

October 15, 2020

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

RE: Recommended RHNA Methodology Option 8A

Dear Chair Arreguin and Members of the Executive Board:

We would like to thank the ABAG leadership and staff for your hard work and dedication over the course of the past year through the Housing Methodology Committee (HMC) process. We submit this letter in support of the recommended Regional Housing Needs Allocation (RHNA) methodology Option 8A. Notably, 27 of the HMC members voted to recommend Option 8A, and only 4 voted against the recommendation. Similarly, the majority of the ABAG Regional Planning Committee (RPC) members voted to recommend Option 8A to the ABAG Executive Board.

The members of the HMC represented different jurisdictions and sectors from all across the nine Bay Area counties. In arriving at the recommendation of Option 8A, the HMC members evaluated and considered many options, factors, the weighting of the factors, and baselines. The HMC process, though complicated, was extremely thorough and has resulted in a recommended methodology that is both equitable and advances the region's most important goals and objectives. Further, because Option 8A advances the statutory objectives of RHNA, we believe Option 8A is a strong methodology to submit to the California Department of Housing and Community Development (HCD) for approval. More specifically, Option 8A:

- Allows for an equitable distribution of housing growth throughout the region
- Reduces vehicle miles traveled
- Performs very well in reducing GHG emissions
- Allows for consistency between RHNA and Plan Bay Area 2050 (PBA 2050)
- Delivers high-quality housing across the full range of affordability levels in high-opportunity, jobs and service-rich areas across the region
- Advances the RHNA Statutory Objectives, as follows:

RHNA Statutory Objectives	Option 8A
1. Increasing the housing supply and mix of housing types, tenure, and affordability	✓
2. Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns	✓
3. Promoting an improved intraregional relationship between jobs and housing	✓
4. Balancing disproportionate household income distributions	✓
5. Affirmatively furthering fair housing	✓

Additionally, using PBA 2050 Total Households as the baseline was decided by the HMC after consideration of different baseline options. Changing the baseline at this stage would significantly impact other considerations that go into selecting a methodology and would require another in-depth analysis and review by staff and the HMC. The methodology is a complicated system involving not only the baseline; to start pulling one item out would dismantle all of it.

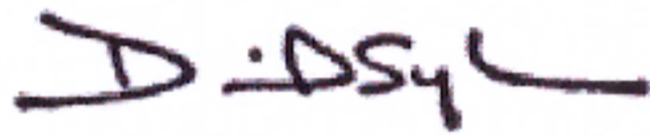
Finally, the total allocation for our region is 441,176, and Santa Clara County again will have the largest share with option 8A. Option 8 assigns Santa Clara County the highest rate of growth in the Bay Area and as demonstrated below, it is one of only a few jurisdictions where its share of the RHNA allocation would exceed its share of Bay Area Households. We, however, accept this methodology because it is a regional approach to a regional problem, and each jurisdiction was asked to look beyond their borders in developing a methodology for the region.

Bay Area County	Share of 2023 – 2031 RHNA Cycle	Share of Bay Area Households (2019)
Alameda	19%	21%
Contra Costa	10%	14%
Marin	3%	4%
Napa	1%	2%
San Francisco	16%	13%
San Mateo	11%	10%
Santa Clara	33%	24%
Solano	3%	5%
Sonoma	4%	7%

Recommended Option 8A RHNA Methodology
October 15, 2020
Page 3 of 3

Accordingly, we strongly urge the ABAG Executive Board to support moving forward with Option 8A as the methodology. It reflects the full collaborative process of the HMC and is a good compromise that advances the nine-county Bay Area's goals for a more equitable, sustainable, and affordable region. Considering the investment in time and resources that the region as a whole has made through the HMC process, we believe that it would be a grave mistake to now introduce new options that are not the product of careful consideration, vetting, analysis, and cross-jurisdictional collaboration. To also put aside a year's worth of work by the HMC would be counter to ABAG and the HMC's commitment to collaboration. Thank you for your support throughout the year and for your leadership.

Sincerely,

A handwritten signature in black ink that reads "D. Sykes". The signature is stylized with a large "D" and a long horizontal line extending to the right.

David Sykes
City Manager

Cc: ABAG Executive Board