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Association of Bay Area Governments
Metropolitan Transportation Commission
375 Beale Street, Suite 700
San Francisco, CA 94105-2066

VIA email: info@bayareametro.gov

Subject: January 21, 2021 Agenda item 11.b.: Draft RHNA Methodology

On behalf of the City of Concord, please accept this letter of opposition to the proposed allocation methodology for the 2023-2031 Regional Housing Needs Allocation (RHNA).

As stated in Mayor Tim McGallian's letter dated November 24, 2020, we reiterate our appreciation to both the Housing Methodology Committee (HMC) and ABAG staff for their year-long effort of developing, preparing and considering RHNA methodologies. The work completed by staff to provide the HMC with detailed analysis to further informed decision-making was thorough and admirable considering the time constraints.

The City of Concord acknowledges that the ABAG Executive Board voted to support the Modified High Opportunity Areas Emphasis ("Option 6A") methodology at the October 15, 2020 meeting. At that meeting, the Executive Board considered a number of methodologies, each crafted from a combination of a variety of weighted "factors." As the Bay Area region continues to face a housing supply emergency, the preferred methodology supported by a majority of the Executive Board poses a significant concern to the City of Concord and other jurisdictions.

Since that time, the Regional Planning Committee (RPC) considered the Draft RHNA Methodology and Final Subregional shares following the closure of the public comment period on the Draft RHNA Methodology. During the public comment period on the Draft RHNA Methodology, ABAG also completed the Plan Bay Area (PBA) 2050 Final Blueprint, which was released on December 18, 2020. The PBA 2050 Final Blueprint included refinements to the draft document based on additional data gathered by ABAG staff, public comments received, and revised strategies and growth geographies that were adopted by the ABAG Executive Board in September 2020. The Draft RHNA Methodology incorporates future year 2050 households data from the PBA 2050 Final Blueprint, which results in changes to RHNA allocations for local jurisdictions.

At the January 14, 2021 meeting, the RPC forwarded a recommendation to the ABAG Executive Board to support the Draft RHNA Methodology Option 8A (the option recommended by the Housing Methodology Committee/RPC, and approved by ABAG Exec Board) with the refinements to the 2050 household data from Plan Bay Area 2050 Final Blueprint and with the Equity Adjustment (this was not recommended by the Housing Methodology Committee/RPC and was not approved by the ABAG

Executive Board). The Equity Adjustment would impose a “floor” for the number of very low-income and low-income units assigned to 49 jurisdictions identified as exhibiting above average racial and economic exclusion. The Housing Methodology Committee, ABAG Planning Regional Committee, and ABAG Executive Board previously rejected the Equity Adjustment because it added to the complexity of the RHNA methodology with only minimal impacts on the resulting allocations.

While we have only recently found that the result of the RPC’s recommendation will reduce the City of Concord’s draft allocation by 48 units, we continue to consider either methodology to be problematic and neither will result in the greatest opportunity to increase housing supply or address critical issues facing the region. The following are a summary of concerns that inform the City of Concord’s opposition:

1. **Weighting the allocation on “high opportunity areas.”** The methodology initially discussed by the Executive Board includes factors that will drive the allocation of units to “high opportunity areas,” rather than to urbanized areas where the vast majority of jobs have been created. As provided in methodology 6A, “high opportunity areas” could include areas with significant infrastructure constraints, greenfield development, poor proximity to transit, and areas that have been previously developed with lower-density residential uses. The constraints that exist in many of these areas will not result in the actual production of residential units, thereby potentially intensifying the ongoing deficit of supply.
2. **Failure to comply with RHNA statutory objective to “Improve intraregional jobs-housing relationship.”** As previously stated in written and oral testimony, areas with the largest job growth from 2010-2016 have not produced their fair share of housing units in the region and the disparity between jobs and housing in some of the region’s communities is drastic and overtly inequitable. The City of Concord, being the city with the largest share of job generation in Contra Costa County, has also acknowledged a need for and has planned to accommodate production of its fair share of housing units.

A weighted allocation methodology that increases development pressures on suburban, exurban and rural areas is simply not consistent with the statutory objective of the RHNA process to *“improve the intraregional jobs-housing relationship.”*

3. **Lack of compliance with AB 32 and SB 375 by furthering sprawl.** Weighting the allocation methodology so heavily on “high opportunity areas” will simply exacerbate and encourage development in areas that do not have the carrying capacity to increase density, or will further inequities by causing lower-income households to increase commute times traveling from outlying exurban areas to job centers, which is contrary to the mandates of AB 32 and SB 375, whereby the State of California is required to reduce its greenhouse gas (GHG) emissions. In certain areas where significant environmental and infrastructure constraints such as a lack of viable water supply and sewer service exist, housing units will simply not be constructed due to the costs associated with impact mitigation.

Further, this level of focus on “high opportunity areas” is in conflict with the statutory objectives of RHNA, including *“Promoting infill development and socioeconomic equity.”*

4. **Negative impact on quality-of-life and transportation systems.** An allocation methodology that results in more units assigned to suburban, exurban and rural areas such as eastern Contra Costa County, unincorporated Solano, Napa and Sonoma Counties and southern Santa Clara County will exacerbate long commute times on overtaxed transportation systems, degrade quality of life and strength of community as workers spend more time away from their homes and families.

In summary, the City of Concord recognizes the critical need to address a statewide housing supply crisis, currently estimated to be a deficit of 3.5 million units. The acute nature of this shortfall requires cities and counties to reduce barriers and streamline processes to remove constraints and focus on high-quality, inclusive residential development of all types. We believe in factors that:

- a. **Allocate housing growth near job centers.** ABAG’s own analysis shows a clear indication that certain areas of job growth did not produce accordant level of residential development, by a significant margin, from 2010-2016. Allocating residential units to areas that have enjoyed significant job growth will reduce long commutes, and reduces GHG emissions and impact on already-taxed transportation systems. Increasing the number of units allocated to areas of significant job growth, such as urbanized areas of Santa Clara County, will provide additional opportunities for those that are working in lower-paying jobs – such as retail and service industries – to live closer to their employment.
- b. **Discourage housing growth in suburban, exurban and rural communities** where physical, environmental and infrastructure constraints are more likely to exist, as these areas are least likely to produce the needed housing units during the RHNA reporting period.
- c. **Sprawl negatively impacts health, environmental quality, quality-of-life, and strong, connected communities.** In increasing the weight of “high-opportunity areas” for a greater share of housing unit allocation, the practical outcome will result in an increase in development pressure on the outer fringes of the Bay Area region, where land is generally less expensive. Job generation, however, continues to be centered in San Francisco, Oakland, and urbanized areas of San Mateo and Santa Clara Counties. Reliance on this methodology will exacerbate sprawl into outlying areas – resulting in the region not meeting State-mandated GHG reductions – and continue to impact the health and quality-of-life of the workforce required to commute to job centers.

In consideration of the aforementioned factors, the City of Concord opposes the methodologies presented to the ABAG Executive Board at the January 21, 2021 meeting. Additional analysis of the final methodology will be needed to understand the local, sub-regional and regional impacts of the final allocation.

Sincerely,



Andrea Ouse, AICP
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City of Concord

CC: Concord City Council
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