



November 18, 2020

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

RE: Comments on Implications of the new Bay Area “RHNA” and Support for Option 8A RHNA Methodology using the Plan Bay Area 2050 Households Baseline with the Equity Adjustment

Dear President Arreguín and ABAG Executive Board,

The Council of Community Housing Organizations is a coalition of 23 affordable housing developers and advocates in San Francisco. We are also part of the regional Six Wins for Social Equity Network. CCHO Co-Director Fernando Martí was an appointed member of ABAG’s Housing Methodology Committee for the RHNA Update process.

CCHO strongly supports ABAG’s proposed RHNA methodology, known as the “High Opportunity Areas Emphasis & Job Proximity” methodology (“Option 8A”), using the Plan Bay Area 2050 Households baseline, with an equity adjustment.

While no methodology is perfect, Option 8A represents a sound compromise from the ABAG Housing Methodology Committee. ABAG adopted the Committee’s recommendation due to its strong performance on the statutory objectives of RHNA. A clear majority of the Housing Methodology Committee also supported an equity adjustment. The HMC met every month for a whole year, diving deep into the technical details of all the possible factors and metrics of evaluation and making compromises along the way. This was a significant investment. We urge you to continue to respect the integrity of this process and move forward with the Committee’s recommendation, with the equity adjustment. We strongly urge ABAG to reject alternatives, such as changing the baseline, that perform worse on the statutory objectives’ performance metrics.

The “Access to High Opportunity Areas” factor allocates more homes in jurisdictions with quality jobs, adequately-resourced schools, and minimal pollution. This will require jurisdictions that have mostly zoned for single-family homes to now zone for multi-family housing to meet the very low- and low-income allocations.

Furthermore, at the Housing Methodology Committee’s final meeting on September 18, more than half of the committee supported an equity adjustment to ensure that each exclusive jurisdiction receives a share of the region’s very low and low-income allocations that is at least proportional to the jurisdiction’s share of the region’s total number of households. Many members of the ABAG Executive

Board also stated at the October 15th hearing that meeting the statutory objectives of RHNA and advancing racial equity were critical and worthy of potential improvements to the methodology.

The purpose of the RHNA is to ensure every city and county does its fair share to accommodate the region's housing growth over 8 years. The last RHNA cycle perpetuated patterns of racial segregation, allocating a greater share to the big three cities, far above the regional share of households, and allocating a far lower share to the suburbs. Now is the time to adopt a RHNA that will ensure inclusivity and prosperity for everyone -- by combating racial segregation.

That said, **there are significant concerns with implications of this new Bay Area RHNA for urban gentrifying communities** that we must not forget in the shadow of this current wrangling over methodology options. Without acknowledging Sensitive Communities at the local level, which has now been definitely analyzed by UC Berkeley's Urban Displacement Project (sensitivecommunities.org) and the potential consequences of SB35 by-right market-rate development exacerbating land costs in gentrifying communities, we may see regional segregation and displacement increasing at a faster rate than the region is able to open new opportunities in some high-opportunity areas. This would be a perverse outcome of the RHNA Update that no amount of methodological tweaking at the ABAG level could mitigate nor through local housing element updates which have even less influence on these numbers handed down by The State. The potential threats to low-income and communities of color vulnerable to gentrification and economic and racial displacement from the paired implications of SB35 and SB828 as they were designed in the State Legislature cannot be overstated as we go forward.

For the moment, this decision on adopting Option 8A will play a significant role in how our region moves forward out of this pandemic and into a more equitable future. We need every jurisdiction in the region to do its fair share in meeting the region's housing needs, helping to remove barriers to housing choice for people of color. These two issues, opening opportunities in high-resource areas and combatting regional displacement and segregation, will help our Bay Area residents choose their home based on their needs, preferences, and access to resources, not their racial or economic background.

Sincerely,

A handwritten signature in blue ink that reads "Fernando Martí". The signature is written in a cursive style with a long horizontal line extending to the right.

Fernando Martí
Co-Director, Council of Community Housing Organizations
Member, Housing Methodology Committee of ABAG