



Community Development Department
Katie Herlihy, Director
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Heather Adamson
AMBAG, Planning Director
24580 Silver Cloud Ct.
Monterey, CA 93940

Dear Director Adamson,

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.

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.**

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.

	8-Year Housing Unit Change	Total Land Area sq. mile	RCAA Units	RCAA Units per sq. mile
Monterey County				
Carmel-By-The-Sea	10	1.06	31	29.25
Del Rey Oaks	69	1.06	214	201.89
Monterey	403	12.27	1,249	101.79
Pacific Grove	98	4.00	304	76.00
Sand City	108	2.91	167	57.37
Unincorporated Monterey	510	3,695.00	1,579	0.43
Santa Cruz County				
Capitola	178	1.68	552	328.57
Santa Cruz	789	15.83	1,223	77.26
Scotts Valley	57	4.618	177	38.33
Unincorporated Santa Cruz	570	578	1,767	3.06

Land area adequate for development should be considered when assigning 2,075 units for Resiliency and 7,263 units for RCAA. 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 larger jurisdiction has far more total unconstrained land than the small city. The formula should take into account the total land area that is suitable for development, not just the percentage of the 8-year housing unit change that is constrained.

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 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.

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 meet 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."

Thank you for your consideration,



Katie Herlihy, AICP