



City of Alameda • California

August 10, 2007

ABAG Executive Board
C/o Henry L. Gardner, Secretary-Treasurer
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604-2050

Re: Regional Housing Need Income Allocation

Dear Mr. Gardner:

The Planning and Building staff has reviewed the allocation of units and affordability in the Regional Housing Need Allocation and continues to have serious concerns about the income distribution. The income distribution assigns more than half the units to below-market income levels. While this is a laudable goal, it is also extremely unrealistic without State or Federal assistance. Cities alone cannot provide this amount of affordable housing.

The City of Alameda has a 25% inclusionary housing requirement in its three redevelopment areas, which includes the redevelopment of Alameda Point. The City also has a 15% inclusionary housing requirement citywide for areas not within redevelopment areas. These requirements are some of the most stringent in the Bay Area and are already considered aggressive. Increasing the inclusionary housing requirements beyond where they are presently set will make housing too expensive to construct, and therefore, defeat rather than encourage its production.

The City of Alameda is committed to providing the number of housing units in our allocation as it has begun an aggressive new planning process with a new developer for Alameda Point. Where Alameda, and likely most other jurisdictions, will have difficulties is in meeting the exceedingly high affordable housing distributions. We urge you to consider a more realistic distribution that does not require State or Federal assistance for its accomplishments.

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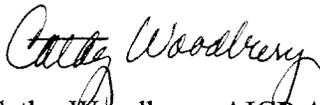
AUG 14 2007

OFFICE

Planning & Building Department
2263 Santa Clara Avenue, Room 190
Alameda, California 94501-4477
510.747.6850 • Fax 510.747.6853 • TDD 510.522.7538

Should you have any questions or wish to discuss this matter, please contact me at (510) 747-6800.

Sincerely,



Cathy Woodbury, AICP ASLA
Planning and Building Director

cc: Mayor Johnson and City Council members
City of Alameda Planning Board
Debra Kurita, City Manager
David Brandt, Assistant City Manager
Michael Pucci, Housing Authority Executive Director
Leslie Little, Development Services Director



CITY of BELVEDERE

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September 20, 2007

Executive Board
Association of Bay Area Governments (ABAG)
Care of Henry Gardner, Executive Director
101 Eighth Street
Oakland, CA 94607-4756

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SEP 21 2007

EXECUTIVE DIRECTOR'S
OFFICE

Re: Regional Housing Needs Assessment (RHNA) Allocation for the City of Belvedere

Dear Members of the ABAG Executive Board;

On July 19, 2007, the ABAG Executive Board adopted the Draft Regional Housing Needs Allocation ("Draft RHN Allocation") for the communities located within the San Francisco Bay Region. The Draft RHN Allocation for the City of Belvedere was 25 new housing units. The City of Belvedere hereby requests a revision of the RHN Allocation pursuant to Section 65584.05(b) of Article 10.6 of the Government Code, and presents its recommendation for a fair and reasonable RHN Allocation, based on the following accepted planning methodologies.

1. The Draft RHN Allocation is faulty because its methodology is based upon mistakes included in ABAG's Projections 2007 forecasts. Because of errors in the *Projections 2007* forecast, the Draft RHN Allocation failed to consider "land suitable for urban development or conversion to residential use" as required pursuant to Government Code Section 65584.04(d)(2)(B). On January 16, 2007, the City of Belvedere provided the ABAG Executive Board with a table showing the overestimated growth forecasts for jobs and population shown in *Projections 2007*. The gross errors in *Projections 2007* are described in the table below:

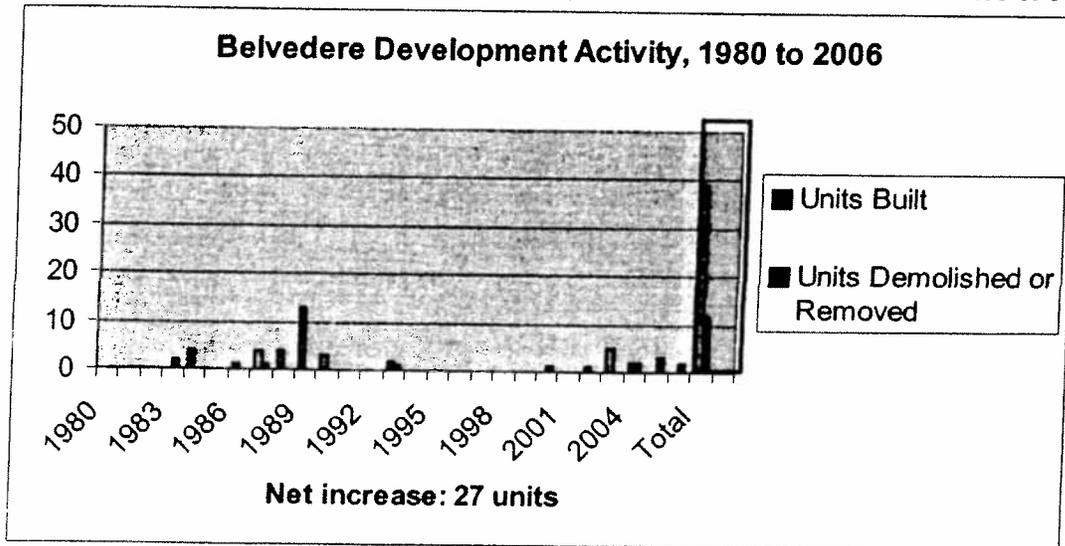
	Belvedere General Plan (2005)	Belvedere General Plan (2020)	Increase	ABAG Projections 2007 (2005)	ABAG Projections 2007 (2035)	Increase	Increase Exceeds General Plan
Households/ Housing	990	990	0	960	1,000	+40	+ 40
Jobs	350	360	+ 10	1,130	1,170	+ 40	+ 30 (+ 810 new jobs)

The existing and potential jobs forecasts are particular concerns to Belvedere because both the Marin Countywide Plan and the City's General Plan anticipate no increases to Belvedere's commercial floor area (75,000 square feet) to the year 2030. Furthermore,

the General Plan establishes existing employment levels as having 780 fewer jobs than ABAG's forecast, and it plans for 810 fewer new jobs. The cause of these errors could be ABAG staff's possible reliance upon business licenses issued in the City for construction related services or other erroneous assumptions. These gross discrepancies are evidence that there is no land suitable for growth to satisfy the City's Draft RHN Allocation or to justify increases in residential development to maintain a "jobs-housing balance."

2. The Draft RHN Allocation is faulty because its methodology is based upon mistakes included in ABAG's *Projections 2007* forecasts related to the history of development and trends in market demand. Because of errors in the *Projections 2007* forecast, the Draft RHN Allocation failed to consider "land suitable for urban development or conversion to residential use" or "market demand for housing" as required pursuant to Government Code Section 65584.04(d)(2)(B) and 65584.04(d)(4).

On January 16, 2007, the City of Belvedere provided the ABAG Executive Board with a table showing the history of residential development in the City of Belvedere since 1980. *Projections 2007* forecasts, and the Draft RHN Allocation based on those forecasts, show significant increases in housing units that are not consistent with past market and development trends in Belvedere. Review of construction activity between 1980 and 2006 demonstrates that small increases in the number of homes in Belvedere were offset by reductions in the total number of homes as properties were merged and housing units were demolished. The table below demonstrates that a net increase of only 27 units, many of them second units, have been built in Belvedere since 1980.



The City of Belvedere developed 27 additional units over the past 26 years. The Draft RHN Allocation would require Belvedere to build 25 units in 5 years. This is an unreasonable requirement for a city of Belvedere's small size and static market demand.

3. The Draft RHN Allocation is faulty because its methodology is based upon mistakes included in ABAG's Projections 2007 forecasts related to environmental constraints. Because of errors in the *Projections 2007* forecast, the Draft RHN Allocation failed to consider "land suitable for urban development or conversion to residential use" as required pursuant to Government Code Section 65584.04(d)(2)(B). On January 16, 2007, the City of Belvedere provided the ABAG Executive Board with the City's environmental constraints, including its proximity to shoreline, liquefaction zones, narrow roadways, traffic congestion, steep topography and landslide hazards. *Projections 2007* and the RHNA allocation should be consistent with a City's policies and, where the forecasts exceed the City's General Plan, the reasons for the increase must be provided in detail to allow the City to comment on land rendered unsuitable for development by environmental constraints.

4. The Draft RHN Allocation is faulty because the details of the terms and formula of its methodology were not released. ABAG's description of the formula states that *Projection 2007* will be used by ABAG as a basis for the proposed RHNA allocation formula. However, the proposed formula is based on expected growth from 2007 to 2014, and *Projections 2007* forecasts growth from 2005 to 2015. No definition has been provided for terms such as "public transit stations" and other key variables. As requested from the ABAG Executive Board on January 16, 2007 and from ABAG staff multiple times, the formula and variables by which ABAG has calculated the Draft RHN Allocation must be released. The City of Belvedere therefore formally requests, pursuant to the Public Records Act, Section 6250 et seq. of the Government Code, that ABAG provide to the City of Belvedere an electronic copy of all documents, models and other information used as the basis for growth projections or other considerations for the City of Belvedere for *Projections 2007* and the Draft RHN Allocation. We look forward to your response within 10 days as required by the Public Records Act.

5. Finally, the City of Belvedere respectfully requests that the ABAG Executive Board consider the City's recommended RHN Allocation, which is based upon actual construction in the City of Belvedere and reasonable increases beyond City forecasts and trends. Between 1999 and 2006, nine (9) new housing units were constructed in the City of Belvedere. A RHN Allocation of 10 new units for the 2007 to 2014 time period would be a fair and reasonable expectation. This goal of a 10% increase above actual construction, as well as the requirement to satisfy the RHN affordability categories, would continue to challenge the City to address the region's affordable housing needs while supporting the City's efforts to do so.

Sincerely,


Pierce Macdonald, Planning Manager

cc: Belvedere City Council and Planning Commission
George Rodericks, City Manager
Robert Epstein, City Attorney
Riley Hurd, III, Deputy City Attorney



Planning and Development
Office of the Director

September 14, 2007

Mr. Paul Fassinger
ABAG Research Director
Association of Bay Area Governments
Post Office Box 2050
Oakland, California 94604-2050

Reference: Comments on Draft Regional Housing Needs Assessment Allocation

Dear Paul:

Thank you for the opportunity to review and comment on the proposed Regional Housing Needs Allocation (RHNA) for the City of Berkeley. The numbers we have received, in comparison to our previous allocations, are presented below:

	Very low <50% of AMI,	Low <80% AMI	Mod <120% AMI	Above Mod	Total
2000-2007	354	150	310	455	1269
2007-2014	328	424	549	1,130	2431

The overall allocation for the City of Berkeley for the 2007-2014 period is just about exactly double the previous allocation. As we stated in our January 3, 2007 letter on the allocation methodology, while the City's General Plan generally supports the intent of the underlying direction of the allocation, which is in support of appropriate infill development near transit and jobs, the City is concerned with the feasibility of the region's largely built-out older cities achieving the very large increases assigned to them. Berkeley barely managed to meet our previous allocation in the midst of a 5-year multi-family housing construction boom.

We previously noted the increased dependence of the methodology on housing production in existing urban areas and stated our belief that this could undermine the goal of meeting overall regional housing needs. Cities in outlying areas where development is more readily achieved may now scale back their plans for new housing in conformance with the reduced RHNA allocations, while older inner-ring cities fail to meet the goal due to forces totally outside their control. We believe that cities with more readily available vacant and highly underutilized land within existing urbanized boundaries can significantly increase their production through increased intensity of development without necessarily threatening the region's precious open space resources. Development in cities such as Berkeley, San Francisco and Oakland is considerably harder to implement, and these cities are already developed at relatively high

densities. We were also concerned that the now-adopted methodology over-emphasized existing rail transit, while ignoring planned major transit investments.

We continue to believe that the adopted methodology is flawed for the reasons noted above and urge ABAG to consider modifying the methodology to better reflect the development opportunities and overall housing market in the region. While cities should be encouraged to reach further to meet housing needs, establishing unrealistic goals is not necessarily an effective way to encourage cities to do their part, and may have unintended consequences in regard to meeting overall regional housing needs.

Application of a College/University Factor

While ABAG took certain factors into account in the RHNA process as required by State law, it chose to largely ignore a factor added by the Legislature: the impact of universities and colleges on communities' housing needs. We recognize that this additional factor came very late in the process and largely after a great deal of consideration by the RHNA Housing Methodology Committee. For obvious reasons, this is a major concern to the City of Berkeley, and we believe that insufficient consideration was given to this issue. In our comments on Projections 2007, and in our previous comments on the RHNA process, the City suggested some ways in which ABAG could better account for the impacts of the University of California at Berkeley on the City of Berkeley. We continue to believe that these should be more fully considered in the allocation.

Job Impacts. Since the University of California at Berkeley is a major regional institution, the largest educational institution in the Bay Area, and is situated in a relatively small community (in comparison to the University's size), we believe ABAG should not apply the same RHNA jobs factor to Berkeley as to other communities. University-related jobs should be spread to the many communities that contribute workers to the University. Information is available from the University on the location of its workforce and from Lawrence Berkeley National Lab on its workforce.

We recognize that other jurisdictions in the Bay Area would probably like to make a similar request to spread the allocation for their major employers, but we believe that Berkeley is distinguishable from those other communities. First, the Legislature has specifically directed that universities and colleges be considered in the RHNA process. Second, even in regard to the issue of universities and colleges, UC Berkeley has a disproportionate impact on Berkeley in comparison to other schools in larger communities such as San Jose or San Francisco. Cal State University-East Bay, located in a somewhat larger community than Berkeley, is still only one-third the size of UC Berkeley, not including the Lawrence Berkeley National Lab. Even Stanford is relatively small in comparison to Palo Alto.

The University is also different than other major employers in that the City has no ability to exercise control or influence the University's job growth. The University is a completely autonomous "government" within the City in regard to adding jobs, but the City is powerless to require any mitigation of the impacts on housing needs those jobs generate, either through financial contribution to the housing needs of employees, or by locating new housing on University land. This distinguishes UC from private institutions such as Stanford in its relationship to its governmental jurisdictions.

Because of these distinctions, we believe that there should be an equitable distribution of the impact of University jobs (both existing and projected) throughout the affected region.

Impacts of Student Housing. Some consideration should be given for the provision of group living accommodations in the City. Although the City generally met its overall housing production goals over the past 7 years, the City would have considerably exceeded those goals if the construction of group living accommodations by the University were considered housing units. Palo Alto and Berkeley have by far the highest percentage of residents living in group quarters in the Bay Area, with ABAG estimating that 5.7 percent of Berkeley residents are in group quarters, while the regional average is 2 percent. In our April 22, 2006 letter to ABAG on draft Projections 2007, the City disputed the draft group living accommodation figure in the projections. ABAG estimated in the draft Projections 2007 that there were 5,900 people in group quarters in Berkeley in 2005. This number is much lower than the actual "bed-count" reported by the University of California at Berkeley in its Long Range Development Plan. The University counted 8,561 beds in group quarters in 2003 (counting all dorms, co-ops, fraternities and sororities as beds in group quarters) with an additional 1110 under construction (and now completed). Because there is a very small vacancy rate for student housing, it seems reasonable to assume that the group quarter population will approximate the number of beds. In addition to the now 9,671 beds in group quarters, there are a number of beds in assisted living facilities of one kind or another in Berkeley. In other words, the City believes the number of people in group quarters is almost twice what was estimated for those quarters in 2005 in Projections 2007. This implies that the proportion of residents in group quarters in Berkeley may be about 10 percent of the population, or five times the regional average.

Group quarters are housing many people, but are not accounted for in any way by the RHNA methodology. While we experience impacts from the employees of the University serving mostly students in those quarters (including a higher RHNA allocation), the City gets no credit in the RHNA process for the housing – including significant new recent development - provided for them in the community. We request that any "group quarters" completed in this next RHNA cycle be credited towards meeting the City's RHNA goals. We will be happy to discuss with ABAG how that might occur.

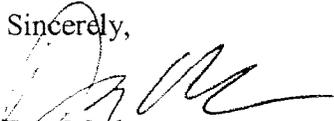
There are other ways in which the University may be addressed in the RHNA process, including how vacancy factors are addressed in the RHNA process or how household size affects expected housing need. The City of Berkeley faces some unique issues in regard to both of these issues that may affect how our allocation is determined.

In conclusion, we believe that ABAG has not fully complied with the requirements of State law in its RHNA allocations to Berkeley. We have previously commented on this issue but have received little or

Mr. Paul Fassinger
September 14, 2007
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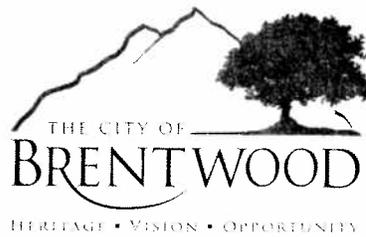
no response. We look forward to further dialogue with ABAG on this issue and to an appropriate adjustment in our allocation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dan Marks', written over a circular stamp or mark.

Dan Marks
Director

cc: Mayor and Council
Planning Commission
Phil Kamlarz, City Manager
Rae Mary, Interim Housing Director
Debbie Sanderson, Acting Land Use Planning Manager



September 18, 2007

Mr. Henry L. Gardner, Executive Director
Association of Bay Area Governments
101 Eighth Street
Oakland, CA 94607

Re: Comments on Release of Draft Regional Housing Needs Allocation.

Dear Mr. Gardner:

Thank you for the opportunity to review and comment on the draft Regional Housing Needs Allocation. We also want to take this opportunity to voice our strong support for the methodology developed for this regional housing needs allocation. We also wish to voice our concern that the regional numbers and methodology used to obtain this allocation remains intact and that the methodology is not amended resulting in more units being allocated to suburban communities. The fairest and most rational approach places more affordable housing near to existing transit stations.

If the methodology ignores this important factor, the result is counter to the intent of a "jobs-housing" balance and creates an increased burden upon communities far away from jobs centers without transit rather than requiring those communities who have or will have mass transit facilities during this timeline to develop these necessary affordable housing opportunities. This increases commuters and commute times and contradicts the protection of environmental and agricultural resources.

Again, we thank you for this opportunity to comment and support the methodology used for this 2007-2014 allocation.

Sincerely,



Howard Sword
Community Development Director

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SEP 24 2007

COMMUNITY DEVELOPMENT DIRECTOR'S

CITY OF CONCORD
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OFFICE OF THE CITY MANAGER
Telephone: (925) 671-3150



CITY COUNCIL
Mark A. Peterson, Mayor
William D. Shinn, Vice Mayor
Helen M. Allen
Guy S. Bjerke
Laura M. Hoffmeister

Mary Rae Lehman, City Clerk
Thomas J. Wentling, City Treasurer

Lydia E. Du Borg, City Manager

September 18, 2007

**VIA FAX: (510) 464-7970
(Hard copy via regular mail)**

Paul Fassinger
ABAG Research Director
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604-2050

RE: City of Concord's Request for Revisions to ABAG's Draft Regional Housing Needs Allocation (RHNA) Numbers

Dear Mr. Fassinger;

The purpose of this letter is to provide written comments on ABAG's Draft Regional Housing Needs Allocation (RHNA) and to formally request a revision to the Draft RHNA numbers for Concord. Staff has reviewed and evaluated the Draft RHNA as it would apply to Concord. The Draft RHNA target for Concord is 3,043 new housing units. The Draft RHNA numbers will provide the starting point for the City's imminent Housing Element update and the City has concerns about having the ability to meet the Draft RHNA number being projected for Concord.

The proposed RHNA household and employment growth numbers for the 2007-2014 planning period is inconsistent with Concord's estimate for growth in jobs and housing units that could be realized under the City's proposed General Plan Update, *Concord 2030 Urban Area General Plan*, on which the City is expected to take final action at the beginning of next month. The *Concord 2030 Urban Area General Plan Update* is a comprehensive update and incorporates new policy direction for the urban area and identifies new opportunity areas for infill development throughout the urban area of the city and higher density development near transit.

The City's limited land supply and the associated restrictions relating to future residential development that include transportation and infrastructure improvements affect both the short and long term potential for residential growth and ability for Concord to meet the projected RHNA numbers. In fact, the City's current short-term supply of developable residential land under the new General Plan and probable densities is not likely to produce more than 22 percent of the RHNA target for the City for the 2007-2014 planning period. There are various constraints that exist within Concord, affecting both the long and short term potential for residential growth and the City's ability to meet the Draft RHNA numbers. These constraints are highlighted on the next page and in more detail in the attachment to this letter.

- The City's 112 acres of land identified for short term residential development has potential to accommodate 671 housing units or about 22 percent of the new housing units projected by ABAG for the same time period.
- Although a total of 715 acres are identified for long term residential development, residential land comprises only three percent of these sites while mixed use land comprises 59 percent of all opportunity sites (425 acres).
- Thirteen percent of opportunity sites (a total of 54 acres) are currently vacant, while the remaining are considered underutilized.
- Seventy percent of all opportunity sites are currently located within the Concord Redevelopment Area as amended recently.
- Nineteen percent of all opportunity sites are located within a ¼ mile radius of a freeway, ramp, roadway, or signalized intersection with potential significant impacts at buildout and may require future mitigation.
- Forty-eight percent of long term land designated by the *Concord 2030 Urban Area General Plan* for future residential development would require a zoning change.
- Many of these sites zoned for industrial development under the existing General Plan would require infrastructure improvements and community facilities to accommodate future residential development.

ABAG's Methodology for Income Assignment

The City's allocation of units for Very Low and Low Income households has increased from the prior RHNA cycle, however the City's recognizes that all jurisdictions in the Bay Area are being asked to provide more affordable housing as a percentage of total housing. It should be noted, that the "fair share" assigned to Concord is similar to that assigned to peer communities. What the City has objection to is the total number of units expected for the City to provide over the 2007-2014 planning period, for the reasons stated above.

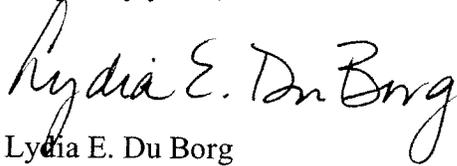
While adjoining jurisdictions may have the land available for residential development within their Planning Areas necessary to maintain their share of the county's growth, Concord's limited availability of residential land for short term growth means that it will not be able to provide the amount of affordable housing the Draft RHNA numbers indicate. Although subsequent adoption of a reuse plan for the CNWS may provide Concord with future land for this growth, it is unrealistic for ABAG to expect Concord to meet the RHNA numbers over the 2007-2014 planning period and concomitantly the amount of affordable housing. This attachment includes an alternative buildout projection for ABAG's consideration as it refines the Draft RHNA numbers, which is based on these findings.

Thank you for your consideration of the City's comments. The City would like to emphasize that it is critical for the assumptions for RHNA be coordinated with the *Concord 2030 Urban Area General Plan*. It would be the City's expectation that the Draft RHNA be revised to reflect the information that has been presented in this letter. I would

Mr. Paul Fassinger
September 18, 2007
Page 3 of 3

like to schedule a meeting with you to discuss Concord's proposed alternative growth scenario for the final RHNA. If you have any immediate questions regarding these comments please contact me at (925) 671-3150 or Principal Planner Phillip Woods at (925) 671-3284.

Very truly yours,



Lydia E. Du Borg
City Manager
City of Concord

cc: Concord City Council
Concord Planning Commission
Jim Forsberg, Director of Planning and Economic Development
Deborah Raines, Planning Manager
Fran McVey, Interim Housing Manager
Phillip Woods, Principal Planner

ATTACHMENT

Attachment A: Analysis and Comparison of ABAG'S Projections 2007, Draft RHNA, and
the *Concord 2030 Urban Area General Plan*



THE TOWN OF
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TOWN ENGINEER
PUBLIC WORKS
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415-927-5072

SANITARY DISTRICT NO. 2
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TWIN CITIES POLICE AUTHORITY
415-927-5150

September 21, 2007

Paul Fassinger, Research Director
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604

Re: Response on Release of Draft Regional Housing
Needs Allocation

Dear Mr. Fassinger:

The Regional Housing Needs Allocation (RHNA) was released to jurisdictions for review on July 24, 2007, opening a 60-day public comment period that allows local governments to comment on the draft RHNA pursuant to Government Code § 65584.05 (b). According to this section, a local government may request from ABAG a revision to its share of the regional housing need in accordance with the factors used to determine the distribution methodology. These factors include household growth and employment growth projections which we contend are erroneous. This letter explains why the Town's share of the regional housing need is inappropriately high and requests a reduction in the needs allocation.

As you know, the Town of Corte Madera responded to the draft Projections 2007 document on October 20, 2006. We pointed out that the household growth projections were inappropriately high given the documented growth pattern of the Town and the growth policies in our General Plan. The Town's General Plan is based in part on historical trends of household and employment growth, and, more importantly, the land inventory available to support the remaining growth opportunities.

The Town's concern with the draft RHNA distribution is based in part on the drastic increase from the last Regional Housing Needs Allocation. The last RHNA distribution was based on a housing allocation of 230,743 units assigned to ABAG for the Year 2000 RHNA; the current distribution is based on a housing allocation of 214,500 units for the 2007 RHNA (Tables 1 and 2 respectively)

Housing Needs Determination 2000 (Table 1)

Very Low	Low	Moderate	Above Moderate	Total Need
29 units (16.2%)	17 units (9.5%)	46 units (25.7%)	87 units (48.6 %)	179 units (100%)

Housing Needs Determination 2007 (Table 2)

Very Low	Low	Moderate	Above Moderate	Total Need
68 units (27.9%)	38 units (15.6%)	46 units (18.8%)	92 units (37.7 %)	244 units (100%)

Tables 1 and 2 show that the Town of Corte Madera would be assigned 65 more housing units than in the previous cycle. This is a 26% increase to the Town while the region's number is decreased by approximately 1% from the last RHNA cycle. In addition to the Town's "total need" number increase, the distribution within the *very low* and *low* categories of affordability has more than doubled. The Town of Corte Madera contends that there is an inequity factor built into the RHNA methodology that ignores to the Town's growth patterns and availability of land to accommodate additional growth.

Table 3 identifies the historical growth pattern of the Town of Corte Madera using Census Bureau and Department of Finance figures.

US Census Bureau/DOF Figures (Table 3)

	1970	1980	1990	2000	2007
Total Population	8,464	8,074	8,272	9,100	9,465 *

* State Department of Finance Estimate

Census and DOF data show that the Town's population grew by only 636 persons in 30 year period (1970 – 2000) which equates to roughly 212 persons per decade. The RHNA assignment of 244 units with an average household

size of 2.4 persons would mean that it is anticipated that the Town's population will grow by approximately 585 persons within the next five (5) years. There is no factual basis for this projected increase. The projections used in the methodology for the RHNA distribution are too high and should be reduced accordingly.

Town staff objected to the draft *Projections 2007* document (Table 4) when it was released for comment by the ABAG Executive Board. Our position today remains as it was then: The Town does not have sufficient vacant residentially zoned property to support the projected household growth, nor does it have vacant commercial or industrial zoning that could be converted to residential use.

ABAG Projections 2007 (Table 4)

	2010	2020	2025	2030	2035
Total Population	9,800	10,300	10,500	10,500	10,900

As you know, the *Projections 2007* figures were used in the housing methodology modeling as part of the RHNA distribution. Pursuant to state law, the Town of Corte Madera may request from ABAG a revision to its share of the regional housing need in accordance with the factors used to determine the distribution methodology. The Town believes the population and household growth factors used to determine the methodology were too high and should be reduced to reflect a true representation of the Town's obligation to provide state mandated housing opportunities (Government Code § 65584.05 b).

Employment growth is also a factor in determining the RHNA for each local government. The approved methodology used to distribute the RHNA assumes that the Town of Corte Madera will realize an exponential rate of job growth over the next 30 years. Pursuant to the *Projections 2007* document approved by the ABAG Executive Board in December 2006 and distributed on January 10, 2007, the total jobs projected for the Town of Corte Madera results in a net increase of approximately 1,920 jobs over the next 30 years. As mentioned in the Town's October 20, 2006 letter regarding the draft *Projections* document, the amount of projected "growth" did not correspond with the development opportunities in the Town's General Plan. The rate of job growth should be commensurate with the availability of land suitable for the creation of infrastructure improvements necessary to support such employment growth. ABAG's overestimation of employment growth in the Town of Corte Madera has skewed the RHNA which results in a higher than expected obligation for this housing cycle.

RHNA Response
September 21, 2007
Page 4

Available sites essentially do not exist thereby calling into question the draft RHNA's distribution. The Town's land inventory shows that the potential additional commercial development in the community is approximately 390,942 square feet scattered over approximately 100 parcels, for an average of less than 4,000 square feet per parcel. Obviously, few if any 4,000 square foot commercial projects are viable development opportunities, especially when they involve properties that have already been developed. This is a theoretical build out of commercially zoned parcels with a realistic build out to be much less. Similar to the Town's request on the household growth figures, the Town believes the employment growth figures used to determine the methodology for the RHNA distribution were too high and should be reduced to reflect a true representation of the Town's obligation to provide state mandated housing opportunities (Government Code § 65584.05 b).

Conclusion

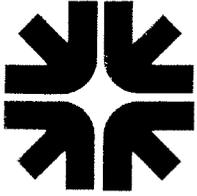
The Town of Corte Madera supports affordable housing opportunities to all segments of its population. State Housing and Community Development Department certified our Housing Element in 2002, and we exceeded our RHNA allocation. Securing a correct RHNA is critical for the upcoming Housing Element update cycle. Accordingly, the Town requests that its RHNA be reduced to reflect the correct household and employment growth projections as supported by factual evidence. Understanding that the region's total housing need obligation was reduced by approximately 1% from the last cycle, the Town equally believes that its housing unit obligation should be reduced from the last cycle where 179 units were required to be planned. The Town respectfully requests a reduction at this time.

If you have any questions regarding the points raised in this letter, I would be happy to meet with you.

Sincerely,



Robert J. Pendoley
Planning Director/Assistant Town Manager



CITY OF EMERYVILLE

INCORPORATED 1896

1333 PARK AVENUE
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August 29, 2007

Dave Cortese
President, Executive Board
Association of Bay Area Governments
101 Eighth Street
Oakland, CA 94607

RECEIVED

SEP 06 2007

EXECUTIVE DIRECTOR'S
OFFICE

RE: City of Emeryville Comments on the Release of the Draft Regional Housing Need Allocation for Bay Area Jurisdictions

Dear President Cortese and members of the ABAG Executive Board:

Thank you for providing Bay Area jurisdictions the opportunity to comment on the draft Regional Housing Need Allocation (RHNA) for the Bay Area. The City of Emeryville would like to provide comments on the City's draft allocation that was approved by the Association of Bay Area Governments at its July 17, 2007 Executive Board meeting.

As noted in our previous letter to you dated January 8, 2007, the City of Emeryville has been a very strong leader in producing housing for all income levels. The recently released ABAG report, "*A Place to Call Home*," shows that in the prior RHNA period of 1999 through 2006 (an excerpt of which is attached), Emeryville produced 1,822 units, more than double the 777 units allocated through the RHNA process. In Alameda County, Emeryville produced a greater share of its very low income allocation than any other jurisdiction, and produced a greater share of its low and moderate income allocations than most other County jurisdictions. The City has been able to achieve these housing allocation goals by actively supporting the development of higher density, urban infill, residential and mixed use projects.

The City's allocation for the next period is 1,137 units, a 46% increase over the last period. Its allocation relative to its limited size (1.2 square miles) is quite significant (932 units per square mile have been allocated). As shown on the attached table, this far exceeds the allocation that other Alameda County jurisdictions, *and even San Francisco, a seemingly denser, large city*, received, compared to their land areas. We feel that the City should be credited for its successes rather than given an even higher need allocation as a result of its past production.

The City of Emeryville has concerns that the strong residential production seen over the past five years (and reflected in the City's surpassing of the 1999-2006 need allocation) is not likely to continue during the next RHNA period. Furthermore, the City wishes to create an active, livable, and sustainable community in which a variety of land uses may be accommodated, including commercial, residential, and industrial uses. While the City of Emeryville applauds ABAG's efforts at incorporating regional smart growth policies such as the promotion of higher density, in-fill development near existing employment and transit centers, the City feels that its strong record of producing *exactly this type of housing* has resulted in an allocation that places yet more pressure on our city to produce high levels of residential development, without heed for competing demands in the community to balance out residential development with other commercial or industrial development, preserve land for other uses such as parks

and community facilities that improve Emeryville's quality of life, and develop at more moderately-scaled densities.

Taking these factors into account, the increase in Emeryville's housing allocation from the 777 units allocated during the last period to the 1,137 units allocated this period will be more difficult to achieve. Therefore, the City does not wish to have its 2007-2014 allocation increased beyond the allocation assigned to it during the 1999-2006 period.

The City of Emeryville has begun its process to update the housing element of its General Plan, which is due to the State of California Department of Housing and Community Development (HCD) by June 30, 2009. By state law, the housing element must provide evidence that zoning is in place to allow for the development of the jurisdiction's regional housing allocation, it must identify sites that are appropriately zoned for production of the housing, and it must provide for the removal of regulatory barriers to that development. The City of Emeryville is proud to acknowledge that its current housing element was adopted and certified by State HCD ahead of schedule and in full compliance with State housing element law. The City wishes to continue this record in the next housing element update period. However, the City does not have the sites available to accommodate the draft allocation issued by ABAG through the RHNA process, thereby increasing the chance that the City's housing element is not certified by the State. Given the City's limited size (1.2 square miles) and urban setting, there is no vacant land for development, and nearly all residential development is the reconstruction of previously developed sites. Given the increased emphasis on State certification of housing elements for funding opportunities, and the increased risk of lawsuits to cities that lack certified housing elements, the City of Emeryville views as imperative the adoption of a housing element in full compliance with State housing element law. It is essential that our allocation be reduced to assist us with compliance.

The City of Emeryville wishes to thank you for giving it an opportunity to comment on the draft regional housing need allocation for Bay Area jurisdictions. If you have any questions, please do not hesitate to contact Amy Hiestand, Community and Economic Development Coordinator, at 510-596-4354, or the City's Housing Element Project Manager, Deborah Diamond, at 510-596-4303.

Sincerely,

Nora Davis
Mayor, City of Emeryville

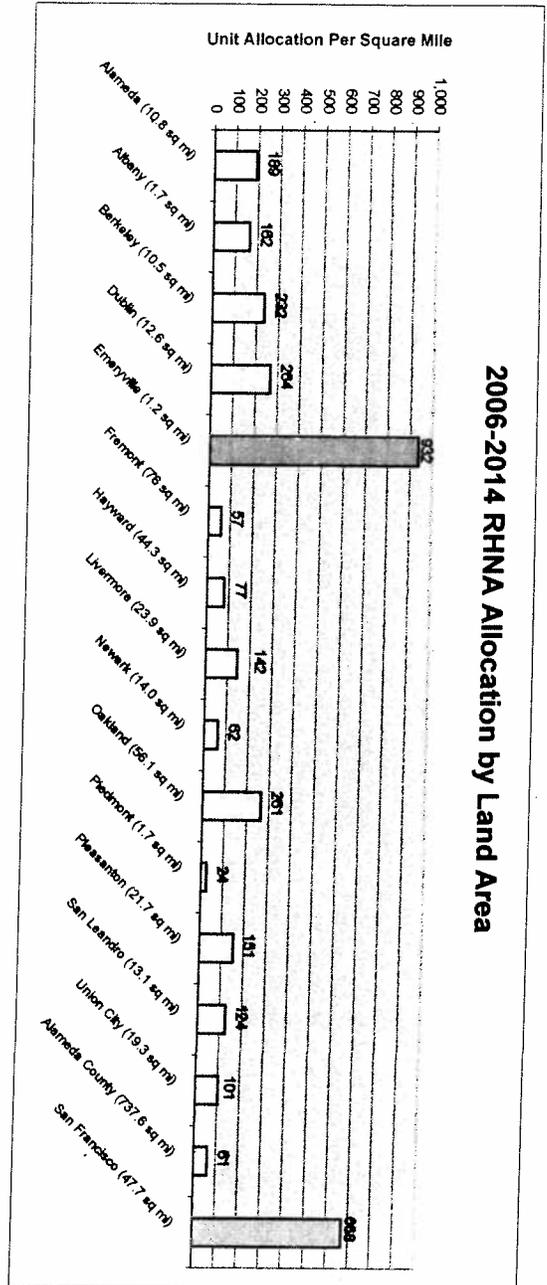


Attachments:

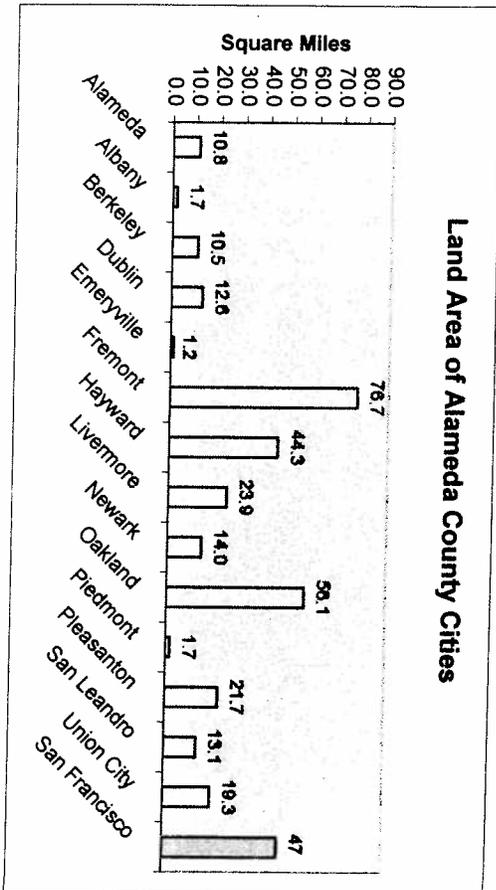
- 1) RHNA by Land Area Chart
- 2) RHNA Compliance/Performance Table

cc: Emeryville City Council
Emeryville Planning Commission
Emeryville Housing Committee
Emeryville General Plan Committee
Emeryville Climate Change Task Force
Emeryville School/City Committee
Patrick D. O'Keeffe, City Manager
Charles Bryant, Planning Director
Deborah Diamond, Housing Element Project Manager
Amy Hiestand, Community and Economic Development Coordinator

2006-2014 RHNA Allocation by Land Area



Land Area of Alameda County Cities



Appendix A: Bay Area RHNA Performance, 1999 to 2006

Bay Area Affordable Housing, 1999 to 2006

	Very Low			Low			Moderate			Above Moderate			Total Permits Issued
	RHNA Allocation	Permits Issued	Percent of Allocation Permitted	RHNA Allocation	Permits Issued	Percent of Allocation Permitted	RHNA Allocation	Permits Issued	Percent of Allocation Permitted	RHNA Allocation	Permits Issued	Percent of Allocation Permitted	
Alameda ^a	443	300	68%	265	36	14%	611	120	20%	843	496	59%	952
Albany ^a	64	5	8%	33	10	30%	77	54	70%	103	91	88%	160
Berkeley ^a	354	239	68%	150	257	171%	310	94	30%	455	762	167%	1,352
Dublin ^a	796	263	33%	531	243	46%	1,441	378	26%	2,668	2,948	110%	3,832
Emeryville ^a	178	124	70%	95	63	66%	226	183	81%	278	1,452	522%	1,822
Fremont ^a	1,079	361	33%	636	142	22%	1,814	340	19%	3,179	2,128	67%	2,971
Hayward ^a	625	40	6%	344	17	5%	834	818	98%	1,032	1,727	167%	2,602
Livermore ^a	875	202	23%	482	259	54%	1,403	657	47%	2,347	2,628	112%	3,746
Newark ^a	205	0	0%	111	0	0%	347	0	0%	587	314	53%	314
Oakland ^a	2,238	610	27%	969	690	71%	1,959	155	8%	2,567	6,847	267%	8,302
Piedmont ^a	6	0	0%	4	0	0%	10	0	0%	29	9	31%	9
Pleasanton ^a	729	120	16%	455	410	90%	1,239	272	22%	2,636	1,589	60%	2,391
San Leandro ^a	195	108	55%	107	0	0%	251	161	64%	317	1,245	393%	1,514
Union City ^a	338	177	52%	189	55	29%	559	59	11%	865	1,561	180%	1,852
Unincorporated ^a	1,785	50	3%	767	253	33%	1,395	4	0%	1,363	1,571	115%	1,878
Total	9,910	2,599	26%	5,138	2,435	47%	12,476	3,295	26%	19,269	25,368	132%	33,697

^a Data was provided by local planning or housing staff.

^b Data was estimated by ABAG staff. Total housing units based on data from the Construction Industry Research Board (CIRB). Estimates of affordable units in the low- and very low-income categories were produced by using CDLIAC and TCAC data. Projects were identified as "Placed in Service" and having received funding between 1998 and 2005. ABAG staff reviewed data to ensure the units in projects that received funding from both sources were not double counted. Redevelopment Agency reports to the State Department of Housing and Community Development were used to estimate moderate-income housing production. This data may include rehabilitated units as well as new construction.

^c Data for 1999-2005 was provided by local planning or housing staff. ABAG staff estimated data for 2006.

^d Partial data provided by local planning or housing staff. Other data estimated by ABAG staff.



CITY OF
HAYWARD
HEART OF THE BAY

September 17, 2007

Mr. Henry L. Gardner
Executive Director
Association of Bay Area Governments
101 Eighth Street
Oakland, CA 94607

RECEIVED
SEP 18 2007
EXECUTIVE DIRECTOR'S
OFFICE

RE: Draft Regional Housing Needs Allocation

Dear Mr. Gardner:

I am writing in order to comment on the draft Regional Housing Needs Allocation that has been recently undertaken by ABAG for the San Francisco Bay Area. First, I would like to express my appreciation for the work of your staff in this complex endeavor to balance the affordable housing needs of this region among its various jurisdictions.

The City of Hayward has a long history of providing affordable housing within our jurisdiction. The City currently contains over 3,000 units of apartments that are affordable to lower income households. Most recently, the City assisted Eden Housing, Inc. in the construction of Sara Conner Court, a 57-unit family development completed in 2006. Currently, there are an additional 138 units of new affordable family and senior citizen housing in two developments under construction. Finally, through the implementation of its Inclusionary Housing Ordinance, approximately 160 new units of housing to for sale moderate income households are currently being produced. The City is also currently participating in the rehabilitation of three existing affordable developments, with one additional rehabilitation project under consideration. As we move into the future, the City is looking forward to sponsoring new affordable housing that incorporate very high architectural standards as well as green building design, to ensure that these developments will be valuable physical and economic assets to the neighborhoods in which they are located.

Although the City has been, and continues to be, active in providing affordable housing, we are concerned about our ability to reach the current goals proposed for the upcoming period. Most new affordable housing opportunities in Hayward must be carved out as infill projects in mature neighborhoods; and both the residents as well as the City of Hayward struggle to maintain and enhance these neighborhoods as attractive, safe areas with good schools, parks and quality of life. While the City has, and will continue to promote infill and redevelopment of appropriate "Grayfield" sites, we must be careful

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

777 B STREET, HAYWARD, CA 94541-5007

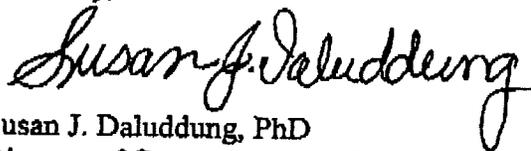
TEL: 510/583-4234 • FAX: 510/583-3650 • TDD: 510/247-3340

well as its AMTRAK station in recent years. Based on preliminary projections and approved projects, the City will be adding approximately 140 new units of very-low income affordable housing, and approximately 165 new units of moderate-income housing, against approximately 2,500 new market-rate units. As a result, while we believe we are making significant efforts to produce new affordable housing developments, we understand that the current projections do not begin to achieve the allocation goals that are under consideration by ABAG, and are concerned that at our present rate of production, the affordable housing goals will be unattainable.

Notwithstanding our concern that the City of Hayward may not be able to fulfill its proposed housing allocation, particularly with respect to the affordable housing component, the City of Hayward will continue to do its share to provide housing that meets the needs of its residents in all demographic categories and upholds good planning and design principles. The City of Hayward has not taken steps to protest the allocation of units at this time. However, in the event that other jurisdictions protest their allocations, and such protests result in shifting the allocation of affordable housing goals higher for Hayward, it is likely that the City will vigorously protest an increase in our allocation. We believe that pressure to provide affordable housing in Hayward beyond that which is currently proposed under the draft allocation, will be very detrimental to this community and virtually impossible to achieve.

Again, I wish to extend our thanks to you and your staff for the good work that you are doing for the Bay Area region. If you have any questions regarding this letter please feel free to call me.

Sincerely,



Susan J. Daluddung, PhD
Director of Community and Economic Development



CITY COUNCIL

Carol Federighi, Mayor
Mike Anderson, Vice Mayor
Brandt Andersson, Council Member
Carl Anduri, Council Member
Don Tatzin, Council Member

September 12, 2007

David Cortese
President, ABAG Board
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604-2050

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SEP 12 2007
CITY OF LAFAYETTE
DIRECTOR'S OFFICE

Dear Mr. Cortese:

In 2006, Mayor Samson sent you a letter with our comments on the draft methodology for the distribution of the State's regional housing needs allocations (RHNA). In the letter, we suggested that topography, congestion and economic impacts be added as factors in determining where future growth should take place. We stated that the incorporation of these key factors would make the allocations process more realistic and achievable. To our disappointment, the Executive Board did not discuss our comments at its meeting, did not incorporate these factors and provided no explanation as to why they were not included.

In January 2007, I sent a letter to you advising you of additional issues we had, including the unrealistic growth projections that the RHNA allocations represented, as well as concerns regarding the income distribution assumptions made by ABAG in determining which jurisdictions, including Lafayette, would be forced to accept an inequitable distribution of lower-income units.

On July 19, 2007, the ABAG Executive Board adopted its draft allocation for the City of Lafayette, which apparently takes none of these concerns into consideration. We were very disappointed to learn that in fact our overall allocation was **increased**, rather than reduced, following the input we provided to your staff. We therefore wish to take this opportunity to again request revisions to the City of Lafayette's allocation, based on the following factors:

1. **The new allocation does not take into consideration the real growth of Lafayette household income over time.** According to special tabulations of Census data for Lafayette provided by HUD in 1990 and 2000, household growth by income shows a substantially reduced number of lower-income households than the draft allocation implies. The following table shows that between 1990 and 2000, the total number of households earning less than 50% of median (very low-income households, or VLI) dropped by more than nearly 22%. In addition, the number of households earning between 50% and 80% (low income, or LI) increased by almost 18%, while the number of households earning moderate incomes or above remained relatively stable.

Lafayette Income Level	1990 Total Households	2000 Total Households	% change 1990-2000 Total Households
Household Income <=50% MFI (VLI)	936	733	-21.7%
Household Income >50 to <=80% MFI (LI)	552	651	17.9%
Household Income >80% MFI (MOD or ABOVE)	7,545	7,592	0.6%
Total Households	9,033	8,976	-0.6%

For the reasons listed above – and in conjunction with the input we provided in two previous letters – we request that ABAG once again review the allocation established for Lafayette to ensure the fairness of these figures. We are specifically requesting that ABAG revise the distribution methodology back to its original concept of a uniform income distribution for all jurisdictions.

Thank you.

Sincerely,

A handwritten signature in black ink that reads "Carol Federighi". The signature is written in a cursive, flowing style.

Carol Federighi
Mayor

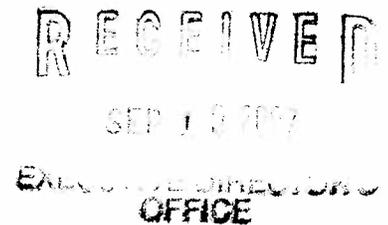


TOWN OF LOS GATOS

CIVIC CENTER
110 E. MAIN STREET
P.O. Box 949
LOS GATOS, CA 95031

September 18, 2007

ABAG Executive Board
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604-2050



Subject: RHNA Allocation

Dear ABAG Executive Board Members;

The Town of Los Gatos is formally requesting that the Regional Needs Housing Allocation (RHNA) distributed to the Town be revised. Los Gatos is particularly concerned about the percentage of below market rate (BMR) housing allocated to the Town, which accounts for 67 percent of the total allocation. By comparison, the BMR requirement for the current Housing Element was 51 percent.

The Town supported the methodology developed by the Housing Methodology Committee (HMC) that allocated BMR units based on the regional average and was troubled by the Executive Board's determination to change the methodology after months of discussion.

The ability to construct BMR housing in Los Gatos is constrained by the high land costs and limited resources to write down the cost of housing. We do not have the large redevelopment agency housing budget or Community Development Block Grant allocations of larger cities.

The requirement that 67 percent of future housing be BMR units is not feasible. Instead of encouraging affordable housing, the allocation is clearly unattainable and impairs the ability to garner community support for affordable housing. This requirement essentially sets up communities to fail.

The Town Council is concerned about the lack of the affordable housing in the area and has aggressively worked to provide low income housing for the community. While more needs to be done, Los Gatos is proud of our efforts to provide affordable housing, which includes implementation of a Below Market Price Housing (BMP) and use of our limited Redevelopment Agency funds.

Under the methodology adopted by the Executive Board, the larger cities received a higher number of total units in return for suburban communities having a higher percentage of BMR units. However, the units allocated to the larger cities will be provided by the market, while the affordable units required of suburban communities



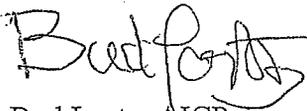
require a substantial subsidy. During development of the methodology, there was discussion of providing communities with state money approved for low income housing to help achieve the RHNA requirements. However, there has been no commitment to providing this money or discussion of how much will be made available to communities such as Los Gatos. Without assistance, the Town does not have the resources to provide for the housing allocated to the community.

Based on the concerns expressed in this letter, the Town of Los Gatos requests the following:

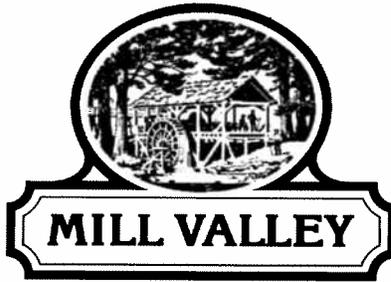
1. That the Executive Board revise the affordable housing allocation to reflect the regional average as proposed by the HMC.
2. Indicate how much money will be available to assist with affordable housing and when the funding will be available.
3. Provide the Town with data that specifies the sites within Los Gatos that ABAG considered for projected employment growth. It is not clear to the Town that ABAG's projections are consistent with the General Plan and additional information is needed to make that determination.
4. Los Gatos has several sizable unincorporated pockets. Confirm that the county pockets were not included in the Los Gatos allotment.

Thank you for the opportunity to participate and comment on the process.

Sincerely,



Bud Lortz, AICP
Community Development Director



VIA ELECTRONIC, FAXIMILE AND US MAIL

September 18, 2007

Mr. Paul Fassinger
Research Director
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604

Re: Comments on Draft RHNA Allocation for 2007-2014 Cycle

Dear Mr. Fassinger:

Thank you for the opportunity to review ABAG's Projections 2007 and Draft Regional Housing Needs Allocation (RHNA) Numbers. As indicated in our letter dated October 24, 2006 and by way of this letter, the City of Mill Valley urges you to revise your Draft RHNA Projections based on the historical growth trends and growth policies of the City.

There are several aspects limiting the City of Mill Valley's ability to grow, including the large amount of protected open space, flooding and environmental issues, aging community/demographics, and building heights and zoning restrictions. Most of the City's developable land has been utilized, and the City is now in the process of identifying opportunities for redeveloping and in-filling vacant and underutilized land in the central corridor of the City. While not a significant amount of land, this is the City's largest opportunity for accommodating new residents and business.

Based on these assumptions, the City has developed the following data that should be used to revise the 2007-2014 RHNA projections for Mill Valley.

Total Population

The 2007 Projections overestimate population starting with its 2005 figures. The City's 2005 population should be reduced to 13,735 based on the California Department of Finance's 2005 statistics.¹

In addition, the total population for the City's Jurisdictional Boundary has increased by an additional 500 persons within the next 30 years (since the 2005 Projections). Although it is anticipated that population will increase based on in-fill development, it is unreasonable to assume that an additional 1,500 individuals will live in Mill Valley by 2035 (50 individuals/year based on a 2.31 individuals per residence², which equates to approximately 22 new residences per year. Mill Valley's land use and housing elements do not support this data, and we would suggest that total population be reduced back to 2005 Projection levels, which equates to an additional 1,265 residents over the next 30 years or approximately 18 new residential units per year.

- 2005 Mill Valley Population: 13,735
- 2035 Mill Valley Population: 15,000
- 30-year increase in population: 1,265 (9% increase)

Total Housing

The 2007 Projections forecast estimates that the City of Mill Valley will grow 820 households within the next 30 years. Based on the City of Mill Valley's 2003 Housing Element, the average household size is projected at 2.31 persons in 2005, and then dropping to 2.25 persons in 2020. (This smaller household size is also confirmed by the California of Department statistics of 2.19 for 2005). Housing data should therefore be revised base on the 2.31 persons per household (or smaller) and total population.

There have been no changes to the City's General Plan that would stimulate the type of household growth forecasted in the 2007 Projections and as illustrated in the Draft RHNA numbers. Besides potential small residential in fill projects along Miller Avenue, the remainder of the City has been built out. Therefore the quantity of new dwelling units is expected to increase at a small rate over the next 30 years. (As noted above approximately 18 new residential units a year is an adequate figure base on population and persons per household).

- Persons per Household: 2.31
- Housing Growth: 18 Housing Units/year
- 1,265 population increase/2.31 persons per Household = 548 additional housing units for the next 30 years, or approximately 18 additional housing units per year.
- **2006-2014 7-year RHNA would therefore equate to 127 new housing units.**

¹ State of California, Department of Finance, *E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2005 and 2006*. Sacramento, California, May 2006, (<http://www.dof.ca.gov/HTML/DEMOGRAP/whatsnew.asp>).

² City of Mill Valley Housing Element, Adopted September 2003, page 13. 2005 Persons Per Household, which declines to 2.25 in 2020.

Economic Growth/Jobs

The 2007 Projections states that the City's total jobs will increase by 1,360 within the next 30 years (approximately 45 jobs a year). This projection appears unrealistic because there is no vacant land in the City's non-residential areas. The only growth that will occur in Mill Valley is through the redevelopment of existing non-residential space. Where possible, new property will be developed as a mixed-use residential/commercial building, which will increase jobs/housing balance.

Based on the above and keeping with ABAG's 1.26 jobs/household ratio:

- 2035 jobs: 640 additional jobs (Based on 1.26 jobs ratio X 548 additional households for the next 30 years).

Conclusion

The City of Mill Valley requests that your assumptions and draft RHNA numbers be reviewed again based on the above data. Should you have any questions or concerns about the data presented above, please feel free to contact me. We look forward to receiving the modified RHNA numbers.

Sincerely,



Danielle L. Staude
City of Mill Valley
Senior Planner



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Morgan Hill, CA 95037-4128
TEL: 408-779-7271
FAX: 408-779-3117
www.morganhill.ca.gov

STEVE TATE
Mayor

August 24, 2007

Paul Fassinger
Research Director
Association of Bay Area Governments
101 Eight Street
Oakland, CA 94607

Subject: **Draft Regional Housing Needs Allocation**

Dear Mr. Fassinger:

Thank you for the opportunity to review the draft Regional Housing Needs Allocation for the City of Morgan Hill. Our City Council reviewed the document at its meeting of August 22, 2007. The City Council supports the draft allocation developed by ABAG's Regional Housing Need Allocation (RHNA) Committee. The methodology used by ABAG to determine each city's fair share allocation emphasizes housing production near existing employment and transit centers, and less emphasis on the production of housing in outlying areas. The methodology also allocates units by income category uniformly throughout the region. This approach was used because it assigns each city an equal share of the regional affordable housing need. The City supports this approach as it should help to reduce traffic congestion, improve air quality and discourage suburban sprawl. All the cities in the region are also expected to share more equitably in the provision of affordable housing.

Thank you for the opportunity to comment on our City's draft RHNA allocation.

Sincerely,

Steve Tate
Mayor

C: Morgan Hill Council Members
Ed Tewes, City Manager



CITY OF MOUNTAIN VIEW

Office of the Mayor and City Council • 500 Castro Street • Post Office Box 7540 • Mountain View, California 94039-7540
650-903-6305 • FAX 650-903-6039

September 14, 2007

Mr. Paul Fassinger, Research Director
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604-2050

DRAFT REGIONAL HOUSING NEEDS ALLOCATION

Dear Mr. Fassinger:

The City of Mountain View is pleased to submit the following comments regarding the draft RHNA allocation assigned to our City.

As you know, in Santa Clara County, cities are responsible for planning for growth within their sphere-of-influence areas which, for urbanized communities, are primarily unincorporated areas under County jurisdiction which may be annexed in the future.

Based on discussions with your staff, we understand that Mountain View's allocation includes approximately 280 housing units assigned to us based on growth occurring within the NASA Ames area, which is within our sphere of influence. However, the NASA Ames area, although in our sphere of influence, is controlled by the Federal Government, and the City does not have any authority to plan for growth in this area. This is a unique situation which is very different from cities which plan for growth in other unincorporated sphere-of-influence areas. We, therefore, recommend that the 280 housing units assigned to our City due to growth at NASA Ames be removed from our total draft allocation of 2,879 housing units, to bring our total to 2,599 housing units.

Thank you for the opportunity to comment on our draft housing allocation.

Sincerely,

Laura Macias
Mayor

LM/AMS/2/CLK/402-09-14-07L-E^

cc: LAFCO
Santa Clara County Government Center
70 West Hedding Street
San Jose, CA 95110

CM, CDD, PM

City of Palo Alto

Department of Planning and
Community Environment

September 13, 2007

ABAG Executive Board
c/o Henry Gardner, Secretary - Treasurer
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604-2050

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EXECUTIVE DIRECTOR'S
OFFICE

Dear Mr. Gardner:

Thank you for providing us with the opportunity to review and comment on the Draft Regional Housing Needs Allocation (RHNA), which was adopted by the ABAG Executive Board on July 19, 2007. The City of Palo Alto (City) supports the main concepts behind the draft allocation method such as smart growth, infill development, protection of open space and rural areas, restricting urban sprawl, and transit oriented development. The City also appreciates ABAG staff's recent recommendation to modify Palo Alto's RHNA to address the City's unique Sphere of Influence circumstance with the County of Santa Clara and Stanford University which is outside the City boundaries but within its Sphere of Influence. ABAG staff's recognition that the City of Palo Alto does not have "land-use permitting" authority outside its boundaries and the resultant determination that 645 dwelling units are outside the City's boundaries and should be assigned to the County is very much appreciated. The City, therefore, request that ABAG adjust the City of Palo Alto's Regional Housing Needs Allocation to 2,860 units and transfer the remaining 645 units to the County of Santa Clara.

The City would also like to comment on circumstances specific to Palo Alto we believe should be taken into consideration both in the *Projections 2007* figures and in the allocation methodology.

Comments on *Projections 2007*

As you know, the *Projections 2007* forecast was critical in determining the RHNA for individual jurisdictions. City staff has discussed with your staff on several occasions constraints on future housing production within Palo Alto. As we have stated in various email correspondence and on response to ABAG's Survey of RHNA Data, we believe that the population and household projections for the City of Palo Alto are not achievable. *Projections 2007* assumes a growth rate of 26.6 % by 2035 in our sphere of influence while historical Census data shows the City of Palo Alto's population has only grown by approximately 4.7% over the last 30 years. Although in the last 7 years, Palo Alto has experienced significant new housing development resulting in approximately an 8% increase in population, this is still far below ABAG's projections and this growth cannot be sustained given Palo Alto's limited land availability and redevelopment potential.

250 Hamilton Avenue
P.O. Box 10250
Palo Alto, CA 94303
650.329.2441
650.329.2154

During the last RHNA period, the City made significant efforts to identify lands that could convert to housing and to encourage that conversion, Palo Alto approved approximately 2,550 units including a single project that added about 1,000 units on one of the City's last undeveloped lands. In a memo to the ABAG Executive Board from Paul Fassinger dated last November, Mr. Fassinger explained the household, population, and employment revisions to the Projections 2007 and why ABAG chose to revise the projections for several jurisdictions. ABAG staff revised and lowered ABAG Projections 2007 household and population projection for the City of San Leandro because they "pointed to the fact that its recent success in developing housing could not be sustained..." Similar to the City of San Leandro, it would also be very difficult for Palo Alto to continue the housing development Palo Alto has experienced in the last 7 years given Palo Alto's very limited land available for new development .

ABAG's revised technical document states that;

"Household growth in ABAG's *Projections* is most influenced by local land use plans and policies, including planned and protected agricultural lands, open space and parks, city centered growth policies, urban growth boundaries, and any physical or geological constraints."

Yet Projections 2007 does not reflect the City's Comprehensive Plan anticipated population growth or recognize that Palo Alto has approximately 65 percent of its 26 square mile land area dedicated to protected open space, parks and preserves and the City's boundaries are fixed on all sides by neighboring cities, hence, no "new" lands are available. Atherton's household and population projection were also revised and lowered in Projections 2007 because ABAG staff agreed that "Atherton has no capacity to expand beyond it's existing town limits. The town has almost no vacant lots." Palo Alto also does not have any capacity to expand beyond its existing jurisdictional boundary and has less than 0.5 percent vacant land, yet the City's population and household projections in Projections 2007 remain unrevised.

Comments on Allocation Methodology

The City opposes the inclusion of an additional Transit Oriented Development (TOD) factor in the allocation methodology to the extent that it would disproportionately assign housing to cities like Palo Alto that have shown a commitment to TOD. Palo Alto recently adopted the California Avenue Pedestrian and Transit Oriented Development Combining District, which is intended to allow higher density residential dwellings within a walkable distance of the California Avenue Caltrain Station. ABAG staff revised and lowered the City of Larkspur's population and household projections for Projections 2007 because "The city implemented smart growth concepts when the ferry terminal was developed and the density in that area is much higher than the remainder of the city." Palo Alto's circumstances are very similar. Over half of all residential approvals and construction in the City of Palo Alto (approximately 1400 dwelling units) within the last 5 years are within a mile of either the University Avenue or California

Mr. Henry Gardner
Association of Bay Area Governments
Page 3 of 3

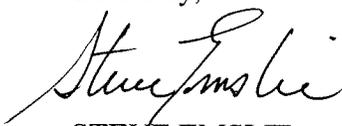
Avenue train station. A majority of the remaining residential entitlements or construction is along El Camino Real, which is served by major bus routes. The remainder of the City, which consist mainly of developed and established single-family neighborhoods or approximately 16,000 detached single-family homes, cannot support the higher densities. Nonetheless, the City of Palo Alto's population and household projections were not revised for Projections 2007. Furthermore, we understand that the draft *Projections 2007* already takes into account likely development along transit lines through its underlying assumptions and imposing an additional TOD factor penalizes cities that have developed smart growth policies.

The City would also appreciate a detailed explanation on how the methodology addresses household and employment growth near transit if the fixed transit station is at or very near its jurisdictional boundary. In the case of Palo Alto, a Caltrain station is located at the Mountain View/Palo Alto jurisdictional boundary. The revised technical document does not clearly explain how the methodology reapportions the 5% household and employment growth within a half mile radius of the transit station if the half mile radius crosses jurisdictional boundaries.

In conclusion, the City urges ABAG to consider factors such as adequate open space provision, lack of land availability and suitable sites, and sufficient service provision and availability in developing a realistic RHNA. If ABAG adopts more achievable goals, this will enable all cities, including Palo Alto, to focus on the provision of adequate housing for a diverse population.

The City of Palo Alto appreciates your consideration of our requests.

Sincerely,



STEVE EMSLIE
Director of Planning and Community Development

cc: Paul Fassinger, ABAG Research Director

CITY OF PIEDMONT
CALIFORNIA



September 14, 2007

Paul Fassinger
ABAG Research Director
Association of Bay Area Governments
101 Eighth Street
Oakland, CA 94607

Dear Mr. Fassinger:

Thank you for the opportunity to review and comment on the proposed Regional Housing Needs Allocation (RHNA) for 2007-2014. The Piedmont City Council discussed the allocation at its regular meeting on September 4, 2007. We were fortunate to be joined by ABAG Executive Director Henry Gardner so that he could hear our concerns first hand. It was helpful to have Mr. Gardner clarify the rationale behind ABAG's methodology and offer his insights on the RHNA process.

Our specific objection is to the use of a 175 percent "equalizing" multiplier to determine the income distribution of each jurisdiction's RHNA. The outcome of this approach is that 58 percent of Piedmont's allocation consists of very low- and low-income housing units. The City's very low- and low-income unit allocation has increased 130 percent when compared to the 1999-2006 allocation, to the point where Piedmont now has a higher percentage of its assignment in lower-income units than any other city in the Bay Area.

While we support ABAG's efforts to address income divides in the region, we believe the proposed approach is the wrong approach. The methodology fails to take into consideration the practical realities of producing affordable housing in high-cost, low-density, built-out communities. Assigning large shares of lower income units to communities without the land or physical resources to build these units ultimately undermines the region's efforts to produce affordable housing.

We urge ABAG to consider the following two alternatives to the currently proposed approach:

- (1) Reduce the 175 percent multiplier to a more realistic level, such as 125 percent. No justification for the 175 percent figure has been provided, and the outcome for small residential cities is both punitive and unrealistic. Alternatively, we ask that

ABAG do away with the multiplier altogether, so that all communities share an equal responsibility for accommodating housing in each income category. Under this approach, Piedmont's low/very low-income allocation would be 39 percent of its total RHNA number, which is still a 50 percent increase over the 1999-2006 allocation.

- (2) Expand the provisions for transferring RHNA assignments from one jurisdiction to another, or allow cities with severe land constraints to purchase "credits" which support affordable housing construction in jurisdictions with available land. An equitable method for calculating the cash value of such credits should be determined. This approach would make it much more likely that affordable housing is actually built in the Bay Area. It would avoid the need for dozens of jurisdictions to prepare Housing Elements with "smoke and mirror" solutions to meeting RHNA assignments that are widely acknowledged as unattainable.

We believe that many other cities in the region share our concerns and would support these options. We urge their consideration by ABAG staff and the Executive Board as a more effective and responsible way to address our region's housing crisis.

Sincerely,

CITY OF PIEDMONT



Geoffrey L. Grote
City Administrator

Cc: Kate Black

THE CITY OF



PLEASANTON

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SEP 13 2007

DIRECTOR'S OFFICE

September 11, 2007

David Cortese, President of the Executive Board
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604-2050

Re: 2007 – 2014 Regional Housing Needs Allocation Process

Dear Mr. Cortese:

This letter requests a revision to the draft RHNA allocations as adopted by the ABAG Executive Board at its meeting of July 19.

As you are aware, I was a member of the ABAG Housing Methodology Committee (HMC) and support the work of ABAG staff and the HMC members. However, the City continues to question the rationale used to generate the adopted allocations.

First, while the City sees the logic and requirement for incorporating factors related to the jobs/housing balance, it would be more appropriate to allocate employment and employment growth on a subregional basis rather than on a city-by-city basis as outlined in the *Draft Methodology*. Utilizing the ABAG-adopted approach leads to a jobs-housing relationship that does not reflect the realities of the market place or live-work relationships and places an inappropriate burden on cities with significant job opportunities.

Secondly, while the City Council understands and supports Smart Growth concepts, we remain concerned about new housing adjacent to transportation corridors that regularly experience gridlock. As a result, I request that traffic gridlock be included as an allocation factor. While ABAG staff did not support this concept, we continue to strive for a mix between housing need, commerce and the impacts of traffic gridlock.

MAYOR AND CITY COUNCIL

123 Main Street

P. O. Box 520, Pleasanton, CA 94566-0802

(925) 931-5001
Fax: 931-5482

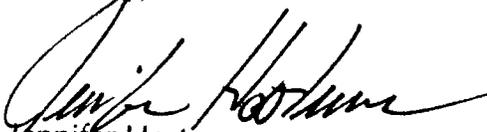
David Cortese
September 11, 2007
Page Two

Finally, throughout the HMC process, I proposed an income allocation methodology that factors the difficulty of developing affordable housing in high housing cost areas. Notwithstanding this position, I agreed with the methodology concept that allocates housing based on average regional household incomes. However, the City cannot support the allocation of units based on 175% of regional household incomes. While our City recognizes and supports housing element law requiring disbursement of affordable housing throughout the region, the financial inequality inherent in the new recommendation places an unrealistic and unequal financial burden on the City of Pleasanton and other cities, since the high cost of housing results in significant subsidies required to meet affordable housing.

Pleasanton is concerned that, based on a number of issues including our voter-approved housing cap, the lack of available developable land, housing market forces and the high cost of developing affordable housing, it may be unable to meet the upcoming RHNA targets. As a result, on behalf of the City of Pleasanton, I continue to request you and the Executive Board to seriously consider the issues noted above.

Thank you for your consideration.

Sincerely,



Jennifer Hosterman
Mayor

- c: Pleasanton City Council
- Nelson Fialho, City Manager
- City Housing Commission
- ✓ Henry Gardner, Executive Director
- Paul Fassinger, ABAG Research Director



CITY OF SAN RAMON

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WEB SITE: www.sanramon.ca.gov

September 6, 2007

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EXECUTIVE DIRECTOR'S
OFFICE

Mr. Henry Gardner, Executive Director
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604-2050

**SUBJECT: Comments on the Association of Bay Area Governments (ABAG) 2007-2014
Draft RHNA Allocations**

Dear Mr. Gardner: *Henry*

The City of San Ramon appreciates the opportunity to review and comment on the draft RHNA allocations adopted by the ABAG Executive Board on July 19, 2007 for the 2007-2014 RHNA cycle. This letter has been prepared to request revisions to the City of San Ramon's allocation.

As expressed in our letter dated January 17, 2007 to ABAG, the City of San Ramon continues to have concerns with the adopted methodology that uses a 175% multiplier in the allocation formula to address existing concentrations of lower income housing within the region. Under the draft allocation, the City of San Ramon would need to plan a minimum of 76% of its housing allocation for below-moderate households over the next seven years. This allocation is contrary to RHNA's objective to provide a mix of housing types and affordability in cities and counties. While we concur with the Board's recognition that cities need to provide adequate housing for all types of income levels, we feel allocations should reflect the future needs of the community. San Ramon supports ABAG in their efforts to reduce existing concentrations of lower income housing, however a 175% multiplier is too aggressive and unrealistic for the seven-year planning period. By only planning for the majority of homes for below-moderate income levels and ignoring the fact that the average household in San Ramon would not qualify for an affordable unit is irresponsible and leaves our City even further behind in providing a housing supply to serve our community's demand.

Rather, we encourage the Board to consider incorporating a "job type to housing type balance" in San Ramon's allocation. For example, based on ABAG's Projections 2007, 29% of total jobs in San Ramon are "Financial and Professional Jobs" which is 5% higher than the regional total. Growth in the professional job sector is expected to increase in San Ramon during the Projections 2007 forecast period. These types of jobs generally require technical skill sets and highly educated persons. As

these jobs continue to grow in the Tri-Valley area, cities should also be planning accordingly to provide appropriate housing types for this segment of the population. With its current draft allocation, San Ramon will be unable to provide a much needed mix of housing for our community and ultimately encourages the location of homes further away from a homeowner's job, increasing vehicular commute times, impacting regional air quality including greenhouse gases, and further diminishing the jobs to housing balance.

The City is also concerned about the lack of social services available to serve lower income households in the Tri-Valley area. We feel that approaching the concentration issue incrementally will not only set more realistic goals for our community and the entire Bay Area, but will also give support service providers needed by lower income households, the opportunity to redirect resources to outlying areas as the service population grows. Therefore, the City of San Ramon requests an allocation that would provide a 100 percent adjustment toward the regional average and promoting an equitable regional distribution for future housing production. This approach makes a greater impact than the 1999-2006 RHNA allocation formula which made a 50% adjustment toward the regional income distribution average, but sufficiently addresses existing concentrations of lower income housing.

The City of San Ramon strongly encourages the Executive Board to reconsider San Ramon's draft allocation and revise the draft to better reflect the needs of our community. If you have any questions regarding the information in this letter, please contact Debbie Chamberlain, Planning Manager at (925) 973-2566 or via e-mail: dchamberlain@sanramon.ca.gov.

Sincerely,



Herb Moniz
City Manager

Cc: City Council
Phil Wong, Planning/Community Development Director
Marc Fontes, Economic Development Director
Debbie Chamberlain, Planning Manager
Cindy Yee, Associate Planner

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Mayor ✓

Patricia M. Mahan

Council Members

- Dominic J. Caserta
- Will Kennedy
- Pat Kolstad
- Jamie L. Matthews
- Jamie McLeod
- Kevin Moore

September 12, 2007

Henry L. Gardner
 Executive Director
 Association of Bay Area Governments
 101 Eighth Street
 Oakland, CA 94607-4756

RE: City of Santa Clara Comments on Draft Regional Housing Need Allocation

Dear Mr. Gardner:

Thank you for your letter of July 24, 2007 regarding the Draft Regional Housing Need Allocation (RHNA) determinations. We understand that this process has allocated 5,873 total housing units for our city over the next planning period (2007-2014). We accept these allocations, as proposed. However, we would object to any changes to decrease the impact on other jurisdictions in Santa Clara County that would then result in an increase of our fair share numbers. We request that we be advised if any such requests are to be considered by ABAG.

If you have any questions, please have your office contact the Director of Planning and Inspection, Kevin Riley, at (408) 615-2450.

Sincerely,

Patricia M. Mahan
Mayor

Jennifer Sparacino
City Manager

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SEP 18 2007

DIRECTOR'S OFFICE



CITY OF SAUSALITO

420 Litho Street • Sausalito, CA 94965
Telephone: (415) 289-4100
www.ci.sausalito.ca.us

September 21, 2007

Paul Fassinger
Research Director
Association of Bay Area Governments
P.O. Box 2050
Oakland, CA 94604

Re: Draft Regional Housing Needs Allocation

Dear Mr. Fassinger:

The City of Sausalito would like to thank the Association of Bay Area Governments staff for their hard work on the RHNA process, and their engagement with local government through the Housing Methodologies Committee (HMC). I believe the collaborative process that was used with HMC demonstrates ABAG's commitment to ongoing improvements in the RHNA process.

However, the City of Sausalito must inform ABAG that the draft RHNA number for the City of Sausalito, 165 total housing units, remains an unrealistically high number for our very land-constrained community.

Thank you for your consideration.

Sincerely,

Kevin Bryant, AICP
Deputy Planning Director

FAX NUMBERS:

Administration: (415) 289-4167
Recreation: (415) 289-4189

Community Development: (415) 339-2256

Library: (415) 331-7943
Public Works: (415) 289-4138

COUNTY OF SONOMA
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MIKE REILLY

September 11, 2007

ABAG Executive Board
Paul Fassinger, Research Director
Association of Bay Area Governments
PO Box 2050
Oakland, CA 94604-2050

SUBJECT: Draft Regional Housing Needs Allocation

Dear Mr. Fassinger:

Thank you for providing the opportunity to comment on ABAG's Draft Regional Housing Needs Allocation for unincorporated Sonoma County. As always, we appreciate the ongoing opportunity for dialogue with the ABAG Board and staff.

Sonoma County strongly supports the draft RHNA adopted July 19, 2007 by the Executive Board. We believe that it fairly and accurately reflects the adopted methodology. While the County is not requesting any revisions to its draft RHNA at this time, we remain concerned that pressure from cities in the Bay Area will modify the draft allocations to push housing needs into the outlying rural areas.

The County strongly encourages ABAG to resist any RHNA revisions that are inconsistent with ABAG's adopted policy-based "smart growth" methodology. The continued assignment of allocations within the Spheres of Influence to the cities is consistent with the city-centered growth policies found within every General Plan in Sonoma County. This approach focuses development to existing urbanized areas and transit corridors and away from agricultural and open space lands. These principles have been the cornerstone of Sonoma County's General Plan since 1989.

Sincerely,

Mike Kerns, Vice Chair and Second District Supervisor
Sonoma County Board of Supervisors

cc: Board of Supervisors
County Administrator
Pete Parkinson, Permit & Resource Management Department