REGIONAL HOUSING NEEDS ALLOCATION



2023-2031 Regional Housing Needs Assessment (RHNA) Appeal Request

Submit appeal requests and supporting documentation via DocuSign by <u>5:00 pm PST on July 9, 2021</u>. **Late submissions will not be accepted.** Send questions to <u>rhna@bayareametro.gov</u>

Iurisdiction Whose Allocation is Being Appealed: \Box	City of Dublin
Filing Party: O HCD Surisdiction: City of Dubli	n
Contact Name: Michael P. Cass	Title: Principal Planner
Phone: (925) 833-6610	
APPEAL AUTHORIZED BY:	PLEASE SELECT BELOW:
Name: LINDA SMITH	O Mayor
	O Chair, County Board of Supervisors
Signature: And Mills	
Date: 7/9/2021	O Chief Administrative Officer
	O Other:
IDENTIFY ONE OR MORE BASES FOR APPEAL	[Government Code Section 65584.5(b)]
Fair Housing (See Government Code Section 6	elationship. or additional development due to laws, regulatory other than the local jurisdiction. elopment or for conversion to residential use. under existing federal or state programs. ural land. d for Plan Bay Area 2050. coward incorporated areas of county. g developments. 6 of their income in rent.
☐ Housing needs of individuals and families	experiencing homelessness. nergency from January 31, 2015 to February 5, 2020.
ABAG failed to determine the jurisdiction's Dra RHNA Methodology and in a manner that furt Objectives (see Government Code Section 655	thers, and does not undermine the RHNA
jurisdictions that merits a revision of the inform	nstances has occurred in the local jurisdiction or mation submitted in the Local Jurisdiction Survey only be made by the jurisdiction or jurisdictions

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 u	nits requested to be reduced <u>or</u> a	added to jurisdicti	ion's Draft RHNA A	llocation:
⊗ Decrease	Number of Units: 2,267	O Increase	Number of Units:	
further the ir the revision i Plan Bay Are	tion of appeal request and states tent of the objectives listed in G is consistent with, and not to the a 2050. Please include supporting anal pages if you need more room.	detriment Code detriment, of the documentation fo	Section 65584(d) a development pat	and how tern in
See attached ap	ppeal framework narrative.			
	orting documentation, by title an ework Narrative, 5 pages	d number of page	es	
The maximum j	file size is 25MB. To submit larger files,	please contact rhna@	<u> </u>	Click here to attach files

Appeal Framework Narrative

City of Dublin July 9, 2021

On May 20, 2021, the ABAG Executive Board approved the Final Regional Housing Needs Allocation (RHNA) Methodology and Draft Allocations. Approval of the Final RHNA Methodology followed the finding in April 2021 by the California Department of Housing and Community Development (HCD) that ABAG's Draft RHNA Methodology furthered the RHNA objectives. The Draft Allocation assigns 3,719 units of housing to the City of Dublin. The table below shows the draft distribution of housing units by household income category.

Draft RHNA

Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total Units

The City of Dublin hereby appeals our Draft Allocation, based on: 1) ABAG failed to adequately consider information submitted in the local jurisdiction survey; 2) ABAG did not determine the jurisdiction's allocation in accordance with its adopted methodology and in a manner that furthers, and does not undermine, the RHNA objectives; and 3) a significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits revision of information submitted as part of the local jurisdiction survey.

The following illustrates the City of Dublin's specific framework for our appeal of the Draft Allocation:

• Past Performance and Lack of Suitable Land (Appeal Grounds 1.b.ii): From 2010 to 2019, Dublin's population increased from 46,036 to 66,147, a 44% increase, making Dublin one of the fastest growing cities in California during that timeframe. This explosive growth was due to significant steps taken to facilitate the construction of both market-rate and affordable housing. During the current RHNA cycle, the City has issued building permits for the construction of 4,396 dwelling units compared to our allocation of 2,285 units. Specifically, as of May 31, 2021, the City has issued permits for 4,252 above-moderate income, 79 moderate income, 39 low-income, and 26 very low-income units. Notably, the City has issued building permits for 6.88 times our above moderate-income category for the current Housing Element cycle. Additionally, the City has an additional 2,682 units in the project pipeline, further limiting available land suitable for development. Dublin is different from many other communities in the Bay Area since a significant portion of the City is comprised of new construction, which is not appropriate for redevelopment opportunities. Based

on our past performance and lack of available land, the City requests our above-moderate income allocation of 1,449 units be re-allocated to other jurisdictions.

• Water Supply and Drought (Appeal Grounds 1.b.i and 3): Zone 7 Water Agency supplies drinking water to local water retailers. The Dublin San Ramon Services District (DSRSD) is the local water retailer for the City of Dublin. DSRSD contracts with Zone 7 to provide the water supply that services Dublin residents. This 30-year contract expires in 2024.

Zone 7's water supply has two major components: 1) incoming water supplies available through contracts and water rights each year; and 2) accumulated water supplies in storage derived from previous years. Incoming water supplies typically consist of annually allocated imported surface water supply and local surface water runoff. Accumulated or "banked" water supplies are available in local and non-local storage locations.

The Department of Water Resources operates the State Water Project (SWP). The SWP is by far Zone 7's largest water source, providing approximately 90% of the treated water supplied to its customers on an annual average basis. Zone 7 anticipates future supply deficits as SWP reliability continues to decline and Zone 7's service area population grows.

DSRSD's recently prepared the Draft 2020 Urban Water Management Plan, dated May 2021. The Urban Water Management Plan acknowledges that Dublin could experience problems due to an expiring water supply contract, dependence on imported water sources, and increased demand.

Additionally, the Department of Water Resources indicates "drought is best defined by its impacts on a particular class of water users in a particular location. In this sense, drought is a very local circumstance." As discussed above, Dublin obtains the majority of its water from imported sources. Therefore, drought conditions throughout California could have significant impacts on access to water resources for the Dublin community. While drought could have an impact on the entire region, the extent of those impacts is unknown at this time. However, drought conditions could be more impactful on communities, like Dublin, which source water from the delta. Water supplied from the delta is more susceptible to problems due to endangered species and increased use by the agricultural industry.

An expiring contact, dependence on imported water sources, increased demand, and the drought could create a challenge to provide water service for existing and planned growth. This challenge could be compounded by the additional burden resulting from further growth induced by RHNA.

• **Population Decrease (Appeal Grounds 2 and 3):** California's population dipped by approximately 182,000 residents last year, bringing the state's total to

approximately 39,466,000 people as of January 1, 2021, according to new population estimates and housing data released by the California Department of Finance on May 7, 2021. This reduction of 0.46% represents the first 12-month decline since state population estimates have been recorded. Locally, Dublin's population decreased from 65,161 to 64,695, a decrease of 466 residents or 0.7%. Dublin's population decline was more than 1.5 times the State average. If the declining population trend continues, it could translate to decreased households in 2050, which is a factor used for calculating the City's allocation.

High Opportunity Areas (Appeal Grounds 2): With the Final RHNA Methodology, ABAG allocated more housing units to jurisdictions with a higher percentage of households living in areas labelled High Resource or Highest Resource on the 2020 Opportunity Map. The Opportunity Map, prepared by HCD and the California Tax Credit Allocation Committee (TCAC), stems from HCD's policy goals to avoid further segregation and concentration of poverty and to encourage access to opportunity through affordable housing programs. The map uses publicly available data sources to identify areas in the state where characteristics have been shown by research to support positive economic, educational, and health outcomes for low-income families. The majority of Dublin is labelled High Resource or Highest Resource on the 2020 Opportunity Map. However, according to the 2019 American Community Survey, 61.1% of the Dublin population racially identify as minorities or multiracial. By relying on the 2020 Opportunity Map and not factoring demographic data, more housing is allocated to Dublin compared to other jurisdictions throughout the area. This methodology detracts from HCD's policy goal to promote diversity since more housing must be planned in Dublin, rather than in more segregated portions of the Bay Area, thus prioritizing economics over racial diversity.

Facilitating the production of housing for lower income households in high opportunity areas is laudable. However, the Draft RHNA assigns 1,449 above-moderate income units to Dublin. Above-moderate income units are effectively market rate housing. While in general, additional units have the potential to further diversity goals, assigning more market rate housing to Dublin does not achieve the stated purpose of providing affordable housing and access to opportunity for lower-income households. This methodology also fails to acknowledge the City's past performance in the above-moderate income category. During the current RHNA cycle, the City has already issued permits for 4,252 above-moderate income units, thus exceeding the current RHNA allocation of 618 units by 688%. Requiring the City to plan for an additional 1,449 above-moderate income units ignores Dublin's past production and unfairly burden's Dublin with providing more of the region's share of market rate housing. This argument further reinforces the City's request to re-allocate our 1,449 above-moderate-income units to other jurisdictions.

• Land Use Authority (Appeal Grounds 2): The baseline allocation is used to assign each jurisdiction a beginning share of the Regional Housing Needs Determination. The baseline allocation is based on each jurisdiction's share of the region's total

households in the year 2050 from the Plan Bay Area 2050 Blueprint. Using the 2050 Households (Final Blueprint) baseline takes into consideration the number of households that are currently living in a jurisdiction as well as the number of households expected to be added over the next several decades. The East Alameda County Superdistrict, including Dublin, Livermore, and Pleasanton, is projected to grow from 72,000 households in 2015 to 132,000 households in 2050, an increase of 60,000 households. The Final Methodology and 2050 household projection appear to include properties where the City does not have land use authority, including the properties owned by the United States of America (i.e., Parks Reserve Forces Training Area (Camp Parks) and the United States Department of Justice), Alameda County, and the Dublin Unified School District. Following is a list of properties that the City does not have land use authority, which may impact the City's allocation:

APN	Owner / Land Use Authority		Acreage
986-0001-001-06	United States of America		11.62
986-0001-001-07	United States of America		457.33
986-0001-001-39	United States of America		2,720.00
986-0005-036-01	Alameda County		38.51
986-0005-036-02	Alameda County		44.67
986-0005-038-15	Alameda County		218.08
985-0078-004, -	Dublin Unified School District		23.46
005, -006, and -007			
		TOTAL	3,513.67

At the time this appeal was filed, ABAG Staff was unable to provide the specific calculation and associated impacts of including the subject properties in the allocation. However, these parcels comprise more than one-third (36%) of the total acreage in Dublin (9,753.6 acres). Therefore, the City is requesting 36% of our 3,719 Draft Allocation or 1,339 units be re-allocated to other jurisdictions throughout the Bay Area. Alternatively, if our previous arguments about re-allocating our above-moderate income units are granted, then the City requests 818 units (0.36 x (1,085 \pm 625 \pm 560)) in our very-low, low, and moderate-income categories be re-allocated to other jurisdictions.

Based on the aforementioned arguments, the City requests 2,267 units (1,449 above-moderate units and 818 very-low, low and moderate income units) of our Draft Allocation be reallocated to other jurisdictions in the Bay Area. The City believes the Draft Allocation fails to consider our past performance and lack of suitable land; an expiring water contract, dependence on imported water sources, increased water demand, and the impact of the drought on providing water service; population decrease and impact on 2050 household projections; high resource areas disproportionally impacting a diverse community; and the final methodology allocating units to Dublin where the City does not have land use authority.

If approved, the revised allocation will further the intent of the objectives listed in Government Code Section 65584(d) by:

- Continuing to increase the housing supply and mix of housing types, tenure, and
 affordability by emphasizing the income levels where the City has not historically
 satisfied our allocation, particularly for low- and very-low income households.
- Promoting infill development by excluding large federally-owned properties which would require greenfield development and concentrating development closer to our BART Stations, thereby decreasing greenhouse gas emissions by encouraging transit-oriented-development.
- Fostering an improved jobs-housing balance by shifting some of the allocation to major employment centers, particularly in the South Bay and the Peninsula.
- Allocating a lower proportion of housing need in the above-moderate income category where the City already has a disproportionately high share of households based on our past performance.
- Affirmatively furthering fair housing by ensuring a disproportionate share of lowerincome units are not attributed to an already diverse community, based on the 2019 American Community Survey demographic data.