# Tri-Valley Cities

## DANVILLE • LIVERMORE • PLEASANTON • SAN RAMON

November 17, 2020

Mayor Jesse Arreguin, President
Executive Board, Association of Bay Area Governments
375 Beale Street, Suite 700
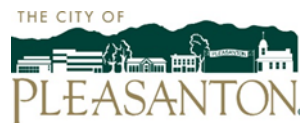San Francisco, CA 94105

Dear Mayor Arreguin:

On behalf of the Tri-Valley Cities of Danville, Livermore, Pleasanton and San Ramon, we once again want to express our appreciation for ABAG's work on the 6th Cycle RHNA process, and to develop a methodology that appropriately and fairly distributes the 441,176 unit RHND recently allocated to the Bay Area by the State Department of Housing and Community Development (HCD).

On October 15, 2020, the ABAG Executive Board voted to support the Housing Methodology Committee's recommended methodology "Option 8A" and to forward it for public review in advance of submittal to the State Department of Housing and Community Development. The methodology utilizes the "Plan Bay Area 2050 Future Households" Baseline; and applies a series of Factors that adjust the Baseline allocation, with a strong equity focus ("Access to High Opportunity Areas"), and secondarily, jobs proximity, with the greatest weight given to jobs accessible by auto.

Prior to the October public hearing, on October 8, 2020 the Tri-Valley Cities submitted a letter expressing significant concerns with the proposed methodology, particularly that it would have several negative outcomes in terms of its resultant distribution of housing growth, inconsistent with Plan Bay Area and key regional planning goals. We are writing to reiterate those prior concerns, which were echoed in a similar letter from the Alameda County Mayor's Association and were also expressed by a number of ABAG Executive Board members and speakers at the October 15 hearing.

For Option 8A, these include housing allocations to Santa Clara County that fall far short of those projected in Plan Bay Area, and that fail to match the explosive jobs growth in the County over the past decade. And, significantly, we conclude the RHNA distribution resulting from Option 8A will work against key regional planning goals, including those to address GHG emissions by placing housing near jobs and transit centers, instead driving growth outwards, perpetuating sprawl and inefficient growth patterns.

As result, we would urge the Executive Board to consider an Alternative Methodology that 1) Uses the 2050 Household Growth Baseline; and 2) makes additional refinements to the Factors to allow for greater emphasis on transit and jobs access, while still maintaining an equity focus.

**Impacts of HMC Recommended Methodology**

As noted in our prior correspondence, the proposed Baseline would significantly under allocate new housing to Santa Clara County, resulting in significantly higher allocations to other counties. This means that the methodology fails to adequately address the significant jobs-housing imbalance in Santa Clara County caused by its recent extraordinary jobs growth. In contrast to Plan Bay Area, which anticipates a 42% increase in housing growth in Santa Clara, the methodology assigns only 32% of the RHND there. This amounts to over 40,000 units allocated elsewhere in the region – most problematically, to our outer suburbs, small cities, and rural and unincorporated county areas.

The Contra Costa letter highlights some of the inequitable and unrealistic distributions to smaller cities across the region. In Danville, here in the Tri-Valley, the difference would amount to over 1,800 units, a more than 700% difference from the 2050 Growth Baseline. Similarly, large disparities are seen in other small cities.

Although the HMC's Option 8A provides an emphasis on equity and fair housing that is vitally important, we believe the unintended consequences of the growth patterns dictated by Option 8A may actually work against equity goals by:

- o Inadequately addressing jobs-housing imbalances in the region requiring people to travel long distances from where they live to where they work.

- o Driving growth from cities that want and need new housing to serve their communities and support their local economies.

- o Underemphasizing transit access, thus increasing auto reliance for daily commutes and activities – at a significant economic, social and environmental cost to those residents.

**Recommended Alternative Baseline and Factors**

As previously requested, and similar to the approach advocated by Contra Costa County and others at the Executive Board's October public hearing, we would urge the Executive Board to consider an Alternative to Option 8A, that shifts to use the "Plan Bay Area 2050 Growth" Baseline. We would also seek further refinements to the Factors as follows:
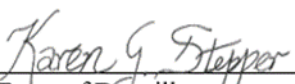
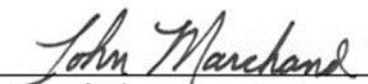|  | **HMC Option 8A** | **Proposed Alternative Methodology** |
|---|---|---|
| **Baseline** | Plan Bay Area 2050 Households | Plan Bay Area 2050 Growth |
| **Factors and Weighting** |  |  |
| **Very-Low and Low Income Units** | <ul><li>70 % Access to High Opportunity Areas</li><li>15 % Jobs Proximity – Auto</li><li>15 % Jobs Proximity - Transit</li></ul> | <ul><li>60 % Access to High Opportunity Areas</li><li>20 % Jobs Proximity – Auto</li><li>20 % Jobs Proximity - Transit</li></ul> |
| **Moderate and Above Moderate Income Units** | <ul><li>40 % Access to High Opportunity Areas</li><li>60 % Jobs Proximity Auto</li></ul> | <ul><li>20 % Access to High Opportunity Areas</li><li>40 % Jobs Proximity - Auto</li><li>40 % Jobs Proximity - Transit</li></ul> |

Together, these changes would have the following beneficial outcomes for the region, each of which would improve its consistency with Plan Bay Area:
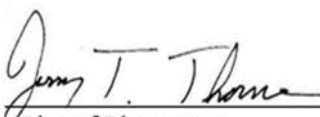
- **Increased share of RHNA to the "Big Three" cities and inner Bay Area**, and a corresponding decrease in that assigned to the outer Bay Area, unincorporated, and small and rural communities by approximately 30,000 units. This will ensure that that the largest share of housing growth is allocated to the region's biggest job centers, in areas well-served by transit and infrastructure.

- **Reduced allocation to unincorporated county areas by over 10,500 units** – avoiding further residential growth pressures in areas most subject to natural hazards, lack of infrastructure capacity, and threatened loss of agricultural and open space land.

- **Alignment of the share of housing growth in Santa Clara County to match Plan Bay Area 2050 and the County's significant jobs growth of the past decade**. Santa Clara, home of some of the region's largest tech firms, has the largest numeric deficit in housing production to jobs production over the past decade, which could be corrected in part by this adjustment.

We appreciate the opportunity to bring forward this Alternative Methodology, and request that the Executive Board be provided an opportunity to duly consider this alternative in their forthcoming deliberations on the RHNA Methodology.

Respectfully,


Town of Danville
Mayor Karen Stepper

City of Livermore
Mayor John Marchand

City of Pleasanton
Mayor Jerry Thorne

City of San Ramon
Mayor Bill Clarkson

Attachments:
1. Summary of Representative Jurisdiction-Specific Allocations, Modified Methodology