



**City of  
Santa Clara**  
The Center of What's Possible

**Mayor**

**Lisa M. Gillmor**

**Councilmembers**

Raj Chahal  
Debi Davis  
Karen Hardy  
Patricia M. Mahan  
Teresa O'Neill  
Kathy Watanabe

December 17, 2018

Ms. Andi Jordan  
Executive Director, Cities Association of Santa Clara County  
P.O. Box 3144  
Los Altos, CA 94024

**Re: CASA Compact Response**

Dear Ms. Jordan:

The Cities Association Executive Board is meeting on Monday, December 17, at 4 p.m. to discuss the Committee to House the Bay Area (CASA) Compact. Several cities have taken individual action and we understand the Executive Board will be considering whether to take a position (or not) at the Board Meeting. The purpose of this letter is to share the City of Santa Clara's position on this matter.

The City of Santa Clara supports CASA's key principles of: (1) increasing housing production at all levels of affordability, (2) preserving existing affordable housing, and (3) protecting vulnerable populations from housing instability and displacement. However, the City is concerned that the Draft Term Sheets, which outline the suite of legislative, financial, policy and regulatory recommendations will be forwarded to state legislators for consideration and implementation without the scope of many edits by the ABAG or MTC Executive Boards, regardless of their voting outcome.

The City of Santa Clara shares many of the same concerns raised by several members of the ABAG Executive Board, particularly the lack of outreach with smaller jurisdictions and the need for broader participation in the preparation of the Draft Term Sheets. Local government representation in CASA is limited to the three largest cities in the region and three local jurisdictions (out of over 100 local agencies), while most of the affected agencies have not been consulted on the CASA Compact or its elements. Many of the action items would impact all local agencies in California, including those that may not have finances or staffing to implement the mandates.

Andi Jordan, Executive Director, Cities Association of Santa Clara County

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Additionally, there is significant uncertainty and concern - particularly amongst smaller jurisdictions - regarding the appropriation of local finances and the structure of a Regional Housing Entity (RHE), which would ultimately determine the disbursement of local finances. The proposed structure of the RHE is expected to be similar to the MTC structure and could be heavily weighted toward the interests of bigger cities in the region, while very little of the funds generated by smaller cities are expected to be allocated back to the cities of origin. The CASA Compact proposes 75% of the funds collected would be spent in the county of origin, which provides no guarantee that a single affordable housing unit would be produced in the City of Santa Clara. Furthermore, the CASA Compact contains few, if any, details about how funding decisions would be made.

The City of Santa Clara requests that the Cities Association of Santa Clara County advocate for more dialogue with ABAG and MTC on formulating strategies to produce, preserve, and protect affordable housing. The current CASA Compact has several items of concern that need to be restructured or eliminated through collaboration with local jurisdictions, regardless of whether these are proposed by other state legislators or not. We are hopeful these concerns will reach the MTC Executive Board and result in broader outreach and communication with local agencies by CASA and MTC staff. If these concerns cannot be addressed, then the City of Santa Clara cannot support the CASA Compact.

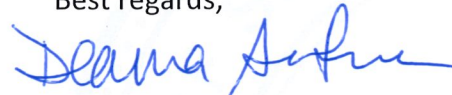
Best regards,



Lisa M. Gillmor

Mayor

Best regards,



Deanna J. Santana

City Manager