REGIONAL HOUSING NEEDS ALLOCATION



TO: ABAG Administrative Committee DATE: November 12, 2021

FROM: Therese W. McMillan, Executive Director

SUBJECT: City of San Ramon RHNA Appeal Final Determination

RHNA Background

The <u>Regional Housing Needs Allocation (RHNA)</u> is the state-mandated process to identify the number of housing units (by affordability level) that each jurisdiction must accommodate in the Housing Element of its General Plan. The California Department of Housing and Community Development (HCD) determined Bay Area communities must plan for 441,176 new housing units from 2023 to 2031.

ABAG convened an ad hoc <u>Housing Methodology Committee (HMC)</u> from October 2019 to September 2020 to advise staff on the methodology for allocating a share of the region's total housing need to every local government in the Bay Area. The allocation must meet the <u>statutory objectives</u> identified in Housing Element Law and be consistent with <u>Plan Bay Area 2050</u>. The HMC included local elected officials and staff as well as regional stakeholders to facilitate sharing of diverse viewpoints across multiple sectors.

The ABAG Executive Board approved the Proposed RHNA Methodology in October 2020 and held a <u>public comment period</u> from October 25 to November 27 and conducted a public hearing at the November 12, 2020 meeting of the ABAG Regional Planning Committee. After considering comments received, the ABAG Executive Board approved the Draft RHNA Methodology in January 2021. As required by law, ABAG submitted the Draft RHNA Methodology to HCD for its review. On April 12, 2021, <u>HCD sent ABAG a letter</u> confirming the Draft RHNA Methodology furthers the RHNA objectives.

On May 20, 2021, the ABAG Executive Board approved the final RHNA Methodology and draft allocations, which are described in detail in the <u>Draft RHNA Plan</u>. Release of the draft RHNA allocations in May 2021 initiated the <u>appeals phase of the RHNA process</u>.

ABAG RHNA Appeals Process

At its meeting on May 20, 2021, the ABAG Executive Board approved the <u>ABAG 2023-2031</u> <u>RHNA Appeals Procedures</u>. The Appeals Procedures provide an overview of existing law and the statutory procedures and bases for an appeal, as outlined in <u>Government Code Section</u> <u>65584.05</u>, and outline ABAG's policies for conducting the required public hearing for considering appeals. The ABAG Executive Board also delegated authority to the ABAG Administrative Committee to conduct the public hearing and to make the final determinations on the RHNA appeals.

On May 25, 2021, ABAG notified the city/town manager or county administrator and planning or community development director of each local jurisdiction, HCD, and members of the public about the adoption of the draft RHNA allocations and the initiation of the appeals period. The email to jurisdictions included a link to the ABAG 2023-2031 RHNA Appeals Procedures on the ABAG website.

ABAG received 28 appeals from Bay Area jurisdictions during the 45-day appeals period from May 25, 2021 to July 9, 2021. On July 16, 2021, ABAG posted all <u>appeal materials received from local jurisdictions</u> on its website and distributed them to the city/town manager or county administrator and planning or community development director of each local jurisdiction, HCD, and members of the public consistent with Government Code Section 65584.05(c).

During the public comment period from July 16, 2021 to August 30, 2021, ABAG received nearly 450 comments from local jurisdictions, HCD, regional stakeholders, and members of the public on the 28 appeals submitted. On September 1, ABAG posted all comments received during the comment period on its website and distributed them along with the public hearing schedule to the city/town manager or county administrator and planning or community development director of each local jurisdiction, HCD, and members of the public. This notification ensured that each jurisdiction that submitted an appeal was provided notice of the schedule for the public hearing at least 21 days in advance, consistent with Government Code Section 65584.05(d). Between August 29, 2021 and September 3, 2021, legal notices were posted on the ABAG website and published in multiple languages in newspapers in each of the nine counties of the Bay Area, announcing the dates of the public hearing.

The ABAG Administrative Committee conducted the public hearing to consider the RHNA appeals at six meetings on the following dates:

- <u>September 24, 2021</u>
- <u>September 29, 2021</u>
- October 8, 2021
- October 15, 2021
- October 22, 2021
- October 29, 2021.

ABAG Administrative Committee Hearing and Review

The City of San Ramon requests the reduction of its Draft RHNA Allocation by 1,450 units. The City of San Ramon's appeal was heard by the ABAG Administrative Committee on September 29, 2021, at a noticed public hearing. The City of San Ramon, HCD, other local jurisdictions, and the public had the opportunity to submit comments related to the appeal. The materials related to the City of San Ramon's appeal, including appeal documents submitted by the jurisdiction, the ABAG-MTC staff response, and public comments received about this appeal during the RHNA

appeals comment period, are available on the MTC Legistar page at https://mtc.legistar.com/LegislationDetail.aspx?ID=5149450&GUID=CAE1291F-C413-405C-8109-82AEF6171DC6&Options=&Search=. Additional comments on RHNA Appeals are available at:

- https://mtc.legistar.com/View.ashx?M=F&ID=9824315&GUID=7E48C1E6-441A-4AFE-B464-2CA74C73B5B4
- https://mtc.legistar.com/View.ashx?M=F&ID=9836540&GUID=1603966E-228B-4907-AA28-6F50249DC3AD
- https://mtc.legistar.com/View.ashx?M=AO&ID=106683&GUID=11d21ca8-c7fe-42b2b6d2-bf4125769321&N=SXRlbSA2LCBIYW5kb3V0IFB1YmxpYyBDb21tZW50

Per ABAG's adopted 2023-2031 RHNA Appeals Procedures, the City of San Ramon had an opportunity to present the bases for its appeal and information to support its arguments to the committee. The City of San Ramon presentation was followed by a response from ABAG-MTC staff, consistent with the information provided in its written staff report (**Attachment 1**). Then, the applicant could respond to the arguments or evidence that ABAG-MTC staff presented.

After these presentations, members of the public had an opportunity to provide oral comments prior to discussion by members of the Administrative Committee. Following their deliberations, members of the committee took a preliminary vote on the City of San Ramon's appeal. The Administrative Committee considered the documents submitted by the City of San Ramon, the ABAG-MTC staff report, testimony of those providing public comments prior to the close of the hearing and comments made by City of San Ramon and ABAG staff prior to the close of the hearing, and written public comments, which are incorporated herein by reference.

Per ABAG's adopted 2023-2031 RHNA Appeals Procedures, Mayor Dave Hudson recused himself from participating in consideration of the City of San Ramon's appeal.

Video of this day of the public hearing is available at: http://baha.granicus.com/MediaPlayer.php?view_id=1&clip_id=9359. A certified transcript of the proceedings from this day of the public hearing is available at: https://abag.ca.gov/tools-resources/digital-library/9-29-21-rhna-appeals-day-2-certifiedpdf.

ABAG Administrative Committee Decision

Based upon ABAG's adoption of the final RHNA methodology and the 2023-2031 RHNA Appeals Procedures and the process that led thereto; all testimony and all documents and comments submitted by the City of San Ramon, HCD, other local jurisdictions, and the public prior to the close of the hearing; and the ABAG-MTC staff report, the ABAG Administrative Committee denies the appeal on the bases set forth in the staff report. The key arguments are summarized as follows:

- Regarding Issue #1: Jobs-Housing Relationship Changes to San Ramon's CityWalk
 Master Plan do not affect the City's RHNA because CityWalk is located within San
 Ramon's Priority Development Area (PDA). The Plan Bay Area 2050 Final Blueprint
 strategies adopted by the ABAG Board applied increased density and intensity
 assumptions in a consistent manner based upon transit access and resource level. The
 Job Proximity Transit factor in the RHNA Methodology is based on the number of jobs
 observed in 2015. Assumptions about future changes in jobs have no impact on San
 Ramon's allocation. Impacts on jobs and transit from COVID-19 are not a valid basis for
 an appeal.
- Regarding Issue #2: Impact of Recent Annexations Annexation DV 17 was included in all
 modeling for the Plan Bay Area 2050 Final Blueprint. Annexation DV 18 occurred after
 modeling for the Final Blueprint, so the area was included as part of Contra Costa County
 when calculating RHNA baselines. However, the Final Blueprint did not forecast any
 households in this area in 2050, so a shift of jurisdictional responsibility from the County
 to San Ramon would have no impact on either jurisdiction's RHNA allocation.
- Regarding Issue #3: Lack of Available Land Government Code Section 65584.04(e)(2)(B) states ABAG may not limit its consideration of suitable housing sites to a jurisdiction's existing zoning and land use restrictions and must consider the potential for increased residential development under alternative zoning ordinances and land use restrictions and jurisdictions must consider underutilized land, opportunities for infill development, and increased residential densities as a component of available land for housing. San Ramon does not provide evidence it is unable to consider underutilization of existing sites, increased densities, accessory dwelling units (ADUs), and other planning tools to accommodate more housing.

Conclusion

For the foregoing reasons and based on the full record before the ABAG Administrative Committee at the close of the public hearing (which the Committee has taken into consideration in rendering its decision and conclusion), the ABAG Administrative Committee hereby denies the City of San Ramon's appeal and finds that the City of San Ramon's RHNA allocation is consistent with the RHNA statute pursuant to Section 65584.05(e)(1).