

# Association of Bay Area Governments

## Executive Board

January 21, 2021

Agenda Item 11.b.

### Regional Housing Needs Allocation (RHNA)

**Subject:** Approval of Draft RHNA Methodology and Adoption of ABAG Resolution No. 02-2021: Final RHNA Subregional Share for Solano Subregion

Presentation on the Draft RHNA Methodology and Final Subregional Shares, including integration of Final Blueprint 2050 Households data and recommendation to submit to the California Department of Housing and Community Development (HCD) this winter.

**Background:** RHNA is the state-mandated<sup>1</sup> process for allocating a share of the Regional Housing Need Determination (RHND) the Bay Area received from HCD<sup>2</sup> to every local government in the Bay Area. ABAG convened an ad hoc [Housing Methodology Committee](#) (HMC) to advise staff on the methodology for allocating a share of the region's total housing need to every local government in the Bay Area.<sup>3</sup> At its final meeting on September 18, the HMC voted to recommend **Option 8A: High Opportunity Areas Emphasis & Job Proximity** with the 2050 Households baseline allocation as the Proposed RHNA Methodology. On October 1, the ABAG Regional Planning Committee (RPC) voted to recommend this methodology for approval by the Executive Board, and the Board approved its release as the Proposed RHNA Methodology for public comment on October 15, 2020.

Housing Element Law allows two or more neighboring jurisdictions to form a "subregion" to conduct a parallel RHNA process to allocate the subregion's housing need among its members.<sup>4</sup> ABAG must assign each subregion a share of the RHND to allocate to its member jurisdictions. The Executive Board released the Draft Subregional Shares for public comment on October 15, 2020.

As required by law, ABAG held a public comment period about the Proposed RHNA Methodology and Draft Subregional Shares from October 25 to November 27 with a public hearing at the November 12 meeting of the RPC. ABAG received 106 written comments

<sup>1</sup> See California [Government Code Section 65584](#).

<sup>2</sup> In a [letter dated June 9, 2020](#), HCD provided ABAG with a total RHND of 441,176 units for the 2023-2031 RHNA.

<sup>3</sup> The HMC roster is available at [https://abag.ca.gov/sites/default/files/hmc\\_roster\\_06\\_16\\_2020\\_0.pdf](https://abag.ca.gov/sites/default/files/hmc_roster_06_16_2020_0.pdf).

<sup>4</sup> [Government Code Section 65584.03](#).

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and 29 oral comments about the Proposed RHNA Methodology. No comments were received about the Draft Subregional Shares.

#### Issues:

##### **Draft RHNA Methodology and Final Subregional Shares**

ABAG-MTC staff considered the comments received during the public comment period and is not proposing to make any adjustments to the baseline allocation or factors and weights in the Draft RHNA Methodology. The components of the Draft RHNA Methodology are the same as the Proposed RHNA Methodology. However, the Draft RHNA Methodology incorporates future year 2050 households data from the Plan Bay Area 2050 Final Blueprint, which results in changes to the illustrative allocations to local jurisdictions. The Final Blueprint incorporates the revised Strategies and Growth Geographies approved by the ABAG Executive Board and Commission in September 2020. Integrating the updated data about future year 2050 households from the Final Blueprint into the Draft RHNA Methodology addresses many of the comments received, as the strategies support increased greenhouse gas emission reductions by directing more household growth to transit-rich places and updated baseline data from local jurisdictions helps to reduce allocations to some unincorporated areas.

At its meeting on January 14, the RPC voted to recommend that the ABAG Executive Board adopt the Draft RHNA Methodology with the addition of the “equity adjustment” that was developed and proposed by several HMC members during their deliberations last fall. **Attachment A** provides more information about the results from the Draft RHNA Methodology and the Final Subregional Shares, including the impact of incorporating the equity adjustment.

#### Next Steps:

After the Executive Board adopts a Draft RHNA Methodology, it will be submitted to HCD for review, with feedback expected by spring. With adoption of the Draft RHNA Methodology, the work of the HMC is complete, meaning the committee can be formally disbanded.

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**Recommended Action:** The Executive Board is requested to:

1. Approve submission of Draft RHNA Methodology for HCD review
2. Adopt Resolution No. 02-2021 with Final Subregional Share for Solano Subregion
3. Disband Cycle 6 Housing Methodology Committee as its work is now complete

**Attachments:**

A. Memo – Proposed RHNA Methodology

Appendix 1 – Allocation Maps

Appendix 2 – Illustrative Allocations

Appendix 3 – Evaluation Metrics

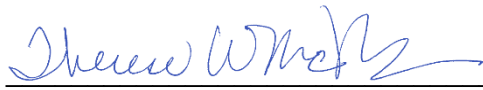
Appendix 4 – Equity Adjustment

Appendix 5 – Final Subregional Shares

B. Presentation

C. ABAG Resolution No. 02-2021

**Reviewed:**



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