

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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July 21, 2022

Maura F. Twomey, Executive Director
Association of Monterey Bay Area Governments
24580 Silver Cloud Court
Monterey, CA 93940

Dear Maura F. Twomey:

RE: Comment on Appeals of the Draft Regional Housing Need Allocation (RHNA) Plan

The California Department of Housing and Community Development (HCD) appreciates the opportunity to comment on the two appeals that the Association of Monterey Bay Area Governments (AMBAG) has received regarding the draft RHNA plan. The appeal process is an important phase in the development of a RHNA plan that ensures that all relevant factors and circumstances are considered.

The only circumstances under which a jurisdiction may appeal are:

- 65584.05(b)(1): The council of governments failed to adequately consider the information regarding the factors listed in subdivision (e) of section 65584.04.
- 65584.05(b)(2): The council of governments failed to determine the share of the regional housing need in a manner that furthers the intent of the objectives listed in subdivision (d) of section 65584.
- 65584.05(b)(3): A significant unforeseen change in circumstances occurred in the local jurisdiction that merits a revision of the information submitted pursuant to subdivision (e) of Section 65584.04.

HCD urges AMBAG to only consider appeals that meet the statutory criteria.

Per Government Code section 65584.05(e)(1), AMBAG's final determination on whether to accept, reject, or modify any appeal must be accompanied by written findings. The findings must describe how the final determination is based upon the adopted RHNA allocation methodology and why any revisions made are necessary to further the statutory objectives of RHNA described in Government Code section 65584(d).

HCD has completed review of the appeals and offers the following comments. With regard to any appeal submitted according to Government Code section 65584.05(b)(1) that contends AMBAG failed to consider the lack of land suitable for development, Government Code section 65584.04(e)(2)(B) states the council of governments (COGs) may not limit its consideration of suitable housing sites to existing zoning and land use restrictions. COGs must consider the potential for increased development under alternative zoning and land use restrictions. Any comparable data or documentation supporting this appeal should contain an analysis of not only land suitable for urban

development, but land for conversion to residential use, the availability of underutilized land, and opportunity for infill development and increased residential densities. In simple terms, this means housing planning cannot be limited to vacant land, and even communities that view themselves as built out or limited due to other natural constraints such as fire and flood risk areas must plan for housing through means such as rezoning commercial areas as mixed-use areas and upzoning non-vacant land.

With regard to any appeal submitted related to Government Code section 65584.05(b)(2) that contends AMBAG failed to determine the RHNA in a manner that furthers the statutory objectives, it should be noted that HCD reviewed AMBAG's draft allocation methodology and found that the draft RHNA allocation methodology furthered the statutory objectives described in Government Code section 65584.

HCD acknowledges that many local governments will need to plan for more housing than in the prior cycle to accommodate a RHND that more fully captures the housing need and to accommodate statutory objectives of RHNA that shift more housing planning near jobs, transit, and resources. The Monterey Bay region's housing crisis requires each jurisdiction to plan for the housing needs of their community and the region. In recognition of this effort there are more resources available than ever before to support jurisdictions as they prepare to update their 6th cycle housing elements:

- Regional Early Action Planning (REAP) 2.0 – \$600 million investment to advance implementation of adopted regional plans. REAP 2.0 funding may be used for planning and implementation that accelerates infill housing development and reduces per capita vehicle miles traveled. <https://hcd.ca.gov/grants-funding/active-funding/rep2.shtml>.
- Prohousing Designation Program – Ongoing awards distributed over-the-counter to local jurisdictions with compliant Housing Elements and prohousing policies. Those awarded receive additional points or preference when applying to housing and non-housing funding programs including the Affordable Housing & Sustainable Communities (AHSC), Infill Infrastructure Grant (IIG), and Transformative Climate Communities (TCC).
- HCD also encourages all AMBAG local governments to consider the many other affordable housing and community development resources available to local governments, including the Permanent Local Housing Allocation program. HCD's programs can be found at <https://www.hcd.ca.gov/grants-funding/nofas.shtml>.

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Tyrone Buckley, Assistant Deputy Director of Fair Housing, tyrone.buckley@hcd.ca.gov.



Tyrone Buckley
Assistant Deputy Director of Fair Housing