



TOWN OF LOS GATOS

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June 21, 2012

VIA First Class Mail

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

RE: Draft RHNA Methodology - Town of Los Gatos Comments

Dear Mr. Kirkey:

The Town of Los Gatos appreciates the opportunity to provide comments on the 2014-22 Draft RHNA methodology. The Town understands the challenge of developing a RHNA distribution methodology that the 101 Bay Area municipalities find equitable and acceptable. However, the Town continues to have a concern with the proposed minimum housing floor factor of the fair share component.

In March 2012, the West Valley Cities of Saratoga, Campbell, Cupertino, Monte Sereno, and the Town of Los Gatos sent you a letter outlining our concerns with the fair share distribution component of the ABAG RHNA methodology. The letter stated that the five agencies believe that 40% minimum household formation should be eliminated. The concern was not with the allocation of affordable units to our jurisdictions, but rather assigning a larger share of units in the 2014-22 cycle than in the previous 2007-14 cycle to the smaller Santa Clara County cities. These smaller cities are generally built-out and do not have sufficient vacant or under-developed land to meet the Priority Development Area (PDA) goals.

Although the proposed RHNA for Santa Clara County is approximately only 269 units more than the previous 2007-14 Cycle, there are a number of cities within the County that have identified PDAs, but have an overall lower amount of units allocated in the upcoming cycle. Pursuant to the Plan Bay Area, these PDAs are where new residential and job growth will be focused. For example, the Cities of Mountain View and Palo Alto both have PDAs, but their overall projected units are lower than in the previous cycle. This is compared to an increase in projected units for the Cities of Los Altos, Saratoga, Los Altos Hills, Monte Sereno and the Town of Los Gatos, which do not contain PDAs.



The 40% minimum housing floor factor contributes to this imbalance in the RHNA distribution, and the methodology appears to be inconsistent with the goals of the Sustainable Communities Strategy (SCS) and Plan Bay Area. Consistent with the SCS goals, the projected housing growth should be planned for the communities that are served by transit, are projecting employment growth, and will be eligible for the majority of transportation funding. These smaller bedroom communities do not possess these characteristics.

The Town of Los Gatos respectfully requests forwarding the Town's concerns to the ABAG Executive Board for its consideration during the review and approval of the final RHNA methodology on July 19, 2012.

Sincerely,

A handwritten signature in black ink, appearing to read 'Greg Larson', with a long horizontal flourish extending to the right.

GREG LARSON
Town Manager

GL:jj