





September 15, 2020

## **OVERNIGHT DELIVERY**

Mayor Jesse Arreguín, President ABAG Executive Board Association of Bay Area Governments 375 Beale Street, Suite 700 San Francisco, CA 94105-2066

REGEOVED SEP 21 2020

**EXECUTIVE DIRECTOR'S OFFICE** 

Re: RHNA BASELINE DATA METHODOLOGY

Dear ABAG Executive Board President Arreguín:

On behalf of the San Pablo City Council, please find enclosed City Council Resolution No. #2020-117 adopted on September 8, 2020 which supports the "Plan Bay Area 2050" as the baseline data for RHNA methodology (See Attachment).

The City of San Pablo wishes to convey our tremendous appreciation for the ABAG's Housing Methodology Committee's (HMC) work on the formidable task of evaluating housing allocation methodologies for the next Regional Housing Needs Allocation (RHNA) cycle (2023-2031). We appreciate the HMC's consideration of our input to date and our support for utilizing the "Plan Bay Area 2050" as the baseline data methodology for the Contra Costa County region.

We understand that the HMC is now considering options (a combination of different "factors") that would refine the housing allocation methodology. To this end, we are writing to express grave concern that some of the options proposed for consideration - **Option 5A** ("High Opportunity Areas & Jobs") and **Option 6A** ("Modified High Opportunity Areas Emphasis") - are **rife with unintended consequences.** Specifically:

1. These methodologies allocate housing growth to "high opportunity areas" (suburban communities) rather than to urbanized city centers with a wealth of transit options and high-quality jobs. Doing so would **exacerbate the jobs/housing imbalance**:

Mayor Jesse Arreguín, President ABAG Executive Board Association of Bay Area Governments page 2



Figure 1. Existing Jobs/Housing Imbalance (source: ABAG)

- Allocating housing growth to suburban communities ignores market demand for housing in urbanized city centers with high-quality jobs. If the collective goal is to facilitate housing construction, then we strongly advocate for housing to be allocated where there is market demand.
- 3. Allocating housing growth to small communities with limited land capacity or "high opportunity areas" **ignores land economics**. Legislating up-zoning to accommodate multi-family housing simply drives up the value of land, which in turn drives up the cost of housing construction and can result in displacement of existing affordable housing stock.

For San Pablo, which is just 2.4 sq. miles in size, the options proposed for consideration - **Option 5A** ("High Opportunity Areas & Jobs") and **Option 6A** ("Modified High Opportunity Areas Emphasis") would exacerbate displacement of existing low-income housing for lower income wage earners if the City is required to meet unattainable RHNA Housing Allocations Thresholds under these scenarios.

- 4. Allocating housing growth communities at the interface with urban growth boundaries and green fields would place development pressures on undeveloped agricultural lands. It would be contrary to prioritizing in-fill development and avoiding areas with natural hazards, and would promote urban sprawl.
- 5. Lastly, allocating growth farther from quality job centers **exacerbates the staggering commutes on workers**, placing an undue burden on working families.

In summary, San Pablo recognizes the critical need to address a statewide housing affordability crisis and the responsibility of local cities to help address this issue that is critical to the quality of life for all residents. We believe in – and urge the Executive Board to consider - factors that:

a. **Allocate housing growth near job centers** (i.e., achieve a greater balance between the "jobs" and "housing" bars in the graphic on page 1). This reduces long commutes and allows development of a strong social/community fabric.

Mayor Jesse Arreguín, President ABAG Executive Board Association of Bay Area Governments page 3

- b. **Discourage housing growth near green fields and protected open space**, reducing development pressure at the urban growth boundaries.
- c. **Discourage housing growth in small and rural communities** with limited land capacity, to avoid driving up land development costs and building near natural hazards.

In conclusion, as you and the ABAG Executive Board work in conjunction with ABAG's HMC regarding the RHNA Baseline Methodology options, we respectfully urge your formal consideration in recognizing the "Plan Bay Area 2050" as the baseline data for RHNA Methodology that is the most attainable and is supported by the City of San Pablo, and unanimously by all the Mayors of the Contra Costa County region of local cities.

With tremendous appreciation for your Bay Area regional work, we thank you for your time and consideration.

Sincerely.

Arturo M. Cruz, Mayor City of San Pablo

CC:

San Pablo City Council

City Manager

Assistant City Manager

Community & Economic Development Director

Attachment: (1) CC Resolution #2020-117 (Adopted 09/08/20)

## **RESOLUTION 2020-117**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO SUPPORTING THE CONTRA COSTA COUNTY JURISDICTIONS' SUPPORT FOR THE 'PLAN BAY AREA 2050' REGIONAL HOUSING NEEDS ALLOCATION METHODOLOGY THAT MATCHES HOUSING ASSIGNMENTS PROXIMATE TO JOB CENTERS

WHEREAS, the Contra Costa County Jurisdictions' recognize and respect the local needs and character of each community, and have a shared interest in maintaining local control of decision-making related to all aspects of the management of each jurisdiction, including but not limited to financial, land use and development, and growth-related matters;

WHEREAS, in June 2020, the California Department of Housing and Community Development (HCD) determined that the San Francisco Bay region must plan to accommodate 441,176 housing units over the upcoming 8-year housing element cycle (2022-2030);

WHEREAS, according to Association of Bay Area Governments (ABAG), this represents a 135% increase from the previous housing element assignment;

WHEREAS, ABAG has formed a Housing Methodology Committee (HMC) that is charged with evaluating and making a recommendation on how these housing units would be allocated to the Bay Area's 101 cities and nine counties;

WHEREAS, at a very high level, the HMC is considering a variety of options and factors for allocating housing units;

WHEREAS, selecting a 'baseline data' methodology has the greatest impact on Contra Costa communities by ensuring that there is a match between housing assignments and job centers;

WHEREAS, the Contra Costa Mayors Conference at their August 6, 2020 meeting discussed and unanimously supported the 'Plan Bay Area 2050 Baseline Data Methodology';

WHEREAS, the Contra Costa Mayors Conference sent a letter of support for the 'Plan Bay Area 2050 Baseline Data Methodology' on August 7, 2020;

NOW, THEREFORE BE IT RESOLVED THAT THE SAN PABLO CITY COUNCIL DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER THE FOLLOWING:

 Re-affirm the Contra Costa Mayors' Conference letter of support dated August 7, 2020 for the support for the 'Plan Bay Area 2050 Baseline Data Methodology' which is consistent with decades-long region-wide efforts to:

Resolution 2020-117 Page 1

- Encourage housing development proximate to job centers, which would in turn
- Reduce transit and transportation congestion, helping to alleviate long regionwide commute times
- Reduce greenhouse gas emissions, consistent with AB 32, SB 375 and the Metropolitan Transportation Commission's (MTC) Plan Bay Area 2050 policy framework.

BE IT FURTHER RESOLVED that the foregoing recitations are true and correct and are included herein by reference as findings.

\*\*\*\*\*\*

ADOPTED this 8<sup>th</sup> day of September, 2020, by the following vote:

AYES:

COUNCILMEMBERS:

Kinney, Pineda, Xavier and Cruz

NOES:

COUNCILMEMBERS:

None

ABSENT:

COUNCILMEMBERS:

Pabon-Alvarado

ABSTAIN:

COUNCILMEMBERS:

None

ATTEST:

APPROVED:

/s/ LaTanya Fisher

LaTanya Fisher, Acting Deputy City Clerk

/s/ Arturo M. Cruz

Arturo M. Cruz, Mayor