



*"Small Town Atmosphere,
Outstanding Quality of Life"*

January 19, 2020

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

Dear Mayor Arreguin and members of the Executive Board:

On January 21, 2021, you will be asked to recommend transmittal of ABAG's proposed RHNA methodology to the State Department of Housing and Community Development for review.

The Town has forwarded letters previously listing several significant concerns regarding the methodology. To date, these concerns have not been addressed. As a result, the Town would like to reiterate our concerns at this time:

1. Insufficient evidence to demonstrate consistency with Plan Bay Area 2050 Draft Blueprint, the Bay Area's long-range transportation, housing, economic and environmental plan.

SB 375 requires that the RHNA is consistent with the Sustainable Communities Strategy. In other words, consistency between the 2023-2031 RHNA and the Plan Bay Area 2050 Draft Blueprint (PBA 2050) is statutorily required. Page 13 of ABAG's RHNA methodology report concludes that the two documents are consistent since the 8-year RHNAs do not exceed the 35-year (2015-2050) growth forecasts for sub-regions in the Bay Area.

This conclusion is flawed on several levels. First, the 35-year forecast period is more than four times the length of the 8-year RHNA time horizon. It is unreasonable to conclude that a RHNA can be deemed consistent with the SCS if it presumes a sub-regional growth rate that is four times higher than the forecast for that area. It is also unreasonable to presume that a community can condense and assimilate housing growth that is projected over a 35-year period into a much shorter period of time.

Second, and more importantly, there is no way to evaluate consistency without jurisdiction-level forecasts. Consistency at a sub-regional level is meaningless, as

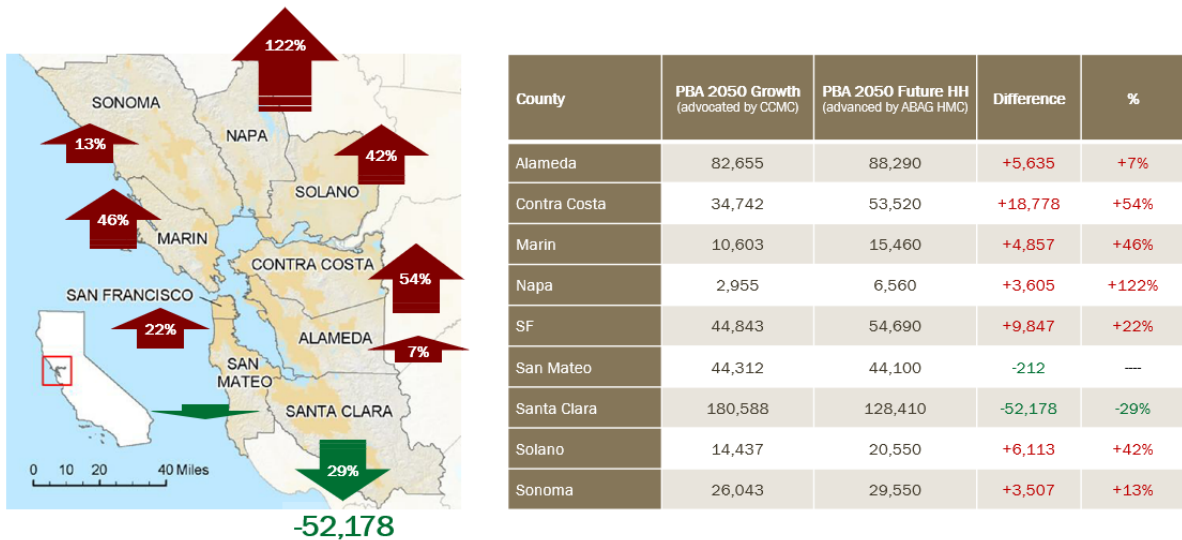
sub-regions do not have the authority to write, adopt, or implement Housing Elements. This responsibility rests with cities and counties alone. Sub-regions contain jurisdictions with vastly different populations, employment bases, geographies, hazard levels, and physical constraints. Lumping dissimilar cities together as sub-regions in PBA 2050, and then assigning growth at the city-level through the RHNA process, makes it impossible to determine consistency between the two processes.

We urge ABAG to publish jurisdiction-level forecasts for PBA 2050 so that consistency can be accurately and transparently determined. If the 2040 forecasts are used as a proxy, the RHNA appears grossly inconsistent with the forecasts for many jurisdictions, including our own.

For Danville, 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.

2. **The Plan Bay Area 2050 *Future Households* Baseline promotes suburban sprawl by allocating a disproportionate number of housing units to the region’s urban fringes away from the major job centers, furthering the historic pattern of jobs-housing imbalance.**

Figure A. Impact of switching to the 2050 Future Households Baseline from the 2050 Growth Baseline.



Furthermore, this baseline **reduces** housing assignment in the western and southern subregions of the Bay Area that has historically under-produced housing, at the expense of subregions that have historically been the region’s housing supplier. Under the Draft RHNA, the housing allocation to Santa Clara County fails to match the explosive jobs growth in that County over the past decade. This under allocation of new housing to Santa Clara County results in

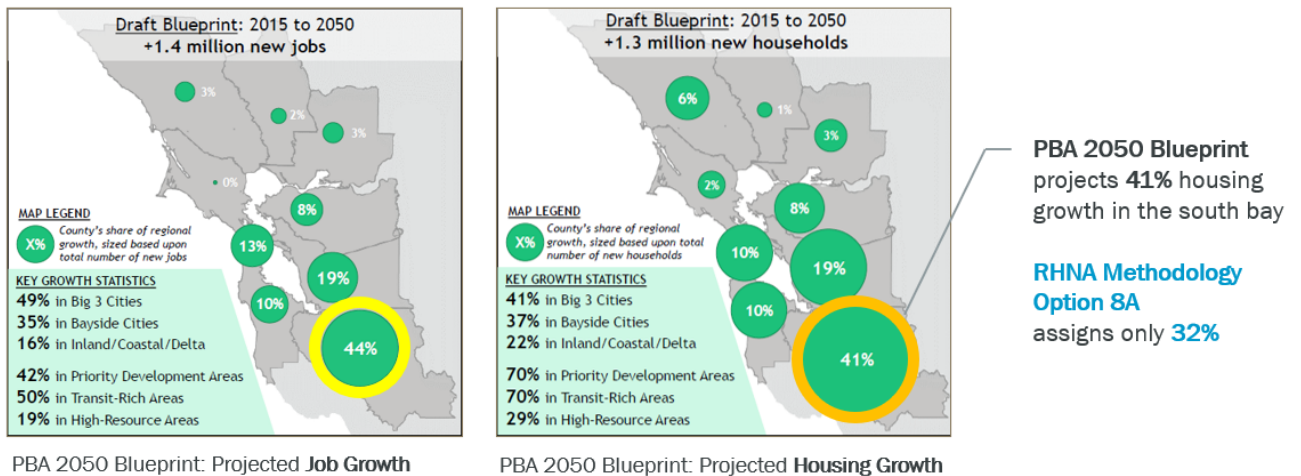
significantly higher allocations to other counties and fails to adequately address the significant jobs-housing imbalance in Santa Clara County.

Figure B. Job Growth in the Bay Area between 2010 to 2016, as documented by ABAG.



This conflicts with Plan Bay Area 2050 (PBA 2050), which anticipates a 42% increase in housing growth in Santa Clara while the methodology assigns only 32% of the RHND there. This amounts to over 40,000 units allocated elsewhere in the region – most problematically, to outer suburbs, small cities, and rural and unincorporated county areas.

Figure C. Job Growth in the Bay Area between 2010 to 2016, as documented by ABAG



3. **The proposed RHNA methodology is inconsistent with State mandates to reduce Vehicle Miles Traveled (VMT) and greenhouse gas (GHG) emissions, improve air and water quality, preserve agricultural land, and focus development away from areas with high wildfire risks.**

As result of the lack of jobs-housing balance, the Draft RHNA will work against key regional planning goals and State mandates including those to address VMT and GHG emissions by perpetuating sprawl and inefficient growth patterns.

The housing distribution under the Draft RHNA conflicts with the requirements of SB 743, which requires use of the VMT standard when evaluating potential environmental impacts of a proposed development under CEQA. The Legislative Intent of SB 743 is to: encourage infill development; improve public health through active transportation; and reduce GHG emissions. Placing the housing in the urban fringes of the Bay Area, away from job centers and transportation hubs, will increase, not reduce, VMT. As a result, review of proposed housing developments under CEQA will not meet established VMT Thresholds of Significance and will result in potentially significant environmental impacts that cannot be easily mitigated.

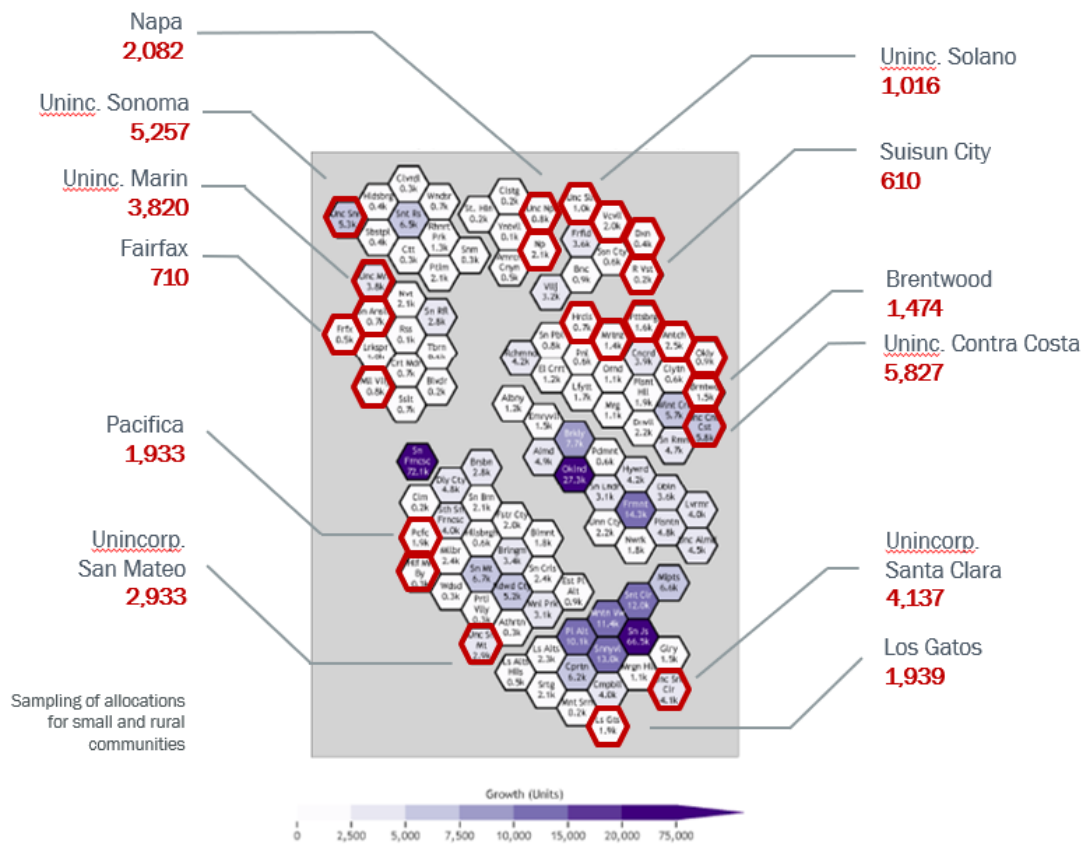
The Draft RHNA also conflicts with the GHG reduction requirements under AB 32, SB 32, and AB 197. These laws require that the State limit GHG emissions so that emission levels in 2030 do not exceed 1990 levels. Based on Plan Bay Area's housing and job projections, and emphasis on housing-jobs balance and transit-oriented housing, the plan would still fall short of GHG emission reduction goals by approximately ten percent by 2025. The Draft RHNA's departure from prioritizing housing-jobs balance and transit-oriented housing will lead the region and the State further from achieving these GHG emission requirements.

This impact is amplified for the Town of Danville as the community is not projected to add a significant number of new jobs over the next 35 years and Danville has limited bus service and limited access to mass transit options.

4. The proposed RHNA methodology directs growth to cities and unincorporated county areas with limited to no develop-able land, restricted open space areas, land outside of voter-approved urban growth boundaries, areas that lack mass transit, and natural hazard constraints.

Sampling of Impacted Jurisdictions	PBA 2050 <i>Growth</i> Methodology (Proposed Altern)	PBA 2050 <i>Future Households</i> (HMC Option 8A)	Difference	% Change
Santa Clara County				
Los Gatos	142	1,430	+1,288	+907%
Monte Sereno	3	140	+137	+4,567%
Mountain View	12,377	7,810	-4,567	-37%
Palo Alto	11,127	6,810	-4,317	-39%
San Jose	100,155	67,240	-32,915	-33%
Santa Clara	14,285	9,630	-4,655	-33%
Sunnyvale	12,025	9,980	-2,045	-17%
Alameda County				
Albany	355	930	+575	+162%
Piedmont	60	430	+370	+617%
Unincorporated	1,638	5,950	+4,312	+263%
Contra Costa County				
Danville	223	1,820	+1,597	+716%
Hercules	411	1,060	+649	+158%
Martinez	311	1,670	+1,359	+437%
Unincorporated	2,588	7,310	+4,722	+182%
Marin County				
Fairfax	215	460	+245	+114%
Mill Valley	27	710	+683	+2530%
San Anselmo	202	670	+468	+232%
San Mateo County				
Atherton	30	280	+250	+833%
Hillsborough	116	470	+354	+305%
Pacifica	199	1,580	+1,381	+694%
Portola Valley	3	200	+197	+6,567%
Solano County				
Benicia	258	1,270	+1,012	+392%

Dixon	209	690	+481	+230%
Rio Vista	84	420	+336	+400%
Suisun City	298	1,070	+772	+259%
Vacaville	1,056	3,650	+2,594	+246%
Vallejo	2,117	5,250	+3,133	+148%
Sonoma County				
Sonoma	184	620	+436	+237%
Unincorporated	6,893	9,080	+2,187	+32%



5. While the Draft RHNA provides an emphasis on equity and fair housing which is vitally important, we believe the unintended consequences of the growth patterns dictated by Option 8A may actually work against equity goals by:
- Inadequately addressing jobs-housing imbalances in the region requiring people to travel long distances from where they live to where they work.
 - Prioritizing housing growth away from cities that want and need new housing

to serve their communities and support their local economies.

- Underemphasizing transit access, thus increasing auto reliance for daily commutes and activities – at a significant economic, social and environmental cost to those residents.
- Allocating a disproportionate number of housing units to communities such as Danville that are largely built out, with little undeveloped or under-developed lands, would result in the need to re-designate lands for housing which already contain viable and hi value developments. In terms of economics, this makes these lands un-likely to redevelop regardless of the change in land use designation, especially when multiple properties would need to be aggregated to create a viable site. These lands would carry a high land cost, and any resulting re-development would result in housing units that would be far from affordable without significant subsidies. Adopting a RHNA that more equitably assigns units to under-developed urban areas would result in timely re-development addressing the States critical housing shortage.

Please do not hesitate to contact me if you have questions or would like to discuss this letter further.

Sincerely,
TOWN OF DANVILLE

A handwritten signature in blue ink, appearing to read "Renee S. Morgan". The signature is fluid and cursive, with the first name "Renee" being the most prominent.

Renee S. Morgan, Mayor