

City of Palo Alto

Department of Planning and
Community Environment

April 9, 2013

Ezra Rapport, Executive Director
Association of Bay Area Government
Joseph P. Bort Metro Center
P.O. Box 2050
Oakland, CA 94607-4756

Re: Transfer of RHNA Allocation from City of Palo Alto to Santa Clara County

Dear Mr. Rapport:

The City of Palo Alto requests that the Association of Bay Area Governments (ABAG) accept the transfer of 200 "moderate-income" housing units from the City's RHNA allocation to Santa Clara County for the 2014-2022 planning period, in agreement with the County's concurrence to ABAG. The City sincerely appreciates the cooperation and accommodation of Santa Clara County staff, Supervisor Joe Simitian, and Stanford University in reaching this agreement. We also thank ABAG staff, particularly Gillian Adams and Hing Wong, for their help and support.

The City looks forward to ABAG's Executive Board adoption of the final RHNA allocations in May, reflecting the City-County adjustment.

If you have questions or need additional information, please contact Curtis Williams, the City's Director of Planning and Community Environment, at (650) 329-2321 or curtis.williams@cityofpaloalto.org.

Sincerely,



H. Gregory Scharff
Mayor

cc: Joe Simitian, Supervisor, County of Santa Clara
Kirk Girard, Planning Manager, County of Santa Clara
Palo Alto City Council
James Keene, City Manager, City of Palo Alto

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County of Santa Clara
Department of Planning and Development
Planning Office



County Government Center, E. Wing, 7th Floor
70 West Hedding Street,
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(408) 299-5770 FAX (408) 288-9198
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April 17, 2013

Curtis S. Williams
Director of Planning and Community Environment
City of Palo Alto
250 Hamilton Avenue
Palo Alto, CA 94301

Subject: Regional Housing Needs Allocation

Dear Mr. Williams:

To accommodate Palo Alto's interests in an equitable Regional Housing Needs Allocation (RHNA), we do not object to an increase in the County of Santa Clara RHNA for the 2014 to 2022 Housing Element planning period of 200 moderate income units.

This is the number of moderate income RHNA qualified housing units that can be reasonably expected to be constructed on unincorporated Stanford lands during the Housing Element planning period. The estimate is based on a rough extrapolation to the year 2022 of the 76 RHNA housing units currently planned within Stanford's three to five year capital improvement time frame.

As you know, the projected 200 RHNA qualified units will be a small fraction of the total number of housing units likely to be constructed during the planning period on the Stanford campus. The majority of housing production will be dorm units, which do not qualify as housing units for RHNA purposes.

We do not object to a transfer of moderate income units but we cannot accept a transfer of very-low or low income units. As you know, the Stanford General Use Permit (GUP) allows Stanford to provide affordable housing unit on the Stanford campus or make an appropriate cash payment in-lieu of providing the housing unit. In-lieu cash payments provide funding for affordable housing within a six-mile radius of the Stanford campus in surrounding local government jurisdictions. Without developing specific transfer mechanisms, affordable units constructed in other jurisdictions do not meet our RHNA obligations. The Affordable Housing In-lieu Program has been very successful in creating affordable housing but not within the unincorporated areas of Santa Clara County.

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We also have discussed our interest in avoiding specifying the location of the construction of any housing units accepted with a RHNA transfer. We understand Palo Alto based their original 350 unit transfer request to the Association of Bay Area Governments on units planned for the Quarry/Arboretum (200 units) and Quarry/El Camino (150 units) sites. While housing development may occur at these locations during the planning period, the Stanford GUP allows flexibility for locating new housing construction on the campus. We do not want to inadvertently impose limitations on the future uses of these sites or restrict the flexibility the GUP provides for locating new housing on the campus.

Given these understandings, we do not object to the Association of Bay Area Governments re-allocating 200 moderate income units from the City of Palo Alto to the County of Santa Clara for the 2014 to 2022 Housing Element planning period.

We've appreciated the cooperative approach taken by you and your staff in working on this transfer. Please let us know if you need any further assistance.

Sincerely,



Nash Gonzalez
Director

Cc: Charles Carter, Stanford University
Whitney McNair, Stanford University
Bill Shoe, County of Santa Clara
Sylvia Gallegos, County of Santa Clara
Jeff Smith, County of Santa Clara
Supervisor Joe Simitian, County of Santa Clara