



**CITY OF NEWARK, CALIFORNIA**

37101 Newark Boulevard • Newark, California 94560-3796 • (510) 578-4000 • FAX (510) 578-4306

June 25, 2012

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

RE: Regional Housing Needs Allocation Methodology

Dear Mr. Kirkey,

I am writing to convey Newark's concerns about the proposed Regional Housing Needs Allocation Methodology.

The proposed Regional Housing Needs Allocation (RHNA) methodology would assign massive and disproportionate increases in housing growth to our community. Newark is allocated 1,149 units, a 33% increase in housing units over the previous RHNA cycle -- a 52% increase in our share of regional housing.

This increased allocation is of particular concern because Newark has no fixed transit and minimal bus transit; and Newark's only proposed transit project has been deleted from infrastructure planning. In the "Plan Bay Area" Process, regional agencies removed the voter approved Dumbarton Rail Service from the infrastructure plan. Newark's 2,500 unit Dumbarton Transit Oriented Development (TOD) was to be served by the now deleted service. This disinvestment undermines our TOD and should have resulted in a massive **decrease** in our housing allocations in the SCS, however regional agencies ignored Newark's repeated objections and did not adjust the land use to reflect the infrastructure disinvestment.

As further evidence of the flaw in the SCS process and RHNA methodology, Newark's 33% increase is much higher than adjacent and similar cities that have substantial existing and proposed transit service:

- Fremont, which has an existing BART Station and an additional two stations planned has only a 13% increase in RHNA allocation.
- Milpitas with existing light rail and proposed BART station has its RHNA allocation increased by only 28%.
- Hayward with 2 BART stations RHNA allocation had only a 28% increase.
- Union City with a BART and a proposed Multimodal station has had their RHNA allocation **decreased** by 43%.

Given that SB 375 mandates connection between land use and infrastructure investment, the fact that housing allocations are increasing in Newark at the very time that transit investment is decreasing is clear evidence of a fundamental problem in the process. The reason for this error lies with a defective SCS process that, in direct contravention of SB 375, failed to adjust the land use allocations to reflect infrastructure changes. This issue should be no surprise to ABAG, since in our April 26, 2012 letter commenting on this error in the SCS we stated: "if the Dumbarton Rail Service is not recommended for inclusion in the RTP network, the allocation of housing in Newark **must** be dramatically reduced." ABAG and MTC chose to ignore our objections, and the defective SCS and this distorted RHNA allocation are the inevitable results. Since the proposed RHNA methodology relies upon the defective SCS land use assumptions, the RHNA methodology perpetuates the defective process. Unless modified, the proposed RHNA allocation process would perpetrate the errors of the SCS process and would be in conflict with State law.

Ideally the SCS process should be reevaluated to take the changes in infrastructure into account in the allocation of housing growth. While Newark will diligently pursue the goal of fixing the SCS error, we recognize that corrections are not likely at this stage in the process. Therefore we suggest that the RHNA Proposed Methodology be adjusted to address this issue to at least prevent its perpetuation.

#### **Proposed Modification of RHNA Methodology**

The methodology should contain a filter that assures that no community that has been subjected to significant transit disinvestment could have its RHNA allocation increased over the 2007-2014 levels. There is no simply justification for increasing the housing allocations to an area that is simultaneously having its only proposed fixed transit service defunded.

The reliance of your methodology on a defective SCS process has led to the assignment of massive growth to a community without effective transit. This outcome is unreasonable, illogical and is out of step with State legislation. Please make changes to the methodology that will result in a reasonable allocation of housing demand to Newark. I would be happy to meet with you to discuss potential solutions to this issue. We will also avail ourselves of your Revision and Appeals Process to address this issue. Thank you for your attention to this issue. If you wish to discuss this further please contact me by email at [Terrence.grindall@newark.org](mailto:Terrence.grindall@newark.org) or by telephone at 510-578-4208.

Sincerely,

  
Terrence Grindall  
Community Development Director

cc: John Becker, Newark City Manager, 37101 Newark Boulevard, Newark, CA 94560  
Doug Kimsey, Metropolitan Transportation Commission, 101 8<sup>th</sup> Street, Oakland, CA 94607