

# **RHNA Appeal Committee and Schedule**

**April 1, 2013  
9:00am to 4:00pm**

Joseph P. Bort MetroCenter  
Room 171  
101 Eighth Street  
Oakland, CA 94607

## **RHNA Appeal Committee:**

- Palo Alto Mayor Greg Scharff, Chair
- Oakland Councilmember Desley Brooks, Vice Chair
- Novato Mayor Pat Eklund
- Napa County Supervisor Mark Luce
- Clayton Mayor Julie Pierce
- San Francisco Supervisor Eric Mar (alternate)

## **RHNA Appeal Schedule:**

- 9:15am City of Hayward
- 10:00am City of Lafayette
- 10:45am City of Mountain View
- 11:30am City of Oakley
- 1:00pm City of Palo Alto
- 1:45pm City of San Ramon
- 2:30pm City of Saratoga
- 3:15pm City of Sunnyvale

In order to ensure that the appeal process operates in an orderly manner, the following process will be implemented:

- Chair invites appellant to present proposed revision to the committee
- Appellant has up to 10 minutes to make presentation (no PowerPoint presentation, but handouts are fine, please make seven copies)
- Chair asks for staff presentation (up to 5 minutes)
- Chair asks if anyone from the public wishes to comment
- Chair asks for committee discussion
- Committee deliberates and makes a motion
- Chair takes vote count on the motion made by committee

**Regional Housing Need Allocation**  
Appeal Review Form

**Jurisdiction:** City of Hayward

**Draft RHNA:** 4,021

**Appellant:** Fran David, City Manager  
(represented by David Rizk, Director of Development Services)

**Requested Reduction:** 116\*

**Requested RHNA:** 3,905\*

**Date:** February 15, 2013

<b>Jurisdiction Background Information:</b>	
Size (in square miles): 45.32	Effect of Methodology Factors:
Households: 45,365 (2010 Census)	RHNA Performance: 158
PDA Growth / (Share): 2,570 (1.95%)	Employment: 331
Non-PDA Growth / (Share): 1,061 (1.88%)	Transit: 121
Subject to 40% Minimum? No	2007-2014 RHNA: 3,393

**Proposed Revision:**

The City of Hayward asserts that there was a misapplication of the RHNA methodology because incorrect housing data was used for the Past RHNA Performance factor in the RHNA methodology. The City requests a revision based on the result of changing the data included for Past RHNA Performance, which would lead to a reduction of 116\*.

*\* The jurisdiction did not submit a specific number for its requested reduction. ABAG staff calculated the requested reduction based on the jurisdiction's basis for the appeal.*

**Issues/ Criteria Identified in the Appeal:**

- 1. Incorrect housing production data was used in the RHNA methodology. During the years 1999-2006, Hayward was more successful in building affordable housing than was documented in the ABAG publication titled "A Place to Call Home." The City data is consistent with the annual reports that have been submitted to the California Department of Housing and Community Development.***

**Appeal Evaluation:**

- 1. For Past RHNA Performance, data for all jurisdictions was taken from the 2007 ABAG housing report A Place to Call Home. The data included in the report was supplied by the local jurisdiction, and local staff had opportunities to review the contents of the report prior to publication.*

*The RHNA methodology must be based on a data source that includes consistent data for the entire region. Since not all jurisdictions have an adopted Housing Element or submit annual progress reports to HCD, A Place to Call Home was selected as the best available source of region-wide data.*

*ABAG staff identified this report as the*

*source of data for calculating the Past RHNA Performance factor when developing and adopting the final RHNA methodology. Jurisdictions had an opportunity to comment on this source prior to adoption of the methodology, and ABAG staff does not support making changes to this self-reported data now that draft allocations have been issued.*

**Staff Recommendation:**

The issues cited by the City of Hayward do not meet the requirements of State Housing Element law, which would warrant a revision.

- ABAG determined the City's share of the regional need in accordance with the adopted allocation methodology.

**Staff recommends that the Appeal Committee deny the proposed revision.**

**Regional Housing Need Allocation  
Appeal Review Form**

**Jurisdiction:** City of Lafayette

**Draft RHNA:** 426

**Appellant:** Steven Falk, City Manager  
(represented by Don Tatzin, Vice Mayor)

**Requested Reduction:** 27

**Date:** February 15, 2013

**Requested RHNA:** 399

<b>Jurisdiction Background Information:</b>	
Size (in square miles): 15.22	Effect of Methodology Factors:
Households: 9,223 (2010 Census)	RHNA Performance: 48
PDA Growth / (Share): 259 (0.2%)	Employment: -23
Non-PDA Growth / (Share): 188 (0.33%)	Transit: -22
Subject to 40% Minimum? No	2007-2014 RHNA: 361

**Proposed Revision:**

The City of Lafayette asserts there was a misapplication of the RHNA methodology because the calculations for the Growth Concentration Adjustment were inconsistent with the direction from ABAG’s Executive Board. The City requests a revision of its allocation to 399 units, based on its calculation of its proportionate share of the 4,370 units reallocated region-wide as part of the Growth Concentration Adjustment.

**Issues/ Criteria Identified in the Appeal:**

- ABAG staff described the Growth Concentration Adjustment method as “proportional” at the July 2012 Executive Board meeting, but it resulted in very different impacts on cities. The inequities in the results indicate the methodology is being applied incorrectly.***

**Appeal Evaluation:**

- The Growth Concentration Adjustment was applied to all jurisdictions in the region, outside of Oakland, San Jose, Newark, and the North Bay. Units were reallocated to subareas within the region based on a subarea’s proportion of regional growth. The same methodology was applied to each affected jurisdiction. The differences in the results are related to the underlying growth pattern for each jurisdiction from the Jobs-Housing Connection Strategy.*

*The Growth Concentration Adjustment resulted in revised forecasts of PDA and non-PDA growth that are the initial input into the RHNA formula. These inputs were then modified by the application of the RHNA methodology (including Fair Share factors, 40% minimum housing floor, etc.)*

2. ***These disproportionate impacts resulted from two methodological applications, neither of which ABAG staff has justified. Neither of these situations was described to the Executive Board, so the methodology applied is inconsistent with Board direction.***

*Thus, the fact that the application of the same methodology to different jurisdictions resulted in disparate impacts does not indicate that the methodology was applied incorrectly.*

2. *As noted in the City's appeal request, ABAG staff and Lafayette elected officials and staff engaged in detailed discussions about each step of the methodology used for the Growth Concentration Adjustment. The ABAG Executive Board adopted the policy encompassed in the Growth Concentration Adjustment but staff used its professional judgment to implement it. ABAG staff acknowledge that there are many different ways in which the Growth Concentration Adjustment could have been carried out. Based on its professional expertise, ABAG staff chose the approach that best fit the overall direction received from ABAG's Executive Board. The fact that alternative methodologies exist does not indicate that the methodology selected was incorrect.*

**Staff Recommendation:**

The issues cited by the City of Lafayette do not meet the requirements of State Housing Element law, which would warrant a revision.

- The fact that there is more than one professionally acceptable way to calculate the Growth Concentration Adjustment does not constitute a misapplication of the RHNA methodology.

**Staff recommends that the Appeal Committee deny the proposed revision.**

**Regional Housing Need Allocation**  
Appeal Review Form

**Jurisdiction:** City of Mountain View

**Draft RHNA:** 2,913

**Appellant:** Dan Rich, City Manager  
(represented by Martin Alkire, Principal Planner)

**Requested Reduction:** 371\*

**Date:** January 15, 2013

**Requested RHNA:** 2,542\*

<b>Jurisdiction Background Information:</b>	
Size (in square miles): 12.00	Effect of Methodology Factors:
Households: 31,957 (2010 Census)	RHNA Performance: 20
PDA Growth / (Share): 2,281 (1.73%)	Employment: 88
Non-PDA Growth / (Share): 610 (1.08%)	Transit: 27
Subject to 40% Minimum? No	2007-2014 RHNA: 2,599

**Proposed Revision:**

The City of Mountain View asserts that ABAG failed to consider information from the RHNA Factor Survey related to the “availability of land suitable for urban development or for conversion to residential use” and that there was a significant and unforeseen change in circumstances. The City requests a revision based on changes to the City’s General Plan that removed residential uses from the North Bayshore Priority Development Area (PDA), which would lead to a reduction of 371\*.

*\* The jurisdiction did not submit a specific number for its requested reduction. ABAG staff calculated a rough estimate of the requested reduction based on the jurisdiction’s basis for the appeal.*

**Issues/ Criteria Identified in the Appeal:**

**Appeal Evaluation:**

- 1. ABAG failed to adequately consider the information in the RHNA survey: the City said it was "studying" residential uses in North Bayshore, but no official General Plan policy determination had been made.**
- 2. Change in circumstance: On July 12, 2012 the City Council approved the new General Plan, but without allowing new residential uses in the North Bayshore area. This was a significant departure both from the City’s submitted land use materials to ABAG and from what the**

- 1. ABAG staff used the most current information about local plans for growth that was available during development of the draft SCS, which was adopted on July 19, 2012. The RHNA is based on the growth pattern in the draft SCS. The growth assigned to the North Bayshore PDA was based on the projected housing growth identified by the City in its PDA application from October 2011.*
- 2. The decision to remove housing as an allowable use in the North Bayshore area was a deliberate action taken by the City Council, and does not constitute an unforeseen change in circumstances. For RHNA, "The council of governments may not limit its consideration of suitable*

***General Plan and General Plan EIR had studied for the North Bayshore area.***

*housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions." [GC 65584.04(d)(2)(b)].*

**Staff Recommendation:**

The issues cited by the City of Mountain View do not meet the requirements of State Housing Element law, which would warrant a revision.

- State Housing Element law does not allow allocations to be limited by local land use restrictions.

**Staff recommends that the Appeal Committee deny the proposed revision.**

**Regional Housing Need Allocation**  
Appeal Review Form

**Jurisdiction:** City of Oakley

**RHNA Allocation:** 1,163

**Appellant:** Bryan H. Montgomery, City Manager  
(represented by Joshua McMurray, Senior Planner)

**Requested Reduction:** 314\*

**Date:** February 6, 2013

**Requested RHNA:** 849\*

<b>Jurisdiction Background Information:</b>	
Size (in square miles): 15.85	Effect of Methodology Factors:
Households: 10,727 (2010 Census)	RHNA Performance: -117
PDA Growth / (Share): 879 (0.67%)	Employment: -173
Non-PDA Growth / (Share): 757 (1.34%)	Transit: -48
Subject to 40% Minimum? No	2007-2014 RHNA: 775

**Proposed Revision:**

The City of Oakley asserts that there was a misapplication of the RHNA methodology, that ABAG staff failed to consider information from the RHNA Factor Survey about the “existing or projected jobs-housing relationship” and the “availability of land suitable for urban development or for conversion to residential use,” and there was a significant and unforeseen change in circumstances. The City requests a reduction in its allocation of very low- and low-income units.

*\* The jurisdiction did not submit a specific number for its requested reduction. ABAG staff calculated the requested reduction based on the jurisdiction’s basis for the appeal.*

**Issues/ Criteria Identified in the Appeal:**

**Appeal Evaluation:**

- 1. Sustainability Component of the RHNA methodology does not apply, since Oakley already accommodates areas suitable for residential development and Oakley’s PDAs are intended for jobs, not housing.***

- 1. During development of the SCS, the City communicated a desire for additional housing growth over the long term, compared to what ABAG was forecasting. ABAG staff used that feedback along with information from local plans to develop the housing growth distribution for Oakley, consistent with the sustainability goals of the SCS. The RHNA is based on the growth pattern in the draft SCS. In addition, although ABAG encourages jurisdictions to plan for RHNA units in PDAs to take advantage of access to transit, jurisdictions are under no obligation to do so. RHNA units can be accommodated anywhere in the jurisdiction.*

2. ***RHNA methodology allocated Oakley the maximum number of units (1.5 times the 2007-2014 RHNA). This contradicts the "Fair Share Component," which should have resulted in lower number because of Oakley's lack of transit and existing jobs.***
3. ***ABAG should have used RHNA performance for 2007-2014 since Oakley did not incorporate until 1999 and did not adopt a General Plan until 2005 or Housing Element until 2009.***

2. *This is a comment about the RHNA methodology, which was adopted by the ABAG Executive Board on July 19, 2012.*
3. *For Past RHNA Performance, data for all jurisdictions was taken from the 2007 ABAG housing report A Place to Call Home. The data included in the report was supplied by the local jurisdiction, and local staff had opportunities to review the contents of the report prior to publication.*

*The RHNA methodology must be based on a data source that includes consistent data for the entire region. Since not all jurisdictions have an adopted Housing Element or submit annual progress reports to HCD, A Place to Call Home was selected as the best available source of region-wide data.*

*ABAG staff identified this report as the source of data for calculating the Past RHNA Performance factor when developing and adopting the final RHNA methodology. Jurisdictions had an opportunity to comment on this source prior to adoption of the methodology, and ABAG staff does not support making changes to this self-reported data now that draft allocations have been issued.*

4. ***The RHNA allocation does not take into account that Oakley is predominantly made up of single-family residences, and is an area where that lifestyle is preferred over high-density development.***

4. *For RHNA, "The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions." [GC 65584.04(d)(2)(b)].*

*The decisions about how to implement the RHNA remain under the control of the local government. Per Government Code Section 65584.05(i), "Any authority of the council of governments to review and revise the share of a city or county of the regional housing need under this section shall not constitute authority to revise,*

*approve, or disapprove the manner in which the share of the city or county of the regional housing need is implemented through its housing program.”*

*The Income Allocation methodology, which shifts each jurisdiction toward the regional income distribution resulted in a lower allocation of very low- and low-income units to the City of Oakley.*

**Staff Recommendation:**

The issues cited by the City of Oakley do not meet the requirements of State Housing Element law, which would warrant a revision.

- ABAG determined the City’s share of the regional need in accordance with the adopted allocation methodology.
- State Housing Element law does not allow allocations to be limited by local land use restrictions.

**Staff recommends that the Appeal Committee deny the proposed revision.**

**Regional Housing Need Allocation  
Appeal Review Form**

**Jurisdiction:** City of Palo Alto

**Draft RHNA:** 2,179

**Appellant:** H. Gregory Scharff, Mayor  
(represented by Curtis Williams, Director of Planning  
and Community Environment)

**Requested Reduction:** 350

**Requested RHNA:** 1,829

**Date:** February 12, 2013

<b>Jurisdiction Background Information:</b>	
Size (in square miles): 23.88	Effect of Methodology Factors:
Households: 26,493 (2010 Census)	RHNA Performance: -235
PDA Growth / (Share): 226 (0.17%)	Employment: 525
Non-PDA Growth / (Share): 1,763 (3.13%)	Transit: 149
Subject to 40% Minimum? No	2007-2014 RHNA: 2,860

**Proposed Revision:**

The City of Palo Alto asserts that there was a misapplication of the RHNA methodology, that ABAG staff failed to consider information from the RHNA Factor Survey about the “housing needs generated by the presence of a university campus within a jurisdiction,” and an unforeseen change in circumstances. The City requests that 350 units be shifted from its RHNA to Santa Clara County’s RHNA.

**Issues/ Criteria Identified in the Appeal:**

- 1. Stanford University's General Use Permit allows up to 1500 residential units to be built on Stanford lands within the RHNA housing element timeframe. Specifically, there are plans for approximately 350 planned units on two sites on Quarry Road just west of El Camino Real. While these units have not been otherwise assigned to Palo Alto, they would be very consistent with goals of SCS.***
- 2. It appears to be an oversight in the designation of PDAs that these sites were not included in the Valley Transportation Authority(VTA) Cores and Corridors PDA and treated as a PDA under the RHNA methodology. The City notes that significant areas of Palo Alto, designated by VTA in the Cores and Corridors PDA have been treated as PDAs for the***

**Appeal Evaluation:**

- 1. The RHNA is not site specific. The availability of sites for housing in Santa Clara County that would be consistent with the goals of the SCS does not indicate a misapplication of the RHNA methodology.*
- 2. The Palo Alto portion of the VTA Cores and Corridors PDA was not treated as a PDA for the purposes of RHNA because the City did not agree to designation of the areas as a PDA.*

*purposes of distributing housing units, even though the City did not agree to their designation as PDAs.*

3. *While it is generally appropriate to focus more intense growth in cities rather than open space or rural unincorporated county areas, these sites identified are different from others in unincorporated areas because they are located in an urban area, near transit, across from shopping, and adjacent to an extensive hospital expansion; Stanford's expansion and housing to support its growth are unique among counties in the Bay Area and ABAG has previously re-adjusted the allocation between Palo Alto and the County in previous cycles to account for this anomaly; and a tri-party agreement between Santa Clara County, Stanford University, and the City of Palo Alto precludes the City from annexing these potential housing sites (although the sites are served by the Palo Alto Unified school district).*
3. *The RHNA is not site specific. The availability of sites for housing in Santa Clara County that would be consistent with the goals of the SCS does not indicate a misapplication of the RHNA methodology.*

**Staff Recommendation:**

The issues cited by the City of Palo Alto do not meet the requirements of State Housing Element law, which would warrant a revision.

- The information provided by the City does not demonstrate that ABAG failed to apply the RHNA methodology correctly or that an unforeseen change occurred.

**Staff recommends that the Appeal Committee deny the proposed revision and supports the continued efforts of the City of Palo Alto, Santa Clara County, and Stanford University to reach an agreement about transferring the identified units prior to April 19, 2013.**

**Regional Housing Need Allocation  
Appeal Review Form**

**Jurisdiction:** City of San Ramon

**Draft RHNA:** 1,411

**Appellant:** Greg Rogers, City Manager  
(represented by Phil Wong, Planning/Community  
Development Director)

**Requested Reduction:** 126

**Requested RHNA:** 1,285

**Date:** February 14, 2013

<b>Jurisdiction Background Information:</b>	
Size (in square miles): 18.06	Effect of Methodology Factors:
Households: 25,284 (2010 Census)	RHNA Performance: -216
PDA Growth / (Share): 705 (0.54%)	Employment: 126
Non-PDA Growth / (Share): 924 (1.64%)	Transit: -29
Subject to 40% Minimum? No	2007-2014 RHNA: 3,463

**Proposed Revision:**

The City of San Ramon asserts that there was a misapplication of the RHNA methodology. The City requests a revision based on removing the impact of the Growth Concentration Adjustment and using the draft allocation assigned prior to the Growth Concentration Adjustment.

**Issues/ Criteria Identified in the Appeal:**

1. *Staff introduced the Growth Concentration Adjustment in the July 10, 2012 Executive Board report just seven days before the close of the public comment period. Jurisdictions were given no information on the process and methodology for how 3500 units would be shifted to the balance of the region.*
2. *All major recipients of the Growth Concentration Adjustment have light and/or heavy rail stations EXCEPT San Ramon. Why is San Ramon allocated a 10% RHNA increase while communities such as Palo Alto, Milpitas, Walnut Creek, and Berkeley (all of whom are transit-rich with similar employment growth rates) are receiving less than 4% Growth Concentration Adjustment?*

***The Growth Concentration Adjustment***

**Appeal Evaluation:**

1. *The Growth Concentration Adjustment to the RHNA methodology and the resulting allocations were adopted by the ABAG Executive Board on July 19, 2012.*  
  
*The ABAG Executive Board adopted the policy encompassed in the Growth Concentration Adjustment but staff used its professional judgment to implement it.*
2. *The Growth Concentration Adjustment was applied to all jurisdictions in the region, outside of Oakland, San Jose, Newark, and the North Bay. Units were reallocated to subareas within the region based on a subarea's proportion of regional growth. The same methodology was applied to each affected jurisdiction. The differences in the results are related to the underlying growth pattern for each jurisdiction from the Jobs-Housing Connection Strategy.*

***factor was inaccurately applied to San Ramon and no detailed explanation of ABAG's reasoning for assigning San Ramon a higher adjustment has been given. San Ramon should not have been placed in the same category as highly transit-accessible locations. While our employment growth rate may be comparable to other jurisdictions that received Growth Concentration increases, our transit infrastructure certainly is not. San Ramon's increase does not meet the stated goal of directing growth to "medium cities with high job growth and transit access."***

- 3. The 175% income allocation adjustment is unrealistic (especially with loss of Redevelopment) and ultimately defeats the region's goal of meeting housing needs in a sustainable and balanced approach. Cities are forced to overzone for housing in order to accommodate affordable units.***

*The Growth Concentration Adjustment resulted in revised forecasts of PDA and non-PDA growth that are the initial input into the RHNA formula. These inputs were then modified by the application of the RHNA methodology (including Fair Share factors, 40% minimum housing floor, etc.)*

*Thus, the fact that the application of the same methodology to different jurisdictions resulted in disparate impacts does not indicate that the methodology was applied incorrectly.*

- 3. This is a comment about the RHNA methodology, which was adopted by the ABAG Executive Board on July 19, 2012.*

**Staff Recommendation:**

The issues cited by the City of San Ramon do not meet the requirements of State Housing Element law, which would warrant a revision.

- ABAG determined the City's share of the regional need in accordance with the adopted allocation methodology.

**Staff recommends that the Appeal Committee deny the proposed revision.**

**Regional Housing Need Allocation**  
Appeal Review Form

**Jurisdiction:** City of Saratoga

**Draft RHNA:** 438

**Appellant:** Jill Hunter, Mayor  
(represented by James Lindsay,  
Community Development Director)

**Requested Reduction:** 234

**Requested RHNA:** 204

**Date:** February 6, 2013

<b>Jurisdiction Background Information:</b>		
Size (in square miles): 12.38		Effect of Methodology Factors:
Households: 10,734 (2010 Census)		RHNA Performance: 31
PDA Growth / (Share): 0 (0.0%)		Employment: 0
Non-PDA Growth / (Share): 220 (0.39%)		Transit: -15
Subject to 40% Minimum? Yes		2007-2014 RHNA: 292

**Proposed Revision:**

The City of Saratoga asserts that ABAG staff failed to consider information from the RHNA Factor Survey about the “existing or projected jobs-housing relationship” and the “distribution of household growth assumed for the purposes of the comparable Regional Transportation Plan.” The City requests that its allocation be changed to 204 with no change to the percentage of very low-, low-, and moderate-income units.

**Issues/ Criteria Identified in the Appeal:**

- 40 percent minimum housing floor is inconsistent with the overall objective of RHNA and SB 375 which is to better integrate land use and transportation.**

***Four cities with no employment centers and poor transit received allocations 150% higher than last cycle. While these allocations may technically follow the approved housing methodology, they are not consistent with Government Code requirements that allocations consider a jurisdiction’s jobs/housing relationship and access to transit. Also inconsistent with goals of SB375.***

**Appeal Evaluation:**

- This is a comment about the RHNA methodology, which was adopted by the ABAG Executive Board on July 19, 2012.*

*The adopted RHNA methodology emphasizes better integration of land use and transportation while also meeting the statutory objectives of RHNA, which include “increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner” [GC 65584(d)]. The minimum housing floor ensures that every jurisdiction is planning for housing to accommodate at least a portion of the housing need generated by the population within that jurisdiction. However, the RHNA methodology also caps a jurisdiction’s allocation at no more than*

- 150% of its RHNA from 2007-2014 as a way to ensure that a jurisdiction is not overburdened.
2. ***Data from Census Bureau shows only 4,194 paid employees in Saratoga whereas RHNA estimates 11,874 jobs in the city for the same time period.***
  3. ***The City clearly stated in the RHNA Factors Survey there are no significant existing or planned public transit or employment opportunities in the city.***
  4. ***The Past RHNA Performance factor penalizes small jurisdictions and should be based on percentage of low-income allocation met, not total number of units permitted.***
2. *The difference in job data would not affect the City's RHNA allocation. The first input into the RHNA methodology is the underlying growth forecast from the Jobs-Housing Connection Strategy, which was 220 housing units for Saratoga during the RHNA period. The City's RHNA was lowered to 215 based on the application of the Fair Share factors (Employment, Transit, and Past RHNA Performance). The 40% minimum housing floor pushes the City's allocation to 586. However, the RHNA methodology limits a jurisdiction's allocation to no more than 1.5 times their allocation for 2007-2014, which brings the number back down to 438. As a comparison, the City's allocation for the fourth RHNA cycle was 292 and it was 539 for the third RHNA cycle.*
  3. *The City's lack of transit and employment relative to other jurisdictions is reflected in its scores on the Fair Share factors. The City's RHNA was reduced based on the Transit factor and held constant based on the Employment factor.*
  4. *This is a comment about the RHNA methodology, which was adopted by the ABAG Executive Board on July 19, 2012.*

**Staff Recommendation:**

The issues cited by the City of Saratoga do not meet the requirements of State Housing Element law, which would warrant a revision.

- ABAG determined the City's share of the regional need in accordance with the adopted allocation methodology.

**Staff recommends that the Appeal Committee deny the proposed revision.**

**Regional Housing Need Allocation  
Appeal Review Form**

**Jurisdiction:** City of Sunnyvale

**Draft RHNA:** 5,978

**Appellant:** Gary M. Luebbbers, City Manager  
(represented by Hanson Hom, Director of Community  
Development)

**Requested Reduction:** 531\*

**Requested RHNA:** 5,447\*

**Date:** February 15, 2013

<b>Jurisdiction Background Information:</b>	
Size (in square miles): 21.99	Effect of Methodology Factors:
Households: 53,384 (2010 Census)	RHNA Performance: 85
PDA Growth / (Share): 4,013 (3.05%)	Employment: 315
Non-PDA Growth / (Share): 1,810 (3.21%)	Transit: 63
Subject to 40% Minimum? No	2007-2014 RHNA: 4,426

**Proposed Revision:**

The City of Sunnyvale asserts that there was a misapplication of the RHNA methodology because incorrect housing data was used for the Past RHNA Performance factor in the RHNA methodology. The City requests a revision based on the result of changing the data included for Past RHNA Performance, which would lead to a reduction of 531\*.

*\* The jurisdiction did not submit a specific number for its requested reduction. ABAG staff calculated the requested reduction based on the jurisdiction's basis for the appeal.*

**Issues/ Criteria Identified in the Appeal:**

**Appeal Evaluation:**

- 1. Erroneous housing production data was used in the RHNA methodology.**
- 2. Staff was not adequately informed that ABAG was using dated and inaccurate data from a 2007 report which compiled unofficial staff estimates regarding local production of affordable housing units, when the official, most current data was available in most jurisdictions' adopted housing elements.**

- 1. For Past RHNA Performance, data for all jurisdictions was taken from the 2007 ABAG housing report A Place to Call Home. The data included in the report was supplied by the local jurisdiction, and local staff had opportunities to review the contents of the report prior to publication.*
- 2. The RHNA methodology must be based on a data source that includes consistent data for the entire region. Since not all jurisdictions have an adopted Housing Element or submit annual progress reports to HCD, A Place to Call Home was selected as the best available source of region-wide data.*

*ABAG staff identified this report as the*

*source of data for calculating the Past RHNA Performance factor when developing and adopting the final RHNA methodology. Jurisdictions had an opportunity to comment on this source prior to adoption of the methodology, and ABAG staff does not support making changes to this self-reported data now that draft allocations have been issued.*

**3. ABAG adjusted RHNA to significantly reduce the allocations to San Jose, Newark and Oakland without any detailed explanation of the reasons for this adjustment, and without providing any real opportunity for advance review by the public or other jurisdictions. Sunnyvale was adversely impacted by this change.**

3. *The Growth Concentration Adjustment to the RHNA methodology and the resulting allocations were adopted by the ABAG Executive Board on July 19, 2012.*

**Staff Recommendation:**

The issues cited by the City of Sunnyvale do not meet the requirements of State Housing Element law, which would warrant a revision.

- ABAG determined the City's share of the regional need in accordance with the adopted allocation methodology.

**Staff recommends that the Appeal Committee deny the proposed revision.**

# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



## 2014-2022 Regional Housing Need Assessment (RHNA) Appeal Request

*All appeal requests must be received by ABAG February 18, 2013, 5 p.m. Late submissions will not be accepted.*

Send requests to Gillian Adams, ABAG Regional Planner:

[GillianA@abag.ca.gov](mailto:GillianA@abag.ca.gov) or P.O. Box 2050, Oakland, CA 94604-2050

Date: February 15, 2013 Jurisdiction: City of Hayward  
Contact: David Rizk Title: Development Services Director  
Phone: 510-583-4004 Email: david.rizk@hayward-ca.gov

### APPEAL AUTHORIZED BY:

Name: Fran David

### PLEASE CHECK BELOW:

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

### BASES FOR APPEAL [Government Code Section 65584.05(d)]\*

- Misapplication of RHNA Methodology
- Failure to Adequately Consider Information Submitted in the Survey Regarding RHNA Factors:
- Existing or projected jobs-housing relationship
  - Sewer or water infrastructure constraints for additional development
  - Availability of land suitable for urban development or for conversion to residential use
  - Lands protected from urban development under existing federal or state programs
  - County policies to preserve prime agricultural land
  - Distribution of household growth assumed for purposes of comparable Regional Transportation Plan
  - Market demand for housing
  - County-city agreements to direct growth toward incorporated areas of county
  - Loss of units contained in assisted housing developments
  - High housing cost burdens
  - Housing needs of farmworkers
  - Housing needs generated by the presence of a university campus within a jurisdiction
- Significant and Unforeseen Change in Circumstances

### Brief Description of Basis for Appeal Request and Desired Outcome:

As detailed the attached letter, Hayward's housing production for the 1999 - 2006 cycle was higher than recognized by ABAG. The correct production numbers should be applied to the RHNA formula to determine a lower housing allocation for Hayward.

### List of Supporting Documentation Included in Submittal:

1. Copy of Letter dated September 17, 2012 (with attachments)
2. \_\_\_\_\_
3. \_\_\_\_\_

*\*Per Government Code Section 65584.05(d), appeals to the draft RHNA can only be made by jurisdictions that have previously filed a revision request and do not accept the revision request findings made by ABAG.*



CITY OF  
**HAYWARD**  
 HEART OF THE BAY

February 15, 2013

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

**Re: Appeal Request for Hayward’s Regional Housing Need Allocation (RHNA)**

Mr. Rapport: *Ezra*

Please find enclosed a completed Appeal Request form for the City of Hayward. As noted in our letter of September 17, 2012, we request that Hayward’s RHNA be reduced. Incorrect housing production data was used in the formula to determine the current draft RHNA. The correct data should be applied to the formula to determine a lower allocation for Hayward.

During the years 1999 – 2006, Hayward was more successful in building affordable housing than was documented in the ABAG publication titled “A Place to Call Home.” The following table shows housing production data according to ABAG records and data per City of Hayward records. The City data is consistent with the annual reports that have been submitted to the California Department of Housing and Community Development.

Income Level	1999 - 2006				
	RHNA Allocation by Income Level	According to ABAG		Per City Records	
		Permits Issued	Percent of Allocation Permitted	Permits Issued	Percent of Allocation Permitted
Very Low	625	40	6%	117	18.7%
Low	344	17	5%	24	7.0%
Moderate	834	818	98%	833	99.9%
Above Moderate	1,032	1,727	167%	1,876	181.8%
Total RHNA	2,835	2,602	92%	2,850	100.5%

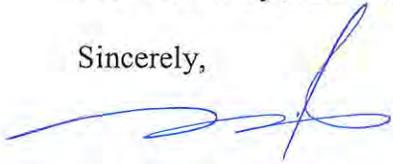
**OFFICE OF THE CITY MANAGER**

777 B STREET, HAYWARD, CA 94541-5007

TEL: 510/583-4300 • FAX: 510/583-3601 • TDD: 510/247-3340

It is our understanding that as Hayward's correct housing production numbers are used in the formula, it will result in a lower RHNA for the City of Hayward. We look forward to continuing to work with ABAG throughout the process of finalizing the RHNA. If you have any questions, please contact Development Services Director, David Rizk at (510) 583-4004 or by e-mail at [david.rizk@hayward-ca.gov](mailto:david.rizk@hayward-ca.gov) . Thank you.

Sincerely,



~~Fran David~~ *Fran*  
ICMA-CM  
Hayward City Manager

Attachments:

- Appeal Request Form
- Copy of Letter dated September 17, 2012

Cc: Steve Heminger, Executive Director, MTC  
Miriam Chion, Planning Director, ABAG  
Ken Kirky, Planning Director, MTC  
Hing Wong, ABAG

Mayor and City Council  
Kelly McAdoo, Assistant City Manager  
David Rizk, Development Services Director  
Morad Fakhrai, Director of Public Works – Engineering and Transportation  
Don Frascinella, Transportation Manager  
Richard Patenaude, Planning Manager  
Erik Pearson, Senior Planner  
Beth Walukas, Deputy Director of Planning, Alameda Co. Transportation  
Commission



CITY OF  
**HAYWARD**  
 HEART OF THE BAY

September 17, 2012

Ezra Rapport  
 Executive Director  
 Association of Bay Area Governments  
 P.O. Box 2050  
 Oakland, CA 94604-2050

**Re: Request for Revision for Hayward’s Regional Housing Need Allocation (RHNA)**

Dear Mr. Rapport:

The City of Hayward requests that its RHNA be reduced. Incorrect housing production data was used in the formula to determine the current draft RHNA. During the years 1999 – 2006, Hayward was more successful in building affordable housing than was documented in the ABAG publication titled “A Place to Call Home”.

The following table shows housing production data according to ABAG records and data per City of Hayward records. The City data is consistent with the annual reports that have been submitted to the California Department of Housing and Community Development (copy attached).

Income Level	RHNA Allocation by Income Level	1999 - 2006			
		According to ABAG		Per City Records	
		Permits Issued	Percent of Allocation Permitted	Permits Issued	Percent of Allocation Permitted
Very Low	625	40	6%	117	18.7%
Low	344	17	5%	24	7.0%
Moderate	834	818	98%	833	99.9%
Above Moderate	1,032	1,727	167%	1,876	181.8%
<b>Total RHNA</b>	<b>2,835</b>	<b>2,602</b>	<b>92%</b>	<b>2,850</b>	<b>100.5%</b>

It is our understanding that as the higher numbers for affordable housing produced are used in the formula, it will result in a lower RHNA for the City of Hayward.

**DEVELOPMENT SERVICES DEPARTMENT**

777 B STREET, HAYWARD, CA 94541-5007

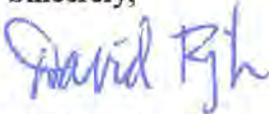
TEL: 510/583-4234 • FAX: 510/583-3649 • TDD: 510/247-3340 • WEBSITE: [www.hayward-ca.gov](http://www.hayward-ca.gov)

In addition to the RHNA, the City of Hayward is generally concerned about the mandates coming from state and regional agencies along with the reduction in resources available to local jurisdictions. As noted in Hayward's previous comment letters on the development of the Sustainable Communities Strategy (SCS), the State's elimination of redevelopment agencies will make it difficult, if not impossible, to accommodate growth envisioned in the SCS and the RHNA. This fiscal constraint created by the elimination of redevelopment agencies must be addressed in the SCS. When the Hayward City Council members reviewed the draft RHNA on September 11, 2012, they were particularly frustrated with the fact that the State is requiring cities to accommodate affordable housing, while at the same time taking away one of the most effective tools to build such housing.

Regarding the proposed One Bay Area Grant (OBAG) program, future cycles of grant funding should be less dependent on the production of housing, and recognize more the importance of jobs. Furthermore, it makes no sense to penalize a jurisdiction for not producing enough housing by taking away the assistance needed to produce affordable housing. Finally, in addition to resources for transportation infrastructure, programs that support job creation are needed in order to realize the projected job growth. The SCS must foster complete communities with a balance of new jobs and new housing.

We look forward to continuing to work with ABAG throughout the process of finalizing the RHNA. If you have any questions, please contact me at (510) 583-4004 or by e-mail at [david.rizk@hayward-ca.gov](mailto:david.rizk@hayward-ca.gov). Thank you.

Sincerely,



David Rizk, AICP  
Development Services Director

#### Attachments

cc: Steve Heminger, Executive Director, MTC  
Ken Kirkey, Planning Director, ABAG  
Doug Kimsey, Planning Director, MTC  
Hing Wong, ABAG  
Beth Walukas, Deputy Director of Planning, Alameda Co. Transportation Commission

Fran David, City Manager  
Kelly Morariu, Assistant City Manager  
Morad Fakhrai, Director of Public Works – Engineering and Transportation  
Don Frascinella, Transportation Manager  
Richard Patenaude, Planning Manager  
Erik Pearson, Senior Planner

Gail



CITY OF  
**HAYWARD**  
HEART OF THE BAY

December 22, 2005

Cathy E. Cresswell, Deputy Director  
Department of Housing & Community Development  
Division of Housing Policy  
1800 Third Street, Suite 430  
P.O. Box 952053  
Sacramento, CA 94252-2053

**SUBJECT:** Housing Need Production Report

Dear Ms. Cresswell:

Enclosed are the City of Hayward's Housing Need Production Reports for FY 2003 – 04 and FY 2004-05. I am also enclosing a copy of our last submission which covered FY 2002 – 03 as it is not clear if this report reached all the required parties. If these reports should be submitted to a different person or location, please provide us with that updated information.

The City anticipates applying for the Workforce Housing Rewards Grant. We understand through our representative Margaret Murphy that the enclosed reports can be substituted for the "Attachment D" report.

If you have any questions, please feel free to call me at (510) 583-4228.

Sincerely,

Gail Patton  
Neighborhood and Economic  
Development Manager

Enclosures

cc: Margaret Murphy, Dept of Housing & Community Dev  
Gillian Adams, ABAG

## Housing Need Production Form

**Organization:** City of Hayward  
**Contact:** David Stark **Title:** Housing Dev. Specialist  
**Address:** 777 B Street  
**City:** Hayward, California **Zip:** 94541  
**Phone:** (510)583-4246

**Report time period:**

- Calendar Year** (January 1 through December 31)  
 **Fiscal Year** (July 1 through June 30)

### Unit Count of Housing Produced for the 1999-2007 Regional Housing Need Allocation (RHNA) Cycle

State Identified Affordability Categories (Percent of area median income (AMI))	1999-2007 RHNA (New Construction Need)	Units Added 1999-2002	Units Added 2002-2003		Total Units Added 1999-2003
			Unrestricted	Deed Restricted	
<b>Very Low</b> (up to 50% AMI)	625	0	0	0	0
<b>Low</b> (51 - 80% AMI)	344	0	0	0	0
<b>Moderate</b> (81 - 120% AMI)	834	340	144		484
<b>Above Moderate</b> (greater than 120% AMI)	1,032	655	388		1,043
<b>TOTAL</b>	2,835	995	532	0	1,527

Number of units added determined by building permits.  
 See reverse for definitions of income categories included in this form.

**Optional: Locally Identified Affordability Categories:** (Alternative affordability levels tracked by some jurisdictions. Limit information to title and definition of locally identified category. Place production numbers for these local categories in appropriate affordability category in table above.)

## Housing Need Production Form

**Organization:** City of Hayward  
**Contact:** Gail Patton **Title:** Neighborhood and Economic Development Manager  
**Address:** 777 B Street  
**City:** Hayward **Zip:** 94541-5007  
**Email:** gail.patton@hayward.ca-gov **Phone:** (510) 583-4228

**Report year:** 2003-2004

**Report time period:**

**Calendar Year** (January 1 – December 31)    
  **Fiscal Year** (July 1 – June 30)

### Unit Count of Housing Produced

State Identified Affordability Categories (Percent of area median income (AMI))	Current RHNA Allocation	Units Added Current Year		Total Units Added Current Year	Units Added in Prior Years of RHNA Cycle	Total Units Added Current RHNA Cycle
		Unrestricted	Deed Restricted			
Very Low (up to 50% AMI)	625	0	0	0	0	0
Low (51 – 80% AMI)	344	0	0	0	0	0
Moderate (81 – 120% AMI)	834	215	0	215	484	699
Above Moderate (over 120% AMI)	1,032	414		414	1,043	1,457
<b>TOTAL:</b>	<b>2,835</b>	<b>629</b>	<b>0</b>	<b>629</b>	<b>1,527</b>	<b>2,156</b>

*Number of units added determined by building permits.*

*See reverse for definitions of income categories included in this form.*

#### Optional: Locally Identified Affordability Categories

*Identify alternative affordability levels created by some jurisdictions. Limit information to title and definition of locally identified category. Place production numbers for these categories in appropriate affordability category above.*

## Housing Need Production Form

**Organization:** City of Hayward  
**Contact:** Gail Patton **Title:** Neighborhood and Economic Development Manager  
**Address:** 777 B Street  
**City:** Hayward **Zip:** 94541-5007  
**Email:** gail.patton@hayward-ca.gov **Phone:** 510-583-4228

**Report year:** 2004-2005

**Report time period:**

**Calendar Year** (January 1 – December 31)
  **Fiscal Year** (July 1 – June 30)

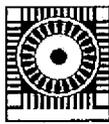
### Unit Count of Housing Produced

State Identified Affordability Categories (Percentage of area median income (AMI))	Current RHNA Allocation	Units Added Current Year		Total Units Added Current Year	Units Added in Prior years of RHNA Cycle	Total Units Added Current RHNA Cycle
		Unrestricted	Deed Restricted			
Very Low (up to 50% AMI)	625	0	40	40	0	40
Low (51 – 80% AMI)	344	0	17	17	0	17
Moderate (81 – 120% AMI)	834	97	22	119	699	818
Above Moderate (over 120% AMI)	1,032	161		161	1,457	1,618
<b>TOTAL</b>	<b>2,835</b>	<b>258</b>	<b>79</b>	<b>337</b>	<b>2,156</b>	<b>2,493</b>

*Number of units added determined by building permits.  
 See reverse for definitions of income categories included in this form.*

#### Optional: Locally Identified Affordability Categories

*(All alternative affordability levels made by some jurisdictions. Limit information to title and definition of locally identified category. Place production numbers for these categories in appropriate affordability category above.)*



CITY OF  
**HAYWARD**  
HEART OF THE BAY

December 19, 2006

Cathy E. Cresswell, Deputy Director  
Department of Housing and Community Development (HCD)  
Division of Housing Policy  
1800 Third Street, Suite 430  
P.O. Box 952053  
Sacramento, CA 95252-2053

Dear Ms. Creswell:

Enclosed is the City of Hayward's Housing Need Production Report for FY 2005-06.

The City anticipates applying for HCD's Workforce Housing Reward Grant Program. We assume that, as in previous years, the enclosed report is accepted as a substitute of the application's "Attachment D".

If you have any questions, please do not hesitate to call me at (510) 583 – 4246.

Sincerely,

Omar Cortez  
Housing Development Specialist

Enclosures (1)

cc: Janet Myles, Department of Housing and Community Development, via e-mail  
Gillian Adams, ABAG

Department of Community and Economic Development  
777 B Street, Hayward, CA 94541-5007  
Tel: 510/583-4250 Fax: 510/583-3650

# Housing Need Production Form

**Organization:** City of Hayward  
**Contact:** Omar Cortez **Title:** Housing Development Specialist  
**Address:** 777 B Street, 2nd Floor  
**City:** Hayward **Zip:** 94541  
**Email:** omar.cortez@hayward-ca.gov **Phone:** (510) 583 - 4246

**Report year:** 2005-2006  
**Report time period:**  
 **Calendar Year** (January 1 – December 31)      **Fiscal Year** (July 1 – June 30)

## Unit Count of Housing Produced

State-Identified Affordability Categories (Percent of Area Median Income (AMI))	Current RHNA Allocation	Units Added Current Year		Total Units Added Current Year	Units Added in Prior Years of RHNA Cycle	Total Units Added Current RHNA Cycle
		Unrestricted	Deed Restricted			
<b>Very Low</b> (up to 50% AMI)	625	0		0	40	40
<b>Low</b> (51 – 80% AMI)	344	7		7	17	24
<b>Moderate</b> (81 – 120% AMI)	834	13		13	818	831
<b>Above Moderate</b> (over 120% AMI)	1,032	106		106	1,618	1,724
<b>TOTAL</b>	2,835	126		126	2,498	2,619

*Number of units added determined by building permits.  
 See reverse for definitions of income categories included in this form.*

**Optional Locally Identified Affordability Categories**

*(Alternative affordability levels tracked by some jurisdictions with an explanation to title and definition of locally identified category. Place production numbers for these categories in appropriate affordability category above.)*



CITY OF  
**HAYWARD**  
HEART OF THE BAY

May12, 2008

Cathy Creswell  
Deputy Director  
Department of Housing and Community Development  
Division of Housing Policy Development  
1800 Third Street  
P.O. Box 952053  
Sacramento, CA 94252-2053

RE: Annual Progress Report – City of Hayward

Dear Ms. Creswell:

Enclosed is the City of Hayward Annual Element Progress Report for calendar year 2007. Also enclosed is a report for the second part of calendar year 2006. City staff considered necessary to report the housing units created during this latter period because they would not have been reported otherwise – Hayward's previous reports were provided on a fiscal year basis.

If you have any questions, please do not hesitate to call me at (510) 583 – 4246.

Sincerely,

Omar Cortez  
Housing Development Specialist

Cc: Paul Fassinger, ABAG Research Director, via e-mail.

Enclosures (2)

# ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202 )

**Jurisdiction** \_\_\_\_\_ City of Hayward

**Reporting Period** 1-Jul-06 - 31-Dec-06

Note: this period was not reported before because reports submitted before were prepared on fiscal year basis. Per new APR governing regulations, jurisdiction is switching to calendar year reporting

**Table A**  
**Annual Building Activity Report**  
**Very Low-, Low-, and Moderate-Income Units and Mixed-Income Multifamily Projects**

1	2	3	4			5	6		7	8
			Affordability by Household Incomes				Assistance Programs for Each Development See Instructions	Deed Restricted Units See Instructions		
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Very Low-Income	Moderate-Income	Above Moderate-Income	Total Units per Project			MRB/TCAC/MHP	Deed Restricted Units
Walker Landing	5+	R	77	1		78	MRB/TCAC/MHP	Inc	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.	
Garden Walk	5+	O		1		1		Inc		
<b>(9) Total of Above Moderate</b>			<b>77</b>	<b>2</b>	<b>152</b>	<b>152</b>				
<b>(10) Total by income units</b>			<b>77</b>	<b>2</b>	<b>231</b>	<b>231</b>				

# ANNUAL ELEMENT PROGRESS REPORT *Housing Element Implementation*

(CCR Title 25 §6202 )

**Jurisdiction** City of Hayward \_\_\_\_\_

**Reporting Period** 1-Jul-06 - 31-Dec-06 \_\_\_\_\_

Note: this period was not reported before because reports submitted before were prepared on fiscal year basis. Per new APR governing regulations, jurisdiction is switching to calendar year reporting

**Table A2**

**Annual building Activity Report Summary for Above Moderate-Income Units  
(not including those units reported on Table A)**

	Single Family	2 - 4 Units	5+ Units	Second Unit	Mobile Homes	Total
<b>No. of Units Permitted for Above Moderate</b>	125		23	4		152

# ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation

(CCR Title 25 §6202 )

**Jurisdiction** City of Hayward \_\_\_\_\_

**Reporting Period** 1-Jul-06 - 31-Dec-06 \_\_\_\_\_

Note: this period was not reported before because reports submitted before were prepared on fiscal year basis. Per new APR governing regulations, jurisdiction is switching to calendar year reporting

**Table B**  
**Regional Housing Needs Allocation Progress**

**Permitted Units Issued by Affordability**

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.	FY 1999 - to 2nd Semester of FY 2005					FY 06 (1st Semester only)	Total Units to Date (all years)	Total Remaining RHNA by Income Level
	Income Level	RHNA Allocation by Income Level						
Very Low	Deed Restricted	625	40			77	117	508
	Non-deed restricted							
Low	Deed Restricted	344	24				24	320
	Non-deed restricted							
Moderate	Deed Restricted	834	25			2	27	807
	Non-deed restricted							
Above Moderate		1,032	1,724			152	1,876	-844
Total RHNA by COG.		2,835						
Enter allocation number:								
Total Units			2,619			231	2,850	791
Remaining Need for RHNA Period								



# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



## 2014-2022 Regional Housing Need Assessment (RHNA) Appeal Request

*All appeal requests must be received by ABAG February 18, 2013, 5 p.m. Late submissions will not be accepted.*

Send requests to Gillian Adams, ABAG Regional Planner:

[GillianA@abag.ca.gov](mailto:GillianA@abag.ca.gov) or P.O. Box 2050, Oakland, CA 94604-2050

Date: February 15, 2013 Jurisdiction: City of Lafayette  
Contact: Niroop Srivatsa Title: Planning & Building Services Manager  
Phone: 925-299-3206 Email: nsrivatsa@ci.lafayette.ca.us

### APPEAL AUTHORIZED BY:

Name: Steven Falk

### PLEASE CHECK BELOW:

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

### BASES FOR APPEAL [Government Code Section 65584.05(d)]\*

- Misapplication of RHNA Methodology
- Failure to Adequately Consider Information Submitted in the Survey Regarding RHNA Factors:
- Existing or projected jobs-housing relationship
  - Sewer or water infrastructure constraints for additional development
  - Availability of land suitable for urban development or for conversion to residential use
  - Lands protected from urban development under existing federal or state programs
  - County policies to preserve prime agricultural land
  - Distribution of household growth assumed for purposes of comparable Regional Transportation Plan
  - Market demand for housing
  - County-city agreements to direct growth toward incorporated areas of county
  - Loss of units contained in assisted housing developments
  - High housing cost burdens
  - Housing needs of farmworkers
  - Housing needs generated by the presence of a university campus within a jurisdiction
- Significant and Unforeseen Change in Circumstances

### Brief Description of Basis for Appeal Request and Desired Outcome:

Lafayette found the May 2012 RHNA allocations acceptable and informed ABAG of that conclusion. However, the adjustments to achieve the Growth Concentration scenario presented in July dealt Lafayette a highly disproportionate share of the allegedly "proportional" adjustments. We believe this occurred because the allocation methodology is partially inconsistent with the direction of the ABAG Board. The reason for this belief is detailed in the attached statement. We respectfully request that Lafayette's allocation for 2014-22 be adjusted to 399 housing units.

### List of Supporting Documentation Included in Submittal:

1. Statement of Appeal
2. \_\_\_\_\_
3. \_\_\_\_\_

*\*Per Government Code Section 65584.05(d), appeals to the draft RHNA can only be made by jurisdictions that have previously filed a revision request and do not accept the revision request findings made by ABAG.*



Attachment 1.

**City of Lafayette  
Statement of Appeal**

2014-2022 Regional Housing Need Assessment (RHNA)

February 15, 2013

Lafayette found the May 2012 RHNA allocations acceptable and informed ABAG of that conclusion. However, the adjustments to achieve the Growth Concentration scenario presented in July dealt Lafayette a highly disproportionate share of the allegedly “proportional” adjustments.

Specifically, to produce the Growth Concentration Scenario, housing units that had been removed from the allocations to Cupertino, San Jose, Newark, and Oakland and to all jurisdictions in Marin, Napa, Solano and Sonoma counties (exempt jurisdictions) were reallocated to other cities for the 2014-22 RHNA cycle by a method that ABAG staff described to the ABAG Board during the July 19, 2012 Board meeting as “proportional.” Lafayette’s allocation was increased by over 15%, whereas the great majority of cities outside the exempt jurisdictions saw increases in their allocations of 0-3%. Because the reallocations were not proportional, we decided to determine what was causing disparate impacts even in similar neighboring jurisdictions.

We worked with ABAG staff over several months, investigating several possible causes of the Growth Concentration Scenario results. In December, working with Jason Munkres and Hing Wong, we identified two methodological applications which contributed to the highly disproportionate reallocations. Without delving into the minutiae of the methodology, one of these applications was a significant increase in the 2015 vacancy rate used for exempt jurisdictions in the Growth Concentration Scenario compared with the No Adjustment Scenario. This caused an increase in their 2015 and 2014 housing unit count in the Growth Concentration Scenario and forced an equal reduction in the 2014 housing units elsewhere. Staff initially sought to remove units from all other analysis zones in proportion to their 2010 housing unit counts. However, this would have resulted in many analysis zones in non-exempt jurisdictions having a 2015 housing unit forecast that was below 2010 census results. This was not allowed, so these analysis zones were treated differently from the others. Importantly, these zones, once removed from the 2015 reallocation effort, were then permanently removed from the reallocation of additional housing units during the 2014-22 RHNA period. In other words, many zones outside the exempt jurisdictions were removed from the entire reallocation process because of a vacancy rate calculation that no one has justified. Furthermore, even if there was a justification for their exemption at one stage of the process, no one has been able to justify why they were permanently excluded from the reallocation.

In both of these cases, staff attempted to provide an explanation for these anomalies, but could not provide a justification that could account for a reallocation process that resulted in significant increase in allocations in a few cities and little or none in most others. Nor could they explain why they did not use simpler and more defensible approaches that would not have the effect of removing many zones in non-exempt jurisdictions from the reallocation process during a time when they were growing. Neither of these situations was described to the ABAG board in the release and explanation of the Growth Concentration Scenario. Therefore, the methodology applied is inconsistent with that approved by the ABAG Board.

Unfortunately, the methodology applied in this manner produces anomalous results not only in Lafayette. The same pattern of unjustified adjustments appears to have resulted in highly disproportionate increases in the allocations to Dublin, Pleasanton, Fremont, Moraga, San Ramon, Brisbane, San Bruno, San Carlos, Morgan Hill, Mountain View, Santa Clara, and Sunnyvale.

We thank ABAG staff for recalculating the allocation for Lafayette using a modified methodology that both ABAG staff and Lafayette representatives agreed should produce roughly proportional reallocations of the RHNA numbers. The result is a RHNA allocation for Lafayette of 415 housing units for the 2014-22 cycle. Unfortunately, this revised allocation for Lafayette still leaves the City with an allocation increase of more than 13%, compared to allocation increases of 0-3% typical of most other cities for the 2014-22 RHNA cycle. There is no doubt that the methodology is still being applied incorrectly, causing inequities in the results.

The equitable approach to Lafayette's situation is to increase our allocation of 366 units in the No Adjustment Scenario by our proportionate share of the 4370 units in the Bay-Area-wide reallocation to nonexempt cities, which we have calculated to be 0.55056%. This would result in an increase of 24 units (or a total of 390 units). ABAG staff has also calculated various adjustments to the RHNA methodology that have consistently resulted in an additional 5-7 units being allocated to Lafayette. We also learned very recently that Newark's projections for 2040 have been reduced by 1600 units, which would result in an additional 2 units for Lafayette. Adding 7 and 2 units, respectively, for these adjustments results in a total allocation of 399 housing units.

A RHNA allocation of 399 units far better reflects the proportional distribution of the reallocation from the No Adjustment Scenario to the Growth Concentration Scenario, as approved by the ABAG Board on July 19, 2012. **We respectfully request that Lafayette's allocation for 2014-22 be adjusted to 399 housing units.**





## 2014-2022 Regional Housing Need Assessment (RHNA) Appeal Request

*All appeal requests must be received by ABAG February 18, 2013, 5 p.m. Late submissions will not be accepted.*

Send requests to Gillian Adams, ABAG Regional Planner:

[GillianA@abag.ca.gov](mailto:GillianA@abag.ca.gov) or P.O. Box 2050, Oakland, CA 94604-2050

Date: January 15, 2013 Jurisdiction: City of Mountain View  
Contact: Martin Alkire Title: Principal Planner  
Phone: 650-903-6529 Email: martin.alkire@mountainview.gov

**APPEAL AUTHORIZED BY:**

Name: Dan Rich

**PLEASE CHECK BELOW:**

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

**BASES FOR APPEAL [Government Code Section 65584.05(d)]\***

- Misapplication of RHNA Methodology
- Failure to Adequately Consider Information Submitted in the Survey Regarding RHNA Factors:
- Existing or projected jobs-housing relationship
  - Sewer or water infrastructure constraints for additional development
  - Availability of land suitable for urban development or for conversion to residential use
  - Lands protected from urban development under existing federal or state programs
  - County policies to preserve prime agricultural land
  - Distribution of household growth assumed for purposes of comparable Regional Transportation Plan
  - Market demand for housing
  - County-city agreements to direct growth toward incorporated areas of county
  - Loss of units contained in assisted housing developments
  - High housing cost burdens
  - Housing needs of farmworkers
  - Housing needs generated by the presence of a university campus within a jurisdiction
- Significant and Unforeseen Change in Circumstances

**Brief Description of Basis for Appeal Request and Desired Outcome:**

The City submitted Draft General Plan land use information early to ABAG in the SCS process for our North Bayshore area. At the time, residential land uses for this area were only being studied as part of our General Plan update process. This was detailed in our submittal information to ABAG. On July 12, 2012 our City Council approved the City's new General Plan, but without allowing new residential uses in the North Bayshore area. However, the adopted RHNA allocation for the North Bayshore area includes residential uses.

The City would like the residential units attributed to our North Bayshore area removed from our RHNA allocation, as our General Plan does not allow residential units in this area.

**List of Supporting Documentation Included in Submittal:**

1. Mountain View North Bayshore PDA information
2. ABAG November 12, 2012 Letter to Mountain View
3. \_\_\_\_\_

*\*Per Government Code Section 65584.05(d), appeals to the draft RHNA can only be made by jurisdictions that have previously filed a revision request and do not accept the revision request findings made by ABAG.*

OFFICE OF THE CITY MANAGER

500 Castro Street • Post Office Box 7540 • Mountain View • California • 94039-7540  
650-903-6301 • Fax 650-962-0384

January 9, 2013

Association of Bay Area Governments  
ATTN: Gillian Adams, Regional Planner  
P.O. Box 2050  
Oakland, CA 94604-2050

**Re: CITY OF MOUNTAIN VIEW RHNA APPEAL LETTER**

Dear Ms. Adams:

This letter serves as the City's formal appeal of ABAG's denial of our request to revise our RHNA numbers. The discussion below outlines our reasons why our RHNA numbers should be revised.

**Appeal criteria.** Per Government Code §65584.05, the grounds for requesting an appeal is if 1) ABAG failed to adequately consider the information submitted by a jurisdiction as part of the survey administered in January 2012, or 2) a significant and unforeseen change in circumstances has occurred in the local jurisdiction.

**City response:**

- ***ABAG failed to adequately consider the City's submitted information in January 2012.*** Our submitted materials to ABAG in January 2012 specifically stated that the City was "*studying*" residential uses in our North Bayshore area as part of our Draft General Plan process (See Attachment 1). No official General Plan policy determination had yet been made regarding residential uses in North Bayshore at this time. Staff provided this information to ABAG as a best faith effort to disclose as much information as possible to assist ABAG during its SCS planning efforts. ABAG inaccurately assumed this information as official adopted City policy, when it was clear that this policy issue was only being studied by the City.
- ***A significant and unforeseen change in circumstances has occurred in the local jurisdiction.*** The City Council adopted the City's General Plan on July 12, 2012. As part of this action, the City Council considered several different land use and policy options for North Bayshore. The City Council voted not to allow new residential uses in North Bayshore as part of the new General Plan. This decision was a significant departure both from the City's submitted land use materials to ABAG

Address - Application Number

January 9, 2013

Page 2

and from what the General Plan and General Plan EIR had studied for the North Bayshore area.

For these reasons, we believe our appeal is valid and should be granted. If you have any questions, please do not hesitate to contact Martin Alkire at (650) 903-6306 or by email at [martin.alkire@mountainview.gov](mailto:martin.alkire@mountainview.gov).

Sincerely,

Daniel H. Rich  
City Manager

CC:  
City Council  
File  
CDD  
PP

Attachment 1 - Mountain View North Bayshore PDA

Attachment 2 - ABAG November 12, 2012 Letter to Mountain View

# FOCUS

## Application for Priority Development Area Designation

a development and conservation strategy  
for the San Francisco Bay Area

Enter information in the spaces provided and submit the requested attachments.

Part 1 - APPLICANT INFORMATION & AREA DETAILS		
Attach resolution showing local support for involvement in FOCUS		
a. Lead Applicant -City/County	Mountain View, Santa Clara County	
Contact Person	Martin Alkire	
Title	Principal Planner	
Department	Communtiy Development	
Street Address	500 Castro Street	
City	Mountain View, CA	
Zip Code	94039	
Phone Number	650-903-6306	
Fax Number	650-962-8501	
Email	Martin.Alkire@mountainview.gov	
b. Area Name and Location	North Bayshore	
c. Area Size (minimum acreage = 100)	810 ac	
d. Public Transit Serving the Area (existing and planned). From this list, please identify at least one route that has minimum 20-minute headways.	VTA buses, CalTrain shuttles and private shuttles	
e. Place Type (Identify based on the Station Area Planning Manual or from others in Application Guidelines)	Suburban Center	
	Current Conditions (Year: 2009)	Future Goal (Horizon Year: 2030)
f. Total Housing Units	360	1470
g. Total Jobs	17,230	29,170
h. Net Project Density (New Housing)	none	70 DU/ac
i. Minimum/Maximum FARs (New Employment Development)	0.35 to 0.5 FAR	1.0 FAR

Part 2 – ADDITIONAL AREA INFORMATION		
	Yes	No
a. Is the proposed priority area currently recognized in the General Plan (i.e., called out as TOD, infill etc.)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Have other plans (any targeted planning efforts including specific plans, precise plans, area plans, and supporting environmental studies) been developed within the last 15 years that cover the priority area? <b>Note: If yes, please attach brief list of individual planning efforts and date completed (including web links to electronic versions if available). In the list, identify the primary plan for the area.</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Is the proposed priority area within the boundaries of a redevelopment area?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

FOCUS is a regional, incentive-based development and conservation strategy for the San Francisco Bay Area. FOCUS is led by the Association of Bay Area Governments and the Metropolitan Transportation Commission in coordination with the Bay Area Air Quality Management District and the Bay Conservation and Development Commission. It is partially funded by a regional blueprint planning grant from the State of California Business, Transportation, and Housing Agency.

**Part 3 – MAPS OF PRIORITY DEVELOPMENT AREA**

Attach map(s) showing the proposed boundaries, land use designations and zoning, major transit services, and any other relevant information about the proposed priority area. In your electronic submission, please include GIS files of the PDA boundaries, if available. Photos of current conditions in the priority area are optional.

**Part 4 – NARRATIVE**

Attach separately a maximum two-page (8½ x 11 with 12 point font) narrative that addresses the following questions and provides any other relevant information.

- What is the overall vision for this area? How does the vision align with the place type selected (See Place Type Development Guidelines p. 18-19 in Station Area Planning Manual)?
- What has to occur in order to fully realize this vision and place type? What has occurred in the past 5 years?
- Describe relevant planning processes, and how community members were involved in developing the vision and/or plan for the area.
- Describe how this priority area has the potential to be a leading example of smart growth for the Bay Area.

**Part 5 – POTENTIAL ASSISTANCE REQUESTED (check all that apply)**

Note: Assistance is not being offered at this time. This information will aid the development of tools and incentives for designated areas.

TECHNICAL ASSISTANCE	REQUEST FOR PLANNING GRANTS	REQUEST FOR CAPITAL GRANTS
<input type="checkbox"/> Assistance with policies to implement existing plan <input checked="" type="checkbox"/> Assistance with photo- simulations to depict future conditions <input checked="" type="checkbox"/> Assistance with local workshops and tours <input type="checkbox"/> Other:	<input checked="" type="checkbox"/> Funding for new area-wide specific plan or precise plan <input type="checkbox"/> Funding to update existing area-wide specific plan or precise plan <input checked="" type="checkbox"/> Funding for EIR to implement existing area-wide plan <input type="checkbox"/> Other:	<input checked="" type="checkbox"/> Funding for transportation projects (including pedestrian/bicycle) <input checked="" type="checkbox"/> Funding for housing projects <input checked="" type="checkbox"/> Funding for water/sewer capacity <input checked="" type="checkbox"/> Funding for parks/urban greening <input checked="" type="checkbox"/> Funding for streetscape improvements <input type="checkbox"/> Other:

**Part 6 – INFRASTRUCTURE BUDGET FOR PRIORITY AREA**

Attach a completed Excel file on the FOCUS website for entering information about infrastructure needs and funding sources.

**Part 7 – FOR EMPLOYMENT CENTER PLACE TYPE PROPOSALS ONLY**

Please provide the following information for the entire jurisdiction.

	Current Conditions (Year: )	General Plan (Horizon Year: )
Total Jobs		
Total Households		
Total Employed Residents		

E-mail this completed application form and attachments requested to [FOCUS@abag.ca.gov](mailto:FOCUS@abag.ca.gov), and mail one hard copy of this application and attachments requested to the Association of Bay Area Governments, Attn: Jackie Reinhart, P.O. Box 2050,



Community Development Department • Planning Division  
500 Castro Street • Post Office Box 7540 • Mountain View, California 94039-7540 • (650) 903-6306 • FAX (650) 903-6474

December 16, 2011

Application for Priority Development Area Designation – Part 4: Narrative

## **North Bayshore: Suburban Center**

**What is the vision for this area? How does this vision align with the place type selected?**

North Bayshore is the primary R&D campus area of Mountain View, with such corporate tenants as Google, Microsoft and Intuit. It currently has poor retail, services and transportation, but it does have some entertainment venues, such as movie theaters and the Shoreline Amphitheatre. This area is bounded by US-101 to the south, the City of Palo Alto to the west, Shoreline at Mountain View Regional Park to the north and the Federally-owned lands of Moffett Field to the east.

The City sees North Bayshore as a prime opportunity area for intensification and diversification of land uses, in combination with improvements to non-automotive transportation opportunities. The General Plan 2030 update is studying residential and a vibrant high-intensity corridor along North Shoreline Boulevard and a set of district-wide sustainability strategies to address commute and environmental impacts. These strategies could include a shuttle program, an energy and resource sharing program, shared community amenities and/or advanced green building technologies.

Residential is only being studied in this area, and no final decision has yet been made on the issue. However, if the Draft General plan 2030 is adopted in Spring 2012, North Bayshore would allow up to 1500 dwelling units initially, and possibly more in the future. While this is lower than the Suburban Center place type, the density of new housing would be similar and the area is expected to have the same number of jobs. Additionally, North Bayshore has the challenges of the Suburban Center place type, including introducing housing into an employment area and improving access to transit.

**What has to occur in order to fully realize this vision and place type? What has occurred in the past 5 years?**

North Bayshore needs improved connections to the rest of the City and the region. These connections could be a new public transit system, bike and pedestrian improvements across US-101 and a reimagined North Shoreline Boulevard, suitable for multiple modes and uses. Additionally, connections within North Bayshore need improvement. The City envisions a network of plazas, walkways and bikeways that break up the super-blocks and create a campus-like atmosphere. Parking will need to be addressed, either through a parking district or some other program. The area needs to adopt a cooperative spirit with respect to transportation, resources and amenities sharing. Finally, the residential, if it is permitted, would need to support rather than limit the existing and proposed office and industrial activities.

The biggest development in North Bayshore in the last 5 years has been the expansion of Google. This company's ability to coordinate development activities and transportation programs provides a foundation upon which broader sustainability activities can be implemented.

**Describe relevant planning processes, and how community members were involved in developing the vision and/or plan for the area.**

Outreach through the General Plan 2030 effort concentrated on the City's change areas, including the North Bayshore Area. In over 20 meetings over 2 years, residents from across the City were asked their view on the character of this area, its predominant uses and the transportation strategies that should be emphasized.

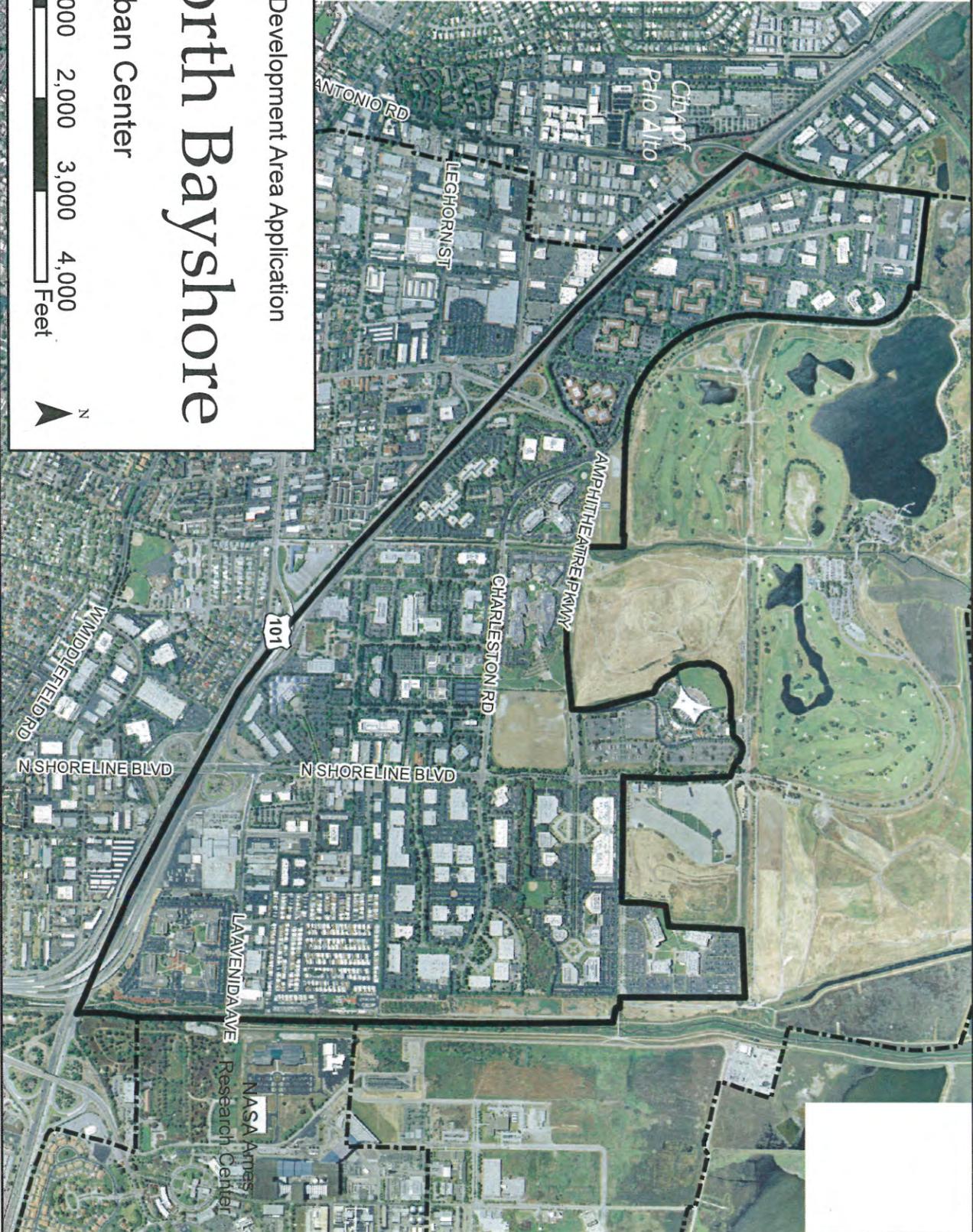
**Describe how this priority area has the potential to be a leading example of smart growth for the Bay Area.**

The City's vision for this area is to be a model of sustainable growth and activity. Strategies for effective district programs for energy and resource conservation can be used elsewhere, as can new transportation programs, facilities and services. The Bay Area also has many office parks where the inclusion of residential would support reduced commutes and a more efficient, 24-hour use of space. This area's actions and strategies could promote that transition in other communities.

Priority Development Area Application

# North Bayshore

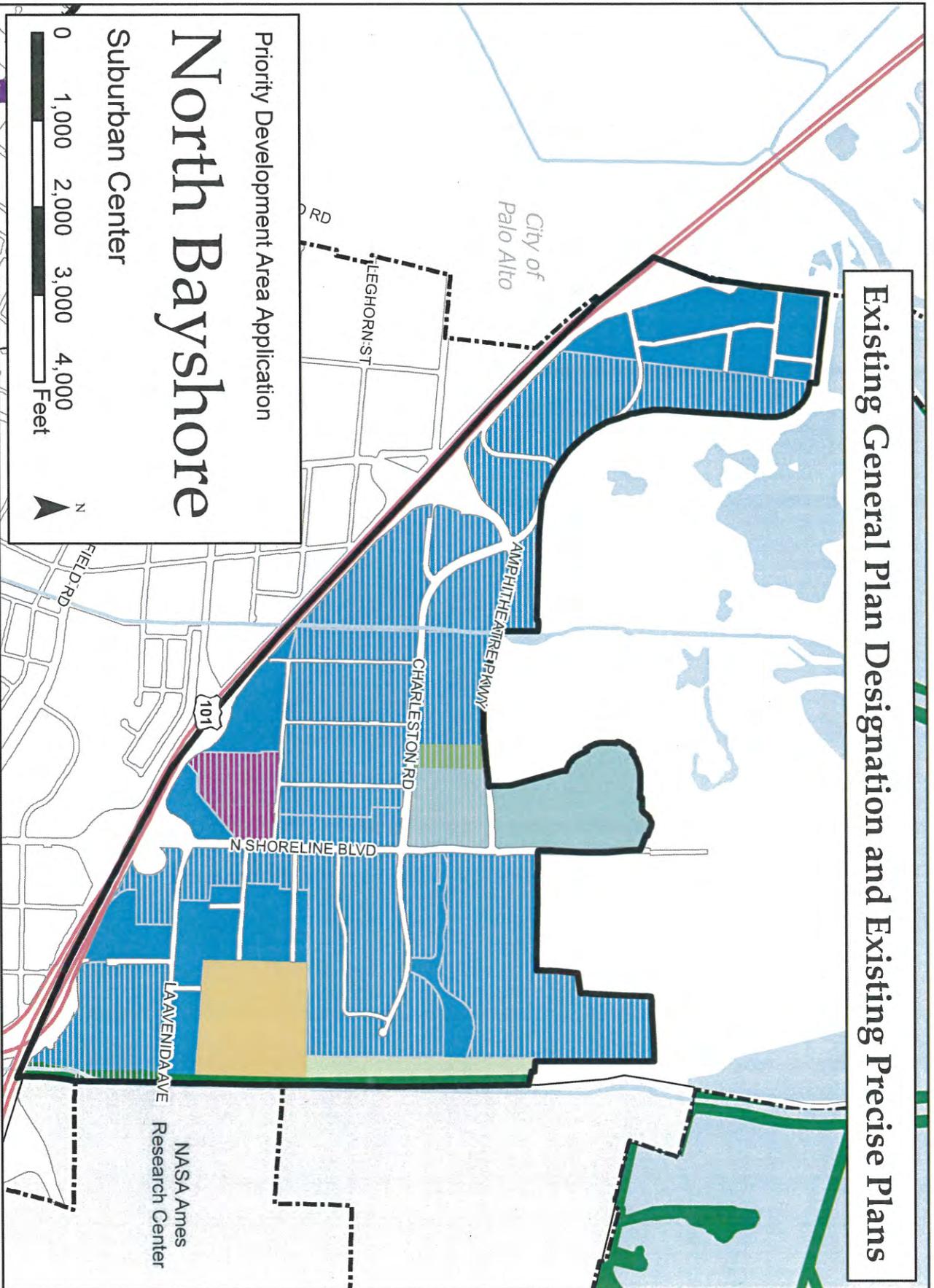
Suburban Center



# Legend

	Existing General Plan Designation	Draft 2030 General Plan Designation
 Transit Stops		
 Rail	 Office: 0.35 FAR	 Neighborhood Commercial: 0.35 FAR
 Freeways	 General Industrial: 0.35 FAR	 General Commercial: 0.4 FAR
 Streams	 Industrial Park: 0.35 FAR	 Office: 0.35 FAR
 City Limits	 Neighborhood Commercial: 0.35 FAR	 High Intensity Office: Up to 1.0 FAR
 Bodies of Water	 General Commercial: 0.4 FAR	 General Industrial: 0.35 FAR
 Other PDA Areas	 Regional Commercial: 0.5 FAR	 Neighborhood Mixed-Use: 0.35 FAR and 25 DU/ac
 Non-PDA Areas	 Linear Comm/Res: 0.35 FAR and 43 DU/ac	 General Mixed-Use: 0.5 FAR and 43 DU/ac
 Title PDA	 Downtown Commercial: 1.0 to 3.0 FAR, 60 DU/ac	 Corridor Mixed-Use: 0.5 FAR and 60 to 70 DU/ac
 Existing Precise Plan	 Low Density Residential: 1-6 units/acre	 North Bayshore Mixed-Use: 1.0 FAR or 70 DU/ac
	 Medium Low Density Residential: 7-12 units/acre	 Mixed-Use Center: 0.75 FAR and 70 DU/ac
	 Medium Density Residential: 13-25 units/acre	 Downtown Mixed-Use: 1.0 to 3.0 FAR, 60 DU/ac
	 Medium High Density Residential: 26-35 units/acre	 Low Density Residential: 1-6 units/acre
	 High Density Residential: up to 80 units/acre	 Medium Low Density Residential: 7-12 units/acre
	 Mobile Home Park: 7-14 units/acre	 Medium Density Residential: 13-25 units/acre
	 Institutional	 Medium High Density Residential: 26-35 units/acre
	 Parks & Schools	 High Density Residential: up to 80 units/acre
	 Regional Park	 Mobile Home Park: 7-14 units/acre
	 Agriculture	 Institutional
		 Parks & Schools
		 Regional Park

# Existing General Plan Designation and Existing Precise Plans



Priority Development Area Application

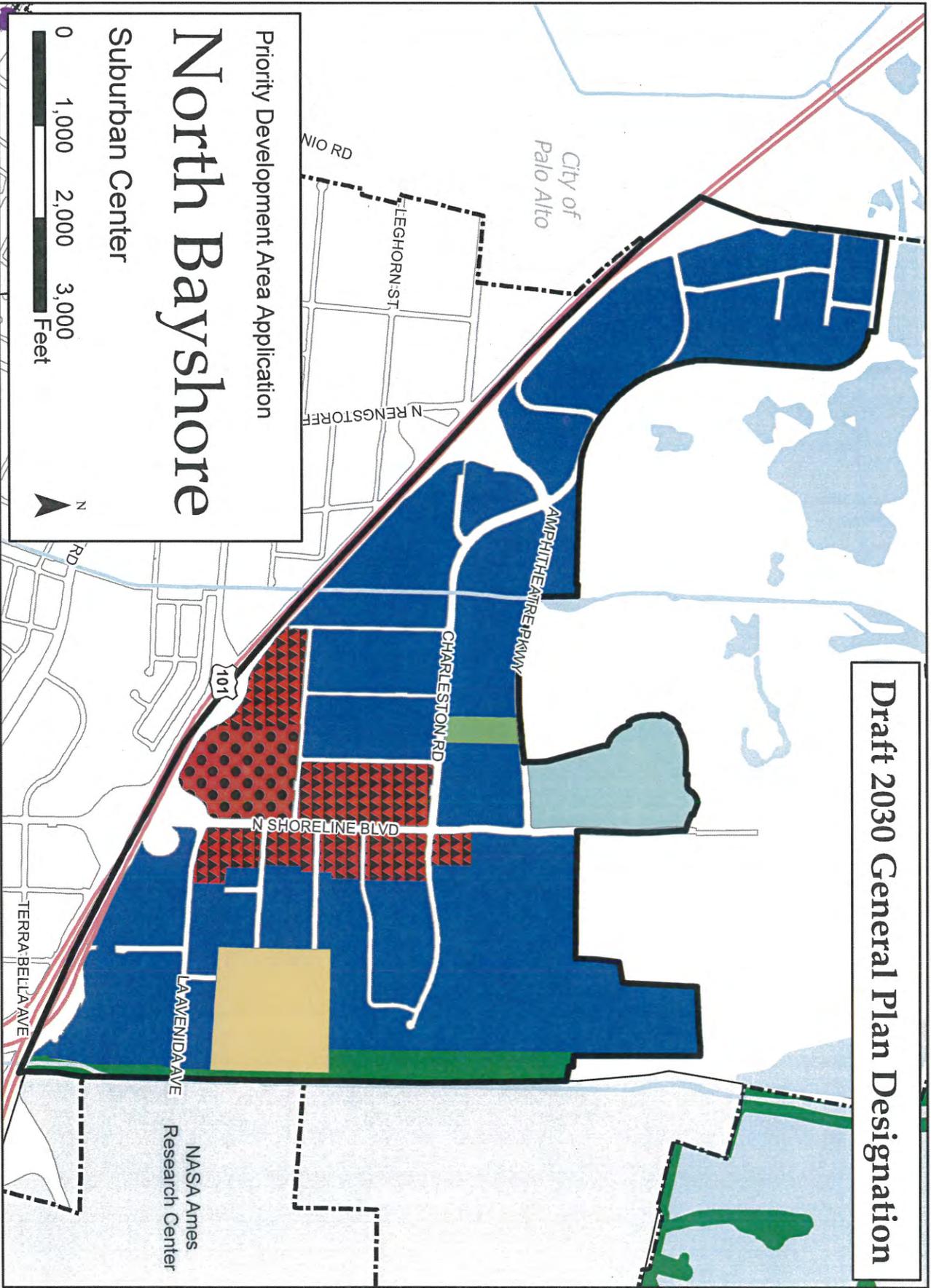
## North Bayshore

Suburban Center

0 1,000 2,000 3,000 4,000 Feet



Draft 2030 General Plan Designation



Priority Development Area Application

# North Bayshore

Suburban Center

0 1,000 2,000 3,000 Feet

N

## ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



November 14, 2012

Mr. Randy Tsuda  
 Community Development Director  
 City of Mountain View  
 P.O. Box 7540  
 Mountain View, CA 94039-7540

Subject: ABAG Response to RHNA Revision Request

Dear Mr. Tsuda,

I am writing in response to the City of Mountain View's (City) request for a revision of your jurisdiction's draft Regional Housing Need Allocation (RHNA) for the years 2014-2022.

As you are aware, SB 375 requires that the RHNA be consistent with the development pattern included in the Sustainable Communities Strategy (SCS)<sup>1</sup>. To help ensure this outcome, the RHNA methodology adopted by ABAG in July 2012 initially allocates the pre-determined regional housing need from the California Department of Housing and Community Development (HCD) to local jurisdictions, consistent with the land use criteria specified in the draft SCS<sup>2</sup> for the RHNA period, 2014-2022. Through this process, the region's housing, transportation, and land use planning are aligned.

ABAG's Executive Board adopted the final RHNA methodology for this cycle at the July 2012 meeting. The final methodology was developed with a substantial amount of comments, discussion and advice from a Housing Methodology Committee made up of elected officials, senior staff and interested parties from around the region. In making its decision, the Executive Board tried to balance SB 375's emphasis on greenhouse gas reduction with the need for all jurisdictions in the region to provide housing choices for people at all income levels. The final RHNA methodology includes factors other than the land use criteria from the SCS. Factors pertinent to the City's request are described and discussed below.

<sup>1</sup> California Government Code Section 65584.04(i)(1)

<sup>2</sup> ABAG used the draft SCS, commonly known as the Jobs-Housing Connection Strategy (JHCS), because of the timing differences between the SCS and RHNA processes. To ensure consistency, ABAG will make no changes to the land use criteria of the SCS for the period from 2014-2022.



Adoption of the final RHNA methodology was accompanied by release of draft RHNA numbers for each jurisdiction. By law, revisions to these allocations must be: 1) in accordance with the factors outlined in statute that are the basis for the methodology, 2) based on comparable data available for all affected jurisdictions and accepted planning methodology, and 3) supported by adequate documentation.<sup>3</sup>

As stated in your letter, the City of Mountain View is requesting a revision to its housing allocation based on changes to the City's General Plan, adopted on July 10, 2012. The General Plan removed residential uses as a planned land use in one of the City's adopted Priority Development Areas (PDAs).

ABAG staff, however, cannot support your request to revise the City of Mountain View's allocation. Local plans for growth were taken into consideration by ABAG staff when developing the draft SCS (the Jobs-Housing Connection Strategy). ABAG staff used the most current information available at the time when developing the draft SCS, which was adopted on July 19, 2012. The RHNA methodology uses the growth pattern identified in the adopted draft SCS. Because the City's request is based on an individualized change to the adopted draft SCS used as a factor in the final RHNA methodology, it fails to meet the statutory requirement for a revision.

Per Government Code §65584.05, a jurisdiction has an opportunity to appeal ABAG's denial of its revision request. **The deadline for local jurisdictions to submit a request for an appeal is January 11, 2013.**

Government Code §65584.05 provides details about the specific criteria on which an appeal must be based. The two grounds for requesting an appeal are:

- ABAG failed to adequately consider the information submitted by your jurisdiction as part of the survey we administered in January 2012 or a significant and unforeseen change in circumstances has occurred in the local jurisdiction that merits a revision of the information submitted in the survey; **or**
- ABAG failed to determine the jurisdiction's share of the regional housing need in accordance with the information described in, and the methodology established pursuant to Government Code §65584.04.

A public hearing on local appeals conducted by an ad hoc committee of ABAG's Executive Board will take place on a date between **February 20-25, 2013.**

---

<sup>3</sup> California Government Code Section 65584.05(b)

If you have questions about RHNA or the appeals process, please contact Gillian Adams, Regional Planner, at 510-464-7911 or [GillianA@abag.ca.gov](mailto:GillianA@abag.ca.gov).

Regards,

A handwritten signature in black ink that reads "Miriam Chion". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Miriam Chion  
Interim Planning Director

# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

## 2014-2022 Regional Housing Need Assessment (RHNA) Appeal Request

All appeal requests must be received by ABAG February 18, 2013, 5 p.m. Late submissions will not be accepted.

Send requests to Gillian Adams, ABAG Regional Planner:

GillianA@abag.ca.gov or P.O. Box 2050, Oakland, CA 94604-2050

Date: February 6, 2013 Jurisdiction: City of Oakley

Contact: Joshua McMurray Title: Senior Planner

Phone: (925) 625-7004 Email: mcmurray@ci.oakley.ca.us

### APPEAL AUTHORIZED BY:

Name: Bryan H. Montgomery

### PLEASE CHECK BELOW:

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

### BASES FOR APPEAL [Government Code Section 65584.05(d)]\*

- Misapplication of RHNA Methodology
- Failure to Adequately Consider Information Submitted in the Survey Regarding RHNA Factors:
- Existing or projected jobs-housing relationship
  - Sewer or water infrastructure constraints for additional development
  - Availability of land suitable for urban development or for conversion to residential use
  - Lands protected from urban development under existing federal or state programs
  - County policies to preserve prime agricultural land
  - Distribution of household growth assumed for purposes of comparable Regional Transportation Plan
  - Market demand for housing
  - County-city agreements to direct growth toward incorporated areas of county
  - Loss of units contained in assisted housing developments
  - High housing cost burdens
  - Housing needs of farmworkers
  - Housing needs generated by the presence of a university campus within a jurisdiction
- Significant and Unforeseen Change in Circumstances

### Brief Description of Basis for Appeal Request and Desired Outcome:

The basis for the appeal request has been outlined in the cover letter that accompanies this appeal request form. The City of Oakley requests that the information submitted in the cover letter and the previous two letters, dated June 27, 2012 and September 7, 2012, regarding the RHNA Methodology and Allocation are used to reduce the overall number of low- and very-low income units allocated to the City of Oakley.

### List of Supporting Documentation Included in Submittal:

1. City of Oakley Letter dated June 27, 2012
2. City of Oakley Letter dated September 7, 2012
3. \_\_\_\_\_

\*Per Government Code Section 65584.05(d), appeals to the draft RHNA can only be made by jurisdictions that have previously filed a revision request and do not accept the revision request findings made by ABAG.



3231 Main Street  
Oakley, CA 94561  
925 625 7000 tel  
925 625 9859 fax  
www.ci.oakley.ca.us

February 6, 2013

**MAYOR**  
Kevin Romick

**VICE MAYOR**  
Randy Pope

**COUNCILMEMBERS**  
Diane Burgis  
Doug Hardcastle  
Carol Rios

Ms. Gillian Adams, Regional Planner  
Association of Bay Area Government  
Joseph P. Bort Metro Center  
P.O. Box 2050  
Oakland, CA 94607-4756

**SUBJECT: City of Oakley Appeal of the Adopted Regional Housing Needs Assessment (RHNA) Allocation for the 2014-2022 Housing Element Cycle**

Dear Ms. Adams:

The City has received and had an opportunity to review ABAG's November 15<sup>th</sup> letter, which was in response to the formal City of Oakley request for a reduction to the Regional Housing Needs Assessment (RHNA) jurisdiction allocation for the 2014-2022 Housing Element Cycle. This letter denied the City of Oakley's request. The letter outlined the reasons for the denial and provided information on how to appeal the determination. With that said, pursuant to Government Code §65584.05, the City Council of the City of Oakley has directed me to officially appeal the adopted RHNA allocation for the 2014-2022 Housing Element Cycle. This cover letter, along with the completed appeal template and attachments, serve as the criteria for which the appeal is based. The November 15<sup>th</sup> letter, as well as a follow-up email from ABAG Staff, indicated the grounds for an appeal as follows:

- ABAG failed to adequately consider the information submitted by our jurisdiction as part of the survey they administered in January 2012 or a significant and unforeseen change in circumstances has occurred in the local jurisdiction that merits a revision of information submitted in the survey; or
- ABAG failed to determine the jurisdiction's share of the regional housing need in accordance with the information described in and the

methodology established pursuant to Government Code section 65584.04.

The City of Oakley still has concerns with the high number of overall units allocated to the City, specifically the high number of low- and very-low income units. Over the past several months the City has cited several reasons as to why the approved methodology did not take into account several factors, unique to Oakley, that included the original intent of the Oakley PDA areas were to create jobs and employment centers, the existing and planned lack of rail transit within Oakley, the existing number of existing jobs within Oakley, the current RHNA performance relating to the construction of low- and very-low income units, and lastly the State's recent elimination of Redevelopment Agencies. The Oakley City Council has previously expressed its comments, which were not addressed prior to the adoption of the RHNA. The City of Oakley City Council would like to restate the multiple reasons why the RHNA methodology for this cycle is flawed and why the RHNA Allocation for the City of Oakley should be reduced.

- The objective of the Sustainability Component is to concentrate new development in areas to protect the region's natural resources and reduce development pressures on rural outlying areas. While the City agrees with this objective, it is not applicable to Oakley because Oakley's General Plan already accommodates areas suitable for residential development to accommodate the total household projections in the Jobs-Housing Connection Scenario and Strategy. The original intent of the Oakley PDAs was to designate areas in which employment centers would be created. The need to accommodate more residential development in PDAs undermines this goal.
- A majority of 798 acres that make up the Oakley "Employment Area" PDA is not suitable for residential development. A large portion of the PDA encompasses 378 acres of land owned by DuPont, in which approximately 170 acres are occupied by wetlands. Other portions of the DuPont property are located within a floodplain, are being remediated and are not currently ready for any type of development, and other portions are designated for Light Industrial land uses. Another portion of that PDA is occupied by 78 acres of land and governed by the River Oaks Crossing Specific Plan. A long-standing deed restriction and the Specific Plan do not allow for residential land

uses. The remaining areas in the PDA are either designated for Light Industrial or Business Park land uses which also do not permit residential development. The requirement to provide 70% of the RHNA allocation within the "Employment Area" PDA creates a situation where the City would have to amend the Oakley 2020 General Plan and Rezone hundreds of acres of land to allow for residential land uses. As stated within the first bullet, the intent of the PDA was to create jobs that have been envisioned within the General Plan since 2002 to help support the City's existing, entitled and designated housing.

- The RHNA allocated the maximum number of units to Oakley, meaning we have been allocated 1.5 times the current RHNA cycle allocation. This seems to go against the Fair Share Component's objective. Based on the Fair Share Component's objective, several factors should have been taken into account when determining the allocation:
  - Oakley does not have a strong transit network. While the City does have ambitions to one day have a strong transit network, there is currently a lack of existing infrastructure for direct rail transit. This should have resulted in a lower Fair Share score.
  - There is also a strong desire to bring jobs into the City. This is evident by the City's desire to have three PDAs. However, Oakley is not currently a job rich city and, therefore, we should have received a lower Fair Share score.
  - Lastly, the methodology does take into account the most recent RHNA performance, rather the 1999-2006 RHNA cycle was used in the Fair Share scoring. The City of Oakley incorporated in 1999, and did not adopt a General Plan until 2002. Subsequently, a Housing Element was adopted in 2005 for the 1999-2006 cycle, and another Housing Element in 2009 for the current 2007-2014 cycle. The City has been committed to not only making land available to accommodate the RHNA allocation, Oakley has already built almost all of the current cycle's allocation, including exceeding the number of low- and very-low income units required. This past performance should be taken into

account and should result in Oakley receiving a lower overall score.

- Oakley is not currently served by direct rail transit. The need for an increased job growth is a priority for Oakley. As previously stated, the PDA areas are intended for jobs, which would ensure the residents of Oakley would not need to commute to inner Bay Area job locations, thereby reducing unit and GHG emissions. The RHNA allocation does not take into account that Oakley is predominantly made up of single-family residences, and is an area where that lifestyle is preferred over higher-density development. Almost as important is the fact that Oakley has successfully produced low- and very-low income units to satisfy the current RHNA cycle. This shows Oakley's serious commitment to provide housing for all income levels. As stated by other East Contra Costa County cities, job growth should be a priority for East Contra Costa County and a means to reduce greenhouse gas emissions as well as meeting the housing preferences for the region.
- The recent elimination of Redevelopment Agencies further financially burdens local agencies that are already facing fiscal concerns due to the current economy. Oakley is very apprehensive with the RHNA allocation as it suggests multiple acres of land will need to be rezoned to accommodate a large number of higher density units that might never be built and would occupy land needed to create jobs.

The City of Oakley City Council hopes these comments will be considered and that the adopted RHNA Allocation for Oakley will be reduced accordingly. The required appeal template is attached. If you have any questions or need additional information, please contact Joshua McMurray, Senior Planner, at (925) 625-7004 or [mcmurray@ci.oakley.ca.us](mailto:mcmurray@ci.oakley.ca.us).

Sincerely,



Bryan H. Montgomery  
City Manager

Attachment: Appeal Template with Attachments  
Copy to: Oakley Mayor & City Council



3231 Main Street  
Oakley, CA 94561  
925 625 7000 tel  
925 625 9859 fax  
www.ci.oakley.ca.us

June 27, 2012

**MAYOR**  
Kevin Romick

**VICE MAYOR**  
Carol Rios

**COUNCILMEMBERS**  
Pat Anderson  
Randy Pope  
Jim Frazier

Ezra Rapport, Executive Director  
ABAG  
Joseph P. Bort Metro Center  
101 Eighth Street  
Oakland, CA 94607-4770

Steve Heminger, Executive Director  
MTC  
Joseph P. Bort Metro Center  
101 Eighth Street  
Oakland, CA 94607-4770

**SUBJECT: City of Oakley Comments and Request for Revisions to the DRAFT Regional Housing Needs Allocation (RHNA) Methodology and Preliminary Subregional Shares for the fifth cycle**

Dear Mr. Heminger and Mr. Rapport:

The City of Oakley is requesting revisions to the DRAFT Regional Housing Needs Allocation (RHNA) and Methodology that was recently approved by the Association of Bay Area Governments (ABAG) on May 17, 2012. Oakley is concerned with the high number of overall units allocated to the City, specifically the high number of low- and very-low income units. The methodology does not take into account several factors that include the intent of the Oakley Priority Development Areas (PDAs) was to create job and employment centers, the lack of rail transit within Oakley, the number of existing jobs within Oakley, the current RHNA performance relating to the construction of low- and very-low income units, and lastly, the State's recent elimination of Redevelopment Agencies.

When reviewing the draft RHNA and the methodology used to derive the draft allocation, it appears that Oakley has several unique conditions which should necessitate a reduction in the overall number of units that have been preliminarily allocated to Oakley. As stated in previous letters, a majority of the entitled units in Oakley are not located within PDAs. With this said, Oakley's housing projections become misleading, specifically within Oakley's three PDAs. In short, many of the units that have been approved and are not located within PDAs seem to be assumed within the PDA areas by the methodology. Although Oakley still feels it is important to reduce target

June 27, 2012

City of Oakley Comments and Request for Revisions to the DRAFT Regional Housing Needs Allocation (RHNA) Methodology and Preliminary Subregional Shares for the fifth cycle.

Page 2 of 4

emissions through a comprehensive regional strategy, there are several unique conditions to Oakley that need to be reconsidered when looking at the draft RHNA.

The Oakley City Council would like to offer the following comments:

- The objective of the Sustainability Component is to concentrate new development in areas to protect the region's natural resources and reduce development pressures on rural outlying areas. While the City agrees with this objective, it is not applicable to Oakley because Oakley's General Plan already accommodates areas suitable for residential development to accommodate the total household projections in the Jobs-Housing Connection Scenario and Strategy. The original intent of the Oakley PDAs was to designate areas in which employment centers would be created. The need to accommodate more residential development in PDAs is undermining this goal.
- A majority of 798 acres that make up the Oakley "Employment Area" PDA is not suitable for residential development. A large portion of the PDA encompasses 378 acres of land owned by DuPont, in which approximately 170 acres are occupied by wetlands. Other portions of the DuPont property are located within a floodplain, are being remediated and are not currently ready for any type of development, and other portions are designated for Light Industrial land uses. Another portion of that PDA is occupied by 78 acres of land and governed by the River Oaks Crossing Specific Plan. A long-standing deed restriction and the Specific Plan do not allow for residential land uses. The remaining areas in the PDA are either designated for Light Industrial or Business Park land uses which also do not permit residential development. The requirement to provide 70% of the RHNA allocation within the "Employment Area" PDA would create a situation where the City would have to amend the Oakley 2020 General Plan and Rezone hundreds of acres of land to allow for residential land uses. As stated within the first bullet, the intent of the PDA was to create jobs that have been envisioned within the General Plan since 2002 to help support the City's existing, entitled and designated housing.
- The draft RHNA allocated the maximum number of units to Oakley, meaning we have been preliminarily allocated 1.5 times the current

June 27, 2012

City of Oakley Comments and Request for Revisions to the DRAFT Regional Housing Needs Allocation (RHNA) Methodology and Preliminary Subregional Shares for the fifth cycle

Page 3 of 4

RHNA cycle allocation. This seems to go against the Fair Share Component's objective. Based on the Fair Share Component's objective, several factors should have been taken into account when determining the allocation:

- Oakley does not have a strong transit network. While the City does have ambitions to one day have a strong transit network, there is currently a lack of existing infrastructure for direct rail transit. This should have resulted in a lower Fair Share score.
- There is also a strong desire to bring jobs into the City. This is evident by the City's desire to have three PDAs. However, Oakley is not currently a job rich city and, therefore, we should have received a lower Fair Share score.
- Lastly, the methodology does take into account the most recent RHNA performance, rather the 1999-2006 RHNA cycle was used in the Fair Share scoring. The City of Oakley incorporated in 1999, and did not adopt a General Plan until 2002. Subsequently, a Housing Element was adopted in 2005 for the 1999-2006 cycle, and another Housing Element in 2009 for the current 2007-2014 cycle. The City has been committed to not only making land available to accommodate the RHNA allocation, Oakley has already built almost all of the current cycle's allocation, including exceeding the number of low- and very-low income units required. This past performance should be taken into account and should result in Oakley receiving a lower overall score.
- Oakley is not currently served by direct rail transit. The need for an increased job growth is a priority for Oakley. As previously stated, the PDA areas are intended for jobs, which would ensure the residents of Oakley would not need to commute to inner Bay Area job locations, thereby reducing unit and GHG emissions. The draft RHNA allocations do not take into account that Oakley is predominantly made up of single-family residences, and is an area where that lifestyle is preferred over higher-density development. Almost as important is the fact that Oakley has successfully produced low- and very-low income units to satisfy the current RHNA cycle. This shows Oakley's commitment to provide housing for all income levels. As stated by

June 27, 2012

City of Oakley Comments and Request for Revisions to the DRAFT Regional Housing Needs Allocation (RHNA) Methodology and Preliminary Subregional Shares for the fifth cycle

Page 4 of 4

other East Contra Costa County cities, job growth should be a priority for East Contra Costa County and a means to reduce greenhouse gas emissions as well as meeting the housing preferences for the region.

- The recent elimination of Redevelopment Agencies further financially burdens local agencies that are already facing fiscal concerns due to the current economy. Oakley is very apprehensive with the draft RHNA allocation as it relates to the economy as it suggests multiple acres of land will need to be rezoned to accommodate a large number of higher density units that might never be built and would occupy land needed to create jobs.

The City of Oakley City Council hopes these comments will be considered and that the draft RHNA for Oakley will be reduced accordingly.

Sincerely,



Bryan Montgomery  
City Manager

C: Oakley City Council  
Senator Mark DeSaulnier – 7<sup>th</sup> District  
Assembly Member Joan Buchanan – 15<sup>th</sup> District



3231 Main Street  
Oakley, CA 94561  
925 625 7000 tel  
925 625 9859 fax  
www.ci.oakley.ca.us

September 7, 2012

**MAYOR**

Kevin Romick

**VICE MAYOR**

Carol Rios

**COUNCILMEMBERS**

Pat Anderson  
Randy Pope  
Jim Frazier

Ezra Rapport, Executive Director  
ABAG  
Joseph P. Bort Metro Center  
101 Eight Street  
Oakland, CA 94607-4770

Steve Heminger, Executive Director  
MTC  
Joseph P. Bort Metro Center  
101 Eighth Street  
Oakland, CA 94607-4770

**SUBJECT: Comments and Request for Revisions to the Adopted Regional Housing Needs Allocation (RHNA) and Subregional Share for the City of Oakley**

Dear Mr. Heminger and Mr. Rapport:

The City of Oakley is requesting revisions to the Regional Housing Needs Allocation (RHNA) that was recently adopted by the Association of Bay Area Governments (ABAG) on July 19, 2012. This letter reiterates the comments addressed to ABAG on June 27, 2012. It appears that during the adoption of the RHNA allocation, the original comments that the City Council provided to ABAG were not considered or addressed. Oakley is very concerned with the high number of low- and very-low income units allocated to the City. The methodology did not take into account several factors that included the intent of the Oakley Priority Development Areas (PDAs), the lack of rail transit within Oakley, the number of existing jobs within Oakley, the current RHNA performance relating to the construction of low- and very-low income units, and lastly, the State's recent elimination of Redevelopment Agencies.

As already stated to ABAG, Oakley has several unique conditions which should necessitate a reduction in the overall number of low and very-low income units that have been allocated to Oakley. As stated in previous letters, a majority of the entitled units in Oakley are not located within PDAs. With this said, Oakley's housing projections become misleading, specifically within Oakley's three PDAs. In short, many of the units that have been approved and are not located within PDAs seem to be assumed within the PDA areas. Although Oakley still feels it is important to reduce target emissions through a

September 7, 2012

Comments and Request for Revisions to the Adopted Regional Housing Needs Allocation (RHNA) and Subregional Share for the City of Oakley

Page 2 of 4

comprehensive regional strategy, there are several unique conditions to Oakley that need to be reconsidered when looking at the adopted RHNA.

The Oakley City Council has previously expressed its comments, which were not addressed prior to the adoption of the RHNA, as follows:

- The objective of the Sustainability Component is to concentrate new development in areas to protect the region's natural resources and reduce development pressures on rural outlying areas. While the City agrees with this objective, it is not applicable to Oakley because Oakley's General Plan already accommodates areas suitable for residential development to accommodate the total household projections in the Jobs-Housing Connection Scenario and Strategy. The original intent of the Oakley PDAs was to designate areas in which employment centers would be created. The need to accommodate more residential development in PDAs undermines this goal.
- A majority of 798 acres that make up the Oakley "Employment Area" PDA is not suitable for residential development. A large portion of the PDA encompasses 378 acres of land owned by DuPont, in which approximately 170 acres are occupied by wetlands. Other portions of the DuPont property are located within a floodplain, are being remediated and are not currently ready for any type of development, and other portions are designated for Light Industrial land uses. Another portion of that PDA is occupied by 78 acres of land and governed by the River Oaks Crossing Specific Plan. A long-standing deed restriction and the Specific Plan do not allow for residential land uses. The remaining areas in the PDA are either designated for Light Industrial or Business Park land uses which also do not permit residential development. The requirement to provide 70% of the RHNA allocation within the "Employment Area" PDA creates a situation where the City would have to amend the Oakley 2020 General Plan and Rezone hundreds of acres of land to allow for residential land uses. As stated within the first bullet, the intent of the PDA was to create jobs that have been envisioned within the General Plan since 2002 to help support the City's existing, entitled and designated housing.

September 7, 2012

Comments and Request for Revisions to the Adopted Regional Housing Needs Allocation (RHNA) and Subregional Share for the City of Oakley

Page 3 of 4

- The draft RHNA allocated the maximum number of units to Oakley, meaning we have been allocated 1.5 times the current RHNA cycle allocation. This seems to go against the Fair Share Component's objective. Based on the Fair Share Component's objective, several factors should have been taken into account when determining the allocation:
  - Oakley does not have a strong transit network. While the City does have ambitions to one day have a strong transit network, there is currently a lack of existing infrastructure for direct rail transit. This should have resulted in a lower Fair Share score.
  - There is also a strong desire to bring jobs into the City. This is evident by the City's desire to have three PDAs. However, Oakley is not currently a job rich city and, therefore, we should have received a lower Fair Share score.
  - Lastly, the methodology does take into account the most recent RHNA performance, rather the 1999-2006 RHNA cycle was used in the Fair Share scoring. The City of Oakley incorporated in 1999, and did not adopt a General Plan until 2002. Subsequently, a Housing Element was adopted in 2005 for the 1999-2006 cycle, and another Housing Element in 2009 for the current 2007-2014 cycle. The City has been committed to not only making land available to accommodate the RHNA allocation, Oakley has already built almost all of the current cycle's allocation, including exceeding the number of low- and very-low income units required. This past performance should be taken into account and should result in Oakley receiving a lower overall score.
- Oakley is not currently served by direct rail transit. The need for an increased job growth is a priority for Oakley. As previously stated, the PDA areas are intended for jobs, which would ensure the residents of Oakley would not need to commute to inner Bay Area job locations, thereby reducing unit and GHG emissions. The RHNA allocation does not take into account that Oakley is predominantly made up of single-family residences, and is an area where that lifestyle is preferred over higher-density development. Almost as important is the fact that Oakley has successfully produced low- and very-low income units to

September 7, 2012

Comments and Request for Revisions to the Adopted Regional Housing Needs Allocation (RHNA) and Subregional Share for the City of Oakley

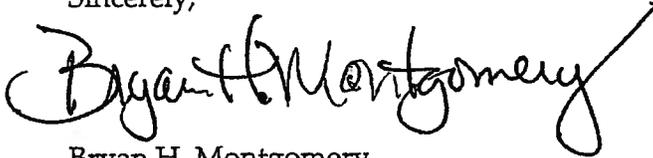
Page 4 of 4

satisfy the current RHNA cycle. This shows Oakley's serious commitment to provide housing for all income levels. As stated by other East Contra Costa County cities, job growth should be a priority for East Contra Costa County and a means to reduce greenhouse gas emissions as well as meeting the housing preferences for the region.

- The recent elimination of Redevelopment Agencies further financially burdens local agencies that are already facing fiscal concerns due to the current economy. Oakley is very apprehensive with the RHNA allocation as it suggests multiple acres of land will need to be rezoned to accommodate a large number of higher density units that might never be built and would occupy land needed to create jobs.

The City of Oakley City Council hopes these comments will be considered and that the adopted RHNA for Oakley will be reduced accordingly.

Sincerely,



Bryan H. Montgomery  
City Manager

C: Oakley City Council  
Senator Mark DeSaulnier – 7<sup>th</sup> District  
Assembly Member Joan Buchanan – 15<sup>th</sup> District  
City of Clayton Councilmember Julie Peirce  
City of San Ramon Councilmember Dave Hudson



February 12, 2013

Ms. Gillian Adams, Regional Planner  
Association of Bay Area Government  
Joseph P. Bort Metro Center  
P.O. Box 2050  
Oakland, CA 94607-4756

Re: City of Palo Alto Appeal of Adopted RHNA Methodology for the 2014-2022 Housing Cycle

Dear Ms. Adams:

We are in receipt of ABAG's November 15<sup>th</sup> letter, in response to the City of Palo Alto request for a reduction to the Regional Housing Needs Assessment (RHNA) jurisdictional allocation for the 2014-2022 housing cycle. This letter denied the City of Palo Alto's request, briefly outlined the reasons for denial, and provided the schedule and findings necessary to appeal this determination. The required appeal template was also emailed to the City at a later date. With that in mind, pursuant to Government Code §65584.05, the purpose of this cover letter and attached completed appeal template is to officially appeal the adopted RHNA Methodology determination for the City of Palo Alto. The following outlines the criteria for which this appeal is based.

**As noted in your letter, Government Code §65584.05 provides the following grounds for appeal:**

1. ABAG failed to adequately consider the information submitted by the City of Palo Alto in the survey ABAG administered in January 2012, or a significant and unforeseen change in circumstances has occurred in the City of Palo Alto that merits a revision of the information; or
2. ABAG failed to determine its share of the regional housing need in accordance with the information described in, and the methodology established pursuant to Section 65584.04.

The City of Palo Alto's "Request for Revision" letter outlined several reasons why the City of Palo Alto's housing allocation was overstated. The following appeal focuses on one of these items.

**The City of Palo Alto's grounds for appeal are as follows:**

The proposed RHNA allocation assigns 77 housing units to the County of Santa Clara (unincorporated), although Stanford University's General Use Permit with the County of Santa Clara County allows and plans for up to 1,500 residential units to be built on Stanford lands within the RHNA housing element timeframe.

1. Specifically, approximately 350 planned units on two sites on Quarry Road just west of El Camino Real appear appropriate to include somewhere in the housing analysis in this timeframe (table and map attached). Indeed, there were active discussions with the property owner (Stanford University) in the recent past about housing development on those sites in connection with its current Medical Center expansion that was approved by the City in 2011.

P.O. Box 10250  
Palo Alto, CA 94303  
650.329.2477  
650.328.3631 fax

2. While the City acknowledges that these units have not been otherwise assigned to the City of Palo Alto, these two sites are proximate to El Camino Real and the University Avenue Caltrain station, and would be highly consistent with the objectives of the SCS and SB375. The sites are located very close to developed land located within the City's boundaries. Furthermore, this land is not protected agricultural land, and therefore should not be discounted as a suitable area for growth.
3. It appears to be an oversight in the designation of priority development areas (PDAs) that these sites were not included in the Valley Transportation Authority's (VTA's) "cores and corridors" designation and thereby treated as a PDA under the RHNA methodology (attached map). The City notes that significant areas of Palo Alto, designated by VTA in "cores and corridors," have been treated as PDAs for the purpose of distributing housing units, even though the City did not agree to their designation as PDAs.
4. Lastly, the City of Palo Alto agrees that it is generally appropriate to focus more intense growth in cities rather than on open space or rural unincorporated county areas, and to encourage annexation of unincorporated areas proximate to transit stations and corridors. The Stanford owned lands subject of this appeal present an anomaly, however, in that a) these particular lands are located in an urban area, near transit, across from a vibrant Shopping Center and adjacent to a very extensive hospital expansion; b) Stanford's expansion and housing to support its growth are unique among counties in the Bay Area and ABAG has previously re-adjusted the allocation between Palo Alto and the County in previous cycles to account for this anomaly, and c) a tri-party agreement between Santa Clara County, Stanford University, and the City of Palo Alto precludes the City from annexing these potential housing sites (although the sites are served by the Palo Alto Unified school district.).

For these reasons, the City believes allocations should be adjusted accordingly.

Once again, thank you for the opportunity to appeal the adopted RHNA Methodology for the 2014-2022 Housing Cycle and the City of Palo Alto's allocation. The required appeal template is attached. If you have questions or need additional information, please contact Curtis Williams, the City's Director of Planning and Community Environment, at (650) 329-2321 or [curtis.williams@cityofpaloalto.org](mailto:curtis.williams@cityofpaloalto.org).

Sincerely



H. Gregory Scharff  
MAYOR

Attachments:

- A. Completed Appeal Template with Attachments



2014-2022 Regional Housing Need Assessment (RHNA) Appeal Request

All appeal requests must be received by ABAG February 18, 2013, 5 p.m. Late submissions will not be accepted.

Send requests to Gillian Adams, ABAG Regional Planner: GillianA@abag.ca.gov or P.O. Box 2050, Oakland, CA 94604-2050

Date: 2/13/13

Jurisdiction: The City of Palo Alto

Contact: Curtis Williams

Title: Director of Planning and Community Environment

Phone: 650-329-2321

Email: curtis.williams@cityofpaloalto.org

APPEAL AUTHORIZED BY:

Name: H. Gregory Scharff

PLEASE CHECK BELOW:

- Mayor, Chair, County Board of Supervisors, City Manager, Chief Administrative Officer, Other

BASES FOR APPEAL [Government Code Section 65584.05(d)]\*

- Misapplication of RHNA Methodology
Failure to Adequately Consider Information Submitted in the Survey Regarding RHNA Factors: Existing or projected jobs-housing relationship, Sewer or water infrastructure constraints for additional development, Availability of land suitable for urban development or for conversion to residential use, Lands protected from urban development under existing federal or state programs, County policies to preserve prime agricultural land, Distribution of household growth assumed for purposes of comparable Regional Transportation Plan, Market demand for housing, County-city agreements to direct growth toward incorporated areas of county, Loss of units contained in assisted housing developments, High housing cost burdens, Housing needs of farmworkers, Housing needs generated by the presence of a university campus within a jurisdiction

Significant and Unforeseen Change in Circumstances

Brief Description of Basis for Appeal Request and Desired Outcome:

The proposed RHNA allocation assigns 77 housing units to the County of Santa Clara (unincorporated), although Stanford University's General Use Permit with the County of Santa Clara County allows and plans for up to 1,500 residential units to be built on Stanford lands within the RHNA housing element timeframe.
1. Specifically, approximately 350 planned units on two sites on Quarry Road just west of El Camino Real appear appropriate to include somewhere in the housing analysis in this timeframe (table and map attached). Indeed, there were active discussions with the property owner (Stanford University) in the recent past about housing development on those sites in connection with its current Medical Center expansion that was approved by the City in 2011.
2. While the City acknowledges that these units have not been otherwise assigned to the City of Palo Alto, these two sites are proximate to El Camino Real and the University Avenue Caltrain station, and would be highly consistent with the objectives of the SCS and SB375. The sites are located very close to developed land located within the City's boundaries. Furthermore, this land is not protected agricultural land, and therefore should not be discounted as a suitable area for growth.
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For these reasons, the City believes allocations should be adjusted accordingly.

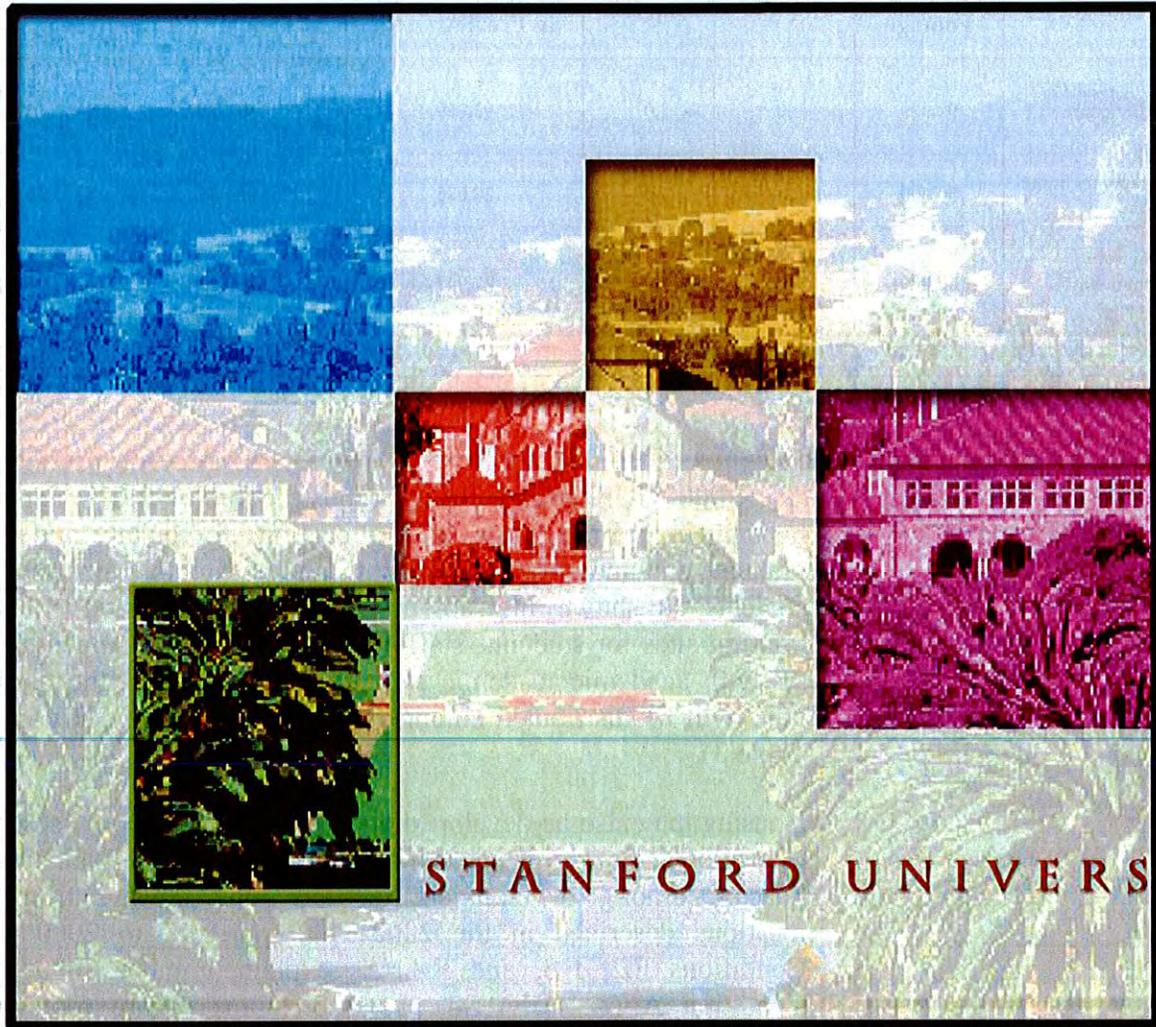
List of Supporting Documentation Included in Submittal:

- 1. Relevant Pages from Stanford University General Use Permit (June 2011)
2. VTA Cores, Corridors, and Station Areas Map for Palo Alto
3.

\*Per Government Code Section 65584.05(d), appeals to the draft RHNA can only be made by jurisdictions that have previously filed a revision request and do not accept the revision request findings made by ABAG.

GENERAL USE PERMIT 2000

# ANNUAL REPORT NO. 10



STANFORD UNIVERSITY



COUNTY OF SANTA CLARA  
PLANNING OFFICE

*June 2011*

## II. Development Overview

**TABLE 2  
ANNUAL REPORT 10  
OTHER SPACE CAPS - PROJECT SUMMARY**

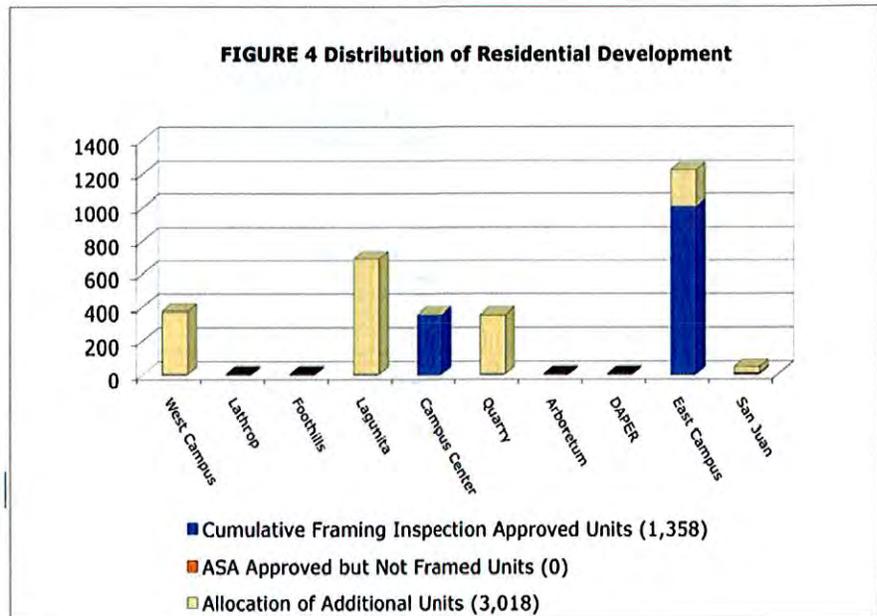
Non-Building Cap Category	Maximum Allowable Square Footage	ASA Approved (sq. ft.)	Building Permit (sq. ft.)	Cumulative Building Permits Approved (sq. ft.) in Previous ARs	Cumulative Total Building Permits Approved (sq. ft.)	Balance Remaining (sq. ft.)
Remaining 1989 GUP Square Footage	92,229	0	0	92,229	92,229	0
Temporary Surge Space	50,000	0	0	28,085	28,085	21,915
Childcare/Community Center	40,000	7,895	0	27,947	28,144	11,856

### Housing

The 2000 GUP allows for the construction of 3,018 net new housing units on campus, with allocations for faculty and staff, graduate and undergraduate students, and postdoctoral and medical students as shown in Table 3. The GUP identified potential housing sites for students, staff and faculty (Map 3, Appendix A). As with academic/academic support building space, the housing units will be distributed among the 10 development districts (see Table 3).

Housing may also be developed on sites other than those shown on Map 3, and the estimated distribution of the type and location of housing among development districts may deviate from the locations described in the 2000 GUP pursuant to 2000 GUP Conditions F.2, F.3, and F.4. As explained under 2000 GUP Condition A (A.1.c, A.1.d, and A.3.b), the square footage of housing units constructed is tracked but does not count toward the 2000 GUP building area cap (see Table C-2, Appendix C).

During the AR 10 reporting period, two housing projects (Olmsted Terrace Faculty Homes – File Number 9923, and Olmsted Road Staff Rental Housing – File Number 9792) were approved. For purposes of the housing linkage requirement, as provided in GUP Condition F.8, the housing requirement is counted at the time of the framing inspection. The Olmsted Terrace Faculty Homes and Olmsted Road Staff Rental Housing projects were framed during this reporting period. In addition, two student housing renovation projects resulted in a slight change in housing units.



As illustrated in Figure 4, the cumulative total of approved units under the 2000 GUP allocation is 1,358 units.

The Olmsted Road Staff Rental Housing includes the construction of 25 units of staff housing – 17 single family detached homes and four duplexes.

The Olmsted Terrace Faculty Homes entails the construction of 39 single-family detached houses on lots ranging in area from 3,200 to 7,500 square feet each. The three- and four-bedroom homes will range from approximately 1,930 to 2,400 gsf, and include a two-car garage and a designated guest parking space.

## II. Development Overview

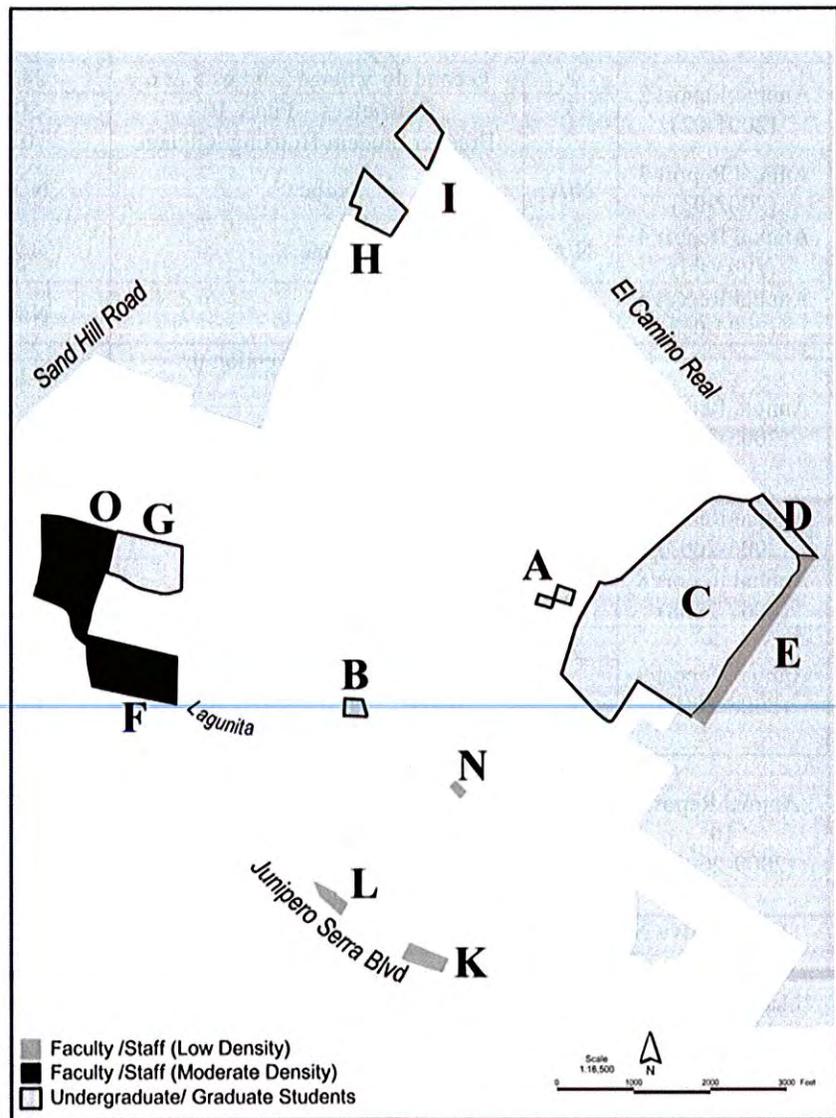
**TABLE 3  
ANNUAL REPORT 10  
DISTRIBUTION OF RESIDENTIAL DEVELOPMENT**

Development District <sup>1</sup>	Allowable 2000 GUP Net Additional Units	ASA Approved Units but Not Yet Framed	Past Cumulative <sup>2</sup>	Final Framing Inspection Approved Units	Cumulative
<b>West Campus Stable Site</b>	372 Faculty/Staff	0	0	0	0
<b>Lathrop</b>	0	0	0	0	0
<b>Foothills</b>	0	0	0	0	0
<b>Lagunita Driving Range Searsville Block Mayfield/Row</b>	195 Faculty/Staff 367 Graduate 125 Undergrad/ Grad	0	0	0	0
<b>Campus Center</b>	352 Graduate	0	351	0	351
<b>Quarry</b>					
<b>Quarry/Arboretum Quarry/El Camino</b>	200 Postdoc 150 Postdoc	0	0	0	0
<b>Arboretum</b>	0	0	0	0	0
<b>DAPER &amp; Administrative</b>	0	0	0	0	0
<b>East Campus</b>					
- Manzanita					
- Escondido Village	100 Undergrad/ Graduate			2	
- Crothers				25	
- Olmsted Rd Rental	1,043 Graduate			39	
- Olmsted Terrace	75 Faculty/Staff				
<b>East Campus Subtotal</b>		<b>0</b>	<b>937</b>	<b>66</b>	<b>1,003</b>
<b>San Juan</b>					
<b>Lower Frenchman's</b>	18 Faculty/Staff				
<b>Gerona</b>	12 Faculty/Staff	0	0	4	4
<b>Mayfield 717 Dolores</b>	9 Faculty/Staff				
<b>San Juan Subtotal</b>		<b>0</b>	<b>0</b>	<b>4</b>	<b>4</b>
<b>Total</b>	<b>3,018 Allowed<sup>2</sup></b>	<b>0</b>	<b>1,288</b>	<b>70</b>	<b>1,358</b>

- Housing may be developed on other sites and development may vary from the estimated distribution with regard to either the type (student, postdoctoral, or faculty/staff) or amount of housing on the site (2000 GUP Conditions F.2, F.3, and F.4). Redistribution occurred in AR 6.
- Cumulative totals include results from previous annual reports. See Appendix C and/or previous annual reports for more detailed background on these cumulative totals.

# Appendix A Reference Maps

- A** *Manzanita*
- B** *Mayfield/Row*
- C** *Escondido Village*
- D** *Escondido Village*
- E** *Escondido Village*
- F** *Driving Range*
- G** *Searsville Block*
- H** *Quarry/Arboretum*
- I** *Quarry/El Camino*
- K** *Lower Frenchman's*
- L** *Gerona*
- N** *Mayfield*
- O** *Stable Sites*



Source: Stanford University General Use Permit, December 2000

MAP A-3  
POTENTIAL HOUSING SITES

# Appendix C

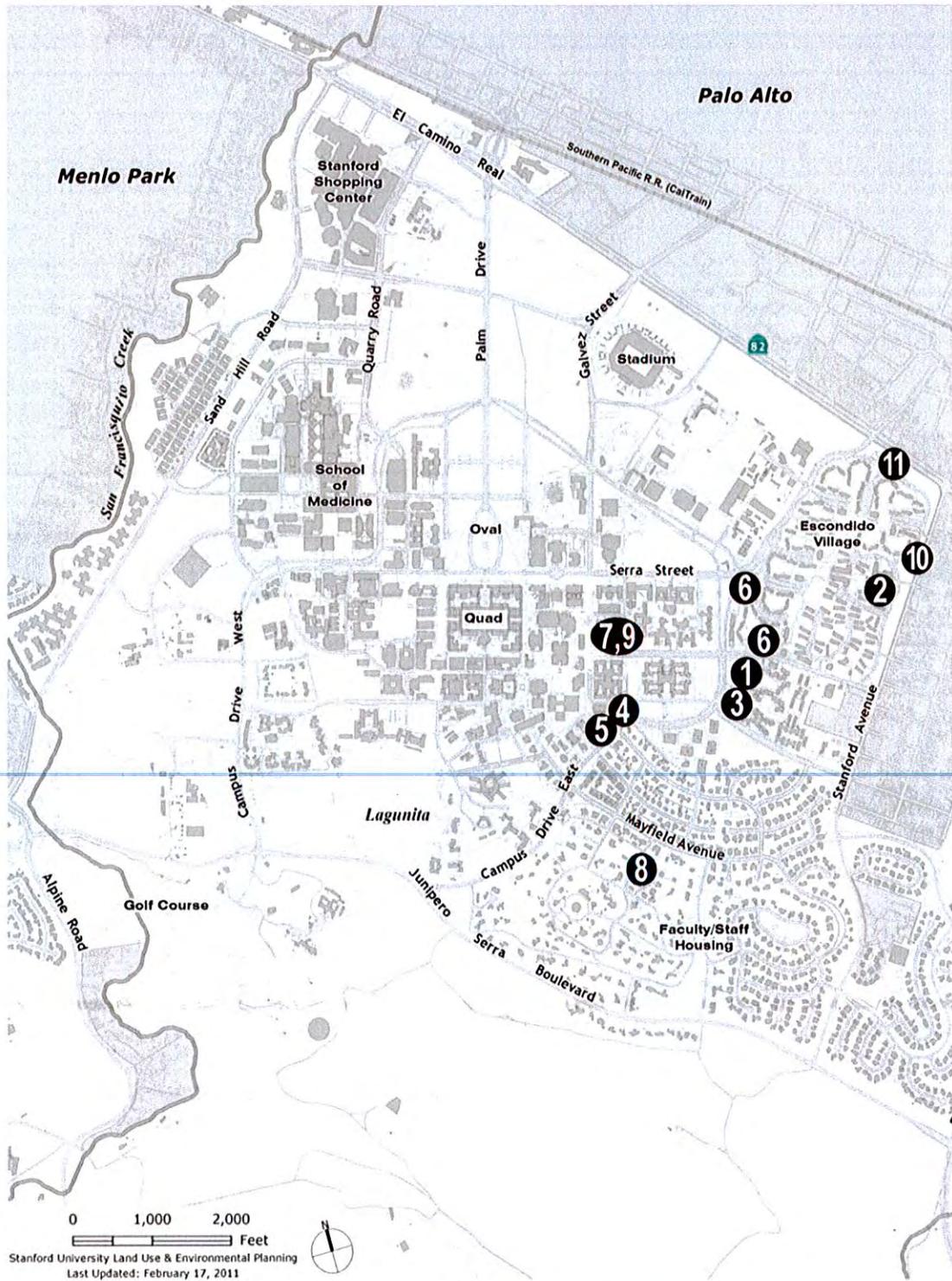
## Cumulative Projects

<b>KEY TO MAP C-2 ANNUAL REPORT 1 THROUGH ANNUAL REPORT 8 CUMULATIVE HOUSING PROJECTS</b>					
<b>Fiscal Year</b>	<b>Map No.*</b>	<b>Project</b>	<b>Housing Units</b>	<b>Square Footage</b>	<b>Annual Units</b>
Annual Report 1 (2000-01)	1	Mirrielees – Phase I	102	0	102
Annual Report 2 (2001-02)	2	Escondido Village Studios 5 & 6	281	139,258	331
	3	Mirrielees – Phase II	50	0	
		Branner Student Housing Kitchen	0	1,596	
Annual Report 3 (2002-03)	N/A	None	N/A	N/A	0
Annual Report 4 (2003-04)	N/A	None	N/A	N/A	0
Annual Report 5 (2004-05)	N/A	None	N/A	N/A	0
Annual Report 6 (2005-2006)		Drell House (conversion to academic)	-1	(-906)	(-8)
		579 Alvarado	1	3,258	
	4	Casa Zapata RF Unit Replacement	-8	(-691)	
Annual Report 7 (2006-2007)		None	N/A	N/A	0
Annual Report 8 (2007-2008)	5	Munger Graduate Housing	349	267,683 <sup>1</sup>	349
Annual Report 9 (2008-2009)	5	Munger Graduate Housing	251	192,517 <sup>1</sup>	514
		Schwab Dining Storage	N/A	464	
	6	Blackwelder/Quillen Dorms	130	N/A	
	7	Crothers Renovation	133	N/A	
Annual Report 10 (2009-20010)	8	717 Dolores	4	0	70
	9	Crothers	2	0	
	10	Olmsted Terrace Faculty Housing	39	103,127	
	11	Olmsted Staff Rental Housing	25	53,831	
		Arrillaga Family Dining Commons	N/A	28,260	
<b>Cumulative Net Contribution toward 2000 GUP Housing Units</b>			<b>1,358</b>	<b>788,397</b>	<b>1,358</b>

\*Map C-2 illustrates the locations of housing projects that add more than one unit. Individual housing projects are not shown on Map C-2.

1. Based on an average of 767 square feet per unit constructed for the Munger Graduate Student Housing project.

# Appendix C Cumulative Projects



MAP C-2  
CUMULATIVE HOUSING PROJECTS

# FOCUS

a development and conservation strategy  
for the San Francisco Bay Area



**Map Legend**

**Neighborhood Features**

- City or County Administration
- College/University
- K-12 School
- Child Care Facility
- Community Facility
- Cultural Center
- Police Station
- Fire Station
- Library
- Post Office
- Hospital
- Residential Healthcare Facility
- Medical Clinic
- Grocery Store or Supermarket
- Specialty Food or Farmers Market

**Public Transportation**

- 10 - 20 Minute Bus Service
- Santa Clara VTA
- Stanford Marguerite Shuttle
- Dumbarton Express
- Caltrain Rail Station

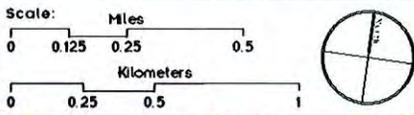
**Bicycle Network**

- off street path
- on-street, striped lane
- on-street route identified by sign/stencil

**Potential Priority Development Area**

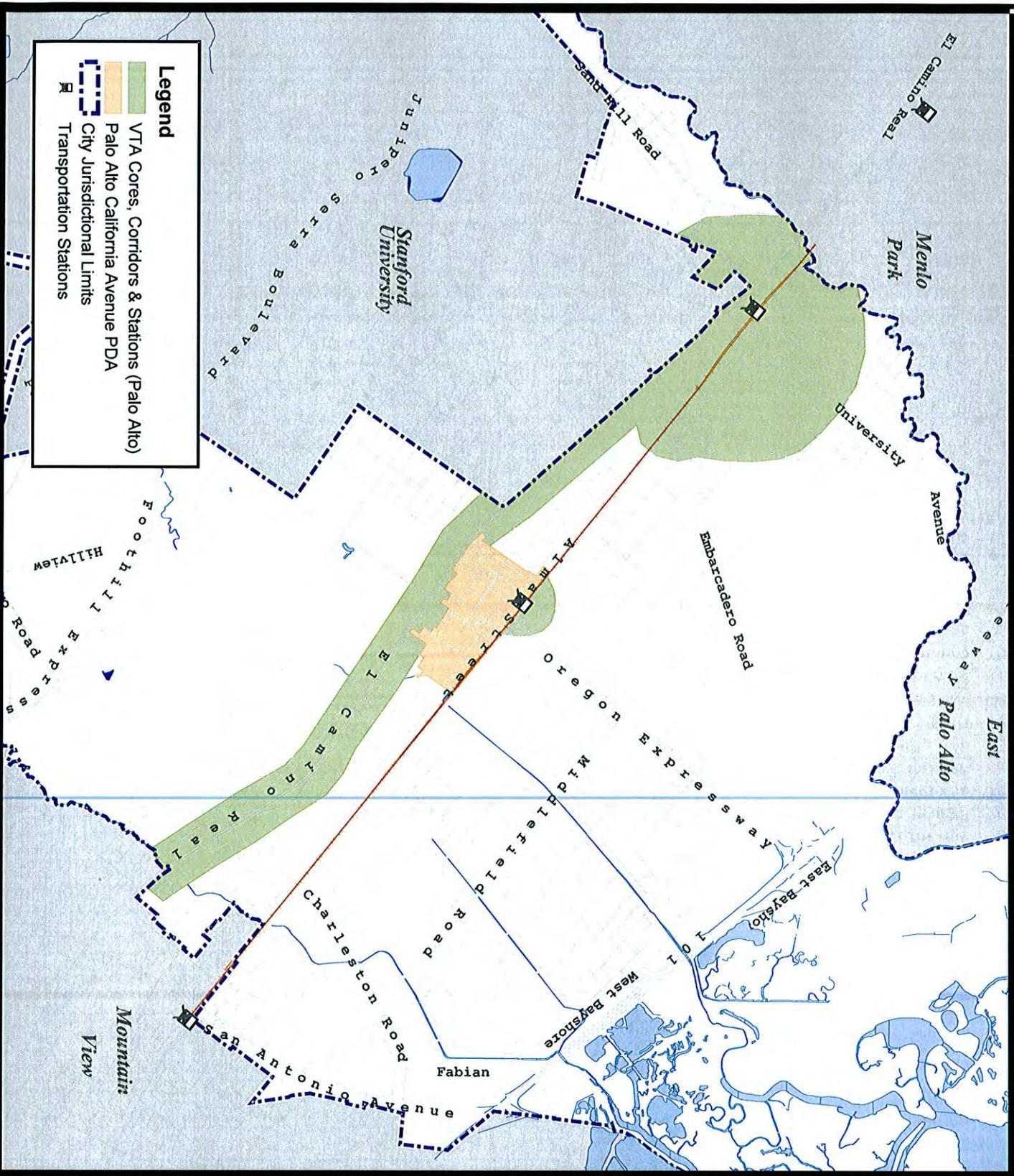
- Inside PDA
- Outside PDA
- Protected Open Space

Source: Association of Bay Area Governments, Street Base Map © 2006 TeleAtlas, Inc. All rights reserved ABAAG 019/July 2008



## VTA Cores, Corridors, and Station Areas: Palo Alto Overview



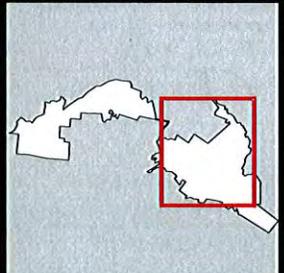


**Legend**

- VTA Cores, Corridors & Stations (Palo Alto)
- Palo Alto California Avenue PDA
- City Jurisdictional Limits
- Transportation Stations

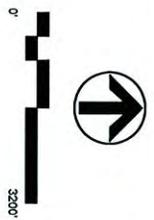


The City of  
**Palo Alto**



City of Palo Alto  
California Avenue PDA  
and  
VTA Cores, Corridors  
and  
Station Areas

This map is a product of the  
City of Palo Alto GIS



# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



## 2014-2022 Regional Housing Need Assessment (RHNA) Appeal Request

*All appeal requests must be received by ABAG February 18, 2013, 5 p.m. Late submissions will not be accepted.*

Send requests to Gillian Adams, ABAG Regional Planner:

[GillianA@abag.ca.gov](mailto:GillianA@abag.ca.gov) or P.O. Box 2050, Oakland, CA 94604-2050

Date: February 14, 2013 Jurisdiction: City of San Ramon  
Contact: Phil Wong Title: Planning/Community Development Director  
Phone: 925-973-2565 Email: pwong@sanramon.ca.gov

### APPEAL AUTHORIZED BY:

Name: Greg Rogers

### PLEASE CHECK BELOW:

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

### BASES FOR APPEAL [Government Code Section 65584.05(d)]\*

- Misapplication of RHNA Methodology
- Failure to Adequately Consider Information Submitted in the Survey Regarding RHNA Factors:
- Existing or projected jobs-housing relationship
  - Sewer or water infrastructure constraints for additional development
  - Availability of land suitable for urban development or for conversion to residential use
  - Lands protected from urban development under existing federal or state programs
  - County policies to preserve prime agricultural land
  - Distribution of household growth assumed for purposes of comparable Regional Transportation Plan
  - Market demand for housing
  - County-city agreements to direct growth toward incorporated areas of county
  - Loss of units contained in assisted housing developments
  - High housing cost burdens
  - Housing needs of farmworkers
  - Housing needs generated by the presence of a university campus within a jurisdiction
- Significant and Unforeseen Change in Circumstances

### Brief Description of Basis for Appeal Request and Desired Outcome:

San Ramon is appealing the draft RHNA allocation on the basis that the Growth Concentration factor in the RHNA methodology has been inaccurately applied. As ABAG has stated, the Growth Concentration factor should be applied to jurisdictions that have high job growth and transit access. San Ramon believes we do not meet the Growth Concentration criteria that accounts for an additional 126 units added to our City's RHNA. San Ramon is requesting a reduction to our draft RHNA allocation due to the misapplication of the methodology.

### List of Supporting Documentation Included in Submittal:

1. June 26, 2012 Letter to ABAG
2. July 18, 2013 Letter to ABAG
3. September 18, 2013 Letter to ABAG

*\*Per Government Code Section 65584.05(d), appeals to the draft RHNA can only be made by jurisdictions that have previously filed a revision request and do not accept the revision request findings made by ABAG.*



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## CITY OF SAN RAMON

2222 CAMINO RAMON  
SAN RAMON, CALIFORNIA 94583  
PHONE: (925) 973-2500  
WEB SITE: [www.sanramon.ca.gov](http://www.sanramon.ca.gov)

---

February 14, 2013

Gillian Adams, Regional Planner  
Association of Bay Area Governments  
Joseph P. Bort Metro Center  
P.O. Box 2050  
Oakland, CA 94607

**SUBJECT: 2014-2022 Regional Housing Need Assessment (RHNA) Appeal Request**

Dear Ms. Adams,

The City is in receipt of ABAG's November 15, 2013 letter notifying the City that our request for a reduction in the proposed Regional Housing Need Assessment (RHNA) Allocation has been denied. The letter outlined the reasons for denial and provided information on the RHNA Appeals Process. In response, San Ramon is sending this letter as an accompaniment to the completed RHNA appeal template and our supporting documentation.

Our appeal focuses on the Growth Concentration adjustments and unanswered questions related to these adjustments that were posed in previous letters to ABAG (June 26, July 25, and September 18, 2012). Our first issue lies with the process by which the Growth Concentration adjustment was incorporated into the final adopted RHNA methodology. The Growth Concentration concept was first discussed at the May 17, 2012 Executive Board with direction given to ABAG staff to review opportunities to distribute housing units to medium sized cities with high job growth and transit access. ABAG staff's response to this direction was to introduce the Growth Concentration adjustment in their July 10, 2012 Executive Board report just seven days before the close of the public comment period. Jurisdictions were given no information on the process and methodology for how 3,500 units would be shifted to the balance of the region. San Ramon is extremely disappointed that after 15 months of collaborative work by the 46-member ABAG Housing Methodology Committee to establish a draft methodology, the Growth Concentration factor was introduced and adopted with less than nine days for public review and comment.

Our second issue related to the Growth Concentration adjustment was documented in our July 18, and September 18, 2012 letters to ABAG questioning the addition of 126 units to San Ramon's draft RHNA. As expressed in that letter, all major recipients of the redistribution have light and/or heavy rail stations **EXCEPT** San Ramon. Our appeal questions why San Ramon is allocated a 10% RHNA

increase while communities such as Palo Alto, Milpitas, Walnut Creek, and Berkeley (all of whom are transit-rich with similar employment growth rates) are receiving a less than 4% Growth Concentration adjustment. San Ramon believes that the Growth Concentration Adjustment factor was inaccurately applied to the City. No detailed explanation of ABAG's reasoning for assigning San Ramon a higher adjustment has been given. As both our July and September letters detail, San Ramon does not believe we should be placed in the same category as highly transit-accessible cities. While our employment growth rate may be comparable to the other jurisdictions that received Growth Concentration increases, our transit infrastructure certainly is not. If the intent of the Growth Concentration adjustment is to put more units in "medium cities with high job growth and transit access," we would ask ABAG to look more closely at other cities that actually meet this two-part criteria.

Additionally, we understand that the ABAG Executive Board has already adopted the final RHNA methodology however, San Ramon would again like to reiterate our objection to the 175 percent income adjustment. This factor is unrealistic and ultimately defeats the region's goal of meeting the housing needs in a sustainable and balanced approach. ABAG's draft RHNA calls for 1,073 (76%) of San Ramon's total 1,411 RHNA units to be affordable housing units. This percentage of affordable units is impractical given the available tools to incentivize the construction of affordable housing as well as the elimination of Redevelopment.

Artificially inflating the amount of affordable units forces jurisdictions to zone for far more units than their assigned RHNA and mounts the pressure to build in areas contrary to the regional goals. In order to accommodate these affordable units, many cities including San Ramon would have to plan for a much higher production of units beyond what we are allocated in order to reach the exorbitantly high allocation of affordable units. This methodology creates an even greater shortage of affordable units in the region and places more cars on the road where they should not be, bringing the region further from reaching the goals of the Sustainable Communities Strategy.

We ask for your consideration of San Ramon's appeal and an adjustment of our allocation accordingly. If you wish to discuss our comments further, please contact me by email at [pwong@sanramon.ca.gov](mailto:pwong@sanramon.ca.gov) or by telephone at 925-973-2565.

Sincerely,



Phil Wong  
Planning/Community Development Director

Attachment:

Comment letter to Ken Kirkey, dated June 26, 2012

Comment letter to ABAG Executive Board, dated July 18, 2012

February 14, 2013

Page 3

Comment letter to Ezra Rapport, dated September 18, 2012

Cc: San Ramon City Council/City Manager  
Miriam Chion, ABAG Interim Planning Director  
Debbie Chamberlain, Planning Manager

c13.014 ABAG Executive Board ABAG RHNA 2014-2022 Draft Appeal Letter



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## CITY OF SAN RAMON

2222 CAMINO RAMON  
SAN RAMON, CALIFORNIA 94583  
PHONE: (925) 973-2500  
WEB SITE: [www.sanramon.ca.gov](http://www.sanramon.ca.gov)

---

June 26, 2012

Ken Kirkey, Director of Planning and Research  
Association of Bay Area Governments  
101 Eighth Street  
Oakland, CA 94607

**SUBJECT: Comments on the Association of Bay Area Governments (ABAG) 2014-2022  
Draft Regional Housing Needs Allocation (RHNA) Methodology**

Dear Ken:

Thank you for the opportunity to review and comment on the draft RHNA Methodology. The following comments have been prepared for inclusion in the public record in anticipation of the ABAG Executive Board meeting on July 19, 2012.

Overall, the City of San Ramon supports ABAG's and MTC's effort to bring a greater jobs/housing balance to the region. As you may be aware, San Ramon has made significant progress in the last decade to bring our community closer to reaching this regional goal. Between 2000 to 2008, the jobs/housing ratio moved significantly lower from 1.51 to 1.24 in the City of San Ramon. With the policies set forth in the newly adopted *San Ramon General Plan 2030*, including the designation of two Priority Development Areas (PDAs), it is anticipated that San Ramon will reach its goal of a 1.05 jobs/housing ratio by General Plan buildout in 2030. Additionally, the City's Air Quality and Greenhouse Gas Element and associated Climate Action Plan will ensure that the anticipated balanced growth will not conflict with the implementation of AB 32—the Global Warming Solutions Act of 2006.

In general, San Ramon finds the main components that make up the RHNA methodology acceptable with exception of the income allocation strategy and the transit factor used for non-PDA areas. Our understanding is that the income allocation strategy determines the difference between the regional proportion of households in an income category and a jurisdiction's proportion in that category. This difference is then multiplied by 175 percent in an effort to be more closely aligned a jurisdiction's income distribution with the region's distribution.

San Ramon's concern over the income allocation is the use of an overly-aggressive 175 percent multiplier. The choice of 175 percent appears to be arbitrary and comes with little explanation as to

why such a high value was selected. The primary justification provided in the previous housing cycle was a 175 percent adjustment made the most meaningful adjustment for jurisdictions that currently do not have a large supply of affordable housing. San Ramon questions why a 100 or 150 percent adjustment was not studied as an alternative for this cycle. Has ABAG analyzed the construction data since the factor's inclusion in 2009 to determine what impact this adjustment factor has had on creating more affordable units in affluent communities? Is there historical data that supports why an adjustment of 175 is ideal to reaching the stated objective?

The 175 percent income adjustment is unrealistically high and ultimately defeats the region's goal of meeting the housing needs in a sustainable and balanced approach. For example in San Ramon, our 2009 to 2014 below-market rate allocation is over 2,600 units which equals approximately 75 percent of our 3,463 total assigned units. It is impractical to expect that a community of less than 25,000 residential units (in 2008) could add 2,600 new "affordable" units in a 7.5 year span. By comparison, in communities with successful inclusionary housing ordinances where 25 percent of new development is reserved for below-market rate units, San Ramon will need to approve over 10,000 new units in 7.5 years to even come close to adding the requisite 2,600 affordable units in our community.

It appears this same flawed methodology is being repeated in the impending housing cycle. With yet another estimated allocation of over 75 percent of our draft RHNA as below-market rate units, the message that the regional agencies sends to our community is mixed: 1) San Ramon should plan for a much higher production of units beyond what we are allocated in order to reach our exorbitantly high allocation of affordable units, contrary to the region's sustainable land use goal, or 2) we will keep assigning an unrealistic RHNA, knowing that these allocations can never be met thus resigning the region to face an even greater shortage of housing units in 2023.

With regards to the fair-share component, San Ramon would encourage the Board to give more weight to the transit factor in non-PDA areas. Given the intent of SB 375 to more closely align land use and transportation planning, not enough emphasis is being made to allocate units to jurisdictions with no PDAs. By using a Jobs-Housing Connection Strategy and an income allocation component, this already heavily burdens jurisdictions that have a high employment base and lower percentage of affordable units to take a greater share of the region's allocation. If a community opted-out of establishing a PDA and also has a strong network of transit, this factor should carry more weight because jobs and affordability are already greatly emphasized in other components of the methodology.

The City of San Ramon encourages the Executive Board to take into consideration the above comments and decrease in the income adjustment percentage as well as weight the transit factor more heavily in non-PDA areas. If you have any questions regarding the information in this letter, please contact Cindy Yee, Associate Planner at (925) 973-2562 or via e-mail: [cyee@sanramon.ca.gov](mailto:cyee@sanramon.ca.gov).

June 26, 2012

Page 3

Sincerely,

  
Phil Wong  
Planning/Community Development Director

Cc: City Council/City Manager  
Debbie Chamberlain, Planning Manager  
Cindy Yee, Associate Planner

c12.045 Ken Kirkey ABAG RHNA 2014-2022 Draft Methodology Comment Letter



## CITY OF SAN RAMON

2222 CAMINO RAMON  
SAN RAMON, CALIFORNIA 94583  
PHONE: (925) 973-2500  
WEB SITE: [www.sanramon.ca.gov](http://www.sanramon.ca.gov)

July 18, 2012

ABAG Executive Board  
101 Eighth Street  
Oakland, CA 94607

**SUBJECT: July 10<sup>th</sup> ABAG Staff Memo Re: Final Regional Housing Need Allocation Methodology, 2014-2022 Draft Regional Housing Needs Allocation (RHNA)**

Dear ABAG Executive Board:

This letter is written as a follow-up to the City of San Ramon's comment letter dated June 26, 2012 to ABAG staff regarding the draft RHNA methodology. In that letter, San Ramon detailed our concern over the income adjustment formula (see attached). These issues continue to be of concern and inadequately addressed by ABAG staff. In the July 10, 2012 report to the Executive Board from ABAG's Executive Director, San Ramon is the target of another increase in allocation without a clear explanation on why our community has been singled out for increase.

The July 10<sup>th</sup> report identifies two adjustments for the Board's consideration for adoption of the Final RHNA Methodology. The reason provided for the Growth Concentration adjustment is to **"strengthen a fair share distribution between large cities and medium cities with high job growth and transit access."** The major recipients of this proposed redistribution are:

Cities	# of Additional Units	Employment Growth % (2010-2040)
Fremont	467	34%
Sunnyvale	392	27%
Santa Clara	279	28%
Pleasanton	158	32%
San Ramon	126	32%
San Carlos	61	23%

San Ramon is opposed to the additional assigned units to our jurisdiction. While the adjustment is characterized as a 1.5 percent "minor adjustment" and a "shift of a small share" in the region, it represents a 10% increase in San Ramon's draft allocation and a 50% increase since the first draft allocation presented to the ABAG Executive Board in March 2012.

The adjustments are made, in part, under the premise of transit access. All of the six major recipients of additional units listed above have light and/or heavy rail stations within their jurisdiction **EXCEPT** San Ramon. San Ramon, like many other similarly-sized cities may provide transit access through express bus service and bus transit stations, but in no way do we provide the same level or type of transit, or access to transit as the other cities listed.

Additionally, the targeted communities for increased allocations are identified as “medium cities with high job growth.” No definition is provided in the report for what is considered a “medium city”, but one can assume that if San Ramon is considered medium-sized, numerous jurisdictions in addition to San Ramon should also be considered for adjustment:

<i>City</i>	<i>Housing Units (2010)</i>	<i>Employment (2010)</i>	<i>Employment Growth (%)</i>	<i>Rail/Mass Transit?</i>	<i>PDA?</i>
San Ramon	26,220	43,880	32%	No	Yes
City A	49,450	77,020	29%	Yes	Yes
City B	32,420	39,900	33%	Yes	Yes
City C	48,300	69,100	30%	Yes	Yes
City D	32,680	41,650	33%	Yes	Yes
City E	29,170	58,340	32%	Yes	Yes
City F	28,220	89,370	33%	Yes	Yes
City G	19,810	45,060	25%	Yes	Yes

Source: *Jobs-Housing Concentration Scenario, March 2012 and Plan Bay Area*

In the two tables above, all cities listed have similar employment growth rates to San Ramon’s projected 32% increase. One glaring difference again is that all cities listed have existing, functional and funded light and/or heavy rail **EXCEPT** San Ramon. We question why San Ramon is considered for an increase when other cities in similar size, housing unit, employment growth, AND with existing transit have not been considered for increased allocations. We also question why a city like Newark with an expected 41% and 32% increase in housing unit and employment growth, respectively, could merit a 7% allocation reduction while San Ramon is proposed to go up. As noted in the July 10<sup>th</sup> report, if high job growth and transit access is the primary criteria for increased allocations, San Ramon is not where increased allocations should be made.

If the focus of this year’s RHNA methodology is to implement the preferred Jobs/Housing Connection Scenario, other cities with significantly higher jobs/housing ratios should also be considered for growth concentration. San Ramon has made tremendous efforts to meet the past RHNA’s assigned to our jurisdiction. During the past 10 years, San Ramon added over 8,000 housing units to address the jobs/housing balance. In attached June 26<sup>th</sup> letter to the Board, we identified that San Ramon’s anticipated jobs/housing ratio will be 1.05 by 2030. We are a rare example of a community that is successfully addressing the regional need, but other cities, especially transit-rich and employment-rich communities should be asked to do more, if not the same.

Some make the argument that San Ramon should be content that their allocation is significantly lower than the previous cycles. However, we find these arguments do not take the comprehensive picture into view. The 3<sup>rd</sup> and 4<sup>th</sup> cycle RHNA assignments were made on very different methodologies and land use goals. If a sustainability component had been included with the last two cycles, San Ramon's allocations surely would have been much lower while cities with heavy transit infrastructure would have been assigned far more units.

Thank you again for the opportunity to comment on the draft RHNA Methodology. We ask that the Executive Board take San Ramon's comments into consideration at your July 19, 2012 and reject the Alternative Proposals as drafted, or as a worse-case alternative, adopt the Income Distribution only proposal. If you wish to discuss our comments further, please contact me by email at [pwong@sanramon.ca.gov](mailto:pwong@sanramon.ca.gov) or by telephone at 925-973-2565.

Sincerely,



Phil Wong  
Planning/Community Development Director

Attachment:

Comment letter to Ken Kirkey, dated June 26, 2012

Cc: City Council/City Manager  
Debbie Chamberlain, Planning Manager  
Cindy Yee, Associate Planner  
Ezra Rapport, ABAG Executive Director



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## CITY OF SAN RAMON

2222 CAMINO RAMON  
SAN RAMON, CALIFORNIA 94583  
PHONE: (925) 973-2500  
WEB SITE: [www.sanramon.ca.gov](http://www.sanramon.ca.gov)

---

June 26, 2012

Ken Kirkey, Director of Planning and Research  
Association of Bay Area Governments  
101 Eighth Street  
Oakland, CA 94607

**SUBJECT: Comments on the Association of Bay Area Governments (ABAG) 2014-2022  
Draft Regional Housing Needs Allocation (RHNA) Methodology**

Dear Ken:

Thank you for the opportunity to review and comment on the draft RHNA Methodology. The following comments have been prepared for inclusion in the public record in anticipation of the ABAG Executive Board meeting on July 19, 2012.

Overall, the City of San Ramon supports ABAG's and MTC's effort to bring a greater jobs/housing balance to the region. As you may be aware, San Ramon has made significant progress in the last decade to bring our community closer to reaching this regional goal. Between 2000 to 2008, the jobs/housing ratio moved significantly lower from 1.51 to 1.24 in the City of San Ramon. With the policies set forth in the newly adopted *San Ramon General Plan 2030*, including the designation of two Priority Development Areas (PDAs), it is anticipated that San Ramon will reach its goal of a 1.05 jobs/housing ratio by General Plan buildout in 2030. Additionally, the City's Air Quality and Greenhouse Gas Element and associated Climate Action Plan will ensure that the anticipated balanced growth will not conflict with the implementation of AB 32—the Global Warming Solutions Act of 2006.

In general, San Ramon finds the main components that make up the RHNA methodology acceptable with exception of the income allocation strategy and the transit factor used for non-PDA areas. Our understanding is that the income allocation strategy determines the difference between the regional proportion of households in an income category and a jurisdiction's proportion in that category. This difference is then multiplied by 175 percent in an effort to be more closely aligned a jurisdiction's income distribution with the region's distribution.

San Ramon's concern over the income allocation is the use of an overly-aggressive 175 percent multiplier. The choice of 175 percent appears to be arbitrary and comes with little explanation as to

why such a high value was selected. The primary justification provided in the previous housing cycle was a 175 percent adjustment made the most meaningful adjustment for jurisdictions that currently do not have a large supply of affordable housing. San Ramon questions why a 100 or 150 percent adjustment was not studied as an alternative for this cycle. Has ABAG analyzed the construction data since the factor's inclusion in 2009 to determine what impact this adjustment factor has had on creating more affordable units in affluent communities? Is there historical data that supports why an adjustment of 175 is ideal to reaching the stated objective?

The 175 percent income adjustment is unrealistically high and ultimately defeats the region's goal of meeting the housing needs in a sustainable and balanced approach. For example in San Ramon, our 2009 to 2014 below-market rate allocation is over 2,600 units which equals approximately 75 percent of our 3,463 total assigned units. It is impractical to expect that a community of less than 25,000 residential units (in 2008) could add 2,600 new "affordable" units in a 7.5 year span. By comparison, in communities with successful inclusionary housing ordinances where 25 percent of new development is reserved for below-market rate units, San Ramon will need to approve over 10,000 new units in 7.5 years to even come close to adding the requisite 2,600 affordable units in our community.

It appears this same flawed methodology is being repeated in the impending housing cycle. With yet another estimated allocation of over 75 percent of our draft RHNA as below-market rate units, the message that the regional agencies sends to our community is mixed: 1) San Ramon should plan for a much higher production of units beyond what we are allocated in order to reach our exorbitantly high allocation of affordable units, contrary to the region's sustainable land use goal, or 2) we will keep assigning an unrealistic RHNA, knowing that these allocations can never be met thus resigning the region to face an even greater shortage of housing units in 2023.

With regards to the fair-share component, San Ramon would encourage the Board to give more weight to the transit factor in non-PDA areas. Given the intent of SB 375 to more closely align land use and transportation planning, not enough emphasis is being made to allocate units to jurisdictions with no PDAs. By using a Jobs-Housing Connection Strategy and an income allocation component, this already heavily burdens jurisdictions that have a high employment base and lower percentage of affordable units to take a greater share of the region's allocation. If a community opted-out of establishing a PDA and also has a strong network of transit, this factor should carry more weight because jobs and affordability are already greatly emphasized in other components of the methodology.

The City of San Ramon encourages the Executive Board to take into consideration the above comments and decrease in the income adjustment percentage as well as weight the transit factor more heavily in non-PDA areas. If you have any questions regarding the information in this letter, please contact Cindy Yee, Associate Planner at (925) 973-2562 or via e-mail: [cyee@sanramon.ca.gov](mailto:cyee@sanramon.ca.gov).

June 26, 2012

Page 3

Sincerely,

  
Phil Wong  
Planning/Community Development Director

Cc: City Council/City Manager  
Debbie Chamberlain, Planning Manager  
Cindy Yee, Associate Planner

c12.045 Ken Kirkey ABAG RHNA 2014-2022 Draft Methodology Comment Letter



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SAN RAMON, CALIFORNIA 94583  
PHONE: (925) 973-2500  
WEB SITE: [www.sanramon.ca.gov](http://www.sanramon.ca.gov)

---

September 18, 2012

Ezra Rapport, Executive Director  
ABAG  
Joseph P. Bort Metro Center  
101 Eighth Street  
Oakland, CA 94607

**SUBJECT: Comments and Requests for Revisions to the Draft 2014-2022 Regional Housing Needs Allocation**

Dear Mr. Rapport:

The City of San Ramon is requesting revisions to the Draft Regional Housing Needs Allocation adopted by the Association of Bay Area Governments (ABAG) Executive Board on July 19, 2012. This letter is sent as a follow-up to two previous letters sent to the Executive Board on July 18, 2012 and to ABAG staff on June 26, 2012 regarding the draft RHNA methodology. In both letters, San Ramon detailed our continued concerns over the income adjustment formula and the singling out of San Ramon for additional allocations without merit. Our requests for revisions are based on the following comments:

- **Growth Concentration Adjustment Based on Transit Access.** In the July 10<sup>th</sup> Executive Board staff report, ABAG staff recommended a Growth Concentration adjustment to “strengthen a fair share distribution between large cities and medium cities with high job growth and transit access.” The adoption of the Growth Concentration adjustment resulted in increased allocations to six “major recipients” including a 10% increase in San Ramon’s Draft RHNA. The adjustment was made, in part, under the premise of transit access. As previously noted, all six major recipients of increased allocations have light and/or heavy rail stations within their jurisdiction **EXCEPT** San Ramon. San Ramon simply does not have the same level or type of transit, or access to transit as the other major recipients.
- **Growth Concentration Adjustment Based on High Job Growth.** The six targeted communities for increased allocations are identified as “medium cities with high job growth” however, no definition is provided for what constitutes a “medium city” or “high job growth”. If the point of RHNA is to allocate a **FAIR SHARE** of units, other jurisdictions

that fit the criteria of both medium city and high job growth should also be assigned a higher RHNA. A sample of seven other jurisdictions were identified in San Ramon's July 18<sup>th</sup> letter to the Executive Board where City size and employment growth matches San Ramon's. Additionally, San Ramon noted that of the cities included in the sample, all cities have existing, functional and funded light and/or heavy rail **EXCEPT** San Ramon. However, no such jurisdictions were subject to a double-digit percent increase in RHNA except San Ramon. If high job growth and transit access is the primary criteria for increased allocations, San Ramon is not where increased allocations should be made.

- **Jobs-Housing Balance in San Ramon.** San Ramon has made significant progress in the past two housing cycles to bring our community closer to reaching the regional goal of a balanced jobs/housing ratio. As demonstrated by our past RHNA performance (1999-2006), San Ramon built over 7,000 new units of which over 1,700 (24% of all units built) were below-market rate. San Ramon is committed to reaching a 1.05 jobs/housing ratio by General Plan buildout in 2030. We are a rare example of a community that is successfully addressing the regional need while other cities, especially transit-rich and employment-rich communities with ratios upward of 2.0 should be asked to do more.
- **Income Allocation Adjustment Factor.** San Ramon would like to reiterate our concern with the 175 percent income adjustment as unrealistically high. The draft RHNA calls for 1,073 (76%) of our total unit allocation to be very low- to moderate-income level housing units. This substantial percentage of affordable units is not feasible given the available tools to incentivize the construction of affordable housing as well as the recent elimination of our Redevelopment Agency. Artificially inflating the amount of affordable units to jurisdictions forces cities to zone for far more units than their assigned RHNA and mounts the pressure to build in areas contrary to the regional goals.

We ask for your consideration of San Ramon's comments and an adjustment of our allocation accordingly. If you wish to discuss our comments further, please contact me by email at [pwong@sanramon.ca.gov](mailto:pwong@sanramon.ca.gov) or by telephone at 925-973-2565.

Sincerely,

  
Phil Wong  
Planning/Community Development Director

Attachment:

Comment letter to Ken Kirkey, dated June 26, 2012

Comment letter to ABAG Executive Board, dated July 18, 2012

September 18, 2012

Page 3

Cc: San Ramon City Council/City Manager  
Miriam, Chion, ABAG Acting Director of Planning and Research  
Debbie Chamberlain, Planning Manager  
Cindy Yee, Associate Planner

c12.085 ABAG Executive Board ABAG RHNA 2014-2022 Draft Allocation Letter

# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



## 2014-2022 Regional Housing Need Assessment (RHNA) Appeal Request

All appeal requests must be received by ABAG February 18, 2013, 5 p.m. Late submissions will not be accepted.

Send requests to Gillian Adams, ABAG Regional Planner:

[GillianA@abag.ca.gov](mailto:GillianA@abag.ca.gov) or P.O. Box 2050, Oakland, CA 94604-2050

Date: February 6, 2013 Jurisdiction: City of Saratoga

Contact: James Lindsay Title: Community Development Director

Phone: (408) 868-1231 Email: jlindsay@saratoga.ca.us

APPEAL AUTHORIZED BY:  
Name: Jill Hunter Jill Hunter

PLEASE CHECK BELOW:  
 Mayor  Chair, County Board of Supervisors  
 City Manager  Chief Administrative Officer  
 Other: \_\_\_\_\_

### BASES FOR APPEAL [Government Code Section 65584.05(d)]\*

- Misapplication of RHNA Methodology
- Failure to Adequately Consider Information Submitted in the Survey Regarding RHNA Factors:
  - Existing or projected jobs-housing relationship
  - Sewer or water infrastructure constraints for additional development
  - Availability of land suitable for urban development or for conversion to residential use
  - Lands protected from urban development under existing federal or state programs
  - County policies to preserve prime agricultural land
  - Distribution of household growth assumed for purposes of comparable Regional Transportation Plan
  - Market demand for housing
  - County-city agreements to direct growth toward incorporated areas of county
  - Loss of units contained in assisted housing developments
  - High housing cost burdens
  - Housing needs of farmworkers
  - Housing needs generated by the presence of a university campus within a jurisdiction
- Significant and Unforeseen Change in Circumstances

### Brief Description of Basis for Appeal Request and Desired Outcome:

The City of Saratoga is requesting a 204 unit housing allocation for 2014-2022 with no change to the percentage of very-low, low, and moderate income units. Increasing the City's allocation by 150% over the fourth cycle allocation is not consistent with new state-wide goals to help reduce greenhouse gas emissions by planning for housing growth near public transit facilities and major employment centers. The City stated clearly in the response to the RHNA Factors survey that there are no significant existing or planned public transit or employment opportunities within the City.

### List of Supporting Documentation Included in Submittal:

1. Response to RHNA Factor Survey
2. RHNA Revision Request
3. Comments letters on the RHNA methodology

\*Per Government Code Section 65584.05(d), appeals to the draft RHNA can only be made by jurisdictions that have previously filed a revision request and do not accept the revision request findings made by ABAG.



Incorporated October 22, 1956

# CITY OF SARATOGA

13777 FRUITVALE AVENUE • SARATOGA, CALIFORNIA 95070 • (408) 868-1200

COUNCIL MEMBERS:

*Manny Cappello  
Jill Hunter  
Emily Lo  
Howard Miller  
Chuck Page*

November 7, 2012

Ezra Rapport  
ABAG Executive Director  
101 Eight Street  
Oakland, CA 94607

RE: 2014-2022 RHNA Revision Addenda

Dear Mr. Rapport:

This letter is an addendum to the City's revision request (enclosed) to the 438 units proposed in the draft 2014-2022 RHNA. We respectfully request an allocation of 204 units with no change to the percentage of very-low, low, and moderate income units. The draft RHNA proposed for Santa Clara County is 1,204 units less than the allocation in the previous housing cycle and five Santa Clara County cities with employment centers and good public transportation access also have lower allocations than the previous cycle. However, four cities with no employment centers and poor public transportation access have 150% higher allocations. While these allocations may technically follow the approved housing methodology, they are not consistent with the Government Code requirements that the allocations consider a jurisdiction's jobs / housing relationship (65584.04(d)(1)) and access to public transportation (65584.04(d)(3)). Significantly increasing housing units in outlying areas away from jobs and transit is not consistent with the goals of SB375 and will increase vehicle miles traveled and greenhouse gas emissions within the County. The enclosed table illustrates how the 59,134 units proposed for Santa Clara County can be redistributed to be more consistent with the sustainability goals of SB375.

With this addendum the City is also providing data from the Census Bureau which shows only 4,194 paid employees within Saratoga in 2010, whereas the employment modeling performed for the RHNA estimates 11,874 jobs in the City for the same time period. This estimate cannot be accurate given the limited amount of non-residential land within the City and that our top employer, West Valley Community College, employs less than 800 people and our second highest employer, Saratoga Union School District, only employs 220 people.

Your staff has been very accessible and helpful through the development of the methodology and more recently in helping navigate the revision / appeal process. We look forward to a favorable decision on our revision request.

Sincerely,

James Lindsay  
Community Development Director

Enc.

**POSSIBLE ALTERNATIVE 2014-2022 RHNA**

<b>Santa Clara County</b>	<b>2014-2022 RHNA (Draft)</b>	<b>2007 -2014 RHNA (Current)</b>	<b>RHNA Comparison</b>	<b>Comparison Ratio</b>
San Jose	34,929	34,721	208	1.01
Sunnyvale	5,978	4,426	1,552	1.35
Santa Clara	4,581	5,873	(1,292)	0.78
Milpitas	3,276	2,487	789	1.32
Mountain View	2,913	2,599	314	1.12
Palo Alto	2,231	2,860	(629)	0.78
Cupertino	913	1,170	(257)	0.78
Gilroy	1,195	1,615	(420)	0.74
Campbell	929	892	37	1.04
Morgan Hill	984	1,312	(328)	0.75
Los Gatos	618	562	56	1.10
Los Altos	222	317	(95)	0.70
<b>Saratoga</b>	<b>204</b>	<b>292</b>	<b>(88)</b>	<b>0.70</b>
Los Altos Hills	57	81	(24)	0.70
Monte Sereno	29	41	(12)	0.70
Unincorporated	77	1,090	(1,013)	0.07
<b>County Wide Totals</b>	<b>59,135</b>	<b>60,338</b>	<b>(1,203)</b>	<b>0.98</b>



CB1000CZ1

2010 County Business Patterns: ZIP Code Business Statistics: Total for Zip Code

2010 Business Patterns

**Table Name**

ZIP Code Business Statistics: Total for Zip Code: 2010

**Release Date/Status**

7/18/12 - Complete

**Key Table Information**

Beginning with reference year 2007, ZBP data are released using the Noise disclosure methodology to protect confidentiality. See Survey Methodology (<http://www.census.gov/econ/cbp/methodology.htm>) for complete information on the coverage and methodology of the ZIP Code Business Patterns data series.

**Universe**

The universe of this file is all operating establishments with one or more paid employees. This universe includes most establishments classified in the North American Industry Classification System (NAICS) Codes 11 through 813990. For specific exclusions and inclusions, see <http://www.census.gov/econ/cbp/intro.htm>.

**Geography Coverage**

The data are shown at the 5-digit ZIP Code level only.

**Industry Coverage**

The data are shown for NAICS code 00 (Total for all sectors) only.

**Data Items and Other Identifying Records**

This file contains data on the number of establishments, total employment, first quarter payroll and annual payroll.

**Sort Order**

Data are presented in ascending ZIP Code sequence.

**FTP Download**

Download the entire table at <http://www2.census.gov/econ2010/CB/sector00/CB1000CZ1.zip>

**Contact Information**

U.S. Census Bureau  
Economic Planning & Coordination Division  
Register Analysis Branch

Tel: (301)763-2580

Email: [epcd.county.business.patterns@census.gov](mailto:epcd.county.business.patterns@census.gov)

**Release Date: 7/18/12 | Status: Complete**

**NOTE:** Data based on the 2010 Zip Business Patterns. For information on confidentiality protection, nonsampling error, and definitions, see Survey Methodology.

Geographic area name	2007 North American Industry Classification System (NAICS) code	Meaning of 2007 North American Industry Classification System (NAICS) code	Year code	Number of establishments	Paid employees for pay period including March 12 (number)	First-quarter payroll (\$1,000)	Annual payroll (\$1,000)
ZIP 95070 (Saratoga, CA)	00	Total for all sectors	2010	711	4,194	36,359	167,332



Incorporated October 22, 1956

# CITY OF SARATOGA

13777 FRUITVALE AVENUE • SARATOGA, CALIFORNIA 95070 • (408) 868-1200

COUNCIL MEMBERS:

*Manny Cappello  
Jill Hunter  
Emily Lo  
Howard Miller  
Chuck Page*

September 18, 2012

Ezra Rapport  
ABAG Executive Director  
101 Eight Street  
Oakland, CA 94607

RE: Appeal of 2014-2022 Draft RHNA Allocation

Dear Mr. Rapport:

The City of Saratoga respectfully requests a reduction to the 438 units shown in the draft RHNA allocation for 2014-2022. The City's allocation is a direct result of the minimum housing floor within the fair share component of the final draft methodology. As stated in our previous comment letters, the minimum housing floor is clearly inconsistent with the overall objective of Government Code 65584 and Senate Bill 375 which is to better integrate land-use and transportation planning. Any significant housing growth in smaller bedroom communities that are not supported by employment centers or public transit would increase regional vehicle miles traveled and greenhouse gas emissions.

The past RHNA performance within the fair share component also penalizes smaller cities that have a lower number of affordable units permitted in the 1999 - 2006 cycle. Cities should be evaluated on the number of affordable units permitted as a percentage of the total units permitted in their jurisdiction. Affordable housing units are being built in smaller built-out cities and those cities should be acknowledged for that effort based on the performance of the local housing market and the total number of permits issued.

I look forward to working with your staff to discuss the reductions to Saratoga's 2014-2022 draft RHNA allocation.

Sincerely,

James Lindsay  
Community Development Director



# CITY OF SARATOGA

13777 FRUITVALE AVENUE • SARATOGA, CALIFORNIA 95070 • (408) 868-1200

COUNCIL MEMBERS:

*Manny Cappello  
Jill Hunter  
Emily Lo  
Howard Miller  
Chuck Page*

Incorporated October 22, 1956

June 05, 2012

Ken Kirkey  
ABAG Planning Director  
101 Eight Street  
Oakland, CA 94607

RE: Comments on the Draft RHNA Methodology

Dear Mr. Kirkey:

Thank you for sending the City of Saratoga the draft Regional Housing Need Allocation (RHNA) Methodology, which we received on May 30, 2012. Based on my review of the proposed methodology, I believe that it does not promote an improved relationship between jobs and housing. I also believe that it would not result in a housing distribution that maximizes the use of public transportation and existing transportation infrastructure.

The projected 60,606 units allocated to Santa Clara County would be very similar to the County's 2007 - 2014 allocation, yet some cities with large employment centers and convenient transit access would be allocated a much smaller number of units in 2014-2022. The draft methodology consequently burdens the smaller and built-out cities that have limited employment and transit opportunities with a much higher housing ratio, up to 1.5 times the 2007 - 2014 allocation.

	2014 - 2022 DRAFT RHNA	2007 - 2014 RHNA	Difference (units)
Santa Clara County	60,606	60,338	268
City of Santa Clara	3,812	5,873	(2,061)
Unincorporated	58	1,090	(1,032)
Palo Alto	2,192	2,860	(668)
Los Altos	476	317	159
Saratoga	438	292	146
Los Gatos	616	562	54
Los Altos Hills	122	81	41
Monte Sereno	62	41	21

The use of a minimum housing floor using 40% of household formation growth results in a housing allocation that is clearly inconsistent with the overall objective of Government Code 65584 and Senate Bill 375, to better integrate land-use and transportation planning. Any significant housing growth in smaller bedroom communities that are not supported by employment centers or public transit would increase regional vehicle miles traveled and greenhouse gas emissions.

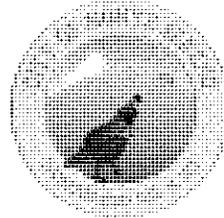
The draft proposed methodology also penalizes smaller cities that have a lower number of affordable units permitted in the 1999 - 2006 cycle. Cities should be evaluated on the number of affordable units permitted as a percentage of the total units permitted in their jurisdiction. Affordable housing units are being built in smaller built-out cities and those cities should be acknowledged for that effort based on the performance of the local housing market and the total number of permits issued.

I appreciate the opportunity to provide my perspective regarding the proposed methodology. Please include my comments in the feedback provided to the ABAG Executive Board at its July 19, 2012 meeting.

Sincerely,

A handwritten signature in blue ink that reads "Chuck Page". The signature is written in a cursive, flowing style with a large initial "C".

Chuck Page  
Mayor of Saratoga



March 28, 2012

Ken Kirkey  
ABAG Planning Director  
101 Eighth Street  
Oakland, CA 94607

RE: Draft Regional Housing Needs Allocation (RHNA) Methodology

Dear Mr. Kirkey:

The cities of Campbell, Cupertino, Town of Los Gatos, Monte Sereno, and Saratoga have developed a successful partnership over the years due to the many similarities between our jurisdictions. We are predominately built-out residential communities with fewer jobs and access to public transit than other cities within Santa Clara County. As a result, our residents have limited transportation choices and rely heavily on personal vehicles to commute to work. In addition, there are no planned transit extensions within our jurisdictions apart from the possible future 1.5 mile extension of VTA's Light Rail to Route 85 and Winchester Boulevard. Any modest increase in household growth, over what is already accounted for in our general plans, would increase carbon dioxide emissions through additional vehicle miles traveled.

One of the primary components of Senate Bill 375 is to link transportation and land-use planning through the Sustainable Communities Strategy (SCS) to reduce the region's carbon dioxide emissions from cars and light duty trucks. The primary strategy of the SCS is to build better access to mass transit and create housing proximity to jobs and services. This strategy would provide commuters more transportation choices and reduce vehicle miles they need to travel. In 2008, the Association of Bay Area Governments was the first coalition of governments in the State to connect the regional housing needs allocation (RHNA) to the type of focused-growth that is central to the SCS.

However, the Housing Methodology Committee (HMC) appears to be working against the progress ABAG has made by continuing to recommend a significant minimum housing distribution. This methodology gives more weight to a "fair share" distribution rather than sustainability factors that are more consistent with the objectives of SB 375.

We believe that the minimum fair share distribution threshold, currently proposed at 40% of household formation, should be eliminated. Our issue is not with the allocation of affordable units but with the minimum distribution of total housing growth. We believe it is important for all communities to include housing for a mix of income levels.

The table below, using recent information from the HMC, illustrates the impact of the fair share distribution over the sustainability factors.

	RHNA 2014 – 2022 (Housing Units)		2007-2014 RHNA (Housing Units)
	With Sustainability Factors	With 40% HH Formation / Fair Share	
<b>Campbell</b>	846	833	892
<b>Cupertino</b>	1,361	1,340	1,170
<b>Los Gatos</b>	477	613	562
<b>Monte Sereno</b>	48	80	41
<b>Saratoga</b>	261	584	292

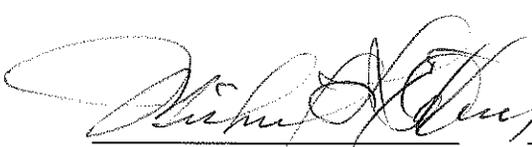
Source: HMC Draft RHNA Allocation 3/12/12

Cities within the region that have larger Priority Development Areas, which have access to current or future transit facilities, and are near major employment centers are being given priority in the distribution of grant funds over smaller built-out residential communities. These additional funds should help offset the infrastructure and service requirements of more housing and population where it is most needed.

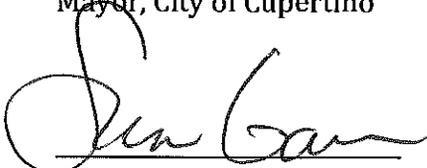
As Mayors representing the cities of Campbell, Cupertino, Town of Los Gatos, Monte Sereno, and Saratoga we request the ABAG Executive Board approve the RHNA Methodology with sustainability factors consistent with SB 375 but without a minimum housing threshold.

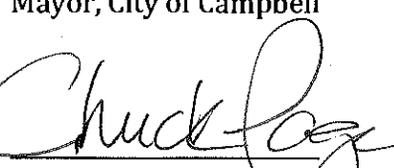
Sincerely,

  
 Mark Santoro  
 Mayor, City of Cupertino

  
 Michael Kotowski  
 Mayor, City of Campbell

  
 Steve Rice  
 Mayor, Town of Los Gatos

  
 Susan Garner  
 Mayor, City of Monte Sereno

  
 Chuck Page  
 Mayor, City of Saratoga



Incorporated October 22, 1956

# CITY OF SARATOGA

13777 FRUITVALE AVENUE • SARATOGA, CALIFORNIA 95070 • (408) 868-1200

COUNCIL MEMBERS:

*Manny Cappello  
Jill Hunter  
Emily Lo  
Howard Miller  
Chuck Page*

January 20, 2012

Ken Kirkey  
ABAG Planning Director  
101 Eighth Street  
Oakland, CA 94607

RE: Comments on the SCS Alternative Scenarios

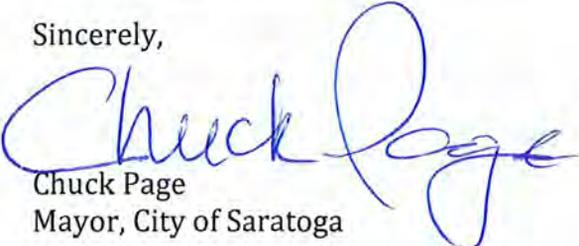
Mr. Kirkey:

Thank you for the continued opportunities for local governments to actively participate and comment on the creation of the Sustainable Communities Strategy (SCS). As Mayor of Saratoga, I fully support the objectives of Senate Bill (SB) 375 to decrease greenhouse gas emissions by reducing vehicle miles traveled (VMT) through the integration of land-use and transportation planning. It was my understanding that the development of the SCS would encourage a residential development pattern that would reduce VMT and the regional housing needs allocation (RHNA) produced by your staff would be consistent with that pattern. The result should be a substantial change from previous "fair share" housing methodologies that drove past allocations.

The SCS Alternative Scenarios show the City of Saratoga being allocated 2,250 housing units over the next 30 years (a 21% increase from our existing households). This has translated to a possible RHNA of up to 781 units being allocated to the City during the next Housing Element cycle. Our current RHNA for the 2007-2014 cycle is 292 units. Therefore, the work on the SCS appears to be driving up our future housing allocation by over 267%. This astronomical increase appears to be a result of ABAG's new policy to require jurisdictions to house 40% of household formation.

This minimum household growth policy is clearly inconsistent with the objectives of SB 375 to reduce VMT. The City of Saratoga is a built out bedroom community with a very small job base, no potential for significant job growth, and is poorly serviced by public transit. Any significant housing growth within the City of Saratoga would increase regional VMT and greenhouse gas emissions. I respectfully request ABAG fulfill the intent of SB 375 and produce an SCS that truly integrates land-use and transportation planning and eliminate the out dated "fair share" distribution policies.

Sincerely,

  
Chuck Page  
Mayor, City of Saratoga

# SCS Regional Housing Need Allocation Feedback

Jurisdiction: \_\_\_\_\_ Date: \_\_\_\_\_

Name of Person Filling Out Survey: \_\_\_\_\_

Title: \_\_\_\_\_

E-mail: \_\_\_\_\_ Phone: \_\_\_\_\_

As part of the Regional Housing Need Allocation (RHNA) process, ABAG is required to survey local governments for information on specific factors to be considered in developing the allocation methodology. By law, none of the information may be used as a basis for reducing the total housing need established for the region.

Please complete this survey for your jurisdiction. This form may be filled out using Adobe Acrobat or Adobe Acrobat Reader. If you have any questions, contact Hing Wong at [hingw@abag.ca.gov](mailto:hingw@abag.ca.gov) or (510) 464-7966. **Please send this survey back no later than February 10, 2012** via e-mail attachment to [hingw@abag.ca.gov](mailto:hingw@abag.ca.gov), fax to (510) 433-5566, or postal mail to P.O. Box 2050, Oakland, CA 94604. Thank you!

## RELATIONSHIP BETWEEN JOBS AND HOUSING

- (1) What is the existing and projected relationship between jobs within your jurisdiction and housing?

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- (2) What is the existing and projected relationship between jobs outside of your jurisdiction and housing?

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(3) What is the distribution of anticipated household growth, particularly as it relates to opportunities to maximize the use of public transportation and existing transportation infrastructure? The total shares should add up to 100 percent.

Priority Development Areas (PDAs): \_\_\_\_\_ %

Other parts of the jurisdiction near transit (within ½ mile of 20 minute service): \_\_\_\_\_ %

Other parts of the jurisdiction not near transit: \_\_\_\_\_ %

**OPPORTUNITIES AND CONSTRAINTS**

(4) Check off which areas include opportunities and/or constraints to the development of additional housing:

	Opportunities	Constraints	Explanation
Sewer Capacity	<input type="checkbox"/>	<input type="checkbox"/>	_____
Water Capacity	<input type="checkbox"/>	<input type="checkbox"/>	_____
Land Suitability	<input type="checkbox"/>	<input type="checkbox"/>	_____
Preserved Lands	<input type="checkbox"/>	<input type="checkbox"/>	_____
Schools	<input type="checkbox"/>	<input type="checkbox"/>	_____
Parks	<input type="checkbox"/>	<input type="checkbox"/>	_____
Public Services	<input type="checkbox"/>	<input type="checkbox"/>	_____

**DEMAND**

(5) How would you characterize the market demand for housing in your jurisdiction?

\_\_\_\_\_

\_\_\_\_\_

How would you characterize the demand for jobs in your jurisdiction?

\_\_\_\_\_

\_\_\_\_\_

(6) How do you expect the market demand for housing for your jurisdiction to change compared to the previous 10 years?

	Higher	Same	Lower
Within the next decade (2012-2022)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Beyond the next decade (2023-2040)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(7) Has there been a loss of affordable units contained in assisted housing developments in the last 10 years?

No

Yes      If yes, please explain:

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(8) Do you expect loss of affordable units contained in assisted housing developments in the next 10 years?

No

Yes      If yes, please explain:

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(9) Estimate the percent of households in your jurisdictions that confront a high-housing cost burden:

Spend more than 30% of total income on housing: \_\_\_\_\_ %

Spend more than 50% of total income on housing: \_\_\_\_\_ %

(10) Are there workers employed on farms in your jurisdiction?

No

Yes

(11) Is there a need for farmworker housing in your jurisdiction?

No

Yes      If yes, then explain:

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(12) What are the impacts of colleges and universities on your housing need?

High – major colleges within your jurisdiction

Medium – major colleges in adjoining jurisdictions

Low – major colleges not in the vicinity

**AGREEMENTS**

(13) What agreements, if any, are there in place between your county and the cities in your county which direct growth toward the incorporated or unincorporated areas of the county?

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**COMMENTS**

Are there any other factors you believe should be considered?

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# CITY OF SUNNYVALE

*The Heart of Silicon Valley*<sup>SM</sup>

456 WEST OLIVE AVENUE

SUNNYVALE, CALIFORNIA 94086

(408) 730-7480

February 15, 2013

ABAG Executive Board  
Appeals Subcommittee  
Attn: Mirion Chion, Interim Planning Director

**RE: Sunnyvale Appeal of Draft ABAG Regional Housing Needs Allocation (RHNA)**

The City respectfully submits the attached appeal of its 2014-2022 Draft RHNA due to ABAG's use of erroneous data in the formula used to calculate each jurisdiction's fair share of regional housing need. As mentioned in the City's September 18, 2012 request for revision letter, Sunnyvale is committed to doing our fair share of housing, and is an acknowledged leader with our housing programs. Sunnyvale has a decades-long track record of consistently having a certified housing element with adequate sites zoned and planned for residential development; providing assistance to numerous affordable housing developments; and implementing effective affordable housing policies such as inclusionary zoning, density bonus, and linkage fees. However, the City is concerned about our housing needs allocation for the following reasons:

- Staff was not adequately informed by ABAG during the Housing Methodology Committee and other technical committee review processes that ABAG was using dated and inaccurate data from a 2007 report which compiled unofficial staff estimates regarding local production of affordable housing units, when the official, most current data was available in most jurisdictions' adopted housing elements. Sunnyvale's housing element, adopted in 2009, as well as its annual progress reports submitted to HCD in subsequent years, included the correct numbers of very low and low income housing units produced during the 1999-2006 cycle. These reports and the housing element itself are prepared pursuant to state law specifically for the purpose of recording each jurisdiction's progress in meeting its objectives under state housing element law.
- ABAG reported that the City had only produced **10%** of its affordable unit allocation for 1999-2006, while in reality, as reported in the City's state-certified 2009 Housing Element, the City had produced **87%** of its allocation, a difference of **842 units**, as explained in detail in Attachment 3 to our appeal form.

We believe ABAG's failure to give the City credit for 842 new affordable units built during this timeframe constitutes a serious error, and a real injustice to the hard work and accomplishments of City residents, officials, and housing providers during the prior cycle. Furthermore, perpetuating this error by continuing to use this information in published reports, in data shared with regional transit agencies, advocacy groups, and others, harms the City by reducing its competitiveness for regional and statewide grants, and by including it among those cities that have not contributed their fair share of housing to the region. In fact the City is widely

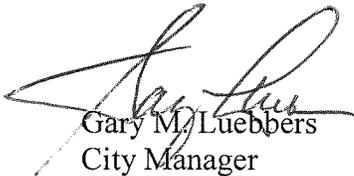
considered a regional leader in housing production, based on its long track record of accommodating a larger share of growth than many jurisdictions in the Bay Area, as evidenced by its rapid growth during the past several decades and its rise to become the fifth largest city in the Bay Area.

We respectfully request that ABAG staff recalculate Sunnyvale's "fair share" using the correct numbers as provided in our housing element. ABAG adjusted the RHNA to significantly reduce the allocations to San Jose, Newark and Oakland without any detailed explanation of the reasons for this adjustment, and without providing any real opportunity for advance review by the public or other jurisdictions. A number of smaller cities were adversely impacted by those reductions, including Sunnyvale, which received an additional 404 units, consisting of 240 very low income, 121 low income, and 157 moderate income units, (and an inexplicable decrease in above-moderate units) as a result of that adjustment. This is a very costly adjustment for Sunnyvale. We believe it would be highly inconsistent and extremely unfair to reject our appeal which is based on an error in applying the agreed-upon RHNA formula, which is a reasonable basis for appeal according to state law.

Given the very large number of factors used in the RHNA formula, we understand this correction may not result in a dramatic reduction in Sunnyvale's RHNA, and that is all the more reason why we feel it is a reasonable request and not likely to significantly impact other jurisdictions.

We urge you to give serious consideration to our request, and to grant our appeal.

Thank you,



Gary M. Luebbers  
City Manager

# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



## 2014-2022 Regional Housing Need Assessment (RHNA) Appeal Request

All appeal requests must be received by ABAG February 18, 2013, 5 p.m. Late submissions will not be accepted.

Send requests to Gillian Adams, ABAG Regional Planner:

GillianA@abag.ca.gov or P.O. Box 2050, Oakland, CA 94604-2050

Date: February 15, 2013 Jurisdiction: City of Sunnyvale  
Contact: Suzanne Ise Title: Housing Officer  
Phone: 408-730-7698 Email: sise@ci.sunnyvale.ca.us

### APPEAL AUTHORIZED BY:

Name: Gary J. Luebbers

### PLEASE CHECK BELOW:

- Mayor  Chair, County Board of Supervisors  
 City Manager  Chief Administrative Officer  
 Other: Hanson Hom, Community Development Director

### BASES FOR APPEAL [Government Code Section 65584.05(d)]\*

- Misapplication of RHNA Methodology
- Failure to Adequately Consider Information Submitted in the Survey Regarding RHNA Factors:
- Existing or projected jobs-housing relationship
  - Sewer or water infrastructure constraints for additional development
  - Availability of land suitable for urban development or for conversion to residential use
  - Lands protected from urban development under existing federal or state programs
  - County policies to preserve prime agricultural land
  - Distribution of household growth assumed for purposes of comparable Regional Transportation Plan
  - Market demand for housing
  - County-city agreements to direct growth toward incorporated areas of county
  - Loss of units contained in assisted housing developments
  - High housing cost burdens
  - Housing needs of farmworkers
  - Housing needs generated by the presence of a university campus within a jurisdiction
- Significant and Unforeseen Change in Circumstances

### Brief Description of Basis for Appeal Request and Desired Outcome:

City staff found out, after ABAG released the Draft RHNA, that ABAG had included erroneous data on the City's affordable housing performance during the 1999-2006 cycle. ABAG used data obtained from a 2007 report (Attachment 1) which stated that the City produced just 10% of its very low and low-income unit allocation for that cycle, while the City actually produced 87% of those units, as reported in its 2009 state-certified Housing Element (Attachment 2), the official record of the City's housing accomplishments for that period. This is a difference of 842 new affordable units. The City believes it would be highly inconsistent with state housing element law to deny the City's production of these units. Furthermore, not only does this error increase the City's new RHNA for the 2014-2022 cycle, but it severely reduces the City's competitiveness for OBAG grants, since VTA has insisted on using the same data ABAG used in the RHNA methodology on this factor, and is therefore scoring the City based on a 10% past performance rating, rather than the correct 87% rating. The City reiterates its prior request for revision: that ABAG correct the data in the new RHNA formula, and recalculate the City's RHNA based on the City's actual affordable unit production for that period. ABAG staff has repeatedly denied the City's request for this correction.

### List of Supporting Documentation Included in Submittal:

1. Page 39 of ABAG's 2007 Focus Report entitled "A Place to Call Home"
2. Pages 90-92 of City of Sunnyvale 2009-2014 Housing Element
3. Table comparing ABAG data (Item 1) with City of Sunnyvale data (Item 2) compiled by City staff

\*Per Government Code Section 65584.05(d), appeals to the draft RHNA can only be made by jurisdictions that have previously filed a revision request and do not accept the revision request findings made by ABAG.

## **List of Supporting Documentation**

**City of Sunnyvale  
2014-2022 RHNA Appeal to ABAG Executive Board  
February 15, 2013**

1. Page 39 of “A Place to Call Home” published by ABAG, 2007
2. Pages 90-92 of City of Sunnyvale 2009-2014 Housing Element, published by City of Sunnyvale, September 2009 (1999-2006 data provided on Table 46, p. 91).
3. Table comparing ABAG data with City of Sunnyvale data, compiled by City staff.

## **Attachment 1**

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	
<b>Santa Clara County*</b>													
Campbell <sup>a</sup>	165	23	14%	77	14	18%	214	98	46%	321	482	150%	617
Cupertino <sup>a</sup>	412	36	9%	198	12	6%	644	79	12%	1,466	1,212	83%	1,339
Gilroy <sup>a</sup>	906	189	21%	334	327	98%	1,030	425	41%	1,476	1,636	111%	2,577
Los Altos <sup>a</sup>	38	24	63%	20	16	80%	56	2	4%	147	705	480%	747
Los Altos Hills <sup>a</sup>	10	26	260%	5	6	120%	15	5	33%	53	195	368%	232
Los Gatos <sup>a</sup>	72	13	18%	35	73	209%	97	16	16%	198	505	255%	607
Milpitas <sup>a</sup>	698	524	75%	351	177	50%	1,146	464	40%	2,153	2,153	100%	3,318
Monte Sereno <sup>a</sup>	10	12	120%	5	7	140%	13	15	115%	48	59	123%	93
Morgan Hill <sup>a</sup>	455	258	57%	228	298	131%	615	313	51%	1,186	1,466	124%	2,335
Mountain View <sup>a</sup>	698	118	17%	331	5	2%	991	128	13%	1,403	1,233	88%	1,484
Palo Alto <sup>a</sup>	265	214	81%	116	130	112%	343	134	39%	673	1,955	290%	2,433
San Jose <sup>a</sup>	5,337	4,415	83%	2,364	3,886	164%	7,086	776	11%	11,327	18,184	161%	27,261
Santa Clara <sup>a</sup>	1,294	279	22%	590	479	81%	1,786	665	37%	2,669	3,340	125%	4,763
Saratoga <sup>a</sup>	75	60	80%	36	1	3%	108	108	100%	320	455	142%	624
Sunnyvale <sup>a</sup>	736	55	7%	361	57	16%	1,075	194	18%	1,664	1,861	112%	2,167
Unincorporated <sup>a</sup>	325	325	100%	158	158	100%	651	152	23%	312	786	252%	1,421
<b>Total</b>	<b>11,496</b>	<b>6,571</b>	<b>57%</b>	<b>5,209</b>	<b>5,646</b>	<b>108%</b>	<b>15,870</b>	<b>3,574</b>	<b>23%</b>	<b>25,416</b>	<b>36,227</b>	<b>143%</b>	<b>52,018</b>

\* Data was updated in August 2007, based on corrections to the permits issued by the City of Campbell.

## **Attachment 2**



## HOUSING PLAN

The prior sections of the Housing and Community Revitalization Sub-element establish the housing needs, opportunities and constraints in Sunnyvale. This final Housing Plan section begins by evaluating accomplishments under the City's adopted 2002 Sub-element and then presents Sunnyvale's goals, policies and programs for the 2009-2014 period.

### Evaluation of Accomplishments under the Adopted Housing and Community Revitalization Sub-element

Under State Housing Element law, communities are required to assess the achievements under their adopted housing programs as part of the five-year update to their housing elements. These results should be quantified where possible (e.g. the number of units rehabilitated), but may be qualitative where necessary (e.g. mitigation of governmental constraints). The results should then be compared with what was projected or planned in the earlier element. Where significant shortfalls exist between what was planned and what was achieved, the reasons for such differences must be discussed.

This section reviews the City's progress to date in implementing these housing programs and their continued appropriateness for the 2009-2014 Housing and Community Revitalization Sub-element. Table C-1 contained in Appendix C of the Element details the City's specific accomplishments under each of the prior Element's 89 program actions, and indicates the continued appropriateness of these actions in the updated Element. The discussion which follows draws from this analysis to highlight Sunnyvale's major housing accomplishments during the prior 1999-2006 planning period, followed by a review of the City's progress in meeting its overall quantified objectives for housing production, rehabilitation, and preservation. The results of these analyses provide the basis for developing the comprehensive housing program strategy for the 2009-2014 planning period.

Sunnyvale's major housing accomplishments during the 1999-2006 period include:

- Development of Moulton Plaza by Mid-Peninsula Housing Coalition, a 66 unit housing complex for lower income families located on the same site as Mid-Peninsula's Homestead Park complex. A common community building links the two properties.
- Development of 62 affordable BMR ownership units and 58 affordable BMR rental units. Revision of the BMR Ordinance in 2003 to increase the percentage of BMR units required, extend the term of affordability, and other program enhancements.
- Assistance to Christian Church Homes in acquiring, rehabilitating and preserving the 101 unit Plaza de las Flores as long term affordable housing.
- Provision of affordable housing density bonus incentives for development of Kensington Place Apartments (45 du/acre), and Encinal apartments (38 du/acre).
- Contribution of \$1.6 million to the Housing Trust Fund of Santa Clara County, providing leverage to support development of Moulton Plaza, preservation of Plaza de las Flores, and downpayment assistance loans to 88 households.



- Update of the Downtown Specific Plan (DSP), increasing permitted densities to an excess of 55 units/acre and providing for a net increase in 1,000 multi-family units. Entitlement of DSP Block 18 for mixed-use development, with 292 units under construction.
- Provision of increased residential densities near transit stops and along commercial corridors through rezonings in Truman/Fair Oaks, East Sunnyvale ITR, and El Camino, providing for over 1,500 units. Development of 671 residential units within ITR designated areas within the 1999-2006 planning period.
- Issuance of 145 single-family rehabilitation loans to lower income households, 18 paint loans and grants, and 173 Home Access Grants to owners and renters.
- Rehabilitation of 278 multi-family units in cooperation with non-profit owners: Homestead Park (211 units), Orchard Gardens (32 units), Eight Trees Apartments (24 units), Moulton Plaza (11 existing units).
- Establishment of the Neighborhood Enhancement Program, improving the physical condition of over 480 residential properties.
- Establishment of the Public School, City and Childcare Employees (HPCC) Program, providing homebuyer loans to 8 households, rental security deposits to 33 households, and City-sponsored homebuyer classes to hundreds.
- Provision of 49 Mortgage Credit Certificates to first-time buyers.
- Update of the Zoning Code to allow an administrative process for Accessory Living Units (ALU), facilitating the construction of 11 ALUs.
- Expansion of the E-Onestop to provide on-line permitting and zoning information
- Provision of funding support for special needs housing, including the 50 unit transitional Sobrato Family Living Center (located in Santa Clara), the 24 unit Eight Trees Apartments supportive housing project, and the 23 unit Stoney Pines Apartments for persons with developmental disabilities.
- Provision of ongoing rental assistance to over 600 extremely low and very low income households through the County-administered Section 8 program.

Table 46 summarizes the quantified objectives contained in Sunnyvale’s 1999-2006 Housing and Community Revitalization Sub-element, and compares the City’s progress in fulfilling these objectives.

**Table 46: Summary of Quantified Objectives**

Income Level	New Construction*		Rehabilitation**		Preservation***	
	Goal	Progress	Goal	Progress	Goal	Progress
Very Low	736	108	135	343		
Low	361	846	175	98	150	100
Moderate	1,075	692	100	n/a		
Above Moderate	1,664	1,338				
<b>Totals</b>	<b>3,836</b>	<b>2,984</b>	<b>410</b>	<b>441</b>	<b>150</b>	<b>100</b>

\* New construction goal reflects RHND for 1/1999-12/2006 period.

\*\* Rehabilitation progress reflects owner-occupied rehabilitation (145 units), paint loans/grants (18 units) and rental rehabilitation on non-profit owned projects: Homestead Park (211 units), Moulton Plaza (11 units), Orchard Gardens (32 units), Eight Trees Apartments (24 units)

\*\*\* Preservation progress refers transfer of ownership on Plaza las Flores (100 units) to a non-profit, and extension of affordability controls.



As illustrated in Table 46, based on review of residential building permits finalized between January 1999-December 2006, Sunnyvale fulfilled 78 percent of its total regional housing construction needs, or “RHNA”. However, given the nature of the real estate market in the Bay Area, housing to meet the needs of very low, low and moderate income households was not produced without public subsidy and/or incentive.

The City provided funding support for development of 108 very low income rental units during the planning period, including 55 new units in Moulton Plaza, 30 new units in Orchard Gardens, and 23 new units in Stoney Pine Apartments. Housing affordable to low income households was provided both through market rate apartments and restricted BMR units. As illustrated earlier in Table 23, market rate rents in Sunnyvale are well within the level of affordability to low income households; with 1,384 new apartment units developed during the period, staff conservatively estimates half of these (692 units) fall within low income rent thresholds. The eleven accessory living units developed during this period also provide rents within low income limits. Finally, Sunnyvale’s BMR ordinance provided 58 rental and 85 ownership units deed-restricted to low income households. Housing for moderate income households was primarily provided through development of market-rate apartments, although many condominiums developed during this period sold at prices near moderate income thresholds, with downpayment assistance providing affordability to these households.

In terms of housing rehabilitation, Sunnyvale exceeded its overall goal to assist 410 households, achieving the rehabilitation of 441 units. Over half of the City’s progress involved assisting non-profit owners in the rehabilitation of multi-family units, including the following projects: Homestead Park (211 units), Orchard Gardens (32 units), Eight Trees Apartments (24 units), Moulton Plaza (11 existing units). In addition, Sunnyvale provided 145 rehabilitation loans to single-family and mobilehome owners, and 18 paint loan and grants.

Finally, the City’s 2002 Housing Sub-element established a preservation goal of 150 units based on the use of County-issued Mortgage Revenue Bonds. While Mortgage Revenue Bonds were not used, the City worked with Christian Church Homes and the County to acquire, preserve and rehabilitate Plaza de las Flores, a 20 year old, 100-unit senior housing project, using CalHFA tax-exempt bond proceeds, HCD MHP funds, a new 20-year Section 8 Contract, City HOME and CDBG funds, and County Housing Trust funds. The nearly \$2 million renovation included building system modernization, accessibility, energy efficiency, and other improvements, and was completed without relocation.

## **Attachment 3**

**Sunnyvale Accomplishments in Past Cycle**

1999-2006 RHNA	Goal	New Units Permitted, as reported in:				Difference (SV - ABAG)
		ABAG's 2007 "Focus" Report		Sunnyvale's Adopted 2009 Housing Element		
		#	% of Goal	#	% of Goal	
Very Low	736	55	7%	108	15%	53
Low	361	57	16%	846	234%	789
Moderate	1,075	194	18%	692	64%	498
Above Moderate	1,664	1,861	112%	1,338	80%	(523)
<b>Total</b>	<b>3,836</b>	<b>2,167</b>	<b>56%</b>	<b>2,984</b>	<b>78%</b>	<b>817</b>
<i>Affordable Units Subtotal (VLI + LI)</i>	<i>1,097</i>	<i>112</i>	<i>10%</i>	<i>954</i>	<i>87%</i>	<i>842</i>