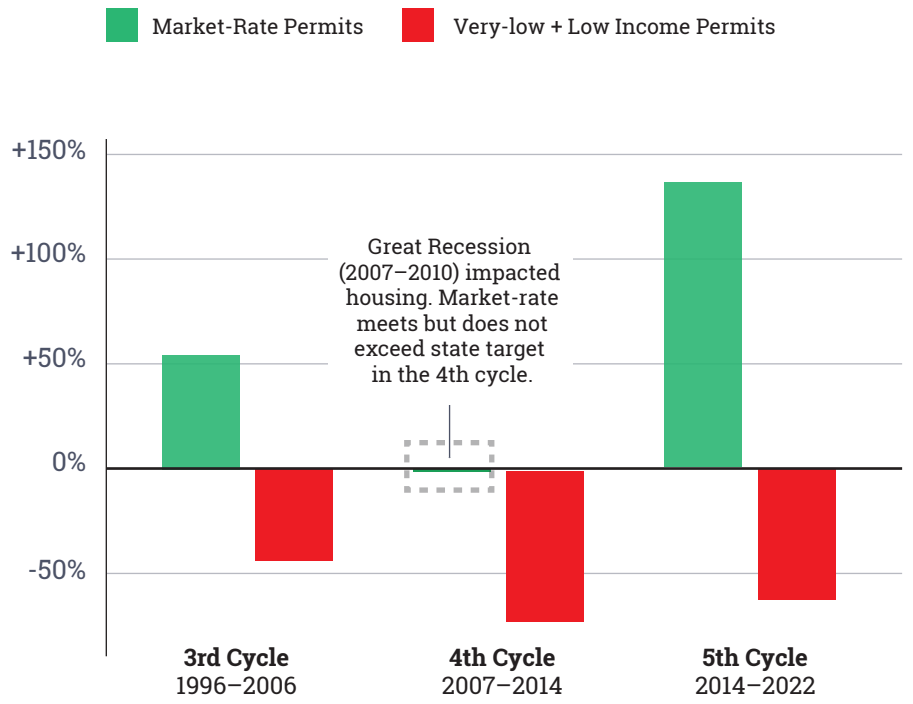
* All errors are rounded to the nearest thousand.
** Overcrowding measures the number of households with more than 1 person per room. Cost-burdening measures the number of households that spend more than 30% of the household income on housing. Cost-burdening is measured by five income levels — extremely low, very low, low, moderate, above moderate
*** P-4 tables are created by the Department of Finance—Household Projection table 2020–2030 and their methodology is fully explained in 'read me' notes that accompany the table.

The state's exaggerated targets unfortunately mask the real story: Decades of overachieving in market-rate housing has not reduced housing costs for lower income households.

The state has shown, with decades of data, that it cannot dictate to the market. The market is going to take care of itself. The state's responsibility is to take care of those left behind in the market's wake. Based on housing permit progress reports published by the Dept. of Housing and Community Development in July 2020, cities and counties in the four most populous regions continue to strongly outperform on the state's assigned market-rate housing targets, but fail to achieve even 20% of their low-income housing target. In the Bay Area where permit records have been kept since 1997, there is evidence that this housing permit imbalance has propagated through decades of housing cycles.

Permit Progress in the 5th Cycle (2013-2022)*
(all 4 regions)

Affordable Housing Languishes as Market-Rate Housing Overachieves
(Bay Area only)*

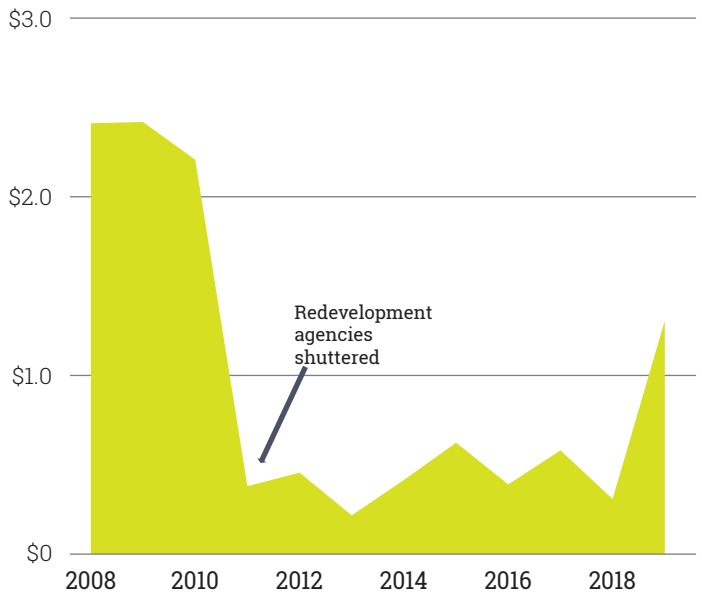


* Based on permit progress reports published by the Dept of Housing and Community Development and updated July 2020, reporting progress through April 2019.
** Only the Bay Area is shown because other regions have not kept detailed records of permit progress through the 3rd and 4th cycles.

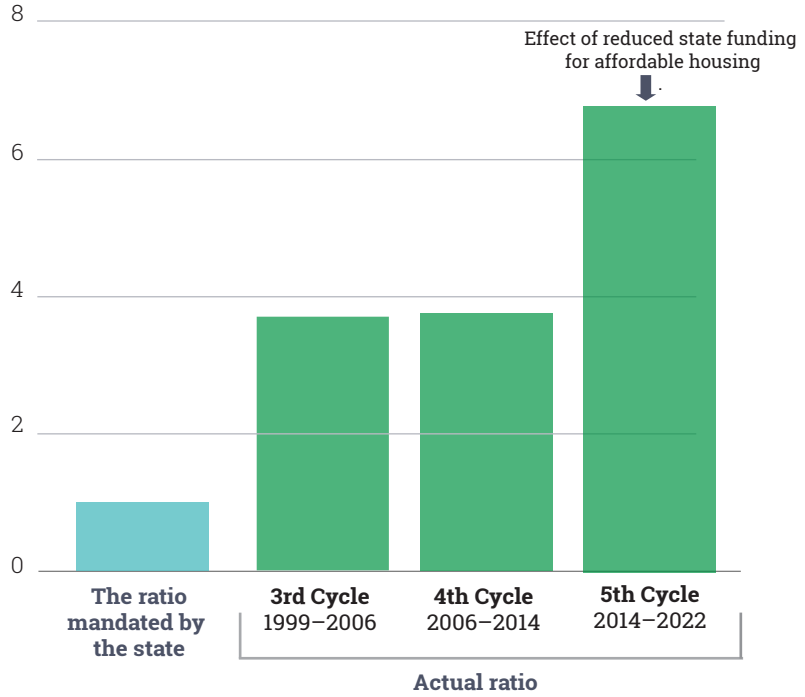
It's clear. Market-rate housing doesn't need state incentives. Affordable housing needs state funding.

Cities are charged by the state to build one market-rate home for every one affordable home. But state laws, such as the density bonus law, incentivize developers to build market-rate units at a far higher rate than affordable units. As a result, California has been building four market-rate units for every one affordable unit for decades. And with the near-collapse of legislative funding for low-income housing in 2011, that ratio has grown to seven to eight market-rate units to each affordable unit. Yet we need one-to-one. This worsening situation can't be fixed by zoning or incentives which are the focus of many recent housing bills and only reinforce or worsen the ever-higher market-rate housing ratios. From the data it appears that the shortage of housing resulted not from a failure by cities to issue housing permits, but rather a failure by the state to fund and support affordable housing. Future legislative efforts should take note.

State Funds for Affordable Housing, 2008–2019*
$ Billion



Market-Rate to Low-Income Housing Permits in the Bay Area has grown from a ratio of 4 : 1 to 7 : 1
(Bay Area only)**



* "The Defunding of Affordable Housing in California", Embarcadero Institute, update June 2020 www.embarcaderoinstitute.com/reports/

** Only Bay Area is shown because other regions have not kept detailed records of permit progress through the 3rd and 4th cycles. Data is from ABAG's permit progress reports for 3rd and 4th cycle and Dept. of Housing and Community Development's 5th cycle Annual Progress Report.

Finally, since penalties are incurred for failing to reach state targets for housing permits, the methodology for developing these numbers must be transparent, rigorous and defensible.

Non-performance in an income category triggers a streamlined approval process per Senate Bill 35 (2017). These exaggerated 6th cycle targets will make it impossible for cities and counties to attain even their market-rate targets, ensuring market-rate housing will qualify for incentives and bonuses meant for low income housing. **Yet again low-income housing will lose out.** The state needs to correct the errors in the latest housing assessement, and settle on a consistent, defensible approach going forward.

At Least Four Different Methodologies Have Been Used Simultaneously by the State to Discuss Housing Need: We Only Need One

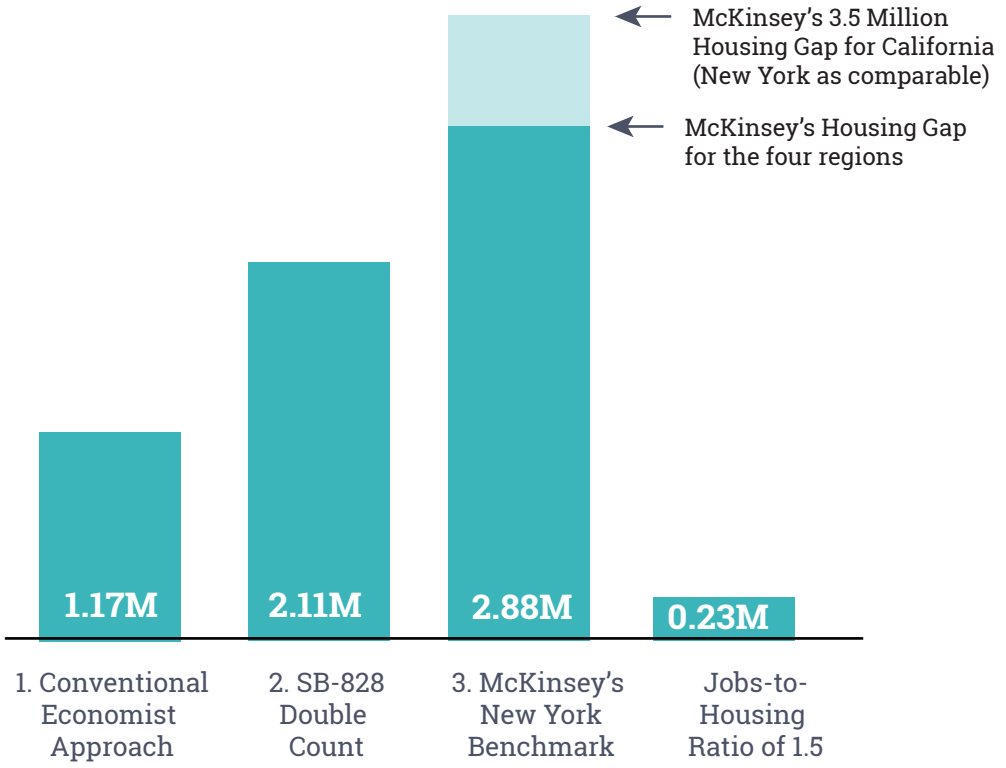
1. **The Conventional Economist Approach**: uses goldilocks (not too big, not too small, just right) benchmarks for vacancies - 1.5% for owner-occupied and 5% for rental housing.

2. **SB-828 Double Count**: incorrectly uses a benchmark of 5% vacancy for owner-occupied housing. It also double counts overcrowding and cost-burdening

3. **McKinsey's New York Benchmark:** the over-simplified approach generated an exaggerated housing gap of 3.5 Million for California. McKinsey multiplied California's population by New York's housing per capita to get 3.5M. New York is not a proper benchmark for California and NY's higher housing per capita is more reflective of NY's declining population rather than a healthy benchmark for housing

4. **Jobs-to-housing ratio of 1.5**: according to state planning agencies 1.5 is the optimal benchmark. Employment in the four regions is estimated to grow to 17 million by 2030 (job growth estimates prepared before COVID).**

Forecast 2030 Housing Need for the Four Regions



* California's Employment Development Department (EDD) estimates employment by county through 2026. Using annualized growth (2016 to 2026) as a basis for future growth 2030 employment is estimated for the four regions.

** The 17 million includes estimates of self employed, private household workers, farm and nonfarm employment. Occupations with employment below 100 in 2016 are excluded.

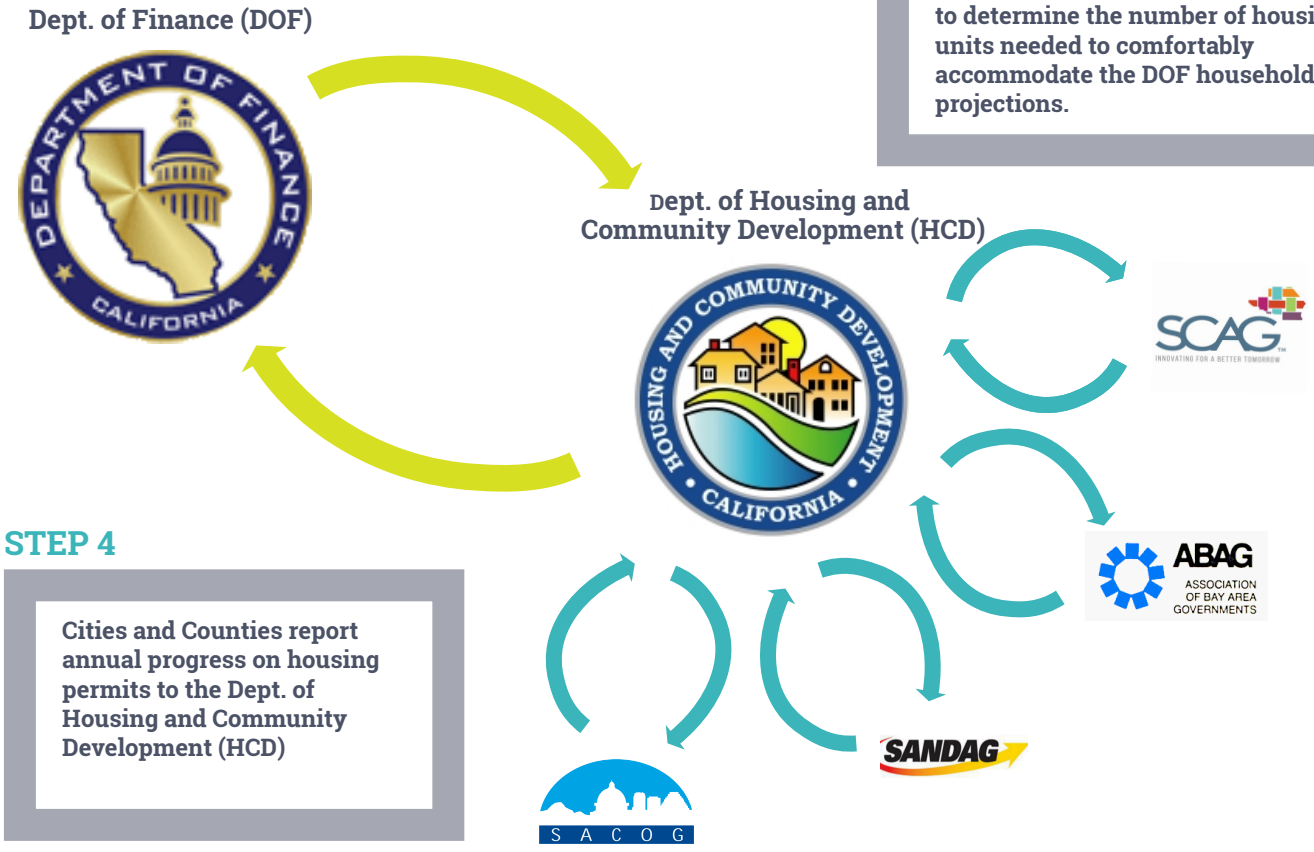
How it Works : A multi-agency collaborative effort has generated past state housing targets. However, in 2018, SB-828 annointed the Dept. of Housing and Community Development with final veto powers.

STEP 1

The Dept. of Finance (DOF) generates household forecasts by county based on population growth and headship rates. This is the step where overcrowding and cost-burdening are factored in .

STEP 2

The Dept. of Housing and Community Development (HCD) then takes the DOF household projections and adds in a healthy vacancy level (1.5% for owner-occupied, 5% for rental housing) to determine the number of housing units needed to comfortably accommodate the DOF household projections.



STEP 3

The regional agencies allocate housing targets to cities and counties in their jurisdiction. These allocations collectively meet their RHNA assessments, and are based on algorithms that may include employment, transit accessibility and local housing patterns

STEP 4

Cities and Counties report annual progress on housing permits to the Dept. of Housing and Community Development (HCD)

SB-828 introduced errors in Step 2 (when the Dept. of Housing and Community Development made adjustments to the Dept. of Finance's household projections).

Southern California and the Bay Area were most impacted by the double counting. San Diego was not assessed for cost-burdening although it is more cost-burdened than the Bay Area. It was perhaps overlooked because its assessment cycle began in July, 2018, a few months before SB-828 passed into law.

The Department of Housing and Community and Development

1. Used a benchmark of 5% vacancy rate for BOTH owner-occupied and rental housing.

Six SoCal Counties	=	**+126,000**
Greater Bay Area	=	**+59,000**
San Diego Area	=	**+23,000**
Greater Sacramento	=	**+21,000**

+228,000 housing units

2. Assumed vacancies in household projections *

Six SoCal Counties	=	**-13,000**
Greater Bay Area	=	**-4,000**
San Diego Area	=	**-2,000**
Greater Sacramento	=	**-3,000**

– 22,000 housing units

3. Double counted overcrowding and cost-burdening

Six SoCal Counties	=	**+578,000**
Greater Bay Area	=	**+104,000**
San Diego Area	=	**+39,000**
Greater Sacramento	=	**+13,000**

+734,000 housing units

* P-4 tables are created by the Department of Finance—Household Projection table 2020–2030 and their methodology is fully explained in 'read me' notes that accompany the table

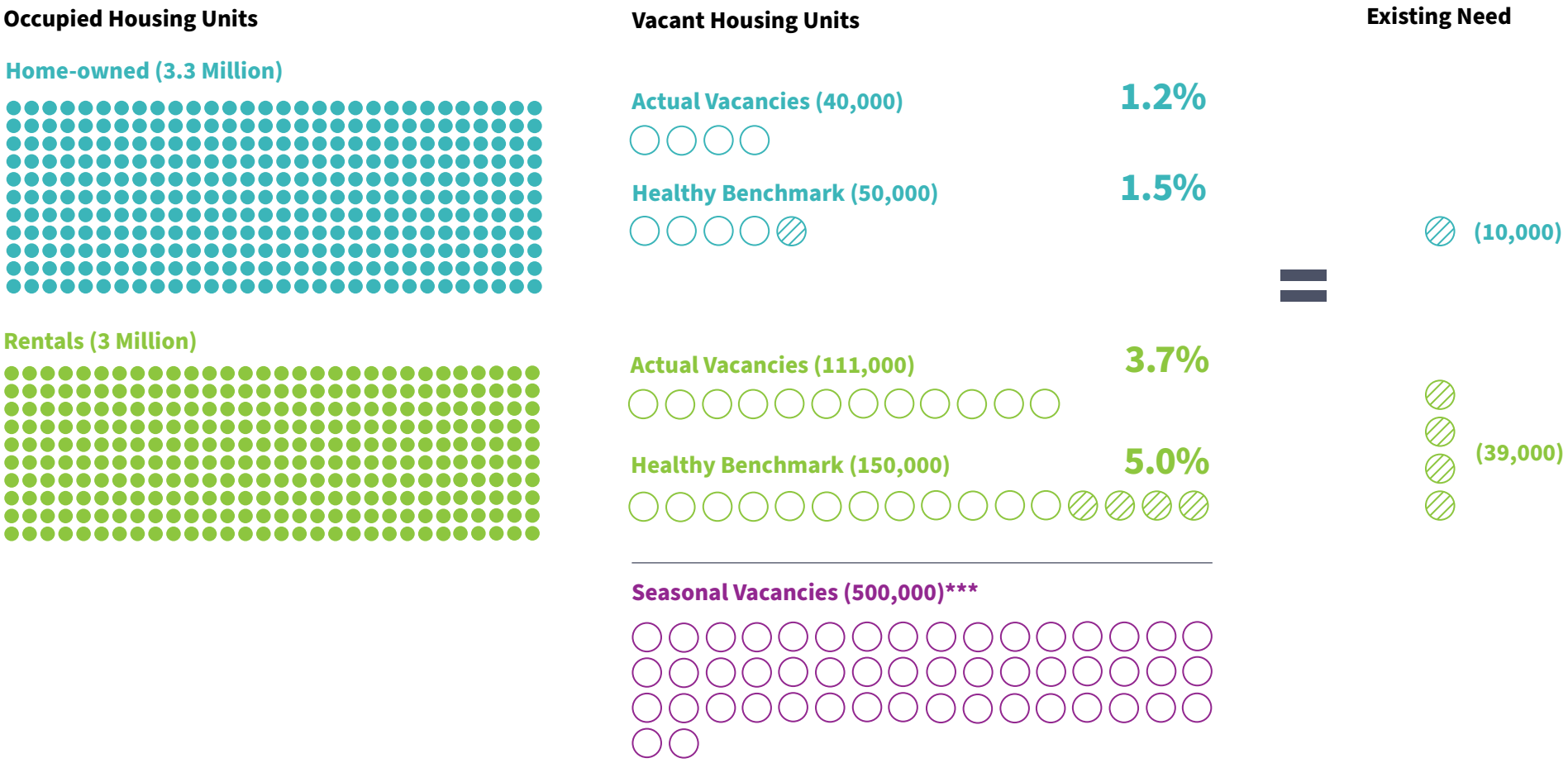
** Overcrowding measures the number of households with more than 1 person per room. Cost-burdening measures the number of households that spend more than 30% of the household income on housing. Cost-burdening is measured by five income levels—extremely low, very low, low, moderate, above moderate.

Detailed explanation of the errors using SoCal Counties as an example: First—the correct approach.

The Department of Housing and Community Development (HCD) have traditionally arrived at a number for pent-up demand or housing shortfall by comparing vacancy rates in owner-occupied and rental housing to healthy benchmarks (1.5% for owner-occupied* and 5% for rental housing). The largest of the four regions, six SoCal Counties (covering Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties) is considered in the example below**.

EXISTING HOUSING: Six SoCal Counties

1 circle = 10,000 households



* Owner-occupied has a lower healthy vacancy rate because it is usually only vacant while a house is for sale
** All numbers are rounded to the nearest thousand.
*** Seasonal Vacancies represent second homes, coprorate housing, and short-term rentals such as AIrBnBs

The housing need also takes into account for future growth.

The Dept. of Finance (DOF) supplies the Dept. of Housing and Community Development (HCD) with an estimate of additional households (HH) needed by the end of the cycle. The DOF forecast the 2030 population and using an optimal household formation rate determine the number of households needed to comfortably house that population*. The DOF also supply the HCD with the number of existing households at the start of the cycle. The HCD adds to the base number of additional households needed, factoring in vacancies for a healthy market, and adding a replacement adjustment (also supplied by the DOF)**.

PROJECTED HOUSING NEED: Six SoCal Counties

1 circle = 10,000 households

* Households represent occupied housing units. The number of housing units is always higher as at any given time than the number of households because some housing will be vacant or unutilized. The DOF is responsible for the base projection because they manage population projections for the state, and determine those by analyzing births, deaths and net migration.

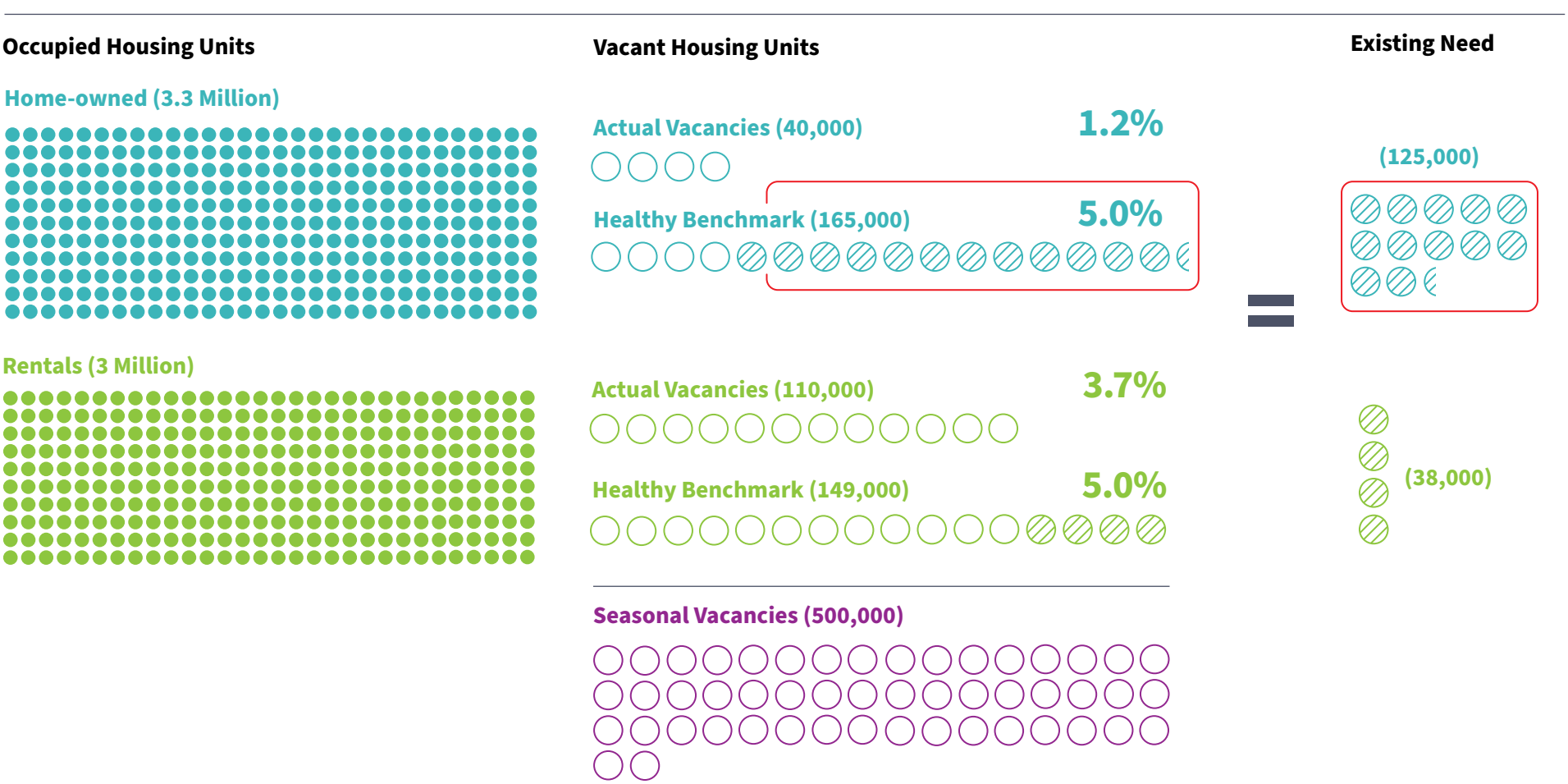
** Replacement represents houses that may be demolished or replaced during the cycle*.

However, the Dept. of Housing and Community Development has adopted an unusual methodology in evaluating existing need in the 6th housing cycle.

Instead of the typical 1.5% benchmark for owner-occupied housing, they used a 5% vacancy rate usually reserved for rental housing. A 5% vacancy in owner-occupied housing is indicative of a distressed housing market. At 5%, SoCal's existing housing need is increased by 115,000 housing units. Existing need for rental housing is unchanged.

EXISTING HOUSING: Six SoCal Counties

1 circle = 10,000 households

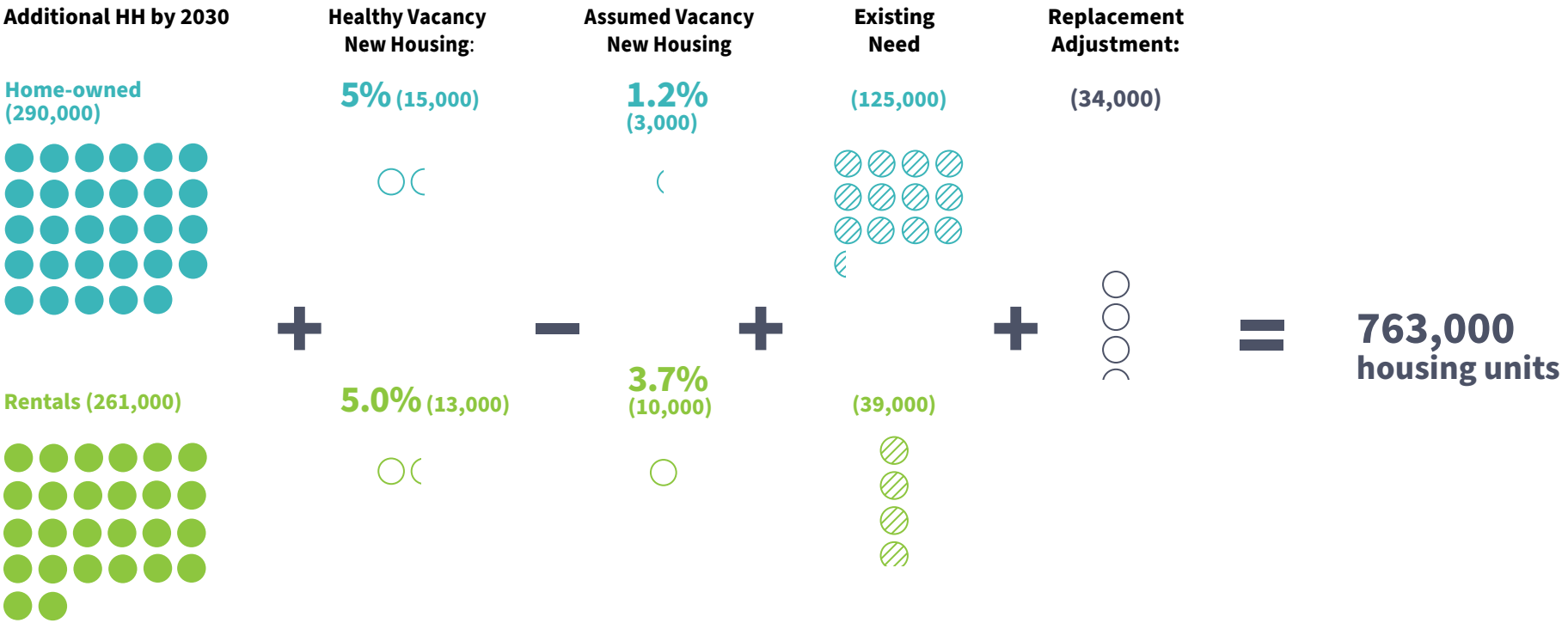


The Dept. of Housing and Community Development have also taken an unual approach in evaluating projected housing need.

Again, instead of using the separate benchmark of 1.5% for owner-occupied housing, 5% was used for all housing. It was also assumed that new projected households had existing vacancies. The full benchmark was not applied to new households. Instead, the difference between the benchmark and the current vacancy rate was applied. The replacement adjustment was applied as it has been in the past.

PROJECTED HOUSING NEED: Six SoCal Counties

1 circle = 10,000 households

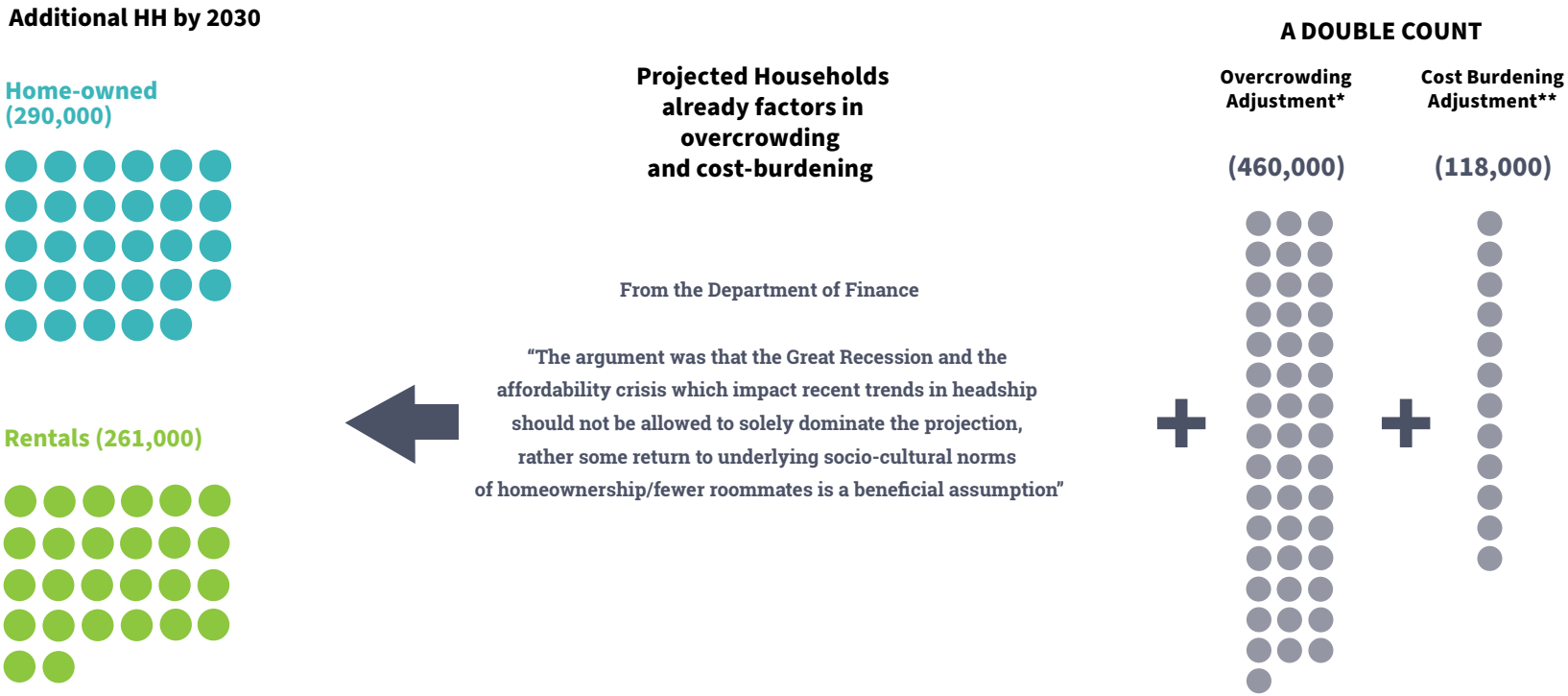


Lastly, the Dept. of Housing and Community Development double counted by adding two new factors that had already been factored into household forecasts made by the Dept. of Finance (DOF).

Two new factors were introduced into the 6th assessment — overcrowding and cost burdening. These factors had already been rolled into the DOF's household projections. The DOF explicitly recognized that regional household formation rates might be depressed (a symptom of overcrowding and cost-burdening) because of the affordable housing crisis. The household formation rate used by the DOF is higher than the actual rate experienced. As such it generates a higher housing target meant to relieve overcrowding and cost-burdening.

PROJECTED HOUSING NEED: Six SoCal Counties

1 circle = 10,000 households



* In addition to double counting, HCD incorrectly calculated the overcrowding factor. They assumed that for every house that was overcrowded another house would be required to relieve overcrowding. The more accurate analysis would be to assess the number of extra people to be housed and divide by the average household size.

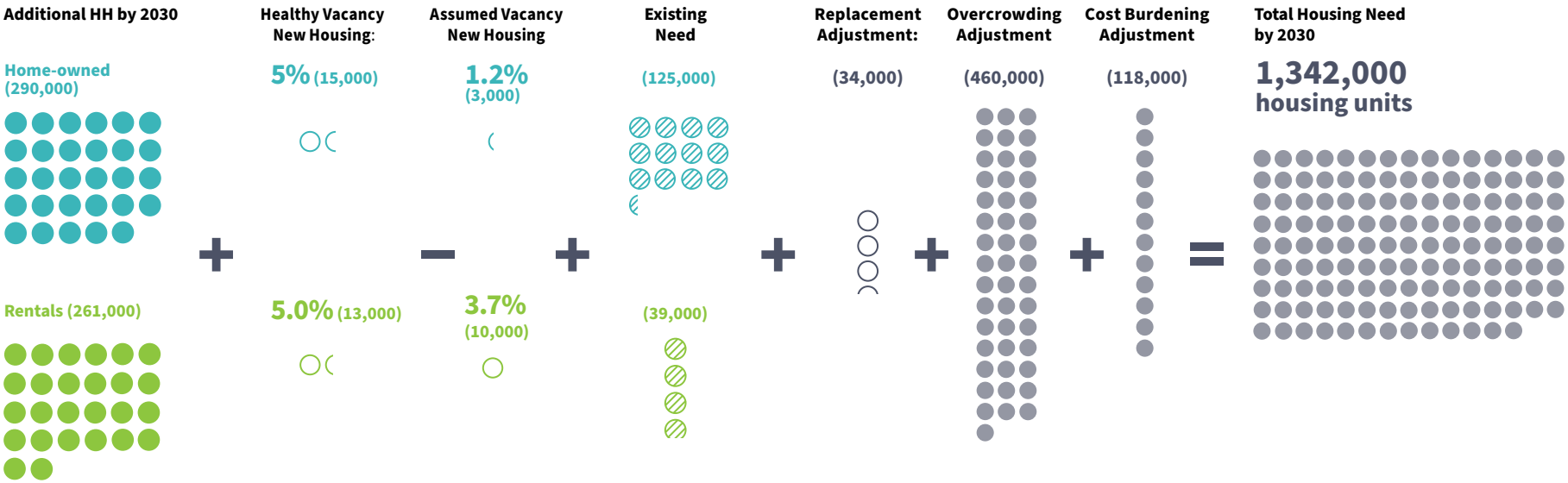
** HCD only applied cost-burdening adjustments to future households not existing households. It is unclear why cost-burdening would only be considered an issue for future households, as the data is for current households.

The vacancy errors and double counting resulted in a doubling of the housing needs assessment for the six counties of SoCal.

TYPICAL METHODOLOGY

1 circle = 10,000 households

HCD 6TH CYCLE METHODOLOGY



END NOTES

Complete data tables: *RHNA Data and Models 6th cycle,* www.embarcaderoinstitute.com

References used in the analysis :

Dept. of Housing and Community Development (HCD) https://www.hcd.ca.gov

Regional Housing Needs Allocation and Housing Elements

Regional Housing Needs

Allocations for 6th Cycle Housing Elements:

Association of Bay Area Governments Regional Housing Need Determination Plan for the Sixth Housing Element Update

Sacramento Area Council of Governments Regional Housing Need Determination for the Sixth Housing Element Update

Southern California Association of Governments Regional Housing Need Determination for the Sixth Housing Element Update

San Diego Association of Governments Regional Housing Need Determination and Plan for the Sixth Housing Element Update

Allocations for 5th Cycle Housing Elements:

Association of Bay Area Governments (February 24, 2012)

Sacramento Area Council of Governments (September 26, 2011)

San Diego Association of Governments (November 23, 2010)

Southern California Association of Governments (August 17, 2011)

Annual Progress Reports

Annual Progress Report APR: 5th Cycle Annual Progress Report Permit Summary (updated 730/2020)

Allocations for Earlier Cycles and Housing Element

RHNA 2007-2014 - Housing Methodology Committee Agenda Packet 07-27-06

Regional Housing Needs Plan 2006 to 2013 SACOG February 2008

3rd and 4th Cycle RHNA allocations (data sent in personal communication witthe Department of Housing and Comunity Development)

Department of Finance Methodology for Household Forecasts

"Read Me" P4 Tables : Household Projections 2020 to 2030

Association of Bay Area Governemnets Digital Library: RHNA Documents, Regional Housing Neeed Allocation Documents

RHNA 2007-2014 - Housing Methodology Committee Agenda Packet 07-27-06, Regional Housing Need Allocation p 2

Other Housing Assessment Methodologies

"Mckinsey & Company: A TOOL KIT TO CLOSE CALIFORNIA'S HOUSING GAP: 3.5 MILLION HOMES BY 2025", October 2016

Jobs to Housing

Employment Development Department, State of California, Employment Projections : Long Term Projections

https://www.labormarketinfo.edd.ca.gov/data/employment-projections.html

CONTRA COSTA
COUNTY MAYORS CONFERENCE
2221 Spyglass Lane, El Cerrito, CA 94530

October 2, 2020

Mayor Jesse Arreguin, President
Executive Board, Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105

RE: Consideration of a ***Modified*** **Option 8A** using the **Plan Bay Area 2050** ***Growth*** Baseline Methodology

Chair Arreguin,

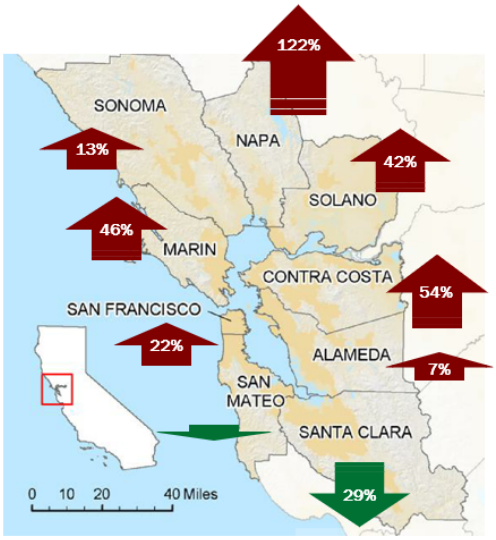
Once again, the Contra Costa Mayors Conference (CCMC), representing all 19 cities and nearly one million citizens in Contra Costa county, wishes to convey our sincere appreciation for your efforts to facilitate an equitable distribution of the 441,176 housing units assigned to the Bay Area by the California Department of Housing and Community Development (HCD) for the next RHNA cycle (2023-2031).

Since our last communication on August 7, 2020, the ABAG Housing Methodology Committee (HMC) has chosen to utilize "Plan Bay Area 2050 *Future Households*" methodology (a 'middle road') and a weighting of *factors* that prioritize 'access to high resource areas' over the region-wide efforts to reach a jobs/housing balance.

IMPACT OF BASELINE METHODOLOGY CHANGE

At a county-by-county level, our analysis indicates that using a new "Plan Bay Area 2050 *Future Households*" baseline results in extraordinarily inequitable – and hopefully unintended – benefits to primarily one county (Santa Clara) *at the expenses of nearly all others* (Figure A):

Figure A. Impact of switching to the *Plan Bay Area 2050 Future Households* Baseline

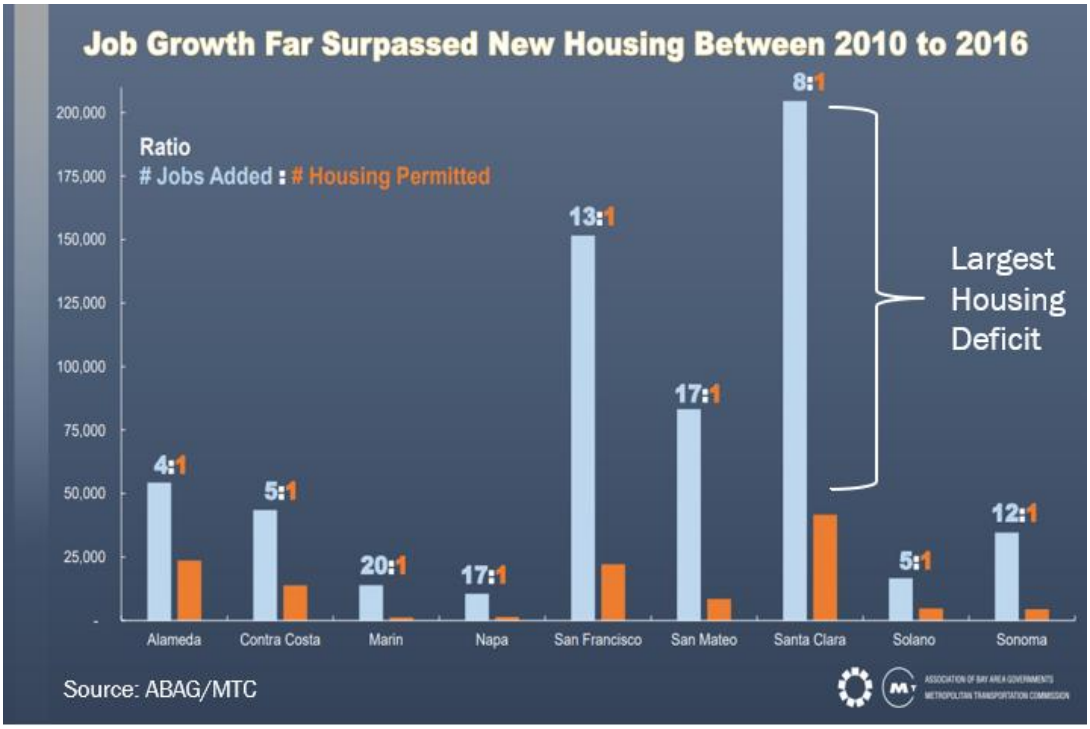


-52,178

County	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Difference	%
Alameda	82,655	88,290	+5,635	+7%
Contra Costa	34,742	53,520	+18,778	+54%
Marin	10,603	15,460	+4,857	+46%
Napa	2,955	6,560	+3,605	+122%
SF	44,843	54,690	+9,847	+22%
San Mateo	44,312	44,100	-212	---
Santa Clara	180,588	128,410	-52,178	-29%
Solano	14,437	20,550	+6,113	+42%
Sonoma	26,043	29,550	+3,507	+13%

Coincidentally, Santa Clara county is the home to all ten of the San Francisco Bay Area's largest technology companies including: Apple (188,000 employees), Hewlett Packard (186,000 employees), Google (184,000 employees), Oracle (169,000 employees), Intel (128,000 employees), Cisco (91,000 employees, and Facebook (60,000 employees).

Consequently, it seems counter-intuitive to utilize a baseline that reduces the housing assignment to the subregion that is in greatest need of affordable housing and has the largest existing housing deficit, as illustrated by ABAG's CASA Compact presentation:



On a **jurisdiction-by-jurisdiction** level, our analysis reveals an even more alarming pattern that the PBA 2050 *Future Households* baseline appears to allocate disproportionately large assignments to small and rural communities while alleviating the responsibility of communities with large job centers (Attachment B). This disparity occurs within the county level, as illustrated in Santa Clara county's numbers.

Sampling of Impacted Jurisdictions	**Plan Bay Area 2050** *Growth* (advocated by CCMC)	**Plan Bay Area 2050** *Future Households* (advanced by HMC)	Difference	% Change
Santa Clara County				
Los Gatos	142	1,430	+1,288	+907%
Monte Sereno	3	140	+137	+4,567%
Mountain View	12,377	7,810	**-4,567**	**-37%**
Palo Alto	11,127	6,810	**-4,317**	**-39%**
San Jose	100,155	67,240	**-32,915**	**-33%**
Santa Clara	14,285	9,630	**-4,655**	**-33%**
Sunnyvale	12,025	9,980	**-2,045**	**-17%**
Alameda County				
Albany	355	930	+575	+162%
Piedmont	60	430	+370	**+617%**
Unincorporated	1,638	5,950	+4,312	+263%
Contra Costa County				
Danville	223	1,820	+1,597	**+716%**
Hercules	411	1,060	+649	+158%
Martinez	311	1,670	+1,359	+437%
Unincorporated	2,588	7,310	+4,722	+182%
Marin County				
Fairfax	215	460	+245	+114%
Mill Valley	27	710	+683	**+2530%**
San Anselmo	202	670	+468	+232%
San Mateo County				
Atherton	30	280	+250	**+833%**
Hillsborough	116	470	+354	+305%
Pacifica	199	1,580	+1,381	**+694%**
Portola Valley	3	200	+197	+6,567%

Solano County				
Benicia	258	1,270	+1,012	+392%
Dixon	209	690	+481	+230%
Rio Vista	84	420	+336	+400%
Suisun City	298	1,070	+772	+259%
Vacaville	1,056	3,650	+2,594	+246%
Vallejo	2,117	5,250	+3,133	+148%
Sonoma County				
Sonoma	184	620	+436	+237%
Unincorporated	6,893	9,080	+2,187	+32%

RECOMMENDED BASELINE

We understand that the Housing Methodology Committee (HMC) has chosen to present "Option 8A" to the ABAG Executive Board as the *only option* for consideration at your October 15, 2020 meeting. It appears that other compelling options – even as a valid minority report - did not have a chance to advance.

Consequently, we are appreciative of the opportunity to present an alternative - **Modified Option 8A** – to the ABAG Executive Board at its October 15, 2020 meeting. Contra Costa's alternative (highlighted in green) uses the **Plan Bay Area 2050 *Growth*** baseline and leaves the HMC-recommended factors in place. A summary of the results for each county is shown below and the effects for all cities is included in Attachment B.

County	Option 8A (*2050 Future HH*)	Modified 8A (PBA *2050 Growth*)	Change	%
Alameda	85,690	79,412	(6,278)	-7%
Contra Costa	43,960	27,890	(16,070)	-37%
Marin	14,210	8,803	(5,407)	-38%
Napa	3,820	1,655	(2,165)	-57%
San Francisco	72,080	57,792	(14,288)	-20%
San Mateo	48,440	45,804	(2,636)	-5%
Santa Clara	143,550	196,746	53,196	37%
Solano	11,920	8,075	(3,845)	-32%
Sonoma	17,520	15,000	(2,520)	-14%

The recommended use of the **Plan Bay Area 2050** ***Growth*** baseline appears to make significantly more intuitive sense for the entirety of the San Francisco Bay Area as it:

- **Encourages housing development in proximity to job centers**, which would
- **Reduce transit and transportation congestion**, helping to alleviate long region wide commutes; and
- **Reduce greenhouse gas emissions**, consistent with both AB 32 and SB 375.

Furthermore, alternative Modified Option 8A is consistent with both the RHNA statutory objectives as it would:

1. Increase housing supply, but in a manner that adds much needed housing near the job centers;

2. Promotes infill development and reinvestment in urban centers that wish to redevelop, thereby promoting socioeconomic equity;

3. Protects the environment, agricultural resources, and wildland hazards by moving development pressure away from the urban edges;

4. Helps the San Francisco Bay Area achieve mandated GHG reduction targets through an improved jobs/housing balance; and lastly

5. Ensures policy consistency with Plan Bay Area 2050 Blueprint by more closely aligning the housing assignment at the major centers.

We appreciate your consideration of our recommendation and perspectives.

Sincerely,

/Signed hard copy to follow via U. S. mail. /

Gabriel Quinto, Conference Chair
Contra Costa Mayors Conference

Attachment A: Comparison of Baseline Methodologies and Housing Allocation Alternatives – Option 8A (recommended by ABAG HMC) and **Modified Option 8A** (recommended by CCMC)

Contra Costa Mayors Conference Membership

City of Antioch
City of Brentwood
City of Clayton
City of Concord
Town of Danville
City of El Cerrito
City of Hercules
City of Lafayette
City of Martinez
Town of Moraga
City of Oakley
City of Orinda
City of Pinole
City of Pittsburg
City of Pleasant Hill
City of Richmond
City of San Pablo
City of San Ramon
City of Walnut Creek

ATTACHMENT A

Comparison of Baseline Methodologies and Housing Allocation Alternatives

Note: All data is sourced from ABAG documents, graphics, and Visualization Tool exports. There are observed minor discrepancies between ABAG sources but at a level that is statistically insignificant to be of concern.

County	Jurisdiction	Population	Step 1: Choose Baseline Methodology			Effect of Change (PBA 2050 Growth to PBA 2050 Future Households)			Step 2: Add Factors to Baseline Methodology				
			2019 Households (Oppose)	PBA 2050 Growth (Support)	PBA 2050 Future Households (Oppose)	Units	%		OPTION 8A (*Uses PBA 2050 Future HH*) Total Allocation	OPTION 8A Change from PBA 2050 Future HH	MODIFIED OPTION 8A (*Uses PBA 2050 Growth*) Total Allocation	MODIFIED OPTION 8A Change from Option 8A	
Alameda	Alameda	81,312	4,980	3,236	4,380	1,144	35%	↑	4,900	520	3,549	(1,351)	↓
	Albany	18,937	1,060	355	930	575	162%	↑	1,150	220	433	(717)	↓
	Berkeley	122,580	7,710	3,952	6,410	**2,458**	62%	↑	7,730	1,320	4,686	(3,044)	↓
	Dublin	65,716	3,480	3,817	3,030	-787	-21%	↓	3,630	600	4,514	884	↑
	Emeryville	12,298	1,030	3,230	1,760	-1,470	-46%	↓	1,500	(260)	2,665	1,165	↑
	Fremont	234,220	11,870	11,738	11,880	142	1%	↓	14,310	2,430	13,891	(419)	↓
	Hayward	160,311	7,700	3,787	6,150	2,363	62%	↑	4,150	(2,000)	2,500	(1,650)	↓
	Livermore	91,861	5,040	5,407	4,990	-417	-8%	↓	3,980	(1,010)	4,420	440	↑
	Newark	48,966	2,280	3,365	2,550	-815	-24%	↓	1,790	(760)	2,330	540	↑
	Oakland	433,697	26,280	33,581	28,690	**-4,891**	**-15%**	↓	27,280	(1,410)	31,190	3,910	↑
	Piedmont	11,453	630	60	430	370	**617%**	↑	600	170	80	(520)	↓
	Pleasanton	79,464	4,400	3,749	4,010	261	7%	↑	4,790	780	4,417	(373)	↓
	San Leandro	87,930	5,000	2,166	4,030	1,864	86%	↑	3,130	(900)	1,640	(1,490)	↓
	Unincorporated Alameda	148,452	7,910	1,638	5,950	**4,312**	**263%**	↑	4,530	(1,420)	1,294	(3,236)	↓
	Union City	73,637	3,390	2,574	3,100	526	20%		2,220	(880)	1,803	(417)	↓
	County Total:	1,670,834	**92,760**	**82,655**	**88,290**	**5,635**	**7%**		**85,690**		**79,412**		
	% of Bay Area Allocation:		21%	19%	20%				19%		18%		
Contra Costa	Antioch	112,520	5,490	2,869	4,560	1,691	59%	↑	2,480	(2,080)	1,532	**(948)**	↓
	Brentwood	65,118	3,120	2,462	2,720	258	10%	↑	1,480	(1,240)	1,303	**(177)**	↓
	Clayton	11,337	650	229	510	281	123%	↑	600	90	263	**(337)**	↓
	Concord	130,143	7,190	2,654	5,770	**3,116**	117%	↑	3,890	(1,880)	1,723	**(2,167)**	↓
	Danville	43,876	2,540	223	1,820	1,597	**716%**	↑	2,170	350	265	**(1,905)**	↓
	El Cerrito	24,953	1,680	1,153	1,500	347	30%	↑	1,180	(320)	888	**(292)**	↓
	Hercules	25,530	1,350	411	1,060	649	158%	↑	680	(380)	254	**(426)**	↓
	Lafayette	25,604	1,550	831	1,310	479	58%	↑	1,660	350	1,031	**(629)**	↓
	Martinez	37,106	2,350	311	1,670	1,359	**437%**	↑	1,350	(320)	254	**(1,096)**	↓
	Moraga	16,946	910	682	850	168	25%	↑	1,050	200	837	**(213)**	↓
	Oakley	42,461	1,930	1,603	1,740	137	9%	↑	930	(810)	850	**(80)**	↓
	Orinda	19,009	1,100	368	880	512	139%	↑	1,140	260	476	**(664)**	↓
	Pinole	19,505	1,100	535	930	395	74%	↑	580	(350)	328	**(252)**	↓
	Pittsburg	74,321	3,420	1,877	2,780	903	48%	↑	1,640	(1,140)	1,082	**(558)**	↓
	Pleasant Hill	34,267	2,220	1,116	1,880	764	68%	↑	1,870	(10)	1,081	**(789)**	↓
	Richmond	111,217	5,890	6,552	6,180	-372	-6%	↓	4,180	(2,000)	4,320	140	↑
	San Pablo	31,413	1,460	535	1,150	615	115%	↑	800	(350)	359	**(441)**	↓
	San Ramon	83,118	4,500	3,179	3,960	781	25%	↑	4,720	760	3,738	**(982)**	↓
	Unincorporated Contra Costa	174,257	9,570	2,588	7,310	**4,722**	**182%**	↑	5,830	(1,480)	2,089	**(3,741)**	↓
	Walnut Creek	70,860	5,090	4,564	4,940	376	8%	↑	5,730	790	5,219	**(511)**	↓
	County Total:	1,153,561	**63,110**	**34,742**	**53,520**	**18,778**	**54%**		**43,960**		**27,890**		
	% of Bay Area Allocation:		14%	8%	12%				10%		6%		
Marin	Belvedere	2,124	150	89	140	51	57%	↑	160	20	100	(60)	↓
	Corte Madera	10,114	640	442	600	158	36%	↑	710	110	520	(190)	↓
	Fairfax	7,399	550	215	460	245	114%	↑	530	70	240	(290)	↓
	Larkspur	12,253	980	549	860	311	57%	↑	1,020	160	636	(384)	↓
	Mill Valley	14,674	1,000	27	710	683	**2530%**	↑	830	120	31	(799)	↓
	Novato	53,702	3,310	2,180	2,950	770	35%	↑	2,110	(840)	1,453	(657)	↓
	Ross	2,550	130	24	110	86	**358%**	↑	120	10	27	(93)	↓

	San Anselmo	12,757	860	202	670	468	232%	↑	750	80	227	(523)	↓
	San Rafael	59,807	3,710	4,217	3,940	-277	-7%	↓	2,780	(1,160)	2,936	156	↑
	Sausalito	7,252	680	189	550	361	191%	↑	740	190	244	(496)	↓
	Tiburon	9,540	610	313	540	227	73%	↑	630	90	355	(275)	↓
	Unincorporated Marin	68,659	4,280	2,156	3,930	1,774	82%	↑	3,830	(100)	2,033	(1,797)	↓
	County Total:	260,831	**16,900**	**10,603**	**15,460**	**4,857**	**46%**		**14,210**		**8,803**		
	% of Bay Area Allocation:		4%	2%	4%				3%		2%		
Napa	American Canyon	20,837	950	691	840	149	22%	↑	480	(360)	392	(88)	↓
	Calistoga	5,348	340	510	390	-120	-24%	↓	210	(180)	265	55	↑
	Napa	79,278	4,640	1,544	3,600	2,056	133%	↑	2,090	(1,510)	880	(1,210)	↓
	St. Helena	6,073	409	38	320	282	**742%**	↑	180	(140)	20	(160)	↓
	Unincorporated Napa	24,867	1,520	133	1,280	1,147	**862%**	↑	790	(490)	77	(713)	↓
	Yountville	2,500	180	39	130	91	233%	↑	70	(60)	21	(49)	↓
	County Total:	138,903	**8,039**	**2,955**	**6,560**	**3,605**	**122%**		**3,820**		**1,655**		
	% of Bay Area Allocation:		2%	1%	1%				1%		0.4%		
San Francisco	San Francisco	897,806	59,160	44,843	67,240				72,080	17,390	57,792	(14,288)	
	County Total:	897,806	**59,160**	**44,843**	**75,530**	**30,687**	**68%**		**72,080**		**57,792**		
	% of Bay Area Allocation:		13%	10%	17%				16%		13.1%		
San Mateo	Atherton	7,031	370	30	280	250	**833%**	↑	290	10	30	(260)	↓
	Belmont	26,813	1,730	493	1,340	847	172%	↑	1,770	430	646	(1,124)	↓
	Brisbane	4,633	750	9,088	3,270	-5,818	-64%	↓	2,810	(460)	7,591	4,781	↑
	Burlingame	30,118	2,020	3,423	2,510	-913	-27%	↓	3,450	940	4,600	1,150	↑
	Colma	1,729	70	337	210	-127	-38%	↓	180	(30)	288	108	↑
	Daly City	109,142	5,210	3,610	4,590	980	27%	↑	4,830	240	3,695	(1,135)	↓
	East Palo Alto	30,794	1,170	467	970	503	108%	↑	890	(80)	418	(472)	↓
	Foster City	33,033	2,060	559	1,540	981	175%	↑	2,030	490	724	(1,306)	↓
	Half Moon Bay	12,431	720	378	650	272	72%	↑	330	(320)	195	(135)	↓
	Hillsborough	11,418	620	116	470	354	**305%**	↑	610	140	146	(464)	↓
	Menlo Park	35,254	2,150	2,326	2,200	-126	-5%	↓	3,070	870	3,054	(16)	↓
	Millbrae	22,832	1,330	2,311	1,660	-651	-28%	↓	2,370	710	3,226	856	↑
	Pacifica	38,331	2,250	199	1,580	**1,381**	**694%**	↑	1,930	350	240	(1,690)	↓
	Portola Valley	4,607	290	3	200	197	**6567%**	↑	250	50	4	(246)	↓
	Redwood City	86,754	4,830	5,211	4,870	-341	-7%	↓	5,190	320	5,437	247	↑
	San Bruno	45,454	2,510	1,661	2,140	479	29%	↑	2,130	(10)	1,587	(543)	↓
	San Carlos	30,145	1,880	798	1,750	952	119%	↑	2,390	640	1,070	(1,320)	↓
	San Mateo	103,087	6,390	4,349	5,910	1,561	36%	↑	6,690	780	4,828	(1,862)	↓
	South San Francisco	67,879	3,420	5,297	4,070	-1,227	-23%	↓	3,980	(90)	5,087	1,107	↑
	Unincorporated San Mateo	66,083	3,470	3,630	3,650	20	1%	---	2,930	(720)	2,906	(24)	↓
	Woodside	5,676	320	26	240	214	**823%**	↑	320	80	32	(288)	↓
	County Total:	773,244	**43,560**	**44,312**	**44,100**	**-212**	**0%**		**48,440**		**45,804**		
	% of Bay Area Allocation:		10%	10%	10%				11%		10.4%		
Santa Clara	Campbell	42,288	2,780	4,279	3,270	-1,009	-24%	↓	3,960	690	5,038	1,078	↑
	Cupertino	59,549	3,250	5,802	4,320	-1,482	-26%	↓	6,220	1,900	8,197	1,977	↑
	Gilroy	57,084	2,550	2,310	2,300	-10	0%	---	1,470	(830)	1,360	(110)	↓
	Los Altos	30,876	1,810	904	1,530	626	69%	↑	2,270	740	1,311	(959)	↓
	Los Altos Hills	8,413	490	108	370	262	243%	↑	540	170	155	(385)	↓
	Los Gatos	31,439	2,040	142	1,430	1,288	**907%**	↑	1,930	500	188	(1,742)	↓
	Milpitas	77,961	3,450	9,666	5,410	-4,256	-44%	↓	6,580	1,170	11,255	4,675	↑
	Monte Sereno	3,594	220	3	140	137	**4567%**	↑	190	50	4	(186)	↓
	Morgan Hill	46,454	2,330	1,652	1,960	308	19%	↑	1,140	(820)	938	(202)	↓

	Mountain View	82,272	5,540	12,377	7,810	-4,567	-37%	↓	11,390	3,580	17,693	6,303	↑
	Palo Alto	69,226	4,480	11,127	6,810	-4,317	-39%	↓	10,050	3,240	16,080	6,030	↑
	San Jose	1,049,187	52,090	100,155	67,240	-32,915	-33%	↓	66,520	(720)	96,144	29,624	↑
	Santa Clara	129,104	7,460	14,285	9,630	-4,655	-33%	↓	12,050	2,420	17,408	5,358	↑
	Saratoga	31,030	1,760	917	1,510	593	65%	↑	2,100	590	1,249	(851)	↓
	Sunnyvale	156,503	9,290	12,025	9,980	-2,045	-17%	↓	13,010	3,030	15,341	2,331	↑
	Unincorporated Santa Clara	86,989	4,310	4,836	4,700	-136	-3%	↓	4,130	(570)	4,384	254	↑
	County Total:	1,961,969	**103,850**	**180,588**	**128,410**	**-52,178**	**-29%**		**143,550**		**196,746**		
	% of Bay Area Allocation:		24%	41%	29%				33%		45%		
Solano	Benicia	27,175	1,730	258	1,270	1,012	392%	↑	860	(410)	177	(683)	↓
	Dixon	19,972	1,000	209	690	481	230%	↑	380	(310)	111	(269)	↓
	Fairfield	116,981	6,050	7,596	6,350	-1,246	-16%	↓	3,620	(2,730)	4,242	622	↓
	Rio Vista	9,987	700	84	420	336	400%	↑	230	(190)	43	(187)	↓
	Suisun City	29,119	1,480	298	1,070	772	259%	↑	610	(460)	166	(444)	↓
	Unincorporated Solano	19,072	1,100	2,819	1,850	-969	-34%	↓	1,020	(830)	1,515	495	↓
	Vacaville	98,855	5,370	1,056	3,650	2,594	246%	↑	2,030	(1,620)	571	(1,459)	↓
	Vallejo	119,063	6,600	2,117	5,250	3,133	148%	↑	3,170	(2,080)	1,250	(1,920)	↓
	County Total:	440,224	**24,030**	**14,437**	**20,550**	**6,113**	**42%**		**11,920**		**8,075**		
	% of Bay Area Allocation:		5%	3%	5%				3%		1.8%		
Sonoma	Cloverdale	9,213	350	528	570	42	8%	↑	300	(270)	274	(26)	↓
	Cotati	7,533	500	399	460	61	15%	↑	270	(190)	227	(43)	↓
	Healdsburg	12,089	750	451	640	189	42%	↑	350	(290)	249	(101)	↓
	Petaluma	61,873	3,650	3,116	3,440	324	10%	↑	2,100	(1,340)	1,770	(330)	↓
	Rohnert Park	43,069	2,650	1,453	2,170	717	49%	↑	1,260	(910)	825	(435)	↓
	Santa Rosa	173,628	540	11,159	10,610	-549	-5%	↓	6,530	(4,080)	6,539	9	↓
	Sebastopol	7,745	830	1,076	710	-366	-34%	↓	420	(290)	600	180	↓
	Sonoma	11,050	8,750	184	620	436	237%	↑	330	(290)	97	(233)	↓
	Unincorporated Sonoma	138,532	1,480	6,893	9,080	**2,187**	32%	↑	5,250	(3,830)	3,982	(1,268)	↓
	Windsor	28,248	334	784	1,250	466	59%	↑	710	(540)	438	(272)	↓
	County Total:	492,980	**19,834**	**26,043**	**29,550**	**3,507**	**13%**		**17,520**		**15,000**		
	% of Bay Area Allocation:		4%	6%	7%				4%		3.4%		

Status Update & Recommended Action: Regional Housing Needs Allocation (RHNA)

CONTRA COSTA MAYORS CONFERENCE
OCTOBER 1, 2020

San Francisco Bay Area's 2023-2030 housing assignment:

441,176

inputs

outputs

1

Baseline Methodology

2

Factors

1

Baseline Methodology

1. 2019 Households
2. Plan Bay Area 2050 *Growth*
3. Plan Bay Area 2050 *Future Households*

2

Factors

- Jobs proximity (auto)
- Jobs proximity (transit)
- Access to high opportunity areas

Option 8A

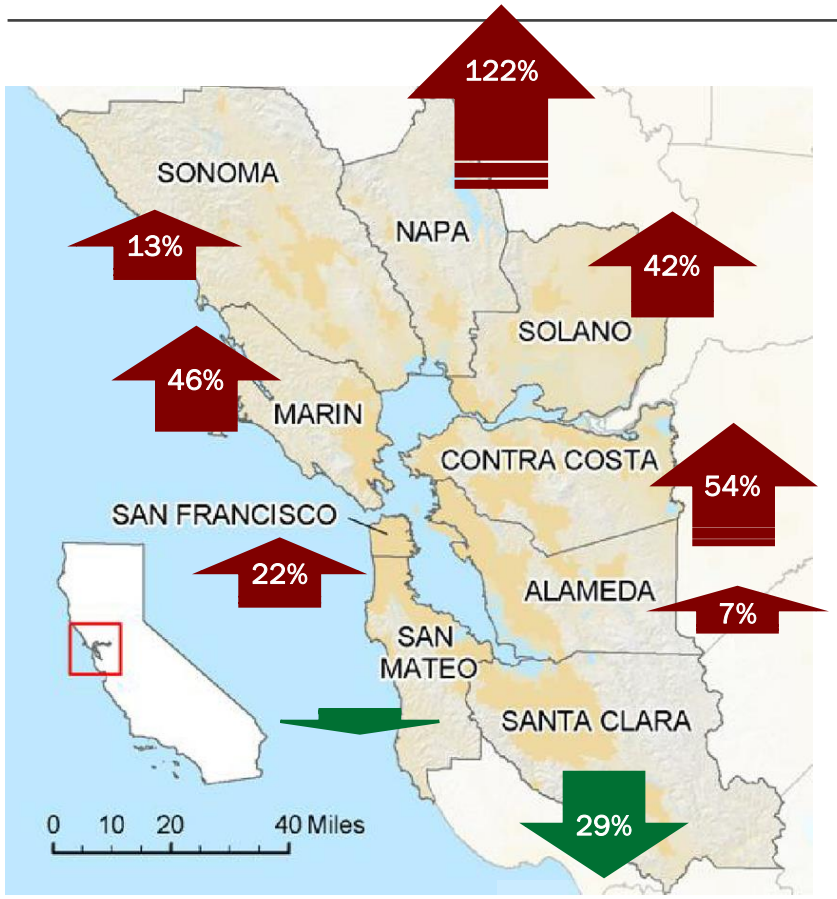
Recommendation by ABAG Housing Methodology Committee on September 18, 2020

NOTE: All data compiled from ABAG sources (staff reports appendices, posted data tables, graphics, and Visualization Tool exports). There are noted minor discrepancies among different ABAG sources, though statistically insignificant to be of concern.

	1 "Box"		2 "Dials"		
Jurisdiction	Baseline (2050 Future HH)		+ Factor Adjustments	=	Housing Allocation (2050 Future HH)
Antioch	4,560		(2,080)		2,480
Brentwood	2,720		(1,240)		1,480
Clayton	(85%) 510		90		600
Concord	5,770		(1,880)		3,890
Danville	(84%) 1,820		350		2,170
El Cerrito	1,500		(320)		1,180
Hercules	1,060		(380)		680
Lafayette	1,310		350		1,660
Martinez	1,670		(320)		1,350
Moraga	850		200		1,050
Oakley	1,740		(810)		930
Orinda	880		260		1,140
Pinole	930		(350)		580
Pittsburg	2,780		(1,140)		1,640
Pleasant Hill	1,880		(10)		1,870
Richmond	6,180		(2,000)		4,180
San Pablo	1,150		(350)		800
San Ramon	(84%) 3,960		760		4,720
Unincorporated Contra Costa	7,310		(1,480)		5,830
Walnut Creek	4,940		790		5,730
Countywide Totals:	53,520		(9,560)		43,960
% of Bay Area Total:	12%				10%
Bay Area Total:	441,176				

Conclusion: The Baseline Matters

The Baseline Matters: Impact of the Change



-52,178

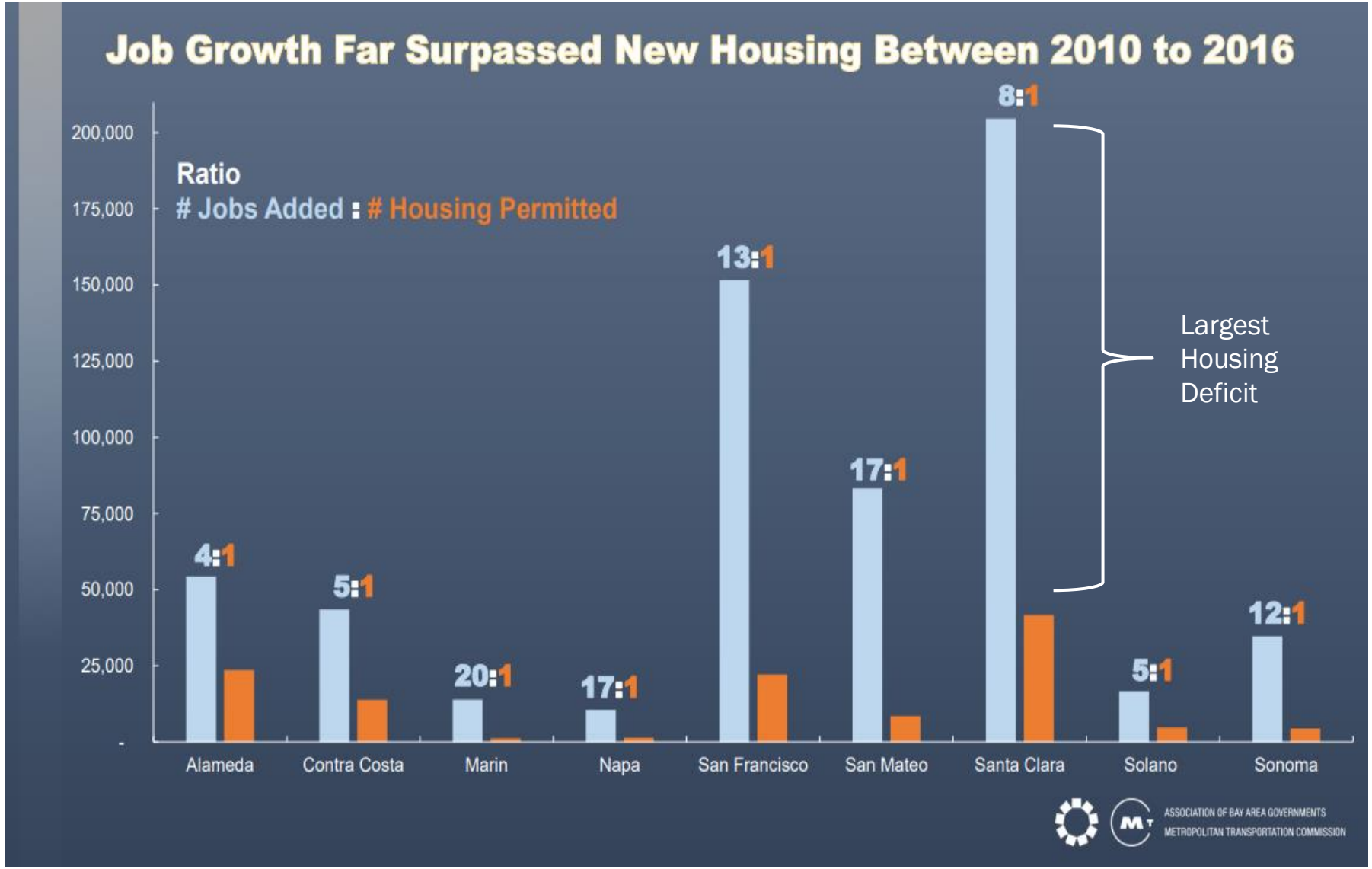
County	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Difference	%
Alameda	82,655	88,290	+5,635	+7%
Contra Costa	34,742	53,520	+18,778	+54%
Marin	10,603	15,460	+4,857	+46%
Napa	2,955	6,560	+3,605	+122%
SF	44,843	54,690	+9,847	+22%
San Mateo	44,312	44,100	-212	----
Santa Clara	180,588	128,410	-52,178	-29%
Solano	14,437	20,550	+6,113	+42%
Sonoma	26,043	29,550	+3,507	+13%

A Mega Job Center

Top 10 Silicon Valley Technology Companies

1. **Apple** (188,000 employees), headquarters: *Cupertino*
2. **Hewlett Packard** (186,000 employees), headquarters: *Palo Alto*
3. **Google** (184,000 employees), headquarters: *Mountain View*
4. **Oracle** (169,000 employees), headquarters: *Redwood City*
5. **Intel** (128,000 employees), headquarters: *Santa Clara*
6. **Cisco** (91,000 employees), headquarters: *San Jose*
7. **Facebook** (60,000 employees), headquarters: *Menlo Park*
8. **Broadcom** (45,000 employees), headquarters: *San Jose*
9. **Adobe** (24,000 employees), headquarters: *San Jose*
10. **eBay** (24,000 employees), headquarters: *San Jose*

Source: https://www.builtinsf.com/2020/02/05/largest-tech-companies-silicon-valley



Source: ABAG, "Overview of the CASA Compact" (January 2019)

The Baseline Matters: Impact of the Change

PBA 2050 *Future Households* Baseline

Big Impacts to Small & Rural Communities

Marin	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Diff	%
Fairfax	215	460	+245	+114%
Mill Valley	27	710	+683	+2,530%
San Anselmo	202	670	+468	+232%

The Baseline Matters: Impact of the Change

PBA 2050 *Future Households* Baseline

Big Impacts to Small & Rural Communities

Sonoma	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Diff	%
Sonoma	184	620	+436	+237%
Unincorporated	6,893	9,080	+2,187	+32%

The Baseline Matters: Impact of the Change

PBA 2050 *Future Households* Baseline

Big Impacts to Small & Rural Communities

Napa	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Diff	%
Napa	1,544	3,600	+2,056	+133%
St. Helena	38	320	+282	+742%
Yountville	39	130	+91	+233%
Unincorporated	133	1,280	+1,147	+862%

The Baseline Matters: Impact of the Change

PBA 2050 *Future Households* Baseline

Big Impacts to Small & Rural Communities

Solano	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Diff	%
Benicia	258	1270	+1,012	+392%
Dixon	209	690	+481	+230%
Rio Vista	84	420	+336	+400%
Suisun City	298	1070	+772	+259%
Vacaville	1,056	3,650	+2,594	+246%

The Baseline Matters: Impact of the Change

PBA 2050 *Future Households* Baseline

Big Impacts to Small & Rural Communities

Contra Costa	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Diff	%
Danville	223	1,820	+1,597	+716%
Hercules	411	1,060	+649	+158%
Martinez	311	1,670	+1,359	+437%
Unincorporated	2,588	7,310	+4,722	+182%

The Baseline Matters: Impact of the Change

PBA 2050 *Future Households* Baseline

Big Impacts to Small & Rural Communities

Alameda	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Diff	%
Albany	355	930	+575	+162%
Piedmont	60	430	+370	+617%
Unincorporated	1,638	5,950	+4,312	+263%

Modified Option 8A

Recommendation by Contra Costa Mayors Conference to ABAG Executive Board to adopt alternative *"Modified Option 8A"*

Jurisdiction	Housing Allocation *(2050 Future HH)*	vs	Modified 8A Housing Allocation *(2050 Growth)*	Change
Antioch	2,480		1,532	(948)
Brentwood	1,480		1,303	(177)
Clayton	600		263	(337)
Concord	3,890		1,723	(2,167)
Danville	2,170		265	(1,905)
El Cerrito	1,180		888	(292)
Hercules	680		254	(426)
Lafayette	1,660		1,031	(629)
Martinez	1,350		254	(1,096)
Moraga	1,050		837	(213)
Oakley	930		850	(80)
Orinda	1,140		476	(664)
Pinole	580		328	(252)
Pittsburg	1,640		1,082	(558)
Pleasant Hill	1,870		1,081	(789)
Richmond	4,180		4,320	140
San Pablo	800		359	(441)
San Ramon	4,720		3,738	(982)
Unincorporated Contra Costa	5,830		2,089	(3,741)
Walnut Creek	5,730		5,219	(511)
Countywide Totals:	**43,960**		**27,890**	**(16,070)**
% of Bay Area Total:	10%		6%	-4%
Bay Area Total:	441,176			

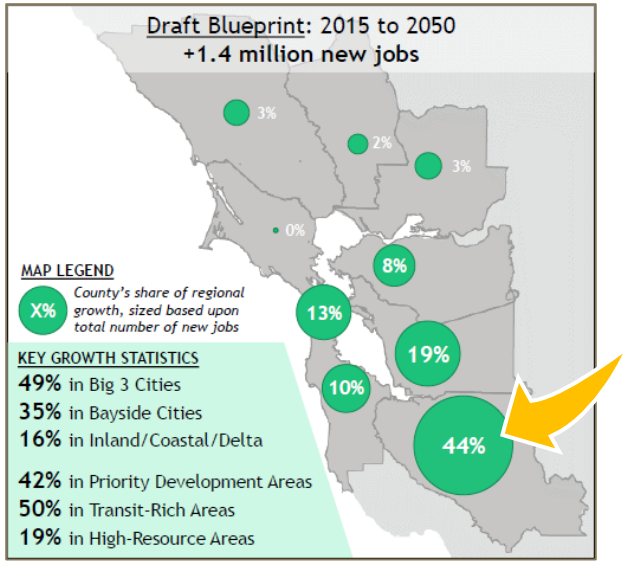
Modified Option 8A

1. Increases housing supply, particularly were the jobs are
2. Promotes infill development, socioeconomic equity, protects environment and agricultural resources (all by moving development pressure away from the urban edges)
3. Helps achieve mandated GHG reduction targets (improved jobs/housing balance)
4. Policy consistency with Plan Bay Area 2050 Blueprint

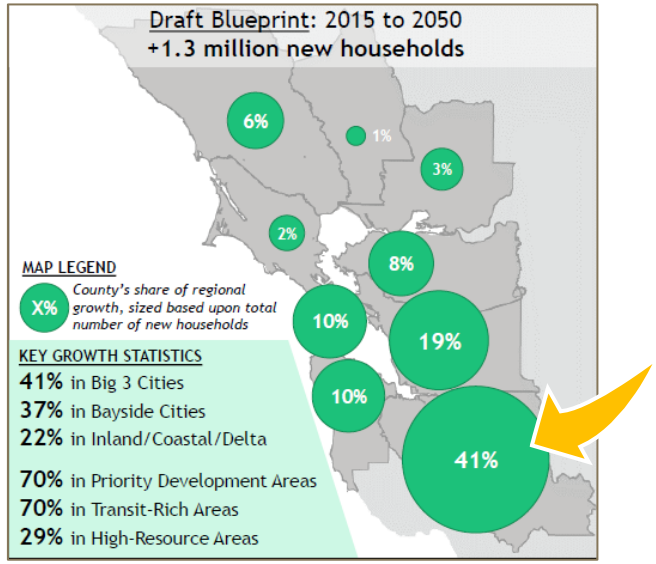
County	Option 8A Housing Allocation *(2050 Future HH)*	vs	Modified 8A Housing Allocation *(2050 Growth)*	Change	%
Alameda	85,690		79,412	(6,278)	-7%
Contra Costa	43,960		27,890	(16,070)	-37%
Marin	14,210		8,803	(5,407)	-38%
Napa	3,820		1,655	(2,165)	-57%
San Francisco	72,080		57,792	(14,288)	-20%
San Mateo	48,440		45,804	(2,636)	-5%
Santa Clara	143,550		196,746	53,196	37%
Solano	11,920		8,075	(3,845)	-32%
Sonoma	17,520		15,000	(2,520)	-14%
SF Bay Area Total:	441,176				

32%

44%



PBA 2050 Blueprint: Projected **Job Growth**



PBA 2050 Blueprint: Projected **Housing Growth**

Questions?

Fred Castro

From: Rebecca Vaughn <rvaughn@tcmmail.org>
Sent: Tuesday, October 13, 2020 5:29 PM
To: MTC-ABAG Info; mayor@cityofberkeley.info
Cc: Adam Wolff; Eli Beckman
Subject: Letter of Public Comment submitted by Town of Corte Madera re: Executive Board Agenda Item 20-1358, Report on Proposed Methodology for the 2023-31 RHNA Cycle
Attachments: TCM Ltr To MTC ABAG RHNA Methodology 10.6.20.pdf

External Email

Good Afternoon Board President Arreguin and Executive Board – Attached is a letter of public comment submitted by the Town of Corte Madera regarding the 10/15/20 ABAG Executive Board Meeting Agenda Item 20-1358, "Report on Proposed Methodology for the 2023-31 RHNA Cycle and Request for Authorization to Open Public Comment Period on Regional Housing Needs Allocation Methodology"

Thank you,
Rebecca

Rebecca Vaughn
Town Clerk / Assistant Town Manager
Town of Corte Madera
(415) 927-5085
http://www.townofcortemadera.org

THE TOWN OF
CORTE MADERA
MARIN COUNTY CALIFORNIA

300 TAMALPAIS DRIVE
CORTE MADERA, CA
94925-1492

www.townofcortemadera.org

TOWN MANAGER
TOWN COUNCIL
415-927-5050

TOWN CLERK
415-927-5085

FINANCE / BUS. LICENSE
415-927-5055

FIRE DEPARTMENT
415-927-5077

PLANNING / ZONING
415-927-5064

BUILDING INSPECTOR
415-927-5062

TOWN ENGINEER
PUBLIC WORKS
415-927-5057

RECREATION DEPARTMENT
415-927-5072

SANITARY DISTRICT NO. 2
415-927-5057

CENTRAL MARIN
POLICE AUTHORITY
415-927-5150

October 6, 2020

Mayor Jesse Arreguín, President
Association of Bay Area Governments, Executive Board
375 Beale Street, Suite 700
San Francisco, CA 94105-2066

Dear Board President Arreguín:

On behalf of the Town Council of the Town of Corte Madera, please accept our comments related to the proposed Regional Housing Needs Allocation (RHNA) methodology recommended by the RHNA Housing Methodology Committee (HMC). Please consider these comments in advance of the October 15, 2020 ABAG Executive Board meeting where the recommended methodology will be discussed.

The Town of Corte Madera appreciates the efforts and dedication of the diverse stakeholder group of HMC members over the last year in attempting to make a collective recommendation regarding the appropriate distribution of 441,000 new housing units within the region and understands the urgency and challenge of addressing regional policy goals related to housing affordability, climate change and equity in this RHNA cycle. Unfortunately, however, the methodology recommended by the HMC allocates new housing units to areas that lack adequate transportation infrastructure, away from existing and future job centers, and into areas at risk of sea level rise and wildfire in quantities inconsistent with the growth patterns and policy objectives more carefully considered in Plan Bay Area 2050. As a result, the recommended methodology and resulting RHNA, if indeed intended to set realistic quotas for housing growth regionally, will not only fail to meet the Bay Area's total regional housing need, but will threaten our region's ability to grow sustainably into the future.

Our conclusions may be best illustrated by the fact that, pursuant to the proposed HMC methodology, the Town of Corte Madera is expected to experience an 18% household growth rate from 2019 as a result of the 2023-2031 RHNA. This is a greater growth rate than Berkeley and Oakland in the East Bay (16% and 17% respectively), San Mateo and Redwood City on the Peninsula (17% each), and significantly greater than San Rafael and Santa Rosa in the North Bay (12% and 10% respectively), yet Corte Madera lacks a Major Transit Stop and is expected to lose approximately 3,000 jobs (or approximately 43% of its current jobs) by 2050 according to the Plan Bay Area 2050 Draft Blueprint.

Other similarly situated cities in Marin and the region are expected to grow at similarly high relative growth rates between 2019 and 2031, despite Plan Bay Area 2050 projections to the contrary. The result is to push a greater proportion of new development into areas that will promote auto dependency and longer commute times, exacerbate GHG impacts, and run counter to the goals and objectives well-formulated and strongly articulated in the recently released Plan Bay Area Blueprint. Additionally, for Corte Madera, it means pushing housing

growth into areas that are either increasingly at risk due to projected sea level rise or wildfire since the vast majority of Corte Madera's geographic area is in either FEMA's 100-year flood plain or the Wildland Urban Interface (WUI).

To reduce the negative effect of the proposed HMC RHNA methodology, we recommend consideration of both of the following changes to the recommended methodology:

- *Utilize Plan Bay Area 2050 household (HH) growth rates between 2019 and 2050 as the baseline for the RHNA allocation rather than Plan Bay Area HHs in 2050.*

  Utilizing the PBA 2050 household growth rate as the baseline will align RHNA more closely with Plan Bay Area Blueprint objectives related to reducing GHG emissions by focusing a greater proportion of growth to areas where transportation investments, job growth, and beneficial market conditions are expected to exist. This proposed change to the HMC methodology is supported by many other Bay Area jurisdictions who have also provided public comments and was supported by ABAG staff in its July 2020 report to the HMC.

- *Reduce the 40% allocation factor to High Resource Areas for moderate and market rate units utilized in Recommended Option 8A*

  While not clear from the presentation materials provided to the HMC, it appears that the 70% allocation factor for very low and low-income units, and the 40% allocation factor for moderate and market rate units, are driving a significant number of additional units to High Resource Areas, such as Corte Madera, beyond that anticipated in Plan Bay Area 2050. It is not clear how the 40% allocation factor for moderate and market rate units helps further the equity purpose the HMC intends, as it would appear to drive relatively more higher income households to High Resource Areas. Reducing or eliminating this allocation factor would presumably reduce the overall housing allocation to jurisdictions like Corte Madera without affecting the strategy the HMC proposes to introduce greater equity into the RHNA process.

While we again recognize the challenge that the HMC faced in developing an appropriate allocation methodology, and appreciate many of the thoughtful contributions they have introduced into the process, we believe the outcomes of the recommended methodology, without modifications, *do not further the statutorily mandated objectives of RHNA and are inconsistent with Plan Bay Area 2050 objectives* that aim to grow the Bay Area sustainably and allocate scarce resources efficiently.

As one of the few Bay Area jurisdictions to meet and exceed its current 5th Cycle RHNA allocation with respect to all income categories, Corte Madera believes that there is room in our community to thoughtfully develop new housing that both helps to address the region's affordability and equity issues and improves the quality of our Town. Without modification however, the recommended HMC methodology presents wholly unrealistic housing quotas over the 2023-2031 RHNA cycle which appear to simply be a punitive attempt to set higher resource communities up for failure and state-imposed land use controls and penalties.

We thank you for your time and consideration.

Sincerely,

Mayor Eli Beckman
Town of Corte Madera

THE CITY OF
EL CERRITO

OFFICE OF THE MAYOR
GREGORY B. LYMAN

October 13, 2020

Mayor Jesse Arreguin, President
Executive Board, Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105

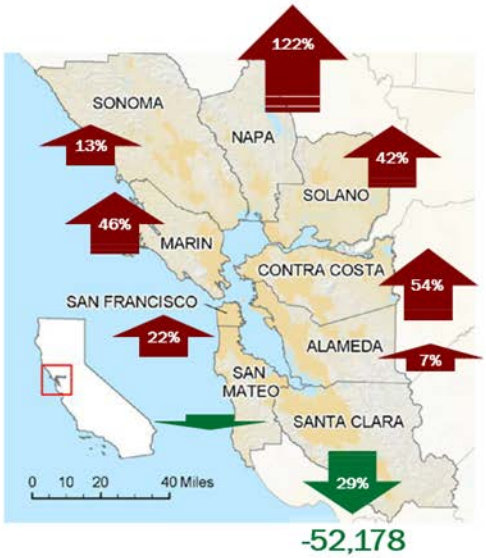
RE: Consideration of a ***Modified* Option 8A** using the **Plan Bay Area 2050 *Growth*** Baseline Methodology

Chair Arreguin,

The City of El Cerrito is a member of the Contra Costa Mayors Conference (CCMC), representing all 19 cities and nearly one million citizens in Contra Costa county, and concurs with them in conveying our sincere appreciation for your efforts to facilitate an equitable distribution of the 441,176 housing units assigned to the Bay Area by the California Department of Housing and Community Development (HCD) for the next RHNA cycle (2023-2031).

Since the last communication from CCMC on August 7, 2020, the ABAG Housing Methodology Committee (HMC) has chosen to utilize "Plan Bay Area 2050 *Future Households*" methodology (a 'middle road') and a weighting of *factors* that prioritize 'access to high resource areas' over the region-wide efforts to reach a jobs/housing balance.

IMPACT OF BASELINE METHODOLOGY CHANGE
At a county-by-county level, the CCMC's analysis indicates that using a new "Plan Bay Area 2050 *Future Households*" baseline results in extraordinarily inequitable – and hopefully unintended – benefits to primarily one county (Santa Clara) *at the expenses of nearly all others* (Figure A):

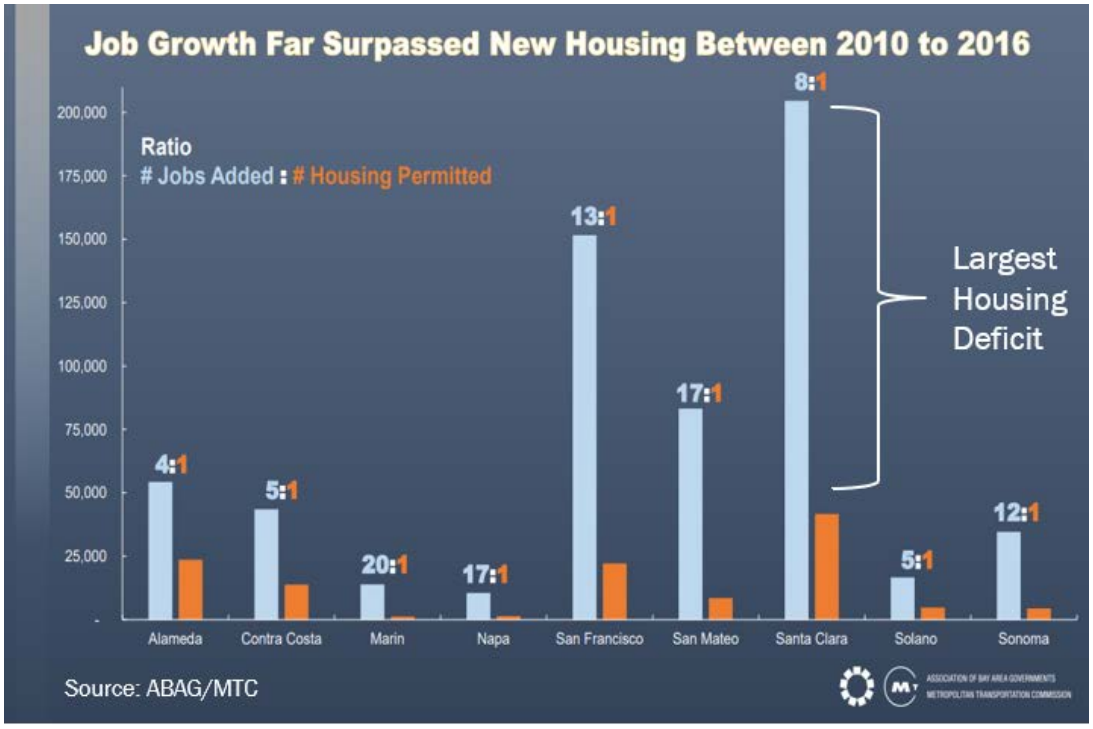


-52,178

County	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Difference	%
Alameda	82,655	88,290	+5,635	+7%
Contra Costa	34,742	53,520	+18,778	+54%
Marin	10,603	15,460	+4,857	+46%
Napa	2,955	6,560	+3,605	+122%
SF	44,843	54,690	+9,847	+22%
San Mateo	44,312	44,100	-212	---
Santa Clara	180,588	128,410	-52,178	-29%
Solano	14,437	20,550	+6,113	+42%
Sonoma	26,043	29,550	+3,507	+13%

Figure A. Impact of switching to the *Plan Bay Area 2050 Future Households* Baseline
Coincidentally, Santa Clara county is the home to all ten of the San Francisco Bay Area's largest technology companies including: Apple (188,000 employees), Hewlett Packard (186,000 employees), Google (184,000 employees), Oracle (169,000 employees), Intel (128,000 employees), Cisco (91,000 employees, and Facebook (60,000 employees).

Consequently, it seems counter-intuitive to utilize a baseline that reduces the housing assignment to the subregion that is in greatest need of affordable housing and has the largest existing housing deficit, as illustrated by ABAG's CASA Compact presentation:



On a **jurisdiction-by-jurisdiction** level, the CCMC analysis reveals an even more alarming pattern that the PBA 2050 *Future Households* baseline appears to allocate disproportionately large assignments to small and rural communities while alleviating the responsibility of communities with large job centers. This disparity occurs within the county level, as illustrated in Santa Clara county's numbers.

Sampling of Impacted Jurisdictions	**Plan Bay Area 2050 *Growth*** (advocated by CCMC)	**Plan Bay Area 2050 *Future Households*** (advanced by HMC)	Difference	% Change
Santa Clara County				
Los Gatos	142	1,430	+1,288	+907%
Monte Sereno	3	140	+137	+4,567%
Mountain View	12,377	7,810	**-4,567**	**-37%**
Palo Alto	11,127	6,810	**-4,317**	**-39%**

San Jose	100,155	67,240	**-32,915**	**-33%**
Santa Clara	14,285	9,630	**-4,655**	**-33%**
Sunnyvale	12,025	9,980	**-2,045**	**-17%**
Alameda County				
Albany	355	930	+575	+162%
Piedmont	60	430	+370	+**617**%
Unincorporated	1,638	5,950	+4,312	+263%
Contra Costa County				
Danville	223	1,820	+1,597	+**716**%
Hercules	411	1,060	+649	+158%
Martinez	311	1,670	+1,359	+437%
Unincorporated	2,588	7,310	+4,722	+182%
Marin County				
Fairfax	215	460	+245	+114%
Mill Valley	27	710	+683	+**2530**%
San Anselmo	202	670	+468	+232%
San Mateo County				
Atherton	30	280	+250	+**833**%
Hillsborough	116	470	+354	+305%
Pacifica	199	1,580	+1,381	+**694**%
Portola Valley	3	200	+197	+6,567%
Solano County				
Benicia	258	1,270	+1,012	+392%
Dixon	209	690	+481	+230%
Rio Vista	84	420	+336	+400%
Suisun City	298	1,070	+772	+259%
Vacaville	1,056	3,650	+2,594	+246%
Vallejo	2,117	5,250	+3,133	+148%
Sonoma County				
Sonoma	184	620	+436	+237%
Unincorporated	6,893	9,080	+2,187	+32%

RECOMMENDED BASELINE

We understand that the Housing Methodology Committee (HMC) has chosen to present "Option 8A" to the ABAG Executive Board as the *only option* for consideration at your October 15, 2020 meeting. It appears that other compelling options – even as a valid minority report - did not have a chance to advance.

Consequently, the CCMC is appreciative of the opportunity to present an alternative - **Modified Option 8A** – to the ABAG Executive Board at its October 15, 2020 meeting. Contra Costa's alternative (highlighted in green) uses the **Plan Bay Area 2050 *Growth*** baseline and leaves the HMC-recommended factors in place.

County	Option 8A (*2050 Future HH*)	Modified 8A (PBA *2050 Growth*)	Change	%
Alameda	85,690	79,412	(6,278)	-7%
Contra Costa	43,960	27,890	(16,070)	-37%
Marin	14,210	8,803	(5,407)	-38%
Napa	3,820	1,655	(2,165)	-57%
San Francisco	72,080	57,792	(14,288)	-20%
San Mateo	48,440	45,804	(2,636)	-5%
Santa Clara	143,550	196,746	53,196	37%
Solano	11,920	8,075	(3,845)	-32%
Sonoma	17,520	15,000	(2,520)	-14%

The recommended use of the **Plan Bay Area 2050 *Growth*** baseline appears to make significantly more intuitive sense for the entirety of the San Francisco Bay Area as it:

- **Encourages housing development in proximity to job centers**
- **Reduce transit and transportation congestion**, helping to alleviate long region wide commutes
- **Reduce greenhouse gas emissions**, consistent with both AB 32 and SB 375

Furthermore, alternative Modified Option 8A is consistent with both the RHNA statutory objectives as it would:

1. Increase housing supply, but in a manner that adds much needed housing near the job centers;
2. Promotes infill development and reinvestment in urban centers that wish to redevelop, thereby promoting socioeconomic equity;
3. Protects the environment, agricultural resources, and wildland hazards by moving development pressure away from the urban edges;
4. Helps the San Francisco Bay Area achieve mandated GHG reduction targets through an improved jobs/housing balance;

5. Ensures policy consistency with Plan Bay Area 2050 Blueprint by more closely aligning the housing assignment at the major centers.

We appreciate your consideration of our recommendation and perspectives.

Sincerely,

Gregory B. Lyman, Mayor
City of El Cerrito

cc: El Cerrito City Council

October 14, 2020

Executive Board
Association of Bay Area Governments
375 Beale St.
San Francisco, CA 94105

Re: Proposed 2023-2031 RHNA Methodology

Dear President Arreguin, Vice President Ramos, and members of the Executive Board,

This represents the comments of the Sierra Club Loma Prieta Chapter, Mothers Out Front Silicon Valley, Green Foothills, Santa Clara Valley Audubon Society, and CLEAN South Bay with regard to Option 8A, the RHNA methodology recommended by the Housing Methodology Committee to the Executive Board.

We are environmental organizations that represent tens of thousands of members in Santa Clara County. We advocate at the local level for open space, wildlife habitat, and responsible land use planning. We have serious concerns with the impacts of Option 8A on climate change resilience, wildfire risk, open space, wildlife habitat, and greenhouse gas emissions reduction. Please take action to address these very serious concerns before voting on the RHNA methodology.

Option 8A Will Result In Sprawl Development

As organizations that work to protect open space, we have spent decades fighting against unwise sprawl development proposals. Never did we think to see ABAG recommending a methodology that would literally mandate sprawl development into our open space and natural and working lands.

In Santa Clara County, Option 8A allocates 4,137 residential units in the unincorporated area -- a 1,300% increase from the previous RHNA allocation, which was 277 units. Because one of the foundational principles of the Santa Clara County General Plan is that urban-scale growth should occur within urban areas, and that the unincorporated areas should remain undeveloped

as much as possible, this means that Option 8A is mandating sprawl development into rural agricultural and habitat areas.

Plan Bay Area's goals since inception have always been focusing growth in infill areas close to transit through Priority Development Areas (PDAs), while protecting important open space through Priority Conservation Areas (PCAs). Option 8A would turn this on its head by requiring a 1,300% increase in housing allocation for Santa Clara County's rural areas. By contrast, the increase in allocation for the cities in Santa Clara County ranges between 100% and 500% (for example, San Jose's allocation increases by 98%, and Cupertino's allocation increases by 498%). Again, this is the exact opposite of smart land use planning, as well as flying in the face of Plan Bay Area's guiding principles.

Governor Newsom, when announcing his recent Executive Order calling for conservation of 30% of the state's lands and waters by 2030, stated: "California's beautiful natural and working lands are an important tool to help slow and avert catastrophic climate change, and today's executive order provides important new tools to take on this existential threat." Option 8A runs directly counter to this vision.

Option 8A Will Be Harmful To Wildlife, Floodplains and Farmland

The allocation of 4,137 residential units to unincorporated Santa Clara County creates particular risk for Coyote Valley, a critical wildlife corridor and landscape linkage that has been identified by the Conservation Lands Network and the Santa Clara Valley Open Space Authority as a priority for conservation. Coyote Valley is the link that connects 1.13 million acres of core habitat in the Santa Cruz Mountains and the Diablo Range, forming a migratory pathway for mountain lions, coyotes, bobcats, badgers and other wildlife. Coyote Valley hosts 12 species of rare, threatened and endangered plants and animals. Coyote Valley is also an important floodplain and groundwater recharge area and contains some of the Santa Clara Valley's last prime farmland.

Coyote Valley has been the focus of several state-level efforts for conservation. In 2019, AB 948 (Kalra) recognized Coyote Valley as a natural resource of statewide importance, and in 2020, SB 940 (Beall) made it possible for San Jose to expedite changes for infill housing development while proactively protecting open space, including in Coyote Valley.

Due to its proximity to the urbanized areas of San Jose and Morgan Hill, Coyote Valley has always been threatened with development, ever since the days when the inevitability of sprawl into open space was taken for granted. Now, however, thanks to our new awareness of the importance of preserving open space for climate resilience and human health, Coyote Valley is finally on a path to being permanently protected. But the allocation of 4,137 residential units to unincorporated Santa Clara County will create new and unforeseen development pressure on Coyote Valley. It is critical for the survival of this "last chance landscape" that the RHNA methodology be revised to remove this target that Option 8A paints on the open space of Coyote Valley.

Option 8A Will Increase Wildfire Risk

Option 8A's allocations will place thousands of residents in the wildland-urban interface (WUI), the area where urbanized neighborhoods intersect with undeveloped lands. Only a few weeks ago, the SCU Complex Fire raged over nearly 400,000 acres in unincorporated Santa Clara County and neighboring counties, prompting evacuations even in densely populated neighborhoods in San Jose and Morgan Hill. If we have learned anything at all from this wildfire season, it's that we cannot allow residential development to sprawl outward from cities into the WUI. Yet that is exactly what Option 8A would require.

We respectfully request that the ABAG Executive Board take action to modify the RHNA methodology to eliminate these harmful impacts to climate change resilience, wildlife habitat, wildfire risk, and natural and working lands. Thank you for your consideration of these comments.

Sincerely,

Alice Kaufman, Legislative Advocacy Director
Green Foothills

Shani Kleinhaus, Environmental Advocate
Santa Clara Valley Audubon Society

Dave Poeschel, Open Space Committee Chair
Sierra Club Loma Prieta Chapter

Trish Mulvey
CLEAN South Bay

Susan Butler-Graham
Mothers Out Front Silicon Valley

Letter to the ABAG Executive Board

dianarelrod@gmail.com <dianarelrod@gmail.com>

Wed 10/7/2020 9:36 AM

To: Therese W. McMillan <tmcmillan@bayareametro.gov>; Dave Vautin <DVautin@bayareametro.gov>; Gillian Adams <gadams@bayareametro.gov>
Cc: 'Srivatsa, Niroop' <NSrivatsa@ci.lafayette.ca.us>; 'Wolff, Greg' <GWolff@ci.lafayette.ca.us>; Fred Castro <fcastro@bayareametro.gov>

1 attachments (656 KB)

2020-10-07 Lafayette Letter to ABAG Executive Board.pdf;

External Email

Greetings,

On behalf of the City of Lafayette, please find a cover letter with attachment to the ABAG Executive Board for its review of the Housing Methodology Committee's proposed RHNA allocation. My understanding is the Executive Board will be meeting October 15, 2020 to discuss this matter.

Many thanks,

Diana R. Elrod Consulting
she/her/hers
Community Development * Land Use Implementation * Strategic Planning
DianaRElrod@gmail.com
415-214-2248

I acknowledge that I live and work on the unceded ancestral lands of the Ohlone, Ramaytush, and Costanoan sovereign nations.

October 7, 2020

Jesse Arreguin, President
ABAG Executive Board
375 Beale Street, Suite 800
San Francisco, CA 94105-2006

Consideration of a Modified Option 8A using the Plan Bay Area 2050 Growth Baseline Methodology

Dear Chair Arreguin:

The City of Lafayette would like to thank you and the ABAG Housing Methodology Committee for your efforts to develop a way to distribute the Bay Area's share of the Regional Housing Need Determination received from the California Department of Housing and Community Development. We have written to you on several occasions expressing our concerns about the speed at which decisions were being made during very uncertain times, as well as our belief that this work should recognize the region's enduring commitment toward reducing environmental impacts, long commutes, and greenhouse gas emissions by placing homes where the job centers are located. Unfortunately, the only option under consideration by the Executive Board ignores this commitment.

At the October 1, 2020 meeting of the Contra Costa Mayors Conference, all nineteen jurisdictions unanimously adopted the attached recommendation to consider a modified option that would encourage housing in proximity to job centers, reduce transit and transportation congestion and reduce greenhouse gas emissions. We request that the ABAG Executive Board consider and approve this Modified Option 8A at its October 15 meeting.

We look forward to working with ABAG to ensure that this effort will not erode the great work the Bay Area has already undertaken to address climate change.

With appreciation,

Mike Anderson,
Mayor

Attachment: Contra Costa Mayors Conference letter

Cc: Therese Watkins McMillan, Executive Director, Association of Bay Area Governments
Gillian Adams, Principal Planner, ABAG Regional Planning Program
Dave Vautin, Plan Bay Area 2050
Lafayette City Council

3675 Mount Diablo Boulevard, Suite 210, Lafayette, CA 94549
Phone: 925.284.1968 Fax: 925.284.3169
www.ci.lafayette.ca.us

CONTRA COSTA
COUNTY MAYORS CONFERENCE
2221 Spyglass Lane, El Cerrito, CA 94530

October 2, 2020

Mayor Jesse Arreguin, President
Executive Board, Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105

RE: Consideration of a ***Modified*** **Option 8A** using the **Plan Bay Area 2050** ***Growth*** Baseline Methodology

Chair Arreguin,

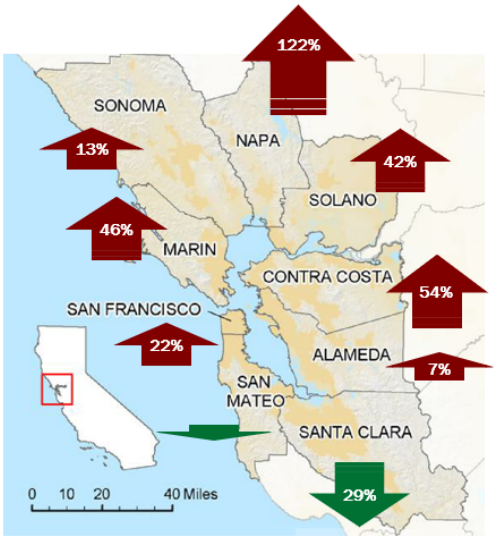
Once again, the Contra Costa Mayors Conference (CCMC), representing all 19 cities and nearly one million citizens in Contra Costa county, wishes to convey our sincere appreciation for your efforts to facilitate an equitable distribution of the 441,176 housing units assigned to the Bay Area by the California Department of Housing and Community Development (HCD) for the next RHNA cycle (2023-2031).

Since our last communication on August 7, 2020, the ABAG Housing Methodology Committee (HMC) has chosen to utilize "Plan Bay Area 2050 *Future Households*" methodology (a 'middle road') and a weighting of *factors* that prioritize 'access to high resource areas' over the region-wide efforts to reach a jobs/housing balance.

IMPACT OF BASELINE METHODOLOGY CHANGE

At a county-by-county level, our analysis indicates that using a new "Plan Bay Area 2050 *Future Households*" baseline results in extraordinarily inequitable – and hopefully unintended – benefits to primarily one county (Santa Clara) *at the expenses of nearly all others* (Figure A):

Figure A. Impact of switching to the *Plan Bay Area 2050 Future Households* Baseline

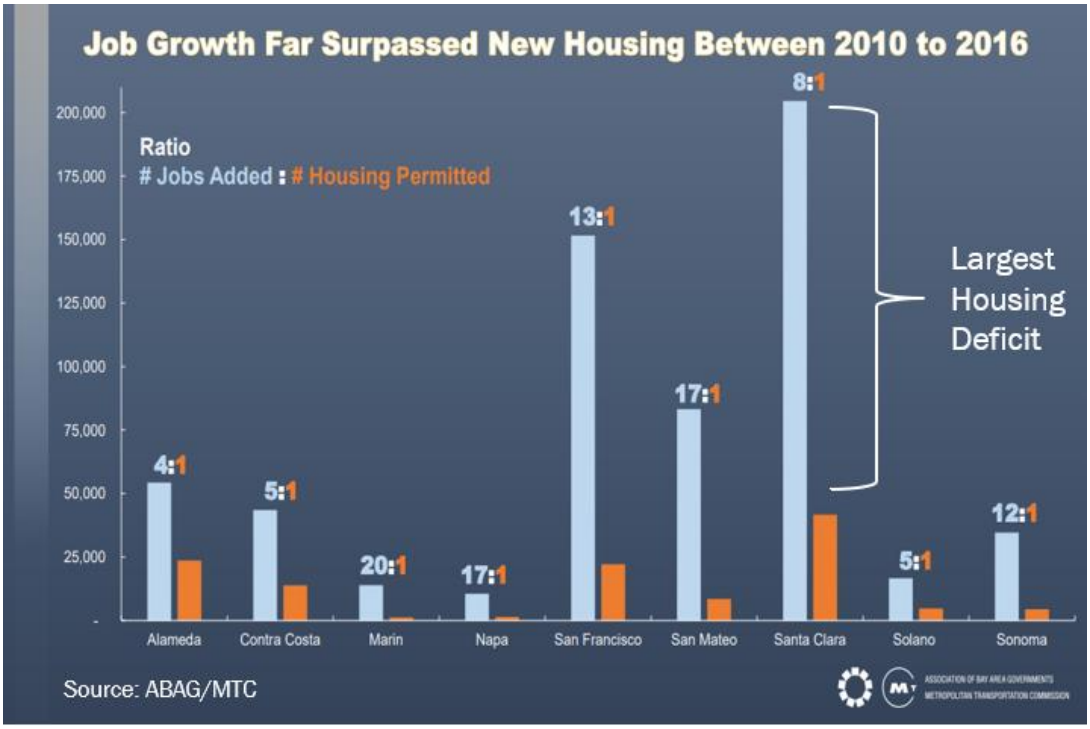


-52,178

County	PBA 2050 Growth (advocated by CCMC)	PBA 2050 Future HH (advanced by ABAG HMC)	Difference	%
Alameda	82,655	88,290	+5,635	+7%
Contra Costa	34,742	53,520	+18,778	+54%
Marin	10,603	15,460	+4,857	+46%
Napa	2,955	6,560	+3,605	+122%
SF	44,843	54,690	+9,847	+22%
San Mateo	44,312	44,100	-212	---
Santa Clara	180,588	128,410	-52,178	-29%
Solano	14,437	20,550	+6,113	+42%
Sonoma	26,043	29,550	+3,507	+13%

Coincidentally, Santa Clara county is the home to all ten of the San Francisco Bay Area's largest technology companies including: Apple (188,000 employees), Hewlett Packard (186,000 employees), Google (184,000 employees), Oracle (169,000 employees), Intel (128,000 employees), Cisco (91,000 employees, and Facebook (60,000 employees).

Consequently, it seems counter-intuitive to utilize a baseline that reduces the housing assignment to the subregion that is in greatest need of affordable housing and has the largest existing housing deficit, as illustrated by ABAG's CASA Compact presentation:



On a **jurisdiction-by-jurisdiction** level, our analysis reveals an even more alarming pattern that the PBA 2050 *Future Households* baseline appears to allocate disproportionately large assignments to small and rural communities while alleviating the responsibility of communities with large job centers (Attachment B). This disparity occurs within the county level, as illustrated in Santa Clara county's numbers.

Sampling of Impacted Jurisdictions	**Plan Bay Area 2050** *Growth* (advocated by CCMC)	**Plan Bay Area 2050** *Future Households* (advanced by HMC)	Difference	% Change
Santa Clara County				
Los Gatos	142	1,430	+1,288	+907%
Monte Sereno	3	140	+137	+4,567%
Mountain View	12,377	7,810	**-4,567**	**-37%**
Palo Alto	11,127	6,810	**-4,317**	**-39%**
San Jose	100,155	67,240	**-32,915**	**-33%**
Santa Clara	14,285	9,630	**-4,655**	**-33%**
Sunnyvale	12,025	9,980	**-2,045**	**-17%**
Alameda County				
Albany	355	930	+575	+162%
Piedmont	60	430	+370	**+617%**
Unincorporated	1,638	5,950	+4,312	+263%
Contra Costa County				
Danville	223	1,820	+1,597	**+716%**
Hercules	411	1,060	+649	+158%
Martinez	311	1,670	+1,359	+437%
Unincorporated	2,588	7,310	+4,722	+182%
Marin County				
Fairfax	215	460	+245	+114%
Mill Valley	27	710	+683	**+2530%**
San Anselmo	202	670	+468	+232%
San Mateo County				
Atherton	30	280	+250	**+833%**
Hillsborough	116	470	+354	+305%
Pacifica	199	1,580	+1,381	**+694%**
Portola Valley	3	200	+197	+6,567%

Solano County				
Benicia	258	1,270	+1,012	+392%
Dixon	209	690	+481	+230%
Rio Vista	84	420	+336	+400%
Suisun City	298	1,070	+772	+259%
Vacaville	1,056	3,650	+2,594	+246%
Vallejo	2,117	5,250	+3,133	+148%
Sonoma County				
Sonoma	184	620	+436	+237%
Unincorporated	6,893	9,080	+2,187	+32%

RECOMMENDED BASELINE

We understand that the Housing Methodology Committee (HMC) has chosen to present "Option 8A" to the ABAG Executive Board as the *only option* for consideration at your October 15, 2020 meeting. It appears that other compelling options – even as a valid minority report - did not have a chance to advance.

Consequently, we are appreciative of the opportunity to present an alternative - **Modified Option 8A** – to the ABAG Executive Board at its October 15, 2020 meeting. Contra Costa's alternative (highlighted in green) uses the **Plan Bay Area 2050 *Growth*** baseline and leaves the HMC-recommended factors in place. A summary of the results for each county is shown below and the effects for all cities is included in Attachment B.

County	Option 8A (*2050 Future HH*)	Modified 8A (PBA *2050 Growth*)	Change	%
Alameda	85,690	79,412	(6,278)	-7%
Contra Costa	43,960	27,890	(16,070)	-37%
Marin	14,210	8,803	(5,407)	-38%
Napa	3,820	1,655	(2,165)	-57%
San Francisco	72,080	57,792	(14,288)	-20%
San Mateo	48,440	45,804	(2,636)	-5%
Santa Clara	143,550	196,746	53,196	37%
Solano	11,920	8,075	(3,845)	-32%
Sonoma	17,520	15,000	(2,520)	-14%

The recommended use of the **Plan Bay Area 2050** ***Growth*** baseline appears to make significantly more intuitive sense for the entirety of the San Francisco Bay Area as it:

- **Encourages housing development in proximity to job centers**, which would
- **Reduce transit and transportation congestion**, helping to alleviate long region wide commutes; and
- **Reduce greenhouse gas emissions**, consistent with both AB 32 and SB 375.

Furthermore, alternative Modified Option 8A is consistent with both the RHNA statutory objectives as it would:

1. Increase housing supply, but in a manner that adds much needed housing near the job centers;

2. Promotes infill development and reinvestment in urban centers that wish to redevelop, thereby promoting socioeconomic equity;

3. Protects the environment, agricultural resources, and wildland hazards by moving development pressure away from the urban edges;

4. Helps the San Francisco Bay Area achieve mandated GHG reduction targets through an improved jobs/housing balance; and lastly

5. Ensures policy consistency with Plan Bay Area 2050 Blueprint by more closely aligning the housing assignment at the major centers.

We appreciate your consideration of our recommendation and perspectives.

Sincerely,

/Signed hard copy to follow via U. S. mail. /

Gabriel Quinto, Conference Chair
Contra Costa Mayors Conference

Attachment A: Comparison of Baseline Methodologies and Housing Allocation Alternatives – Option 8A (recommended by ABAG HMC) and **Modified Option 8A** (recommended by CCMC)

Contra Costa Mayors Conference Membership

City of Antioch
City of Brentwood
City of Clayton
City of Concord
Town of Danville
City of El Cerrito
City of Hercules
City of Lafayette
City of Martinez
Town of Moraga
City of Oakley
City of Orinda
City of Pinole
City of Pittsburg
City of Pleasant Hill
City of Richmond
City of San Pablo
City of San Ramon
City of Walnut Creek

ATTACHMENT A

Comparison of Baseline Methodologies and Housing Allocation Alternatives

Note: All data is sourced from ABAG documents, graphics, and Visualization Tool exports. There are observed minor discrepancies between ABAG sources but at a level that is statistically insignificant to be of concern.

County	Jurisdiction	Population	Step 1: Choose Baseline Methodology			Effect of Change (PBA 2050 Growth to PBA 2050 Future Households)			Step 2: Add Factors to Baseline Methodology				
			2019 Households (Oppose)	PBA 2050 Growth (Support)	PBA 2050 Future Households (Oppose)	Units	%		OPTION 8A (*Uses PBA 2050 Future HH*) Total Allocation	OPTION 8A Change from PBA 2050 Future HH	MODIFIED OPTION 8A (*Uses PBA 2050 Growth*) Total Allocation	MODIFIED OPTION 8A Change from Option 8A	
Alameda	Alameda	81,312	4,980	3,236	4,380	1,144	35%	↑	4,900	520	3,549	(1,351)	↓
	Albany	18,937	1,060	355	930	575	162%	↑	1,150	220	433	(717)	↓
	Berkeley	122,580	7,710	3,952	6,410	**2,458**	62%	↑	7,730	1,320	4,686	(3,044)	↓
	Dublin	65,716	3,480	3,817	3,030	-787	-21%	↓	3,630	600	4,514	884	↑
	Emeryville	12,298	1,030	3,230	1,760	-1,470	-46%	↓	1,500	(260)	2,665	1,165	↑
	Fremont	234,220	11,870	11,738	11,880	142	1%	↓	14,310	2,430	13,891	(419)	↓
	Hayward	160,311	7,700	3,787	6,150	2,363	62%	↑	4,150	(2,000)	2,500	(1,650)	↓
	Livermore	91,861	5,040	5,407	4,990	-417	-8%	↓	3,980	(1,010)	4,420	440	↑
	Newark	48,966	2,280	3,365	2,550	-815	-24%	↓	1,790	(760)	2,330	540	↑
	Oakland	433,697	26,280	33,581	28,690	**-4,891**	**-15%**	↓	27,280	(1,410)	31,190	3,910	↑
	Piedmont	11,453	630	60	430	370	**617%**	↑	600	170	80	(520)	↓
	Pleasanton	79,464	4,400	3,749	4,010	261	7%	↑	4,790	780	4,417	(373)	↓
	San Leandro	87,930	5,000	2,166	4,030	1,864	86%	↑	3,130	(900)	1,640	(1,490)	↓
	Unincorporated Alameda	148,452	7,910	1,638	5,950	**4,312**	**263%**	↑	4,530	(1,420)	1,294	(3,236)	↓
	Union City	73,637	3,390	2,574	3,100	526	20%		2,220	(880)	1,803	(417)	↓
	County Total:	1,670,834	**92,760**	**82,655**	**88,290**	**5,635**	**7%**		**85,690**		**79,412**		
	% of Bay Area Allocation:		21%	19%	20%				19%		18%		
Contra Costa	Antioch	112,520	5,490	2,869	4,560	1,691	59%	↑	2,480	(2,080)	1,532	**(948)**	↓
	Brentwood	65,118	3,120	2,462	2,720	258	10%	↑	1,480	(1,240)	1,303	**(177)**	↓
	Clayton	11,337	650	229	510	281	123%	↑	600	90	263	**(337)**	↓
	Concord	130,143	7,190	2,654	5,770	**3,116**	117%	↑	3,890	(1,880)	1,723	**(2,167)**	↓
	Danville	43,876	2,540	223	1,820	1,597	**716%**	↑	2,170	350	265	**(1,905)**	↓
	El Cerrito	24,953	1,680	1,153	1,500	347	30%	↑	1,180	(320)	888	**(292)**	↓
	Hercules	25,530	1,350	411	1,060	649	158%	↑	680	(380)	254	**(426)**	↓
	Lafayette	25,604	1,550	831	1,310	479	58%	↑	1,660	350	1,031	**(629)**	↓
	Martinez	37,106	2,350	311	1,670	1,359	**437%**	↑	1,350	(320)	254	**(1,096)**	↓
	Moraga	16,946	910	682	850	168	25%	↑	1,050	200	837	**(213)**	↓
	Oakley	42,461	1,930	1,603	1,740	137	9%	↑	930	(810)	850	**(80)**	↓
	Orinda	19,009	1,100	368	880	512	139%	↑	1,140	260	476	**(664)**	↓
	Pinole	19,505	1,100	535	930	395	74%	↑	580	(350)	328	**(252)**	↓
	Pittsburg	74,321	3,420	1,877	2,780	903	48%	↑	1,640	(1,140)	1,082	**(558)**	↓
	Pleasant Hill	34,267	2,220	1,116	1,880	764	68%	↑	1,870	(10)	1,081	**(789)**	↓
	Richmond	111,217	5,890	6,552	6,180	-372	-6%	↓	4,180	(2,000)	4,320	140	↑
	San Pablo	31,413	1,460	535	1,150	615	115%	↑	800	(350)	359	**(441)**	↓
	San Ramon	83,118	4,500	3,179	3,960	781	25%	↑	4,720	760	3,738	**(982)**	↓
	Unincorporated Contra Costa	174,257	9,570	2,588	7,310	**4,722**	**182%**	↑	5,830	(1,480)	2,089	**(3,741)**	↓
	Walnut Creek	70,860	5,090	4,564	4,940	376	8%	↑	5,730	790	5,219	**(511)**	↓
	County Total:	1,153,561	**63,110**	**34,742**	**53,520**	**18,778**	**54%**		**43,960**		**27,890**		
	% of Bay Area Allocation:		14%	8%	12%				10%		6%		
Marin	Belvedere	2,124	150	89	140	51	57%	↑	160	20	100	(60)	↓
	Corte Madera	10,114	640	442	600	158	36%	↑	710	110	520	(190)	↓
	Fairfax	7,399	550	215	460	245	114%	↑	530	70	240	(290)	↓
	Larkspur	12,253	980	549	860	311	57%	↑	1,020	160	636	(384)	↓
	Mill Valley	14,674	1,000	27	710	683	**2530%**	↑	830	120	31	(799)	↓
	Novato	53,702	3,310	2,180	2,950	770	35%	↑	2,110	(840)	1,453	(657)	↓
	Ross	2,550	130	24	110	86	**358%**	↑	120	10	27	(93)	↓

	San Anselmo	12,757	860	202	670	468	232%	↑	750	80	227	(523)	↓
	San Rafael	59,807	3,710	4,217	3,940	-277	-7%	↓	2,780	(1,160)	2,936	156	↑
	Sausalito	7,252	680	189	550	361	191%	↑	740	190	244	(496)	↓
	Tiburon	9,540	610	313	540	227	73%	↑	630	90	355	(275)	↓
	Unincorporated Marin	68,659	4,280	2,156	3,930	1,774	82%	↑	3,830	(100)	2,033	(1,797)	↓
	County Total:	260,831	**16,900**	**10,603**	**15,460**	**4,857**	**46%**		**14,210**		**8,803**		
	% of Bay Area Allocation:		4%	2%	4%				3%		2%		
Napa	American Canyon	20,837	950	691	840	149	22%	↑	480	(360)	392	(88)	↓
	Calistoga	5,348	340	510	390	-120	-24%	↓	210	(180)	265	55	↑
	Napa	79,278	4,640	1,544	3,600	2,056	133%	↑	2,090	(1,510)	880	(1,210)	↓
	St. Helena	6,073	409	38	320	282	**742%**	↑	180	(140)	20	(160)	↓
	Unincorporated Napa	24,867	1,520	133	1,280	1,147	**862%**	↑	790	(490)	77	(713)	↓
	Yountville	2,500	180	39	130	91	233%	↑	70	(60)	21	(49)	↓
	County Total:	138,903	**8,039**	**2,955**	**6,560**	**3,605**	**122%**		**3,820**		**1,655**		
	% of Bay Area Allocation:		2%	1%	1%				1%		0.4%		
San Francisco	San Francisco	897,806	59,160	44,843	67,240				72,080	17,390	57,792	(14,288)	
	County Total:	897,806	**59,160**	**44,843**	**75,530**	**30,687**	**68%**		**72,080**		**57,792**		
	% of Bay Area Allocation:		13%	10%	17%				16%		13.1%		
San Mateo	Atherton	7,031	370	30	280	250	**833%**	↑	290	10	30	(260)	↓
	Belmont	26,813	1,730	493	1,340	847	172%	↑	1,770	430	646	(1,124)	↓
	Brisbane	4,633	750	9,088	3,270	-5,818	-64%	↓	2,810	(460)	7,591	4,781	↑
	Burlingame	30,118	2,020	3,423	2,510	-913	-27%	↓	3,450	940	4,600	1,150	↑
	Colma	1,729	70	337	210	-127	-38%	↓	180	(30)	288	108	↑
	Daly City	109,142	5,210	3,610	4,590	980	27%	↑	4,830	240	3,695	(1,135)	↓
	East Palo Alto	30,794	1,170	467	970	503	108%	↑	890	(80)	418	(472)	↓
	Foster City	33,033	2,060	559	1,540	981	175%	↑	2,030	490	724	(1,306)	↓
	Half Moon Bay	12,431	720	378	650	272	72%	↑	330	(320)	195	(135)	↓
	Hillsborough	11,418	620	116	470	354	**305%**	↑	610	140	146	(464)	↓
	Menlo Park	35,254	2,150	2,326	2,200	-126	-5%	↓	3,070	870	3,054	(16)	↓
	Millbrae	22,832	1,330	2,311	1,660	-651	-28%	↓	2,370	710	3,226	856	↑
	Pacifica	38,331	2,250	199	1,580	**1,381**	**694%**	↑	1,930	350	240	(1,690)	↓
	Portola Valley	4,607	290	3	200	197	**6567%**	↑	250	50	4	(246)	↓
	Redwood City	86,754	4,830	5,211	4,870	-341	-7%	↓	5,190	320	5,437	247	↑
	San Bruno	45,454	2,510	1,661	2,140	479	29%	↑	2,130	(10)	1,587	(543)	↓
	San Carlos	30,145	1,880	798	1,750	952	119%	↑	2,390	640	1,070	(1,320)	↓
	San Mateo	103,087	6,390	4,349	5,910	1,561	36%	↑	6,690	780	4,828	(1,862)	↓
	South San Francisco	67,879	3,420	5,297	4,070	-1,227	-23%	↓	3,980	(90)	5,087	1,107	↑
	Unincorporated San Mateo	66,083	3,470	3,630	3,650	20	1%	---	2,930	(720)	2,906	(24)	↓
	Woodside	5,676	320	26	240	214	**823%**	↑	320	80	32	(288)	↓
	County Total:	773,244	**43,560**	**44,312**	**44,100**	**-212**	**0%**		**48,440**		**45,804**		
	% of Bay Area Allocation:		10%	10%	10%				11%		10.4%		
Santa Clara	Campbell	42,288	2,780	4,279	3,270	-1,009	-24%	↓	3,960	690	5,038	1,078	↑
	Cupertino	59,549	3,250	5,802	4,320	-1,482	-26%	↓	6,220	1,900	8,197	1,977	↑
	Gilroy	57,084	2,550	2,310	2,300	-10	0%	---	1,470	(830)	1,360	(110)	↓
	Los Altos	30,876	1,810	904	1,530	626	69%	↑	2,270	740	1,311	(959)	↓
	Los Altos Hills	8,413	490	108	370	262	243%	↑	540	170	155	(385)	↓
	Los Gatos	31,439	2,040	142	1,430	1,288	**907%**	↑	1,930	500	188	(1,742)	↓
	Milpitas	77,961	3,450	9,666	5,410	-4,256	-44%	↓	6,580	1,170	11,255	4,675	↑
	Monte Sereno	3,594	220	3	140	137	**4567%**	↑	190	50	4	(186)	↓
	Morgan Hill	46,454	2,330	1,652	1,960	308	19%	↑	1,140	(820)	938	(202)	↓

	Mountain View	82,272	5,540	12,377	7,810	-4,567	-37%	↓	11,390	3,580	17,693	6,303	↑
	Palo Alto	69,226	4,480	11,127	6,810	-4,317	-39%	↓	10,050	3,240	16,080	6,030	↑
	San Jose	1,049,187	52,090	100,155	67,240	-32,915	-33%	↓	66,520	(720)	96,144	29,624	↑
	Santa Clara	129,104	7,460	14,285	9,630	-4,655	-33%	↓	12,050	2,420	17,408	5,358	↑
	Saratoga	31,030	1,760	917	1,510	593	65%	↑	2,100	590	1,249	(851)	↓
	Sunnyvale	156,503	9,290	12,025	9,980	-2,045	-17%	↓	13,010	3,030	15,341	2,331	↑
	Unincorporated Santa Clara	86,989	4,310	4,836	4,700	-136	-3%	↓	4,130	(570)	4,384	254	↑
	County Total:	1,961,969	**103,850**	**180,588**	**128,410**	**-52,178**	**-29%**		**143,550**		**196,746**		
	% of Bay Area Allocation:		24%	41%	29%				33%		45%		
Solano	Benicia	27,175	1,730	258	1,270	1,012	392%	↑	860	(410)	177	(683)	↓
	Dixon	19,972	1,000	209	690	481	230%	↑	380	(310)	111	(269)	↓
	Fairfield	116,981	6,050	7,596	6,350	-1,246	-16%	↓	3,620	(2,730)	4,242	622	↓
	Rio Vista	9,987	700	84	420	336	400%	↑	230	(190)	43	(187)	↓
	Suisun City	29,119	1,480	298	1,070	772	259%	↑	610	(460)	166	(444)	↓
	Unincorporated Solano	19,072	1,100	2,819	1,850	-969	-34%	↓	1,020	(830)	1,515	495	↓
	Vacaville	98,855	5,370	1,056	3,650	2,594	246%	↑	2,030	(1,620)	571	(1,459)	↓
	Vallejo	119,063	6,600	2,117	5,250	3,133	148%	↑	3,170	(2,080)	1,250	(1,920)	↓
	County Total:	440,224	**24,030**	**14,437**	**20,550**	**6,113**	**42%**		**11,920**		**8,075**		
	% of Bay Area Allocation:		5%	3%	5%				3%		1.8%		
Sonoma	Cloverdale	9,213	350	528	570	42	8%	↑	300	(270)	274	(26)	↓
	Cotati	7,533	500	399	460	61	15%	↑	270	(190)	227	(43)	↓
	Healdsburg	12,089	750	451	640	189	42%	↑	350	(290)	249	(101)	↓
	Petaluma	61,873	3,650	3,116	3,440	324	10%	↑	2,100	(1,340)	1,770	(330)	↓
	Rohnert Park	43,069	2,650	1,453	2,170	717	49%	↑	1,260	(910)	825	(435)	↓
	Santa Rosa	173,628	540	11,159	10,610	-549	-5%	↓	6,530	(4,080)	6,539	9	↓
	Sebastopol	7,745	830	1,076	710	-366	-34%	↓	420	(290)	600	180	↓
	Sonoma	11,050	8,750	184	620	436	237%	↑	330	(290)	97	(233)	↓
	Unincorporated Sonoma	138,532	1,480	6,893	9,080	**2,187**	32%	↑	5,250	(3,830)	3,982	(1,268)	↓
	Windsor	28,248	334	784	1,250	466	59%	↑	710	(540)	438	(272)	↓
	County Total:	492,980	**19,834**	**26,043**	**29,550**	**3,507**	**13%**		**17,520**		**15,000**		
	% of Bay Area Allocation:		4%	6%	7%				4%		3.4%		

From: Danielle Staude
To: Fred Castro
Subject: Letter to Executive Board
Date: Monday, October 12, 2020 4:00:21 PM
Attachments: 2020-10-12 letter to ABAG_RHNA Methodology Letter_McEntee.pdf

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External Email

Hi Fred,

Can you please confirm that you can forward the attached letter to the Executive board prior to their meeting on Thursday?

Thanks,

Danielle L. Staude
Senior Planner
City of Mill Valley
26 Corte Madera Avenue
Mill Valley, CA 94941
(415) 388-4033

www.cityofmillvalley.org

MILL VALLEY

Mayor Jesse Arreguín, President
Association of Bay Area Governments, Executive Board
375 Beale Street, Suite 700
San Francisco, CA 94105-2066

RE: DRAFT RHNA METHODOLOGY

Dear Board President Arreguín:

On behalf of the City of Mill Valley, please accept our comments related to the proposed Regional Housing Needs Allocation (RHNA) methodology recommended by the RHNA Housing Methodology Committee (HMC). Please consider these comments in advance of the October 15, 2020 ABAG Executive Board meeting where the recommended methodology will be discussed.

The City of Mill Valley appreciates the efforts and dedication of the diverse stakeholder group of HMC members over the last year in attempting to make a collective recommendation regarding the appropriate distribution of 441,000 new housing units within the region and understands the urgency and challenge of addressing regional policy goals related to housing affordability, climate change and equity in this RHNA cycle. Unfortunately, the methodology recommended by the HMC allocates new housing units to areas that lack adequate transportation infrastructure, away from existing and future job centers, and into areas at risk of wildfire and sea level rise. As a result, the recommended methodology and resulting RHNA, if indeed intended to set realistic quotas for housing growth regionally, will not only fail to meet the Bay Area's total regional housing need, but will threaten our region's ability to grow sustainably into the future.

With that, the ABAG Executive Board should direct staff to conduct additional review and further explore of the following items as part of finalizing the RHNA Methodology.

1) **Household Growth**. Consider modifying the Household Growth approach based on guidance received from the Contra Costa County Mayors Conference dated October 2, 2020. From our understanding, this approach was not considered by the methodology Committee and warrants more investigation. We support further review of "Modified Option 8A" as presented by the Contra Costa County of Mayors.

2) **Roadway Access and Fire Hazard Areas.** Protecting Bay Area citizens from hazardous conditions, such as fire danger, should be included in the RHNA criteria. Collect more information and consider topographical constraints of the region and consider FEMA and high fire severity zones in the RHNA Methodology in order to accurately address development constraints.

Emergency access and fire safety are of great concern for residents living in these hillsides as well as the general community. Of the 6,539 parcels in Mill Valley, approximately 60% (3,865) are located in the Wildland Urban Interface and 33% (2,183) are located in the Very High Fire Severity Zone. These areas also represent largely sloped areas with roadways less than 20' wide. These lots are developed parcels zoned as Single-Family--rightfully so, as they pose little opportunity for any other type of development due to limited access. Another 306 parcels are in the FEMA Floodway where the building footprint cannot be expanded. These local site conditions need to be recognized as part of the process. Almost 65% of the City's parcels which are already developed are in a high fire zone with limited access or FEMA Floodway that prohibits changes to an existing parcel's footprint. There needs to be a better understanding of these local site conditions allow and the acknowledgement that there is little opportunity for growth and development in these areas.

3) **Acknowledge COVID and Changing Conditions in Commercial Business Zones.** There should be some acknowledgement of changing conditions—the economy, housing market and working conditions based on COVID. The region's commercial and business zones are not what they once were due changes in consumerism/retail (pre-COVID) as well as new economic conditions and working remotely from home. Remote work from home is becoming a new business model that should be further explored. Former commercial and business zones may provide a new housing opportunities through mixed use development, or even converting existing office buildings into housing units. Document the vacancy rate of commercial buildings in the region to help identify such potential. Conversion of office space could potentially provide the same housing opportunities that have come about through the State's Accessory Dwelling Unit program.

We would like to acknowledge the work of the Committee and the importance of addressing the current and future housing needs of the Bay Area. With that being said, the City of Mill Valley continues to do its part through the implementation of various programs contained in its Housing Element and has successfully worked to meet its regional housing goals to date. Most recently, the City just launched a home sharing program. This may include JADUs but it also just be a roommate in a home. While these new housing starts may not necessarily be documented in the "RHNA" process, the City recognizes the potential opportunity to provide additional housing within the existing built environment.

In short, we hope ABAG provides the overall policy guidance that will foster creativity and innovative solutions to address Bay Area housing needs while also acknowledging local topographical conditions such as FEMA Floodway and Fire Severity Zones that limit growth.

Sincerely,

Sashi McEntee

Sashi McEntee
Mayor of Mill Valley

CITY OF PALO ALTO
OFFICE OF THE CITY MANAGER
250 Hamilton Avenue, 7th Floor
Palo Alto, CA 94301
650.329.2392

October 14, 2020

ABAG Executive Board Members
Submitted Via Email To: info@bayareametro.gov

RE: Regional Housing Needs Allocation (RHNA) Proposed Methodology – Agenda Item 7.a.

Dear ABAG Executive Board Members,

The City recognizes and appreciates the work of the housing methodology committee (HMC)B and ABAG staff in forwarding a RHNA housing methodology. Unfortunately, the recommended methodology does not address several concerns raised by many jurisdictions and unnecessary sets up a conflict among regional communities, which could have been avoided. Many comments the Board is receiving relates to the unsupportable direction ABAG staff took influencing HMC members to use Plan Bay Area 2050 as a baseline for distributing housing. The result is that unincorporated portions of counties received aggressive housing targets, small and medium sized communities are burdened with an excessive amount of housing that will never be built, and the region will fall well short of meeting our shared housing targets.

During the best of times, the RHNA methodology process and allocations is a complex and contentious. With the unanticipated intrusion of COVID-19 early this year and all that has come with this pandemic, the seriousness and depth of its implications to the overall RHNA process has not been fully considered. All the foundational work that has been done thus far for the analysis had been based on a pre-COVID condition that does not reflect the reality that we are in today. The effects of the pandemic are not factored into the methodology and far exceeds the recessionary scenario planning included in Plan Bay Area 2050.

Even without the backdrop of these unprecedented times, it does not make sense to distribute the RHNA allocation based on the 30-year time horizon of Plan Bay Area 2050. Over the next 30 years, there will be three more RHNA cycles that we will go through, where adjustments can be made along the way. Moreover, achieving these visionary housing goals relies on unfunded mandates, some of which require voter approval, political compromises and infrastructure that has not been funded, approved, or built. It is unreasonable to apply long range aspirational housing goals to the near term RHNA allocation as required by the recommended methodology. Using Plan Bay Area as a baseline will result in many jurisdictions failing to meet their market rate housing targets and will subject those jurisdictions to the permit streamlining requirements of SB 35. The proposed methodology will result in many communities losing control over local land use decisions four years into the RHNA cycle. Communities need to build more housing and having reasonable housing targets are necessary component of that equation.

At a minimum – the Executive Board must impose a reasonable cap that limits how much housing a community is expected to build over the RHNA cycle. Housing units that exceed the cap should then be redistributed to other jurisdictions. It is fundamentally unfair to expect built-out

communities to increase their housing inventory at levels that a match the post-war housing boom. A reasonable housing cap is needed to ensure regional housing needs are actually built and fairly distributed throughout the region.

Thank you for your consideration.

DocuSigned by:
Ed Shikada
F2DCA19CCC8D4F9...
Ed Shikada, City Manager

CC:

Palo Alto City Council Members
Molly Stump, City Attorney, City of Palo Alto
Jonathan Lait, Director, Planning and Development Services Department, City of Palo Alto
ABAG Regional Housing Needs Allocation Staff, RHNA@bayareametro.gov
Fred Castro, Clerk of the Board, Association of Bay Area Governments,
fcastro@bayareametro.gov
rhna@TheCivicEdge.com

CITY OF PIEDMONT
CALIFORNIA

October 14, 2020

Mayor Jesse Arreguín, President
ASSOCIATION OF BAY AREA GOVERNMENTS
375 Beale Street, Suite 700
San Francisco, CA 94105

VIA ELECTRONIC MAIL

Dear Mayor Arreguín:

Thank you for your continued efforts on behalf of the ABAG Housing Methodology Committee (HMC). As stated in our previous letter to the HMC (August 27, 2020), we appreciate the work that has been done on the 2023-2031 Regional Housing Needs Allocation and we are committed to significantly increase affordable housing production during the next cycle. However, we continue to have concerns about the model's assumptions and the resulting draft assignment for our community.

We concur with the findings expressed by the Contra Costa County Mayors Conference in their letter to you dated October 2, 2020. As we stated in our August 27, 2020 letter, and as 18 cities in our neighboring county have confirmed, the current allocation disproportionately shifts the regional housing need to small communities that have little or no transit infrastructure, high wildfire hazards, and small employment bases. As such, the proposed RHNA methodology and resulting distribution appear incompatible with Plan Bay Area 2050, as well as State and regional climate action goals.

We also remain concerned about erroneous model assumptions for our community, and outcomes that are not rational or consistent with prior regional forecasts. As Attachment A to this email illustrates, the version of the Plan Bay Area 2050 Blueprint forecasts recently shared with cities assumes no change in the number of households in Piedmont between 2015 and 2050. Yet, the preliminary Blueprint 2050 jurisdiction-level projection used by the Housing Methodology Committee is 440 housing units. The Blueprint 2050 jurisdictional forecasts are the baseline and a key component of the RHNA methodology. According to ABAG-MTC staff, the methodology used to develop these Blueprint 2050 jurisdictional forecasts is forthcoming but we have not received it.

Moreover, the Plan Bay Area 2050 Blueprint forecasts, used as inputs to the RHNA, appear to anticipate a doubling of employment in Piedmont (from 1,000 to 2,000 jobs). As we have stated in prior letters to ABAG, dating back almost 20 years, Piedmont has just 3.7 acres of land zoned for employment-generating land uses and is completely landlocked. Our General Plan anticipates an employment increase of only 50 jobs over a 30-year period, based on prior ABAG forecasts and the very limited number of employers in the community. In fact, Plan Bay Area 2040 projected that Piedmont would lose jobs between 2020 and 2040.

We have requested additional information from ABAG to help us better understand and validate the model inputs, including a change in the allocation of Plan Bay Area 2050 Blueprint growth forecasts that leaves Piedmont with a projected increase of 440 households as the "baseline" on which its RHNA is calculated. This increase has not been explained and obtaining information about its origin and intent has been challenging.

The proposed 600-unit RHNA allocation, using the Blueprint's baseline of 440 units, is a 900 percent increase over our allocation for the 2015-2023 planning period. While Piedmont is committed to increasing its supply of housing and expanding the variety and affordability of homes in our community, this increase does not appear to reflect physical conditions of our community or market realities.

As noted in our prior letter, Piedmont is 1.7 square miles. Its vacant land supply consists of 60 sloped or very steep lots accessed by narrow streets, some of which are difficult to access by emergency vehicles. The entire city is a Wildland-Urban Interface area, and 20 percent of the City is classified as a Very High Fire Hazard area. Most of Piedmont's road network was developed prior to 1930. Over 100 streets are too narrow or lack a second means of access to accommodate additional housing, pursuant to the Fire Code, and more than half of Piedmont roads are too steep to meet Fire Code standards for emergency response.

Despite the physical constraints limiting development in Piedmont, the City's aggressive and award-winning accessory dwelling unit (ADU) program has helped Piedmont achieve its RHNA in past cycles. As a designated "high-resource area," we stand ready to significantly increase affordable housing production during the next cycle. Please consider an allocation that is feasible and reasonable for small jurisdictions. No other city in the East Bay is proposed for an increase of 900 percent over prior RHNA assignments. In fact, the proposed increase in Piedmont's RHNA is four times the regional average.

In closing, we support the recommendations of the Contra Costa County Mayors Conference, including their equitable distribution of housing among the counties of the region and their alternate methodology, which is more transparent and verifiable. We also request that ABAG provide additional data to local jurisdictions on the modeling assumptions, so that we may better understand the outcomes and respond accordingly. We believe that additional adjustments to the allocation method are needed to achieve a RHNA that is equitable, yet also responsive to land use patterns, economics, and efforts to address climate change and natural hazards in our region.

Sincerely,

CITY OF PIEDMONT

Sara Lillevand
City Administrator

cc: City Council
ABAG Regional Housing Needs Allocation Staff, via RHNA@bayareametro.gov
Dave Vautin, AICP, ABAG Assistant Director, Major Plans via dvautin@bayareametro.gov
Gillian Adams, Principal Planner, RHNA via gadams@bayareametro.gov
Ada Chan, ABAG Regional Planner, via achan@bayareametro.gov
Paul Fassinger, Regional Planning Program, Bay Area Metro, via pfassinger@bayareametro.gov

REGIONAL HOUSING NEEDS ALLOCATION

Association of Bay Area Governments

Jurisdiction Data Tables – Comparing Plan Bay Area 2050 Draft Blueprint with RHNA Jurisdictional Inputs

Note: for simplicity and legibility, all numbers are rounded to the nearest thousand; this can lead to variances if the number is slightly above or below the rounding threshold.
2019 jobs data is not yet available from federal and state sources. For more information on subcounty geographies and jurisdictions included in each, go to planbayarea.org/2050-plan/blueprint/blueprint-resources

County	Subcounty	Jurisdiction	Plan Bay Area 2050 Draft Blueprint (forecasted long-range growth pattern)				RHNA Inputs from Draft Blueprint Analysis (resource solely for use in RHNA methodology)				2019 Observed Baseline (from state datasets)	
			Households		Jobs		Households		Jobs		Households	Jobs
			2015	2050	2015	2050	2015	2050	2015	2050	2019	2019
Alameda	**Total**		**553,000**	**809,000**	**815,000**	**1,077,000**						
	East Alameda County		72,000	113,000	124,000	154,000						
	South Alameda County		106,000	160,000	138,000	229,000						
	Central Alameda County		122,000	144,000	148,000	222,000						
	North Alameda County		180,000	290,000	264,000	316,000						
	Northwest Alameda County		74,000	101,000	142,000	156,000						
		Alameda					30,000	40,000	32,000	49,000	31,000	N/A
		Albany					7,000	9,000	4,000	5,000	7,000	N/A
		Berkeley					46,000	59,000	104,000	116,000	48,000	N/A
		Dublin					16,000	28,000	21,000	31,000	22,000	N/A
		Emeryville					6,000	16,000	22,000	22,000	6,000	N/A
		Fremont					73,000	109,000	94,000	148,000	73,000	N/A
		Hayward					45,000	56,000	76,000	121,000	48,000	N/A
		Livermore					29,000	46,000	40,000	46,000	31,000	N/A
		Newark					13,000	23,000	20,000	46,000	14,000	N/A
		Oakland					159,000	263,000	242,000	276,000	162,000	N/A
		Piedmont					4,000	4,000	1,000	2,000	4,000	N/A
		Pleasanton					25,000	37,000	59,000	71,000	27,000	N/A
		San Leandro					30,000	37,000	54,000	74,000	31,000	N/A
		Unincorporated Alameda					49,000	54,000	24,000	36,000	49,000	N/A
		Union City					20,000	28,000	24,000	35,000	21,000	N/A

October 14, 2020

Mayor Jesse Arreguin, President
Executive Board, Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105

RE: Support for **Option 6A** using the Plan Bay Area 2050 **Households** Baseline with the **Equity Adjustment**

Dear President Arreguin and ABAG Executive Board,

The pandemic, wildfires, and protests for racial justice are all highlighting the urgent need for our region to ensure good health and prosperity for the entire Bay Area no matter what comes our way. We are housing justice advocates who strive for an inclusive and prosperous Bay Area where all residents have a safe and affordable home and equal access to opportunity.

We ask the ABAG Executive Board to move forward on **Option 6A: "Modified High Opportunity Areas Emphasis" under the Plan Bay Area (PBA) 2050 Households baseline with an Equity Adjustment**.

This methodology uses 3 key strategies to ensure inclusivity and prosperity for all Bay Area residents while also reducing greenhouse gas emissions and improving the ratio of jobs to homes in each city and county:

1. **PBA 2050 Households Baseline:** This baseline is derived from our region's ongoing transportation plan, PBA 2050. After much deliberation, the Housing Methodology Committee (HMC) decided on this baseline as the best way to ensure consistency with PBA 2050 along with meeting the other legally required objectives of the RHNA process, including affirmatively furthering fair housing and jobs-housing fit.

2. **Option 6A:** ABAG staff had recommended this formula as the most effective way to meet all of RHNA's legal requirements. This formula allocates homes based on each jurisdiction's level of economic, educational, and environmental opportunities as well as distance to jobs. This ensures that all Bay Area residents can live close to their jobs and in places with resources to thrive.

3. **Equity Adjustment**: A significant portion of HMC members supported the equity adjustment. This adjustment ensures that all racially and economically exclusive jurisdictions receive their fair share of affordable homes. Otherwise, one-quarter to one-third of exclusive jurisdictions will continue to only permit homes affordable to the wealthiest people in the Bay Area.

All Bay Area cities and counties must come together now and move toward a future where people of all racial and economic backgrounds have access to housing and resources. We need to look past the narrow interests of a few small cities and instead plan for a future where Bay Area residents of all backgrounds can live and prosper in the Bay Area.

Signed,

Shajuti Hossain, *Public Advocates*

Matt King, *Sacred Heart Community Service in San Jose*

Monith Ilavarasan, *Candidate for Pleasanton Mayor*

Tim Frank, *Center for Sustainable Neighborhoods*

Debra Ballinger, *Monument Impact in Concord*

Jay Galvin, *Pleasanton Housing Commissioner*

Lacei Amodei, *Hayward Community Organizer and Candidate for Hayward City Council*

Elisha Crader, *Hayward Community Organizer and Candidate for Hayward City Council*

Leslie Gordon and Tameeka Bennett, *Urban Habitat*

Zarina Kiziloglu, *Pleasanton Housing Commissioner and Candidate for Pleasanton City Council*

Dear ABAG Executive Board Members,

As a diverse, cross-sector coalition of Bay Area organizations, we urge the ABAG Executive Board to uphold the work of the Regional Housing Needs Allocation (RHNA) Housing Methodology Committee you empowered and to adopt their proposed methodology: the "High Opportunity Areas Emphasis & Job Proximity" methodology, known as "Option 8A," using the Plan Bay Area 2050 Households projection as its baseline. We believe this methodology and its baseline represent a sound compromise born of a sound process, and will meaningfully advance more equitable and sustainable regional development patterns for the region.

ABAG convened the Housing Methodology Committee -- a diverse set of local elected officials, city and county staff, and community stakeholders from all over the region -- to dive deep into the technical details and make a holistic, balanced, and equitable recommendation for the RHNA methodology. Over the course of a year, this diverse group engaged in robust discussion over every aspect of the RHNA methodology. The proposed methodology they produced is the result of this deep engagement, as well as input from members of the public, housing advocates, and elected officials from around the region. Consensus and compromise were the order of the day, and the result was a methodology that almost every member of the HMC was able to support.

The methodology proposed by the HMC is not perfect. Any one of our groups could find ways to adjust and improve it if we were given sole discretion to do so. Many of us preferred other options during the HMC process. However,it is a strong compromise that prioritizes the needs of the region as a whole, as the HMC and ABAG are charged to do. The HMC's proposed methodology effectively advances all of the statutory objectives for RHNA, including increasing access to jobs and opportunity for everyone in the region.

The alternate methodologies put forward, specifically those that use the Plan Bay Area 2050 Growth Projection as the baseline, significantly reduce access to opportunity and undermine RHNA's statutory objective to affirmatively further fair housing. Those shortcomings are clear from the data: these proposals perform poorly on the RHNA evaluative metrics, specifically those developed to measure affirmatively furthering fair housing. This puts the region at risk of not adequately meeting statutory obligations and potential response from the State or fair housing advocates. This alternative baseline was carefully considered by the HMC's diverse membership, and rejected for not being the best choice to advance all statutory objectives and the needs of the region as a whole. If any further adjustment to the methodology is to be made, it should be instead to <u>improve</u> performance on the evaluative metrics.

We urge ABAG to uphold the HMC's work and adopt their proposed draft methodology as the starting point for ongoing public comment and feedback. It is the most carefully considered and analyzed choice available, and the one that would best meet all of RHNA's statutory objectives, as well as best balancing the interests of all residents of the Bay Area.

Respectfully,

Aaron Eckhouse
California YIMBY

Justine Marcus
Enterprise Community Partners

Todd David
Bay Area Housing Advocacy Coalition

Victoria Fierce (Housing Methodology Committee member)
California Renters Legal Advocacy and Education Fund (CaRLA)

Zoe Siegel
Greenbelt Alliance

Paul Campos (Housing Methodology Committee member)
Building Industry Association

Sonja Trauss
YIMBY Law

Rodney Nickens (Housing Methodology Committee member)
Non-Profit Housing Association of Northern California

Matt Regan (Housing Methodology Committee member)
Bay Area Council

Kelsey Banes
Peninsula for Everyone

Jeffrey Levin
East Bay Housing Organizations

East Bay for Everyone

South Bay YIMBY

TOWN OF ROSS

October 14, 2020

Mayor Jesse Arreguin, President
Executive Board, Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105

Dear President Arreguin, Vice President Ramos, and Members of the Executive Board:

On behalf of the Town of Ross, we wish to thank the ABAG Executive Board and the ABAG Housing Methodology Committee (HMC) for the challenging work and creative thinking that has gone into distributing 441,000 new units in the 6th Cycle Regional Housing Needs Allocation (RHNA). We support the use of the Plan Bay Area 2050 Blueprint in developing the RHNA methodology, but respectfully request that the Executive Board amend the baseline to utilize the Blueprint's *Household Growth* metric instead of *Households* as proposed by the HMC.

The HMC's recommended baseline allocates too many units to suburban areas that are far from job centers, lack adequate transportation infrastructure, and are in areas of wildfire risk. The proposed HMC methodology will not further greenhouse gas reduction goals and is inconsistent with the growth patterns and policy objectives more carefully considered in the Plan Bay Area 2050 Blueprint.

The Town of Ross faces significant constraints to development that are not accurately reflected in the *Households* baseline. More than one quarter of our parcels are within FEMA's 100-year Special Flood Hazard Area and practically the entire Town is in the Wildland Urban Interface. Additionally, small suburban communities like Ross do not have the capacity or the expectation for substantial job growth. In place of the HMC proposal, we recommend the ABAG Executive Board follow ABAG staff's July 2020 suggestion to utilize the Plan Bay Area 2050 Draft Blueprint in the RHNA methodology with each jurisdiction's share of *Household Growth* from 2010 to 2050 as the baseline.

The Town supports the *Household Growth* baseline, as it results in higher allocations for jurisdictions with significant jobs that are experiencing growth, including communities that have elected to be Priority Development Areas. The State Housing and Community Development Department (HCD) has already approved using regional plan household growth as a baseline for 4 of the 8 approved 6th Cycle RHNA methodologies (with 3 others using baselines that factor in jobs, and one using a variety of factors). Utilizing the *Household Growth* baseline would enable the Town of Ross to prepare our General Plan Housing Element to accommodate housing development in a way that realistically considers climate change, our unique environmental conditions, and our relationship to the Bay Area's transportation network.

P.O. BOX 320, ROSS, CA 94957-0320
415.453.1453 • FAX 415.453.1950
www.townofross.org

The Town of Ross remains committed to addressing the housing crisis. During the current RHNA cycle we have upzoned our commercial zoning district to allow as-of-right multifamily housing and in the past year we have been collaborating with other Marin jurisdictions to develop Objective Design Standards to streamline residential construction. We have also updated our Zoning Ordinance to provide additional allowable floor area for ADUs with a very low income rent restriction. We are proud of the fact that we have been able to deliver on our 5th Cycle RHNA obligation in all income categories. Again, thank you for your contribution to the region's planning and for your consideration of this request.

Sincerely,

Julie McMillan
Mayor

Joe Chinn
Town Manager

October 9, 2020

Mayor Jesse Arreguin, President
Executive Board, Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105

Dear Chair Arreguin:

On behalf of the City of San Rafael, we are writing in to express our solidarity with the concerns of our neighboring Marin jurisdictions on the Regional Housing Needs Allocation (RHNA) methodology that will be considered by the ABAG Executive Board on October 15.

We deeply appreciate the efforts and dedication of the diverse stakeholder group of the Housing Methodology Committee (HMC) members over the last year in attempting to make a collective recommendation regarding the appropriate distribution of 441,000 new housing units.

The sixth-cycle regional housing allocation is a significant increase over previous cycles and all jurisdictions must do their part to address our housing crisis. San Rafael has prioritized efforts over the last two years to encourage housing by lowering the barriers to development and implementing new ways to streamline permitting. Last month, the City Council directed staff to lower the City's inclusionary housing requirement and expand the use of affordable housing in-lieu fees in order to make housing development more feasible in the City.

We understand that by using the Plan Bay Area Blueprint 2050 Households as the baseline allocation, the HMC recommended methodology is attempting to control for sea level rise, fire hazards, and open space. We also recognize that the approved factors and weights, like jobs proximity, also indirectly control for these impacts.

However, the concerns expressed by our neighboring Marin jurisdictions regarding the recommended HMC methodology compel us to submit a letter in solidarity. The validity of these concerns should not be understated and deserve to be considered as part of the Executive Board's decision.

With appreciation for your Bay Area regional work, we thank you for your time and consideration.

Sincerely,

Mayor Gary O. Phillips

Jim Schutz
City Manager

Housing Methodology Committee recommendation – comments and concerns

Drew Nichols <drew.nichols@scta.ca.gov>

Wed 10/7/2020 11:31 AM

To: Fred Castro <fcastro@bayareametro.gov>
Cc: 'JBeiswenger@rpcity.org' <JBeiswenger@rpcity.org>; 'chartman@srcity.org' <chartman@srcity.org>; 'hhines@ci.petaluma.ca.us' <hhines@ci.petaluma.ca.us>; 'Noah Housh' <NHoush@cotaticity.org>; 'jjones@townofwindsor.com' <jjones@townofwindsor.com>; Janet Spilman <janet.spilman@scta.ca.gov>; 'dstorer@sonomacity.org' <dstorer@sonomacity.org>; 'ksvanstrom@cityofsebastopol.org' <ksvanstrom@cityofsebastopol.org>; Kevin Thompson <kthompson@ci.cloverdale.ca.us>; Tennis Wick <Tennis.Wick@sonoma-county.org>; 'David Woltering' <dwoltering@ci.healdsburg.ca.us>; Suzanne Smith <suzanne.smith@scta.ca.gov>; Jane Riley <Jane.Riley@sonoma-county.org>; Therese W. McMillan <tmcmillan@bayareametro.gov>; Matt Maloney <mmaloney@bayareametro.gov>

1 attachments (436 KB)
Housing Methodology Letter Sonoma County 9-2020.pdf;

External Email

Dear Mr. Castro,

I have attached to this email the Housing Methodology Committee recommendation Letter from the Sonoma County Planning and Community Development Directors.

Best,
Drew Nichols

Drew Nichols | Administrative Assistant
Sonoma County Transportation Authority
Sonoma County Regional Climate Protection Authority
411 King Street, Santa Rosa, CA 95404
main 707.565.5373 *direct* 707.565.5369

The SCTA/RCPA office is temporarily closed due to the Local Public Health Emergency declared on March 2, 2020 in response to the Coronavirus (COVID-19) outbreak.

Our staff members are working remotely and will respond to you as soon as they can.

Please go to our website at scta.ca.gov for the latest updates on meetings and other matters.

Sonoma County Transportation Authority
Regional Climate Protection Authority

September 29, 2020

Therese McMillan, Executive Director
Matt Maloney, Director of Regional Planning
MTC/ABAG Regional Planning Committee Members
375 Beale Street, Suite 800
San Francisco, CA 94105-2066

RE: Housing Methodology Committee recommendation – comments and concerns

Dear Ms. McMillan, Mr. Maloney and Members of the Regional Planning Committee:

First, we want to express our gratitude to the entire HMC and ABAG/MTC staff and consultants for supporting this monumental effort. Further the Planning and Community Development Directors and SCTA staff wish to specifically acknowledge the dedication of Gillian Adams, Dave Vautin, Paul Fassinger, Ada Chan, Aksel Olsen, Eli Kaplan and all of the other individuals whom have worked so diligently to support the HMC. We recognize their hard work and appreciate their continued and direct assistance to our jurisdictions.

At its September 18, 2020 meeting, the HMC voted to utilize the draft Plan Bay Area 2050 Blueprint's projected 2050 household data as the baseline in establishing the 6th cycle Regional Housing Need Allocations (RHNA) for Bay Area communities. Because the Draft Plan Bay Area (PBA) Blueprint provides similar guiding principles (https://www.planbayarea.org/2050-plan/plan-bay-area-2050-blueprint) as those adopted by the HMC, this seems a strategic and logical approach that would move the Bay Area toward these guiding principles. However, this assumes the underlying data and assumptions in the 2050 Blueprint model are accurate and comprehensive. In practice, North Bay communities are realizing, ***the implications of using a 30-year projection to establish an 8-year RHNA are significant and may have unintended consequences, especially for our rural communities and areas of unincorporated counties.*** Given this, if the draft PBA is to form the baseline for the RHNA allocation, then it is critical that:

1) The data input and development assumptions used to predict how land will develop must be accurate and account for existing real-world constraints; and

2) The growth assumptions must account for the two very different time frames (8 years vs. 30 years) and appropriately account for (but not over emphasize), the widespread economic crisis caused by the COVID-19 pandemic.

To ensure proper accounting for these issues, the Sonoma County Community Development Directors, Planning Directors and SCTA planners have repeatedly requested the data and the development assumptions that ABAG/MTC is utilizing for its modeling. Unfortunately, we have yet to receive the development assumptions, and only received the GIS (layer) zoning assumptions on Friday, September 25. Despite the delay in providing the requested data, ABAG staff has requested our communities each report back on any errors in this data by Wednesday, September 30, effectively providing our staff less than 3 working days to examine GIS data that

took years to build and to identify its errors. As identified below, a few hours spent examining this data has already revealed significant errors that appear to be erroneously inflating populations and projections in the unincorporated county and in some rural cities. ***Additional time is needed for the comprehensive data and assumptions used in the draft PBA Blueprint to be provided by AGAB/MTC staff, and to be truth-tested to ensure proper accounting for our unique community constraints. This need for additional time is only compounded by the tragic impacts of the Shady and Glass fires currently ravaging our communities.***

Data errors identified by Sonoma County jurisdictions

Without having the requested GIS layers from PBA available to check for errors, local staff have resorted to using the static .pdf graphic provided to each jurisdiction by ABAG. These .pdf maps are not interactive and do not provide any wayfinding information such as streets and roads to assist with orienting and ensuring accuracy with the review. Nonetheless, North Bay staff toiled to make side-by-side comparisons with our own GIS maps and have identified several significant errors.

Specifically, high-density housing assumptions are made in the PBA 2050 data in the following areas, either erroneously or in violation of RHNA objectives:

- In graveyards
- In floodways
- On rural recreational lands many miles from any services (at least 20 instances in unincorporated county)
- Adjacent to freeways with high pollution emission rates
- In industrially designated areas adjacent to noxious land uses
- In areas identified and certified as Priority Production Areas by ABAG/MTC
- Increased densities adjacent to high wildfire areas

In several unincorporated areas, the shape files for high-density housing do not have any relationship to parcel boundaries, roads or zoning districts; rather they appear to have been included randomly. There are clearly a large number of mapping errors that need to be corrected based on existing and known constraints (such as those listed above). If such significant errors were found in only a few hours and using information provided in a limited format, it calls into question the accuracy of the growth projections of the entire model.

While ABAG staff did contact local jurisdictions to ask them to review their data a year ago, the data was provided only as a spreadsheet with hundreds or thousands of data entries and no mapping or development assumptions being given. As such, this format did not result in a true “project referral” or productive engagement as the results clearly identify. Now that the maps have been included and staff can visually check for errors, the Directors and SCTA staff ***request a review period of three weeks following receipt of the requested data and development assumptions from ABAG staff, to review and identify errors in mapping and development assumptions. Further, this feedback needs to be meaningfully incorporated into the data and modeling projections before the RHNA baseline is set and growth is allocated.***

Infrastructure Constraints and Sites Requirements

All Sonoma County jurisdictions are concerned about the assumptions made in the draft PBA related to infrastructure. The resulting development assumptions (which we still have not received) made in the 30-year 2050 PBA timeline do not translate well into the 6th cycle RHNA planning period of 8 years. The use of PBA 2050 development assumptions and 25-year growth projections, which do not account for the 8-year RHNA timeline, deliver obscenely high numbers to unincorporated and rural communities which currently lack the infrastructure to serve the projected high-density growth. It is important to note that HCD is legislatively prohibited from allowing jurisdictions to "count" sites that will not be available for development within the 8-year housing element period. The end result is that jurisdictions allocated obscenely high numbers of growth without the means to develop the infrastructure needed to support such growth, will never be able to identify adequate sites to meet the statutory sites criteria and thus will not be able to achieve certification of their housing elements. Because grant funding for housing now requires a certified housing element, the use of the PBA assumptions will preclude these jurisdictions from receiving any funding to support housing development. ***The Directors and SCTA staff request that such areas identified for growth in the draft PBA 2050 Blueprint NOT be included in a jurisdiction's RHNA allocation for the 6th cycle unless infrastructure can be provided within the 8-year timeframe of the planning cycle. Setting these jurisdictions up for Housing Element failure is not good planning policy and will not result in housing being built.***

Environmental Justice, Climate Change and Covid-19 Related Issues

The chosen allocation methodology must meet the six statutory objectives of RHNA, including affirmatively furthering fair housing. This means that the RHNA allocation must take ***meaningful action to overcome patterns of segregation*** and to ***replace segregated living patterns*** with integrated and balanced communities. Unfortunately, mapping done for the PBA 2020 Blueprint reflects a perpetuation of segregated housing patterns by placing higher-density housing allocations to environmentally inferior areas that are already home to the region's poorest populations by virtue of having the lowest land costs. This, in turn, causes the RHNA allocation methodology to fail to meet the 5th statutory objective of RHNA. ***If the draft PBA 2050 Blueprint is to be used as a baseline for the RHNA allocation, the PBA data and projections must also be corrected to meet the six statutory objectives of RHNA, including to remove assumed high-density housing developments from areas that are environmentally inferior such as in flood zones, in polluted areas, adjacent to freeways, within industrial areas with high emissions and in high wildfire areas.***

Additionally, the specific development assumptions for PBA2050 should be made available for comment by the public, and then discussed by the Regional Planning Committee (RPC), HMC and ABAG Executive Board. For instance, it is our understanding that future sea level rise (e.g. current and future flood plain areas) is included as a development constraint for coastal areas, but neither current nor future FEMA regulatory flood plain areas outside of coastal communities are being included. This is not good planning and is an inconsistent approach to identifying and applying the development constraints of climate change, across all Bay Area communities. This is yet another example of why the underlying data and assumptions must be made available, so that local planners can assist ABAG/MTC staff in identifying and correcting these types of issues using our collective localize

knowledge of the issues we understand as lead agencies. Similarly, the additional adjustments to the development constraints and assumptions resulting from the Covid-19 pandemic (such as telecommuting assumptions) should also be provided to the public for discussion by the RPC, HMC and ABAG Executive Board.

In summary, while the choice to use PBA 2050 data as the baseline for RHNA allocations makes sense and can achieve good planning policy (such as thoughtful planning for development in high hazard areas), the use of this data must include means to separate the 8-year RHNA cycle from the 25-year growth model horizons. Without an effective accounting for constraints and allowance for needed corrections, the resulting growth projections will not meet the statutory objectives of RHNA and will counter-productively preclude jurisdictions from achieving Housing Element certification. Ultimately, this lack of statutory conformance and reduction in housing grant funding will result in less homes being built overall, and for the homes that are built perpetuating the discriminatory policies that have created the issues we are now trying to solve. Please take these comments under serious consideration and take utilize the feedback provided to improve the PBA 2050 modeling.

Thank you,

Sonoma County Planning and Community Development Directors

Jeffery Beiswenger
Planning Manager, City of Rohnert Park

Clare Hartman
Deputy Director – Planning, City of Santa Rosa

Heather Hines
Planning Manager, City of Petaluma

Noah Housh
Director of Community Development, City of Cotati

Jessica Jones
Community Development Director, Town of Windsor

Janet Spilman
Director of Planning, Sonoma County Transportation Authority

David Storer
Planning and Community Services Director, City of Sonoma

Kari Svanstrom
Planning Director, City of Sebastopol

Kevin Thompson
Assistant City Manager/Community Development Director, City of Cloverdale

Tennis Wick
Director, Permit Sonoma, County of Sonoma

David Woltering
Interim Community Development Director, City of Healdsburg

Sonoma County Transportation Authority
Regional Climate Protection Authority

September 29, 2020

Jesse Arreguin, President
MTC/ABAG Executive Board
375 Beale Street, Suite 800
San Francisco, CA 94105-2066

RE: Housing Methodology Committee recommendation – comments and concerns

Dear President Arreguin:

First, we want to express our gratitude to the entire HMC and ABAG/MTC staff and consultants for supporting this monumental effort. Further the Planning and Community Development Directors and SCTA staff wish to specifically acknowledge the dedication of Gillian Adams, Dave Vautin, Paul Fassinger, Ada Chan, Aksel Olsen, Eli Kaplan and all of the other individuals whom have worked so diligently to support the HMC. We recognize their hard work and appreciate their continued and direct assistance to our jurisdictions.

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Thank you,

Sonoma County Planning and Community Development Directors

Jeff Beiswenger (Sep 30, 2020 12:52 PDT)

Jeffrey Beiswenger
Planning Manager, City of Rohnert Park

Clare Hartman
Deputy Director – Planning, City of Santa Rosa

Heather Hines
Heather Hines (Oct 5, 2020 13:26 PDT)

Heather Hines
Planning Manager, City of Petaluma

Noah Housh
Noah Housh (Sep 30, 2020 08:54 PDT)

Noah Housh
Director of Community Development, City of Cotati

Jessica Jones

Jessica Jones
Community Development Director, Town of Windsor

Janet Spilman
Janet Spilman (Oct 5, 2020 14:55 PDT)

Janet Spilman
Director of Planning, Sonoma County Transportation Authority

David Storer, AICP
David Storer, AICP (Sep 30, 2020 11:57 PDT)

David Storer, AICP
Planning and Community Services Director, City of Sonoma

Kari Svanstrom
Kari Svanstrom (Sep 30, 2020 08:19 PDT)

Kari Svanstrom
Planning Director, City of Sebastopol

KEvin Thompson
KEvin Thompson (Sep 30, 2020 [illegible]:00 PDT)

Kevin Thompson
Assistant City Manager/Community Development Director, City of Cloverdale

Tennis Wick

Tennis Wick
Director, Permit Sonoma, County of Sonoma

David Woltering, AICP
2020
David Woltering, AICP (Oct 2, 20[illegible] 11:28 PDT)

David Woltering, AICP
Interim Community Development Director, City of Healdsburg

cc: Therese McMillan, MTC Executive Director
Matt Maloney, MTC Director of Regional Planning
Suzanne Smith, SCTA Executive Director

Sonoma County Transportation Authority
Regional Climate Protection Authority

October 14, 2020

ABAG Executive Committee
375 Beale Street, Suite 800
San Francisco, CA 94105-2066

RE: RHNA base data – comments and concerns

Dear Members of the ABAG Executive Committee:

Sonoma County and all of the nine cities are very committed to increasing housing opportunities – particularly stock in the low and very low categories. With a long history of directed growth supported by Urban Growth Boundaries in all jurisdictions, and engagement in MTC's Regional Growth Framework to identify 17 Priority Growth Areas, the jurisdictions in Sonoma County are motivated to facilitate the production of housing.

The SCTA convenes Planning Directors and planning staff in Sonoma County as the Planning Advisory Committee (PAC) and, when needed, facilitates an ad hoc staff committee to discuss pressing housing issues. At the October 12, SCTA Board of Directors meeting staff provided a report (attached) regarding the process of the current Regional Housing Needs Allocation (RHNA), along with a letter (attached) signed by all Planning Directors in the County describing their concerns in detail.

The SCTA Board understands and appreciates that the State is responding to housing shortages in all regions and has determined that the Bay Area Region should plan for an additional 441,176 additional housing units, a 135% increase from the last in the last RHNA Cycle. This is a heavy lift for our communities, however we do support the chosen methodology proposed by the Housing Methodology Committee (HMC).

Our issue of concern is the underlying data used to develop the Plan Bay Area 2050 Draft Blueprint, which determines the capacity for future housing growth. Errors in the land use development tool, UrbanSIM, which are used to estimate housing capacity/potential and growth, and particularly where housing can be built, how much can be built, and where housing development should be prohibited, has led to errors in housing forecasts and thereby errors in future housing allocations. The Draft Blueprint/UrbanSim forecast has led to an allocation of nearly 6,000 new units in the unincorporated County, a 919% increase over last cycle and the equivalent of building a new small city in the service-poor unincorporated area. The unincorporated County is largely rural/agricultural and should not see substantial growth, especially outside of urban service areas and spheres of influence. Several small cities have also received substantial increases. Sebastopol, for example is assigned a 250% increase, while Santa Rosa at 28% and Rohnert Park at 40% are relatively low. These increases are not consistent

with the focus on city-centered growth in Sonoma County and are not consistent with many of the planning practices espoused by MTC including the focus on higher density growth near transit service.

Since the September 29 letter was sent, SCTA has received housing potential data and other model inputs used to develop the Draft Blueprint. Regional staff spent time working with local planners to develop these inputs as part of the BASIS data outreach process in 2019, but it appears that inputs used to develop the Draft Blueprint may not be completely consistent with what was submitted as part of the BASIS review process. Local planners are reviewing the materials provided by ABAG to identify potential issues that could influence inaccuracies and issues with housing forecasts in Sonoma County.

The SCTA Board of Directors supports the Planning Directors request that you allow an additional three weeks to review and update the data used to develop regional forecasts that are being used as part of the RHNA allocation process.

We appreciate the attention of ABAG to this matter. Our goal is consistent with the region's - to plan for our share of housing. Please consider granting our planners the opportunity to correct data to more accurately reflect growth in Sonoma County.

Sincerely,

Susan Gorin (Oct 14, 2020 16:47 PDT)

Susan Gorin
Chair, SCTA/RCPA

Cc: Therese McMillan, MTC/ABAG Executive Director
Matt Maloney, MTC/ABAG Director of Regional Planning
SCTA Planning Advisory Committee

October 14, 2020

Jesse Arreguin, President, ABAG Board of Directors
Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105

Re: Regional Housing Needs Allocation – Recommended Modification to Housing Methodology

Dear Director Arreguin:

I am writing on behalf of the Santa Clara Valley Open Space Authority (Authority) to express our concerns regarding the Regional Housing Needs Allocation (RHNA) housing methodology recommended by the ABAG Housing Methodology Committee – Option 8A.

First, to be very clear, the Authority is in full support of increasing housing allocations statewide to address the housing crisis (which is negatively impacting our communities in so many ways) including increasing housing allocations in urban Santa Clara County.

Our concerns are related to the significant acceleration of sprawl that is likely to result from the 1,300% increase in housing unit allocation to unincorporated areas of Santa Clara County (from 277 units in the previous update to 4,139 units now), and the negative impacts to human and natural communities which this sprawl would incur. Allocation of housing units in unincorporated areas, which are primarily rural, agricultural, or open space, will significantly increase pressure to zone for housing in areas at high risk for wildfire, over PCAs, on productive agricultural lands, or proximate to state and regionally-identified critical habitat linkages. Importantly, sprawl, and especially the increased greenhouse gas emissions associated with it, are directly in opposition to the intent of Plan Bay Area, and the climate fighting intent of SB 375 (Steinberg, 2009) on which it is based. Encouraging sprawl in rural areas of Santa Clara County would also be counter to the climate and natural infrastructure protection goals of SB 940 (Beall, 2020), AB 948 (Kalra, 2019), the State Sustainable Ag Land Conservation Program and the Santa Clara Valley Agricultural Plan which it funded, as well as Governor Newsom's recent Executive Order on conserving 30% of the state's lands and waters by 2030 as a critical strategy in reaching the state's overall climate goals.

Housing allocations must be consistent with the intent to put a halt to greenfield development, while simultaneously supporting smart growth strategies that apply infill housing construction within the existing urban footprint of our communities where they best serve the population as well as the planet.

33 Las Colinas Lane
San Jose, CA 95119
408.224.7476 T
408.224.7548 F
openspaceauthority.org

Since its first adoption in 2013, Plan Bay Area has served as the urban growth blueprint for the Bay Area, which focuses regional growth around transportation infrastructure through its Priority Development Area (PDA) program and strives to provide equitable outcomes to all Bay Area residents. Its Priority Conservation Area (PCA) program has created avenues to highlight and enhance regionally significant natural landscapes and habitats that surround the built environment and provide respite for the densifying PDAs. The vision set out by Plan Bay Area is one that seeks balance between growth in the built environment and the vital resources provided by our natural and working lands.

Further, with the latest megafires serving as a backdrop, the potential for wildland-fire-generated embers to be carried by winds for miles is well documented. Homes in and near the Wildland-Urban Interface, or WUI, are at particular risk if adequate defensible spaces, open space buffers and home hardening measures have not been taken. Increased, concentrated development in the WUI, incentivized by the pressure of high RHNA allocations, may increase this risk even further. A 2017 insurance analysis shows that almost 350,000 homes in the Bay Area are in areas at high or extreme risk of wildfire.

For all of the reasons stated, we recommend that the housing methodology considered for adoption by the ABAG Executive Board be modified so that it is consistent with climate goals and strategies within Plan Bay Area, and with climate goals of our local jurisdictions and the State of California.

We appreciate your consideration for these concerns and look forward to speaking with you should you have any questions.

Sincerely,

Andrea Mackenzie

General Manager, Santa Clara Valley Open Space Authority

TOGETHER BAY AREA

October 14, 2020

Mr. Jesse Arreguin, President, ABAG Board of Directors
Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105

Re: Regional Housing Needs Allocation – Concerns About Recommended Methodology

Dear Director Arreguin,

TOGETHER Bay Area is a coalition of 65 public agencies, Indigenous Tribes, and nonprofits working in the San Francisco Bay Area for climate resilience and social equity. We write today to provide feedback on the Regional Housing Needs Allocation (RHNA) 6 housing methodology recommended by the ABAG Housing Methodology Committee – Option 8A.

Since its first adoption in 2013, Plan Bay Area has served as the urban growth blueprint for the Bay Area, which focuses regional growth around transportation infrastructure through its Priority Development Area (PDA) program, and strives to provide equitable outcomes to all Bay Area residents. The Priority Conservation Area (PCA) program has created avenues to enhance regionally significant natural landscapes, public access, and habitats surrounding the built environment, and to provide respite for the densifying PDAs. The vision set out by Plan Bay Area is one that seeks balance between growth in the built environment and sound stewardship of the vital resources provided by our natural and working lands, such as clean air, clean water, food, and access to nature.

TOGETHER Bay Area strongly supports statewide objectives to address the housing crisis we face in California by significantly increasing the amount of available housing, especially affordable housing. We also strongly support statewide strategies to promote urban infill, support climate smart transportation initiatives, and to leverage nature-based solutions to climate threats, which are solutions that typically provide multiple benefits to communities, such as increased livability, more equitable access to nature, and improved habitat for wildlife, water, and food production. We support continued evaluation of housing needs and further refinement of Plan Bay Area to better meet SB 375 (Steinberg, 2009) goals. **However, we see within the housing allocation methodology currently being recommended by the Housing Methodology Committee, an enormous increase of housing allocations to unincorporated counties, which will inevitably pressure local governments and cities into zoning lands that are inappropriate for housing in order to meet those thresholds**.

For example, in unincorporated Santa Clara County alone, the allocation of housing units increased from 277 units in RHNA 5 to 4,137 for RHNA 6, representing a nearly 1,400 percent increase. Other unincorporated counties are projecting similar drastic increases through the proposed methodology. **We are very concerned that such high allocations for unincorporated areas, which are primarily rural, agricultural, or open space, will significantly increase pressure to zone for housing in areas at high risk for fire, over PCAs, on productive agricultural lands, or proximate to critical habitat linkages.**

Further, the goal of Plan Bay Area, per SB 375, is to reduce greenhouse gas emissions by focusing housing near jobs and transit. The allocation of significant increases in housing units to the unincorporated (rural) counties accelerates sprawl, which is exactly counter to the strategic goals Plan Bay Area is trying to achieve. **Housing allocations must be consistent with the intent to stop greenfield development, and instead practice smart growth strategies that apply infill construction within the existing urban footprint of our communities**.

Importantly, with the latest megafires serving as a backdrop, the potential for wildland fire embers to be carried by winds for miles into the built environment is well-documented. Homes in and near the wildland-urban interface (the WUI) are at particular risk if adequate defensible spaces and home hardening measures have not been taken (please see Attachment 2). **Increased, concentrated development in the WUI, incentivized by the pressure of high RHNA allocations to unincorporated areas, does not follow best practices in mitigating the threat of catastrophic wildfire that risks lives and property.** A 2017 insurance analysis shows that almost 350,000 homes in the Bay Area are in areas at high or extreme risk of wildfire already.[1] We must avoid exacerbating this deadly problem by unintentionally spurring development in the WUI.

For all of the reasons stated, we recommend that the housing methodology considered for adoption by the ABAG Executive Board be modified so that it is consistent with climate goals and strategies within Plan Bay Area, and with climate goals of our local jurisdictions and the State of California.

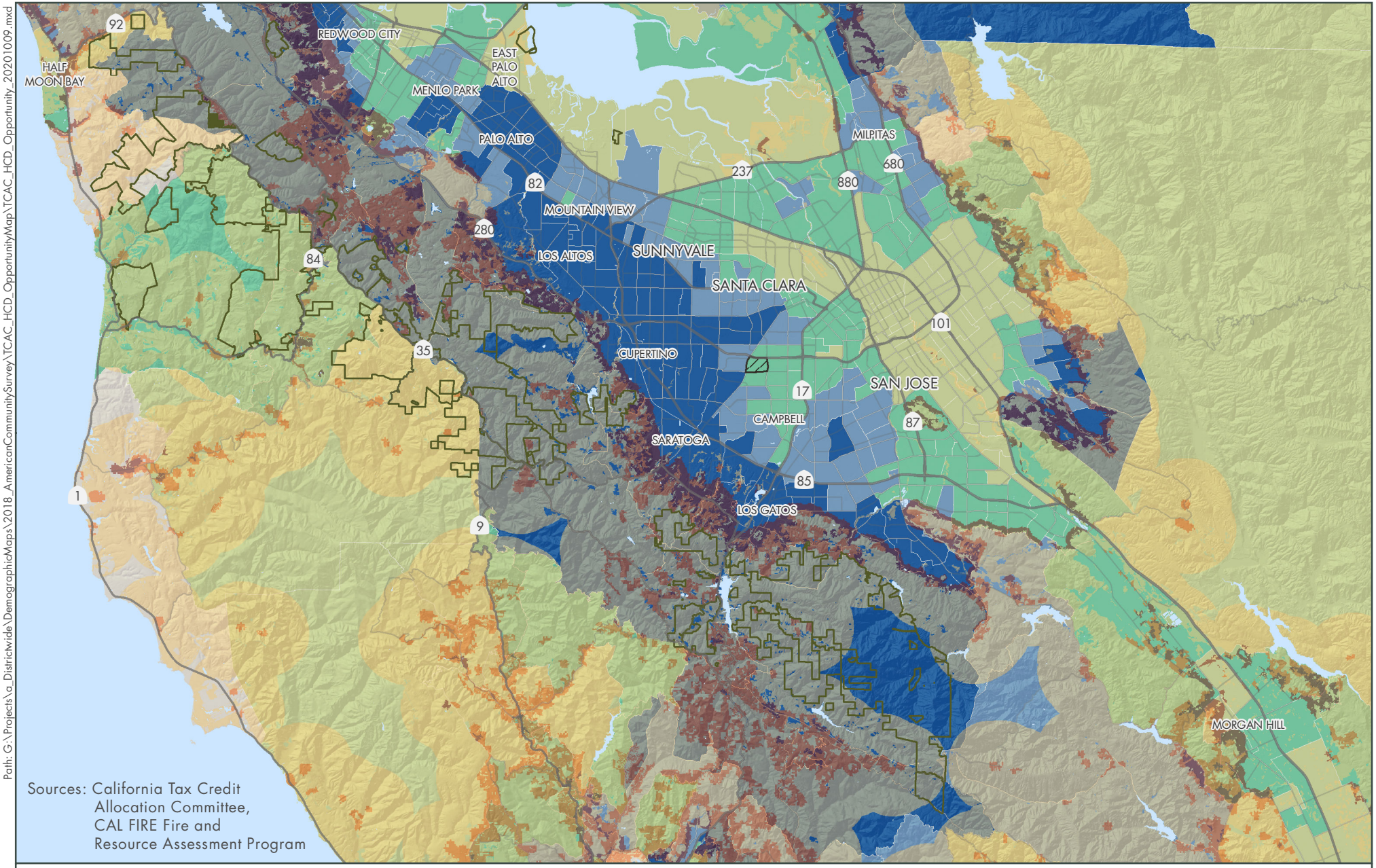
We appreciate your consideration for these concerns and look forward to speaking with you should you have any questions.

Sincerely,

Annie Burke
Executive Director

Attachments:
1. HCD/TCAC High Opportunity Areas and Wildland-Urban Interface Map (MROSD)
2. Bay Area PCA Map (ABAG)

[1] https://www.sacbee.com/news/california/fires/article216076320.html



TCAC/HCD Opportunity Areas

Opportunity

- Highest resource
- High resource
- Moderate resource (rapidly changing)
- Moderate resource
- Low resource
- High segregation & poverty
- Missing or insufficient data

FRAP WUI

- Midpen preserves
- Influence zone
- Intermix
- Interface

Midpeninsula Regional Open Space District
(Midpen)
10/9/2020

Miles
0 2.5 5

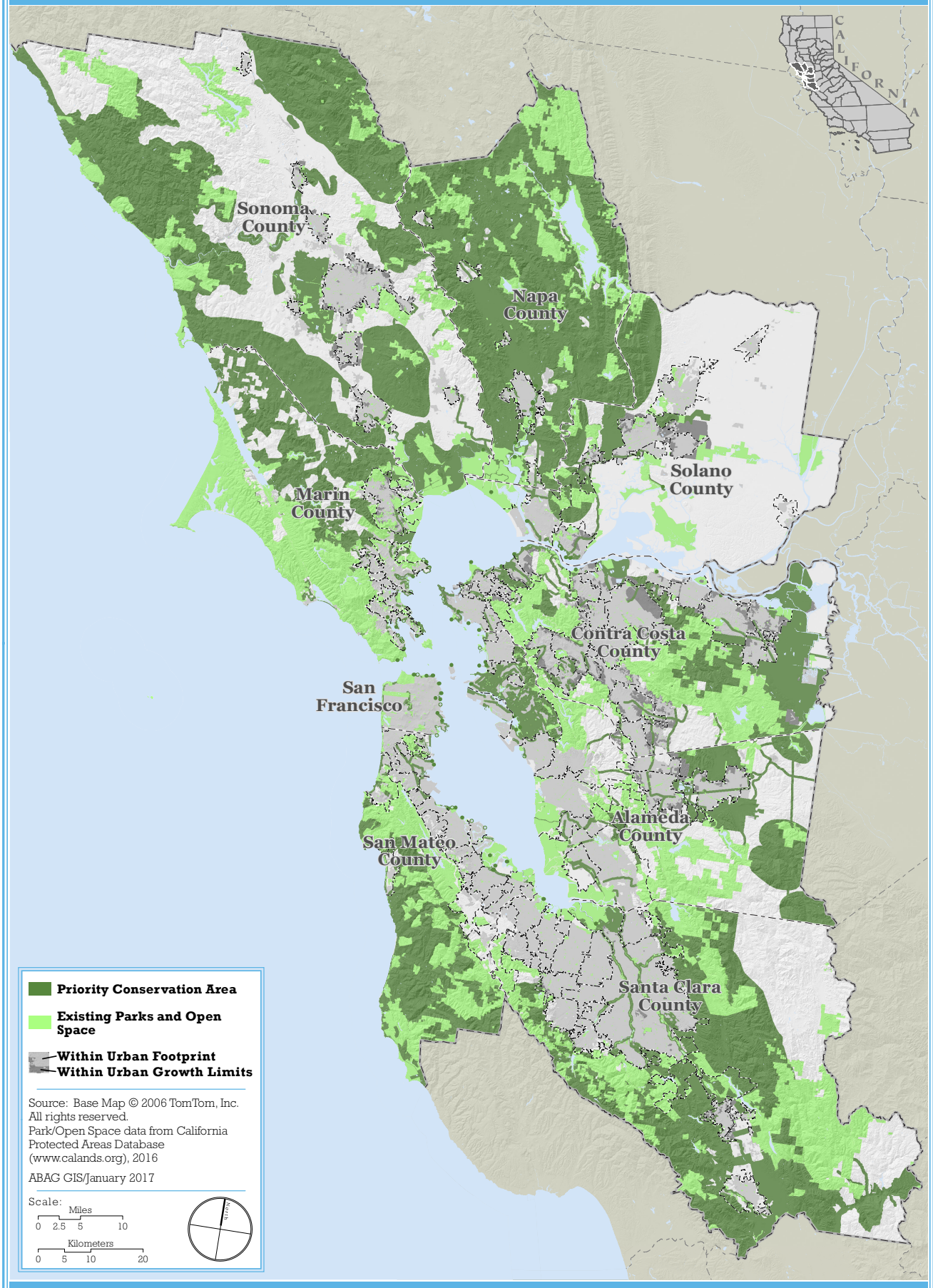
MIDPENINSULA REGIONAL OPEN SPACE

Path: G:\Projects\a_Districtwide\DemographicMaps\2018_AmericanCommunitySurvey\TCAC_HCD_OpportunityMap\TCAC_HCD_Opportunity_20201009.mxd

Created By: ngreig

PlanBayArea

Sustainable Communities Strategy



Priority Conservation Areas - Potential for Expansion of Parks, Urban Greening, and Protected Open Space

Fred Castro

From: Becky Hopkins <BHopkins@cityofpleasantonca.gov>
Sent: Thursday, October 8, 2020 12:35 PM
To: MTC-ABAG Info; Fred Castro
Subject: Tri-Valley Mayors Letter RE: RHNA Allocation Methodology
Attachments: 10.8.20 TVC Letter to ABAG Executive Board President.pdf

External Email

Hello Mr. Castro –

Please find attached a letter from the Tri-Valley Cities Mayors regarding the RHNA Allocation Methodology which the Executive Board will be discussing at their upcoming meeting on October 15, 2020.

A copy of the letter has also been sent via US Mail.

Many Thanks,

Becky

Becky Hopkins
Assistant to the City Manager, City Manager's Office
D: 925-931-5009
F: 925-931-5482
bhopkins@cityofpleasantonca.gov

City of Pleasanton | P.O. Box 520, Pleasanton, CA 94566

Tri-Valley Cities

DANVILLE • DUBLIN • LIVERMORE • PLEASANTON • SAN RAMON

October 8, 2020

Mayor Jesse Arreguin, President
Executive Board, Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105

Dear Mayor Arreguin:

On behalf of the Tri-Valley Cities of Danville, Dublin, Livermore, Pleasanton and San Ramon, we once again want to thank you and express our appreciation for your work on the 6th Cycle RHNA process, and to develop a methodology that appropriately and fairly distributes the 441,176 unit RHND recently allocated to the Bay Area by the State Department of Housing and Community Development (HCD).

On September 18, 2020, the Housing Methodology Committee voted to adopt methodology "Option 8A" that utilizes the "Plan Bay Area 2050 Future Households" Baseline; and applies a series of Factors that adjust the Baseline allocation, with a strong equity focus ("Access to High Opportunity Areas"), and secondarily, jobs proximity, with the greatest weight given to jobs accessible by auto.

The Tri-Valley Cities have significant concerns with the HMC's recommendation, particularly that it would have several negative outcomes in terms of its resultant distribution of housing growth, inconsistent with Plan Bay Area and key regional planning goals.

For Option 8A, these include housing allocations to Santa Clara County that fall far short of those projected in Plan Bay Area, and that fail to match the explosive jobs growth in the County over the past decade. And, significantly, we conclude the RHNA distribution resulting from Option 8A will work against key regional planning goals, including those to address GHG emissions by placing housing near jobs and transit centers, instead driving growth outwards, perpetuating sprawl and inefficient growth patterns.

As result, we would urge the Executive Board to consider an Alternative Methodology that 1) Uses the 2050 Household Growth Baseline; and 2) makes additional refinements to the Factors to allow for greater emphasis on transit and jobs access, while still maintaining an equity focus.

Impacts of HMC Recommended Methodology

A letter was submitted by the Contra Costa Mayors Association on October 2, 2020, outlining some very significant impacts of the proposed Baseline methodology, and contrasting it with the alternative "2050 Plan Bay Area Growth Baseline" that was dismissed with limited analysis during the HMC process.

We have reviewed and concur with all of the points raised in the Contra Costa County letter, including, as noted, that the Baseline would significantly under allocate new housing to Santa

DANVILLE DUBLIN CALIFORNIA LIVERMORE PLEASANTON San Ramon

Clara County, resulting in significantly higher allocations to other counties. This means that the methodology fails to adequately address the significant jobs-housing imbalance in Santa Clara County caused by its recent extraordinary jobs growth. In contrast to Plan Bay Area, which anticipates a 42% increase in housing growth in Santa Clara, the methodology assigns only 32% of the RHND there. This amounts to over 40,000 units allocated elsewhere in the region – most problematically, to our outer suburbs, small cities, and rural and unincorporated county areas.

The Contra Costa letter highlights some of the inequitable and unrealistic distributions to smaller cities across the region. In Danville, here in the Tri-Valley, the difference would amount to over 1,800 units, a more than 700% difference from the 2050 Growth Baseline. Similarly, large disparities are seen in other small cities.

Although the HMC's Option 8A provides an emphasis on equity and fair housing that is vitally important, we believe the unintended consequences of the growth patterns dictated by Option 8A may actually work against equity goals by:

- Inadequately addressing jobs-housing imbalances in the region requiring people to travel long distances from where they live to where they work.
- Driving growth from cities that want and need new housing to serve their communities and support their local economies.
- Underemphasizing transit access, thus increasing auto reliance for daily commutes and activities – at a significant economic, social and environmental cost to those residents.

Recommended Alternative Baseline and Factors

Similar to the approach advocated by Contra Costa County, we would urge the Executive Board to consider an Alternative to Option 8A, that shifts to use the "Plan Bay Area 2050 Growth" Baseline. We would also seek further refinements to the Factors as follows:

	HMC Option 8A	**Proposed Alternative Methodology**
Baseline	**Plan Bay Area 2050 Households**	**Plan Bay Area 2050 Growth**
Factors and Weighting		
Very-Low and Low Income Units	• 70 % Access to High Opportunity Areas • 15 % Jobs Proximity – Auto • 15 % Jobs Proximity - Transit	• 60 % Access to High Opportunity Areas • 20 % Jobs Proximity – Auto • 20 % Jobs Proximity - Transit
Moderate and Above Moderate Income Units	• 40 % Access to High Opportunity Areas • 60 % Jobs Proximity Auto	• 20 % Access to High Opportunity Areas • 40 % Jobs Proximity - Auto • 40 % Jobs Proximity - Transit

Together, these changes would have the following beneficial outcomes for the region, each of which would improve its consistency with Plan Bay Area:

- **Increased share of RHNA to the "Big Three" cities and inner Bay Area**, and a corresponding decrease in that assigned to the outer Bay Area, unincorporated, and small and rural communities by approximately 30,000 units. This will ensure that that the largest share of housing growth is allocated to the region's biggest job centers, in areas well-served by transit and infrastructure.

- **Reduced allocation to unincorporated county areas by over 10,500 units** – avoiding further residential growth pressures in areas most subject to natural hazards, lack of infrastructure capacity, and threatened loss of agricultural and open space land.

- **Alignment of the share of housing growth in Santa Clara County to match Plan Bay Area 2050 and the County's significant jobs growth of the past decade**. Santa Clara, home of some of the region's largest tech firms, has the largest numeric deficit in housing production to jobs production over the past decade, which could be corrected in part by this adjustment.

We appreciate the opportunity to bring forward this Alternative Methodology, and request that the Executive Board be provided an opportunity to duly consider this alternative in their forthcoming deliberations on the RHNA Methodology.

Respectfully,

Town of Danville
Mayor Karen Stepper

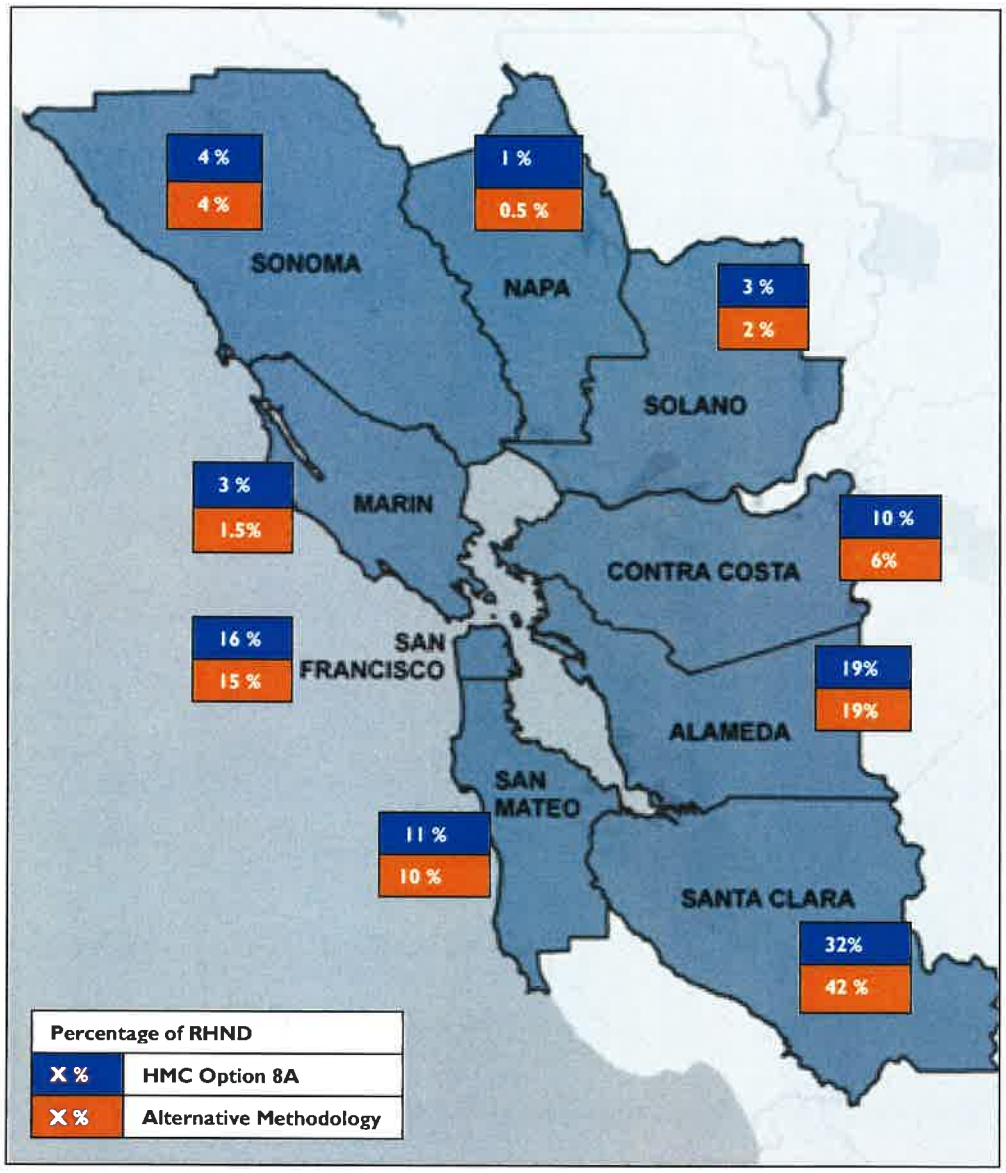
City of Dublin
Mayor David Haubert

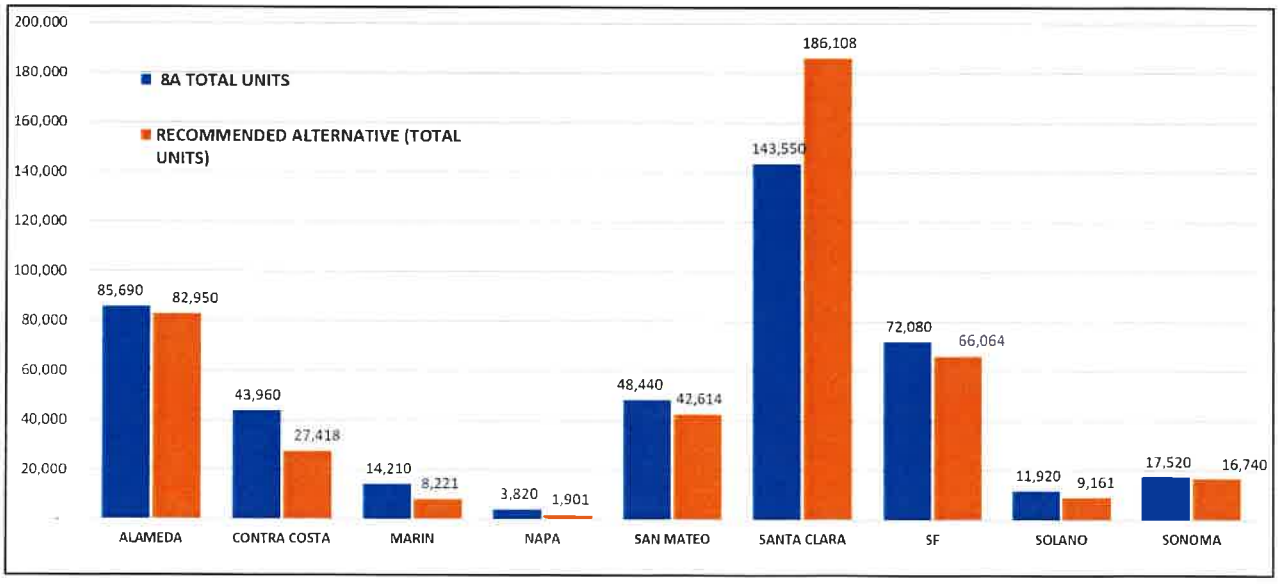
City of Livermore
Mayor John Marchand

City of Pleasanton
Mayor Jerry Thorne

City of San Ramon
Mayor Bill Clarkson

Attachments:
1. Map and Chart of County-by-County Allocations under Option 8A and Alternative Methodology
2. Summary of Jurisdiction-Specific Allocations


4 %
4 %
SONOMA
1 %
0.5 %
NAPA
3 %
2 %
SOLANO
3 %
1.5%
MARIN
10 %
6%
CONTRA COSTA
16 %
15 %
SAN FRANCISCO
19%
19%
ALAMEDA
SAN MATEO
11 %
10 %
SANTA CLARA
32%
42 %
Percentage of RHND
X %
HMC Option 8A
X %
Alternative Methodology


200,000
180,000
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
8A TOTAL UNITS
RECOMMENDED ALTERNATIVE (TOTAL UNITS)
85,690
82,950
43,960
27,418
14,210
8,221
3,820
1,901
48,440
42,614
143,550
186,108
72,080
66,064
11,920
9,161
17,520
16,740
ALAMEDA
CONTRA COSTA
MARIN
NAPA
SAN MATEO
SANTA CLARA
SF
SOLANO
SONOMA

Attachment 2

JURISDICTION						
County	City	HMC OPTION 8A (PBA 2050 Total Household Baseline)	ALTERNATIVE METHODOLOGY (PBA 2050 Growth Baseline + Revised Factors)	EFFECT OF CHANGE	% Change	
ALAMEDA	Alameda	4,900	3,252	(1,648)	-34%	↓
	Albany	1,150	405	(745)	-65%	↓
	Berkeley	7,730	4,690	(3,040)	-39%	↓
	Dublin	3,630	3,758	128	4%	↑
	Emeryville	1,500	3,767	2,267	151%	↑
	Fremont	14,310	12,259	(2,051)	-14%	↓
	Hayward	4,150	2,847	(1,303)	-31%	↓
	Livermore	3,980	4,072	92	2%	↑
	Newark	1,790	2,460	670	37%	↑
	Oakland	27,280	36,545	9,265	34%	↑
	Piedmont	600	73	(527)	-88%	↓
	Pleasanton	4,790	3,637	(1,153)	-24%	↓
	San Leandro	3,130	1,893	(1,237)	-40%	↓
	Unincorporated Alameda	4,530	1,233	(3,297)	-73%	↓
	Union City	2,220	2,059	(161)	-7%	↓
	County Total:	**85,690**	**82,950**	**-2,740**	-3%	
	% Regional Allocation	**19.42%**	**18.80%**			
CONTRA COSTA	Antioch	2,480	1,831	(649)	-26%	↓
	Brentwood	1,480	1,447	(33)	-2%	↓
	Clayton	600	217	(383)	-64%	↓
	Concord	3,890	1,799	(2,091)	-54%	↓
	Danville	2,170	218	(1,952)	-90%	↓
	El Cerrito	1,180	962	(218)	-18%	↓
	Hercules	680	300	(380)	-56%	↓
	Lafayette	1,660	855	(805)	-48%	↓
	Martinez	1,350	239	(1,111)	-82%	↓
	Moraga	1,050	685	(365)	-35%	↓
	Oakley	930	975	45	5%	↑
	Orinda	1,140	389	(751)	-66%	↓
	Pinole	580	360	(220)	-38%	↓
	Pittsburg	1,640	1,295	(345)	-21%	↓
	Pleasant Hill	1,870	948	(922)	-49%	↓
	Richmond	4,180	5,064	884	21%	↑
	San Pablo	800	447	(353)	-44%	↓
	San Ramon	4,720	3,123	(1,597)	-34%	↓
	Unincorporated Contra Costa	5,830	1,929	(3,901)	-67%	↓
	Walnut Creek	5,730	4,337	(1,393)	-24%	↓
	County Total:	**43,960**	**27,418**	**-16,542**	-38%	
	% Regional Allocation	**9.96%**	**6.21%**			
MARIN	Belvedere	160	86	(74)	-46%	↓
	Corte Madera	710	440	(270)	-38%	↓
	Fairfax	530	203	(327)	-62%	↓
	Larkspur	1,020	540	(480)	-47%	↓
	Mill Valley	830	26	(804)	-97%	↓
	Novato	2,110	1,473	(637)	-30%	↓
	Ross	120	24	(96)	-80%	↓
	San Anselmo	750	194	(556)	-74%	↓
	San Rafael	2,780	2,948	168	6%	↑
	Sausalito	740	208	(532)	-72%	↓
	Tiburon	630	300	(330)	-52%	↓
	Unincorporated Marin	3,830	1,779	(2,051)	-54%	↓
	County Total:	**14,210**	**8,221**	**-5,989**	-42%	↓
	% Regional Allocation	**3%**	**2%**	**-1.4%**		

JURISDICTION						
County	City	HMC OPTION 8A (PBA 2050 Total Household Baseline)	ALTERNATIVE METHODOLOGY (PBA 2050 Growth Baseline + Revised Factors)	EFFECT OF CHANGE	% Change	
NAPA	American Canyon	480	445	(35)	-7%	↓
	Calistoga	210	314	104	49%	↑
	Napa	2,090	1,009	(1,081)	-52%	↓
	St. Helena	180	24	(156)	-87%	↓
	Unincorporated Napa	790	84	(706)	-89%	↓
	Yountville	70	24	(46)	-65%	↓
	County Total:	**3,820**	**1,901**	**-1,919**	-50%	↓
		0.87%	0.43%			
SAN FRANCISCO	San Francisco	72,080	66,064	(6,016)	-8%	↓
	County Total:	**72,080**	**66,064**			
	% Regional Allocation	**16.34%**	**14.97%**			
SAN MATEO	Atherton	290	29	(261)	-90%	↓
	Belmont	1,770	529	(1,241)	-70%	↓
	Brisbane	2,810	7,479	4,669	166%	↑
	Burlingame	3,450	3,749	299	9%	↑
	Colma	180	338	158	88%	↑
	Daly City	4,830	4,200	(630)	-13%	↓
	East Palo Alto	890	479	(411)	-46%	↓
	Foster City	2,030	602	(1,428)	-70%	↓
	Half Moon Bay	330	224	(106)	-32%	↓
	Hillsborough	610	120	(490)	-80%	↓
	Menlo Park	3,070	2,600	(470)	-15%	↓
	Millbrae	2,370	2,706	336	14%	↑
	Pacifica	1,930	192	(1,738)	-90%	↓
	Portola Valley	250	3	(247)	-99%	↓
	Redwood City	5,190	4,918	(272)	-5%	↓
	San Bruno	2,130	1,523	(607)	-28%	↓
	San Carlos	2,390	892	(1,498)	-63%	↓
	San Mateo	6,690	4,263	(2,427)	-36%	↓
	South San Francisco	3,980	5,067	1,087	27%	↑
	Unincorporated San Mateo	2,930	**2,674**	(256)	-9%	↓
	Woodside	320	27	(293)	-92%	↓
	County Total:	**48,440**	**42,614**	**-5,826**	-12%	↓
	% Regional Allocation	10.98%	9.66%			
SANTA CLARA	Campbell	3,960	4,576	616	16%	↑
	Cupertino	6,220	7,257	1,037	17%	↑
	Gilroy	1,470	1,572	102	7%	↑
	Los Altos	2,270	1,085	(1,185)	-52%	↓
	Los Altos Hills	540	126	(414)	-77%	↓
	Los Gatos	1,930	153	(1,777)	-92%	↓
	Milpitas	6,580	11,280	4,700	71%	↑
	Monte Sereno	190	4	(186)	-98%	↓
	Morgan Hill	1,140	1,035	(105)	-9%	↓
	Mountain View	11,390	14,815	3,425	30%	↑
	Palo Alto	10,050	13,281	3,231	32%	↑
	San Jose	66,520	95,896	29,376	44%	↑
	Santa Clara	12,050	16,240	4,190	35%	↑
	Saratoga	2,100	1,049	(1,051)	-50%	↓
	Sunnyvale	13,010	13,811	801	6%	↑
	Unincorporated Santa Clara	4,130	3,931	(199)	-5%	↓
	County Total:	**143,550**	**186,108**	**42,558**	30%	↑
	% Regional Allocation	**32.54%**	**42.18%**			

JURISDICTION						
County	City	HMC OPTION 8A (PBA 2050 Total Household Baseline)	ALTERNATIVE METHODOLOGY (PBA 2050 Growth Baseline + Revised Factors)	EFFECT OF CHANGE	% Change	
SOLANO	Benicia	860	178	(682)	-79%	↓
	Dixon	380	129	(251)	-66%	↓
	Fairfield	3,620	4,812	1,192	33%	↑
	Rio Vista	230	50	(180)	-78%	↓
	Suisun City	610	194	(416)	-68%	↓
	Unincorporated Solano	1,020	1,711	691	68%	↑
	Vacaville	2,030	642	(1,388)	-68%	↓
	Vallejo	3,170	1,444	(1,726)	-54%	↓
	County Total:	**11,920**	**9,161**	**-2,759**	-23%	↓
	% Regional Allocation	**2.70%**	**2.08%**			
SONOMA	Cloverdale	300	315	15	5%	↑
	Cotati	270	256	(14)	-5%	↓
	Healdsburg	350	289	(61)	-17%	↓
	Petaluma	2,100	1,974	(126)	-6%	↓
	Rohnert Park	1,260	916	(344)	-27%	↓
	Santa Rosa	6,530	7,260	730	11%	↑
	Sebastopol	420	689	269	64%	↑
	Sonoma	330	114	(216)	-66%	↓
	Unincorporated Sonoma	5,250	4,427	(823)	-16%	↓
	Windsor	710	499	(211)	-30%	↓
	County Total:	**17,520**	**16,740**	**-780**	**-4%**	↓
	% Regional Allocation	**3.97%**	**3.79%**			