

**REGIONAL HOUSING NEEDS ALLOCATION**

Association of Bay Area Governments

**2023-2031 Regional Housing Needs Assessment (RHNA) Appeal Request***Submit appeal requests and supporting documentation via DocuSign by 5:00 pm PST on July 9, 2021.****Late submissions will not be accepted.*** Send questions to [rhna@bayareametro.gov](mailto:rhna@bayareametro.gov)Jurisdiction Whose Allocation is Being Appealed: Town of Los Altos HillsFiling Party: ☐ HCD ☒ Jurisdiction: Town of Los Altos HillsContact Name: Steve Padovan Title: Interim Director of PlanningPhone: 650-947-2509 Email: spadovan@losaltoshills.ca.gov**APPEAL AUTHORIZED BY:**Name: Carl CahillSignature: Date: 7/7/2021**PLEASE SELECT BELOW:**

- ☐ Mayor
- ☐ Chair, County Board of Supervisors
- ☒ City Manager
- ☐ Chief Administrative Officer
- ☐ Other: \_\_\_\_\_

**IDENTIFY ONE OR MORE BASES FOR APPEAL [Government Code Section 65584.5(b)]**

- ☒ ABAG failed to adequately consider information submitted in the Local Jurisdiction Survey regarding RHNA Factors (Government Code Section 65584.04(e)) and Affirmatively Furthering Fair Housing (See Government Code Section 65584.04(b)(2) and 65584(d)(5)):
- ☒ Existing and projected jobs and housing relationship.
  - ☒ Sewer or water infrastructure constraints for additional development due to laws, regulatory actions, or decisions made by a provider other than the local jurisdiction.
  - ☒ Availability of land suitable for urban development or for conversion to residential use.
  - ☐ Lands protected from urban development under existing federal or state programs.
  - ☐ County policies to preserve prime agricultural land.
  - ☐ Distribution of household growth assumed for Plan Bay Area 2050.
  - ☐ County-city agreements to direct growth toward incorporated areas of county.
  - ☐ Loss of units contained in assisted housing developments.
  - ☐ Households paying more than 30% or 50% of their income in rent.
  - ☐ The rate of overcrowding.
  - ☐ Housing needs of farmworkers.
  - ☐ Housing needs generated by the presence of a university campus within a jurisdiction.
  - ☐ Housing needs of individuals and families experiencing homelessness.
  - ☐ Loss of units during a declared state of emergency from January 31, 2015 to February 5, 2020.
  - ☐ The region's greenhouse gas emissions targets to be met by Plan Bay Area 2050.
  - ☐ Affirmatively furthering fair housing.
- ☐ ABAG failed to determine the jurisdiction's Draft RHNA Allocation in accordance with the Final RHNA Methodology and in a manner that furthers, and does not undermine the RHNA Objectives (see Government Code Section 65584(d) for the RHNA Objectives).
- ☒ A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted in the Local Jurisdiction Survey (*appeals based on change of circumstance can only be made by the jurisdiction or jurisdictions where the change occurred*).

Pursuant to Government Code Section 65584.05, appeals shall be based upon comparable data available for all affected jurisdictions and accepted planning methodology, and supported by adequate documentation, and shall include a statement as to why the revision is necessary to further the intent of the objectives listed in Government Code Section 65584(d). An appeal shall be consistent with, and not to the detriment of, [the development pattern in the sustainable communities strategy \(Plan Bay Area 2050 Final Blueprint\)](#). (Click [here](#))

**Number of units requested to be reduced or added to jurisdiction's Draft RHNA Allocation:**

☒ Decrease      Number of Units: 129      ☐ Increase      Number of Units: \_\_\_\_\_

**Brief description of appeal request and statement on why this revision is necessary to further the intent of the objectives listed in Government Code Section 65584(d) and how the revision is consistent with, and not to the detriment, of the development pattern in Plan Bay Area 2050.** Please include supporting documentation for evidence as needed, and attach additional pages if you need more room.

The Town of Los Altos Hills is requesting a reduction of 129 units from our RHNA allocation of 489 units based on the reasoning that ABAG failed to adequately consider the following constraints to development of additional housing as listed in Government Code Section 65584.04(e):

(1) Each member jurisdiction's existing and projected jobs and housing relationship.

(2)(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(2)(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities.

In addition, ABAG has failed to consider the significant and unforeseen impact that the Covid19 pandemic has wrought upon the entire Bay Area region, especially within the Silicon Valley economic area.

**List of supporting documentation, by title and number of pages**

1. Supporting statement for Appeal of the 2023-2031 Draft RHNA Number - 10 Pages

2. \_\_\_\_\_

3. \_\_\_\_\_



The maximum file size is 25MB. To submit larger files, please contact [rhna@bayareametro.gov](mailto:rhna@bayareametro.gov).

Click here to  
attach files



## TOWN OF LOS ALTOS HILLS SUPPORTING STATEMENT FOR AN APPEAL OF THE TOWN'S 2023-2031 DRAFT RHNA NUMBER

The Town of Los Altos Hills is requesting a 129 unit reduction in ABAG's 2023-2031 Draft Regional Housing Needs Allocation of 489 units based on the reasoning that ABAG failed to adequately consider specific constraints to development of additional housing units in Los Altos Hills as listed in Government Code Section 65584.04(e) and ABAG failed to consider the significant and unforeseen impact that the Covid 19 pandemic would have to the Bay Area economy through the transition of many tech firms to allowing employees to work from home (telecommuting) one or more days a week, increased teleconferencing, and the dispersion of employees to multiple campuses instead of a single corporate headquarters. The 129 unit reduction would reduce the town's RHNA to 360 units which is based on the Town's current level of development of 30-35 units a year over the 8-year housing cycle along with 100 additional affordable housing units throughout Los Altos Hills on institutional properties with available development potential.

Los Altos Hills is a semi-rural community that was primarily developed from 1940 to 1990 with one-acre minimum residential properties, expanses of open space, and a strong community belief in allowing development that stresses environmental protection and compatibility. The streets are narrow with no curbs or sidewalks, there are multiple earthquake fault systems throughout the town, and approximately 40% of the properties maintain a private septic field for wastewater disposal.

The Town recognizes the need to increase the supply of housing in the state and the Bay Area, especially affordable housing, and the Town is one if not the only local jurisdiction anticipated to meet its total housing unit allocation for the current cycle. In the 2014 to 2022 RHNA cycle, the Town was assigned a total of 121 housing units, with 74 units for low and very low-income households, 32 for moderate income and 15 for above moderate income. As of the 2020 Annual Progress Report, the Town has permitted construction of 107 total units, of which 53 are for low and very low-income households, 11 are for moderate income households and 43 are above moderate. Based on these figures, the Town is on track to exceed its goal for total units constructed (165 units permitted versus 121 required) and has already exceeded its total required for Above-Moderate housing units (43 net new units vs. 15 required). In addition, due to the changes in ADU regulations and the accompanying surge in new ADUs permitted (25 building permits issued for ADUs in 2020 alone), the Town will meet and exceed its 5<sup>th</sup> cycle RHNA allocation of 106 affordable units by the following numbers:

- Total affordable units – 114 total units vs. 106 required
- Very Low and Low income units – 82 units vs. 74 required
- Moderate income units – 32 units vs. 32 required

However, for this next housing cycle, ABAG has assigned the Town a RHNA of 489 units, representing a 400% increase from the last planning cycle. The allocation is unreasonable given

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that the Town is basically built-out, with few remaining vacant residential lots, there are multiple environmental and physical constraints throughout the community, and there are no employment centers within the town limits. For comparison, from 1998 to 2020 (a 23-year period or almost 3 RHNA cycles), the town permitted a total of just 423 new housing units. Therefore, allocating the town 489 units is not feasible nor justified.

### **BASIS FOR APPEAL**

Government Code Section 65584.04(e) provides a list of factors that each council of government shall include when developing the methodology that allocates housing needs. The Town of Los Altos Hills has determined that ABAG did not properly assess the following factors when calculating the RHNA for our community:

(e)(1) Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.

(e)(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

In addition, ABAG failed to consider the significant and unforeseen impact that the Covid 19 pandemic would have to the Bay Area economy through the transition of many tech firms to work from home (telecommuting), teleconferencing, and the dispersion of employees to multiple campuses instead of a single corporate headquarters.

### **Existing and Projected Job/Housing Relationship – (e)(1)**

With respect to the region's existing housing need, ABAG's RHNA methodology assigns 50% of

the need to job accessibility. According to ABAG:

“The proposed RHNA methodology amplifies the Plan Bay Area 2050 Blueprint’s emphasis on improving jobs housing balance by using factors related to job proximity to allocate nearly half of the RHND. These factors direct housing units to those jurisdictions with the most jobs that can be accessed with a 30-minute commute by automobile and/or a 45-minute commute by transit. The combination of the Access to High Opportunity Areas factor and job proximity factors for allocating lower income RHNA units intends to enable more Bay Area workers to reside closer to their jobs, with an emphasis on providing more affordable housing in jurisdictions with the largest imbalance between low-wage jobs and housing affordable to low-wage workers.”

The methodology’s job access factor is not based on the number of jobs within a jurisdiction or any other data source. Rather, it is based on how many jobs can be accessed from that jurisdiction within a 30-minute auto commute or a 45-minute transit commute. The underlying issue is that ABAG is stating that the Town of Los Altos Hills has a lack of affordable housing in relation to the number of low wage jobs in the employment area. We disagree.

Almost all affordable housing in the Town consists of ADUs and approximately 10% of the total housing stock in Town are ADUs (295 based on previous survey counts and building permit data). A survey was completed in March 2021 to determine the amount of rent charged and the size of the ADUs. The survey found the following:

- 100% of studios are being rented at the extremely low to moderate income categories.
- 83% of 1-bedroom units are being rented at the extremely low to lower income categories.
- 14% of 2-bedroom units are being rented at the extremely low to lower income categories.
- 25% of ADUs greater than 2 bedrooms are occupied by non-family members with no rent charged.

Based on these numbers, 72% of the ADUs in town, or 212 units, are rented to households in the extremely low to moderate income range, which is equivalent to 6.4% of the total units in the community. If current ADU construction in town continues over the next 8 years, 200 additional ADUs will be added and 144 of those units will be available to extremely low to moderate income households. These added units will increase the percentage of total units in the town dedicated to affordable housing to almost 7%, which is a higher percentage than the surrounding communities which contain the land uses where low wage jobs are more predominant.

Regarding transit access, Los Altos Hills is located in an area with very limited access to high-quality transit. Only a small portion of the community itself has access to a daily bus route along the northerly boundary which abuts Stanford Business Park and at the Foothill Community College campus. Placing additional affordable housing in an area with limited to no access to transit is not feasible. Therefore, the 16 units assigned to Los Altos Hills in Table 5 should be removed.

### **The Opportunities and Constraints to Development of Additional Housing – (e)(2)**

Sewer and Wastewater Constraints – Only 61% of the Town’s properties are connected to a public sewer. The remaining properties rely on private septic systems to treat the wastewater from their

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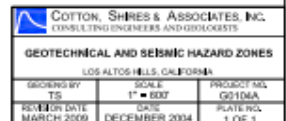
lots. Septic systems have significant limitations on hillside properties with steeper slopes and creek drainages, which is the typical topography of the lots that are not connected to sewer. Accordingly, development of higher density housing on these lots is not feasible and low density residential development with an ADU is the only viable land use. Based on this constraint, the Town is requesting that the number of units be adjusted down.

Seismic and Landslide Hazards Zones

Los Altos Hills is located along the easterly foothills of the Santa Cruz Mountains within 5 miles of the San Andreas Fault. There are several mapped fault lines that traverse the community which are shown on the Geotechnical and Seismic Hazard Zones Map on the following page.

The map can also be found on the Town of Los Altos Hills website at the following location <https://www.losaltoshills.ca.gov/DocumentCenter/View/214/LAH-Hazard-Map-PDFP>. Properties impacted by fault lines and Alquist-Priolo fault zones have restricted development potential due to requirements that the habitable portions of any structure must be a minimum setback distance from a fault line. As shown in the map above, a large portion of the community west of Interstate 280 is within some type of fault hazard or landslide hazard zone which further limits the type of structures and the density of development that can be built on these properties.





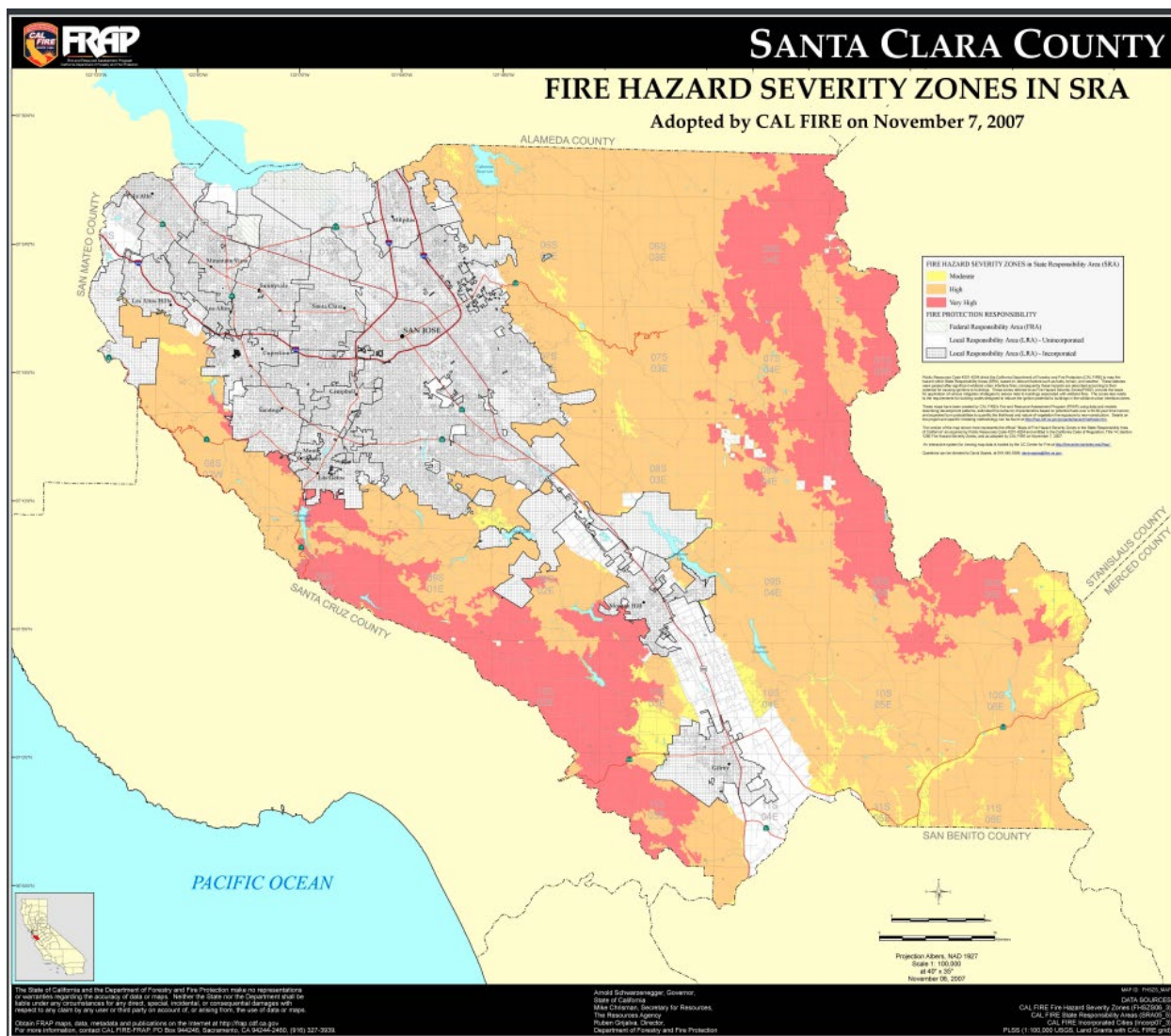
### Fire Hazard Severity Zones

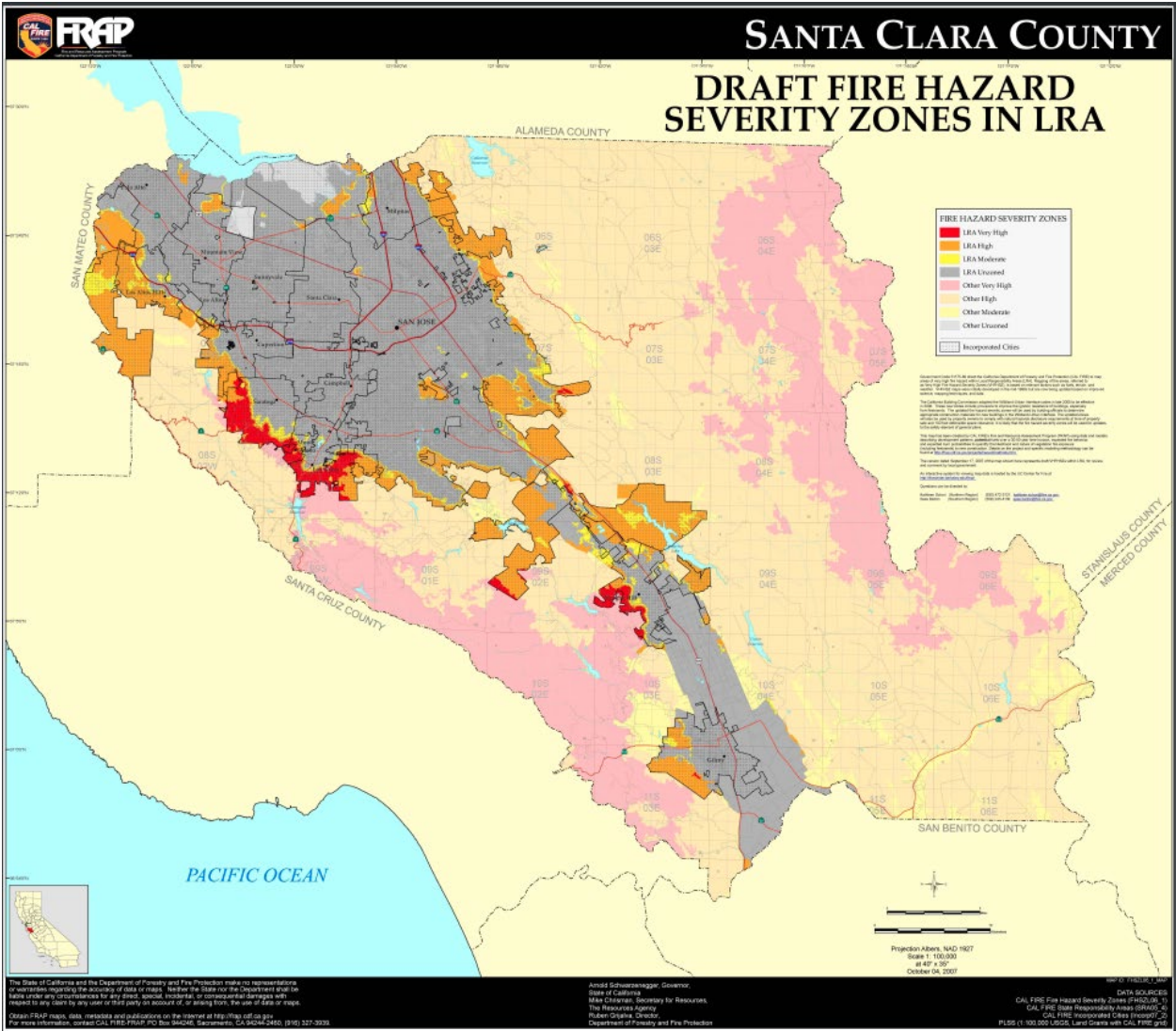
The entire western boundary of the town abuts a regional open space with lands consisting of redwoods, oak woodlands, chaparral and grasslands. This presents a wildland fire risk to the homes in the community. Accordingly, a majority of the Town is located within a High Fire Hazard Severity Zone, as classified through the California Department of Forestry and Fire Protection. The adopted maps for Santa Clara County are shown on the following pages including the October 2007 Draft Fire Hazard Severity Zones for Local Responsibility Areas (incorporated places). This designation reflects the constant and pressing fire safety threat to the community.

In addition, Senate Bill 35, found at Government Code 51175, et seq., recognizes the hazards associated with such classifications by exempting mandatory density provisions for communities with very high fire hazard severity zones (aka Wildland Urban Interface Areas or WUI). ABAG acknowledges that mandating more housing in WUI areas would be wrong and that housing mandates in WUI areas would be irresponsible. However, ABAG's exclusion rule is worded in such a way that it does not apply to the WUI areas in incorporated cities, where the most lives and property are at risk. If ABAG has concluded that wildland fires are a major consideration in setting RHNA targets, then it should come up with a plan that treats fire risk the same in incorporated areas as it does within unincorporated ones.

Based on the changing climate, drought and fire conditions that have prevailed over the past 4 years, the state is in the process of updating the fire hazard severity maps and it is likely that wildfire dangers will increase for the Town. Due to the rural narrow roadways and limited escape routes throughout the Town, the prospect of increased density in the community is ill conceived and does not represent good planning practice. The Town needs to consider the potential fire risk implications that would result from a project with increased density and the additional mitigation measures that would need to be undertaken to ensure our resident's safety. In addition, the extra costs associated with these potential mitigation measures would likely no longer render these projects affordable.

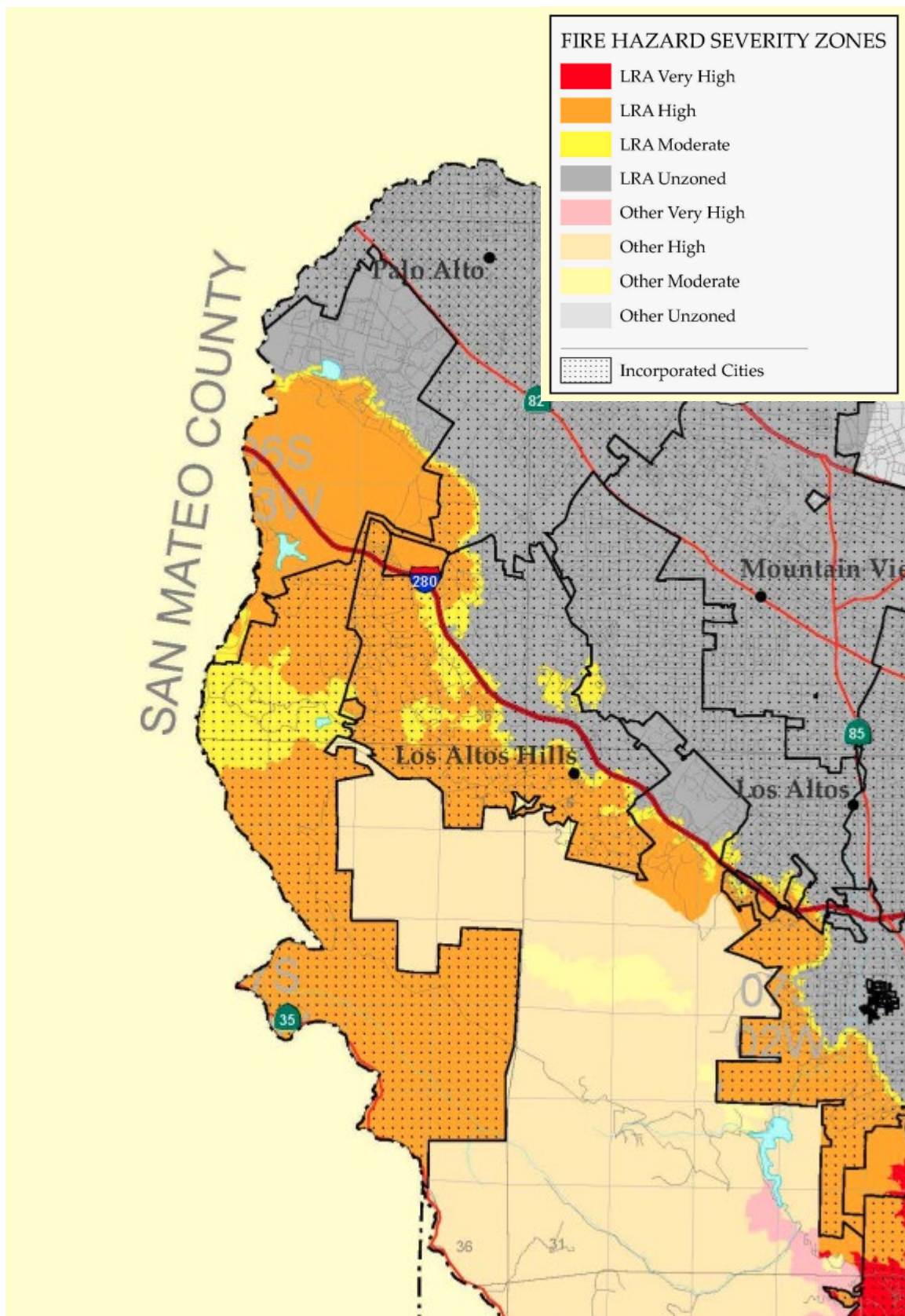








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**Failure to Consider the Significant and Unforeseen Impact of the COVID-19 Pandemic**

The ongoing COVID-19 pandemic has had a significant impact on the nature of employment and jobs, housing, commuting, and development over the past year. Recent census numbers taken before the pandemic already show that the state has not gained as many residents as forecasted and following the changes in telecommuting, teleconferencing and work-from-home directives, traffic patterns in northern Santa Clara County are significantly reduced due to the nature of the technology business in the areas adjacent to the town. This is an unforeseen externality that is significantly impacting population, housing and jobs estimates which directly affects the RHNA for the 6th Housing Element Cycle planning period.

For any questions or if further information is needed, please contact Interim Planning and Building Director Steve Padovan at [spadovan@losaltoshills.ca.gov](mailto:spadovan@losaltoshills.ca.gov) or by phone at (650) 947-2509.

Thank you for considering our appeal.