

Re: Item 10, November 16, 2020 – RHNA Process

November 15, 2020

Dear City Council Members:

Palo Alto Neighborhoods urges you to continue to strongly push back against ABAG's RHNA process because **it is deeply flawed, illegal and will have a considerable negative impact.**

As you know, many of your fellow Palo Altans are skeptical about what goes on behind "the curtain" at ABAG. Your friends at PAN and across town have done some research to help you in your fight to defend Palo Alto. Here's what we all came up with:

- ABAG methodology violates the California Code (see below for details)*
- ABAG uses an in-house, single jobs-based model that focuses massive job growth in only a few cities in the South Bay. ABAG is the Association of Bay Area Governments, not the Association of South Bay Cities
- Housing for the new workers will be focused in those same cities like Palo Alto where the model predicts more jobs. Why are they predicting more jobs for us? Aren't we committed to slowing growth until housing can catch up? We already have a 3-1 jobs housing imbalance. Why should we continue to add jobs when we are so far behind in housing people?
- Palo Alto's RHNA allocation has jumped to a mind-boggling 10,000 new housing units over the next eight years, compared to our current allocation of 2,000.
- A 38% increase in Palo Alto's housing stock in 10 years is an unreasonable demand of any municipality and may well destroy the lovely amenities of the City.
- Meeting these impossible goals will require up to a billion dollars of taxpayer subsidies from us, the residents of Palo Alto.
- The price of real estate in Palo Alto is among the highest in the nation. Why doesn't the model take in the feasibility of building when the cost of land is so high?
- Because Palo Alto real estate is so expensive, developers prefer building the more lucrative commercial real estate and will only grudgingly build housing, primarily high-end units. To make housing "pencil out," we'll perpetually need to keep increasing developer incentives (aka giveaways).
- Why does an unelected, non-governmental body wield so much power? From whom is its authority derived and to whom is it answerable? ABAG is a non-democratic process.
- Finally, common sense shows that it would be smarter (and cheaper) to move jobs to parts of the country seeking to increase employment.

***ABAG's METHODOLOGY UNMASKED**

California Government Code (Section 65584) mandates that RHNA numbers be consistent with ABAG's Plan Bay Area. But the same Code requires ABAG to explore alternative ways of improving jobs and housing imbalances within the region. ABAG has refused repeated public requests that they follow the Government Code that requires a serious look at alternate ways of "promoting an improved intraregional relationship between jobs and housing...in each jurisdiction" (Code Section 65584 (d) (3)". The easiest way would be to explore the beneficial impacts of realistic new job dispersion to other areas. Neither Palo Alto nor any other City Council in the Bay Area has had an open public discussion with ABAG of the impact of jobs dispersion as required by Code.

POPULATION GROWTH MODELS ARE FLAWED

“Over the past 20 years, California has experienced its slowest rates of growth ever recorded, and growth has been especially slow since 2017. According to estimates by the California Department of Finance, California’s population grew by 7.3% (or 2.7 million) from 2010 to the end of 2019; this rate is only slightly higher than the national rate of 6.3%. International migration to California has remained strong, with a net inflow of 1.5 million. But net domestic migration has been negative: about 900,000 more people left California for other states than came to California from other states. Natural increase—the difference between births and deaths—added 2.2 million residents. But birth rates are at record lows and the number of deaths is increasing as the population ages.”

(Public Policy Institute of California -- <https://www.ppic.org/publication/californias-population/>)

JOIN OTHER NETWORKS

If you haven’t already, we strongly urge you to join the following groups:

California Alliance of Local Electeds www.calelecteds.org/

The California Alliance of Local Electeds (CALE) is a network of mayors, councilmembers and other elected officials who advocate in Sacramento on significant issues that contribute to the betterment of California’s cities, including preservation of local control and support of forward-thinking legislation.

California Cities for Local Control www.facebook.com/LocalControlCA/

This groups states, “We are organizing the cities to oppose loss of local zoning control to the state. 23 cities that have PASSED resolutions for us, and just as exciting is the news that there are 22 MORE cities that have told us that they are moving forward in the next couple of weeks to pass resolutions as well!”

We at PAN are so grateful that you as our elected representatives are alarmed at this draconian measure to try to co-opt local control of our land and to subvert the will of the people. Thank you for fighting for our City.

Sincerely,

Becky Sanders
Sheri Furman
Co-Chairs
Palo Alto Neighborhoods