

TO: Housing Methodology Committee

DATE: November 1, 2019

FR: Deputy Executive Director, Policy

RE: HMC Member Correspondence

## Overview

During their October 18 meeting, HMC members were provided a contact email ([rhna@thecivicedge.com](mailto:rhna@thecivicedge.com)) to send comments and questions directly to ABAG staff. This memo provides an overview of the correspondence received since the October 18 meeting.

## HMC Member Correspondence

### 1. **Matt Regan 10/18/19: how do we ensure RHNA methodology creates housing goals that are actually buildable?**

Hi Gillian,

I forgot to take down the email address for follow up comments so my apologies at clogging up your inbox right after we promised not to!

This is not explicitly mentioned in the statute but I hope everyone can agree that its implicit. While we strive to achieve the admirable goals of housing/jobs balance, affordability, socioeconomic equity, environmental protection etc. we must never forget that the principal goal of this process is to create a methodology that ensures the greatest potential for the RHNA process to succeed...i.e. that the homes actually get built. The principal determination as to whether a housing development goes forward or not is economic; does it pencil, can it be built and rented/sold with a modest/acceptable profit for the developer. 95% of California's housing stock was built by a for profit developer, if there's no profit, there's no housing.

I hope we can create some sort of economic filter, or review process, that makes sure that what we are proposing at the very least passes the laugh test for those who will eventually have to build the homes we are planning for. We cannot propose high RHNA numbers for places where the market cannot support them or where there is no desire to build them, nor should we propose lower numbers for areas where there is a great deal of demand and desire to build simply because doing so fulfills a secondary or tertiary objective such as income balancing or GHG reduction.

Our abiding objective should be creating a methodology that has the greatest chance of succeeding. I have no desire to participate in a 6 month academic exercise where everyone puts on paper their dream vision of the Bay Area that has no basis in reality and no chance of working.

Thanks!!

Matt

**2. Bob Planthold 10/20/19: could we have an update on where the population increase numbers come from?**

Buried in this story is the statement that there will be 4 MILLION more people in Bay Area by 2040.

Those stats. seem relevant to planning housing allocation.

Yet, there is no source for that population estimate.

Can population estimates, for the next generation of Bay Area residents, be relevant to the RHMC considerations? If so, can someone research the basis for the 4 million estimate in the story?

<https://www.sfexaminer.com/news/bart-looking-west-toward-geary-boulevard-in-transbay-crossing-study/>

Bob Planthold

**3. Bob Planthold 10/21/19: sharing resources**

In case this podcast offers any insights, for either staff or the RHMC members.

<https://calmatters.org/housing/2019/10/podcast-case-for-local-housing-control-california-marin-county/>

Bob Planthold

**4. Bob Planthold 10/24/19: sharing resources**

Folks,

This is labelled 'affordable housing', but as A.M.I. increases, so does the rents --even though many in this seniors' complex are on fixed incomes.

The story mentions how A.M.I. went up FIFTEEN % --far more than any C.O.L.A. for a Social Security pension.

<https://sanfrancisco.cbslocal.com/2019/10/23/low-income-seniors-at-risk-of-homelessness-in-novato/>

So, if RHNA allocation is simply & solely based on income, then more and more renters on fixed income will get forced out --and move farther away.

Yet, is important for seniors to maintain their social networks.

Being forced to move disrupts that, making for social mal-adjustment.

Bob Planthold

## 5. Mathew Walsh 10/29/19: discussion format

What are your thoughts on how [the HMC meeting last week] turned out? I have a concern that the format will make discussion difficult, with the passing of the microphone around. While providing of comments should be ok, discussion will be tough, unless ABAG staff plays a very active role. With past HMCs, we sat around a large table and talked, with ABAG actively facilitating. It worked quite well I thought. I know this is a larger group, so maybe that impacts how we go about it.

Matt

## 6. Bob Planthold 10/29/19: sharing resources

Another detailed story, about the great imbalance between producing jobs and NOT producing housing.

If RHNA based on income, then what effect does massive imbalance between job production and housing production, such as in this story, become relevant?

[https://www.bizjournals.com/sanjose/news/2019/10/24/why-is-the-peninsula-so-afraid-of-housing.amp.html?\\_twitter\\_impression=true](https://www.bizjournals.com/sanjose/news/2019/10/24/why-is-the-peninsula-so-afraid-of-housing.amp.html?_twitter_impression=true)

Bob Planthold

## 7. Bob Planthold 10/29/19: sharing resources

A broader, Bay Area story about the resistance to providing more / newer housing.

<http://beyondchron.org/san-francisco-forgets-housing-lessons-of-dot-com-boom/>

Bob Planthold