

June 9, 2023

Mr. John Gioia Chair Contra Costa County Board of Supervisors

Via email: john.gioia@bos.cccounty.us

Dear Supervisor Gioia:

Our companies, Blake Griggs Properties (www.blakegriggs.com) and Opportunity Housing Group, are developers, owners and operators of Class A market-rate multi-family and "workforce housing" projects in the East Bay and throughout California. We are based in Danville. We are actively pursuing the development of new market-rate projects of 140-250 units in Walnut Creek, Danville and Alamo.

I understand the Board is scheduled to review the Housing Element at its June 13, 2023 meeting. I am writing to you about the recent Planning Commission hearing about the County's Housing Element and the Commission's vote to recommend to the Board the inclusion of certain conditions including the requirement for developers' contractors to pay prevailing wage and for the increase of police services fees by 300%. We believe that these substantial increases in costs will make most new housing projects infeasible. Our land use counsel at Miller Starr has advised there is a significant risk the County's Housing Element could be determined not to be in substantial compliance due to the imposition of these types of exceedingly burdensome mandates that would clearly and significantly impede housing production.

Please be aware that we are not "anti-union" and often have union sub-contractors working on our jobs. We support a free-market approach and the payment of competitive wages. We require competitive bidding of our general contractors for all subcontractors.

In regard to our proposed Alamo project located at 3236 and 3240 Stone Valley Road directly across from the Safeway shopping center, we plan to tear down two existing office buildings and replace them with approximately 140-150 units on the 2.10 acre site. Our proposed project will be in compliance with the currently proposed Housing Element, General Plan and Zoning. We have been working on this project for over a year and have consulted with Will Nelson in the Planning Department on many occasions. I have also met with Supervisor Anderson on at least three occasions either in person or on the phone. I have also met with representatives of the MAC for Alamo as well as the AIA.

My business partner and I are both residents of Alamo and have a long and keen awareness of the housing needs of Alamo and the limited opportunities to create density for housing. We believe our site is one of the best opportunities in Alamo to create a meaningful amount of housing in a location that will have the least impact on nearby residences and traffic. Our site borders Stone Valley Road to the north, the Iron Horse Trail to the west and commercial buildings to the south and east.

We hope that you and the other supervisors consider the importance of being compliant with HCD's requirements for the Housing Element and don't create financial or other unreasonable barriers to creating this much needed housing.

If you or your staff would like to contact me I can be reached at (925)683-6662 or bblake@blakegriggs.com.

Thank you in advance for your consideration.

Sincerely,

Brad Blake

Managing Partner

Blake Griggs Properties

Opportunity Housing Group

Cc: Will Nelson, Contra Costa County Planning Department



















Maureen Toms
Contra Costa County - Department of Conservation and Development
30 Muir Road
Martinez, CA 94553

Esteemed Supervisors:

We write to you concerning the second draft of the county's 6th cycle Housing Element. We thank the County for the additional detail, explanations, and evidence for decisions and goals added to the second draft. However, the new draft still fails to meaningfully address macro disparities in how regional housing needs are met. Minor edits to the policies, actions, and site inventory do not address the fact that for years to come, new residents will live in areas more exposed to pollution, further from jobs, and in worse schools. The current plan shows a willingness to rezone and increase density in these communities, in ways it avoids in higher income parts of the county.

Executive Summary

 The second draft fails to make any progress on any of the important fair housing outcomes - how many new homes are in unpolluted areas, how many are close to jobs, or how many are in areas with good schools.

- The draft is worse in some fair housing aspects a vacant 4 acre site in Alamo was downzoned from 30 DUA to 3 DUA, and another site with feasibility issues was removed instead of having its density increased.
- Every Housing Element site now has a PUD-1 designation but the County does not provide any information about the development standards (heights, setbacks, lot coverage, parking) for this zone, all of which are critical to development suitability.

Fair Housing

HCD's April 2023 determination letter devoted almost two of nine pages to concerns about fair housing. We are disappointed to see almost zero mention of fair housing in the County's June 1 staff report. In December 2022, the County's own charts on fair housing made the case for us that the draft was insufficient. On the most important outcomes:

- How many new residents will be able to send their kids to high-performing schools?
- How many new residents will have a chance to live in an unpolluted neighborhood?
- Will high income neighborhoods become racially and socioeconomically integrated?
- How many new residents will live close to a job center?
- How many new residents will have an opportunity to live in a higher income neighborhood?

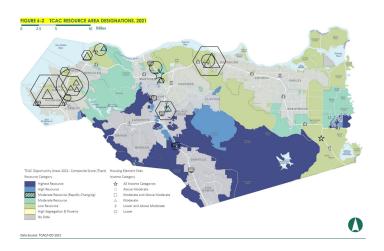
The County's second draft shows zero progress. Additionally, in the second draft, the County removed information from the charts about existing levels of poverty/schooling/pollution in the County,¹ so readers cannot make comparisons between existing conditions and the new RHNA levels. The County also changes the valence of colors between charts - in one chart, blue color / left hand side will be a bad thing (share of population with the worst schools), and in the next one, it will be a good thing (fewest residents below the poverty line). Together these mislead about how poorly the County is doing on fair housing.

While the County added programs to address fair housing (e.g. HE-A4.1, "Promote the availability of homeownership opportunities") these programs are underspecified (no clear

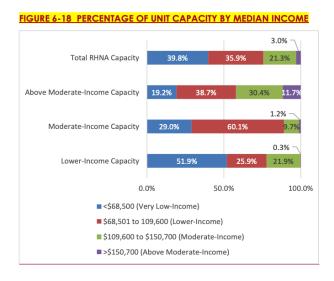
¹ The choice in the first draft to use "acreage" as the baseline was maybe not ideal - it's possible there is empty land that shifted the numbers in an uninformative way. We encourage the County to use a different baseline criteria, for example number of existing homes or existing population.

objectives or milestones) and unlikely to be large enough/well funded enough to overcome the issues that are created by the unfair zoning.²

The charts referenced in December tell the same story today. Figure 6-2 demonstrates geographically (look for the larger shapes) that housing is disproportionately planned in lower resourced communities. Likewise, figure 6-18 shows that 75.7% of the total RHNA capacity is sited in lower-income communities, an *increase* from 73.9% in the first draft.



About a quarter of the County's land is home to residents making above \$150,000 per year, but only 3% of the Sites Inventory is planned for these areas.



² There are also a number of spelling errors in this section ("progects", "reviatlizatoin") which suggest the writer was in a hurry or not too bothered about the exact contents.

Only 4.7% of the County's land has the worst scores on CalEnviroScreen (teal below), a measure of pollution and environmental quality,³ but **almost half of the sites inventory is sited in this 4.7% of the County's area**, so this is a significant concentration of low-income housing in areas with high pollution.

In November 2022, Martinez Refining, a refinery a stone's throw from the Mountain View and Vine Hill communities, emitted 24 tons of spent catalyst into the air, which blanketed nearby homes and schools with a dust containing various chemicals.⁴ The County advised residents not to eat food grown in the soil that was carpeted with chemicals. The FBI and the EPA are now investigating the chemical release.

This incident and others like it⁵ underscores the importance and justice of placing the majority of new housing in areas that are not as affected by pollution, and mostly located far from heavy industry in e.g. Vine Hill, Mountain View or Crockett.

3.9% **Total RHNA Capacity** 12.4% 46.6% 2.0% 4.1% Above Moderate-Income Capacity 45.9% 19.4% 28.6% 6.4% 3.1% - 5.6% Moderate-Income Capacity 73.2% 2.3% 4.2% Lower- Income Capacity 34.4% 11.3% 47.8% 0.0% 20.0% 60.0% 80.0% 100.0% 40.0%

FIGURE 6-25 PERCENTAGE OF UNIT CAPACITY BY CALENVIROSCREEN SCORE

Source: OEHHA, CalEPA, CalEnviroScreen 2021; Contra Costa County Department of Conservation and Development, 2023

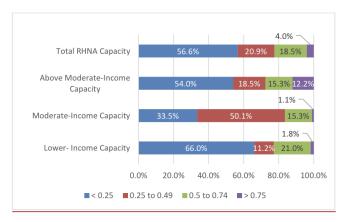
■ < 20 ■ 20 to 39.9 ■ 40 to 59.9 ■ 60 to 74.9 ■ >75

³ This statistic was present in the first draft and omitted from the second draft.

⁴ See e.g. "FBI investigating hazardous fallout from Bay Area refinery".

⁵ Last year, Crockett dealt with a horrible smell from a waste treatment plant failure for weeks; residents reported headaches.

Only 30% of the County's land has schools in the lowest-performing quartile (<25%) of the distribution, but 66% of the low-income housing is slated to go there. 40% of the County has schools in the highest-performing quartile, but *only 4% of the new housing will be in an area with a high-performing (>75%) school.*



Source: TCAC/HCD, 2021; Contra Costa County Department of Conservation and Development, 2022 2023

As stated in <u>our previous letter</u>: this pattern of disproportionate allocation *may* be acceptable in a city where wealthy and less wealthy residents share the same amenities - schools, parks, hospitals, facilities, transit. In Contra Costa County they do not. Blackhawk is five school districts and 30 miles away from North Richmond.

Fair Housing Sites Suggestions

Our <u>previous letter</u> (page 10) contained a number of suggestions for additional sites the County could rezone for denser housing that would improve fair housing outcomes. In short:

- Single family zones in the County's lower income areas have a maximum density of 7 units/acre; in higher income areas (Alamo, Diablo, Walnut Creek) they have a maximum density of 3 units/acre. All single family zones in the County should be rezoned for a maximum density of at least 7 units/acre.⁶
- Kensington, a wealthy Racially Concentrated Area of Affluence (RCAA), was completely omitted from the County's Housing Element. Several sites in Kensington could be rezoned and then included.⁷

⁶ We encourage the County to include upzoned single family parcels in its Sites Inventory/RHNA calculations, using a probability function similar to ADU calculations.

⁷ We encourage the County to use a probability function to include rezoned sites where there is no evidence for redevelopment; for example, assume that X% of rezoned parcels will become housing, and then include X% of the maximum rezoned density in the sites inventory.

 We list several other parcels 1 acre or larger with less than 0.1 FAR and old existing structures which were omitted from the County's rezoning program, for example a vacant ten acre parcel in Alamo owned by the San Ramon Valley school district, which could help fund ongoing operations or reverse enrollment declines.

The County should also consider rezoning a 13-acre parcel at the end of Lewis Lane in Alamo for housing. The owner has recently indicated an interest in selling and this would be an excellent site for duplexes or triplexes.

We also encourage the County to strengthen HE-A2.8, to go beyond just "exploring" and commit to a rezoning program using SB 10.

Sites Inventory

PUD-1 zone

The County plans to rezone all of the sites in the inventory using a "Planned Unit District" zoning designation, P-1. The current draft specifies almost nothing about what will be allowable on those parcels in practice, because P-1 is a designation that gives the County flexibility to call almost anything the development standard. For example, the County could impose rules related to heights, setbacks, labor standards, or daylight planes for PUD projects that make affordable housing infeasible.

County staff said via email that they do not plan to impose different development standards for P-1 zones in different parts of the County, but the lack of specificity makes it impossible to guarantee this. The Alamo Improvement Association has already asked for Alamo-specific exemptions to height and density rules, and it is likely they will ask for Alamo-specific exemptions to changes in development standards (heights, setbacks). Stricter development standards in wealthier areas would violate the County's commitment to further fair housing. The County should specify in the Housing Element that all areas with the same proposed density will get the same development standards.

It is impossible to evaluate whether development is feasible in the P-1 zone without specifics about the development standards. The County should clarify the development standards that

are proposed for the P-1 zone, or at the very least, specify "eventual setbacks no larger than X, eventual maximum heights no lower than Y, eventual parking minimums no higher than Z."

The Town of Danville also attempted to use a P-1 zone for almost all sites in its sites inventory. <u>HCD's letter to Danville</u> (page 7) indicated that Danville needed to provide specifics about the Planned Development process in order to get certified.

Site Numbering

The County renumbered many of the sites between drafts 1 and 2, which makes it confusing to refer to them, and difficult to cross-reference from both our previous letter and HCD's determination letter, which refer to sites by number. In the future, the County should not reuse numbers that were previously assigned to a site - just assign higher numbers at the end.

Specific sites

We are disappointed to see the County downzone a 4-acre vacant parcel in Alamo owned by the Contra Costa County Office of Education (CCCOE) from a proposed 30 DUA to 3 DUA. This action is a microcosm of why fair housing outcomes in the County are so bad; between the first and second draft the County received dozens of letters from neighbors (\$200k AMI; 80+% White) outraged about the proposal to build homes on this site, and lowered the density in response. The County should reverse this decision. In addition, housing at 3 DUA will be almost impossible for CCCOE to build due to the competitive nature of low income housing financing; this is why the state has developed minimum "Mullin densities" for low income housing.

For site 77 (McAvoy), the County notes part of the site is undergoing environmental remediation but does not provide a timeline for completion of the remediation process. Again we note this site would be the only residential zone on the "wrong side" of four railroad tracks and is also at risk of flooding. This is not a suitable site for residential development.

In HCD's determination letter, the following (first draft numbering) were identified as non-vacant sites in need of further explanation of plausible development: 16, 18, 19, 23, 24, 31, 32, 35, 42, 50, 80, 82 and 91. We thank you for adding more information and context to the site inventory regarding these sites. However, we observe that in addition to those flagged by HCD, second draft sites 1, 4, 5, 19, 32, 33, and 48 appear to be sites with active uses and minimal explanation as to the owners' likelihood to cease those uses for redevelopment.

Additionally, 19 sites (sites 58-76) are identified as housing authority collaborations. The additional context in the County's second draft stating "The County has been working with Housing Authority staff on redevelopment of this site and the other sites they own in this Housing Element inventory" suggests credible reason to believe these sites will be redeveloped. However, this does not clarify how existing units are being counted (or not) towards the RHNA. The Housing Element should be amended to clearly establish the legal basis for counting the existing homes, or should instead withdraw the sites if the requirements cannot be met.

Parcel 172040034 is owned by the County but there is no information about the County's plans to offer this site through the Surplus Land Act. This parcel is narrow and the County's current multifamily setbacks would permit development of a building only about 10 feet deep.

Policies and Programs

Please see <u>our previous letter</u> (page 2) for suggestions for policies and programs that would strengthen the County's Housing Element. We are disappointed that Policy HE-P8.2, encouraging better ventilation in residential buildings and encouraging a shift to all-electric appliances, was removed. Improved ventilation is an easy way to help people think more clearly⁸ and reduce trips to the doctor/hospital for asthma.

Thank you for HE-A2.5 which will recommend ADU's to callers. This is an especially important program for developers of single family teardowns at the same density, since adding an ADU to these projects triggers Housing Accountability Act protections.

HE-A2.2 for some reason ignores two excellent school owned sites in Alamo, Mauzy School (4 acres vacant)⁹ and the lot opposite Monte Vista High School (10 acres vacant). We do not understand the logic of including school districts in the County's lower income areas and not higher income areas.

For HE-A5.5 (improved lot consolidation), we support this effort but would prefer if the County made small lot development easier, for example by removing constraints related to parking,

⁸ Several studies have shown that students perform better on standardized tests when their classrooms are well ventilated and e.g. free of mold.

⁹ This is included but the proposed density of 3 DUA would permit only 12 homes, which would not be competitive for low income financing.

setbacks, and minimum lot sizes. Lot consolidation is an expensive and specialized skill; facilitating development on smaller lots could allow more people to propose new homes.

For HE-A8.3 we would appreciate discussion of what could be done to improve ventilation and air quality in existing buildings located next to freeways, for example subsidized air purifiers, ongoing monitoring or testing, education about health impacts and how to use your A/C and fan to improve indoor air quality.

Constraints

We continue to be concerned that the County's proposed standards for lot coverage and setbacks create physical constraints that make achieving stated inventory densities impossible, that excessive parking creates an economic constraint, and have concerns about compliance with CEQA determination and completeness timelines. Please refer to <u>our previous letter</u> (page 4) for detailed comments.

Public Participation

We thank the County for including census tract and other identifying information in the Sites Inventory table, which make it much easier to locate sites in a given area in the County.

The document we produced was a collaboration between ten different organizations and individuals throughout the County. There are dozens of actionable items that would help the County produce a compliant Housing Element. We are disappointed at how little of our feedback from the first draft made it into the second draft.

Other Public Comments

A number of public comments expressed concern about increased traffic on the west side of Alamo near Rancho Romero Elementary school. While increased traffic is a concern, it is not obvious to us that the County has ever tried to encourage Westside residents to try other transportation modes, or implement a transportation demand management system for Rancho Romero. More than 50% of students in the Palo Alto school district get to school via some method that's not a car; especially with the Iron Horse Trail so close; such a mode share seems achievable in Alamo. The County or SRVUSD could try any of the following to mitigate traffic impacts at Rancho:

- Improve bike and pedestrian access from the Iron Horse Trail
- Prioritize dropoffs from carpooling cars
- Bike rental or checkout program. Education about cargo e-bikes for parents
- Raised crosswalk or curb bulbouts for Iron Horse Trail at Hemme
- Hold an ice cream party for the classroom with the lowest vehicle miles traveled
- Implementing a trip cap

There is a lot of low hanging fruit to reduce car traffic on the Westside that should be attempted before the County concludes we cannot add new housing because of the traffic impact.

Conclusion

With these factors in mind, we ask that you revisit our previous letter for a full list of suggested ways to address these issues.

Contra Costa County Climate Leaders

Sincerely,

Victor Flores

350 Contra Costa

Greenbelt Alliance Lynda Deschambault

(4CL) Benisa Berry

East County Community Leaders Network

San Ramon Valley Climate Coalition

Rev. Sophia de Witt

Sue Bock East Bay Housing Organizations

Cody Keller

Chris Allison Contra Costa Young Democrats

East Bay for Everyone

Jeremy Levine Marti Roach

Inclusive Lafayette