

Fred Castro

From: Fernando Marti [REDACTED]
Sent: Monday, August 31, 2020 2:02 PM
To: Daniel Saver; Dave Vautin; Eli Kaplan; Gillian Adams; Aksel Olsen;
[REDACTED]
Rodney Nickens Jr; Carlos Romero; Jeffrey Levin; Fred Castro
Subject: Proposed Amendments to RHNA Evaluative Criteria Metric 5b
Attachments: AFFH Eval Criteria Proposal_8.31.20.pdf; AFFH Eval Criteria Proposal Data.xlsx

External Email

Dear ABAG Staff and Consultants,

As members of the Regional Housing Needs Allocation (RHNA) Housing Methodology Committee (HMC), we want to thank you for moving us forward on this complex process.

As requested by staff at the August 28 HMC meeting, and following from the analysis in our letter to the HMC dated August 25, we are attaching a proposal to amend the Affirmatively Furthering Fair Housing (AFFH) evaluative criteria 5b.

We believe the AFFH evaluative metric 5b presented at the August 28 HMC meeting does not sufficiently identify areas of long-standing racial and socioeconomic exclusion nor does it ensure these jurisdictions receive appropriate and equitable allocations. We propose adjusting Metric 5b to more accurately capture the extent of exclusion in the region and ensure exclusionary jurisdictions are allocated their fair share.

We would appreciate it if this letter can be shared with all HMC members and the public, so that the HMC has the opportunity to discuss and decide on the evaluation metrics and their application, prior to making a final decision on the criteria as a whole or on the methodology formula itself.

Thank you,

Fernando Martí, Carlos Romero, Jeff Levin, and Rodney Nickens Jr. (HMC members)

(note we may have additional signatories coming tonight)

Fernando Martí, *Co-Director*
Council of Community Housing Organizations

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NOTE I am generally not in the office on Fridays.

Pronouns: he, him

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August 31, 2020

Dear ABAG Staff and Consultants,

Thank you for the opportunity to present our proposal to amend the AFFH evaluative criteria before the HMC votes on the criteria as a whole.

While we appreciate that there is no perfect metric to reflect the complex, intersectional exclusion that AFFH seeks to overcome, the AFFH evaluative metrics presented at the August 28 HMC meeting, specifically Metric 5b, does not sufficiently identify areas of long-standing racial and socioeconomic exclusion nor does it ensure these jurisdictions receive appropriate and equitable allocations that affirmatively further fair housing in a meaningful way.

- **The proposed approach dramatically under-identifies areas of exclusion** across the region, only reflecting an estimated **14 percent** of the region's households.¹ This is much lower than the actual prevalence of exclusionary jurisdictions. Existing research has demonstrated that over 40 percent of Bay Area residents live in cities that are racially and economically exclusive.²
- **The proposed approach does not account for the intersectional exclusion we see across the region nor does it propose sufficient remedy to ensure AFFH.** We need a metric that sufficiently accounts for segregation and exclusion. Many of us, as well as other members of the HMC, have continued to raise this point throughout the HMC process.
- **The proposed approach does not capture the primary way in which cities have excluded low-income communities of color: single-family zoning.** Our approach focuses specifically on jurisdictions' allocations for very low and low income, because those allocations require zoning for multi-family housing, while allocations of moderate and above-moderate income can be met solely with single-family zoning.

We propose adjusting Metric 5b to more accurately capture the extent of exclusion in the region and ensure exclusionary jurisdictions are allocated their fair share. Our equity-oriented proposal is as follows:

Do jurisdictions with levels of racial and socioeconomic exclusion above the regional average receive a share of the region's very low- and low-income housing need that is at least proportional to their share of the region's households?

¹ A total of 34 jurisdictions have 100% of their population living in high or highest resource tracts. We assume that of these 34, the 25 with the highest proportion of their population in highest resource tracts would be selected, which account for about 8 percent of the region's households.

² A [report by the Othering & Belonging Institute this month](#) and [report by the Turner Center last year](#) found that a city's percent of single-family zoning correlates very highly with its level of racial segregation. The research shows that "rolling back this restrictive type of zoning can ease segregation and make integration more feasible." About **46.4%** of the Bay Area's residents live in cities whose residential lands are 75% or more zoned for single-family homes only.

Measure: For jurisdictions with levels of racial and socioeconomic exclusion above the regional average (using a composite measure of the divergence index and the percentage of households above 120% of the area median income, excluding segregated low-income areas), ensure proportionality between the ratio of each of their shares of the region's total very low- and low-income RHNA to each of their shares of the region's total households.

We propose adjusting Metric 5b to better reflect patterns of exclusion across the region. Our recommended approach has two steps:

1. Identify Exclusionary Jurisdictions Through a Composite Score

$$\begin{array}{rcccl} \text{Divergence Index} & + & \text{\% of Households above 120\%} & = & \text{Composite Score} \\ \text{Score (0-1)} & & \text{AMI (0-1)} & & \\ \\ \text{(Measure of Racial} & & \text{(Measure of Socioeconomic} & & \\ \text{Exclusion)} & & \text{Exclusion)} & & \end{array}$$

A composite score that takes into account both racial exclusion (divergence index) and socioeconomic exclusion (percent of above moderate-income households) allows us to best capture the interconnected forms of exclusion of protected classes that AFFH seeks to remediate.³ Jurisdictions are considered exclusionary if their composite score is above the regional median composite score. Jurisdictions in the bottom quartile for median income are filtered out to ensure that the RHNA does not concentrate allocations in places of segregation of low-income households, such as East Palo Alto, which has a high divergence score but is an area of segregation, rather than exclusion.

2. Ensure Each Exclusionary Jurisdiction is Allocated its Fair Share of the Region's Very Low and Low-Income Allocations -- at least proportional to its share of the region's total households in 2019.

The final allocations to exclusionary jurisdictions must be adjusted so that, notwithstanding other factors, individual allocations reflect this proportionality. For example, Cupertino has about 0.8% of the region's households, therefore its very low- and low-income allocations must be at least 0.8% of the region's total very low- and low-income allocations.

This equity-oriented proposal performs significantly better than the current staff proposal at reflecting the scope of segregation in the region -- 23 versus 14 percent of total households. Our proposal identifies 17 additional jurisdictions with high levels of exclusion, including Sunnyvale, Menlo Park, Millbrae, and Palo Alto. While this proposal does not reflect the full scope of

³ "A key purpose of the Fair Housing Act is to create open residential communities in which individuals may choose where they prefer to live without regard to race, color, national origin, disability, and other characteristics protected by the Act... The purpose...is to help identify potential fair housing related issues, including **factors that limit or deny individuals or groups with a full range of housing options and choices on the basis of being in a protected class...**" [AFFH Rule, p. 42279-80.](#)

exclusionary jurisdictions, we feel this is a strong compromise that better reflects exclusion across the region.

Approach	Jurisdictions Captured	Percent of Households
Current Staff Proposal: Metric 5b	30	14%
Proposed Equity-Oriented Approach	47	23%

Please see the attached spreadsheet to explore the full data we used for this analysis.

Thank you for your hard work and attention to this matter.

Signed,

Jeffrey Levin
Fernando Marti
Rodney Nickens, Jr.
Carlos Romero

county	Jurisdiction	Bay Area Households, Excluding Unincorporated Areas	% of Bay Area Households, Excluding Unincorporated Areas	% of Population Living in High or Highest Resource Tracts	divergence	hhs_above_120pct_AMI	Composite (divergence + hhs above 120pct AMI)	Quartile of Median Household Income 2018	Staff Proposal Metric 5b	Proposed Equity-Oriented Approach
San Mateo	Atherton	2,221	0.09%	38%	0.245607342	0.820801441	1.066408783	Upper Three-Quarters	YES	YES
Marin	Belvedere	916	0.04%	100%	0.611462986	0.708515284	1.31997827	Upper Three-Quarters	YES	YES
Contra Costa	Clayton	4,200	0.17%	100%	0.286862978	0.691428571	0.978291549	Upper Three-Quarters	YES	YES
Marin	Corte Madera	3,893	0.16%	100%	0.360395328	0.665296686	1.025692014	Upper Three-Quarters	YES	YES
Santa Clara	Cupertino	20,657	0.84%	100%	0.432184504	0.699908021	1.132092525	Upper Three-Quarters	YES	YES
Contra Costa	Danville	15,956	0.65%	100%	0.297876808	0.693908248	0.991785056	Upper Three-Quarters	YES	YES
Marin	Fairfax	3,390	0.14%	100%	0.409229664	0.536283186	0.94551285	Upper Three-Quarters	YES	YES
Alameda	Fremont	74,445	3.03%	80%	0.243374533	0.627134126	0.870508659	Upper Three-Quarters	YES	YES
San Mateo	Half Moon Bay	4,715	0.19%	N/A	0.206657727	0.561611877	0.768269604	Upper Three-Quarters	YES	YES
Contra Costa	Hercules	8,098	0.33%	0%	0.207918944	0.571005186	0.77892413	Upper Three-Quarters	YES	YES
San Mateo	Hillsborough	3,664	0.15%	100%	0.198030626	0.846888646	1.044919272	Upper Three-Quarters	YES	YES
Contra Costa	Lafayette	9,407	0.38%	100%	0.274430048	0.661103434	0.935533482	Upper Three-Quarters	YES	YES
Santa Clara	Los Altos	10,585	0.43%	100%	0.2134379	0.767028814	0.980466714	Upper Three-Quarters	YES	YES
Santa Clara	Los Altos Hills	3,053	0.12%	100%	0.215373772	0.837209302	1.052583074	Upper Three-Quarters	YES	YES
Santa Clara	Los Gatos	12,108	0.49%	100%	0.225089373	0.617195243	0.842284616	Upper Three-Quarters	YES	YES
Marin	Mill Valley	8,044	0.33%	100%	0.455462767	0.659102121	1.114564888	Upper Three-Quarters	YES	YES
Santa Clara	Milpitas	22,637	0.92%	64%	0.397040453	0.599858639	0.996899092	Upper Three-Quarters	YES	YES
Santa Clara	Monte Sereno	1,139	0.05%	100%	0.278475185	0.811237928	1.089713113	Upper Three-Quarters	YES	YES
Contra Costa	Moraga	5,909	0.24%	100%	0.219935009	0.667287189	0.887222198	Upper Three-Quarters	YES	YES
Contra Costa	Orinda	7,093	0.29%	100%	0.259602973	0.761313972	1.020916945	Upper Three-Quarters	YES	YES
Alameda	Piedmont	3,948	0.16%	100%	0.274989453	0.798632219	1.073621672	Upper Three-Quarters	YES	YES
San Mateo	Portola Valley	1,744	0.07%	100%	0.386725205	0.735091743	1.121816948	Upper Three-Quarters	YES	YES
Marin	Ross	807	0.03%	100%	0.607145163	0.764560099	1.371705262	Upper Three-Quarters	YES	YES
Napa	Saint Helena	2,600	0.11%	N/A	0.338425918	0.400769231	0.739195149	Upper Three-Quarters	YES	YES
Santa Clara	Saratoga	10,950	0.45%	100%	0.266899342	0.710319635	0.977218977	Upper Three-Quarters	YES	YES
Marin	Tiburon	3,817	0.16%	100%	0.447483195	0.674613571	1.122096766	Upper Three-Quarters	YES	YES
Alameda	Union City	21,484	0.87%	14%	0.233043034	0.524762614	0.757805648	Upper Three-Quarters	YES	YES
San Mateo	Woodside	1,899	0.08%	100%	0.381928115	0.754081095	1.13600921	Upper Three-Quarters	YES	YES
San Mateo	Belmont	10,328	0.42%	100%	0.103930869	0.627033308	0.730964177	Upper Three-Quarters	NO	YES
San Mateo	Daly City	31,620	1.29%	32%	0.272833198	0.445034788	0.717867986	Upper Three-Quarters	NO	YES
Alameda	Dublin	19,637	0.80%	100%	0.110411725	0.704893823	0.815305548	Upper Three-Quarters	NO	YES
San Mateo	Foster City	12,600	0.51%	100%	0.150214456	0.702142857	0.852357313	Upper Three-Quarters	NO	YES
Santa Clara	Gilroy	16,208	0.66%	16%	0.310293546	0.479207799	0.789501345	Upper Three-Quarters	NO	YES
Sonoma	Healdsburg	4,666	0.19%	N/A	0.346295668	0.453707673	0.800003341	Upper Three-Quarters	NO	YES
Marin	Larkspur	5,895	0.24%	100%	0.399126546	0.514164546	0.913291092	Upper Three-Quarters	NO	YES
Alameda	Livermore	31,534	1.28%	36%	0.133000347	0.579406355	0.712406702	Upper Three-Quarters	NO	YES
San Mateo	Menlo Park	11,936	0.49%	83%	0.092792234	0.62525134	0.718043574	Upper Three-Quarters	NO	YES
San Mateo	Millbrae	6,081	0.25%	100%	0.148025587	0.576951765	0.724977352	Upper Three-Quarters	NO	YES
Santa Clara	Palo Alto	26,212	1.07%	100%	0.154458504	0.649473524	0.803932028	Upper Three-Quarters	NO	YES
Contra Costa	Pleasant Hill	13,679	0.56%	71%	0.148580445	0.550040208	0.698620653	Upper Three-Quarters	NO	YES
Alameda	Pleasanton	28,498	1.16%	100%	0.098255399	0.674398203	0.772653602	Upper Three-Quarters	NO	YES
Marin	San Anselmo	5,293	0.22%	100%	0.500529588	0.609862082	1.11039167	Upper Three-Quarters	NO	YES
San Mateo	San Carlos	11,327	0.46%	94%	0.212485454	0.685706718	0.898192172	Upper Three-Quarters	NO	YES
Contra Costa	San Ramon	25,150	1.02%	100%	0.150823745	0.695705765	0.84652951	Upper Three-Quarters	NO	YES
Marin	Sausalito	4,065	0.17%	100%	0.493908222	0.570233702	1.064141924	Upper Three-Quarters	NO	YES
Santa Clara	Sunnyvale	55,938	2.27%	66%	0.100942062	0.618005649	0.718947711	Upper Three-Quarters	NO	YES
Sonoma	Windsor	9,295	0.38%	N/A	0.263916119	0.499515869	0.763431988	Upper Three-Quarters	NO	YES
San Mateo	San Bruno	14,810	0.60%	44%	0.045518964	0.510668467	0.556187431	Upper Three-Quarters	YES	NO
Sonoma	Santa Rosa	66,629	2.71%	6%	0.172694294	0.327214876	0.49990917	Bottom Quarter	YES	NO
Alameda	Alameda	30,365	1.23%	73%	0.046808138	0.490400132	0.53720827	Upper Three-Quarters	NO	NO
Alameda	Albany	7,391	0.30%	83%	0.064831381	0.444324178	0.509155559	Upper Three-Quarters	NO	NO
Napa	American Canyon	5,442	0.22%	0%	0.064523705	0.488790886	0.553314591	Upper Three-Quarters	NO	NO
Contra Costa	Antioch	34,102	1.39%	0%	0.193103805	0.346871151	0.539974956	Bottom Quarter	NO	NO
Solano	Benicia	11,130	0.45%	54%	0.144969397	0.490925427	0.635894824	Upper Three-Quarters	NO	NO

Alameda	Berkeley	44,978	1.83%		69%	0.074612095	0.439125795	0.51373789	Bottom Quarter	NO	NO
Contra Costa	Brentwood	19,543	0.79%		0%	0.084248395	0.521772502	0.606020897	Upper Three-Quarters	NO	NO
San Mateo	Brisbane	1,836	0.07%		0%	0.009186141	0.535947712	0.545133853	Upper Three-Quarters	NO	NO
San Mateo	Burlingame	12,029	0.49%		100%	0.082337017	0.594978801	0.677315818	Upper Three-Quarters	NO	NO
Napa	Calistoga	2,082	0.08%	N/A		0.280086925	0.321805956	0.601892881	Bottom Quarter	NO	NO
Santa Clara	Campbell	16,510	0.67%		57%	0.041066951	0.571774682	0.612841633	Upper Three-Quarters	NO	NO
Sonoma	Cloverdale	3,144	0.13%	N/A		0.22828495	0.336195929	0.564480879	Bottom Quarter	NO	NO
San Mateo	Colma	477	0.02%		0%	0.089992545	0.469601677	0.559594222	Upper Three-Quarters	NO	NO
Contra Costa	Concord	46,475	1.89%		9%	0.073837798	0.39690156	0.470739358	Bottom Quarter	NO	NO
Sonoma	Cotati	2,824	0.11%		0%	0.295412046	0.341005666	0.636417712	Bottom Quarter	NO	NO
Solano	Dixon	6,015	0.24%	N/A		0.213451805	0.334995844	0.548447649	Bottom Quarter	NO	NO
San Mateo	East Palo Alto	7,478	0.30%		0%	0.45233077	0.3369885	0.78931927	Bottom Quarter	NO	NO
Contra Costa	El Cerrito	9,987	0.41%		36%	0.059147312	0.501451887	0.560599199	Upper Three-Quarters	NO	NO
Alameda	Emeryville	6,456	0.26%		0%	0.083553223	0.505421314	0.588974537	Upper Three-Quarters	NO	NO
Solano	Fairfield	36,348	1.48%		0%	0.074013191	0.391355783	0.465368974	Bottom Quarter	NO	NO
Alameda	Hayward	47,768	1.94%		0%	0.147192408	0.382892313	0.530084721	Bottom Quarter	NO	NO
Contra Costa	Martinez	14,668	0.60%		12%	0.160637552	0.5164985	0.677136052	Upper Three-Quarters	NO	NO
Santa Clara	Morgan Hill	14,670	0.60%		0%	0.097173209	0.560190866	0.657364075	Upper Three-Quarters	NO	NO
Santa Clara	Mountain View	33,707	1.37%		75%	0.037505861	0.609309639	0.6468155	Upper Three-Quarters	NO	NO
Napa	Napa	28,457	1.16%		0%	0.271028287	0.393014021	0.664042308	Bottom Quarter	NO	NO
Alameda	Newark	13,677	0.56%		9%	0.061133119	0.547269138	0.608402257	Upper Three-Quarters	NO	NO
Marin	Novato	22,077	0.90%		46%	0.183598265	0.482040132	0.665638397	Upper Three-Quarters	NO	NO
Alameda	Oakland	161,483	6.57%		10%	0.188968252	0.351863664	0.540831916	Bottom Quarter	NO	NO
Contra Costa	Oakley	11,812	0.48%		0%	0.143185819	0.482983407	0.626169226	Upper Three-Quarters	NO	NO
San Mateo	Pacifica	13,954	0.57%		100%	0.04912596	0.572667336	0.621793296	Upper Three-Quarters	NO	NO
Sonoma	Petaluma	22,505	0.92%		15%	0.259079062	0.434525661	0.693604723	Upper Three-Quarters	NO	NO
Contra Costa	Pinole	6,669	0.27%		0%	0.028641941	0.457189984	0.485831925	Upper Three-Quarters	NO	NO
Contra Costa	Pittsburg	20,958	0.85%		0%	0.215769748	0.324506155	0.540275903	Bottom Quarter	NO	NO
San Mateo	Redwood City	30,157	1.23%		50%	0.084336109	0.543356435	0.627692544	Upper Three-Quarters	NO	NO
Contra Costa	Richmond	37,209	1.51%		0%	0.248214681	0.286624204	0.534838885	Bottom Quarter	NO	NO
Solano	Rio Vista	4,286	0.17%	N/A		0.307422487	0.300513299	0.607935786	Bottom Quarter	NO	NO
Sonoma	Rohnert Park	15,969	0.65%		0%	0.180181209	0.277036759	0.457217968	Bottom Quarter	NO	NO
San Francisco	San Francisco	359,673	14.62%		53%	0.028688551	0.517286535	0.545975086	Upper Three-Quarters	NO	NO
Santa Clara	San Jose	321,835	13.09%		26%	0.065927422	0.51912626	0.585053682	Upper Three-Quarters	NO	NO
Alameda	San Leandro	31,727	1.29%		0%	0.070155871	0.3613011	0.431456971	Bottom Quarter	NO	NO
San Mateo	San Mateo	38,583	1.57%		51%	0.020896566	0.558743488	0.579640054	Upper Three-Quarters	NO	NO
Contra Costa	San Pablo	9,136	0.37%		0%	0.434242937	0.161120841	0.595363778	Bottom Quarter	NO	NO
Marin	San Rafael	22,982	0.93%		29%	0.175003316	0.461839701	0.636843017	Upper Three-Quarters	NO	NO
Santa Clara	Santa Clara	44,079	1.79%		42%	0.060199507	0.570362304	0.630561811	Upper Three-Quarters	NO	NO
Sonoma	Sebastopol	3,263	0.13%	N/A		0.371900088	0.366533865	0.738433953	Bottom Quarter	NO	NO
Sonoma	Sonoma	5,006	0.20%	N/A		0.377688638	0.389932082	0.76762072	Bottom Quarter	NO	NO
San Mateo	South San Francisco	21,083	0.86%		54%	0.131964125	0.483754684	0.615718809	Upper Three-Quarters	NO	NO
Solano	Suisun City	9,318	0.38%		0%	0.133637854	0.367353509	0.500991363	Bottom Quarter	NO	NO
Solano	Vacaville	32,922	1.34%		0%	0.114331974	0.392959115	0.507291089	Bottom Quarter	NO	NO
Solano	Vallejo	41,991	1.71%		0%	0.147904467	0.297635208	0.445539675	Bottom Quarter	NO	NO
Contra Costa	Walnut Creek	31,105	1.26%		100%	0.191077604	0.489728339	0.680805943	Upper Three-Quarters	NO	NO
Napa	Yountville	1,368	0.06%	N/A		0.396146779	0.328216374	0.724363153	Bottom Quarter	NO	NO