

March 7, 2018

Office of Senator Scott Wiener State Capitol, Room 4066 Sacramento, CA 95814

RE: SB 828 (WIENER) — FIXING RHNA — SUPPORT IN CONCEPT

Dear Senator Wiener:

SPUR is pleased to offer support in concept to SB 828, which addresses the broken process by which the state and regional agencies allocate housing targets. We appreciate that SB 828 intends to address the politicized nature of the current Regional Housing Needs Allocation (RHNA) process and ensure that communities are tasked with appropriately sized housing targets.

SPUR (San Francisco Bay Area Planning and Urban Research Association) is a member-supported nonprofit organization that promotes good planning and good government. We bring people together from across the political spectrum to develop solutions to the big problems our cities face. With offices in San Francisco, San Jose and Oakland, we are recognized as a leading civic planning organization and are respected for our independent and holistic approach to urban issues.

As you well know, California is facing a severe housing shortage, which has created affordability issues not only for households with low incomes but also for moderate and middle-income households. There are no silver bullet solutions — we must pursue many efforts at the state, regional and local levels to grow our housing supply sustainably and efficiently. SB 828 is an important step to make sure that local jurisdictions are planning appropriately and realistically for housing growth across the state.

As of the date of this letter, the intention is to require the state Department of Housing and Community Development (HCD) to complete an assessment of unmet housing need for each region and then create targets that address the history of insufficient production. This will ensure that localities are actually asked to accomplish targets that look at the full picture. This includes the following:

- The acknowledgement that increased supply will alleviate high rent/prices
- Communities with high rates of income growth must have high rates of production at all levels
- HCD will be authorized to challenge regional methodologies
- HCD will be required to rollover unmet housing allocations from prior cycles and add to local allocations
- Councils of government will be prohibited from underestimating allocations
- The creation of requirements for local jurisdictions to plan and accommodate for 200 percent of their housing allocations.

In SPUR's recent Agenda for CASA, recommendation #1 is to "Overhaul RHNA." The four sub-recommendations include:

- 1. Adjust RHNA to add a roll-over of unbuilt housing from previous cycles and require cities to zone for more than their target (since not all sites will move forward).
- 2. Fix RHNA by more accurately accounting for true housing demand.
- 3. Put stronger teeth into RHNA to force compliance by creating an appeals body.
- 4. Add an explicit smart growth and equity vision to RHNA by reducing housing in rural places and increasing them instead in infill areas, particularly in places near transit as well as in or near places of opportunity.

SB 828 as proposed is in line with SPUR policy. We support adjusting RHNA to include the existing housing deficit, requiring cities to zone for more than their target and putting more teeth into compliance and oversight by HCD. Please let me know if you have any questions. I can be reached at kwang@spur.org or 415-644-4884. Thank you again for your consideration.

Sincerely

Community Planning Policy Director