



A Tradition of Stewardship
A Commitment to Service



November 10, 2020

Jesse Arreguin, President
Association of Bay Area Governments (ABAG)
Bay Area Metro Center
375 Beale Street Suite 800
San Francisco, CA 94105

RE: Proposed RHNA Methodology and Subregional Shares

Dear President Arreguin:

The City and County of Napa would like to express its appreciation to ABAG's Housing Methodology Committee (HMC) and offer some comments on the recommended Regional Housing Needs Allocation (RHNA) methodology. Our comments are not intended to detract from the work of the HMC, which -- as those of us who served can attest -- worked long and hard to establish a proposed methodology for the upcoming RHNA cycle (2023-2031). We also want to recognize the work of ABAG staff, and the tremendous challenge posed by the need to find an equitable distribution of the 441,176 housing units assigned to the Bay Area for the next RHNA cycle (2023-2031).

At its final meeting on September 18th, the HMC voted 27 to 4 to recommend "Option 8A: High Opportunity Areas Emphasis & Job Proximity" as the proposed methodology. We understand that this methodology was subsequently recommended by the Regional Planning Committee and the ABAG Executive Board. Option 8A included use of Year 2050 households from the Plan Bay Area 2050 Blueprint as the baseline allocation, and what is referred to as "the Bottom-Up" approach to income allocation, in addition to factors related to High Opportunity Areas and Job Proximity. Specifically, the Option 8A RHNA methodology can be summarized as follows:

1. Baseline allocation: 2050 Households (Blueprint)
2. Income allocation approach: Bottom-Up
3. Factors and weights: Option 8A: High Opportunity Areas Emphasis & Job Proximity

<u>Very Low and Low</u>	<u>Moderate and Above Moderate</u>
<ul style="list-style-type: none">▪ 70% Access to High Opportunity Areas▪ 15% Job Proximity – Auto▪ 15% Job Proximity - Transit	<ul style="list-style-type: none">▪ 40% Access to High Opportunity Areas▪ 60% Job Proximity – Auto

This approach utilizes what was presented as a 'middle road' baseline of "Plan Bay Area 2050 Future Households" and a weighting of factors that prioritizes "Access to High Opportunity Areas.'

This methodology could do more to support region-wide efforts to reach a jobs/housing balance by incorporating an alternate baseline and by modifying its focus on High Opportunity Areas. Specifically, we support questions posed by the Contra Costa County Mayors Conference regarding the selected baseline, and do not believe the HMC was given adequate information to evaluate the difference between the use of Plan Bay Area 2050 *Future Households* and Plan Bay Area *Future Growth*. Also, we do not believe that the HMC was adequately informed regarding the definition

(and location) of High Opportunities Areas or the consequences of the recommended methodology's emphasis on High Opportunity Areas, including the following:

- A. The definition of High Opportunity Areas is based on limited data in the form of income and census information that often does not follow jurisdictional lines or established communities.
- B. By focusing on High Opportunity Areas, there has been a greater emphasis on using RHNA as means for establishing social equity than for a balanced and sound land use plan as required by SB 375 and the objectives of Government Code Section 65584(d) which include protecting environmental and agricultural resources and encouraging efficient development patterns.
- C. Placing homes near job centers and away from natural hazards (fire severity zones, sea level rise, etc.), and preserving agricultural and open space areas have all been given lower priority than placing homes in High Opportunity Areas. The result is a methodology that will unintentionally result in a loss of farmland and open space, increase the need for mitigation and assistance in the case of emergencies, result in greater greenhouse gas emissions, and place greater strains on our regional transportation system.

Napa County has faced extraordinary challenges this year and lost a significant number of houses due to wildfire in 2017 and 2020. We want to ensure the RHNA does not disproportionately impact rural communities like ours that are experiencing more frequent natural hazards, that provide the region's agricultural and open space areas, and that have limited infrastructure outside of incorporated communities. Loss of units due to these wildfires, lands in agricultural preservation under state or federal programs or per local ballot measures must be considered in developing the methodology (See Government Code Section 65584(e)).

Fine tuning the methodology to address these issues could include changes to the baseline, adjustments to how lands within Spheres of Influence are accounted for, adjustments to the definition of High Opportunity Areas, and post-allocation adjustments for rural communities impacted by natural hazards. We would be happy to work with you and your staff on any of these ideas.

Please don't hesitate to reach out to us, or to our planning directors, David Morrison at david.morrison@countyofnapa.org and Vin Smith at vsmith@cityofnapa.org, if we can answer any questions. This is important work, and we look forward to our continued discussion!

Sincerely,

Diane Dillon, Chair
Napa County Board of Supervisors

Jill Techel, Mayor
City of Napa