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

RE: DRAFT RHNA METHODOLOGY

Dear Board President Arreguín:

On behalf of the City of Mill Valley, please accept our comments related to the proposed Regional Housing Needs Allocation (RHNA) methodology recommended by the RHNA Housing Methodology Committee (HMC). Please consider these comments in advance of the October 15, 2020 ABAG Executive Board meeting where the recommended methodology will be discussed.

The City of Mill Valley appreciates the efforts and dedication of the diverse stakeholder group of HMC members over the last year in attempting to make a collective recommendation regarding the appropriate distribution of 441,000 new housing units within the region and understands the urgency and challenge of addressing regional policy goals related to housing affordability, climate change and equity in this RHNA cycle. Unfortunately, the methodology recommended by the HMC allocates new housing units to areas that lack adequate transportation infrastructure, away from existing and future job centers, and into areas at risk of wildfire and sea level rise. As a result, the recommended methodology and resulting RHNA, if indeed intended to set realistic quotas for housing growth regionally, will not only fail to meet the Bay Area's total regional housing need, but will threaten our region's ability to grow sustainably into the future.

With that, the ABAG Executive Board should direct staff to conduct additional review and further explore of the following items as part of finalizing the RHNA Methodology.

- 1) **Household Growth**. Consider modifying the Household Growth approach based on guidance received from the Contra Costa County Mayors Conference dated October 2, 2020. From our understanding, this approach was not considered by the methodology Committee and warrants more investigation. We support further review of "Modified Option 8A" as presented by the Contra Costa County of Mayors.
- 2) Roadway Access and Fire Hazard Areas. Protecting Bay Area citizens from hazardous conditions, such as fire danger, should be included in the RHNA criteria. Collect more information and consider topographical constraints of the region and consider FEMA and high fire severity zones in the RHNA Methodology in order to accurately address development constraints.

Emergency access and fire safety are of great concern for residents living in these hillsides as well as the general community. Of the 6,539 parcels in Mill Valley, approximately 60% (3,865) are located in the Wildland Urban Interface and 33% (2,183) are located in the Very High Fire Severity Zone. These areas also represent largely sloped areas with roadways less than 20' wide. These lots are developed parcels zoned as Single-Family-rightfully so, as they pose little opportunity for any other type of development due to limited access. Another 306 parcels are in the FEMA Floodway where the building footprint cannot be expanded. These local site conditions need to be recognized as part of the process. Almost 65% of the City's parcels which are already developed are in a high fire zone with limited access or FEMA Floodway that prohibits changes to an existing parcel's footprint. There needs to be a better understanding of these local site conditions allow and the acknowledgement that there is little opportunity for growth and development in these areas.

3) Acknowledge COVID and Changing Conditions in Commercial Business Zones. There should be some acknowledgement of changing conditions—the economy, housing market and working conditions based on COVID. The region's commercial and business zones are not what they once were due changes in consumerism/retail (pre-COVID) as well as new economic conditions and working remotely from home. Remote work from home is becoming a new business model that should be further explored. Former commercial and business zones may provide a new housing opportunities through mixed use development, or even converting existing office buildings into housing units. Document the vacancy rate of commercial buildings in the region to help identify such potential. Conversion of office space could potentially provide the same housing opportunities that have come about through the State's Accessory Dwelling Unit program.

We would like to acknowledge the work of the Committee and the importance of addressing the current and future housing needs of the Bay Area. With that being said, the City of Mill Valley continues to do its part through the implementation of various programs contained in its Housing Element and has successfully worked to meet its regional housing goals to date. Most recently, the City just launched a home sharing program. This may include JADUs but it also just be a roommate in a home. While these new housing starts may not necessarily be documented in the "RHNA" process, the City recognizes the potential opportunity to provide additional housing within the existing built environment.

In short, we hope ABAG provides the overall policy guidance that will foster creativity and innovative solutions to address Bay Area housing needs while also acknowledging local topographical conditions such as FEMA Floodway and Fire Severity Zones that limit growth.

Sincerely,

Sashi McEntee Mayor of Mill Valley

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