

Public Comments Received on the AMBAG 6th Cycle RHNA Methodology

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
1	Public	Lee	Ruckus	<p>In Consideration of 5th Cycle Results and</p> <ul style="list-style-type: none"> •Historical exclusion of Extremely-Low Income (ELI) category from RHNA goals despite statutory objectives [Equal representation does not necessitate an asterisk] •AMBAG 6th Cycle RHNA goals for the lowest-incomes: ratios of Very-Low Income (VLI) over "Above 120% AMI" (56%) and Low Income (LI) over "Above 120% AMI" (37%), per Agenda, p8 •Available land historically prioritized for luxury/market-rate housing while "kicking can down the road" on "truly affordable" housing (ELI, VLI, LI) via in-lieu fees and/or land donations without developer under contract •Silicon Valley boundary encroachment into AMBAG counties •AMI increase due to that encroachment, e.g., rental rates @100% AMI <p>1-person (only, regardless of square footage) household unit, monthly rental rate, per 2021 AMI Santa Cruz County: \$1958.75 (= \$78,350/12 x 0.3); "Above 120% AMI" = above \$2350.50 San Benito County: \$1587.50 (= \$63,500/12 x 0.3); "Above 120% AMI" = above \$1905 Monterey County: \$1427.50 (= \$57,100/12 x 0.3); "Above 120% AMI" = above \$1713</p> <p>1-person (only, regardless of square footage) household unit, monthly rental rate, per 2018 AMI Santa Cruz County: \$1522.50 (= \$60,900/12 x 0.3) San Benito County: \$1418.75 (= \$56,750/12 x 0.3) Monterey County: \$1208.75 (= \$48,350/12 x 0.3)</p>	HCD provides the units by income categories as part of its Regional Housing Need Determination.	Email	9/7/2021
2	Public	Lee	Ruckus	<p>Either</p> <ul style="list-style-type: none"> •Establish an overriding timeline in each of the AMBAG designated areas for the lowest-income RHNA goals FOR EVERY TWO YEARS of the 8.5-year 6th Cycle (6/30/23 – 12/15/31), similar to AMBAG 6th Cycle RHNA goal ratios of Very-Low Income (VLI) over "Above 120% AMI" (56%) and Low Income (LI) over "Above 120% AMI" (37%), per Agenda, p8 <p>Suspend permit approvals for "Above 120% AMI" housing units should that timeline goal for the lowest-income-level housing units not be accomplished at the end of each two-year period. Or Require the State to provide the funds up front (not via grant lotteries, tax credits, etc.) to fulfill the lowest-income RHNA goals. How about taxing Tech and luxury-rate real estate developers —those purveyors of rooftop pools and bars— to contribute to that purpose?</p>	AMBAG does not have land use authority. Each local jurisdiction is responsible for preparing a housing element and permitting housing units.	Email	9/7/2021
3	Public	Lee	Ruckus	<p>The Hubris of Density Up in a Seismic Zone</p> <p>No engineer or architect can design an "earthquake-proof" structure. That concept does not exist in reality, despite its common usage. They design toward the goal of "earthquake-resistance" to minimize lateral movement, but they cannot guarantee that any structure they design will be habitable... or standing... after every earthquake.</p> <p>They can cite a low probability of failure based on statistical analyses, but earthquakes are unique and unpredictable.</p> <p>And there are other variables, including the inherent faulty construction practices and materials that may not be discovered until after successive ground movement has occurred to expose them.</p> <p>"Earthquake design is a fuzzy proposition. You can't ask an engineer to guarantee that a building will never collapse in an earthquake. That is not fair, and it is not the deal that society has made with the construction world. You can ask that it will behave as well as possible, meeting at least the code requirements. Even that's a heavy responsibility." —Leonard Joseph, Principal, Seismic Performance-Based Design, Thornton Tomasetti</p>	Comment noted.	Email	9/7/2021
4	Santa Cruz YIMBY	Sonnenfeld	Rafa	<p>Santa Cruz YIMBY advocates for more affordable housing to meet the needs of our growing population in response to the ever-increasing cost of living and the housing crisis in our region. We have been closely following the RHNA methodology discussion that has been occurring this year, and recommend the following changes to the staff-proposed RHNA allocation methodologies in order to improve the housing-construction feasibility and social equity that come out of the RHNA allocation:</p> <p>Use AFFH as a significant factor in allocation housing totals, not just adjusting the share of allocation for Low/Very Low Income. This will ensure that high opportunity areas receive higher numbers of both low income units as well as market rate units, instead of the proposed income shift methodology that assigns more market rate units to low opportunity communities, which could exacerbate gentrification.</p>	<p>AMBAG staff presented an option to the Planning Directors Forum to do something similar to this at our June 30, 2021 meeting. Consensus was that by allocating RHNA by two AFFH-based factors was redundant. Instead, they chose to allocate by AFFH income category only, but increased it to a high weight.</p> <p>The AMBAG Board of Directors can direct staff to modify the draft methodology to consider an AFFH factor as an allocation factor and bring back to the Planning Directors for discussion.</p>	Letter	9/20/2021
5	Santa Cruz YIMBY	Sonnenfeld	Rafa	<p>Use jobs access as the other major factor, and base that on jobs proximity instead of within jurisdiction jobs-housing balance.</p>	<p>By putting more housing where the largest number of jobs are, that meets the statutory RHNA objective of improving jobs/housing balance. Objective 2 of RHNA states "Promoting 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." ABAG's assessment of Objective 2, recommended by HCD, was to assess RHNA's performance based on jurisdiction-level jobs data, not job proximity.</p>	Letter	9/20/2021
6	Santa Cruz YIMBY	Sonnenfeld	Rafa	<p>Set up a strong evaluative framework to assess methodology performance (and base it primarily on the number of units allocated, not the % at different income levels).</p>	<p>AMBAG's evaluation framework is to ensure the allocation meets the five statutory objectives and addresses the 13 statutory factors. AMBAG proposes using an evaluation framework of metrics as presented in the revised draft methodology to the Planning Directors meeting on November 1, 2021. Evaluation of each jurisdiction's progress towards fulfilling their RHNA allocation is done by HCD through their Annual Progress Reporting process.</p>	Letter	9/20/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
7	Santa Cruz YIMBY	Sonnenfeld	Rafa	We find that the proposed methodologies presented in the August planning directors meeting do not adequately account for the need for Farmworker Housing. Farmworker jobs are not necessarily accurately captured in the Census data; to ensure that homes are adequately distributed to farmworker communities, we suggest a methodology factor that explicitly allocates approximately 900-1000 80% AMI farmworker housing units (the number of farmworker housing units identified as feasible to construct in the Pajero/Salinas Valley Farmworker Housing study) between the following jurisdictions: Unincorporated Santa Cruz and Monterey Counties, Watsonville, and all Salinas Valley jurisdictions including Gonzalez, Greenfield, King City, Salinas, and Soledad.	Ag jobs are included in our jobs data. We are not using "Census" jobs data—we're using address-level data from the California Employment Development Department, InfoUSA, and nearly a year of extensive ground-truthing the data by AMBAG staff. These data sources do include agricultural jobs as well as agricultural support jobs. If the number of ag jobs in the 2022 RGF appears low, it is not because we missed ag jobs, it's because of industry classifications. Within NAICS classifications, support activities for agricultural or animal production (e.g., harvesting contractors, farm labor contractors, crop packaging, warehousing) appear in manufacturing, transportation and warehousing, or wholesale. In addition, a comprehensive review of AMBAG region firms listed in the agriculture NAICS sector showed many support activities. AMBAG staff re-classified these to manufacturing, wholesale, or retail. For these reasons, allocating by total jobs does help to ensure that housing will be planned where farmworkers live. Perhaps more importantly: The listed jurisdictions (Gonzales, Greenfield, King City, Salinas, Soledad, Unincorporated Monterey, Watsonville, and Unincorporates Santa Cruz) account for nearly 2/3rds of the Very Low and Low income allocation (more than 8,000 units) under the proposed framework. Allocating an additional 1,000 units to those jurisdictions (many of which are already lower-income) would necessitate taking lower-income units away from high-resource jurisdictions, and thus perpetuating existing inequalities—a principle RHNA is designed to protect against.	Letter	9/20/2021
8	Santa Cruz YIMBY	Sonnenfeld	Rafa	We recommend using separate allocation methodologies for low-income units assigned to jurisdictions in Monterey County vs Santa Cruz County: in Santa Cruz County, it is reasonable for jurisdictions in Santa Cruz County to plan for low-income units assigned to them on the basis of AFFH high opportunity areas. However in Monterey County, the unincorporated portion of the county has many high opportunity areas that are not good candidates for low income housing due to lack of transportation and other infrastructure necessary to be competitive for affordable housing tax credit financing. We recommend using a methodology that results in reassigning AFFH-based low-income units in Monterey County that would have been assigned to the unincorporated county to instead be allocated to incorporated cities with high opportunity such as Monterey, Pacific Grove, and Carmel.	AMBAG receives one number for both counties. There is a process for becoming a subregion and receiving a separate determination from HCD for that subregion. The timing for that has passed. Monterey and Santa Cruz counties share a number the same characteristics such as: a sizable inter-county commute flow, need for farmworker and college housing, jobs/housing imbalance, a large share of agriculture and tourism based jobs, etc.	Letter	9/20/2021
9	Monterey Bay Economic Partnership (MBEP)	Madrigal	Elizabeth	I would like to submit the attached policy brief as written comment under agenda item 10.B, 6th Cycle Regional Housing Needs Allocation Methodology for the 10/13 AMBAG Board of Directors meeting. Introduction: MBEP's housing initiative is aimed at promoting the increase of housing at all income levels in the Monterey Bay region via data driven policies, funding solutions, and advocacy. The purpose of this brief is to bring clarity to the methodology options that are best suited to equitably meet the housing demands of our region, as well as the intricate issues we face. MBEP's goal is to play a proactive role in convening housing advocates to build a common understanding and developing housing production oriented recommendations for consideration by local government staff and elected officials The Regional Housing Needs Assessment (RHNA) is one of the tools available to the State of California to address our state wide housing crisis. RHNA requires that jurisdictions adequately plan for existing and future growth within their respective region. The RHNA process can be summed up in four phases, which include: 1) Regional Housing Needs Determination (RHND), 2) RHNA methodology, 3) RHNA plan, and 4) Housing Element updates. For additional information on the Housing Element and all it entails, please refer to MBEP's Housing Element FAQ. The Association of Monterey Bay Area Governments (AMBAG) prepares the RHNA plan for Monterey and Santa Cruz counties. The Council of San Benito County Governments (SBCOG) assumes the same role as AMBAG, but for San Benito County. As of the writing of this brief, AMBAG is in Phase 2 - preparing a draft methodology which will be used to allocate a share of the Regional Housing Needs Determination (RHND) to each locality within AMBAG. SBCOG is recently received its Regional Housing Needs Determination from HCD, and is beginning to embark on Phase 2.	Thank you for your comments.	Letter	10/8/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
10	MBEP	Madrigal	Elizabeth	<p>Overview: Historically, the Monterey Bay Region has fallen short of permitting the units needed in order to fulfill the RHNA numbers stipulated for each jurisdiction. As of the latest state reporting period ending July 2021, AMBAG has only met 58.8% of its 5th Housing Element Cycle RHNA allocation, which spans 2014-2023. Further analysis determined that jurisdictions defined as high opportunity areas by the California Department of Housing and Community Development were least likely to be on track to meet their very low and low income RHNA targets. Of the six jurisdictions in AMBAG that have a minimum of three high opportunity areas within them, they were cumulatively found to have only produced 11.94% of AMBAG's overall RHNA allocation. Of note is that between all six jurisdictions in AMBAG that have a minimum of three high opportunity areas tracts within them, they have collectively only permitted 294 very low income and low income units - 7% of AMBAG's allocation for very low income and low income units (4,155 total very low and low income goal). We must continue to track and evaluate the specific practices that have led to high opportunity areas within our region underperforming, especially when it comes to very low income and low income units. As a result of HCD now taking both existing and project housing needs into account when determining the Regional Housing Determination for each COG, the determinations under the 6th Housing Element cycle have turned out to be significantly higher than past determinations. The final regional housing need determination for AMBAG is 33,274 units across four income categories - very-low (extremely-low units are included within this category), low, moderate, and above-moderate. This is a 219% increase from AMBAG's total 5th Housing Element cycle RHNA allocation of 10,430. As for SBCOG, their final regional housing need determination for the 6th Housing Element cycle is 5,005 units across the four income categories of very-low (extremely-low units are included within this category), low, moderate, and above-moderate. This amounts to a 128% increase from SBCOG's total 5th Housing Element cycle RHNA allocation of 2,194.</p> <p>Now that AMBAG has received its RHND from HCD, it is tasked with determining the methodology that will be utilized to allocate the Monterey Bay Region's housing need across jurisdictions. The priority factors AMBAG has identified in developing its methodology are: regional growth forecast, employment, transit, resiliency, and affirmatively furthering fair housing (AFFH). Of note is that the AFFH allocation approach does not affect the number of units a jurisdiction is assigned - it only adjusts the share of allocation for very low & low income units.</p>	<p>AMBAG staff presented an option to the Planning Directors Forum to do something similar to this at our June 30, 2021 meeting. Consensus was that by allocating RHNA by two AFFH-based factors was redundant. Instead, they chose to allocate by AFFH income category only, but increased it to a high weight.</p> <p>The AMBAG Board of Directors can direct staff to modify the draft methodology to consider an AFFH factor as an allocation factor and bring back to the Planning Directors for discussion.</p>	Letter	10/8/2021
11	MBEP	Madrigal	Elizabeth	<p>Methodology Approach Case Study: In order to offer a view into a comparable region in the state, the methodology the Santa Barbara County Association of Governments (SBCAG) adopted will be broken down. Similar to AMBAG in that SBCAG is comprised of subregions that are distinct from one another, SBCAG chose to divide their allocation between the North County and South Coast subregions in order to focus on the region's sub-regional jobs-housing imbalance. Afterwards, a jobs-balance allocation method was applied, which includes a 60% weighing on current jobs, and a 40% weighing on forecasted 2020-2030 jobs from SBCAG's Regional Growth Forecast. The result of this first step allocated 60% of the region's RHNA determination to South Coast jurisdictions as this subregion is host to 60% of the region's current jobs. The remaining 40% of the RHNA determination was allocated to North County jurisdictions. Subsequently, SBCAG elected to distribute the subregional allocations to jurisdictions based on equal weighting (50%) for both overcrowding and cost burden. Lastly, SBCAG elected to have the methodology adjusted per RHNA's four income categories. This adjustment made it so that any jurisdiction with a high share of housing from a specific income category would receive a lower proportion of units of that very income category. As a result of this strong equity adjustment, 75% of the lower income RHNA figure was allocated towards high opportunity areas with access to jobs. The methodology approach SBCAG opted to move forward with ought to be further explored by AMBAG as our respective regions are both distinct subregions in which one approach would not adequately take into account the intricacies underlying each subregion. A strong equity adjustment similar to the one SBCAG implemented should also be highly considered by AMBAG in order for high resource areas within AMBAG's jurisdiction to build their fair share of very low and low income units.</p>	<p>Objective 1 of RHNA states: Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households. Housing law does not allow any jurisdiction to get 0 low- and very low income units. By allocating units to jurisdictions based on their number of jobs and their access to high-quality transit, and then shifting across income categories, the proposed methodology does funnel more very low and low income RHNA units to higher-income areas with access to key resources. In assessing the results of the draft methodology, we have also noted that jurisdictions with higher per capita unit allocations have current housing shortages, as illustrated by high rates of overcrowding and high need for farmworker housing. The proposed methodology balances existing housing needs by locating housing where it is needed, and balances equity by shifting across income categories.</p>	Letter	10/8/2021
12	MBEP	Madrigal	Elizabeth	<p>Recommendations to Consider: Farmworker Housing - The Monterey Bay Area region is distinct from various regions in the state in that it is comprised of a multi billion dollar agricultural industry primarily concentrated in the Salinas Valley, as well as a booming tourism industry in the coastal regions of the Monterey Peninsula and Santa Cruz. On the point of economic drivers within the Monterey Bay Region, it is imperative that AMBAG specifically account for the housing needs of farmworkers, especially when factoring in the significant rates of overcrowding in our region when it comes to this special needs population. According to the Farmworker Housing Study and Action Plan for Salinas Valley and Pajaro Valley, farmworker households were found to be occupied at 7 People Per Dwelling (PPD) to the average PPD of 3.23 in Monterey County, and 2.60 PPD in Santa Cruz County. It is recommended that AMBAG staff explore incorporation of a factor allocating very low & low income farmworker housing units throughout the Salinas Valley jurisdictions, Watsonville, and unincorporated Monterey & Santa Cruz counties. AMBAG staff also ought to consider measures that can be taken to address the jobs-housing imbalance prevalent within coastal areas of our region with large hospitality and service sector employees.</p>	<p>While farmworker needs must be taken into account through the RHNA process, AMBAG is mandated to allocate units based on income, not on occupant type. While the farmworker and hospitality/service sectors are located in different places, on balance the distribution jobs across lower-wage industries (ag, retail, services) very closely mirrors that of total jobs across the region. Thus, while it might seem counter-intuitive, the total jobs factor results in an allocation that also distributes units to places with lower-wage industries. Finally, AMBAG explored such an such as allocating RHNA based on type of job based on discussions with the Planning Directors Forum. Ultimately, the consensus was that total jobs made more sense. We also double checked the numbers and found if we did use such a factor as suggested, more units would be allocated to lower income areas and less units allocated to higher opportunity areas. Staff does not feel that this meets the equitable distribution factor as compared to option staff presented.</p>	Letter	10/8/2021
13	MBEP	Madrigal	Elizabeth	<p>Affirmatively Furthering Fair Housing - Another large question to consider is whether AMBAG's methodology is effectively incorporating the Affirmatively Furthering Fair Housing factor. As it currently stands, the Affirmatively Furthering Fair Housing metric AMBAG is utilizing does not affect the total number of housing units a jurisdiction is allocated - it is simply used as a shifting mechanism to adjust the share of very low & low income units a jurisdiction receives. Santa Cruz YIMBY has flagged this usage of the Affirmatively Furthering Fair Housing metric as a concern as it would in effect assign more market rate units to low opportunity communities, which has the potential to lead to gentrification. AMBAG staff ought to review and take into consideration Affirmatively Furthering Fair Housing factors other COGs in the state have utilized that have been shown to produce larger lower income RHNA allocations within high opportunity areas, such as the strong AFFH factors SBCAG and SCAG developed into their methodologies. As stated on the previous page of this brief, SBCAG was able to have 75% of the lower income RHNA numbers allocated towards high opportunity areas. As for SCAG, this COG was able to allocate 95% of their lower income RHNA figures to high and highest resource areas (with the exception of the cities of Industry and Vernon) due to their strong AFFH factor in their methodology.</p>	<p>There is no guidance under state law that suggests total units should be reduced in lower-income jurisdictions. Instead the law states that the RHNA plan must "(1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households." [Emphasis added.] In many cases reducing the total number of units could be counter-productive for equity as lower-opportunity jurisdictions tend to have high overcrowding rates and are in need of additional housing. Moreover the research on market rate housing and gentrification is mixed at best.</p>	Letter	10/8/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
14	MBEP	Madrigal	Elizabeth	Water for Housing - Lastly, a distinct issue that AMBAG must take into consideration when developing the RHNA methodology is that of the water supply problem the Monterey Peninsula is faced with. While AMBAG chose to adjust the RHNA allocation of cities within the Monterey Peninsula downwards during the 5th Housing Element cycle, we urge AMBAG to explore options that would not decrease the RHNA allocations of jurisdictions in the Monterey Peninsula, especially as most high opportunity areas within Monterey County are located within the Monterey Peninsula. Detailed in length in MBEP's Study on the Impact of Water on Housing Development in the Monterey Peninsula, a possible solution would be for AMBAG to develop an alternative distribution of the RHNA numbers in order to assign additional units to Peninsula jurisdictions once the Carmel River Cease and Desist order is lifted by the deadline the California State Water Resources Control Board has imposed of December 31st, 2021.9 It is equally important to acknowledge that while water is often cited as a barrier to the production of new housing in the Monterey Peninsula, it is not the main, nor the only barrier to housing development in these communities. Such barriers include community opposition to high density housing, high costs of construction on new housing development, and there not existing a guaranteed source of local affordable housing financing - to name a few. Establishing solutions to combat these challenges well before a new supply of water is available must be accomplished in order for jurisdictions to be well positioned to take advantage, and partner with developers to build housing without any delays.	Statutory adjustments will be considered after a methodology is selected as included in Government Code Section 65584.04(e). . Statutory adjustment(s) will be made and documented as part of the draft RHNA Plan. Statutory adjustments can be made according to the 13 RHNA plan factors including: 1. Jobs and housing relationship 2. Opportunities and constraints to development of additional housing (see below) 2a. Capacity for sewer and water service 2b. Availability of land suitable for urban development 2c. Lands preserved or protected from urban development 2d. County policies to preserve prime agricultural land 3. Opportunities to maximize transit and existing transportation infrastructure 4. Policies directing growth toward incorporated areas 5. Loss of units contained in assisted housing developments 6. High housing cost burdens 7. Rate of Overcrowding 8. Housing needs of farmworkers 9. Housing needs of UC and Cal State students 10. Individuals and families experiencing homelessness 11. Loss of units during an emergency 12. SB 375 Greenhouse Gas Reduction Targets 13. Other factors adopted by Council of Governments	Letter	10/8/2021
15	MBEP	Madrigal	Elizabeth	Conclusion: The RHNA methodology established by AMBAG must address the housing demands of Monterey Bay residents, both existing and projected, as well as the unique issues we face. Incorporating the considerations above including a strong Affirmatively Furthering Fair Housing factor, adequately accounting for farmworker & hospitality service housing needs, and making production oriented adjustments regarding the Monterey Peninsula's water challenges are vital when equitably planning for the future of our region. Once AMBAG and SBCOG have established their respective methodologies, they will be used to allocate a share of the Regional Housing Needs Determination to each locality that resides within AMBAG and SBCOG. After this step has been completed, each jurisdiction will have to create a Housing Element, which is required to detail how the allocated number of units will be accommodated, and any zoning changes that will need to be made to account for the units stipulated under RHNA. MBEP will be involved throughout the duration of the duration of the RHNA process, and urges advocacy groups and community members to become involved in this undertaking that directly shapes the future of our region.	Thank you for your comments.	Letter	10/8/2021
16	Public	Porter	Ed	This Ambag meeting is upon us with its planned big numbers of market rate homes and above. I'm hoping AMBAG Board members will realize that the proposed numbers are upside down. The low and very low numbers are absurdly small! (not to mention that State density bonus law RETARDS and BLOCKS application of our legally required 20% inclusionary mandate!) Guess who dreamed THAT up as a dishonest pretext to get more affordable housing! It seems like the people who proposed the published schedule (below) have not read newspapers for a few years. (haven't noticed the homeless camps?) I would challenge their methodology because it clearly delivered a ridiculous set of numbers that do not address our true and clear needs especially for very low income units. Very Low (0-50% AMI) = 817 units Low (50-80% AMI) = 534 units Moderate (80-120% AMI) = 427 units Above Moderate (120% or more of AMI) = 1,092 units	HCD provides the units by income categories as part of its Regional Housing Need Determination.	Email	10/10/2021
17	Public	Porter	Ed	As far as I am concerned, the need for moderate and especially above moderate is negligible and that's clearly demonstrated by lack of residents (vacancies) at 555 Pacific Ave. and probably at other Downtown locations like 2030 N. Pacific. Way back when I was on the SC City Council, AMBAG was setting absolutely absurd, ridiculous numbers for the City of Santa Cruz. Fact is, we had to take AMBAG to court to get reasonable numbers! I hope our elected friends who understand these things will put ideas something like this on the AMBAG record for the Wednesday meeting. Is this reasonable? "The state's requirements for the number of homes built in Santa Cruz and Monterey counties will more than triple starting in June 2023. NO! Not reasonable. It's bizarre! And how on Earth can they say with a straight face that the quota for above Moderate (120% or more of AMI) = 1,092 units? THAT's what I am calling gentrification insurance. (or Gentrification guarantees!) Regarding AMGAG methodology, I think the decline in the California 2020 US census population should send them back to their "drawing boards"! If there was an emergency in previous years, with a population decline since, and increased housing production on record, the emergency has ended by definition. Let's address the true deficiency especially of very low income units! THAT is a true emergency!	HCD provides the units by income categories as part of its Regional Housing Need Determination.	Email	10/10/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
18	California YIMBY, Santa Cruz YIMBY, and YIMBY Law	Eckhouse Sonnenfeld	Aaron Rafa	<p>California YIMBY, Santa Cruz YIMBY, and YIMBY Law are submitting this letter to the Association of Monterey Bay Area Governments to provide recommendations for adopting a Regional Housing Needs Allocation methodology, based on best practices developed through rigorous academic analysis by experts in the field of planning and housing development, of various methodologies that have already been adopted by Councils of Governments in other regions during the 6th Housing Element Cycle. We also offer our own analysis of the ability of the currently proposed RHNA methodology to meet the statutory requirements for the RHNA process, and make specific recommendations for modifications to the methodology that would further the required statutory objectives, beyond what has been proposed, which we believe to be inadequate.</p> <p>Accompanying this letter we have included a copy of the RHNA Methodologies Best Practices report from the UC Berkeley Turner Center for Housing Innovation. This report highlights some important policy considerations which we believe AMBAG have, to date, not incorporated sufficiently into its proposed allocation methodology. There are a number of best practices COGs can use to increase the likelihood that their allocation promotes the statutory objectives of RHNA. These are highlighted in this letter with bullet points.</p>	Thank you for your comments.	Letter	10/15/2021
19	California YIMBY, Santa Cruz YIMBY, and YIMBY Law	Eckhouse Sonnenfeld	Aaron Rafa	<p>Put more emphasis on strategies that promote both RHNA's equity and environmental goals simultaneously. Allocating RHNA near existing job centers promotes both equity and environmental goals because workers are often forced to commute long distances when adequate housing isn't available near jobs. COGs should put more emphasis on factors such as proximity to jobs that can simultaneously promote both the state's equity and environmental goals.</p> <p>In an equitable distribution, we would expect to see, at the very least, no pattern of lower-income jurisdictions consistently taking on a larger share of the RHNA allocation relative to their share of the region's population or jobs. Ideally, given that wealthier jurisdictions have historically used exclusionary policies to limit growth within their jurisdictional boundaries, we would see higher-income jurisdictions taking on a larger share of the regional RHNA allocation relative to their share of the region's population and jobs. On the following page is a chart of AMBAG's RHNA distribution as currently proposed in the staff's recommended methodology compared to existing housing stock. This chart shows the total number of housing units in each jurisdiction according to the 2020 US Census, as well as the Attachment 5 percentage growth that the proposed allocation has, based on their 2020 total number of housing units.</p> <p>As currently proposed, AMBAG's regional methodology does an extremely poor job at promoting equity. According to the 2020 US Census, the AMBAG region has a total of 249,976 housing units. With a determination of 33,274 units for the region, the total regional growth is 13.3%. As currently proposed, some of the wealthiest, most exclusive jurisdictions in our region, such as Carmel and Pacific Grove, are being allocated much smaller growth rates, less than 6%, compared to the region as a whole; while less affluent, more rural communities such as Greenfield and King City are being allocated over 25% growth rates, and two jurisdictions, Sand City and Gonzales, are each being allocated over 100% growth rates. We strongly encourage AMBAG to adopt a more equitable allocation strategy to ensure areas of highest opportunity and access to employment are allocated higher than average growth rates, not lower than average growth rates, as is currently the case.</p>	A substantial share of the proposed RHNA allocation is based on jobs. The proposed methodology balances existing housing needs by locating housing where it is needed, and balances equity by shifting across income categories.	Letter	10/15/2021
20	California YIMBY, Santa Cruz YIMBY, and YIMBY Law	Eckhouse Sonnenfeld	Aaron Rafa	<p>Consider equity directly when determining how many total RHNA units a jurisdiction will receive. Using explicit equity-focused factors—such as measures of segregation or opportunity—when determining each jurisdiction's total RHNA allocation can help ensure lower-income and racially segregated areas are not taking on more than their fair share of RHNA, while also funneling more RHNA to higher income areas with access to key resources that promote economic mobility. We note that AMBAG's current methodology does not consider equity directly when determining total RHNA allocations. Instead, staff have proposed an "income-shift" approach that swaps low-income units from lower-opportunity jurisdictions with the higher-income units from higher opportunity areas. The intended outcome of the staff approach is to affirmatively further fair housing by increasing the percentage of low-income units planned for in higher opportunity areas, however, we believe a better approach would be to instead allocate additional total numbers of low income units to areas of high opportunity, instead of just shifting the percentages.</p>	<p>AMBAG staff presented an option to the Planning Directors Forum to do something similar to this at our June 30, 2021 meeting. Consensus was that by allocating RHNA by two AFFH-based factors was redundant. Instead, they chose to allocate by AFFH income category only, but increased it to a high weight.</p> <p>The AMBAG Board of Directors can direct staff to modify the draft methodology to consider an AFFH factor as an allocation factor and bring back to the Planning Directors for discussion.</p>	Letter	10/15/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
21	California YIMBY, Santa Cruz YIMBY, and YIMBY Law	Eckhouse Sonnenfeld	Aaron Rafa	<p>ABAG calls our preferred approach the “Bottom-Up” AFFH methodology. In contrast to the Income Shift, the Bottom-Up income allocation approach does not start with a total allocation assigned with a factor-based methodology. Instead, this approach builds up the total allocation by using factors to determine allocations for the four income categories separately. Factors are selected for the lower two income categories, and then for the upper two income categories, and a jurisdiction’s allocation within each income category is determined based on how the jurisdiction scores relative to the rest of the region on the selected factors. The jurisdiction’s total allocation is calculated by summing the results for each income category. The bottom-up approach ensures that more low income units go to where they are needed most: near higher paying jobs, and in historically exclusive communities. COG planning staff in other regions argue that simply performing an income shift to affirmatively further fair housing for RHNA allocation is sufficient, given that what really matters is how much lower-income RHNA wealthier jurisdictions receive, not their total RHNA allocation. This is due to the fact that lower-income RHNA must be accommodated with a higher zoned density (generally 30 units per acre). Therefore, if suburban or rural jurisdictions receive a large allocation of lower-income units, they will likely accommodate the RHNA with parcels located near the urban core (given that they won’t want high density buildings located on the outskirts of town). On the other hand, if these jurisdictions receive a large allocation of higher-income units, they may find that the easiest way to accommodate their RHNA is to zone for single family housing on undeveloped land – which could lead to sprawl. Consequently, some COGs argue that ensuring non-urban jurisdictions receive a high percentage of lower-income units and a relatively small total RHNA allocation is the best strategy for promoting both RHNA’s equity and environmental objectives. The proposed methodology that AMBAG staff are recommending does not follow the recommended strategy of low total allocations to non-urban jurisdictions. In fact, unincorporated Monterey County, the most rural jurisdiction in the region, is proposed to be allocated the second highest total number of housing units of any jurisdiction in the region after the city of Salinas, while another relatively rural jurisdiction, Gonzales, is proposed to be allocated over a 100% unit increase from 2020 levels, with over 66% of the proposed 2,261units being moderate or above moderate housing units. Gonzales’ proposed total allocation is nearly as large as the proposed allocation for unincorporated Santa Cruz County, which is a much larger, more urban, higher resourced jurisdiction with over ten times the existing housing stock. Using a bottom-up approach to affirmatively further fair housing would not only help to reduce the likelihood of sprawl development in rural communities such as Gonzales, but would help ensure more homes in our region will be built for people of lower incomes in areas of the highest opportunities.</p>	<p>AMBAG staff presented an option to the Planning Directors Forum to do something similar to this at our June 30, 2021 meeting. Consensus was that by allocating RHNA by two AFFH-based factors was redundant. Instead, they chose to allocate by AFFH income category only, but increased it to a high weight.</p> <p>The AMBAG Board of Directors can direct staff to modify the draft methodology to consider an AFFH factor as an allocation factor and bring back to the Planning Directors for discussion.</p>	Letter	10/15/2021
22	California YIMBY, Santa Cruz YIMBY, and YIMBY Law	Eckhouse Sonnenfeld	Aaron Rafa	<p>Consider a jurisdiction’s connection to the regional job market, rather than the number of jobs located within a jurisdiction. There is existing data that measures how many jobs are within a 30-minute commuting distance by car of census blocks across the state. Using this data to allocate RHNA can ensure that smaller, wealthier jurisdictions that might be located adjacent to a job center, but don’t have a large number of jobs within their jurisdictional boundary, are still allocated their fair share of RHNA.</p> <p>Consider a jurisdiction’s connection to the regional job market, rather than the number of jobs located within a jurisdiction. There is existing data that measures how many jobs are within a 30-minute commuting distance by car of census blocks across the state. Using this data to allocate RHNA can ensure that smaller, wealthier jurisdictions that might be located adjacent to a job center, but don’t have a large number of jobs within their jurisdictional boundary, are still allocated their fair share of RHNA.</p>	<p>Looking at any factor—including jobs--without considering jurisdiction size could lead to unreasonable results (such as thousands of units allocated to a city that is just a few square miles in area). Objective 2 of RHNA states “Promoting 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.”</p> <p>Statute, and thus the methodology, centers on jobs “in each jurisdiction.” As a legacy of Prop 13, job-heavy jurisdictions have fiscal incentives to avoid planning for housing within their jurisdiction. Diluting their imbalance by looking at neighboring areas could undermine this RHNA objective.</p>	Letter	10/15/2021
23	California YIMBY, Santa Cruz YIMBY, and YIMBY Law	Eckhouse Sonnenfeld	Aaron Rafa	<p>Carefully weigh whether basing the RHNA allocation on the land use projections in the SCS is appropriate. Some SCS land use projections incorporate factors—such as the speed by which jurisdictions approve housing permits and a jurisdiction’s current zoned capacity—that arguably should not be considered at any point in the RHNA allocation process based on statutory guidelines. Further, allocating RHNA based on these land use projections can result in an allocation that does not further the statutory objectives of RHNA. In these cases, COGs should not assume they are legally required to allocate RHNA based on the SCS. The AMBAG Sustainable Communities Strategy states that “All growth is consistent with General Plans and was based on direction from jurisdiction planning staff.” This makes it problematic to use the SCS as the primary basis for assigning RHNA when RHNA may specifically require general plan amendments to implement. Relying on the SCS for a baseline allocation bakes in the constraints from jurisdictions existing general plans, and doubles down on existing patterns of systemic segregation and inequity to the extent that those are undressed in the existing general plans. AMBAG staff currently propose to allocate part of the RHNA, approximately half, based on the land use projections in their SCS, which is primarily designed to help the region meet its greenhouse gas reduction goals. When equity is taken into account, it is as a secondary step that only affects what percentage of a jurisdiction’s RHNA allocation falls into each of the four income buckets. AMBAG’s SCS gives jurisdictions that believe they are already “built out” a lower proportion of the projected population growth, even if they also have high access to jobs and other key resources. AMBAG’s SCS incorporates factors—such as the speed by which jurisdictions approve housing permits and a jurisdiction’s current zoned capacity—that should not be considered at any point in the RHNA allocation process given statutory guidelines. Further, depending on how the SCS incorporates existing zoned capacity into its growth projections, predominantly using the SCS to allocate RHNA could result in a distribution that does not further any of the five statutory objectives.</p>	<p>In the current proposal, more than half of the RHNA allocation is based on factors other than the Regional Growth Forecast (RGF). Having the RHNA consistent with the MTP SCS is important but is not the only—nor the dominant factor being proposed. Also, objective 2 of RHNA states “Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region’s greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.” Allocating a share based on the plan that underlies the RTP SCS is important to meeting the goals of protecting environmental and agricultural resources and achieving the region’s greenhouse gas reduction targets. While this is not the only factor under consideration, future plans are an important consideration toward meeting this objective. Finally, your letter references the existing 2040 MTP/SCS which was adopted in June 2018. Over the past two years, AMBAG has been preparing its updated 2045 MTP/SCS in which we worked very closely with local jurisdictions in identifying changes in land uses out to 2045. Most current general plans only go to 2030. Many jurisdictions are currently updating their general plans or conducting other planning efforts which are being reflected in the Draft 2045 MTP/SCS which is scheduled to be released in November 2021.</p>	Letter	10/15/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
24	California YIMBY, Santa Cruz YIMBY, and YIMBY Law	Eckhouse Sonnenfeld	Aaron Rafa	Use publicly available data from objective, external sources. Allocating RHNA based on COGs' internal data that incorporates local input raises equity concerns, because it allows small, wealthy jurisdictions that have a significant political incentive to minimize local housing development an opportunity to bias the RHNA allocation. Wherever possible, COGs should use publicly available data from external sources within their RHNA allocation methodology. We request that all sources of data be cited and made available to the public and to the AMBAG Directors prior to the draft methodology approval. We are particularly concerned that the data selected for the proposed draft methodology to date does not identify the cities of Del Rey Oaks or Scotts Valley to be jurisdictions of high opportunity, despite the fact that they both have much higher than average median incomes compared to the region as a whole. Without datasets that reflect our shared understanding of reality, it is hard to believe the intended outcomes of the selected methodology will accurately reflect the values AMBAG emphasizes in its allocation approach. More transparency for datasets is crucial for an informed decision-making process.	All data used in RHNA is publicly available. The 2022 RGF was approved by the AMBAG Board of Directors through public meetings and is available on the AMBAG website. https://www.ambag.org/sites/default/files/2020-12/Final%20Draft%202022%20Regional%20Growth%20Forecast_PDF_A.pdf The majority of the RHND is proposed to be allocated based on: - Jobs (Employment), published as part of the RGF (see link above) and was based on data from the California Employment Development Department and InfoUSA. - Wildfire—CPUC and the Office of the State Fire Marshal - Sea Level Rise—NOAA - AFFH: TCAC/HCD Opportunity Area Maps or RCAAs (U.S. Census Bureau, American Community Survey (2015-2019), and 2020 Census) AMBAG staff has submitted a request to EDD to allow us to share the confidential jurisdictional level EDD employment data. The county level data is already available. In addition, AMBAG has shared the InfoUSA data with any local jurisdiction who has requested it. Finally, the AMBAG Board could choose to direct staff to use a different data source for jobs data.	Letter	10/15/2021
25	California YIMBY, Santa Cruz YIMBY, and YIMBY Law	Eckhouse Sonnenfeld	Aaron Rafa	Develop strategies that allow stakeholders to meaningfully participate in discussions about how to allocate RHNA. The RHNA process is very complex, but some COGs have developed tools that allow the public to understand more intuitively how different RHNA allocation strategies affect the spatial distribution of RHNA. More COGs should use these tools to ensure that stakeholders can meaningfully weigh in during the RHNA methodology development process. We are dismayed that AMBAG has not been able to produce a tool that allows the public to understand how various allocation strategies, as determined by any proposed methodology, will result in distribution of housing units to each of the jurisdictions. We have only been able to estimate distributions based on the calculations staff have produced for their recommended methodology, but both the public and AMBAG Directors have not been afforded the opportunity to review calculations for alternative methodological options to see how those options might change the distributions assigned to each city or unincorporated county in the Monterey Bay Area. While at this stage we recognize it's unreasonable to develop a tool such as ABAG's methodology visualization tool, we encourage the staff to at least provide calculations for distributions of multiple methodology alternatives, including those we are recommending in this letter. Understanding the extent to which a methodology promotes RHNA's statutory objectives requires not only understanding the broad theoretical approach employed by a COG, but also an analysis of the plan's actual output.	AMBAG has limited resources as compared to other large CA COGs such as ABAG. AMBAG has worked to provide very technical information in a way that staff, elected officials, stakeholders and members of the public can understand. AMBAG will continue to work on improving how we present this information the RHNA plan.	Letter	10/15/2021
26	California YIMBY, Santa Cruz YIMBY, and YIMBY Law	Eckhouse Sonnenfeld	Aaron Rafa	We hope that the leaders of the Monterey Bay Area region recognize the seriousness of the task at hand: planning for the region's state-mandated future growth for the next decade. While this process may be new to some of you, or familiar to others, what differentiates RHNA and the Housing Element now, in this current planning cycle, from previous cycles is the added legal weight that the state has placed on local jurisdictions to ensure that the planned housing goals are actually achieved. In years past, a city or county could get away with failing to zone for affordable housing at the required densities, or failing to facilitate the planned housing growth by falling short of its RHNA objectives; that is no longer the case. Now that state lawmakers have beefed up the enforcement mechanisms to ensure compliance with state law, with potential fines, reductions in funding, and loss of control of local land use decision making, it is imperative that the RHNA process be executed carefully and intentionally. Since housing growth based on RHNA allocations is now expected to actually be achieved, and since there are serious consequences for failing to meet the requirements of the law, it's important that the RHNA methodology be adopted with as much care and diligence as possible. We believe the best outcomes for the Monterey Bay Area region: more affordable housing where it's needed most, reduced greenhouse gas emissions, more opportunities for social mobility, economic growth, and improved quality of life, will be best achieved by learning from what worked and what didn't work in other regions, and applying those lessons to the task at hand. Please take heed of our recommendations and review the attached RHNA Methodologies Best Practices report from the UC Berkeley Turner Center on Housing Innovation. We also want to extend an offer to meet with any representative from any AMBAG jurisdiction who would like to discuss our recommendations in greater detail prior to the adoption of the draft methodology at your November board meeting.	Thank you for your comments.	Letter	10/15/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
27	M.R. Wolfe & Associates, P.C. on behalf of LandWatch Monterey County	Farrow	John	I write on behalf of LandWatch Monterey County regarding the draft proposed RHNA methodology and to follow up on the concerns we raised at the Planning Director's Forum Monday. LandWatch suggests a substantial reduction in the initial allocation of 3,083 units that would be assigned to the unincorporated area of Monterey County on the basis of the draft proposed methodology. In particular, LandWatch recommends no units be allocated to the unincorporated area of Monterey County on the basis of its share of regional jobs because the draft proposed methodology over-allocates units on that basis: the unincorporated area of the County does not have a jobs/housing imbalance. LandWatch proposes that AMBAG staff recommend this reduction as an adjustment when applying the 13 statutory factors mandated by Government Code Section 65584.04(e) because a number of these statutory factors justify such a reduction.	Statutory adjustments will be considered after a methodology is selected as included in Government Code Section 65584.04(e). . Statutory adjustment(s) will be made and documented as part of the draft RHNA Plan. Statutory adjustments can be made according to the 13 RHNA plan factors including: 1. Jobs and housing relationship 2. Opportunities and constraints to development of additional housing (see below) 2a. Capacity for sewer and water service 2b. Availability of land suitable for urban development 2c. Lands preserved or protected from urban development 2d. County policies to preserve prime agricultural land 3. Opportunities to maximize transit and existing transportation infrastructure 4. Policies directing growth toward incorporated areas 5. Loss of units contained in assisted housing developments 6. High housing cost burdens 7. Rate of Overcrowding 8. Housing needs of farmworkers 9. Housing needs of UC and Cal State students 10. Individuals and families experiencing homelessness 11. Loss of units during an emergency 12. SB 375 Greenhouse Gas Reduction Targets 13. Other factors adopted by Council of Governments	Letter	11/2/2021
28	M.R. Wolfe & Associates, P.C. on behalf of LandWatch Monterey County	Farrow	John	Over-allocation of units to unincorporated Monterey County based on jobs. The primary factors used to make the initial allocation in the proposed draft methodology are the housing units for each jurisdiction projected in the Regional Growth Forecast from 2025-2035 (637 units for the County) and the percentage of regional jobs for each jurisdiction (resulting in an additional 2,357 units allocated to the County). LandWatch generally supports using jobs as a primary basis to allocate RHNA for cities. This is consistent with the statutory objective to promote an "improved intraregional relationship between jobs and housing." (Gov. Code, § 65584(d)(3).) For cities, the focus on employment is also consistent with the statutory objective to promote "infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080." (Gov. Code, § 65584(d)(2).) However, for the unincorporated area of Monterey County the allocation of housing units based on the percentage of regional jobs conflicts with the objective to promote infill development, protection of the environment and agricultural resources, efficient development patterns, and attainment of GHG reduction targets. Although locating housing units in a city that has jobs can minimize GHG emissions by limiting commutes to the dimensions of the city, there can be no assurance that the County can or will develop housing that is proximate to jobs. Average VMT is higher for both home-based and employment-based trips in the unincorporated County than it is in incorporated areas, so it makes sense to concentrate new units in cities. The zoning the County may create to respond to the County's RHNA allocation may be very distant from the available jobs, whereas workers in jobs dispersed in the County, e.g., the 13.3% of County workers who are in agricultural work, could likely be housed in the cities proximate to their jobs. We note almost five times as many agricultural workers in Monterey County live in cities than in unincorporated areas.	In assessing the results of the draft methodology, we have also noted that jurisdictions with higher per capita unit allocations have current housing shortages, as illustrated by high rates of overcrowding and high need for farmworker housing. The proposed methodology balances existing housing needs by locating housing where it is needed, and balances equity by shifting across income categories.	Letter	11/2/2021
29	M.R. Wolfe & Associates, P.C. on behalf of LandWatch Monterey County	Farrow	John	Furthermore, allocating housing units to the unincorporated area of the County is the antithesis of supporting compact urban growth and efficient development patterns. And allocating housing units to the County is likely to consume farmland. LandWatch is also concerned that the draft methodology allocates so many units to the County based on jobs even though the unincorporated County does not have a jobs/housing imbalance. This is evident from your presentation to the Planning Directors, in which the unincorporated area is not identified as one of the seven areas in Monterey County in which the jobs/housing relationship "should be considered." The jobs/housing ratio for unincorporated Monterey County is 1.5, equal to the regional average and lower than the County average of 1.7.5 In short, there is no jobs/housing problem in the unincorporated area that needs to be fixed by allocating so many housing units. Despite this, the draft methodology assigns 2,357 additional units to the unincorporated area on the basis of a jobs/housing imbalance, almost four times as many as the 637 units that are allocated to meet the Regional Growth Forecast. No other jurisdiction except the cities of Monterey and Carmel are allocated more units for jobs than for their Regional Growth Forecast. However, unlike the unincorporated County, Monterey and Carmel are clearly communities suffering huge jobs/housing imbalances, as evidenced by substantial in-commuting.6 Carmel has a net in-commute of 1,604 persons, i.e., persons living outside the city commuting into it minus persons living in the city commuting out of it. Monterey has a net in-commute of 11,506 persons. By contrast, the unincorporated County has a net out-commute of 421 persons.	Part of AMBAG's high Regional Housing Need Determination from HCD was to accommodate the existing housing demand that has not been met in the region. Monterey County has a large share of agriculture jobs and needs farmworker housing.	Letter	11/2/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
30	M.R. Wolfe & Associates, P.C. on behalf of LandWatch Monterey County	Farrow	John	<p>Statutory factors warrant a substantial reduction in the allocation to unincorporated Monterey County. While the employment-based allocation may work for cities, it does not work for the unincorporated area of Monterey County. Fortunately, the over-allocation to the County can be corrected without disturbing the employment-based allocation to cities, simply by applying one or more of the 13 statutory factors enumerated in Government Code Section 65584.04(e)(1) through (13). The AMBAG staff's proposed methodology expressly contemplates that adjustments will be made to the initial allocation to account for the other factors set out in Government Code Section 65584.04(e). These factors mandate a substantial reduction in the allocation to unincorporated Monterey County. (Gov. Code, § 65584.04(e) [where data available, the COG "shall include the following factors to develop the methodology that allocates regional housing needs . . ."].) First, Government Code Section 65584.04(e)(4) mandates that the RHNA methodology shall include as one of its factors any "agreements between a county and cities in a county to direct growth toward incorporated areas of the county." The County has previously recognized the need to focus growth in cities by entering into just such MOAs and MOUs with cities to direct growth into incorporated areas. Second, Government Code Section 65584.04(e)(2)(D) mandates that the RHNA methodology shall include consideration of "County policies to preserve prime agricultural land." Monterey County General Plan Agricultural Element contains numerous policies that seek to preserve prime agricultural land, and in particular, seek to avoid conversion of that land to non-agricultural use. For example, Policy AG-1.4 provides that on lands classified as Prime, of Statewide Importance, Unique, or of Local Importance, agriculture uses shall be conserved and that "agriculture shall be established as the top land use priority for guiding further economic development on agricultural lands." Third, Government Code Section 65584.04(e)(12) mandates that the RHNA methodology shall include consideration of the region's greenhouse gas targets. As noted above, VMT associated with unincorporated Monterey County housing and employment is higher than the average VMT for the rest of the County, i.e., higher than the VMT for the cities within the County. Thus, GHG emissions are higher. Again, no fundamental change to the initial allocation methodology is required in order to reduce the County's allocation in recognition of these statutory factors and in recognition that jobs/housing imbalance rationale does not fit the unincorporated area the way it fits cities. Thus, in applying the Government Code Section 65584.04(e) factors, LandWatch proposes that the units initially allocated to the unincorporated area of Monterey County be reduced by the 2,357 units representing the over-allocation of units based on employment.</p>	<p>Statutory adjustments will be considered after a methodology is selected as included in Government Code Section 65584.04(e). . Statutory adjustment(s) will be made and documented as part of the draft RHNA Plan. Statutory adjustments can be made according to the 13 RHNA plan factors including:</p> <ol style="list-style-type: none"> 1. Jobs and housing relationship 2. Opportunities and constraints to development of additional housing (see below) 2a. Capacity for sewer and water service 2b. Availability of land suitable for urban development 2c. Lands preserved or protected from urban development 2d. County policies to preserve prime agricultural land 3. Opportunities to maximize transit and existing transportation infrastructure 4. Policies directing growth toward incorporated areas 5. Loss of units contained in assisted housing developments 6. High housing cost burdens 7. Rate of Overcrowding 8. Housing needs of farmworkers 9. Housing needs of UC and Cal State students 10. Individuals and families experiencing homelessness 11. Loss of units during an emergency 12. SB 375 Greenhouse Gas Reduction Targets 13. Other factors adopted by Council of Governments 	Letter	11/2/2021
31	City of Monterey	Uslar	Hans	<p>The City of Monterey requests that the AMBAG Board delay adoption of the Regional Housing Needs Allocation until AMBAG staff provides a detailed presentation on the two sources of data that were used to develop the employment numbers (InfoUSA and State of California Employment Development Department - EDD). Eighty-five percent of the proposed RHNA allocation is weighted on employment and regionally we need confidence in the employment numbers for the allocation to proceed. AMBAG signed a confidentiality agreement with EDD regarding the data, and AMBAG staff recently recommended that each City contact EDD for their own agreement to verify the information. In our opinion, this is an inefficient and not transparent approach. We are asking that the Board direct the AMBAG staff to have the agreement with EDD modified so they can share the data with qualified staff members from each jurisdiction so we can verify the numbers. It would also be helpful if AMBAG shared the InfoUSA data in a format that can be verified by the local jurisdictions (versus the raw GIS data). Alternatively, the City and other cities will need adequate time to enter into an agreement with EDD and prepare the GIS maps.</p> <p>In contrast, the confidential EDD data used in the AMBAG projections estimates 40,989 jobs in Monterey in 2020. AMBAG staff explained that the Census and publicly available EDD data is based on number of employees versus jobs. Our City, and we suspect other cities as well, needs to understand the employment data in more detail to gain confidence in the difference between 24,926 and 40,989 jobs. In summary, the City is urging the AMBAG Board to delay adoption of the Regional Housing Needs Allocation until clarification of the employment data can be provided at a detailed level to qualified staff members and the Board of Directors. We hope that this clarification could occur before the end of the calendar year.</p>	<p>The 2022 Regional Growth Forecast (RGF) was developed over a two-year period which included multiple meetings with the Planning Directors Forum and local jurisdictions. AMBAG met with each local jurisdiction multiple times to review all the jobs, population and housing data in 2019 and 2020. No concerns were identified with the jobs data at that time. In November 2020, the AMBAG Board unanimously approved the use of the 2022 RGF for planning purposes in the development of RHNA and the 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy.</p> <p>It is important to note that there are multiple sources of jobs data, and multiple ways to define jobs. It was suggested that jobs data from other sources, such as the U.S. Census Bureau LODES data, would be better for use in the RHNA methodology. However, the U.S. Census Bureau LODES database excludes military, self-employed, and informal jobs as well as well-documented challenges associated with "headquartering" whereby all jobs are assigned to a headquarters location, such as a school district office, rather than to the place of work, such as the school.</p> <p>More importantly, if another jobs dataset were to be used, the distribution of jobs across jurisdictions or percent share for each jurisdiction would largely be the same. Because the RHNA methodology is based on the distribution of jobs or percent share, rather than total number of jobs, there would not be any substantial changes in the RHNA allocation regardless of what jobs data was used.</p> <p>Finally, reaching an agreement with EDD to share the jobs data took nearly several years to finalize and states "No confidential data will be disclosed to any AMBAG member cities or counties." AMBAG has submitted a request to EDD for disclosure of additional data, but notes that this limitation has been imposed to protect 3rd party privacy information pursuant to Gov. Code Section 6254(c).</p>	Letter	11/5/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
32	SC YIMBY	Sonnenfeld	Rafa	I wanted to direct your organization's attention to the proposed RHNA methodology that AMBAG staff are set to bring to the BOD for a vote next week (Wednesday, 11/10). There was a final meeting of the AMBAG planning director's forum yesterday where staff presented a new preferred methodology. We have been advocating for significant changes to the methodology being considered by AMBAG, but it appears our concerns are falling on deaf ears. Our most recent letter is included in the attached agenda packet for yesterday's meeting. Below are a few concerns about the AMBAG approach to AFFH and 65584.04(e)(4) which are particularly problematic in how they affect the unincorporated Monterey County, and the RHNA as a whole. According to AMBAG staff, upon conversations with HCD, they have been asked to increase the weighting of their equity adjustment, so they have. You'll notice that there is a new category called "RCAA," which stands for Racially Concentrated Areas of Affluence, that is basically the revised equity adjustment. The proposal is now to give a 50% adjustment for Affirmatively Furthering Fair Housing (AFFH) after the base allocation, to shift low and very low income units into high opportunity areas and out of low opportunity areas based on whether or not the jurisdiction has both higher than average white population and a higher than average affluent population. This is generally good a good concept, and makes sense for most cities, but it's executed poorly and it now highlights how inadequate the base allocation methodology is, because it results in assigning over 17% of the region's low income housing to unincorporated Monterey County, a jurisdiction that has a legal settlement that prevents them from AFFH. Pasted below is the staff-recommended methodology table Option B, which also changes the methodology of their AFFH income shifting within jurisdictions by swapping VLI units for above moderate units and LI units for moderate units instead of the previous method (Option A) which swapped VLI for moderate units and LI for above-moderate units. HCD strongly encourages the Option B approach to income shift as opposed to the previous Option A.	Unincorporated Monterey County is identified as a RCAA and similar to other RCAs under the revised draft methodology, additional low and very low units are shifted to RCAA jurisdictions.	Email	11/5/2021
33	SC YIMBY	Sonnenfeld	Rafa	The Carmel Valley area of unincorporated Monterey County has a hard development cap of 190 units due to a legal settlement agreement with the Carmel Valley Association. That area is the reason why the unincorporated county has received so many affordable units (to further AFFH, which the county is legally prevented from doing--see the settlement agreement [ec2-34-221-130-80.us-west-2.compute.amazonaws.com]; relevant section about the growth cap is pasted below). So it will be virtually impossible for the County to achieve its AFFH requirements through its housing element process because it is legally prevented from increasing development in its highest opportunity community. The practical effect of Monterey County's RHNA allocation will be to up-zone areas like unincorporated Castroville for the purposes of providing affordable housing, even though that will directly conflict with the goals of AFFH; 17% of the region's very low income housing will be directed to areas that result in exacerbation of economic segregation. My hope would be if AMBAG approves this flawed methodology and HCD does sign off on this plan, that Monterey County commit to try to achieve their VLI RHNA through on-farm farmworker housing programs or something else that will be a real commitment to production of affordable housing instead of a paper pushing exercise. The other thing AMBAG staff has done is made it so that a jurisdiction loses 50% of their allocation of low and very low income if it's not a "Racially Concentrated Area of Affluence." And their definition of RCAA is that a city has to be both above-average wealthy, and above-average white. There is no sliding scale; it's all or nothing. Under the previously proposed income shift methodology, the city of Santa Cruz would have had 817 VLI units and 534 LI units. But because the city is only 66% affluent and not 67% or 68% affluent, it's getting just 424 VLI units and 278 LI units. A simple solution to this would be to give partial credit to jurisdictions like the City of Santa Cruz, which meets 98% of AMBAG's definition of an RCAA.	The Board of Directors could direct staff to modify the definition of RCAA and include those jurisdictions that qualify as a partial RCAA.	Email	11/5/2021
34	SC YIMBY	Sonnenfeld	Rafa	There was also an attorney representing LandWatch Monterey County on the call as well, who brought up an important context that seems to be missing from AMBAG's analysis: that Monterey County has MOUs with several cities regarding development. He forwarded me a letter he sent to AMBAG. They are arguing for a reduction to unincorporated Monterey County's total allocation, and I agree with their reasoning. "The County has previously recognized the need to focus growth in cities by adopting policies to limit residential development in the unincorporated area and by entering into MOAs and MOUs with cities to direct growth into incorporated areas. (See, e.g., agreements with Greenfield, Gonzales, and Salinas at https://www.co.monterey.ca.us/government/departments-a-h/housing-community-development/planning-services/resources/mous [co.monterey.ca.us]). Indeed, Government Code Section 65584.04(e)(4) mandates that the RHNA methodology "shall include" as one of its factors any policies that direct growth toward cities, including "agreements between a county and cities in a county to direct growth toward incorporated areas of the county."	These comments are included as Comments #27-30.	Email	11/5/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
35	SC YIMBY	Sonnenfeld	Rafa	We still feel a more equitable approach to the overall methodology is to use the "bottom up" approach as outlined in our letter, that creates a separate allocation methodology for each bucket of affordability, rather than the income-shift methodology that is on the fast track to adoption. There will still need to be adjustments for statutory requirements, especially concerning the situation in unincorporated Monterey County. To account for farmworker housing, which was a concern several jurisdictions, such as Soledad, feel is being overlooked, the original idea we had was to create a farmworker housing threshold/adjustment so that we could be sure that each jurisdiction with a farmworker housing need would be sure to get at that minimum number of units for low/very low. One way that could be done is by re-allocating the huge number of VLI units in unincorporated Monterey County to the other farmworker jurisdictions. Monterey County will almost certainly need to be adjusted down to fulfil the statutory requirement of directing housing to infill and AFFH.	Areas with the most agricultural jobs, and thus highest need for farmworker housing are Unincorporated Monterey and Salinas, followed by Greenfield, Watsonville, Unincorporated Santa Cruz, Gonzales, Soledad, and King City. Creating a separate farmworker housing factor would add units to those jurisdictions. Statutory adjustments will be considered after a methodology is selected as included in Government Code Section 65584.04(e). . Statutory adjustment(s) will be made and documented as part of the draft RHNA Plan. Statutory adjustments can be made according to the 13 RHNA plan factors including: 1. Jobs and housing relationship 2. Opportunities and constraints to development of additional housing (see below) 2a. Capacity for sewer and water service 2b. Availability of land suitable for urban development 2c. Lands preserved or protected from urban development 2d. County policies to preserve prime agricultural land 3. Opportunities to maximize transit and existing transportation infrastructure 4. Policies directing growth toward incorporated areas 5. Loss of units contained in assisted housing developments 6. High housing cost burdens 7. Rate of Overcrowding 8. Housing needs of farmworkers 9. Housing needs of UC and Cal State students 10. Individuals and families experiencing homelessness 11. Loss of units during an emergency 12. SB 375 Greenhouse Gas Reduction Targets 13. Other factors adopted by Council of Governments	Email	11/5/2021
36	SC YIMBY	Sonnenfeld	Rafa	I wanted to make sure you and your staff are aware of some of the problems with AMBAG's proposed RHNA methodology, which is being voted on next week. I'm forwarding you an email thread raising some of our concerns. In addition to those comments, I have some additional technical details about the problematic proposal as it relates to unincorporated Monterey County. It may be helpful to start from the beginning of this thread (at the bottom). Based on the allocation recommended by staff at the Monday meeting, Monterey County would have to have to find somewhere to zone for 1,370 very low and 896 low income units. Since Monterey County's 2010 General Plan bars sprawl development (GP Policy LU-1.19), the affordable units would have to be located in <ul style="list-style-type: none"> • the "Community Areas" of Castroville, Chualar, Boronda, East Garrison, and Pajaro, of which Pajaro and Chualar are the highest priority (LU-2.23) • the "Rural Centers" of Bradley, Lockwood, Pine Canyon, Playto, River Road, San Ardo, and San Lucas, or • the 3 Affordable Housing Overlay districts (see Policy LU-2.11) o AHO1 - 13-acre Mid-Carmel Valley - see map at https://www.co.monterey.ca.us/home/showpublisheddocument/45880/63638994150360000 [co.monterey.ca.us] o AHO2 - 85-acre Airport Area AHO - see map at https://www.co.monterey.ca.us/home/showpublisheddocument/45940/636389942172030000 [co.monterey.ca.us] o AHO3 - 31-acre Highway 68/Reservation Road AHO - see map at https://www.co.monterey.ca.us/home/showpublisheddocument/45942/636389942179370000 [co.monterey.ca.us]	Comment noted.	Email	11/5/2021
37	SC YIMBY	Sonnenfeld	Rafa	These are the only areas in which the General Plan permits Monterey County to focus future growth. (GP Policy LU-1.19.) And at this point, no additional development would be allowed in the Mid-Carmel Valley AHO in light of the 190-unit cap in the Carmel Valley Master Plan. (GP Policy CV-1.6.) Ironically, only the Mid-Carmel Valley site actually has the resources and opportunities that are supposed to be the rationale for allocating so many lower income units to the County. There are various prerequisites to non-affordable project development in the Community Areas and Rural Centers, including the adoption of a Community Plan for Community Areas (Policy LU-2.23) and adoption of a Capital Improvement and Financing Plan for Rural Centers (Policy LU-2.29). The purpose of a Community Plan is to create a livable community by implementing General Plan Policy LU-2.22, which requires the following elements: LU-2.22 Community Areas shall be designed to achieve a sustainable, balanced, and integrated community offering: a) A vision for that community b) Various types and nature of land use designations including: o A diverse range of residential densities and housing types. o A mix of retail commercial businesses and offices. o Industrial development where appropriate. o A variety of recreational opportunities and public amenities integrating enhancement of existing natural resources into the community where possible. c) Adequate public facilities and services including public water and sewer, an extensive road network, public transit, safety and emergency response services, adequate flood control, parks, and schools. d) Opportunities for workers to live near jobs.	Comment noted.	Email	11/5/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
38	SC YIMBY	Sonnenfeld	Rafa	<p>To our knowledge, Monterey County has not yet adopted any community plans for Community Areas or Capital Improvement and Financing Plans for Rural Centers. However, Community Plans and Capital Improvement and Financing Plans are not required for 100% affordable projects in Rural Centers and Community Areas. (GP Policy LU-2.11 b, f, g.) The only requirement for a 100% affordable development in these areas is that it take care of its own infrastructure needs. (Policy LU -2.11, f, g.)</p> <p>If the current allocation is adopted, Monterey County's revised Housing Element will have to upzone at least 113 acres of land in the Community Areas, Rural Centers, or AHOs to high density, i.e., at least the 20 units per acre required to meet HCD's density mandate for low income units (1370+896=2266 units, divided by 20 units per acre=113 acres). In effect, this means that the only way that Monterey County could develop its Low and Very Low Income affordable housing at this point would be to locate it in</p> <ul style="list-style-type: none"> • Community Areas, but without the Community Plans that are supposed to make the areas livable, • Rural Centers, but without Capital Improvement and Infrastructure Plans and far from jobs and other opportunities, • in the 116 acres of AHOs at Reservation Road and Highway 68 or around the Airport, where there would be no space to develop any other uses since essentially all of the space would be needed for the VL and L income units <p>This would result in isolated low income affordable units without community plans or comprehensive infrastructure plans. This segregation without resources or opportunities is contrary to the intent to affirmatively further fair housing, and will likely make it impossible to obtain necessary subsidies.</p>	<p>Statutory adjustments will be considered after a methodology is selected as included in Government Code Section 65584.04(e). . Statutory adjustment(s) will be made and documented as part of the draft RHNA Plan. Statutory adjustments can be made according to the 13 RHNA plan factors including:</p> <ol style="list-style-type: none"> 1. Jobs and housing relationship 2. Opportunities and constraints to development of additional housing (see below) 2a. Capacity for sewer and water service 2b. Availability of land suitable for urban development 2c. Lands preserved or protected from urban development 2d. County policies to preserve prime agricultural land 3. Opportunities to maximize transit and existing transportation infrastructure 4. Policies directing growth toward incorporated areas 5. Loss of units contained in assisted housing developments 6. High housing cost burdens 7. Rate of Overcrowding 8. Housing needs of farmworkers 9. Housing needs of UC and Cal State students 10. Individuals and families experiencing homelessness 11. Loss of units during an emergency 12. SB 375 Greenhouse Gas Reduction Targets 13. Other factors adopted by Council of Governments 	Email	11/5/2021
39	SC YIMBY	Sonnenfeld	Rafa	<p>Again, this problem is a result of the over-allocation of units to the unincorporated Monterey County on the basis of its percentage of regional employment despite the fact that there is no jobs/housing imbalance in the unincorporated County. This base allocation to the unincorporated area is contrary to the statutory objective to promote "infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080." (Gov. Code, § 65584(d)(2).)</p> <p>The over-allocation of units to the unincorporated area of Monterey County is also contrary to the Government Code Section 65584.04(e)(4) mandate that the RHNA methodology shall include as one of its factors any "agreements between a county and cities in a county to direct growth toward incorporated areas of the county. The County has in fact entered into agreements with cities to direct growth into incorporated areas. These agreements are consistent with the County policies calling for City Centered Growth. (See GP Policies LU-2.14 through LU-2.17.) For example, Policy LU-2.14 requires the County to "[w]ork with AMBAG and cities to direct the majority of urban growth including higher density housing development into cities and their spheres of influence with an emphasis on redevelopment and infill."</p> <p>Finally, it should be noted that in speaking with affordable housing developers whose job it is to try to build affordable housing in rural communities, it's just not feasible to develop the above-listed areas, no matter the zoning: they don't have the necessary infrastructure to be developable. If AMBAG and HCD allow the proposed methodology to proceed and give hundreds of units of our region's low income RHNA allocation to unincorporated Monterey county, it is a plan doomed to fail, and our RHNA process will have been a wasted exercise for the thousands of low income families who depend on this process to work to build the affordable housing we need.</p>	<p>Statutory adjustments will be considered after a methodology is selected as included in Government Code Section 65584.04(e). . Statutory adjustment(s) will be made and documented as part of the draft RHNA Plan. Statutory adjustments can be made according to the 13 RHNA plan factors including:</p> <ol style="list-style-type: none"> 1. Jobs and housing relationship 2. Opportunities and constraints to development of additional housing (see below) 2a. Capacity for sewer and water service 2b. Availability of land suitable for urban development 2c. Lands preserved or protected from urban development 2d. County policies to preserve prime agricultural land 3. Opportunities to maximize transit and existing transportation infrastructure 4. Policies directing growth toward incorporated areas 5. Loss of units contained in assisted housing developments 6. High housing cost burdens 7. Rate of Overcrowding 8. Housing needs of farmworkers 9. Housing needs of UC and Cal State students 10. Individuals and families experiencing homelessness 11. Loss of units during an emergency 12. SB 375 Greenhouse Gas Reduction Targets 13. Other factors adopted by Council of Governments 	Email	11/5/2021
40	SC YIMBY	Sonnenfeld	Rafa	<p>1) We generally like the approach of using Racial Concentrated Areas of Affluence (RCAA) as the way of AFFH'ing jurisdiction's allocations, but the all-or-nothing approach that lets the city of Santa Cruz reduce its low and very low allocation by 50% because it is only 66% affluent instead of 68% affluent is not acceptable. AMBAG should change its methodology for determining RCAAs-based allocations for jurisdictions that are more than 50% white by reducing the percentage of low and very low units by the relative amount of affluence compared to the region. So for Santa Cruz, instead of a full 50% reduction to low income units, it should be a reduction of ~1%.</p>	<p>The Board of Directors could direct staff to modify the definition of RCAA and include those jurisdictions that qualify as a partial RCAA.</p>	Email	11/5/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
41	SC YIMBY	Sonnenfeld	Rafa	2) Ensure that the statutory adjustments mentioned to reduce sprawl and directing units to infill are given enormous weight for unincorporated Monterey County, due to their legal barriers to AFFH.	Statutory adjustments will be considered after a methodology is selected as included in Government Code Section 65584.04(e). . Statutory adjustment(s) will be made and documented as part of the draft RHNA Plan. Statutory adjustments can be made according to the 13 RHNA plan factors including: 1. Jobs and housing relationship 2. Opportunities and constraints to development of additional housing (see below) 2a. Capacity for sewer and water service 2b. Availability of land suitable for urban development 2c. Lands preserved or protected from urban development 2d. County policies to preserve prime agricultural land 3. Opportunities to maximize transit and existing transportation infrastructure 4. Policies directing growth toward incorporated areas 5. Loss of units contained in assisted housing developments 6. High housing cost burdens 7. Rate of Overcrowding 8. Housing needs of farmworkers 9. Housing needs of UC and Cal State students 10. Individuals and families experiencing homelessness 11. Loss of units during an emergency 12. SB 375 Greenhouse Gas Reduction Targets 13. Other factors adopted by Council of Governments	Email	11/5/2021
42	SC YIMBY	Sonnenfeld	Rafa	3) Recommend that AMBAG implement a bottom-up approach for the allocation like ABAG did that integrates equity into the total allocation (or at the very least, include it as an option with draft allocation numbers for the Directors to consider) rather than the income shift approach, which is the only methodology which the directors have seen draft numbers for, and which has never been presented to them as a real possibility.	AMBAG staff presented an option to the Planning Directors Forum to do something similar to this at our June 30, 2021 meeting. Consensus was that by allocating RHNA by two AFFH-based factors was redundant. Instead, they chose to allocate by AFFH income category only, but increased it to a high weight.	Email	11/5/2021
43	Monterey Bay Economic Partnership (MBEP)	Roberts	Kate	Monterey Bay Economic Partnership’s Housing Initiative is aimed at promoting the increase of housing at all income levels in the Monterey Bay region via data driven policies, funding solutions, and advocacy. In coordination with other housing advocates in Santa Cruz and Monterey counties, we have been closely tracking the AMBAG RHNA methodology process, and have some recommendations for a more equitable distribution of housing units throughout our region: 1. Adopt a bottom-up methodology approach to result in more housing units allocated to jurisdictions with the most access to opportunity instead of incorporating Affirmatively Furthering Fair Housing (AFFH) via an income-shifting mechanism that does not affect the absolute number of units a jurisdiction receives. As it currently stands, jurisdictions in the Salinas Valley are seeing the largest growth rates, although none of these communities are designated as Racially Concentrated Areas of Affluence (RCAA). While we understand that it is difficult to balance the range of housing needs in a region as diverse as ours, we do not believe that low growth rates in Racially Concentrated Areas of Affluence fulfill the statutory objective of AFFH that AMBAG is required to meet per Government Code Section 65584(d). The bottom-up approach results in a more equitable outcome since it not only allocates more RHNA to jurisdictions with higher access to resources on a per capita basis, but also higher-resourced jurisdictions receive a larger amount of lower income RHNA on a per capita basis. We recommend the bottom-up approach so that access to Racially Concentrated Areas of Affluence is directly factored into the methodology, followed by the existing priority factors that the Board of Directors choose to incorporate for each income category, which includes employment, transit, and resiliency factors.	AMBAG staff presented an option to the Planning Directors Forum to do something similar to this at our June 30, 2021 meeting. Consensus was that by allocating RHNA by two AFFH-based factors was redundant. Instead, they chose to allocate by AFFH income category only, but increased it to a high weight. The AMBAG Board of Directors can direct staff to modify the draft methodology to consider an AFFH factor as an allocation factor and bring back to the Planning Directors for discussion.	Letter	11/9/2021
44	Monterey Bay Economic Partnership (MBEP)	Roberts	Kate	2. Establish a jobs-proximity factor in order to counter the jobs-housing imbalance that the proposed methodology exacerbates. The purpose of the jobs-proximity factor is to consider the relationship between jobs and transportation with the intent of encouraging more housing in jurisdictions either within, or with easier access to a relevant job center. One example of the methodology exacerbating the jobs-housing imbalance are draft allocations for Watsonville and Santa Cruz. As demonstrated in the change to the existing housing stock chart that Santa Cruz YIMBY prepared in its letter dated October 15th, the City of Watsonville is projected to have a growth rate of 18%, and the City of Santa Cruz a growth rate of 12%. ¹ While this is not problematic at face value, when we take into account 28,514 existing jobs in 2020 for the City of Watsonville versus 43,865 for the City of Santa Cruz, that’s a 54% difference in existing jobs. More housing units must be directed towards jurisdictions in which existing job centers are located until more job centers and much needed infrastructure are developed in jurisdictions where it is deficient. Allocating more housing units towards existing job centers will also promote RHNA’s environmental goals by way of reducing Vehicle Miles Traveled and Greenhouse Gas Emissions.	Looking at any factor—including jobs--without considering jurisdiction size could lead to unreasonable results (such as thousands of units allocated to a city that is just a few square miles in area). Objective 2 of RHNA states “Promoting 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.” Statute, and thus the methodology, centers on jobs “in each jurisdiction.” As a legacy of Prop 13, job-heavy jurisdictions have fiscal incentives to avoid planning for housing within their jurisdiction. Diluting their imbalance by looking at neighboring areas could undermine this RHNA objective.	Letter	11/9/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
45	Monterey Bay Economic Partnership (MBEP)	Roberts	Kate	3. Explicitly account for farmworker housing units. This can be achieved by ensuring that jurisdictions with a high number of farmworker jobs have a floor number of lower income units that are available to low income farmworkers, even if other factors, such as RCAA, reduce that total. The Farmworker Housing Study and Action Plan for Salinas Valley and Pajaro Valley found that an additional 45,560 units of farmworker housing are needed to alleviate critical overcrowding in farmworker households that are occupied at 7.00 PPD to the average PPD of 3.23 in Monterey County and the average PPD 2.60 in Santa Cruz County.2 The Plan includes the goal of producing 5,300 permanent affordable farmworker housing units over the next five years across the Salinas and Pajaro Valleys. We know that this data matters greatly to the Board of Directors given that AMBAG, along with MBEP, the Counties, and others, were funding partners of the Study and committed to the implementation of the Action Plan. The past 20 months have reminded us that farmworkers are essential workers in our regional economy and a safe and secure food supply requires a healthy stable trained workforce living in safe and secure affordable housing. It is important to note that H2A farmworkers are not a part of this unit count, given that they do not live in the region year round and are provided housing by their employer.	Ag jobs are included in our jobs data. We are not using "Census" jobs data—we're using address-level data from the California Employment Development Department, InfoUSA, and nearly a year of extensive ground-truthing the data by AMBAG staff. These data sources do include agricultural jobs as well as agricultural support jobs. If the number of ag jobs in the 2022 RGF appears low, it is not because we missed ag jobs, it's because of industry classifications. Within NAICS classifications, support activities for agricultural or animal production (e.g., harvesting contractors, farm labor contractors, crop packaging, warehousing) appear in manufacturing, transportation and warehousing, or wholesale. In addition, a comprehensive review of AMBAG region firms listed in the agriculture NAICS sector showed many support activities. AMBAG staff re-classified these to manufacturing, wholesale, or retail. For these reasons, allocating by total jobs does help to ensure that housing will be planned where farmworkers live. Perhaps more importantly: The listed jurisdictions (Gonzales, Greenfield, King City, Salinas, Soledad, Unincorporated Monterey, Watsonville, and Unincorporates Santa Cruz) account for nearly 2/3rds of the Very Low and Low income allocation (more than 8,000 units) under the proposed framework. Allocating an additional 1,000 units to those jurisdictions (many of which are already lower-income) would necessitate taking lower-income units away from high-resource jurisdictions, and thus perpetuating existing inequalities—a principle RHNA is designed to protect against. Areas with the most agricultural jobs, and thus highest need for farmworker housing are Unincorporated Monterey and Salinas, followed by Greenfield, Watsonville, Unincorporated Santa Cruz, Gonzales, Soledad, and King City. Creating a separate farmworker housing factor would add units to those jurisdictions. In addition, AMBAG had extensive conversations with HCD about H2A, and H2A units are included in the base data that HCD used to determine the region's existing need. An additional 11,410 was added to our RHNA number due to overcrowding, of which is due in large part to lack of farmworker housing.	Letter	11/9/2021
46	Monterey Bay Economic Partnership (MBEP)	Roberts	Kate	4. Push out approval of the draft methodology until equity concerns are wholly addressed, and a presentation on the sources of employment data is presented to jurisdictions that request them. At the Planning Directors Forum held on November 1st, several jurisdictions expressed concerns around the lack of transparency regarding the data sources used for employment figures. All data sources utilized for purposes of the methodology should be fully transparent and easily accessible in order for all involved decision makers to be as informed as possible going forward. We commend the Association of Monterey Bay Area Governments for their work on the 6th Cycle Housing Element and look forward to having a methodology in place that we can fully stand behind as our region seeks approval from the State. Thank you for your leadership. For questions, please contact Elizabeth Madrigal at emadrigal@mbep.biz.	Given the feedback we've heard from local jurisdictions and stakeholders and the preliminary review of a draft methodology by HCD, AMBAG staff is not recommending approval from the Board tonight. All data used in RHNA is publicly available. The 2022 RGF was approved by the AMBAG Board of Directors through public meetings and is available on the AMBAG website. https://www.ambag.org/sites/default/files/2020-12/Final%20Draft%202022%20Regional%20Growth%20Forecast_PDF_A.pdf The majority of the RHND is proposed to be allocated based on: - Jobs (Employment), published as part of the RGF (see link above) and was based on data from the California Employment Development Department and InfoUSA. - Wildfire—CPUC and the Office of the State Fire Marshal - Sea Level Rise—NOAA - AFFH: TCAC/HCD Opportunity Area Maps or RCAAs (U.S. Census Bureau, American Community Survey (2015-2019), and 2020 Census) AMBAG staff has submitted a request to EDD to allow us to share the confidential jurisdictional level EDD employment data. The county level data is already available. In addition, AMBAG has shared the InfoUSA data with any local jurisdiction who has requested it. Finally, the AMBAG Board could choose to direct staff to use a different data source for jobs data.	Letter	11/9/2021
47	City of Salinas	Carrigan	Steve	The City of Salinas (City) requests that the AMBAG Board delay adoption of the Regional Housing Needs Allocation (RHNA) Methodology until it directly considers equity in its total unit allocation. The City of Salinas always has recognized that it would receive the largest share of units. With the planned Future Growth Area and recent developments such as Moon Gate Plaza and Project Homekey conversion of the Good Nite Inn, Salinas is demonstrating its commitment to increasing housing opportunities across all income levels. Throughout the process, we have asked that the allocation be equitable and that jurisdictions with high resources have a larger role in providing future housing. AMBAG staff have done a commendable job of meeting deadlines while breaking down a very complicated process in the creation of a fair base methodology. We thank them and the Board of Directors for their hard work and diligence in this project. Unfortunately, because something is fair, does not necessarily mean that it is equitable. The City feels the results of this methodology places an unequitable emphasis on Salinas and Salinas Valley jurisdictions to shoulder future housing production, failing to further RHNA Plan Objectives (Government Code 65584(d)) of affirmatively furthering fair housing (AFFH) and promoting an intraregional jobs-housing balance. The City of Salinas has the following specific concerns:	Given the feedback we've heard from local jurisdictions and stakeholders and the preliminary review of a draft methodology by HCD, AMBAG staff is not recommending approval from the Board tonight.	Letter	11/10/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
48	City of Salinas	Carrigan	Steve	<p>a) While Salinas is the largest community in the region, according to AMBAG's 2022 Subregional Growth Forecast, as of 2020 it has 22.7% of the region's (Monterey and Santa Cruz counties) population but is being given 28% (9,353 units) of the region's housing allocation. For comparison, the next highest allocation goes to unincorporated Monterey County, which receives just over nine percent (3,083 units), but has almost 15% of the region's population.</p> <p>b) According to 2020 US Census data compiled by California YIMBY (see letter in AMBAG Memorandum to Planning Directors Forum November 1, 2021, pages 18-25), this allocation would represent a 21 % growth in housing stock. Salinas Valley communities are being asked to accommodate growth of 22% (Soledad), 26% (Greenfield), 29% (King City), and 108%(Gonzales). The only Monterey Peninsula communities being allocated growth over 20% are Del Rey Oaks and Sand City, which amounts to just over 500 units. Carmel and Pacific Grove would each only have to accommodate about a five percent change to existing housing stock.</p> <p>c) The City appreciates the inclusion of Racially-Concentrated Areas of Affluence (RCAs) as a step toward a more equitable allocation. However, by just shifting allocation among income groups within a jurisdiction, rather than re-allocating any total units based on affluence, there is a missed opportunity to require jurisdictions with significant resources, including those in unincorporated areas, to contribute more to solving the housing crisis and address regional patterns in inequity.</p>	RHNA must consider a variety of factors, including current housing need. Of the region's 33,274 unit allocation, 11,410 were allocated based on overcrowding. The highest rates of overcrowding in the region are in the Salinas Valley jurisdictions. Based on the 2015-2019 American Community Survey data, Salina's overcrowding rate is just over 19% compared with just under 10% in unincorporated Monterey County.	Letter	11/10/2021
49	City of Salinas	Carrigan	Steve	<p>d) AMBAG states that it did not shift total units based on equity because it "would have resulted in lower unit total allocations to areas with high overcrowding and high need for farmworker housing" (AMBAG Memorandum to Planning Directors Forum November 1, 2021, page 6). There is room to consider equity directly in total allocation numbers while holding such communities accountable for addressing these needs. For example, even a methodology shift that simply brings the City's' RHNA share in line with its population share would still allocate over 7,500 units to Salinas, which is still more than double the next highest allocation.</p> <p>e) By allocating so much growth inland, this methodology also risks exacerbating regional traffic and commute struggles. Morning commutes to the Monterey Peninsula on US 101 and Route 68 are already grueling because people cannot afford housing where they work.</p> <p>f) Under SB 35 (Wiener, 2017) in communities that fail to meet RHNA production targets, developers may elect to use a ministerial process to get project approval for certain residential projects. Building 9,353 units over the course of eight years means building over 1,000 per year. From 2015-2020 there were 708 total units developed in Salinas. The City is not a housing developer, and while it can plan to accommodate many units, it has much less control over the actual pace of development. Such a high unit allocation could result in loss of local control and poor-quality housing development as the City currently allows housing in certain areas via conditional use to mitigate adverse environmental factors. The current allocation risks punishing one of the region's most pro-housing communities.</p>	<p>The Board of Directors could direct AMBAG staff to consider a population-based factor as part of the allocation methodology.</p> <p>Many of the region's jurisdictions already fall, or may in the future fall, under the purview of SB 35 and may have to rezone.</p>	Letter	11/10/2021
50	City of Salinas	Carrigan	Steve	<p>Salinas is pursuing every opportunity possible to develop new housing. In addition to the aforementioned projects, it is in the process of upzoning parking lots and underutilized commercial properties through SB 2, updating its general plan to facilitate more kinds of housing throughout the city, and is constantly pursuing funding to close financing gaps. To make a true difference in the housing crisis, and to affirmatively further fair housing, however, requires efforts from every community in the region, including those with significant resources. The City of Salinas asks that the Board delay approval of the draft methodology until written concerns have been addressed and has the following recommendations:</p> <p>1. Directly consider equity when determining total RHNA units a jurisdiction receives and use RCAs and AFFH as a significant factor in allocating housing totals as well as shifting income level determinations.</p>	<p>AMBAG staff presented an option to the Planning Directors Forum to do something similar to this at our June 30, 2021 meeting. Consensus was that by allocating RHNA by two AFFH-based factors was redundant. Instead, they chose to allocate by AFFH income category only, but increased it to a high weight.</p> <p>The AMBAG Board of Directors can direct staff to modify the draft methodology to consider an AFFH factor as an allocation factor and bring back to the Planning Directors for discussion.</p>	Letter	11/10/2021
51	City of Salinas	Carrigan	Steve	<p>2. Consider a jurisdiction's connectedness to the regional job market and commute times to jobs, in addition to job locations.</p>	Objective 2 of RHNA states "Promoting 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." Statute, and thus the methodology, centers on jobs "in each jurisdiction." As a legacy of Prop 13, job-heavy jurisdictions have fiscal incentives to avoid planning for housing within their jurisdiction. Diluting their imbalance by looking at neighboring areas could undermine this RHNA objective.	Letter	11/10/2021
52	City of Salinas	Carrigan	Steve	<p>3. If the Board feels strongly about making a final decision on 11/10/21, the City of Salinas urges the selection of Option B as the more equitable of the two.</p>	Thank you for your comments.	Letter	11/10/2021
Public Comments Received at the November 10, 2021 Public Hearing							
53	City of Salinas	Hunter	Megan	<p>Thank you, my name is Megan Hunter. I'm the Community Development Director for the City of Salinas. And I just wanted to thank the Board, and especially the staff, and listening to something that I know is not easy to do. We strongly support the allocation based on a AFFH, if you look at the percentage of growth that is being assigned to the Salinas Valley communities, in relation to those higher resourced areas. I'm just as comparison Carmel is receiving a 5% growth increase, and all of the jurisdictions in the Salinas Valley, communities are over 20%, the highest being Gonzales. So, um, we think that that's a much fairer way of allocating resources and then I just wanted to mention, in terms of overcrowding, why is housing overcrowded in our jurisdictions? And it really has to do with the fact that there isn't affordable housing located in areas in tourist areas that people work in. There should be more allocations to those, and you can see it on route 68. Know, if you're driving from Salinas to Monterey, that is a horrible commute, and that really speaks to the lack of affordable housing for working people that work on the peninsula. So we strongly commend the allocation. And I do think it probably doesn't make sense to have a partial AFFH. First hand City in Santa Cruz, given that they're so close to being on the edge and then Sand City, although it doesn't affect our allocation, per se. I think that's probably fairer for the region. And that concludes my comments. Thank you.</p>	The AMBAG Board of Directors provided direction at the November 8, 2021 Board meeting to explore a methodology that considered an AFFH factor as an allocation factor and partial RCAA definitions. These modifications will be brought back to the November 29, 2021 Planning Directors Forum for discussion.	Public Hearing	11/10/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
54	M.R. Wolfe & Associates, P.C. on behalf of LandWatch Monterey County	Farrow	John	<p>Land Watch has two basic concerns. First we think that the units have been substantially over allocated to the unincorporated county based on using percentage of regional jobs. Is the primary factor, 2400 units were allocated to county even though the county is doesn't have a jobs housing imbalances. And the purpose of the jobs allocation methodology is to make sure there is an imbalance that the county has a better jobs housing balanced the average. So it just doesn't make sense to allocate tons units to the county unincorporated area on bases. That it's also conflicts with the statutory objectives to promote in sale, protect ag, protect the environment, and to minimize transit and greenhouse gas, transportation, greenhouse gas emissions.</p> <p>We think that there should be a substantial downward adjustment to the county if they're going to continue to use the jobs allocation, and there are a couple of statutory factors that would warrant that, including me, presence of agreements with cities, to direct growth toward them, County has those agreements. County policies to preserve Prime Ag land, county has those clauses, and also consideration of VMT. With regard to the RCAA versus TCC Opportunity areas, if you're going to re-allocate based on affirmatively further fair housing, I really recommend you go back to TCC. There may be some little glitches and it can be fixed, but Monterey County only has 10% of its area in high resource areas. And to treat it as if it is RCAA, based on income and race factors will result in allocating a tremendous number of units, too. It basically isn't, it doesn't present the opportunity areas. It's an unincorporated territory. It doesn't have the amenities that would justify moving a large allocation. So, we'd like you to revisit the county allocation.</p>	<p>Statutory adjustments will be considered after a methodology is selected as included in Government Code Section 65584.04(e). . Statutory adjustment(s) will be made and documented as part of the draft RHNA Plan. Statutory adjustments can be made according to the 13 RHNA plan factors including:</p> <ol style="list-style-type: none"> 1. Jobs and housing relationship 2. Opportunities and constraints to development of additional housing (see below) 2a. Capacity for sewer and water service 2b. Availability of land suitable for urban development 2c. Lands preserved or protected from urban development 2d. County policies to preserve prime agricultural land 3. Opportunities to maximize transit and existing transportation infrastructure 4. Policies directing growth toward incorporated areas 5. Loss of units contained in assisted housing developments 6. High housing cost burdens 7. Rate of Overcrowding 8. Housing needs of farmworkers 9. Housing needs of UC and Cal State students 10. Individuals and families experiencing homelessness 11. Loss of units during an emergency 12. SB 375 Greenhouse Gas Reduction Targets 13. Other factors adopted by Council of Governments 	Public Hearing	11/10/2021
55	SC YIMBY	Sonnenfeld	Rafa	<p>First, I wanted to appreciate that staff seems to be moving in the right direction on tweaking the equity allocation. I'm encouraged by the direction with RCAA+, but I think there are still some tweaks that need to be made. What I wanted to point out is that the City of Santa Cruz has the highest poverty rate of any jurisdiction in the region, but at the same time it is or should be a regional, racially concentrated area of affluence. The methodology should not be taking away needed, affordable units from Santa Cruz, because it's only 1% less affluent than the region as a whole, according to poverty rates. On the, Santa Cruz is the average rent, according to the 2019 American Community survey for two bedroom apartment minutes, \$2,112 a month. Carmel Valley, which is also a recent, racially concentrated area of affluence, is \$1,763. So, you know, how does it affirmatively further fair housing to take away affordable units from a jurisdiction that has a 20% higher market rent than the jurisdiction that's supposedly more affluent? Santa Cruz rates are higher than six of the eight cities in our region, except for Carmel and Del Rey Oaks. The other thing I wanted to mention is, you know, to look at this bottom-up approach, again, staff's argument has been that we shouldn't use the bottom-up approach, because it might take away units from jurisdictions with overcrowding problems. Well, think about this for a minute. Under the current approach, a city like Greenfield does, which is the most overcrowded city in our region at 29% of households, is being assigned 1,085 units using the allocation methodology based on the SCS, jobs, transit, resiliency. And there are 425 lower, very low units using that methodology. But then, with the, the income shift, those units are being reduced to a total of 265 low-income units. So, if is using a bottom-up approach?</p>	<p>The AMBAG Board of Directors provided direction at the November 8, 2021 Board meeting to explore a methodology that considered an AFFH factor as an allocation factor and partial RCAA definitions. These modifications will be brought back to the November 29, 2021 Planning Directors Forum for discussion.</p>	Public Hearing	11/10/2021
56	Monterey Bay Economic Partnership (MBEP)	Madrigal	Elizabeth	<p>Now, along with other public commenters, we just really wanted to commend and thanks, for the work that they've put into this methodology, especially extending the Board out until December 8th. We think it's a good amount of time to be able to incorporate recommendations that would make the methodology as well as it can be for our region. And they really want to recommend and that staff and the board of directors to incorporate AFFH into the methodology, as it will result in a fair allocation of units on the lines of permanently affirmatively furthering fair housing in all communities within our region. And I also want to make the case for another one of our recommendations, which is for the methodology to explicitly account for farmworker housing units. This can be achieved as a set aside. I know you all are aware of that farm workers in our region, are one of the populations that face the most acute housing needs and travels, so we want to ensure that. But then this methodology, this thing that can be solved for. And that's a part of our farm worker housing study, actually makes it, we make the case for the goal of producing 5,300 permanent affordable farmworker housing units over the next five years, across the Salinas and Pajaro Valleys. And I think if this were to be incorporated within the methodology, we'd be able to tackle that goal directly. And serve one of our neediness populations in the region. Thank you very much.</p>	<p>The AMBAG Board of Directors provided direction at the November 8, 2021 Board meeting to explore a methodology that considered an AFFH factor as an allocation factor and partial RCAA definitions. These modifications will be brought back to the November 29, 2021 Planning Directors Forum for discussion.</p> <p>Areas with the most agricultural jobs, and thus highest need for farmworker housing are Unincorporated Monterey and Salinas, followed by Greenfield, Watsonville, Unincorporated Santa Cruz, Gonzales, Soledad, and King City. Creating a separate farmworker housing factor would add units to those jurisdictions. In addition, AMBAG had extensive conversations with HCD about H2A, and H2A units are included in the base data that HCD used to determine the region's existing need. An additional 11,410 was added to our RHNA number due to overcrowding, of which is due in large part to lack of farmworker housing.</p>	Public Hearing	11/10/2021
Public Comments Received after the November 10, 2021 Public Hearing							

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
57	City of Pacific Grove	Hunter	Alyson	<p>The affordable housing crisis affects all jurisdictions in Monterey County. The City of Pacific Grove (PG) is committed to increasing the supply and choice of affordable housing within its city limits and throughout the region. The RHNA process and the Housing Element are two fundamental tools for affordable housing planning if and when they are properly implemented. The AMBAG region is in critical need of affordable housing. However the draft distribution neglects to place units in locations where they have the greatest chance of being built. If units are not assigned in a more practical and equitable way, the region risks not having units built altogether and possible state penalties for not building the units as some jurisdictions have very real and persistent limitations.</p> <p>Unique local conditions must be considered when developing the RHNA methodology. Considerations for the City of Pacific Grove: compared to other jurisdictions in Monterey County, PG is very limited in its land availability as reflected in the attached Vacant and Underutilized maps from the City's 2015-2023 Housing Element. Based on this limitation, the City would need to realistically determine where and how it could accommodate the proposed units within the next eight year period. The City anticipates continuing building ADU's and expects this would be feasible and rezoning/upzoning parcels that could accommodate density bonus and other incentives to accommodate more density and affordable units. Planning for high numbers of units in a city that is built-out with few vacant parcels must be considered. The City is approximately 3.5 square miles and built out with about 6,835 households and infill is the only form of development that could occur as confirmed in the analyses of the current Housing Element 2015-2023.</p> <ul style="list-style-type: none"> • The City is implementing tools to support near-term affordable housing production such as ADUs, a local density bonus ordinance, objective design and development standards, and identifying key opportunity sites that can be leveraged through partnerships with affordable housing developers. • PG and other peninsula cities are subject to the State Water Resources Control Board 2009 Cease-and-Desist Order (CDO) on water extraction from the Carmel River. As a result, jurisdictions within the Monterey Peninsula Water Management District are prohibited from establishing or setting new meters and from changing use at existing sites. This policy is critically limiting our ability to move forward with shovel-ready projects and planning for future housing on the Peninsula. • The cost of construction has skyrocketed since the onset of the COVID-19 pandemic and now requires even higher levels of subsidy. PG and other small jurisdictions have severely limited access to housing subsidies, land, and related resources needed to produce lower income housing units at the numbers indicated in the draft distribution of RHNA numbers. 	Comment noted.	Letter	11/19/2021
58	City of Pacific Grove	Hunter	Alyson	<p>RHNA Methodology - The two methodologies proposed by AM BAG include the Racially Concentrated Areas of Affluence (RCAAs) and HCD/TCAC Opportunity Map methodology. Implementing one or the other would result in very different outcomes for PG. The table below shows the results of the RCAA methodology that increases very low income units by 33%, a 32% increase in low income units, a decrease of 50% in moderate income units and a 38% decrease in above moderate income units.</p> <p>Racially Concentrated Areas of Affluence (RCAAs) - The proposed RHNA methodology utilizing the Racially Concentrated Areas of Affluence (RCAAs), which reflects areas of advantage in the region and directs a higher share of lower-income housing to RCAA's, results in approximately 74% of the very low or low income RHNA allocation to those jurisdictions including the City of Pacific Grove. This methodology puts undue burden on cities like Pacific Grove who are small, do not have federal or state direct subsidies to develop very low, low, or moderate income housing, and do not have the land to build sufficient above moderate units that could yield lower income units through other incentives.</p> <p>Examining Tools to Build Affordable Housing and Meet RHNA Goals - Over the last year, PG examined how it would accommodate new RHNA numbers on existing sites through a robust community engagement process for its Welcome Home initiative. The City looked at underutilized and vacant parcels as well as examined zoning. Carefully determining eligible sites and the right tools that will yield units is part of the creativity that needs to occur in order to squeeze higher density development on any available parcels.</p> <p>City of Pacific Grove Local Water Project and ADU Development - Through great ingenuity, PG created a new water supply through the Local Water Project, a new satellite recycled water treatment plant (SRWTP) that recycles a portion of Pacific Grove's wastewater. If unused water meters exist on a property, the City can sell that allocation of water and use the revenue for ADU and JADU development. In the past two years, 104 permits have been pulled for ADU's/JADU's and of those, 29 have received their final inspection, and 21 are in the process of building plan review. The remaining 54 are somewhere in between. The City expects it could continue to accommodate more ADU development even with the CDO in place.</p>	RHNA methodologies must address affirmatively furthering fair housing (AFFH). Feedback from HCD indicates that including AFFH as a factor to allocate units as well as shifting income units based on AFFH is a priority. The final draft methodology proposes to reduce the income shift percentage from 50% to 30%.	Letter	11/19/2021
59	City of Pacific Grove			<p>Density Bonus - The table below details minimum scenarios to meet proposed RHNA allocations with density bonus incentives. If a density bonus project was hypothetically proposed to meet just the very low income requirements, the development would need to be over 400 units to yield the very low income requirement with 50% very low income affordability. Additional developments of approximately an additional 284 units would be needed to meet the affordable units proposed. There are no developments of that size in PG. The City would need to have many density bonus developments and upzone many parcels and include density bonus incentives to meet the needs of the lower income units to accommodate the number of lower income units required by the proposed RHNA allocation. It is highly unlikely that a density bonus development would occur with 100% affordability, so realistically, these are minimum numbers and far greater numbers would be needed to accommodate the lower income units.</p> <p>Inclusionary Zoning - The City has examined implementing an Inclusionary Zoning Ordinance. The table below details the RHNA numbers needed to meet affordability requirements. If an inclusionary requirement comparable to the County of Monterey were applied, after the threshold of about six or more housing units is met and a hypothetical 20% inclusionary requirement is applied at the distribution of 6% very low income, 6% low income, and 8% moderate income units; in order to reach 202 very low income units, the City would need to develop 3,367 units, 2,200 additional units to meet the low income requirement of 132 units, and 300 units to meet the 24 unit moderate requirement. The total number of units through an inclusionary requirement to meet those affordability requirements alone in the RCCA model would be 5,867 units, or an 86% increase in the total housing stock of Pacific Grove.</p>	It is expected that many jurisdictions in the AMBAG region and across the California will need to modify its zoning to meet the new requirements of the 6th Cycle RHNA.	Letter	11/19/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
60	City of Pacific Grove	Hunter	Alyson	<p>Cost to Build Lower Income Units - The latest development estimates from non-profit housing developers to build a lower income unit is approximately \$550,000/unit and this estimate is for a studio or 1-bedroom unit. The cost to build 358 subsidized units would be approximately \$196,900,000.</p> <p>Very Low Income Units and Additional Subsidies - Very-low income units often require additional subsidies for supportive housing services. The cost of these services have been estimated by the State's No Place Like Home (NPLH) funding program to be about an additional \$6,500/year/unit in operating subsidies to support clients in retaining housing. Some estimates locally can be as high as approximately \$16,000/year/unit. In order to meet the subsidy for one year after averaging the supportive service cost estimates, an additional \$2,272,500 might be needed annually to maintain the services for very low income households.</p> <p>Limited Access to regional funds for affordable housing - Project based Section 8/Housing Choice Vouchers are significant in developing affordable housing but the city of Pacific Grove is at a disadvantage in accessing them. The City of Salinas receives the largest investment from the County's Housing Authority that develops affordable housing. The Housing Authority has the majority of their low-income housing development in the City of Salinas and owns many properties in Salinas. Additionally, other housing developers, such as Eden, Mid Pen, EAH Housing, and CHISPA focus most of their development efforts in Salinas and South County. A lot of this has to do with the availability of land, water, and subsidies. Additionally, Salinas can invest an initial subsidy from HOME funds that makes TCAC applications more competitive.</p> <p>Conclusion/Request: When it comes to the allocation of RHNA numbers, one unit of lower income housing, especially very low and low, is not equal to one unit of above moderate housing. If AM BAG selected this methodology, the City would require serious subsidies to ensure its share of lower income units are built. More importantly, it would require development of additional above moderate units to yield lower income units. The RCAA methodology is technically giving the City more above moderate units. The City proposes moving toward a methodology that more equitably and reasonably distributes lower income units. The RCAA methodology is unrealistic for the City and needs to be adjusted based on the City's unique limitations to succeed in the next RHNA cycle.</p>	<p>RHNA methodologies must address affirmatively furthering fair housing (AFFH). Feedback from HCD indicates that including AFFH as a factor to allocate units as well as shifting income units based on AFFH is a priority. The final draft methodology proposes to reduce the income shift percentage from 50% to 30%.</p> <p>AMBAG agrees that it will be important for the state to identify and provide more affordable housing funding in order to implement and build the housing units proposed in the 6th Cycle RHNA.</p>	Letter	11/19/2021
61	M.R. Wolfe & Associates, P.C. on behalf of LandWatch Monterey County	Farrow	John	I write on behalf of LandWatch Monterey County regarding the draft proposed RHNA methodology to follow up on the concerns LandWatch raised at the Planning Director's Forum on November 1, 2021 and the AMBAG Directors' meeting on November 10, 2021. LandWatch asks that AMBAG base its jobs-related allocation on the relationship of jobs to housing in each jurisdiction rather than just that jurisdiction's percent share of regional jobs. The proposed jobs-related allocation method is not in conformance with the Housing Element Law, which mandates consideration of this relationship. LandWatch provides an alternative allocation that properly considers the jobs to housing relationship and that is consistent with all statutory objectives in Attachment 1.	Comments noted.	Letter	11/24/2021
62	M.R. Wolfe & Associates, P.C. on behalf of LandWatch Monterey County	Farrow	John	A. The allocation of units based only on a jurisdiction's jobs conflicts with the statutory objective to promote "an improved intraregional relationship between jobs and housing" because it fails to consider the housing part of that relationship. The methodology now proposed by AMBAG staff in its staff report for the November 29 Planning Directors' meeting would allocate 10,374 units of HCD's Regional Housing Needs Determination (RHND) based on each jurisdiction's share of regional jobs. The allocation of the 10,374 jobs-related portion of the RHND should not be based merely on each jurisdiction's share of regional jobs. This approach fails to meet the statutory objective to promote "an improved intraregional relationship between jobs and housing." (Gov. Code, § 65584(d)(3).) There is simply no statutory basis for an allocation based on a jurisdiction's jobs that ignores the "relationship" and "balance" between jobs and housing. Promoting an improved intraregional relationship between jobs and housing requires that the allocation take existing housing units into account, not simply the existing jobs. Furthermore, the method used to promote an "improved" jobs/housing relationship must allocate proportionately more units to jurisdictions that have higher than average jobs/housing balances, because the purpose of this statutory objective is to remedy those high jobs/housing balances. The method used to improve the intraregional jobs/housing balance should not allocate units to those jurisdictions that have acceptable jobs/housing balances because that will divert units from jurisdictions that need the remedy. Jurisdictions with acceptable jobs/housing balances can and will be allocated units based on other statutory objectives. However, the allocation method now proposed in the November 29, 2021 staff report, simply fails to take the jobs/housing balance into account because it allocates units based only on the percentage of regional jobs and pays no attention to existing housing units. Thus, the currently proposed method allocates thousands of units to jurisdictions like Marina, Seaside, Pacific Grove, Carmel, Del Rey Oaks, unincorporated Monterey County, and unincorporated Santa Cruz County, even though these jurisdictions do not have a jobs/housing imbalance. The method also allocates disproportionately large numbers of units to jurisdictions like Salinas and Santa Cruz that have only slightly higher than average jobs/housing balance. And because the method diverts units to jurisdictions with lower than average jobs/housing balances, it does not allocate enough units to jurisdictions with high jobs/housing balances to materially improve those balances. An analysis of RHNA best practices prepared for HCD endorses methodologies that "specifically targeted areas where the existing jobs housing imbalance was the largest. "The method proposed in the current staff report fails to do this. In sum, the proposed method does not meet the statutory objective to promote an improved relationship between jobs and housing.	AMBAG staff has prepared an RHNA methodology option that includes a job-housing ratio factor for Board consideration at their December 8, 2021 special Board meeting.	Letter	11/24/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
63	M.R. Wolfe & Associates, P.C. on behalf of LandWatch Monterey County	Farrow	John	B. The proposed allocation also conflicts with the statutory objective to promote infill, protect environmental and agricultural resources, and reduce GHG. The disproportionate allocation of units to unincorporated areas that have below average jobs/housing balances is also inconsistent with the mandatory objective of “promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region’s greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.” (Gov. Code, § 65584(d)(2).) For example, average VMT and thus GHG are higher for both home-based and employment-based trips in the unincorporated Monterey County than in incorporated areas, so it makes sense to concentrate new units in cities. ⁴ The analysis of RHNA best practices prepared for HCD cites research explaining that assigning rural areas 3 to 4 times more housing units than their expected growth is inconsistent with the objective of lowering GHG emissions. ⁵ Exactly the same misallocation is proposed here: the 1,633 units assigned to unincorporated Monterey County based on jobs would be more than 3 times its expected growth of 510 units. And the total proposed assignment to unincorporated Monterey County of 3,827 units is more than 7 times its expected growth. No other jurisdiction with expected growth over 200 units has a higher total allocation in proportion to its expected growth. In preparing the Sustainable Communities Strategy, AMBAG staff may find it difficult or impossible to meet CARB’s GHG reduction targets if AMBAG allocates thousands of units to rural areas instead of the areas with severe jobs/housing imbalances. And rural development clearly presents few opportunities for infill and efficient development patterns. Rural development does not protect environmental and agricultural resources. The November 29, 2021 staff report contends that the objectives to promote infill, environmental protection, preservation of agricultural land, and GHG reduction is met by allocating some units on the basis of the Regional Growth Forecast (RGF). However, the proposed methodology allocates only 12,524 units based on the RGF and then misallocates another 10,374 units based only on regional jobs shares rather than based on the statutory objective to improve intraregional jobs/housing imbalances. Since that misallocation does not further the Government Code Section 65584(d)(3) objective, and since thousands of the misallocated units would be going to rural areas, the misallocation conflicts with the Government Code Section 65584(d)(2) objective to promote infill, environmental protection, preservation of agricultural land, and GHG reduction. Obviously, some statutory objectives can be in tension with each other. But when units are misallocated without statutory justification, the conflict with other statutory objectives cannot be justified. The analysis of RHNA best practices prepared for HCD highlights the importance of a common sense review of the results against the statutory objectives. “To truly understand the extent to which an allocation plan furthers the statutory objectives of RHNA –especially within the context of each region, it is necessary to analyze the actual output of the methodology.” The proposed allocation of 3,827 units to unincorporated Monterey County, the second largest allocation to any jurisdiction, does not support the statutory objectives.	AMBAG staff has prepared an RHNA methodology option that includes a job-housing ratio factor for Board consideration at their December 8, 2021 special Board meeting.		
64	M.R. Wolfe & Associates, P.C. on behalf of LandWatch Monterey County	Farrow	John	C. The draft allocation can and should be revised to allocate units to improve poor jobs/housing balances. AMBAG should not allocate units based on the jurisdictions’ shares of 2020 regional jobs (hereinafter, the “Percent of Regional Jobs Method”) because it does not comply with the statutory mandate. Instead AMBAG should revise its draft methodology to allocate units based on the statutory objective to improve the jobs/housing balance for jurisdictions with poor balances. Such a method would comply with the statutory mandate. LandWatch has prepared a spreadsheet that provides an alternative method to allocate the 10,374 units proposed for a jobs-related allocation. This proposed “Jobs-Housing Balance Method” allocates units to promote better jobs/housing balances by focusing on the relationship between each jurisdiction’s 2020 jobs and its 2020 housing units. The allocation appears in Attachment 1, which sets out and compares the Jobs-Housing Balance Method and the Percent of Regional Jobs Method. The Jobs-Housing Balance Method we propose starts by determining each jurisdiction’s jobs/housing balance, using the same Regional Growth Forecast data that AMBAG staff used in its November 29 staff report. The method also determines the regional average jobs/housing balance, which is 1.55 jobs per housing unit, again consistent with the November 29 AMBAG staff report. The method then determines how many additional units each jurisdiction would have to build to attain the regional average of 1.55 jobs per housing unit. Because many jurisdictions have much higher jobs/housing balances than the regional average, 41,266 units would have to be built for all of these jurisdictions to attain the regional average balance. However, the previously proposed methodology starts with the assumption that only a certain fixed number of units will be allocated based on any jobs-related data, i.e., the 10,374 units representing 50% of the total RHND that is not to be allocated based on the Regional Growth Forecast. Thus, in order to conform to the 10,374-unit limit for a jobs related housing allocation, the Jobs-Housing Balance Method makes a pro-rata reduction to the units needed by each jurisdiction so that the total allocated by this method is not 41,266 units but only 10,374 units. Although each jurisdiction would not attain the regional average jobs/housing balance, the Jobs-Housing Balance Method does allocate units just to the jurisdictions that actually need to improve their jobs/housing balances, and it allocates units in proportion to the severity of their jobs/housing imbalance. And the Jobs-Housing Balance Method does not allocate additional units to jurisdictions that already have better than average jobs/housing balance. In conclusion, LandWatch asks that the Planning Directors endorse the use of the Jobs-Housing Balance Method. Unlike the Percent of Jobs Method, the Jobs-Housing Balance Method meets the statutory objective to improve the jobs/housing relationship and furthers the objectives to promote infill, protect environmental and agricultural resources, encourage efficient development patterns, and achieve GHG reductions targets.	AMBAG staff has prepared an RHNA methodology option that includes a job-housing ratio factor for Board consideration at their December 8, 2021 special Board meeting.		

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
65	Public	Roberts	Douglas	<p>I am an architect in Monterey, living in unincorporated Monterey Co. south of Salinas. I chair the Governmental Affairs Committee for the Monterey Peninsula Chamber of Commerce, although I am writing this email as an individual Monterey County citizen concerned with this process.</p> <p>Regarding the upcoming votes on regional affordable housing allocations:</p> <p>As I understand it, the state has placed a new parameter on AMBAG in the RCAA methodology. Anyone aware of the statistics being used recognizes that RCAA is just the state counting how many white people live in concentrated areas of wealth, and the state has decided it should try to reduce that effect. This is a grossly oversimplified way to look at how people select where they want to live, and has little relationship to reality, at least in California. People in a free society tend to congregate with people of like mind and similar values, and in housing, they will congregate with others of similar economic class and aspiration, based on local housing costs and availability. These factors have little to no correlation with skin color or national background. "Successful outcomes" for an individual are far more closely correlated with family structure and education. Did the person grow up with both biological parents in the household, and did they graduate from high school/possibly college? But unfortunately, those issues are not within AMBAG's tool kit, and the state has saddled you with assigning jurisdictions an impossible task.</p> <p>Race is a very different consideration than economic diversity, and the two have little causal correlation. At this point in our history, economic standing is a much more accurate description of how we separate ourselves into groups and classes than is race. Further, if we're going to allocate housing based on skin color or national origin, then the purposeful implementation of that allocation is impossible without discriminating against people based on their skin color or national origin, which is a Constitutional non-starter. The RCAA methodology must be ignored, or at the very least, reduced to the lowest percentage that the state will tolerate, and prioritize economic diversity. Even that is not the ideal solution, but it's better than race.</p> <p>Bottom line, the economics of developers providing affordable housing must work. They must be able to fill a need for a price that pencils out or you get nothing. A methodology should prioritize affordable and available land. And even if the price is right, for areas within the MPMWD, the water must be available, or again, you get nothing. You must help move the water board toward a sustainable, abundant water supply if you want to make any headway in the peninsula jurisdictions.</p> <p>On a related note, the local redistricting committee has found that some non-white groups are unwilling to have other areas brought into their voting district as it "reduces their voice". Promoting racial diversity has the potential of setting groups against each other as they vie for political power. The state needs to get out of the social engineering experiment and work out ways to promote economic flourishing and successful outcomes of all its citizens. But, for AMBAG, having housing that people in the workforce can afford is the priority.</p>	As stated in Housing Element Law, one of the five RHNA objectives that AMBAG must consider is affirmatively furthering fair housing. The California Department of Housing and Community Development will evaluate AMBAG's RHNA methodology to ensure that it is supporting or furthering all RHNA objectives.	Email	11/30/2021
66	LandWatch Monterey County	DeLapa	Michael	<p>I write to follow up on the concerns LandWatch has raised regarding the draft proposed RHNA methodology. For context, LandWatch's advocates for housing that is both climate-friendly and affordable to local working families. To be climate-friendly by reducing reliance on automobiles, housing must be located in urban areas that are near to public and private services and opportunities, e.g., jobs, schools, and shopping. To be affordable for local working families, housing must be higher density, smaller, and available for rent.1 Achieving both goals means avoiding sprawling into areas where long commutes by cars are mandatory (and expensive) and where public services and opportunities are unavailable or expensive (and escalating). To these ends, LandWatch asks that AMBAG base its jobs-related allocation on each jurisdiction's jobs/housing balance rather than just its share of regional jobs. The statutory objective calls for improving the "intraregional relationship between jobs and housing," which requires consideration of both jobs and available housing units. LandWatch proposes an alternative allocation in Attachment 1 based on the jobs/housing relationship. This method better fits the statutory objective related to jobs and housing, better meets other statutory objectives, and is well within your discretion as a Board.</p>	Comment noted.	Letter	11/30/2021
67	LandWatch Monterey County	DeLapa	Michael	<p>A. The allocation of units based only on a jurisdiction's jobs does not adequately fulfill the statutory objective to promote "an improved intraregional relationship between jobs and housing" because it fails to consider the housing part of that relationship. The methodology now proposed by AMBAG staff would allocate 10,374 units of HCD's Regional Housing Needs Determination (RHND) based on each jurisdiction's share of regional jobs. However, the allocation of the jobs/housing-related portion of the RHND should also take into account each jurisdiction's available housing units. The statutory objective is phrased in terms of promoting "an improved intraregional relationship between jobs and housing." (Gov. Code, § 65584(d)(3).) Promoting that improved intraregional relationship between jobs and housing requires that the allocation take into account existing housing units, not simply existing jobs. Furthermore, the method used to promote an improved jobs/housing relationship should allocate proportionately more units to jurisdictions that have the worst jobs/housing balances, because the purpose of this statutory objective is to remedy those high jobs/housing balances. Conversely, the method should not allocate units to those jurisdictions that have acceptable jobs/housing balances because that will divert units from jurisdictions that need the remedy. The proposed jobs/housing balance allocation method does not target the jobs/housing balance because it simply ignores the denominator. Thus, the proposed method allocates thousands of units to jurisdictions like Marina, Seaside, Pacific Grove, Carmel, Del Rey Oaks, unincorporated Monterey County, and unincorporated Santa Cruz County, even though these jurisdictions do not have a jobs/housing imbalance. The method also allocates disproportionately large numbers of units to jurisdictions like the cities of Salinas and Santa Cruz that have only slightly higher than average jobs/housing balances. And because the method diverts units to jurisdictions with the best jobs/housing balances, it does not allocate enough units to jurisdictions with the worst jobs/housing balances to materially improve those balances. An analysis of RHNA best practices prepared for HCD endorses methodologies that "specifically targeted areas where the existing jobs housing imbalance was the largest." The proposed method fails to do this.</p>	AMBAG staff has prepared an RHNA methodology option that includes a job-housing ratio factor for Board consideration at their December 8, 2021 special Board meeting.	Letter	11/30/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
68	LandWatch Monterey County	DeLapa	Michael	B. The proposed allocation does not support the statutory objectives to promote infill, protect environmental and agricultural resources, and reduce GHG. The disproportionate allocation of units to unincorporated areas that have below average jobs/housing balances does not support the statutory objectives of “promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region’s greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.” (Gov. Code, § 65584(d)(2).) For example, average VMT, and resulting GHG emissions, are higher for both home-based and employment-based trips in the unincorporated Monterey County than in incorporated areas, so it makes sense to concentrate new units in cities. The analysis of RHNA best practices prepared for HCD cites research explaining that assigning rural areas 3 to 4 times more housing units than their expected growth is inconsistent with the objective of lowering GHG emissions. ⁶ Exactly the same misallocation is proposed here: the 1,633 units assigned to unincorporated Monterey County based on jobs is more than 3 times its expected growth of 510 units, and the total proposed assignment of 3,827 units is more than 7 times its expected growth. In preparing the Sustainable Communities Strategy, ABMBAG staff may find it difficult or impossible to meet CARB’s GHG reduction targets if AMBAG allocates thousands of units to rural areas instead of the areas with severe jobs/housing imbalances. Locating housing near jobs is a critical method to meet GHG reduction targets. And rural development clearly presents few opportunities for infill and efficient development patterns. Rural development does not protect environmental and agricultural resources. In sum, the proposed misallocation of jobs-related units to rural jurisdictions conflicts with the objectives to promote infill, protect environmental and agricultural resources, and reduce GHG. The analysis of RHNA best practices prepared for HCD highlights the importance of a common sense review of the methodology’s results against the statutory objectives. “To truly understand the extent to which an allocation plan furthers the statutory objectives of RHNA – especially within the context of each region, it is necessary to analyze the actual output of the methodology.” The proposed allocation of 3,827 units to unincorporated Monterey County, the second largest allocation to any jurisdiction, does not support the statutory objectives. While some tension in objectives may be inevitable, the tension created by the proposed jobs-related allocation cannot be justified because it does not actually further the jobs/housing objective. Finally, we note that the other statutory objectives are implemented through other factors in the proposed methodology, and the jurisdictions with acceptable jobs/housing balances will be allocated units based on those other factors. So, for instance, staff’s proposed jobs-based allocation should not be rationalized based on the claim of incidental and untargeted effects on the statutory objective to affirmatively further fair housing (AFFH). This critical equity issue is directly addressed through the separate proposed allocation of 35% of the RHND based on a formula identifying Racially Concentrated Areas of Affluence and based on the separate targeted income shift process. LandWatch supports these separate targeted equity allocation processes. If there is a need for further revisions in order to target equity, revisions should be made through those separate processes.	AMBAG staff has prepared an RHNA methodology option that includes a job-housing ratio factor for Board consideration at their December 8, 2021 special Board meeting.	Letter	11/30/2021
69	LandWatch Monterey County	DeLapa	Michael	C. The draft allocation can and should be revised to allocate units to improve poor jobs/housing balances. AMBAG should revise its draft methodology to allocate the jobs-related units based on the objective to improve the jobs/housing balance in jurisdictions with poor balances. Such a method would directly and proportionately further the statutory objective without the dilution caused by misallocation of these units to jurisdictions with acceptable jobs/housing balances. LandWatch has prepared a spreadsheet that provides an alternative method to allocate the 10,374 units proposed for a jobs-related allocation. This proposed “Jobs-Housing Balance Method” allocates units to promote better jobs/housing balances by focusing on the relationship between each jurisdiction’s 2020 jobs and its 2020 housing units. The allocation appears in Attachment 1, which sets out and compares the Jobs-Housing Balance Method and the Percent of Regional Jobs Method. The Jobs-Housing Balance Method we propose starts by determining each jurisdiction’s jobs/housing balance, using the same Regional Growth Forecast data that AMBAG staff used in its November 29 staff report. ⁸ The method also determines the regional average jobs/housing balance, which is 1.55 jobs per housing unit, again consistent with the November 29 AMBAG staff report. The method then determines how many additional units each jurisdiction would have to build to attain the regional average of 1.55 jobs per housing unit. ⁹ Because many jurisdictions have much higher jobs/housing balances than the regional average, a total of 41,266 units would have to be built for all of these jurisdictions to attain the regional average balance. However, the proposed methodology starts with the assumption that only a certain fixed number of units will be allocated based on any jobs-related data, i.e., the 10,374 units representing 50% of the total RHND that is not to be allocated based on the Regional Growth Forecast. Thus, in order to conform to the 10,374-unit limit for a jobs-related housing allocation, the Jobs-Housing Balance Method makes a pro-rata reduction to the units needed by each jurisdiction so that the total allocated by this method is not 41,266 units but only 10,374 units. Although each jurisdiction would not attain the regional average jobs/housing balance, the Jobs-Housing Balance Method does allocate units just to the jurisdictions that actually need to improve their jobs/housing balances, and it allocates units in proportion to the severity of their jobs/housing imbalance. And the Jobs-Housing Balance Method does not allocate additional units to jurisdictions that already have better than average jobs/housing balance. This is clearly a better fit to the statutory objective to improve intraregional jobs/housing balances. In conclusion, LandWatch asks that the members of the Board of Directors approve a methodology that uses the attached Jobs-Housing Balance Method. The Jobs-Housing Balance Method better meets the statutory objective to improve the jobs/housing relationship and furthers the objectives to promote infill, protect environmental and agricultural resources, encourage efficient development patterns, and achieve GHG reductions targets.	AMBAG staff has prepared an RHNA methodology option that includes a job-housing ratio factor for Board consideration at their December 8, 2021 special Board meeting.	Letter	12/1/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
70	City of Salinas	Carrigan	Steven	<p>The City of Salinas (City) thanks the AMBAG Board of Directors and staff for delaying adoption of the draft Regional Housing Needs Allocation (RHNA) Methodology. The City's primary concern with the version of the draft Methodology presented to the Board in November was the lack of equity as a direct allocation factor, which was also shared by others at the meeting. The City commends the Board and staff for listening to these concerns and quickly taking action to prepare an alternative in a very short timeframe. The revised draft methodology, using Racially Concentrated Areas of Affluence in total unit allocations as well as income category shifts, takes a significant step towards a more equitable distribution by calling for these communities, large and small, to make a fair contribution to housing production in the region.</p> <p>Every community in the AMBAG region faces hurdles which will challenge the realization of these production targets, including geographical size, exclusionary policies, water availability, the conversion of agricultural lands, and a shortage of funding. With the changes to the draft methodology, AMBAG staff has done an admirable job of balancing these hurdles with other complex issues such as climate risks, and existing density and overcrowding, while more effectively affirmatively furthering fair housing.</p> <p>This significant increase to every jurisdiction's RHNA comes at a time where penalties are increasing for failure to meet these goals. To re-emphasize another point in the City's November 10 letter to the Board, local governments can make every effort to accommodate more housing, but they are not developers, and have much less control over the actual pace of construction. The housing crisis is a moment that demands more accountability. However, penalties should not be leveled at communities that are taking every possible action within their control.</p>	Comment noted.	Letter	12/1/2021
71	City of Salinas	Carrigan	Steven	<p>The California Department of Housing and Community Development (HCD) recently introduced the Prohousing Designation Program. For cities and counties that achieve this designation, the Program provides incentives such as additional scoring points and preference in housing and related grant programs. The City of Salinas urges AMBAG, and other local governments and partners, to work with HCD and state legislators to explore immunity to penalties for not meeting RHNA production targets for communities that achieve the Prohousing Designation. This would encourage more jurisdictions to adopt regulations and programs that promote housing development and offer protection against a loss of local control or funding to those that are making a best-faith effort to address the housing crisis.</p> <p>Once again, we thank AMBAG staff and the Board of directors for recognizing the importance of equity and for all of your hard work on this RHNA process. We look forward to continuing work with you on 6th Cycle Housing Elements and other projects critical to the region. The City recognizes that statutory adjustments may change the ultimate allocation but supports the current proposed draft RHNA Methodology.</p>	Comment noted.	Letter	12/1/2021
72	City of Monterey	Ulsar	Hans	<p>This letter addresses the proposed RHNA methodology and shares with you some of my thoughts. I am suggesting to the Board the following:</p> <ul style="list-style-type: none"> • Consider the expectations you create when you approve the RHNA numbers - make it clear to your constituents that you approve a set of numbers, which have little chance to be implemented without a solution for water in place. • Do not destroy existing neighborhoods by forcing multi-story buildings. Or: let your constituents know that this will be expected from future elected officials. • Do not move forward until you have clarity about the job numbers. The numbers for Monterey are simply false until we hear otherwise. • Consider approving a set of numbers which are HCD compliant such as the TCAC data. Do not go beyond HCD's requirements by adding RCAA factors. • Continue to look through the noise and decide what is best for our existing and future communities. <p>We all know and understand that the actual construction of affordable housing units on the Monterey Peninsula depends on new allocations of water. In Monterey, we have projects for around 600 housing units in the pipeline; however, developers are prevented from building housing units due to a lack of water. As such, it is my sincere wish that the Board explicitly points out that water allocations for the Monterey Peninsula will drive what will actually be built. The proposed RHNA numbers should be characterized as aspirational with zero chance of implementation unless the questions around water will be addressed and solved.</p> <p>For the most part, our City has been built out - the chances for infill are slim. Our City Council and staff need to be commended for identifying various opportunities for housing developments within our existing commercial areas. Available land exists in the former Fort Ord area and potentially by rezoning along the HWY 68 corridor. And, we all know that it is likely that an organization like LandWatch may consider suing the City over any proposed development, including 100% affordable housing, on the former Fort Ord and loss of the Highway 68 scenic corridor.</p>	Comment noted.	Letter	12/3/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
73	City of Monterey	Ulsar	Hans	<p>Looking at the overall numbers and considering the future challenges we face with sea level rise, the conclusion is that AMBAG numbers will drive our City into building 6 - 8 story-high buildings across various areas while destroying our traditional neighborhood and networks. Is that what the majority of your constituents want?</p> <p>LandWatch's latest letter and the job-housing relationship simply fails the common-sense test of reality. People will pick their jobs where they will receive the highest income and they will pick their homes in areas they can afford to live in. It does not make sense to assume that human behavior will manifest itself outside of this casualty.</p> <p>It is my hope that the board understands that the current progressive push for housing to be located next to their places of work does not work in a built-out community limited by infill opportunities, threats of CEQA based lawsuits, and zero water. Just to remind everyone: today, thanks to restrictions imposed on us by the State Water Resources Control Board (SWRCB), we cannot even set a new water meter or are allowed to intensify the use for existing sites in Monterey.</p> <p>In sum: what you will implement as our next RHNA will certainly create false hopes with our housing advocates, who work so tirelessly on behalf of thousands of residents trying to find adequate housing. I believe the Board owes our residents to make this clear when they pass the RHNA number.</p>	Comment noted.	Letter	12/3/2021
74	City of Monterey	Ulsar	Hans	<p>With respect to the proposed numbers: The presented 2020 job numbers are hypothetical at best. All relevant openly available data sources contradict the 40,989 jobs allocated to the City of Monterey. Despite Monterey's best efforts to get transparency with respect to the data sources and AMBAG's inquiries with the EDD, we still have not seen the rationale for the job number that drives a great deal of the follow-on calculations and recommendations.</p> <p>As a matter of fact, it is my hope that the Board understands that the numbers are (apparently) based on a statistical model, which has not been shared with any of the cities. To this date, the sources for these job numbers have not been shared with the public. While AMBAG has been forthcoming in their attempts to explain the methodology behind those numbers, it is clear that an outside agency, using a not published algorithm based on structured surveys, interviews and incomprehensible forecasting received by EDD, has laid the foundation for the proposed job numbers. EDD's response to AMBAG that cities can contract separately through them to gain further clarity and insights into their numbers represents an approach which I feel is arrogant and disrespectful to our communities.</p> <p>Unless we have clarity on how those numbers were created, the Board should not decide on future RHNA numbers. Otherwise, your vote, will be a vote based on numbers generated by a black box no one completely understands and has access to.</p> <p>The numbers for MoCo are inflated by at least 40,000 jobs. AMBAG's numbers assume 243,015 jobs in Monterey County (383,017 in Mo and SC) of which 40,989 are located in the City of Monterey.</p> <p>Using the data publicly available by the US Census and an accepted benchmark for economists to use when trying to quantify the labor market is the ACS. The 2019 ACS numbers show a total of 24,926 of all jobs. By definition includes all jobs available, thus including employees, who hold multiple jobs; i.e. a teacher might work during daytime at a school and work evenings/weekends in a retail store. In other words: according to the ACS data, the numbers used by AM BAG and LandWatch for Monterey are false by a factor of 16,063. Do you really think that the City of Monterey had 40,989 jobs in 2020?</p>	<p>The 2022 RGF was developed over a two-year period which included multiple meetings with the Planning Directors Forum and local jurisdictions. AMBAG met with each local jurisdiction multiple times to review all the jobs, population and housing data in 2019 and 2020. No concerns were identified with the jobs data at that time. In November 2020, the AMBAG Board unanimously approved the use of the 2022 RGF for planning purposes in the development of RHNA and the 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy.</p> <p>It is important to note that there are multiple sources of jobs data, and multiple ways to define jobs. It was suggested that jobs data from other sources, such as the U.S. Census Bureau LODES data, would be better for use in the RHNA methodology. However, the U.S. Census Bureau LODES database excludes military, self-employed, and informal jobs as well as well-documented challenges associated with "headquartering" whereby all jobs are assigned to a headquarters location, such as a school district office, rather than to the place of work, such as the school.</p> <p>More importantly, if another jobs dataset were to be used, the distribution of jobs across jurisdictions or percent share for each jurisdiction would largely be the same. Because the RHNA methodology is based on the distribution of jobs or percent share, rather than total number of jobs, there would not be any substantial changes in the RHNA allocation regardless of what jobs data was used. The Board could direct staff to use LODES data instead of the 2022 RGF.</p> <p>Finally, reaching an agreement with EDD to share the jobs data took nearly several years to finalize and states "No confidential data will be disclosed to any AMBAG member cities or counties." AMBAG submitted a request to EDD for disclosure of additional data, but notes that this limitation has been imposed to protect 3rd party privacy information pursuant to Gov. Code Section 6254(c). The request was recently denied by EDD but EDD noted that Monterey can request this data directly from EDD.</p>	Letter	12/3/2021
75	City of Monterey	Ulsar	Hans	<p>To sum this up: Board, I suggest you discuss more in-depth the source of the numbers. If EDD does not want to show you the secret sauce (which clearly, they have indicated to your staff), then you should wait with your vote.</p> <p>Additionally, I am suggesting that the Board considers AMBAG's staff proposal without the Racially-Concentrated Areas of Affluence (RCAAs). Instead, the City recommends the previously agreed to TCAC data be utilized. This request is based on the statements made by HCD indicating that the RCAA factor is not required by them. If it is not required AND you are using unrealistic RHNA numbers, why add to the false assumptions the not required factors, which inflate hopes? In conclusion:</p> <ul style="list-style-type: none"> • Consider the expectations you create when you approve the RHNA numbers - make it clear to your constituents that you approve a set of numbers, which have little chance to be implemented without a solution for water in place. • Do not destroy existing neighborhoods by forcing multi-story buildings. • Do not move forward until you have clarity about the job numbers. The numbers for Monterey are simply false until we hear otherwise. • Consider approving a set of numbers which are HCD compliant such as the TCAC data. Do not go beyond HCD's requirements by adding RCAA factors. • Continue to look through the noise and decide what is best for our existing and future communities. 	<p>HCD staff has indicated that allocating units by an Affirmatively Furthering Fair Housing (AFFH) factor should be included in AMBAG's RHNA methodology. AMBAG staff developed the Racially Concentrated Areas of Affluence (RCCAs) approach due to feedback received from the Board of Directors that the TCAC Opportunity data was incomplete and lacking in the AMBAG region. The Board of Directors could choose to direct staff to use the TCAC Opportunity data instead of the RCAA approach but an AFFH factor for allocating units needs to be included in a draft RHNA methodology.</p>	Letter	12/3/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
76	Monterey Peninsula Chamber of Commerce	Lal	Monica	<p>The Monterey Peninsula Chamber of Commerce urges the Association of Monterey Bay Area Governments (AMBAG) to focus in particular on the relationship and balance between jobs and housing when it establishes methodology for Regional Housing Needs Allocations (RHNA) for local jurisdictions in Monterey County. Attached is some information that shows why the Chamber has for several years identified housing supply as a priority issue.</p> <p>We also encourage you to take a close look at population and school district enrollment statistics. One local jurisdiction in Monterey County has experienced a whopping 32.6% reduction in population since 1980. The second most populous city in Monterey County had a 2% decline in population from 2010 to 2020. Student enrollment at the Monterey Peninsula Unified School District MPUSD's enrollment has dropped 36% over the last 30 years. Other Monterey County school districts are experiencing significant enrollment declines, in part because families are no longer able to afford a place to live.</p> <p>You may hear an argument that AMBAG should assign a low housing allocation to Monterey Peninsula cities because of water scarcity. Note that some Monterey Peninsula residents and their elected representatives have known about looming water scarcity since the early 1990s. Their choice has been to perpetuate an artificial and unnecessary water shortage, thus creating a convenient excuse for the region to avoid fulfilling future regional housing needs. Obviously, something is amiss in Monterey County, and AMBAG can play an important role in opening up the area as a welcome home for younger generations, including families with children.</p>	The December 8, 2021 Special AMBAG Board meeting agenda includes an RHNA methodology option (Option B) that does include a jobs/housing ratio factor for allocating housing units.	Letter	12/3/2021
77	LandWatch Monterey County	DeLapa	Michael	<p>I write again to follow up LandWatch's November 29 letter regarding the proposed RHNA methodology and to respond to the staff report for the December 8 meeting. LandWatch seeks a RHNA allocation that is both climate-friendly and affordable to local working families. This requires locating housing near jobs and the public and private services and opportunities in urban areas, and avoiding sprawl development in rural areas.</p> <p>A. Landwatch supports the consensus weighting of the allocation goals. The RHNA methodology must further the five statutory objectives in Government Code Section 65584(d) and reflect the 13 factors set out in Government Code section 65584.04(e). Some of these goals are in tension. For example, allocation of units to affirmatively further fair housing (AFFH) by increasing unit assignments in affluent areas may be in tension with remedying overcrowding and cost burdens in less affluent communities. Assignment of units to address jobs/housing imbalances in lower income communities may also be in tension with the AFFH objective. Thus, the Directors should recognize that their most fundamental policy choice is their relative weighting of the allocation goals, even though some of the allocation methods may point in different directions and the results cannot maximize every statutory objective. Landwatch supports the weighting consensus that has emerged, which is first to assign the 12,524 units needed to meet each jurisdiction's Regional Growth Forecast and then to assign the remaining 20,750 units using four separate methods as follows:</p> <ul style="list-style-type: none"> • 50%, or 10,374 units, to improve the intraregional jobs/housing relationship • 35%, or 7,263 units, to affirmatively further fair housing (AFFH) by allocating units just to jurisdictions that are Racially Concentrated Areas of Affluence (RCAA) • 10%, or 2,075 units, to areas that are resilient to wildfire and sea level rise • 5%, or 1,038 units, to areas best served by transit <p>We urge the Directors to affirm this weighting. Improving the intraregional jobs/housing balance is an independent statutory objective, and it is closely linked to the other statutory objectives to promote infill, protect environmental and agricultural resources, and reduce GHG. The AFFH objective is also a critical statutory objective intended to ensure equity in the RHNA process. The consensus to weight allocation methods primarily based on the jobs/housing balance and AFFH objectives, and to do so at a 50% and 35% respective weighting, is appropriate and defensible, regardless of the tension in these objectives. The consensus weighting is particularly defensible in light of the proposal to further the AFFH objective both by assigning 35% of the total units based on the "bottom up" application of the RCAA criteria and by assigning a higher proportion of very low and low income units to RCAA jurisdictions via the "income shift" process. LandWatch supports using both approaches.</p>	Comment noted.	Letter	12/4/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
78	LandWatch Monterey County	DeLapa	Michael	<p>B. The Directors should adopt LandWatch’s proposed allocation of jobs-related units because it furthers the objectives to improve intraregional jobs/housing balance and the staff proposals do not.</p> <p>Regardless of the weighting of statutory objectives, the Directors should ensure that the chosen allocation methods actually further these statutory objectives. As LandWatch has objected, the proposed jobs-related allocation method does not adequately further the statutory objective of “an improved intraregional relationship between jobs and housing.” (Gov. Code, § 65584(d)(3).) The fundamental problem with staff’s recommended proposal, now identified as “Option A” in the staff report, is that it considers only the jurisdiction’s share of regional jobs and not its jobs/housing balance. Thus, this allocation assigns thousands of units to jurisdictions that have a high job share but do not have a jobs/housing imbalance. And it fails to assign proportionately more units to jurisdictions that do have a severe imbalance. Furthermore, because this allocation assigns thousands of units to rural unincorporated areas without a jobs/housing imbalance, it also needlessly conflicts with the other statutory objectives to promote infill, protect environmental and agricultural resources, and reduce GHG. Accordingly, LandWatch continues to recommend that the jobs-related allocation focus on improving the relationship of both jobs to housing. TAMBAG should assign the jobs-related units to the jurisdictions that actually have jobs/housing imbalances and should do so in proportion to the severity of that imbalance. We ask that the Directors adopt the alternative allocation of the jobs-related units set out in our November 29 letter, which does just that. We attach it again for your reference.</p> <p>In response to previous comments, the staff report constructs, but does not recommend, an “Option B” in order to “add an additional factor of a jobs-housing ratio for 20% of the unit allocation.” However, Option B would still allocate 40% of the units based on regional job shares alone, without reference to housing units, thus continuing to assign thousands of units to jurisdictions that do not have jobs/housing imbalances and away from jurisdictions that do. Furthermore, Option B’s assignment of 20% of the units to the jurisdictions with worse than average jobs/housing ratios is still based on the jurisdiction’s share of regional jobs instead of being proportionate to the severity of its imbalance. Finally, Option B unaccountably changes the consensus weighting of the allocation objectives by reducing the AFFH weighting from 35% to 25%. Instead of assigning 50% of units based on jobs-related criteria, it assigns 60% (40% based on jobs share for each jurisdiction and 20% based on the jobs share of the jurisdictions with the worst jobs/housing balances). To increase the jobs share allocation by 10 percentage points, Option B arbitrarily reduces the AFFH weighting by 10 points.</p>	<p>LandWatch's proposal is included in Attachments 7 and 8 of the RHNA agenda item in the December 8, 2021 Special AMBAG Board of Directors meeting agenda.</p> <p>Option B was created to address comments received at the November 29, 2021 Planning Directors Forum meeting. We received comments to consider a jobs/housing ratio factor as well as comments that a factor based on existing jobs should still be a priority. AMBAG staff did not reject Option B but instead indicated a preference for Option A since it better addressed AFFH which is a key objective for HCD.</p> <p>The AMBAG Board of Directors can choose either Option A or B, the LandWatch proposal or provide additional direction to AMBAG staff to come back with a different option.</p>	Letter	12/4/2021
79	Santa Cruz YIMBY and YIMBY Law	Sonnenfeld	Rafa	<p>Santa Cruz YIMBY, and YIMBY Law are submitting this letter to the Association of Monterey Bay Area Governments to provide a final recommendation for adopting a Regional Housing Needs Allocation methodology.</p> <p>Our primary recommendation which differs from what is included in the AMBAG staff report/recommendations is to increase the income shift percentage for affirmatively furthering fair housing (AFFH) from 30% to 40% for each jurisdiction. Regardless of which allocation methodology is selected, it is important to ensure that units which are allocated to jurisdictions on the basis of affirmatively furthering fair housing, (ie the RCAA+ allocation methodology), are certain to be low or very-low income units. Under the staff-proposed 30% income shift approach, there are jurisdictions that have been allocated units for AFFH purposes, but even with a 30% or 35% income shift, those jurisdiction’s total number of low income units are fewer than the number of units allocated via AFFH/RCAA+; a result which is antithetical to the goal of affirmatively furthering fair housing.</p> <p>Increasing the income-shift to 40% ensures that wealthy, exclusionary communities in our region who are assigned units on the basis of their future residents’ access to higher opportunities are required to have an adequate number of those new units be for persons of low or very low income.</p> <p>Concerning the choices of an allocation methodology before you, we believe both Options A and Option B, as well as LandWatch’s proposal to use only the Jobs/Housing imbalance for the jobs portion of the allocation are solid choices worthy of consideration. Each option represents trade-offs: Option A maximizes assigning housing to our most exclusionary communities, while Option B and LandWatch’s recommendation both help get folks living closer to where they work. We would support any selection of one of these choices as long as the income shift is increased to 40%.</p> <p>For your convenience, we have also prepared an allocation chart which approximates the distribution of units at a 40% income shift for each jurisdiction.</p>	<p>Both Options A and B reflect feedback received from HCD on the income shift percentage. The AMBAG Board of Directors can choose to modify one of the RHNA methodology options and/or direct staff to explore a different option.</p>	Letter	12/6/2021
80	City of Capitola	Herlihy	Katie	<p>First and foremost, thank you for all the hard work that has been put into the draft RHNA calculations over the past year. Your team at AMBAG has worked closely with each jurisdiction and I appreciate all the work that was done on the front end on the Regional Growth Forecast for the current planning period. As we work through the second step of allocating the remaining 20,750 units, I have concerns with the formula utilized for the calculation of Resiliency and RCAA units.</p> <p>The current methodology identifies the regional average for percent population above 200 percent of poverty level (67%) and regional average for racial concentration of white (37%). The jurisdictions that are assigned units within the RCAA category are above the average of either or both categories. The 8-year growth projection for housing units is utilized as the baseline for additional units in the formula. I suggest two modifications to this method. The Resiliency and RCAA allocation formulas should be based on land area adequate for development, not the 8-year housing unit change. Also, RCAA should include a sliding scale.</p>	<p>Comment noted.</p>	Letter	12/6/2021

Number	Agency/ Organization	Last Name	First Name	Comment	Response	Comment Format	Date
81	City of Capitola	Herlihy	Katie	<p>1. The formula for RCAA should be tied to land area adequate for development, not each City's growth projections (8-year housing unit change). Using the current RCAA formula, and comparing the outcome to each city's total land area yields, shows extreme fluctuations between high resource cities. This fluctuation is because the formula is based on each city's 8-year housing projections. Those 8-year housing projections are largely based on a city's existing General Plan and Zoning. No City in our region can accommodate the units being contemplated in this RHNA cycle, therefore every city will likely need to update their General Plan and zoning to accommodate their RHNA allocation. To fairly distribute additional units (beyond the 8-year housing projections) the formula to allocate RCAA should be tied to land area, or land area suitable for development. The table below demonstrates the illogical outcomes in the current formula by presenting the proposed number of RCAA unit divided by total land area in high resources cities. The significant outliers are highlighted in red.</p> <p>Land area adequate for development should be considered when assigning 2,075 units for Resiliency and 7,623 for Resiliency. The current process to allocate Resiliency units does not take into account total land area, only a jurisdiction's percentage of land in high hazard zones relative to the 8-year housing unit change. This leads to illogical results, wherein a very small city with few constraints get's far more Resiliency units than a much larger jurisdiction with more constraints even though the into jurisdiction has far more total unconstrained suitable for land than development, the small not just city. The formula percentage should of the take 8-year housing account the unit total change land that area is that is constrained.</p>	RHNA assumes that local jurisdictions may need to rezone. The RGF does take development constraints into account and because it goes beyond the horizon of general plans it is not constrained by existing zoning. RHNA requires a balance between all of the objectives and factors. AMBAG evaluated land area based options, but those failed to meet other RHNA objectives that HCD staff have identified as their priorities for evaluating the methodology.	Letter	12/6/2021
82	City of Capitola	Herlihy	Katie	<p>2. The RCAA formula should utilize a sliding scale so the jurisdictions that are close to the average are assigned less units and the jurisdictions with higher-than-average fewest number incomes/racial concentrations are assigned more units. The current methodology assigns the fewest number of units per capita to three of the four most wealthy and least diverse jurisdictions.</p> <p>To ignore the size of a jurisdiction until the next step in the RHNA process (statutory adjustments) does not intuitively make sense when assigning units for development. I urge you to consider land area at this time in order to make the RHNA plan statutory objectives "to ensure the overall size of jurisdiction is considered to assure that large jurisdictions do not get inappropriately small allocations which do not fulfill the needs of their populations, and small jurisdictions do not get inappropriately large allocations that exceed the feasible capacity of developable land."</p>	The AMBAG Board of Directors can choose to modify one of the RHNA methodology options and/or direct staff to explore a different option.	Letter	12/6/2021
83	Monterey Bay Economic Partnership (MBEP)	Roberts	Kate	<p>The Monterey Bay Economic Partnership (MBEP) supports AMBAG's 6th Cycle RHNA final draft methodology of Option A, with a minor modification regarding the AFFH income shift percentage currently weighed at 30% to be applied at 40%. AMBAG staff has found the methodology supports and/or furthers the five statutory RHNA objectives of: 1) increasing housing supply and mix; 2) promoting infill, equity, and environment; 3) ensuring jobs-housing balance/fit; 4) promoting regional income parity; and 5) affirmatively furthering fair housing. We ask that you approve staff's recommendation of accepting a final draft RHNA methodology after incorporating the AFFH income shift at 40% and authorize AMBAG staff to submit it for formal review by the California Department of Housing and Community Development at the special AMBAG board meeting taking place on December 8th.</p> <p>California's Regional Housing Need Determination (RHND) requires our region to plan for 33,274 new homes by 2031 through its 6th Cycle Housing Element update, including 13,014 that are affordable to lower-income households. Through the final draft methodology, the estimated allocations of these homes grants every Monterey Bay jurisdiction the opportunity to promote equity, sustainability, and racially & economically diverse communities.</p> <p>We thank AMBAG staff for implementing MBEP's previous recommendation of incorporating Affirmatively Furthering Fair Housing (AFFH) as an allocation factor, as opposed to AFFH only being integrated via an income shifting mechanism. This has resulted in a more equitable distribution of homes to all jurisdictions within our region. In regards to the AFFH income shift percentage being weighed at 30%, we believe this should be applied at 40% to ensure that the allocations Racially Concentrated Areas of Affluence are receiving are completely satisfying the goal of Affirmatively Furthering Fair Housing by both having a larger allocation due to this factor, as well as receiving a substantive proportion of very low and low income units within said allocation.</p> <p>Thank you for your leadership in moving our region forward on our existing and projected housing needs. We look forward to working with all eighteen municipalities within the purview of AMBAG as they embark on the next step of updating their respective Housing Elements. For questions, please contact Elizabeth Madrigal at emadrigal@mbep.biz.</p>	Comment noted.	Letter	12/7/2021