

Sent: Monday, April 18, 2022 11:35 AM

To: City Council (San Mateo) <CityCouncil@cityofsanmateo.org>

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Subject: Baywood Neighborhood Association Comments on General Plan

April 18th, 2022

Dear Council Members:

The advance materials on the general plan that the City sent describe three alternative growth scenarios, but the most aggressive, Alternative C, is favored by the Planning Commission and at least some of our Councilors.

However, the only option within our existing supply of critical resources is Alternative A. Water, for example, is in short supply. If we want to grow beyond Alternative A, it will require significant investments in time and money to develop an additional water supply. It may be Cal Water's job, but we need them to commit to getting it done before proceeding. How can we reasonably plan for growth that we cannot support with life's essentials without a specific plan for building what it takes to supply them? Alternative A is the only option that passes this basic test.

Secondly, the Housing Element's Section 8 - Quantified Objectives -reveals that the likely build-out of housing units will be less than Option A allows. It calculates that 5,828 units will be built by 2031, with only market-rate housing exceeding the RHNA target. This outcome follows the current pattern of missing the affordability targets but exceeding the market rate target. There is no similar analysis for Alternatives B & C, but a forecast based on market trends is likely to be insensitive to the GP forecast alternatives. It is reasonable to assume that any of the Alternatives is expected to fall short of affordability goals and build 5,828 new units by 2031. There is no forecast of likely 2040 totals. Before we commit to a program that anticipates unheard-of growth, we should have a clearer picture of its likelihood of success and its ability to provide affordable housing. In short, why plan for something that isn't likely to happen and won't solve the affordable housing problem we all agree needs to be addressed. A plan that nevertheless requires the initiation of significant infrastructure expenditures.

Third, the RHNA numbers may be inaccurate. The State audit committee identified a significant problem in calculating numbers that are the basis of our General Plan. The State can punish the City if it fails to provide the ability to have the discredited number of housing units built. The City is expected to adopt policies through zoning and development incentive tools that the City has under its control to enable the RHNA numbers to occur. These rule changes are in anticipation of development, so the numbers we receive from the State profoundly impact our housing policy. We are being asked to change zoning regulations and other policies to accommodate a number that may be unrealistic.

The State's auditor has criticized these RHNA numbers for not following proper procedure in generating these targets. The audit committee believes this challenges the citizenry's faith in government programs. The opposing groups of pro-housing advocates like California YIMBY and local government groups like The California Association of Local Electeds (CALE) agree that the current RHNA numbers are wrong. CALE councilors point to specific mathematical errors in the RHNA numbers that nearly doubled previous allocations. The Yimby group identified procedural issues where elements that affect housing were left out of the analysis. These would significantly increase the RHNA numbers when included. No

one has opined on the impact on RHNA targets if all these factors are considered together. There is little transparency as to how the RHNA allocations are calculated. This opacity leads to the suspicion that special interests are influencing the math and process of RHNA. Given this uncertainty, there should be a torrent of complaints about the punitive nature of this State mandate on Cities that fail to comply when there is substantial reason to believe the numbers are inaccurate. The State needs to address this with urgency and visibility. Until this is done, there is good reason to pause making any decisions on what the housing cycle targets will require.

Changing the current cycle's numbers may be too late, but any new allocations need to be done in the open and with a clear consensus on how the calculations are done. The expectation of even higher RHNA targets in the next cycle is the primary reason for pursuing the extreme growth scenarios provided by Alternative C. How can we predict what will come from a clearly broken process? It makes more sense to wait until we have the needed clarity before we re-zone to support growth that is not required.

Fourth, the public outreach process, while extensive, lacks specific goals as to which populations should be interviewed and how successful the effort has been in achieving these unstated goals. We only know how many people responded. A significant effort was made that simply asked people to participate. There were special efforts to reach some groups but no indication as to why these groups were selected and how effective the outreach was.

Even the True North survey expresses concern, in its preamble, about "self-selection" bias in the results of the outreach effort and uses it to defend the scientific survey they did for the City. The True North study was conducted using established survey methodology, but the conclusions provided in the report choose to emphasize a portion of the findings. In my read, the people of San Mateo agree that we need more affordable housing. Based on this affordability need, the people surveyed agree to accommodate things like increasing building heights. The link to affordability is an essential part of their approval, which does not include the same level of support for other types of housing. Changing zoning to allow taller buildings should only be approved when a very high percentage of the added height is used to provide affordable housing. Otherwise, we will not achieve the goals that San Mateans want.

Fifth, Parks are needed as we are below our planned level as it is, and people are calling out for more open space. However, this report does not describe the land they will take for parks from other uses. We know we are already short of parklands, so the expanded areas needed for parks should be included in the housing analysis. The size of small parklets near housing needs to be calculated based on the number of housing units it will serve. The protests from Bay Meadows's residents during the Covid sequestering period made it clear that the amount of space needed for parks is significant. Too many people in that neighborhood lacked the space they needed during covid. Providing parks for a 50% increase in population, where most new units are expected to be apartments, will require significant expansion of open space in development areas. Can we provide this? This resource requirement should be proven sufficient before approving any outsized growth program.

Sixth, Traffic congestion remains a primary concern. Adding substantially more housing units while eliminating parking will not help relieve congestion unless the new housing restricts residents from owning or using cars. Many will walk or use bikes, but it remains to be seen how much traffic is reduced as a result. The simplistic measure of being near a transit site leading to not using a car is misleading at best. People use cars when they need a vehicle to do the job, even if a train is nearby. Can we really expect people not to use cars? If they do, congestion will get much worse with added population. The

least aggressive of the three high-growth alternatives, Alternative A, is the only sensible choice as it has the lowest impact on traffic. We should wait until we see how the new housing cycle unfolds and evaluate how users change transit behavior before making assumptions that lead to changes that deteriorate our quality of life.

Seventh, the alternatives' low, medium, and high characterizations imply that Alternative A is not a major change. This labeling is misleading as all of the options presented call for growth that dramatically exceeds our historical growth patterns. What do we think will change to result in a significant increase in construction? Without some hard data to support it, a plan that expects 50% growth is not reasonable.

Eighth, Alternative C requires major changes to zoning regulations with no promise of achieving the goals that the people of the City have said they are willing to support by sacrificing their lifestyle to resolve the housing issue. The General Plan and Housing Element discussions describe how the City could allocate target numbers to planning areas based on RHNA affordability measures. These plans rarely, if ever, see actual construction. We know from experience that the market for affordable housing is hampered as affordable rents or sale prices are below construction costs. Without subsidy, we get too little affordability.

We need new thinking on how to fix this. We cannot make the false assumption that developers will provide so much luxury housing that the market rates will drop for very low-income people. Several good ideas are emerging for providing affordable housing. We should develop these and use our resources to support construction that meets the affordability goals as a priority.

There is also a need for more discussion about building affordable single-family units, which are the preference of a significant portion of people in all income brackets. The effort to support a substantial change in zoning and other regulations could be better spent creating a vibrant, affordable housing construction plan and lobbying the State to restore funding for these programs.

Ninth, Changing zoning laws to reflect a massive boom in construction and a 50%+ increase in population will probably result in a few projects gaining approval and adding imposing structures in parts of the City. However, there is little to no chance that the stated numbers will be built. The City's housing analysis indicates a much lower number, as noted earlier. Why plan for something that won't happen?

We should choose Alternative A, demand RHNA calculations become transparent and adequately evaluate the State's housing needs. We can focus on the number of units of affordable housing expected in each program and support plans that will result in a significant increase in Affordable homes first, not last. There is a lot more we can do to support the creation of affordable housing than asking developers to fund the construction costs. Most of our programs require developers to build unprofitable units in a project to achieve affordable numbers, which means the costs for these are passed to the other units in a project which will increase those prices in turn or cause the project to fail financially.

We can do better. Alternative A is the first step.

Michael Nash
President

