ABAG Report to MCCMC¹

October 2021

EXECUTIVE SUMMARY:

- 1) Regional Housing Needs Allocation (RHNA) Appeals: The ABAG Administrative Committee made 25 preliminary decisions (22 cities and 3 counties) on 28 appeals submitted. Of those heard to date, only one change, Contra Costa County, was preliminarily approved. It is interesting to note, that of those appeals heard to date the number of housing units appeals represents about 37% of the housing units assigned for those jurisdictions. (Please note: One jurisdiction did not indicate the number of units being appealed and another jurisdiction submitted a range.) We are keeping a 'list of issues' raised by jurisdictions and the Committee will have a future discussion about those issues. Details about the appeals submitted and comment letters are on the Appeals Process page on the ABAG website: 2023-2031 RHNA Appeals Process | Association of Bay Area Governments (ca.gov)
- 2) Adoption of Plan Bay Area 2050, Implementation Plan and Final EIR: On October 21, 2021, ABAG Executive Board and the MTC adopted the PBA 2050, Implementation Plan and certified the Final Environmental Impact Report (FEIR).

RHNA Appeals: The ABAG Administrative Committee made preliminary decisions for 25 of the 28 RHNA appeals. Our last public hearing is scheduled for October 29, 2021. Of the appeals heard to date, only one appeal -- Contra Costa County – received a preliminary decision to partially approve. Of the 1818 housing units appealed from their allocation of 7,645 housing units, 35 housing units were preliminarily approved to be reallocated to the City of Pittsburg. For a list of the appeals heard to date along with the number of housing units appealed, reasons for the appeal and preliminary decisions, see Attachment 1. It is interesting to note, that of those appeals heard to date the number of housing units appeals represents about 37% of the number of housing units assigned for all of those jurisdictions. (Please note: One jurisdiction did not indicate the number of units being appealed and another jurisdiction submitted a range.)

All preliminary decisions will go before the ABAG Executive Board for ratification in November or December 2021. After which, the ABAG Executive Board will issue the Final RHNA Allocations that adjust allocations as a result of any successful appeals; and, will adopt the Final RHNA plan for the 2023 thru 2031. We are keeping a 'list of issues' raised by jurisdictions and the Committee will have a future discussion about those issues.

Adoption of Plan Bay Area 2050, Implementation Plan and Final EIR: On October 21, 2021, ABAG Executive Board and MTC conducted a joint meeting and approved the PBA 2050, Implementation Plan and certified the FEIR.

This Plan looks at the challenges facing the Bay Area and identifies actions by all levels of the government. It focuses on

four key issues: the economy, the environment, housing and transportation. It outlines 70 specific implementation actions for ABAG/MTC to tackle over the next five (5) years to advance each of the 35 bold strategies for growth and investment through 2050. The FINAL Plan Bay Area 2050 and supporting documents (Draft Plan Bay Area 2050, Draft **Environmental Impact** Report, Implementation

AFFORDABLE CONNECTED DIVERSE

VIBRANT

HEALTHY

Plan would reduce housing & transportation cost burden by 13 percentage points, with even greater improvements for low-income households

Plan would improve access to frequent transit and to safe bicycle & pedestrian facilities, enabling 20 percent of workers to shift away from commuting by auto

Plan would provide more affordable housing in historicallyexclusionary jurisdictions, while helping at least 10 percent of the region's low-income residents to buy their first home

Plan would meet the state-mandated greenhouse gas reduction target, while concurrently protecting nearly all homes from sea level rise impacts through 2050

Plan would improve jobs-housing balance in counties throughout the Bay Area, yielding shorter commutes for all workers



¹ Marin County Council of Mayors and Councilmembers (MCCMC)

Plan, etc..) are available for review at <u>planbayarea.org</u>.

UPCOMING MEETINGS²

October 27, 2021 -- MTC Audit Committee, 9:05 am

Metropolitan Transportation Commission, 10:05 am

MTC Bay Area Toll Authority, 10:10 am

MTC Bay Area Headquarters Authority, 10:15 am

MTC Bay Area Infrastructure Financing Authority, 10:20 am

MTC WORKSHOP, 1:30 pm

- October 29, 2021 -- ABAG Administrative Committee RHNA Appeals Hearing, 9:00 am to 5:00 pm
- November 1, 2021 -- MTC Policy Advisory Council Fare Coordination and Integration Subcommittee, 10:00 am
- November 5, 2021 -- ABAG Regional Planning Committee, 10:00 am
- November 9, 2021 -- MTC Regional Advisory Working Group, 9:30 am
- November 10, 2021 -- MTC Bay Area Toll Authority Oversight Committee, 9:35 am

MTC Administrative Committee, 9:40 am

MTC Programming and Allocations Committee, 9:45 am

MTC Policy Advisory Council, 1:30 pm

• November 12, 2021 -- MTC Operations, 9:35 am

Joint MTC ABAG Legislation Committee, 9:40 am

Joint MTC Planning Committee and ABAG Administrative Committee, 9:45 am

ABAG Administrative Committee, 10:30 am

November 15, 2021 – Fare Integration Task Force, 12:30 pm

Clipper Executive Board, 1:30 pm

• November 17, 2021 -- Metropolitan Transportation Commission, 9:35 am

MTC Bay Area Toll Authority, 9:40 am MTC Bay Area HQ Authority, 9:45 am

MTC Bay Area Infrastructure Financing Authority, 9:50 am

November 18, 2021 -- ABAG Finance Committee, 5:00 pm

ABAG ACFA Governing board, 5:15 pm

ABAG Executive Board, 5:30 pm

November 19, 2021 – Bay Area Regional Collaborative, 10:05 am

MTC Policy Advisory Council Equity and Access Subcommittee, 2:00 pm

- December 6, 2021 -- MTC Policy Advisory Council Fare Coordination & Integration Subcommittee, 10:00 am
- December 7, 2021 -- Bay Area Partnership Board, 2:00 pm
- December 8, 2021 -- MTC Bay Area Toll Authority Oversight Committee, 9:35 am

MTC Administration Committee, 9:40 am

MTC Programming and Allocation Committee, 9:45 am

- December 15, 2021 -- Metropolitan Transportation Commission, 9:35 am
- December 16, 2021 -- ABAG Power Executive Committee, 11:00 am
- December 17, 2021 -- MTC Policy Advisory Council Equity and Access Subcommittee, 2:00 pm

² If you have questions, contact Pat Eklund, Mayor, City of Novato at 415-883-9116; pateklund@comcast.net. All meetings are conducted via Zoom, webcast, teleconference, unless noted otherwise.

Attachment 1 – List of RHNA Appeals Heard to Date

- Alameda appealed 2,703 of the 5,353 housing units assigned. Reasons: Limited land due to voter-approved City Charter provision prohibiting construction of multifamily housing; natural hazards including flooding due to sea level rise, rising ground water, severe ground shaking and public safety threats due to seismic events; Navy has imposed a financial impact fee on every market rate unit constructed at Alameda Point beyond the number of units mutually agreed upon; and, limited transportation access to the island. Alameda states RHNA is not equitable and does not promote sustainable, resilient Bay Area. Preliminary decision: Denial.
- <u>Belvedere</u> appealed 30 of the 160 housing units assigned. Reasons: Lack of sewer and water service; and, lack of suitable land for urban development, and/or conversion to residential use, underutilized land, opportunities for infill development and increased residential densities. Belvedere also claimed an error was made in the RHNA calculation; the RHNA plan allocates units inconsistent with the Sustainable Community Strategy (PBA 2050); and, double counts the High Resource Area impact on Belvedere's RHNA allocation. **Preliminary decision: Denial.**
- <u>Clayton</u> appealed 285 of the 570 housing units assigned. Reasons: Very limited employment opportunities and almost no public transportation; insufficient land for future job growth due to natural hazards (e.g hillsides, fire, etc); lack of water and sewer capacity; and environmental considerations. Clayton states the use of High Resource Areas is flawed. **Preliminary decision: Denial.**
- Corte Madera appealed 325 of the 700 housing units assigned. Reasons: Lack of suitable land due to climate change, sea level rise and other natural hazards including FEMA 100-year flood zone which affects 33.68% of parcels that FEMA has determined is not adequately protected by flood management infrastructure; and, lack of vacant land and land that fosters socioeconomic equity, efficient development patterns and improving jobs and housing balance. Corte Madera also states: methodology fails to further the objective related to "promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of lowwage jobs and the number of housing units affordable to low-wage workers in each jurisdiction. Preliminary decision: Denial.
- <u>Danville</u> appealed 1441-1641 of the 2,241 housing units assigned. Reasons: Use of incorrect assumption of a locally identified Priority Development Area (PDA); lack of land suitable for urban development and/or for conversion to residential use due to preserved farmlands, grazing and conservation lands and critical habitats; ignores local jobshousing imbalance and development constraints; and, undermines the five objectives listed in Government Code Section 65584(d). Danville states that the Regional Housing Needs Determination (RHND) represents a "historic methodological anomaly" and does not reflect a trend of slowing population growth. **Preliminary decision: Denial.**
- <u>Dublin</u> appealed 2,267 of the 3,719 housing units assigned. Reasons: Failure to correctly determine total households in 2050; using land where the city does not have land use authority (e.g. federal government and school district); lack of suitable land due to recently constructed and approved housing units; lack of water; decrease in population; use of High Opportunity Areas vs demographic data prioritizes economics over racial diversity and does not acknowledge past performance of affordable housing. **Preliminary decision: Denial.**
- Fairfax appealed 120 of the 490 housing units assigned. Reasons: Lack of water supply and suitable land for development due to fire hazards especially since nearly all of Fairfax's parcels are in a CAL FIRE-designated High Fire Hazard Severity Zone which are not suitable for higher-density, multifamily development. The Housing Element Site Selection (HESS) tool contains erroneous data that, once corrected, reassigns identified 'potential' (for housing sites) to 'constrained'. Fairfax states that the RHNA methodology fails to promote an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction. Preliminary decision: Denial.
- <u>Lafayette</u> appealed 822 of the 2,114 housing units assigned. Reasons: Failure to remove public lands located in Very High Fire Hazard Severity Zones from potential development opportunities. Lafayette states the RHNA methodology is flawed since the long-term impacts of COVID were not adequately considered; and, PBA 2050

- strategies will result in increased VMT at the local level and does not promote an improved jobs-housing balance resulting in worse greenhouse gas emissions. **Preliminary decision: Denial.**
- <u>Larkspur</u> appealed 236 of the 979 housing units assigned. Reasons: Lack of water supply and suitable land to convert to residential use, underutilized land and opportunities for infill development and increased residential densities. Larkspur states that the RHNA methodology does not promote socioeconomic equity and the encouragement of efficient development patterns and does not promote "an improved intraregional relationship between jobs and housing,"
 Preliminary decision: Denial.
- Los Altos appealed an undesignated amount of the 1958 housing units assigned. Reason: Lack of water and sewer infrastructure and land suitable for development and conversion to residential use; and, natural hazards including the Wildland-Urban Interface and steep hillsides which is not suitable for high density housing. Los Altos states that ABAG failed to adequately consider information in the Local Jurisdiction Survey including the existing and projected jobs and housing imbalance; and, that the RHNA allocation is inconsistent with its General Plan. Preliminary decision: Denial.
- Los Altos Hills appealed 129 of the 489 housing units assigned. Reasons: Lack of water and sewer capacity and land suitable for urban development and conversion to residential use; limited underutilized land and opportunities for infill development and land to increase residential densities; significant natural hazards not considered including high hazard fire risks, landslides, and seismic hazards that limit development. Los Altos Hills states that ABAG failed to adequately consider the jobs-housing relationship in Los Altos Hills; acknowledge that it has sufficient affordable housing units relative to the number of low-wage jobs and limited transit; and, consider the significant and unforeseen impact of Covid19 pandemic on the region. Preliminary decision: Denial.
- <u>Mill Valley</u> appealed 286 of the 865 housing units assigned. Reasons: Lack of water supply and land suitable for development due to topographical constraints and local hazards such as flooding, WUI and High Fire Severity Zones, and, small number of vacant lots and parcel sizes;. Mill Valley states there is an error in the calculation of Mill Valley's allocation; and, that the methodology fails to promote infill development and socio-economic equity and protect environmental and agricultural resources. **Preliminary decision: Denial.**
- Monte Sereno appealed 97 of the 193 housing units assigned. Reasons: Lack of jobs, water, transit and land available for development due to very high fire hazards with limited evacuation routes. Monte Sereno stated that the increase of over 300% in the RHNA allocation from the prior cycle is beyond the capabilities of Monte Sereno to accommodate; and, that ABAG failed to consider that the City was chartered as a residential-only district with no commercial or mixed-use developments and the high potential for earthquakes. Preliminary decision: Denial.
- Palo Alto appealed 1500 of the 6086 housing units assigned. Reasons: ABAG incorrectly included parcels that are outside the City's jurisdictional control and there are several sites with unrealistic projections based on parcel size; COVID has made a fundamental change that will result in greater use of telecommuting which will decrease demand for housing near jobs. The City also states that changes to Strategy EN7 in the Plan Bay Area 2050 Final Blueprint were not sufficient to capture the impact of telecommuting, arguing that a telecommuting rate higher than 17% should be assumed in the Plan Bay Area 2050 Final Blueprint Preliminary decision: Denial.
- Pleasant Hill appealed 1019 of the 1803 housing units assigned. Reasons: Lack of land suitable for urban development and/or for conversion to residential use; lack of availability of underutilized land, infill development and increased residential densities. Failure to consider population decline and exclude development potential to ensure protection of environmental and agricultural resources. Lack of water and failure to promote an improved intraregional relationship between jobs and housing and between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction. Lastly, Pleasant Hill states: This methodology is flawed for the following reasons: 1) the equity housing number increases or decreases are applicable to the County only, while the total RHNA is applied and distributed throughout the region and, the redistribution of lower-income units is not applied solely within each county; but, are shifted from 60 jurisdictions across the region to 18 jurisdictions whose allocations are increased as a result of the Equity Adjustment. Pleasanton also states that the

- COVID pandemic and resulting changes in job and transportation patterns represent significant and unforeseen changes in circumstances that merit a revision of the City's RHNA; and, raises concerns with HCD's calculation of the Regional Housing Needs Determination (RHND),. **Preliminary decision: Denial.**
- <u>Pleasanton</u> appealed 1193 of the 5,965 housing units assigned. Reasons: Lack of vacant land due to environmental considerations and community impacts of 'over counting'; constraints in re-purposing existing commercial properties near transit; and, lack of water supply (surface and groundwater). Contamination in three (3) groundwater wells has affected 20% of the groundwater supply. Pleasanton also believes the assumptions for the public land and mall/office park conversion strategies in the Plan Bay Area 2050 Final Blueprint are flawed.

 Preliminary decision: Denial.
- Ross appealed 59 of the 111 housing units assigned. Reasons: Lack of water supply and vacant land available for development due to the FEMA floodplain, fire severity zones, slope stability and whether public services and utilities are available. Lastly, Ross states: Ross has 0.44 jobs per housing unit and by adding units to areas with few jobs and limited transit; it will increase vehicle miles traveled and greenhouse gas emissions. Preliminary decision: Denial.
- San Anselmo appealed 558 of the 833 housing units assigned. Reasons: Lack of water supply and suitable land for development due risk of wildfires, flooding and that there are extremely small amounts of land that can be converted to residential use; to climate change and locally adopted fire hazard areas. Also, the RHNA methodology does not account for small lot sizes and limited vacant land. Lastly, the Town of San Anselmo states that ABAG did not provide adequate data to jurisdictions to verify data or calculations used to generate the draft RHNA; believes that the lack of Local Jurisdiction Survey questions related to these topics prevented jurisdictions from submitting the relevant information for consideration during the methodology development process; the RHNA allocation methodology does not adequately promote an improved intraregional relationship between jobs and housing; asserts constitutional arguments that the RHNA Appeals Procedures improperly limited the bases of appeal; and, believes the impacts of COVID-19 on transit service represent a significant and unforeseen change in circumstances meriting a revision of RHNA.. Preliminary decision: Denial.
- <u>San Ramon</u> appealed 1450 of the 7,645 housing units assigned. Reasons: Loss of jobs and decreased transit use due to COVID; ABAG used outdated and incorrect job projections for the jobs/housing balance and uncertain whether recent annexations were incorporated in the data. San Ramon states that High Resource Areas fail to address land use constraints and development feasibility. **Preliminary decision: Denial.**
- Saratoga appealed 856 of the 1,712 housing units assigned. Reasons: The availability of land suitable for urban development or for conversion to residential use in Saratoga is limited due to wildfire risks. Approximately 50% of Saratoga is in the Wildland Urban Interface (WUI) area and at high risk for wildfires. For example, Saratoga's downtown business district has the highest concentration of multifamily and mixed-use housing in the City. However, this area of the City with the highest opportunity for multi-family and mixed-use housing is in a Very High Fire Hazard Zone and Wildland Urban Interface area. The properties in the WUI and high fire risk areas should be considered highly constrained sites where new development is not appropriate because it would be irresponsible to plan more housing in areas with high fire risk. Additionally, increasing the City's housing allocation by 389% over the fifth cycle RHNA is not consistent with the statutory objective to promote improved intraregional jobs-housing relationship and to help reduce greenhouse gas emissions by planning for housing growth near public transit facilities and the region's job centers. Saratoga has few commercial areas and is not in a Transit Rich Area (TRA) as there are no VTA bus stops within the City limits with peak service frequency of 15 minutes or less. The handful of VTA bus lines stops every 20 to 60 minutes and serves only a small part the City. Because the City is underserved by public transit, significantly increasing the number of housing units in areas where public transportation is not readily available will increase the community's greenhouse gas emission which is inconsistent with the transportation and environmental strategies of Plan Bay Area 2050. Preliminary decision: Denial.
- <u>Sausalito</u> appealed 579 of the 724 housing units assigned. Reasons: Lack of water and sewer capacity and available lands suitable for conversion to residential due to significant hazards including flooding, sea level rise and fire risks.

Sausalito states that there should not be any Growth Geographies since the minimum transit service thresholds are not met; ABAG did not adequately address existing and projected jobs and housing needs and RHNA methodology conflicts with the Draft Plan Bay Area 2050; ABAG did not adequately consider data on overcrowding; and, should have established a vacancy factor in the RHNA methodology to assign more units to areas with low vacancy. **Preliminary decision: Denial.**

- <u>Tiburon</u> appealed 103 of the 639 housing units assigned. Reasons: Lack of water capacity and land suitable for urban development and/or conversion to residential use; Tiburon states an error was made in calculating the Town's draft allocation; that is no publicly available methodology to demonstrate how individual jurisdictions' baseline allocations were calculated; the RHNA methodology double counts the High Resource Area impact on Tiburon's RHNA allocation -- once in the baseline allocation and again in the application of the AHOA factor; and, that ABAG has not made data publicly available which resulted in the Town analyzing ABAG's land use data available in the Housing Element Site Selection Tool ("HESS Tool"). **Preliminary decision: Denial.**
- Contra Costa County appealed 1818_of the 7,645 housing units assigned. Reasons: Lack of available land suitable for development due to: sewer and water infrastructure; lands protected from urban development under existing federal or state programs; and, risk of natural hazards. Lastly, the county asserts that the RHNA factor related to access to High Opportunity Areas was incorrectly applied; and, claims ABAG overestimated the developable land in the County by including growth outside of the Urban Limit Lines established by voters in 1990 which preserves agriculture, open space, wetlands, parks, and other nonurban uses. These areas have limited sewer and water infrastructure and expansion of these utilities outside the Urban Limit Lines is prohibited. Preliminary decision: reassign 35 housing units from Contra Costa County to the City of Pittsburg.
- Marin County appealed 1288 of the 3569 of the housing units assigned. Reasons: Lack of water land suitable for development due to climate change, risk of flooding, inundation from sea level rise and wildfires; and, lack of availability of land, local land use restrictions, zoning and local policies (e.g., policies to preserve agricultural land) for additional development. ABAG did not adequately consider information submitted in the Local Jurisdiction Survey about development constraints; and, allocation is too large given it received nearly 25% of the RHNA units allocated to Marin jurisdictions but has only 15% of the total acres identified as Growth Geographies in the Plan Bay Area 2050 Final Blueprint. The County also believes that COVID-19 pandemic represents a significant and unforeseen change in circumstances that merits a revision of information submitted as part of the Local Jurisdiction Survey especially related to changes to population, job growth, and housing. Preliminary decision: Denial.
- Santa Clara County appealed 2000 of the 3125 housing units assigned. Reasons: Lack of water capacity and land suitable for urban development due to preserved open space, farmland, environmental habitats; and agreements between the County and cities to direct growth toward incorporated areas of the county. The County states that RHNA methodology does not meet the RHNA objective to promote infill development and socioeconomic equity, protect environmental and agricultural resources, encourage efficient development patterns, and achieve greenhouse gas reduction targets especially since the County will have to identify sites outside of the Urban Service Areas, which will increase vehicle miles traveled and greenhouse gas emissions and result in loss of rural and agricultural lands. Preliminary decision: Denial.

Details about the appeals submitted and comment letters can be viewed on ABAG's website: <u>2023-2031 RHNA Appeals Process</u> | <u>Association of Bay Area Governments (ca.gov)</u>