

SANTA CLARA CONFERENCE



June 28, 2012

Ken Kirkey, Director of Planning and Research
Association of Bay Area Governments
PO Box 2050
Oakland, CA 94604-2050

Sent via email: RHNA_Feedback@abag.ca.gov

RE: Regional Housing Needs Allocations (RHNA 2014-2022)

Dear Mr. Kirkey

Thank you for the May 17, 2012 memo regarding the 2014 RHNA methodology and ABAG staff's recommendations on the draft allocations. Although we are concerned with certain aspects of the recommendation at this time, we are preliminarily supportive of the RHNA share for the City of Santa Clara.

During past RHNA cycles, the City of Santa Clara has accepted and been committed to providing our RHNA fair share of housing. The City has demonstrated this commitment by introducing new housing opportunity areas in our City over the course of our 2010-2035 General Plan (adopted in November 2010). The General Plan includes hard fought victories for conversion of industrial lands to significant acreage of new residential and mixed-use neighborhoods, situated near the transit and job centers within the City. In addition, we consider ourselves to be a champion of affordable housing and are always seeking ways to improve our affordable housing policies and programs. The City's commitment to much needed housing remains strong despite not only the California State Legislature's action to terminate redevelopment agencies (2011), but also the State Court's decision in the Palmer v. City of Los Angeles (2009) case.

According to the draft allocations, between 2014 and 2022 the City is expected to plan for and provide 3,812 housing units. If the current economic cycle continues, City staff preliminarily believes this overall figure is realistically achievable by 2022.

However, the RHNA calls for 2,173 (57%) of those units within the City of Santa Clara to be very low- to moderate-income level housing units. This substantial percentage of affordable housing is not feasible to attain given the current development tools at the City's disposal. Simply stated, State level legislative and judicial actions have substantially undermined or eliminated our primary affordable housing development incentives and mechanisms. While we still have the ability to require 10% of all new housing development to be affordable on the ownership side, this will not be enough to achieve 2,173 units by 2022, nor can ownership housing realistically achieve the goal for income levels below 90-100 percent of median income. Based on this, we contend that the 2014 RHNA affordable allocations are not reflective of the inability of local jurisdictions to now regulate or finance the

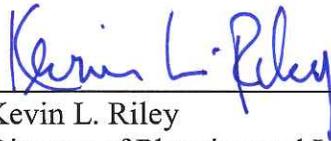
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development of affordable housing, unless the State can make suitable and concurrent regulatory and/or funding commitments to help local agencies support affordable home development.

Santa Clara recognizes the City's obligation to help solve regional problems at the local level, and have actively undertaken programs to proactively address them through the 2010-2035 General Plan. We appreciate the opportunity to comment on the draft RHNA methodology under consideration and respectfully ask that these comments be seriously considered.

Should you have any questions, please do not hesitate to contact Steve Lynch, City Planner, directly at (408) 615-2452 or slynch@santaclaraca.gov. We respectfully submit these comments, and ask that they be seriously considered.

Thank you.



Kevin L. Riley
Director of Planning and Inspections

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cc: Mayor and Council
Jennifer Sparacino, City Manager
Jeff Pederson, Housing Division Manager