



Monterey Bay
ECONOMIC PARTNERSHIP



LandWatch
monterey county



January 11, 2022

Association of Monterey Bay Area Governments, Board of Directors
24580 Silver Cloud Court
Monterey, CA 93940

Subject: Item 9B, 6th Cycle Regional Housing Needs Allocation Methodology

Dear Chair McShane and Members of the Board,

Thank you for the opportunity to comment on the final draft Regional Housing Needs Allocation methodology that will be sent to the California Department of Housing and Community Development (HCD) for their review. We are writing on behalf of Monterey Bay Economic Partnership, Santa Cruz YIMBY, LandWatch Monterey County, California YIMBY, the Santa Cruz County Business Council, New Way Homes, and YIMBY Law. We support an increase in housing at all income levels in the Monterey Bay region, especially climate-resilient infill development that seeks to affirmatively further fair housing.

Our coalition supports AMBAG's 6th Cycle RHNA final draft methodology of **Option Z, with a 40% AFFH (Affirmatively Furthering Fair Housing) income shift**. Option Z reflects HCD's suggestions to AMBAG staff based on their informal review of the methodology, which include: 1) an AFFH income shift of 40%; 2) a decrease in the weight of the Regional Growth Forecast; 3) an increase in the weight of the AFFH factor; and 4) a nuanced AFFH analysis which takes into account both TCAC opportunity map data and Racially Concentrated Areas of Affluence (RCAA) data. Option Z also includes prior board direction to assign more weight to the jobs/housing balance factor, and directs growth into incorporated jurisdictions.

Of the three options that incorporate HCD's recommendations, Option Z best balances the objective of affirmatively furthering fair housing via allocating more units to high opportunity areas with objectives of meeting the housing needs of farmworkers and alleviation of overcrowding. Option Z also reflects the actual diversity of unincorporated areas by allocating homes to these areas based only on TCAC opportunity map data - which accurately portrays the differences of opportunity available in communities that comprise Monterey County, whether that be Chualar, Castroville, or Carmel Valley.

In addition to promoting equity in our region, Option Z:

1. Ties for highest allocation methodology for units supporting current employment as well as job/housing imbalance
2. Ties for second highest allocation methodology for units supporting AFFH and including the 40% income shift, resulting in more homes for lower income workers planned closer to resources and high-demand services
3. Promotes higher density zoning and infill development (at all income levels of housing) in our cities and demotes sprawl, which will help reduce traffic, commutes and GHG emissions.

Though technical in nature, the decided methodology will have broad implications for the growth and wellbeing of communities and local economies across the region. In addition to promoting equity and inclusion, development of deeply affordable housing in urban cores situates a good portion of our workforce closer to jobs and reduces vehicle miles traveled. This is critical to sustaining and growing the largest industries in our region - tourism, service, hospitality, and many others with lower paying occupations. A more densely concentrated and fairly housed workforce will benefit employers small and large - all of whom have been heavily impacted by the COVID-19 pandemic and need support now more than ever.

California's Regional Housing Need Determination 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 selecting Option Z as the final draft methodology option, the resulting allocation of homes grants every Monterey Bay jurisdiction the opportunity to promote equity, sustainability, and racially and economically diverse communities. We commend AMBAG staff for developing a methodology option which is well suited to meet the intricate housing needs our region faces.

Thank you for your leadership in moving our region forward on 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.

Sincerely,

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