



City of Salinas

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December 1, 2021

AMBAG Board of Directors
24580 Silver Cloud Ct
Monterey, CA 93940

Re: 6th Cycle Regional Housing Needs Allocation

Dear Members of the AMBAG Board of Directors,

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.

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.

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.

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.

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.

Sincerely,



Steven S. Carrigan
City Manager
City of Salinas

CC: Salinas City Council
Megan Hunter, Community Development Director
Heather Adamson, AMBAG
Maura Twomey, AMBAG