



CITY OF
**PALO
ALTO**

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Housing Methodology Committee (HMC) Members, info@bayareametro.gov
ABAG Regional Housing Needs Allocation Staff, RHNA@bayareametro.gov
Fred Castro, Clerk of the Board, Association of Bay Area Governments,
fcastro@bayareametro.gov

Re: City of Palo Alto Initial Comments on 6th Cycle RHNA Methodology Options

Thank you, Committee members, for your time, expertise and commitment to designing a methodology that fairly distributes housing in our region.

Based upon the review of materials through July 2020, the City of Palo Alto requests that the Housing Methodology Committee **recommend use of the 2019 existing households as a baseline allocation for the RHNA methodology** and continue its review of an appropriate mix of weighted factors using up to a 150% Income Shift multiplier to distribute new housing units across the region.

The alternative baseline approach being considered by the Committee is unattainable for some Bay Area jurisdictions and the imposition of this standard ensures some communities will dramatically fail to meet their housing obligation. While those communities will need to contend with that result, including implications associated with SB35, the risk is also that the region as a whole will produce far less housing than it otherwise could achieve.

Plan Bay Area 2050 is a long range plan that requires significant economic investment and an extraordinary amount of regional policy collaboration to implement its vision. Building a methodology today that is actionable over the next eight years and relies on an idealized model depicting a regional housing distribution thirty years from now ignores the reality that the infrastructure, funding and local regulatory framework is simply not yet present to achieve this goal.

Palo Alto supports the regional efforts of Plan Bay Area 2050 and commends agency leadership and staff for their tireless work to create a framework for our future. Palo Alto is a partner in this endeavor and recognizes its role to stimulate more housing – especially more equitable and inclusive housing for all. At the same time, Palo Alto cannot reasonably be expected to increase its housing supply by more than 50% over the next eight years, as would be required under some early modeling results that use the Draft Blueprint as a baseline.



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There will be three and a half regional housing need cycles before the region meets the horizon year of Plan Bay Area 2050. It is imperative that the RHNA methodology be used to shift local policies toward a more inclusive and better balanced future to achieve housing equity and environmental goals. This RHNA methodology needs to bridge where we are today as a region with where we want to go tomorrow.

Using the 2019 existing households as a baseline reflects where we are today, shares the responsibility for adding more housing units throughout the region and is consistent with, but not dependent upon Plan Bay Area 2050. Moreover, weighted factors can be used that stretch communities toward our housing, transportation and environmental goals.

Thank you for your consideration,

DocuSigned by:
Ed Shikada
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Ed Shikada, City Manager