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May 15, 2014

The Honorable Katcho Achadjian,
Chair, Local Government Committee
State Capitol
Sacramento, CA 94249

SUBJECT: AB 1690 (Gordon) – LETTER OF SUPPORT

Dear Assemblyman Achadjian

On behalf of the Cities Association Board of Directors, I write to you to express support for AB 1690 (Gordon), which if passed would allow communities to better plan for accommodating low- and very low-income housing on sites designated for mixed-uses.

The Cities Association is a collaboration of the 15 cities in Santa Clara County and advocates on behalf of the cities to improve the quality of life for the people of our county. As you know, under existing law, every eight years all California planning jurisdictions must update a portion of their respective General Plans (known as a Housing Element) to explain how they will accommodate projected future population growth. The projected population growth, which is calculated by the State Department of Finance (DOF), is used by the State Department of Housing and Community Development (HCD) to generate regional estimates, known as Regional Housing Needs Assessments (RHNA), of how much additional housing will be needed to accommodate the projected population growth. The RHNA is then divided to each individual planning jurisdiction. These specific allocations are broken down to help ensure housing is available for individuals at all income levels (above average-income, average-income, low-income, and very low-income), based on the fair-share doctrine and taking into consideration the existing housing stock at each of those levels.

Providing housing for all income levels and meeting the state's requirements is crucial to all of our cities and the state. Encouraging mixed-use development (housing mixed with commercial in higher-density communities near public transit and job-centers) is critical to California's smart growth goals. In addition to furthering SB 375's goals of building walkable and transit-friendly communities, planning for these low-income and very-low income units on mixed-use sites (particularly as part of transit-oriented developments, or TODs) is now necessary to ensure competitiveness for federal transit funds. Second, integrating commercial uses into a low-income or very low-income project can also provide benefits from a development perspective. In a strong commercial real estate market, making a portion of a project commercial ground

floor retail can help offset construction costs thus increasing the affordability of residential units.

As the unified voice of the cities of Santa Clara County, the Cities Association recognizes that if adopted, AB 1690 will allow local cities and counties additional flexibility in the planning process and help them site new low- and very low-income housing near jobs and services and ultimately contribute to our state's future sustainability. We urge you to support and vote yes for AB 1690.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Steve Tate". The signature is written in a cursive style with a large, stylized "S" and "T".

Steve Tate

President, Cities Association of Santa Clara County
Mayor, City of Morgan Hill

CC: Assembly Member Rich Gordon, Cities Association Board of Directors