



Bay Area Metro Center
375 Beale Street
Suite 700
San Francisco, California

Meeting Agenda - Final

ABAG Housing Methodology Committee

Chair, Jesse Arreguin, Mayor, City of Berkeley

Thursday, December 19, 2019

10:00 AM

Alameda County Transportation Commission
1111 Broadway, Room 800
Oakland, California 94607

Association of Bay Area Governments Housing Methodology Committee

The ABAG Housing Methodology Committee may act on any item on the agenda.

The meeting is scheduled to begin at 10:00 a.m.

Agenda and roster available at <https://abag.ca.gov>

For information, contact Clerk of the Board at (415) 820-7913.

Roster

Josh Abrams, Susan Adams, Anita Addison, Jesse Arreguin, Rupinder Bolaria, Rick Bonilla, Michael Brilliot, Monica Brown, Amanda Brown-Stevens, Paul Campos, Ellen Clark, Diane Dillon, Forrest Ebbs, Pat Eklund, Jonathan Fearn, Victoria Fierce, Neysa Fligor, Mindy Gentry, Russell Hancock, Paolo Ikezoe, Welton Jordan, Megan Kirkeby, Brandon Kline, Jeffry Levin, Fernando Marti, Rodney Nickens, Jr., Julie Pierce, Bob Planthold, Darin Ranelletti, Matt Regan, Jane Riley, Carlos Romero, Elise Semonian, Aarti Shrivastava, Vin Smith, Matt Walsh

1. Call to Order / Roll Call / Confirm Quorum

2. Public Comment

Information

3. Chair's Report

3.a. [20-0063](#) ABAG Housing Methodology Committee Chair's Report

Action: Information

Presenter: Jesse Arreguin

Attachments: [Item 3 HMC Meeting #2 Detailed Summary.pdf](#)
[Item 3 Correspondence from HMC Members.pdf](#)
[Item 3 Local Jurisdiction Survey Comments.pdf](#)
[Meeting #3 Presentation Slides - 12.4.2019 v2.pdf](#)

4. Consent Calendar

- 4.a. [20-0064](#) Approval of ABAG Housing Methodology Committee Minutes of November 14, 2019
- Action: Approval
- Presenter: Clerk of the Board
- Attachments: [Item 4a Draft Minutes 20191114.pdf](#)

5. Relationship Between Plan Bay Area 2050 and Regional Housing Needs Allocation

- 5.a. [20-0065](#) Relationship Between Plan Bay Area 2050 and Regional Housing Needs Allocation
- Staff will provide a high-level overview of the Plan Bay Area 2050 Blueprint through summer 2020, describe how we have traditionally determined consistency between the Plan and RHNA, and discuss options for the Housing Methodology Committee to consider as it works to identify if and how the Blueprint plays a role in the RHNA formula.
- Action: Information
- Presenter: Gillian Adams
- Attachments: [Item 5 Relationship between Plan Bay Area 2050 Blueprint and RHNA Summar](#)
[Item 5 Relationship between Plan Bay Area 2050 Blueprint and RHNA v4.pdf](#)

6. Introduction to Factors via Housing Methodology Committee's Housing Goals

- 6.a. [20-0066](#) Introduction to Factors via Housing Methodology Committee's Housing Goals
- Staff will report on the key themes envisioned by the HMC in its discussion of desired goals and outcomes for the RHNA process and continue the conversation about relating these goals to methodology factors.
- Action: Information
- Presenter: Gillian Adams
- Attachments: [Item 6 Summary Sheet Report on Factors.pdf](#)
[Item 6 Attachment A Memo Intro to Factors via HMC Housing Goals.pdf](#)
[Item 6 Attachment B RHNA Statutory Objectives and Factors.pdf](#)
[Item 6 Attachment C Visioning Housing Goals Summary.pdf](#)
[Item 6 Attachment D RHNA Methodology Examples v2.pdf](#)

Lunch / Break

7. Overview of Regional Housing Need Determination (RHND) from Housing and Community Development

- 7.a. [20-0067](#) Overview of Regional Housing Need Determination (RHND) from Housing and Community Development

Staff will describe the process used to calculate the RHND, changes to this process for the upcoming RHNA cycle (6th cycle) resulting from recent legislation, and the potential impacts of these changes on the Bay Area's RHND for the 6th RHNA cycle.

Action: Information

Presenter: Gillian Adams

Attachments: [Item 7 Summary Sheet Report on RHND.pdf](#)
[Item 7 RHND Process Overview.pdf](#)

8. Feedback on Today's Meeting and What to Expect at the Next Meeting

- 8.a. [20-0068](#) Feedback on Today's Meeting and What to Expect at the Next Meeting

Action: Information

Presenter: Gillian Adams

9. Adjournment / Next Meeting

The next meeting of the ABAG Housing Methodology Committee is on January, 24, 2020.

Public Comment: The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

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Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

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Title: ABAG Housing Methodology Committee Chair's Report

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Code sections:

Attachments: [Item 3 HMC Meeting #2 Detailed Summary.pdf](#)
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Date	Ver.	Action By	Action	Result
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ABAG Housing Methodology Committee Chair's Report

Jesse Arreguin

Information



CIVIC EDGE CONSULTING

25 Taylor Street, San Francisco, CA 94102

MEMO

To: RHNA HMC Team
From: Civic Edge Consulting
Date: November 21, 2019
RE: November 14 HMC Meeting #2 Notes – DRAFT



Meeting Info

HMC Meeting #2
Thursday, November 14, 2019
Alameda County Transportation Commission

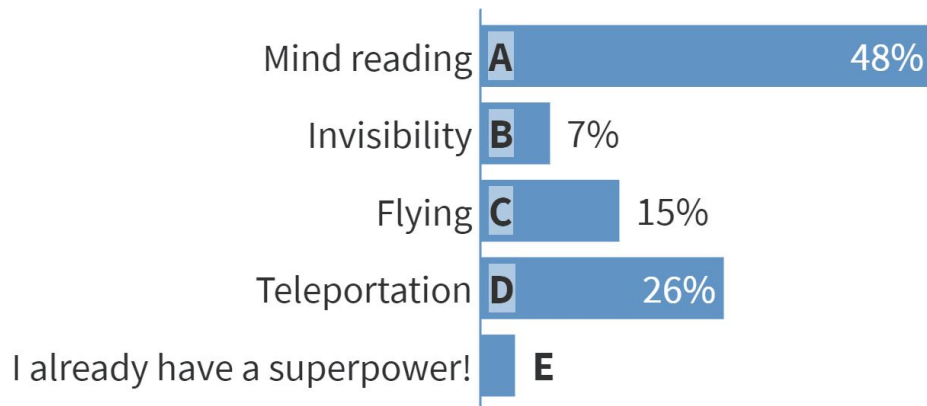
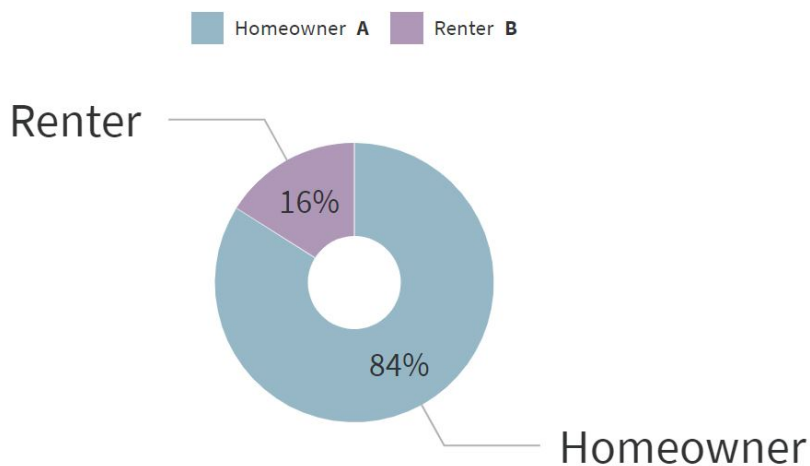
Meeting Notes by Agenda Item

1. **Call to Order / Roll Call / Confirm Quorum – Jesse Arreguin**
2. **Public Comment**
3. **Chair's Report – Jesse Arreguin**
4. **Consent Calendar – Clerk of the Board**

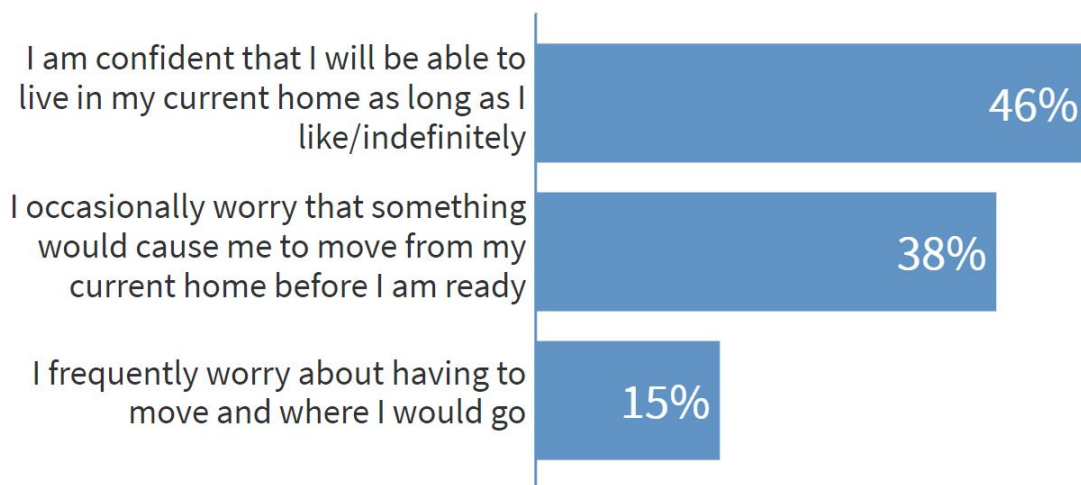
HMC Member Comments/Questions:

- **Pat Eklund:** Discussing October's meeting minutes, Eklund noted the October meeting's roster included a list of alternates and requested an explanation of what the alternates roles were in the meeting.
 - **Fred Castro:** Noted that alternates are included for those who cannot attend meetings and their attendance will be clarified in future notes.
- **Eklund:** Inquired about specifically who the alternates listed in last month's meeting minutes were for.
 - **Gillian Adams:** Clarified that the alternates were for members that requested them.
- **Eklund:** Asked to add this explanation to the minutes for November.
 - **Arreguin:** Noted that we can add that explanation.

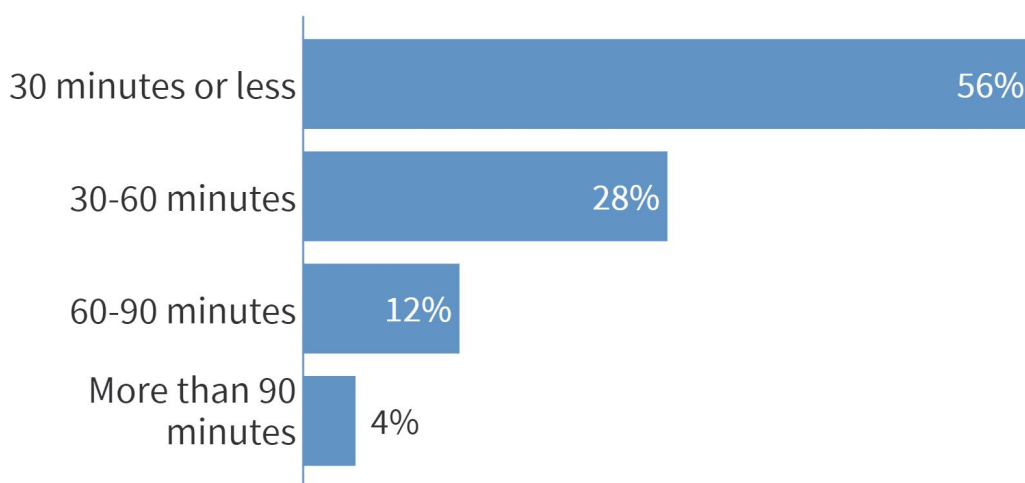
5. Chartering Conversation – Amber Shipley

HMC Member Introductions via Poll Everywhere:**Which superpower would you like to have?****Are you a Homeowner or a Renter?**

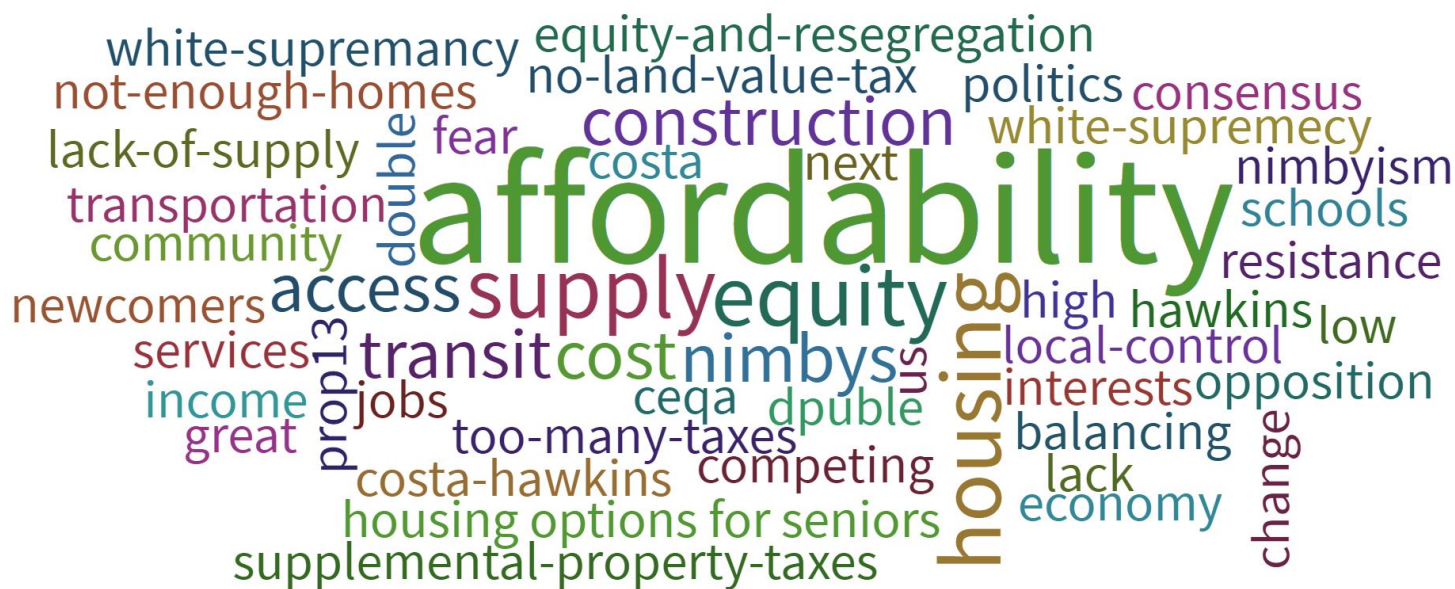
How secure do you feel in your current home?



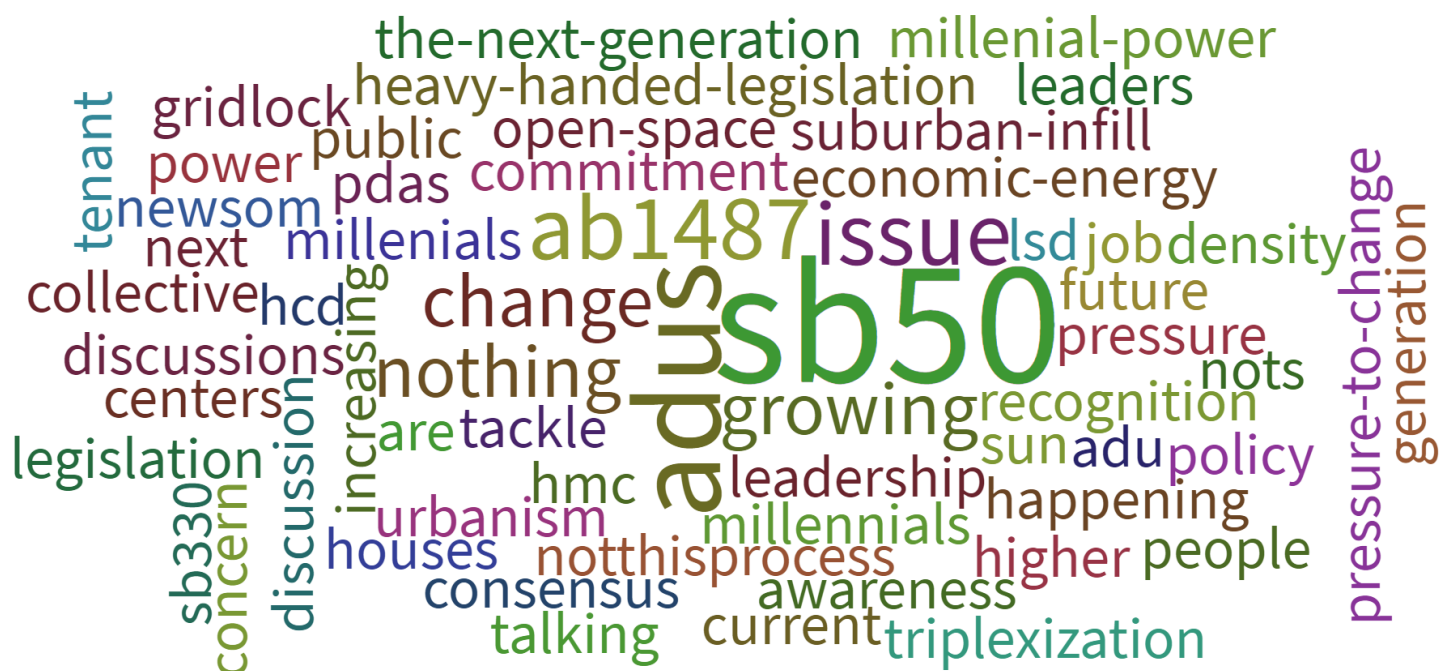
When I travel to work each day it usually takes me about:



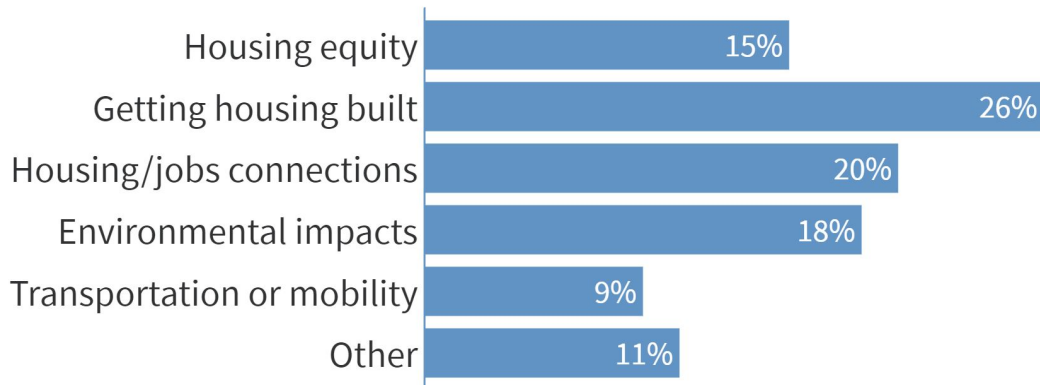
The biggest housing challenge facing the Bay Area is:



One thing that makes me feel optimistic about housing in the Bay Area is:



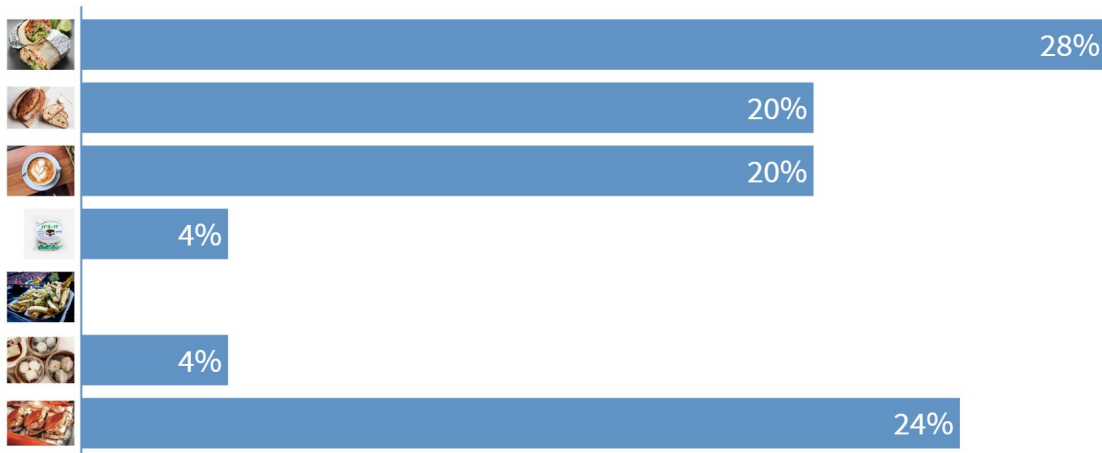
When it comes to housing policy, my background makes me an expert in (choose all that apply):



Show response
Lock
Clear response
Fullscreen

Next
Previous

The food that I most associate with the Bay Area is:



HMC Decision-Making Process:

HMC Member Comments/Questions:

- **Eklund:** Inquiry about the decision-making process and why ABAG staff chose a number of 9 red cards to block a decision.
 - **Amber Shipley:** Explained that nine was chosen because it amounts to a quarter of the HMC members.
- **Eklund:** Noted that this number assumes 100% attendance of members at every meeting.
- **Eklund:** On the meaning of the yellow card, Eklund suggested that the yellow card could mean that a member has reservations about the decision being voted on and are not completely supportive of the position.



- **Shipley:** Stated that she appreciated the feedback on the yellow card's meaning and noted that yellow can be interpreted by staff that members do not completely oppose or agree with a decision.
- **Ellen Clark:** Stated that she liked the updated processes, wanted to try using it first before making additional changes.
- **Diane Dillon:** Noted that the group needs to start making decisions and moving forward and asked the Chair to use his power to mandate consensus for the group.
- **Josh Abrams:** Suggested the group move forward using the newly created decision-making process, and that if it does not work well, to revisit and make changes as needed.
- **Clark:** Clarified to the group that a yellow card signifies that a decision bears more discussion, along with a red card, and again asked to try this before making further changes.
- **Jeffrey Levin:** Asked for clarification on the decision-making process after discussion has taken place and inquired as to whether a minority of 25% can stop the group from making a recommendation. Followed up to ask if members can move forward with both the recommendation and any disagreements if the group cannot come to consensus.
 - **Shipley:** Noted that this is a good idea, and that members can share both as they move forward in the process.
- **Paolo Ikezoe:** Asked to try the voting method to make a decision on this point.
 - **Shipley:** Asked for a decision point on whether or not members wanted to move forward with the updated decision-making process and voting method.
- **MEMBER DECISION POINT:** Majority green.
 - **Shipley:** Stated that the group will move forward using this decision-making framework and revisit only if necessary.

HMC Norms:

HMC Member Comments/Questions:

- **Eklund:** Asked for a 5-day limit for members to share comments on meeting materials to accommodate any members' schedules.
 - **Shipley:** Noted that both ABAG and CEC staff are comfortable with this change.
- **Shipley:** Called a decision point on adopting the updated set of HMC norms.
- **MEMBER DECISION POINT:** Majority green.
 - **Shipley:** Stated that the group officially adopted the updated norms.



Brown Act:*HMC Member Comments/Questions:*

- **Levin:** Expressed concern with the notion that members should not speak with one another at all between meetings. Stated this regulation goes beyond the Brown Act, and there may be groups of people who may need to connect in between meetings to put proposals together etc.
 - **Carlos Romero:** Agreed with Levin's statement, and expressed concern with this regulation unless the group would be adhering to a modified Brown Act.
 - **Rodney Nickens Jr.:** Agreed with comments made by both Levin and Romero, and noted this regulation inhibits ability to collaborate on the methodology with others.
 - **Eklund:** Concurred with fellow members and stated that members should be allowed to discuss all information shared by ABAG staff outside of HMC meetings.
- **Aarti Shrivastava:** Stated that HMC members in Santa Clara county connect with one another about how best to represent their collective issues at meetings.
- **Matt Lavrinets:** Clarified that the intent of this rule is to prevent conversation in between meetings among members of the HMC, not with those outside of the committee. He stated that the concern about discussion among members outside of meetings is that it is easy to "lose control" of the count of members who may discuss meeting items if electronic conversations are forwarded. He gave the example of an email thread being forwarded to enough committee members to constitute a quorum, even if the original email was only between a few members.
- **Michael Brilliot:** Stated that every month Santa Clara county representatives discuss meeting issues as a group and noted that this would not be an issue for the Brown Act.
- **Neysa Fligor:** Stated that she understands ABAG staff's advice but noted there can be a solution. Suggested members can limit conversation in between meetings by county.
- **Arreguin:** Clarified what constitutes a quorum. Stated that 18 members discussing items in between meetings results in a quorum, and that up to 17 could be allowed. Noted that committee members need to be mindful and only that specific number of people can connect in between meetings.
- **Julie Pierce:** Also noted concern about conversations over email. Stated that if you are talking to 17 people through email, it may instantly become a quorum because you cannot track the conversation. She stated that decisions and discussion should take place at meetings, and there should not be coalitions built in between them.

- **Romero:** Stated that the responsibility is on the individual to not violate the Brown Act and that it is responsibility of each member to not go beyond discussions of 17 people. Noted that the group cannot limit discussions by county because the members are participating in a regional process.
- **Shrivastava:** Suggested creating a subcommittee that can allow people to discuss issues in between meetings in order to avoid email conversations rendering committee discussions invalid.
- **Levin:** Noted there are stakeholder representatives on the HMC, and not county representatives, and limiting outside conversation by county would not include them. All members can be careful to ensure that conversations do not spread to 18 people.
- **Forrest Ebbs:** Suggested to call for a motion to vote on whether to proceed with the Brown Act as written in government code, and unmodified.
- **Shipley:** Called for a decision point to move forward with the Brown Act unamended.
- **MEMBER DECISION POINT:** Majority green
- **Lavrinet:** Thanked members for their comments and noted the onus is on the individual to abide by the Brown Act and members should keep this in mind moving forward.
- **Levin:** Stated that public comment should be taken before members vote on a decision.
 - **Shipley:** Noted that staff take that feedback into consideration for future meetings.

Public Comment:

- **Tim Frank, Center for Sustainable Neighborhoods**
Noted that the committee made a good decision about the Brown Act and expressed confidence that they will be able to stay on the right side of the law. Beyond this, he expressed that the real challenge of this experience building the methodology is that there is still not a single HMC member who represents labor. Frank suggested expanding the committee to include an individual with experience in labor. He urged members to ensure there are no oversights about labor in this process, and stated he saw that oversight was apparent from the meeting's agenda item on equity discussion. He also noted that the jurisdiction survey did not include a question on labor.

HMC Member Comments/Questions:

- **Eklund:** Recommended that a representative from labor join the committee.
 - **Arreguin:** Noted that ABAG staff is working on this issue and hopes to have an additional appointment for the December or January meeting.

- **Brad Paul:** Noted that the ABAG Administrative Committee meets in December and can work to move the appointment forward at that time.
- **Abrams:** Inquired about adding renters to the committee to add diversity to the group.
 - **Arreguin:** Stated that he is a renter in Berkeley, and that there are voices on the committee who represent renters.
- **Romero:** Stated that opening the committee to new members at this point in time would result in a significant number of nominations. He noted that HMC member Rick Bonilla has adequate experience in labor and also is an elected official.
- **Arreguin:** Stated that staff will bring forward a nomination for a seat for labor in December.
- **Victoria Fierce:** Noted that she also represents renters on the committee. Stated that there does not need to be member additions to the committee at this time, but that staff should consider this issue for the next RHA cycle.
- **Rick Bonilla:** Noted that he is still a current member of the carpenters' union and expressed that opening up the committee to a new member is appropriate and that the group should correct this oversight of not including labor.
- **Clark:** Noted that some members who are currently homeowners used to be renters.
- **Nickens Jr.:** Noted that as a renter, he believed it was an oversight to not have more renters on the committee, and that labor should be a critical partner on this endeavor. Stated that he supports the addition of a new seat.
- **Bonilla:** Noted that the committee needs a building workforce labor representative.
 - **Shipley:** Clarified for the group that the addition of the labor representative is happening.
- **Fligor:** Inquired as to whether the committee should vote on this item.
 - **Shipley:** Noted that this decision is already in the works and that there was no need for a vote on this item.
 - **Arreguin:** Confirmed Shipley's comment.

6. Panel Discussion – Gillian Adams, Tyrone Buckley, Sarah Treuhaft, and Eli Moore

- **Eli Moore, Othering and Belonging Institute:** Presentation began by summarizing use of racially exclusionary policies in the Bay Area and across the US, indicating that segregation is not natural or the result of individual choices but the result of explicit and intentional policies. Othering and Belonging Institute has completed research on



racial segregation in the Bay Area, using “divergence” as an index to measure racial residential segregation. Divergence compares demographics at one scale to a larger scale, and data suggests that Bay Area segregation was worse in 2010 than 1970. Mr. Moore also presented an analysis of the Bay Area’s 2015-2023 RHNA, showing that jurisdictions with higher percentages of white residents received lower allocations of moderate- and lower-income housing. Additionally, 57% of jurisdictions met less than 25% of their 2007-2014 RHNA goals for moderate- and lower-income housing. The presentation concluded with data analysis showing large disparity in rates of rent burden by race and extreme racial disparities in who lives in the Bay Area’s high resource areas.

- **Tyrone Buckley, California Department of Housing and Community Development (HCD):** Discussed how the responsibilities of HCD’s fair housing unit stem from state legislation such as AB 1771 and AB 686 as well as obligations to the federal government to complete the state’s Analysis of Impediments to Fair Housing Choice. Provided an overview of RHNA’s five statutory objectives and defined the concept of affirmatively furthering fair housing. Noted that RHNA has always been informed by fair housing but now the fair housing goals are more explicit.
- **Sarah Treuhaft, PolicyLink:** Presented data from the Bay Area Equity Atlas, an online data visualization tool. Provided a definition of equity as just and fair inclusion into a society where all can participate, prosper, and reach full potential. Noted that an equitable society is one where characteristics don’t determine life outcomes. Ms. Treuhaft presented analysis using Zillow data showing that a family of 2 minimum wage earners (\$62,000/year) can afford to live in only 5% of Bay Area census tracts. She also presented data showing that 99% of low-rent neighborhoods are low opportunity and low-rent areas are majority Black/Latinx, while high-rent neighborhoods are only 12% Black and Latinx. Discussed jobs-housing fit in the Bay Area, presenting data that 20% of Bay Area jobs are low-wage (less than \$1250/month or 18% AML), while only 11% of Bay Area housing units are affordable to these workers.

HMC Member Comments/Questions:

- **Pierce:** Inquired as to whether the panelists considered the senior/elderly Bay Area residents versus younger people in their studies. Noted that there are differing needs for each group. Pierce also inquired as to whether the panelists considered major state parks in their mapping.
 - **Sarah Treuhaft:** Stated that the study does consider age in some of their analysis and agreed they can start integrating it into more of their analyses more moving forward. She also noted data is currently categorizable by age and race.
 - **Tyrone Buckley:** Noted that more data needs to be collected about seniors and their experiences.



- **Moore:** Stated that they included data from the nine-county Bay Area in the mapping, but that they did not consider parks because housing cannot be built on that land.
- **Elise Semonian:** Inquired about how high-income households are taken into consideration in the studies.
 - **Treuhart:** Noted that when they looked at who is burdened by housing in the Bay Area, it is technically those who are very low income, that the studies were less concerned with those who are high income.
 - **Moore:** Stated the data was broken out into median income households and filtered out higher income households.
- **Fernando Marti:** Thanked the panel for their book handout, and said that he was excited to see his artwork on the cover. He asked that the historical timeline included in the handout be extended to show what has happened in the last 20 years with housing policy, and how those policies that created racial exclusion in 50's, 60's, and 70's have lasting impacts that are still being felt today. Inquired as to whether cities that were established as working-class are places where people of color were able to become owners and build wealth. He followed up to ask how the 2008 foreclosure crisis impacted this. He stated that as the committee considers fair housing allocations, it is important to consider how this crisis is created new patterns of segregation in the Bay Area.
 - **Moore:** Agreed that this data is essential.
- **Matt Regan:** Noted a potential for conflict between creating a methodology to meet RHNA requirements, while also creating better jobs-housing fit. Inquired about what to do when goals are in conflict, and how members should prioritize them.
 - **Buckley:** Noted that HCD's role as a department is to give guidance to members while figuring out these RHNA goals, and that this is an issue that members can have a discussion about.
- **Abrams:** Stated that the premise of what is often listed as affordable housing is not always affordable, but rather high density, and encouraged a new study looking into what affordable housing really means. Asked to hear the panelists' thoughts about where affordable housing should be built in order to further fair housing.
 - **Moore:** Stated that there are often broad goals voiced by impacted communities, and that these range from access to opportunity, and stopping displacement. He noted there is a strong interest in having affordable housing in historic areas that have been home to people of color, and that with this interest, we can meet these goals.
 - **Buckley:** Noted that this sentiment resonates with the thinking at HCD, and that the department wants to promote access to opportunity and building in existing communities.
 - **Treuhart:** Stated there can be a "both and" approach to further fair housing, and that the Obama Administration's HUD took this approach. She stressed that



displacement needs to be taken into consideration, and affordable housing needs to be prioritized.

- **Ebbs:** On the data discussing highest resource and “good schools,” inquired what constitutes a good school and a highest resource and what was used to define these terms.
 - **Moore:** Noted the detailed methodology to determine these terms are on the study’s website. Stated that defining these terms was based on empirical research into education, safety and employment rates in individual areas, as well as observing secondary data on factors like poverty rates.
- **Eklund:** Inquired about the development of the study’s maps and their use of Tax Credit Allocation Committee (TCAC) maps. She voiced concern that some high resource areas were lacking in transit and infrastructure and contained a large amount of public land and state parks. Inquired as to whether these maps and studies can eliminate these areas as they may not be suitable for housing. Cited Stinson Beach and Bolinas in Marin as examples.
 - **Moore:** Noted that one of the ways jurisdictions have maintained exclusivity is by blocking transit and multi-family housing projects. He stated this is not always intentional, but has been done with intention historically, and that this zoning has been designed to further racial exclusion. Moore also noted that the study does not expect housing to be developed in parks.
- **Nickens Jr.:** Thanked the panel for their presentations and remarks about the origins of RHNA. He noted that Moore’s report highlighted the history of zoning, its impact on housing today, and why HMC is doing the work they are today. Stated that he looks forward to working with the panel while building the methodology.

7. Local Jurisdiction Survey – All

HMC Member Feedback:

General Notes:

- Include definitions (or links to definitions) for specific concepts: jobs-housing fit, jobs-housing balance, land suitability, overcrowding, low-wage worker, etc.
- Define the terms “low-” and / or “middle-income households” with metrics
- Make note of local programs, in addition to federal programs, throughout survey questions
- Inquire about collecting a list of policies and strategies that cities or counties are using to build affordable housing and deal with homelessness
- Specify the process for distributing the survey, and allow for a week to two weeks for responders to answer questions
- Add “higher education” when discussing schools
- Provide opportunity for respondents to include feedback on specific communities within jurisdictions



- After we collect all the data from the survey, think about how this will impact how the committee will create a methodology for RHNA. How much of this is data will help local jurisdictions prep for RHNA, and how much will go into the HMC methodology?
- Add a question about climate action plans and/or greenhouse gas reduction goals
- Add question that says, "Has your city been found to violate state law in the last cycle?"
- Be specific about where all data provided is from and provide sources
- For questions where ABAG is asking jurisdictions for data, ask specifically where jurisdictions' data comes from
- State explicitly where ABAG/HMC is looking for new data sources to inform the methodology (this could apply to Questions 9, 12, 15, and 17)
- Specify the expected audience for these questions
- Provide clarity about what would be an appropriate response to open-ended questions
- Word questions more specifically than "what impacts does this have on your jurisdiction"
- Section 2: for questions about highest priority issues, reword as "highest priority to address"

Relationship Between Jobs and Housing (Questions 1-3):

- Better define "low-wage jobs"/"low-wage workers" and use a metric to aid how the survey will describe it
- Add a question about jobs-housing fit for middle-wage jobs
- What is most useful, the existing jobs-housing fit or growth in low-wage jobs/trends in affordable housing since RHNA plans for growth?
- Add a question after Question 3 about policies/strategies to recruit, retain, or train residential construction workers or other construction workers

Housing Opportunities and Constraints (Questions 4-6):

- Add a question about resiliency efforts and climate change/sea level rise/wildfires having an impact on opportunities and constraints for development. Some areas that appear developable aren't when these hazards are considered.
- Add a question about current transit access and obstacles to expanding transportation
- Add a question about obstacles to locating housing close to job centers even where jobs aren't served by transit
- Notes on Question #4:
 - Replace city or county with jurisdiction
 - Expand specifications about land suitability
 - Add "construction costs"
 - Add "availability of construction labor work force"
 - Add "availability of surplus public land"
 - Add "availability of vacant land"
 - Add "financing/funding available for affordable housing"
 - Add "availability of" to schools, parks and public services
 - Provide examples or better definitions for "opportunities" or "constraints" for housing.



- Notes on Question #5
 - Frame question around opportunities for expanding transit rather than focusing on limitations, since jurisdictions' public transit decisions have often been used to intentionally limit development.
 - Replace the word "growth" with the word "housing"
 - Inquire about decisions made around public transportation that may limit housing developments.

Housing Affordability and Overcrowding (Questions 7-8):

- Add a question about trends in housing costs/how quickly prices are rising
- Add a question about homelessness and need for transitional housing
- Notes on Question #8
 - When asking if someone expects something to change, inquire why they expect that change to happen (add "why or why not?" for whether the jurisdiction expects rate of overcrowding to change.)
 - Provide a definition for "overcrowding"

Housing Demand (Questions 9-18):

- Include data for farmworker housing need and student housing need
- Add a question about high-income job growth as a trend driving housing demand
- Add a question about housing needs for seniors and people with disabilities
- Notes on Question #9
 - Include a more specific metric for "need" for farmworker housing
- Notes on Question #12:
 - Add "community colleges"

Fair Housing Planning and Data Sources (Questions 19-23)

- Notes on question #21:
 - Add in specific demographics of those who participated

Diversity and Segregation (Questions 24-25)

- Notes on Question #24:
 - Add "hazards such as wildfires"
 - Add in a category of displacement for low income residents

Access to Opportunity (Questions 26-27)

- Notes on Question #26:
 - Add in options for location of health care facilities and grocery stores
 - Expand on location of environmental health hazards – farmland factories etc.
 - Add in literacy rates

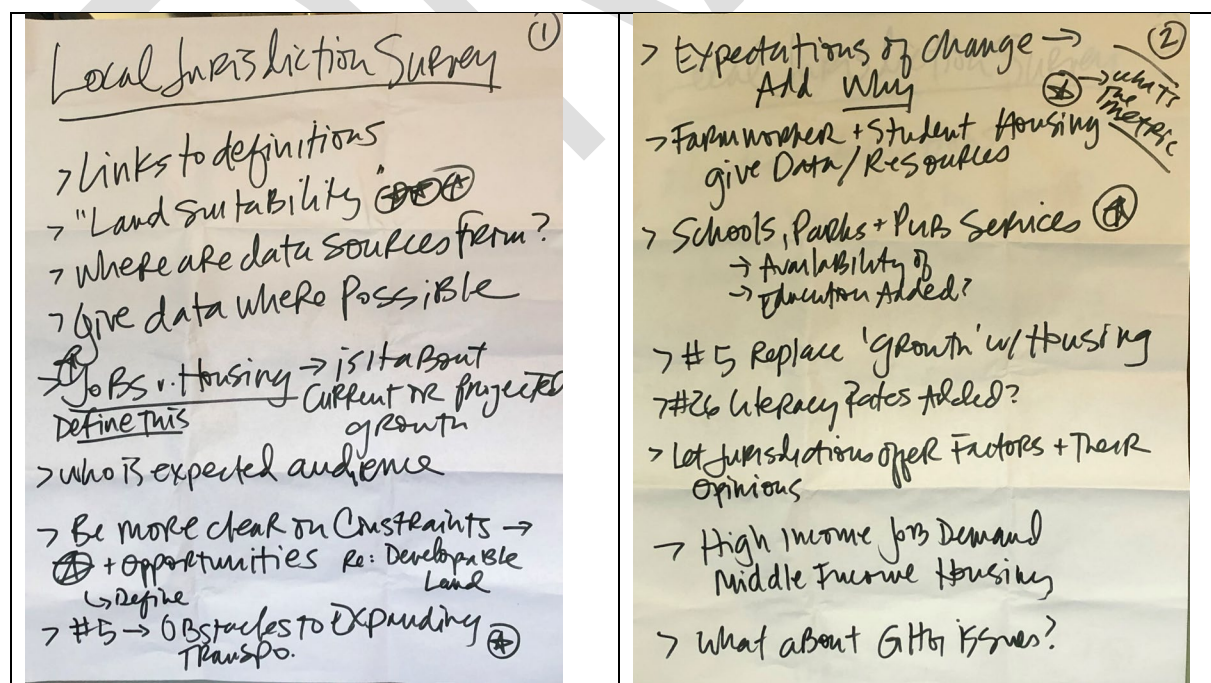
Additional Factors/Comments

- Notes on Question #33:
 - Expand this question to allow jurisdictions to weigh-in on community specific factors they think they should be included in the RHNA methodology



HMC Members Follow-Up Questions/Comments

- **Gillian Adams:** Noted to the group that ABAG staff will provide definitions once data is compiled and clarified that this survey will go to city planners.
 - Noted that a lot of these terms were taken directly from the statute, but that staff will do their best to be clear with language.
 - Adams also stated that she was not sure if there are good data sets that exist for farmworkers and student housing. This is data that staff will look into.
 - On the topic of homelessness, Adams also explained that the purpose of this survey is to find data on where more housing should be allocated throughout the region. She noted that homelessness will be covered in Housing Elements and when implementing policies on the ground but is not necessarily the main topic being addressed in the RHNA methodology.
- **Carlos Romero:** Inquired if city council members were answering the survey.
 - **Adams:** Noted the survey will be circulated planning directors, and if council members want to weigh in, they will have to coordinate with them.
- **Paolo Ikezoe:** Noted that as a city planner, he found the questions to be open-ended and suggested to think about having more targeted questions for the survey.
 - **Adams:** Noted staff did not want to define questions too narrowly, since open-ended questions were intended to give jurisdictions an opportunity to share local perspectives. Staff will take a closer look to find the right balance for the language.
- **Diane Dillion:** Suggested the survey should note that part of the goal of circulation is to attempt to gather new data sets.
- **Adams:** Clarified that members have a week to give additional survey feedback to ABAG staff.



- > Price Increase (Recently) ③
- > Has your jurisdiction violated State Law? → Labor
- > "Available Workforce" (★) → ^{Available} → ^{open consent} ^{specific} ^{unemployed}
- > Obstacles to locating ^{Housing} close to jobs centers (to get to better)
- > Impact your Juris v. Impact Communities w/in your Jurisdiction
- > What do we do w/ this data? RTHA methodology v. their own work

- > Define Low wage worker? ④
- > Define low, middle, upper income?
- > #4 → county → Jurisdiction → ^{Transition} ^{Housing}
- > Homelessness missing → ^{Transition} ^{Housing}
- > Solutions + People w/ disabilities missing
- > Local + Federal Land Programs + agriculture
- > Wild Fire Areas → add own colleges
- > Transportation
- > Policies + strategies these jurisdictions are using re: Housing + Homelessness
- > Define "Overcrowding"
- > Balance of Jobs + Housing
- > Who fills this out?

- > Add low + middle-wage jobs ⑤
- > #22 Add Demographics
- > #24 Add "Hazards such as Wild Fires"
- > Add category for displacement of low income residents
- > Location Health care, grocery
- > "Environmental Hazards" (Farm, factories)
- > "Highest Priority to Address"
- > #28 Availability of Affordable units
- > #4 Construction Costs ^{easier to fill out}
- > Surplus Pub land
- > What are cities doing to increase construction labor force

Public Comment

- **Tim Frank, Center for Sustainable Neighborhoods.** Commented that he enjoyed the work the panelists have done, and that using their data to inform the methodology is important. He noted that the larger Bay Area does not have enough affordable housing and has too much low-wage labor. He noted that this is a historical issue, that we have the weakest labor regulations, and that all of this has consequences for equity, and housing. Frank stressed that one of the key things HMC members can do to aid these consequences is to look at the

construction industry, and to think about how to create more middle-wage work in that industry.

- Aaron Eckhouse, California YIMBY.** Commented that members should proceed with caution on the survey and local input in the RHNA process. He noted that this sort of process has enabled sprawl and has run counter to furthering fair housing. He stated when local jurisdictions have given input in the past, high-income cities found that they do not need more housing growth, and thus pushed housing requirements into lower-income cities. Eckhouse urged members that if they want the RHNA process to further housing growth regionally, that they should consider the ramifications of this survey.

Meeting Photos





REGIONAL HOUSING NEEDS ALLOCATION



Association of Bay Area Governments

TO: Housing Methodology Committee

DATE: December 19, 2019

FR: Deputy Executive Director, Policy

RE: HMC Member Correspondence

Overview

This memo provides an overview of the correspondence received since the November 14th meeting.

1. 11/18/19 – Bob Planthold – sharing resources

This answer, from a staffer in the state Senate Housing committee, supports my question in the first meeting and contradicts the staff statement that ONLY income can be considered in RHNA decisions.

I consider it so important I am also sending it to top management on this RHMC, rather than wait for it to be belatedly included in a future correspondence packet.

Bob Planthold

----- Forwarded Message -----

From: Hughes, Alison <alison.hughes@sen.ca.gov>

To: Bob Planthold <political_bob@att.net>

Sent: Monday, November 18, 2019, 1:37:47 PM PST

Subject: RE: Thanks for your remarks about housing

Hi Bob – the answer to your questions is yes. Here are some specific references to HE law:

The HE is required to include “an assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs,” including, among other factors, “a quantification of the locality’s existing and projected housing needs for all income levels, including extremely low income households.” GOV 65583(a)(1)

In addition, it’s required to include “an analysis and documentation of household characteristics, including level of payment compared to ability to pay...” GOV 65593(a)(2)

It’s also required to include “an analysis of any special housing needs, such as for seniors, disabled (including a developmental disability), large families, farmworkers, and families and persons in need of emergency shelter.” GOV 65583(a)(7)

Let me know if you’d like to chat further.

Best,
Alison

From: Bob Planthold <political_bob@att.net>
Sent: Monday, November 18, 2019 1:04 PM
To: Hughes, Alison <Alison.Hughes@sen.ca.gov>
Cc: Bob Planthold <political_bob@att.net>
Subject: Re: Thanks for your remarks about housing

My basic question:

Does RHNA formula allow for considering any other factors than simply income, i.e., area median income ?

It seems unfair, since a recent story indicated Marin AML jumped 15%, while Soc. Security and SSI did not nearly equal that. Meaning the low- and very low income folks are further disadvantaged/ burdened?

As well,

nothing in RHNA addresses the need for accessible housing, even though people with disabilities are a "legally-protected class" and have less accessible housing than their / our %-age of the population would warrant.

If no to any of these possibilities under current RHNA,
is there any consideration of modifying RHNA-- especially since ABAG now has a 35-member committee --including me--looking at somehow affecting RHNA methodology.

Bob Planthold
415-431-6453

On Tuesday, November 12, 2019, 2:38:23 PM PST, Hughes, Alison
<alison.hughes@sen.ca.gov> wrote:

Hi Bob -

My name is Alison Hughes and I work for Senator Wiener on the Senate Housing Committee.

Best,
Alison

Alison Hughes, Consultant
Senate Housing Committee
State Capitol, Room 2209
Sacramento, CA 95814
(916) 651-4124

2. 11/28/19 – Bob Planthold – sharing resources

https://carlaef.org/2019/11/27/appellate-court-supports-the-power-of-the-state-over-local-control-of-housing/?utm_source=ZohoCRM+Contacts&utm_campaign=e61072d5c7-RSS_EMAIL_CAMPAIGN&utm_medium=email&utm_term=0_86f163c966-e61072d5c7-91653163&mc_cid=e61072d5c7&mc_eid=493ee6567a

3. 12/1/19 – Bob Planthold – sharing resources

<https://www.sfexaminer.com/news-columnists/legalize-public-housing/>

4. 12/3/19 – Bob Planthold – sharing resources

<https://www.sightline.org/2019/11/27/end-apartment-bans-to-save-the-planet-un-climate-report-says/?fbclid=IwAR0h7VQ-VpCMS2i8TjCbhfnWTQHpt2Qn0uKXFT4NXbKzL-0wVWoc0QXHawk>

5. 12/3/19 – Bob Planthold – sharing resources

<https://www.mercurynews.com/2019/12/02/building-bay-area-homes-one-public-meeting-at-a-time/>

REGIONAL HOUSING NEEDS ALLOCATION



Overview

The following is a summary of the additional comments about the Regional Housing Needs Allocation (RHNA) Local Jurisdiction Survey. This does not include the feedback provided by the Housing Methodology Committee (HMC) at its November 2019 meeting.

Note: Question numbers referenced below refer to the question numbers on the survey draft that was shared with the public as an agenda item for the 11/14/19 Housing Methodology Committee (HMC) meeting. A copy of that survey draft is available [here](#).

General Feedback

- Ensure survey questions correlate only to RHNA-related metrics and inputs. Many housing issues identified at the HMC meeting are more Housing Element policy inputs. (Matt Walsh – Solano County)
- Explain what level of effort is expected in responding, and how answers will be used. Is this background information to provide context for the committee, or will responses be directly input into the ultimate formula? Will the robustness of jurisdictions' responses influence their RHNA outcomes? (Jeff Bond - City of Albany)
- Improve introduction to survey. Is its purpose to (a) identify other data sources related to specific jurisdiction housing challenges and (b) obtain additional information about individual jurisdictions that can factor into ABAG's understanding of what jurisdictions are doing to address housing concerns? Emphasize that survey will enhance the methodology development process and provide more jurisdiction-specific information, and make the point that the survey will inform the decision-making around the RHNA and the methodology. (Jeffery Baird - Baird + Driskell Community Planning)
- Don't need to emphasize that ABAG is doing the survey because state law requires it. Include a reference to state law but then focus on what ABAG is trying to investigate and how that will help with developing the methodology. (Jeffery Baird - Baird + Driskell Community Planning)
- Concern regarding questions that attempt to obtain information about what jurisdictions are doing to address issues because the feedback can't be statistically validated, and it is unclear whether it helps or hurts an individual jurisdiction to provide the information. Add more clarity regarding purposes and uses of the information. (Jeffery Baird - Baird + Driskell Community Planning)
- Confusing that survey questions are organized by housing topic as compared to organizing it by questions related to other sources of data and questions to obtain information about jurisdictions. (Jeffery Baird - Baird + Driskell Community Planning)
- Questions should be clear if they're asking jurisdictions to address existing need or projected (2030) need. (Jeffery Baird - Baird + Driskell Community Planning)
- Enterprise Community Partners proposes three additional questions:
 - Given the unique challenges for meeting RHNA goals for housing affordable to low-income households, as well as the new regional housing finance authority

given to ABAG and MTC via AB 1487, we propose three additional questions to better understand barriers, gaps, and opportunities:

- What are the primary barriers or gaps your jurisdiction faces in meeting its RHNA goals for housing affordable to low-income households?
 - Land use and zoning laws, such as minimum lot sizes, limits on multi-unit properties, height limits, or minimum parking requirements
 - Local gap financing for affordable housing development
 - Local affordable housing development capacity
 - Availability of land
 - Patterns of community opposition
 - Other (please describe):
- If local gap financing is a barrier, what do you estimate is the 1) number of affordable housing units that could be built if local gap financing was available and 2) the amount of gap financing necessary to fund those projects in the pipeline?
- California AB 1487 (2019) established the Bay Area Housing Finance Authority (BAHFA), under shared governance of ABAG and MTC. What types of support would your jurisdiction like to see BAHFA provide to help your jurisdiction meet its RHNA goals and comply with the AFFH requirement?
 - Financing for new construction of affordable housing
 - Financing for the preservation of existing subsidized affordable housing
 - Financing for the preservation of housing that is currently on the private market to make it permanently affordable
 - Technical assistance to determine location to site housing (e.g., feasibility studies, etc.)
 - Technical assistance on land assembly
 - Technical assistance on AFFH requirements
 - Technical assistance on tenant protections
 - Technical assistance on outreach efforts related to housing element updates, particularly robust engagement with community organizations and residents most directly impacted by the housing crisis (e.g., people of color, low-income people, seniors, etc.)
 - Technical assistance to pursue compliance with California HCD's new pro-housing designation or other state regulation
 - Other technical assistance (please describe):
 - Other support (please describe):
- 65584.04(b)(4) says the survey shall state that none of the information received may be used as a basis for reducing the total housing need established for the region pursuant to 65584.01. Did not see that in the survey. (Elise Semonian – Town of San Anselmo)

Relationship Between Jobs and Housing (Questions 1-3)

- Rather than only asking these as opening ended questions, can you add several scaled questions that try and quantify their understanding and beliefs about the impacts of the jobs/housing fit? (Ethan Guy – City of San Rafael)
- Notes on Question #1:
 - Job-housing “fit” is not a useful planning metric for geographically small cities in a large urban area. A 30-minute commute distance covers numerous nearby jurisdictions, and depending on how the commute shed is drawn, could flip the jobs-housing fit in different ways. (Jeff Bond - City of Albany)
 - Include definition of jobs-housing fit in the text, rather than footnote. Include the regional jobs-housing fit ratio in the text of the question; ask respondents to note their jurisdiction’s ratio and mark if it is higher/lower/same than regionwide. (Enterprise Community Partners)
 - To help jurisdictions identify how the federal data sources may not be reflective of their jurisdictions, it would be useful to list known limitations (things not included in the methodology) that may be a significant concern for that jurisdiction, such as agricultural workers, jobs without a set place of employment (e.g., gardeners, nannies, gig workers, etc.), or homeownership. (Enterprise Community Partners)
 - You should also include a question that quantifies the respondents understanding of the metric? i.e How familiar with JHF are you? Does your jurisdiction use JHF to make policy decisions, etc.? (Ethan Guy – City of San Rafael)
 - To make sure they are correct, you should also ask them to enter the JHF ratio, so you can confirm they are basing their answers off the right number. (Ethan Guy – City of San Rafael)
 - Income data by job category (ie, farmworkers or any other category) is available by County with median incomes and by MSAs down to income quartiles, from <https://www.labormarketinfo.edd.ca.gov/data/wages.html#QCEW>. The data is by individual workers, rather than households. (Fernando Marti, Council of Community Housing Organizations)
- Notes on Question #2:
 - Provide a list of items and an “other” category. Maybe it’s a prioritizing list ranking 1, 2, 3, etc. That would seem more helpful than just identifying topics. (Jeffery Baird - Baird + Driskell Community Planning)
 - How is “affordable homes” defined? (Mindy Gentry – City of Concord)
 - Can we provide options or more specificity for what “impacts” we mean? I’m assuming we mean things like commutes, housing cost burden, difficulty hiring and retaining employees? If possible, it would be great to provide them with commute data on low-wage workers who work in their jurisdiction. Do we just want to know about the impacts for the jurisdiction itself or also the residents, employers, etc. located in the jurisdiction? (Enterprise Community Partners)
 - Could this be rephrased to be a scaled questions with this box as chance to explain? For instance, could this question be, How would you rate your Jobs Housing Fit Balance? Very balanced, Balanced, Neither, Imbalanced, Very Imbalanced. (Ethan Guy – City of San Rafael)

- Notes on Question #3:
 - Provide a list of things jurisdictions are doing to address the balance of low-wage workers and affordable housing and an “other” category. Or, maybe the survey question should provide a list and have jurisdictions rank what’s most effective for them in addressing the issue. This is a tough one because it’s not just numbers issues but a match of affordability of housing (market rate and BMR) to job wages. (Jeffery Baird - Baird + Driskell Community Planning)
 - Seems to be based on a false premise seems that this a local issue, when it is at its core a macroeconomic regional issue. (John Swiecki – City of Brisbane)

Housing Opportunities and Constraints (Questions 4-6)

- Notes on Question #4:
 - Suitability should be aligned with what HCD will accept as a housing opportunity site in our next housing element. (Jeff Bond - City of Albany)
 - Reword as “Public or Social Services” (Anita Addison - La Clinica de la Raza)
 - Add “wildland fire risk” (John Swiecki – City of Brisbane)
 - Add “lack of transportation infrastructure” (John Swiecki – City of Brisbane)
 - Add “Project Labor Agreements” (Mindy Gentry – City of Concord)
 - Add “Utility connection fees (Mindy Gentry – City of Concord)
 - Reword the following: Availability of public schools, Availability of public parks, Availability of public services (Enterprise Community Partners)
 - Need to further define or clarify opportunity and constraint. For example: “easier to plan for more housing” or “harder to plan for more housing”. (Enterprise Community Partners)
 - Add “No Issue” as an option in addition to “Opportunity” or Constraint” (Leslie Carmichael – City of Foster City)
 - Is it possible to ask this question on a scale and with prioritization? i.e. The Single Biggest Opportunity, Opportunity, Neither, Constraint, the Single Biggest Constraint (Ethan Guy – City of San Rafael)
 - Question is vaguely worded. Does it mean, does your city have adequate resources to meet the GP build out to 2030? (City of San Mateo)
 - Allow respondents to check both “opportunity” and “constraint” for the same category. (City of San Mateo)
 - I think this should be answered by scoring on a scale of 1-10. There are different levels of constraints or opportunities. If a city has 10 acres protected by federal program does this rise to the level of constraint? Too subjective. (Matt Walsh – Solano County)
- Notes on Question #5:
 - Could provide a list of items and an “other” category. Maybe it’s a prioritizing list ranking 1, 2, 3, etc. That would seem more helpful than just identifying topics like funding, etc. (Jeffery Baird - Baird + Driskell Community Planning)
 - Add a question after this: Rank the following obstacles (the single biggest obstacle, major obstacle, minor obstacle, not an obstacle, N/A). (Ethan Guy – City of San Rafael)

- I disagree with the underlying premise/presumption that existing public transportation infrastructure are adequate to support additional growth, in many cases these systems are inadequate to serve existing needs. (John Swiecki – City of Brisbane)
 - Replace growth with “jobs and housing”. (Mindy Gentry – City of Concord).
 - Replace “growth that maximizes the use of” with “more housing near” (Enterprise Community Partners)
- Notes on Question #6
 - This question is better directed at LAFCOs. (John Swiecki – City of Brisbane)
 - Can this be asked as a category question: Ex. Check all of the following Agreement that are in place in your jurisdiction (Ethan Guy – City of San Rafael)

Housing Affordability and Overcrowding (Questions 7-8)

- Both of these questions could clarify that they’re asking for local or other source of data. (Jeffery Baird - Baird + Driskell Community Planning)
- What income categories are these questions asking about? Does it matter if the households are above moderate income? (City of San Mateo)
- Notes on Question #7:
 - Unclear what value such localized anecdotal responses will provide when there is already research documenting these impacts. (John Swiecki – City of Brisbane)
 - “What impacts...have *on residents* in your jurisdiction?” (Enterprise Community Partners)
 - To ask an open ended question like this, you should also include a question that quantifies the respondents understanding of the metric: How familiar with housing cost burden/rent burden are you? Does your jurisdiction use statistics on rent burden to make policy decisions, etc.? (Ethan Guy – City of San Rafael)
 - To make sure they are correct, you should also ask them to enter the statistics on cost burden, so you can confirm they are basing their answers off the right number. (Ethan Guy – City of San Rafael)
- Notes on Question #8:
 - Having local staff try to guess at the national and regional economic and demographic conditions which will drive this issue does not seem particularly useful. (John Swiecki – City of Brisbane)
 - “What impacts...have *on residents* in your jurisdiction?” (Enterprise Community Partners)
 - Could this be rephrased to be a scaled question with this box as chance to explain? For instance, could this question be, How would you rate the rate of overcrowding in your jurisdiction? A follow up question could provide a list of impacts they could then rank/scale as having a high or low impact. (Ethan Guy – City of San Rafael)

Housing Demand (Questions 9-18)

- There are other groups in addition to farmworkers that might be worth pulling out separately, including jobs without a set place of employment (e.g., gardeners, nannys, gig workers, etc.). (Enterprise Community Partners)

- Income data by job category (ie, farmworkers or any other category) is available by County with median incomes and by MSAs down to income quartiles, from <https://www.labormarketinfo.edd.ca.gov/data/wages.html#QCEW>. The data is by individual workers, rather than households. (Fernando Marti, Council of Community Housing Organizations)
- Notes on Question #9:
 - Add “including needs that are currently met.” (Enterprise Community Partners)
 - Add an option to check if not applicable (Leslie Carmichael – City of Foster City).
 - Should be a rate question: How would you rate the total need for farmworker housing in your jurisdiction? (The single biggest need, major need, minor need, no need) If you want to ask as an open ended question, provide what units the respondent is supposed to answer in. Are these housing units? A sentence describing the need? Ideally, anytime you are asking for a unit, you provide a range for them to check instead. (Ethan Guy – City of San Rafael)
 - What is the time period for this question? (City of San Mateo)
- Notes on Question #10:
 - Two questions here: 1) question scaling if the jurisdiction is meeting the demand 2) Same as above, you need to provide the unit that the respondent should respond in. There also appears to be a missing question here: “Why are you not meeting the demand?” (Ethan Guy – City of San Rafael)
- Notes on Question #11:
 - Not sure how a jurisdiction can respond to this without knowing the need through 2030. Seems to me it may be better to identify what jurisdictions are doing now to address the need with a list of items and an “other” category. Maybe also a priority order of what’s most effective? (Jeffery Baird - Baird + Driskell Community Planning)
 - If you mark no, there should be a follow up question ask why do you expect not meeting the demand. (Ethan Guy – City of San Rafael)
- Notes on Question #12:
 - I am not aware of anyone preparing a “total housing needs” analysis of a Bay Area higher educational institution and thus not sure how someone would answer this question. Whatever it is, it should include undergraduate students, graduate students, commuter students, staff, and faculty, each of which have very different housing needs. (Jeff Bond - City of Albany)
 - Is this currently or future? Maybe first a question as to whether there’s a private university, State or UC campus in the jurisdiction is more appropriate. (Jeffery Baird - Baird + Driskell Community Planning)
 - Add an option to check if not applicable (Leslie Carmichael – City of Foster City)
 - What unit should responses be given in? (Ethan Guy – City of San Rafael)
- Notes on Questions #13
 - Two questions here: 1) question scaling if the jurisdiction is meeting the demand 2) You need to provide the unit that the respondent should respond in. There also appears to be a missing question here: Why are you not meeting the demand? (Ethan Guy – City of San Rafael)

- Notes on Question #14:
 - If you mark no, there should be a follow up question ask why do you expect not meeting the demand. (Ethan Guy – City of San Rafael)
- Notes on Question #15:
 - Specify that these are “at-risk units” (Mindy Gentry – City of Concord)
 - Specify that the emergency is “state-declared” (Mindy Gentry – City of Concord)
 - Add a question “ Does your jurisdiction *anticipate* a loss of units in assisted housing developments in the next 10 years? If yes please explain. (Leslie Carmichael – City of Foster City)
- Notes on Question #16:
 - Should be three questions. 1) how many units 2) why (and have them choose from list of potential reasons) 3) explain (Ethan Guy – City of San Rafael)
- Notes on Question #17:
 - Provide a date (City of San Mateo)
- Notes on Question #18:
 - Add questions after Question 18 asking whether jurisdiction anticipates some units not being replaced and why (Mindy Gentry – City of Concord)
 - If possible, it would be useful to ask about the affordability level and tenure (rent v own) of the units that were lost. (Enterprise Community Partners)
 - Should be three questions. 1) how many units 2) why (and have them choose from list of potential reasons) 3) explain (Ethan Guy – City of San Rafael)

Fair Housing Planning and Data Sources (Questions 19-23)

- Notes on Question #19:
 - No context is provided for this question. It seems to be a requirement applicable to HUD grantees only. (John Swiecki – City of Brisbane)
 - County of Santa Clara and most cities in Santa Clara County are currently working together on the CDBG Consolidated Plan and Assessment of Fair Housing document, to be completed in Spring 2020. It might be helpful to add a line to provide information current/upcoming efforts to capture this. (Kerri Heusler – City of Cupertino)
- Notes on Question #20:
 - Can this be a checklist with and other (please explain) option? Like question 21. (Ethan Guy – City of San Rafael, Jeffery Baird - Baird + Driskell Community Planning)
 - Would be helpful to understand what ABAG considers as legitimate data sources. (John Swiecki – City of Brisbane)
 - What kinds of issues? What sources? Maybe provide examples of the data sources or issues that are in mind. (Matt Walsh – Solano County)
- Notes on Question #21:
 - Add “Online survey or website forum” (Leslie Carmichael – City of Foster City)
- Notes on Question #22:
 - Asking for level of success without giving them a specific way to measure success doesn’t seem all that useful. Maybe ask about specific goals they set for

engagement and if they met those goals, unless ABAG has specific goals already outlined somewhere? (Enterprise Community Partners)

- Success in the engagement itself? Changing attitudes? Helping stop racial discrimination? (City of San Mateo)

Diversity and Segregation (Questions 24-25)

- There is a lot of overlap on Questions 24, 26, and 28, and for good reason. Perhaps it could be one question with the most inclusive list of options and then check-boxes for 1) segregation, 2) access to opportunity, and 3) housing needs, followed by space to describe. The descriptions currently part of the wording of Q24, 26, and 28 could still be included before the matrix of choices. This might make it easier for respondents and ensure that all of the choices are included in each section, while not being redundant. (Enterprise Community Partners)
- It would be beneficial to include/link to data on segregation, disparities in access to opportunity, and housing needs in the jurisdiction and regionwide, similar to what we suggest for Q1. If this is included, the survey could then ask respondents to note how their jurisdiction compares to the region wide averages. This will help cue the respondent up to think about why they may or may not do well, relatively, and it should make analysis easier too! (Enterprise Community Partners)
- Not sure the agency can answer some of this. Rents, foreclosures, abandoned sites, realtor practices, lending practices, are not typically issues that the county tracks. These questions are better suited to private sector. (Matt Walsh – Solano County)
- Suggestion by Leslie Carmichael (City of Foster City) to add the following questions before #24:
 - Please see [resource] on disparities in housing patterns or racially/ethnically concentrated areas of poverty in your jurisdiction.
 - Does your jurisdiction have disparities within your jurisdiction in housing patterns or racially/ethnically concentrated areas of poverty?
- Notes on Question #24:
 - Can this question be asked so that the respondent rates them as well: The single biggest contributor, major contributor, minor contributor, does not contribute, N/A. (Ethan Guy – City of San Rafael, Jeffery Baird - Baird + Driskell Community Planning)
 - Incredibly unrealistic to expect local jurisdictions to have to the resources and expertise to meaningfully opine on many of these practices. (John Swiecki – City of Brisbane)
 - “Lack of private/public investments in *low-income neighborhoods (of color?)...*”; instead of “in specific neighborhoods” (Enterprise Community Partners)
 - Add “investment in transit”. Also add this to Questions 26 and 28 if keeping them separate. (Enterprise Community Partners)
 - Change column on right side of table to be split into two columns the have check boxes: “Factors that contribute to segregated housing patterns or racially/ethnically concentrated areas of poverty in your jurisdiction” and “Factors that prevent access to housing in your jurisdiction” (Leslie Carmichael – City of Foster City)

- Confusing questions. Assumes that if no segregation, then no ethnic diversity. (City of San Mateo)
 - Add "lack of public funding" and "History of ethnic migration" (City of San Mateo)
- Notes on Question #25: Can this question be set up like question 24 and list all factors and have the respondent choose: The single biggest priority, high priority, neither, low priority, the sign lowest priority (Ethan Guy – City of San Rafael)

Access to Opportunity (Questions 26-27)

- Suggestion by Leslie Carmichael (City of Foster City) to add the following questions before #26:
 - Please see [resource] on disparities in access to proficient schools, employment opportunities, and/or healthy neighborhoods in your jurisdiction.
 - Does your jurisdiction have disparities within the jurisdiction in access to proficient schools, employment opportunities, and/or healthy neighborhoods?
- Notes on Question #26:
 - Add "including services or amenities" to "Lack of private investments in specific neighborhoods" (Anita Addison - La Clinica de la Raza)
 - Add "Creation of and maintenance of high quality jobs and/or range of job opportunities." (Mindy Gentry – City of Concord)
 - Change column on right side of table to be split into two columns the have check boxes: "Factors that contribute to disparities in access to proficient schools, employment opportunities, and/or healthy neighborhoods in your jurisdiction" and "Factors that prevent access to housing in your jurisdiction" (Leslie Carmichael – City of Foster City)
 - Should have option to check if unknown whether factor contributes. (Matt Walsh – Solano County)

Disproportionate Housing Needs (Questions 28-29)

- Notes on Question #28:
 - Add "including services or amenities" to "Lack of private investments in specific neighborhoods" (Anita Addison - La Clinica de la Raza)
 - Add "CEQA and land use entitlement process" (Mindy Gentry – City of Concord)
 - Add "The availability of affordable units in a range of sizes (*especially 3-4 bedrooms*)" (Enterprise Community Partners)
 - Add "Please see [resource] on disparities in rates of housing cost burden, overcrowding, or substandard housing in your jurisdiction." before this question (Leslie Carmichael – City of Foster City)
 - Add "Low-wage jobs" (City of San Mateo)

Fair Housing Goals and Actions (Questions 30-32)

- Notes on Question #30:
 - Provide a list of items and an "other" category. (Jeffery Baird - Baird + Driskell Community Planning)

- Can this question be combined with Question #31 where a list of actions is provided and then the respondent is asked to rate the success of each action? A few extra lines can be provided for write ins. (Ethan Guy – City of San Rafael)
- Notes on Question #31:
 - See note on Question #22. (Enterprise Community Partners, City of San Mateo)
- Notes on Question #32:
 - Add “Living Wage employment ordinances” (Anita Addison - La Clinica de la Raza)
 - Add “Promoting streamlined processing of ADUs” (Mindy Gentry – City of Concord)
 - It might be helpful to add a few more status options: Adopted/ In Use, Under Council Consideration, Intend to Adopt, Potential Community/Council Interest, No intention. It may also be worthwhile to ask a series of categorized questions (like question 24 and 25) about what impact the jurisdiction believes these policies will have to prevent or mitigate. (Ethan Guy – City of San Rafael)
 - Are these only programs cities control? What about services/programs provided by other entities? Or services Cities fund? (City of San Mateo)
 - Add the following: Fair Housing/Legal Services and Counseling, Acquisition/Subsidy of units with expiring rent restrictions, other local housing funds, incentives for production of ADU's, Acquisition of housing with rents below market, surplus land for housing (City of San Mateo)

Additional Comments (Questions 33-34)

- Notes on Question #33:
 - Ask jurisdictions for thoughts on what criteria/factors are most important to consider when establishing the methodology. (Jeff Bond - City of Albany)
 - Clarify whether RHNA factors will be limited to the results of this survey? (Matt Walsh – Solano County)



WELCOME

ABAG Housing
Methodology Committee
December 19, 2019



PUBLIC COMMENT

ABAG Housing
Methodology Committee
December 19, 2019



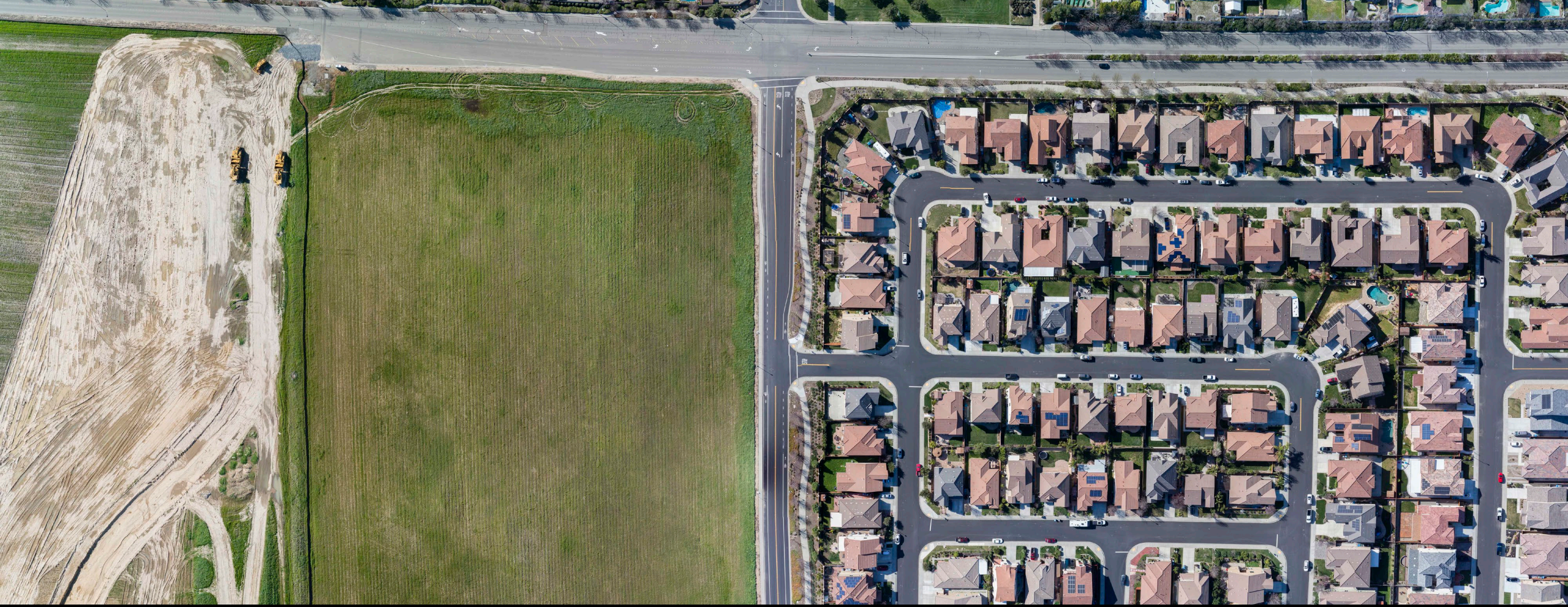
RELATIONSHIP BETWEEN PLAN BAY AREA 2050 & RHNA

ABAG Housing
Methodology Committee
December 19, 2019



PUBLIC COMMENT

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December 19, 2019



INTRO TO FACTORS VIA HMC'S HOUSING GOALS

ABAG Housing
Methodology Committee
December 19, 2019

Summary of HMC Housing Goals

1. Emphasize benefits to the region as a whole
2. Ensure transparency and ease of understanding, make sure people feel heard
3. Get more units built: make sure everyone has a place to live
4. Further social and racial equity
5. Create choices for all, so all communities have access to opportunities
6. Further the jobs-housing fit
7. Use this process as an opportunity to communicate the magnitude of the need for housing

Understanding a RHNA Methodology

- Encourages pattern of housing growth for the Bay Area
- Zero-sum game: based on relative relationships among jurisdictions
 - Example: if choose jobs factor, more jobs in jurisdiction = more units; fewer jobs in jurisdiction = fewer units
 - Must allocate all units in the RHND from HCD
- Allocation is to jurisdiction - not specific locations
 - Can have factors related to a specific geography (e.g., near transit) but cannot require jurisdiction to zone for housing there
- Does not include specific policies or address housing needs of population groups
 - Jurisdictions only receive allocation of units by income group from ABAG
 - Local housing element: choose sites for housing, policies to meet local housing needs

What does a RHNA Methodology Look Like?

- Formula to divvy up total housing need from HCD among all jurisdictions in Bay Area
- Allocation to each jurisdiction separated into four income categories
- Plan Bay Area 2050 (region's SCS/RTP) can be an input
- Formula uses factors that translate a principle or attribute into numbers
- Factors use data for each jurisdiction in the region to determine the jurisdiction's share of the total need

Sample: ABAG 5th Cycle Methodology

Formula for Total Units:



70% of housing based on PDA growth

30% of housing based on factors for non-PDA areas:



Transit



Jobs



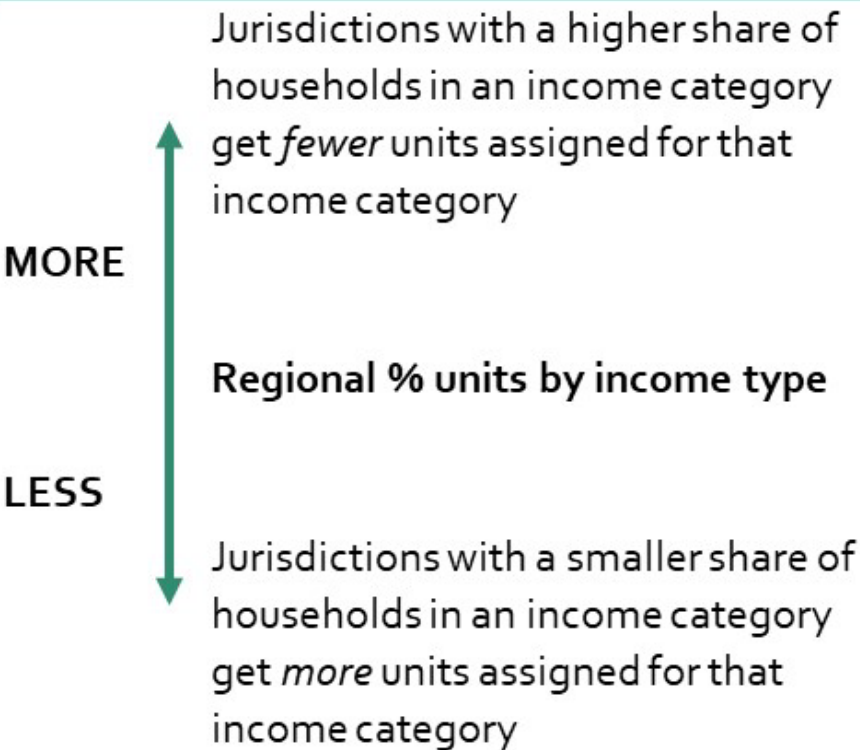
Past RHNA Performance

Upper Housing Threshold: No more than 1.5 X 2007-2014 RHNA

Minimum Housing Floor: At least 40% Growth

Formula for Income Allocation:

Rebalance Income Distribution



Sample: SACOG 6th Cycle Draft Methodology

Formula for Total Units:



Housing to jurisdictions based on share of MTP/SCS growth forecast

Formula for Income Allocation: Adjustment Factors for Assigning Lower-Income Units

1. Regional Income Parity	2. Affirmatively Furthering Fair Housing	3. Jobs/Housing Fit
<p>Jurisdictions with more lower-income households get <i>fewer</i> of those units assigned</p> <p>MORE</p> <p>Regional % lower income households</p> <p>LESS</p> <p>Jurisdictions with fewer lower-income households get <i>more</i> of those units assigned</p>	<p>Jurisdictions with higher than average proportion of units in high opportunity areas get <i>more</i> lower-income units assigned</p> <p>MORE</p> <p>Encourage high opportunity areas as areas to zone for growth</p> <p>LESS</p> <p>Jurisdictions with lower than average proportion of units in high opportunity areas get <i>fewer</i> lower income units assigned</p>	<p>Jurisdictions with higher ratio of low-wage workers to affordable housing units get <i>more</i> lower-income units assigned</p> <p>MORE</p> <p>House more low-wage workers near jobs in affordable homes</p> <p>LESS</p> <p>Jurisdictions with lower ratio of low-wage workers to affordable housing units get <i>fewer</i> lower-income units assigned</p>

Sample: SANDAG 6th Cycle Draft Methodology

Formula for Total Units:



65% of housing to jurisdictions with transit access



75% of housing to jurisdictions with rail and rapid bus



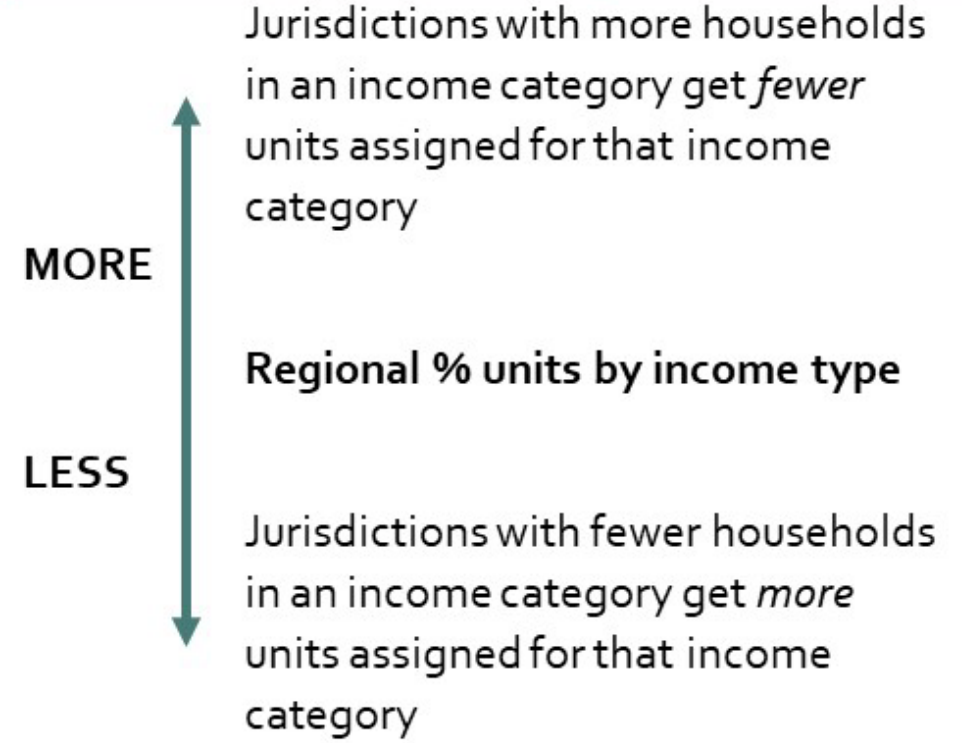
25% of housing to jurisdictions with major local bus lines



35% of housing to jurisdictions with jobs

Formula for Income Allocation:

Equity applied to ALL, based on the four income categories



Sample: SCAG 6th Cycle Draft Methodology*

Formula for Total Units:

Existing Need:



50% of housing to jurisdictions with transit access



50% of housing to jurisdictions with job access

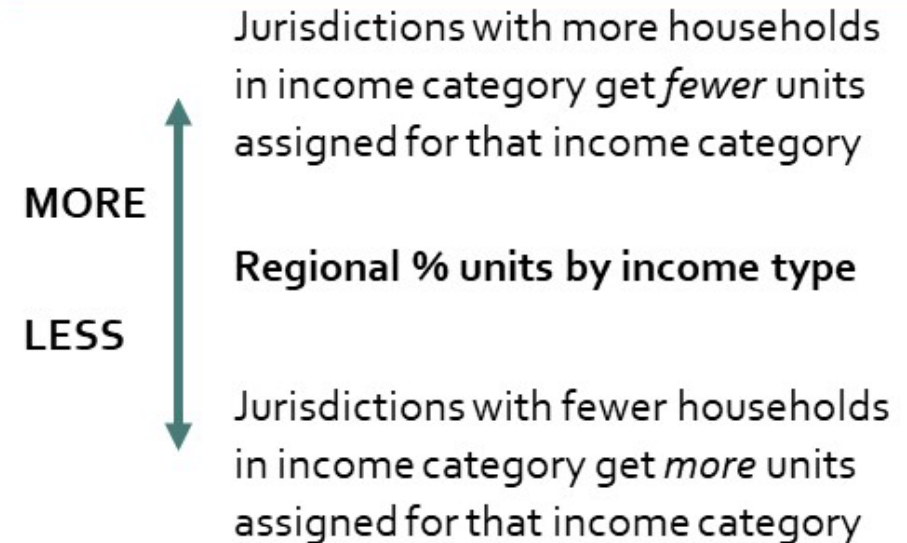
Residual redistribution for disadvantaged communities

Projected Need:

- Household growth from RTP/SCS
- Future vacancy need
- Replacement need

Formula for Income Allocation:

Social Equity Adjustment



- 150% minimum adjustment
- 0-30% additional adjustment for areas with lowest or highest resource concentration

* SCAG's Draft Methodology has not yet been approved by HCD

Summary

- Can use SCS/RTP - but not required
- Most focus on factors related to access to jobs and transit
- Can focus on existing conditions or future projections
- Varying levels of complexity and ease of understanding
- Equity factors only used for income distributions

Discussion Questions

- To what extent should the RHNA allocation methodology integrate the Plan Bay Area 2050 Blueprint?
 - Pros:
 - Increases consistency between Plan and RHNA
 - Integrates local land use planning and zoning into baseline
 - Comprehensively considers how housing relates to transportation, economy, and environment
 - Improves integration of market realities and impacts of policy changes through land use modeling
 - Cons:
 - Decisions about policies and strategies to be included in Plan Blueprint still underway, expected this winter with a forecasted development pattern by spring 2020
 - Past iterations of Plan Bay Area have focused primarily on voluntarily-adopted Priority Development Areas (PDAs), which contributed to equity challenges

Discussion Questions

- What works in the sample methodologies?
- Are there other factors that should be added?



PUBLIC COMMENT

ABAG Housing
Methodology Committee
December 19, 2019



REGIONAL HOUSING NEEDS DETERMINATION (RHND)

ABAG Housing
Methodology Committee
December 19, 2019

HCD Responsibilities

Regional Housing Needs Determination (RHND)

- Total number of units by income category for the Bay Area*
- **Step 1: projecting population**
 - Compare population projections from DOF and from Plan Bay Area 2050
 - If region is within 1.5% of DOF forecast, then use region
 - If greater than 1.5%, then consultation between HCD and ABAG
- If no agreement, HCD has the final say

** per requirements of Government Code Section 65584.01*

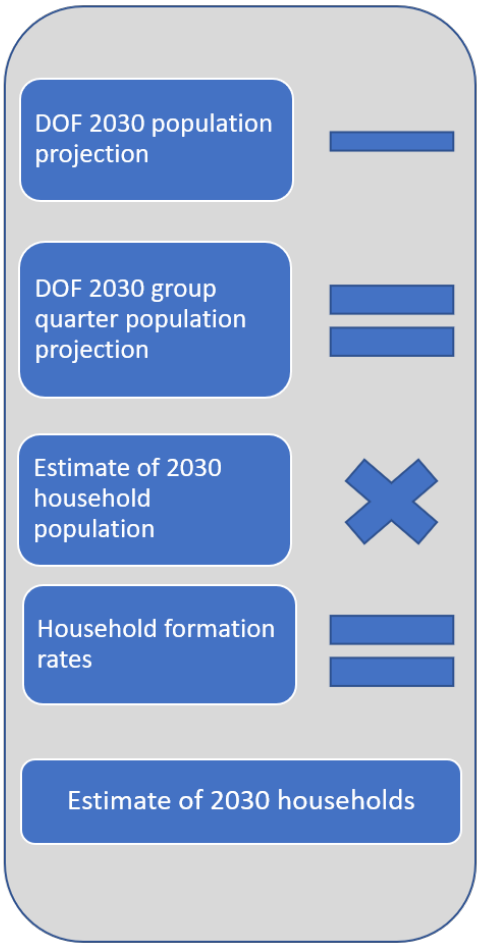
HCD Responsibilities

Regional Housing Needs Determination (RHND)

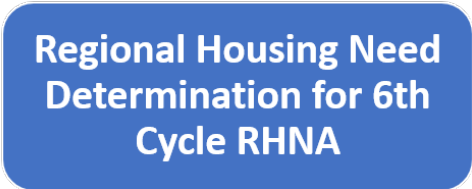
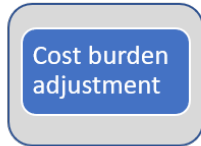
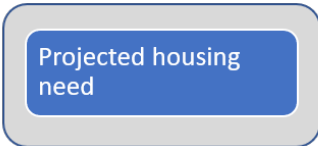
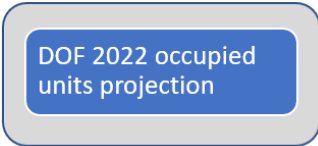
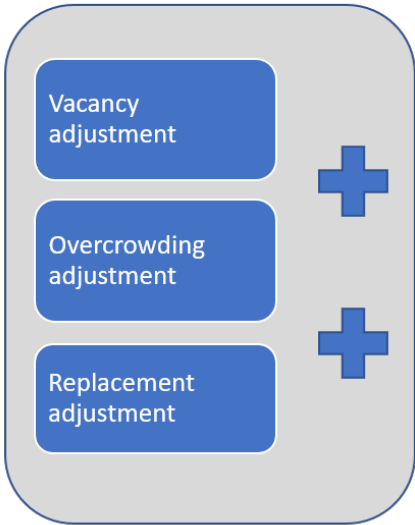
- **Step 2: determining housing need**
 - ABAG to provide HCD data assumptions related to demographic forecast, relationship between jobs and housing, loss of units during a state-declared state of emergency, etc.
 - Changes to methodology since last cycle:
 - Adjustment related to overcrowding
 - Adjustment related to cost burdened households
 - Target vacancy rate is no less than 5%
 - Adjustments applied to total projected households, not only household growth

HCD Responsibilities—Calculating the RHND

Projected Households Estimate



Adjustments to Projected Households



Expectations for a Higher RHND

Examples from similar regions:

	RHNA 5 (2015-2023)	RHNA 6 (2022-2030)	Percent Increase
Los Angeles region (SCAG)	409,060	1,344,740	329%
Sacramento region (SACOG)	104,970	153,512	146%

As a point of reference, the Bay Area's RHND for RHNA 5 was 187,990

- If 146% increase, RHND would be 274,465
- If 329% increase, RHND would be 618,487



PUBLIC COMMENT

ABAG Housing
Methodology Committee
December 19, 2019



WRAP UP AND NEXT STEPS

ABAG Housing
Methodology Committee
December 19, 2019

Wrap Up + Next Steps

- Feedback on today's meeting
 - Any feedback or ideas to rhna@thecivicedge.com
- What to expect at Meeting #4 in January 2020
 - Refining ideas about methodology factors
 - Subregion shares



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 20-0064 **Version:** 1 **Name:**
Type: Minutes **Status:** Committee Approval
File created: 12/9/2019 **In control:** ABAG Housing Methodology Committee
On agenda: 12/19/2019 **Final action:**
Title: Approval of ABAG Housing Methodology Committee Minutes of November 14, 2019
Sponsors:
Indexes:
Code sections:
Attachments: [Item 4a Draft Minutes 20191114.pdf](#)

Date	Ver.	Action By	Action	Result
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Approval of ABAG Housing Methodology Committee Minutes of November 14, 2019

Clerk of the Board

Approval



Bay Area Metro Center
375 Beale Street
Suite 700
San Francisco, California

Meeting Minutes - Draft

ABAG Housing Methodology Committee

Chair, Jesse Arreguin, Mayor, City of Berkeley

Thursday, November 14, 2019

10:00 AM

1111 Broadway, Suite 800, Oakland

Association of Bay Area Governments Housing Methodology Committee

The ABAG Housing Methodology Committee may act on any item on the agenda.

The meeting is scheduled to begin at 10:00 a.m.

Agenda and roster available at <https://abag.ca.gov>

For information, contact Clerk of the Board at (415) 820-7913.

Roster

Josh Abrams, Anita Addison, Jesse Arreguin, Rupinder Bolaria, Rick Bonilla, Michael Brilliot, Monica Brown, Amanda Brown-Stevens, Paul Campos, Ellen Clark, Diane Dillon, Forrest Ebbs, Pat Eklund, Jonathan Fearn, Victoria Fierce, Neysa Fligor, Mindy Gentry, Russell Hancock, Paolo Ikezoe, Welton Jordan, Megan Kirkeby, Brandon Kline, Jeffry Levin, Fernando Marti, Rodney Nickens, Jr., Julie Pierce, Bob Planthold, Darin Ranelletti, Matt Regan, Jane Riley, Carlos Romero, Elise Semonian, Aarti Shrivastava, Vin Smith, Matt Walsh

1. Call to Order / Roll Call / Confirm Quorum

Chair Arreguin called the meeting to order at about 10:08 a.m. Quorum was present.

Present: 28 - Abrams, Addison, Arreguin, Bonilla, Brilliot, Brown-Stevens, Campos, Clark, Dillon, Ebbs, Eklund, Fearn, Fierce, Fligor, Gentry, Ikezoe, Jordan, Kline, Levin, Marti, Nickens, Pierce, Regan, Romero, Semonian, Shrivastava, Smith, and Walsh

Absent: 7 - Bolaria-Shifrin, Brown, Hancock, Kirkeby, Planthold, Ranelletti, and Riley

2. Public Comment

3. Chair's Report

3.a. [19-1297](#) ABAG Housing Methodology Committee Chair's Report

Chair Arreguin gave the Chair's Report.

4. Consent Calendar

Chair Arreguin recognized a friendly amendment accepted by the maker of the motion and of the second noting an explanation of alternates present for members who were absent during the meeting on October 18, 2019.

Upon the motion by Pierce and second by Fierce, the ABAG Housing Methodology Committee approved the Consent Calendar, including the minutes of October 18, 2019. The motion passed unanimously by the following vote:

Aye: 28 - Abrams, Addison, Arreguin, Bonilla, Brilliot, Brown-Stevens, Campos, Clark, Dillon, Ebbs, Eklund, Fearn, Fierce, Fligor, Gentry, Ikezoe, Jordan, Kline, Levin, Marti, Nickens, Pierce, Regan, Romero, Semonian, Shrivastava, Smith, and Walsh

Absent: 7 - Bolaria-Shifrin, Brown, Hancock, Kirkeby, Planthold, Ranelletti, and Riley

- 4.a. [19-1298](#) Approval of ABAG Housing Methodology Committee Minutes of October 18, 2019

5. Chartering Conversation

- 5.a. [19-1299](#) Continuation of HMC Chartering Conversation

The HMC will continue its discussion to finalize the committee's decision making process and norms.

Amber Shipley gave the report.

The following gave public comment: Tim Frank.

6. Panel Discussion

- 6.a. [19-1300](#) Panel Discussion: Perspectives on Promoting Equity in RHNA

This panel will provide HMC members with information about the new RHNA objectives and factors related to affirmatively furthering fair housing and jobs-housing fit.

Gillian Adams moderated the panel discussion.

The following gave public comment: Tim Frank.

7. Local Jurisdiction Survey

7.a. [19-1301](#) Local Jurisdiction Survey

Discussion of a draft of the Local Jurisdiction Survey required to be conducted by ABAG per Housing Element Law.

Gillian Adams gave the staff report.

The following gave public comment: Tim Frank, Aaron Eckhouse.

Lunch / Break

8. Introduction to Factors

8.a. [19-1302](#) Introduction to Factors Via HMC's Housing Goals

Staff will report on the key themes envisioned by the HMC in its discussion of desired goals and outcomes for the RHNA process and continue the conversation about relating these goals to methodology factors.

This item was deferred to the next meeting.

9. Feedback on Today's Meeting

9.a. [19-1303](#) Feedback on Today's Meeting and What to Expect at the Next Meeting

Gillian Adams gave the staff report.

10. Adjournment / Next Meeting

Chair Arreguin adjourned the meeting at about 1:03 p.m. The next meeting of the ABAG Housing Methodology Committee is on December 19, 2019.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 20-0065 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 12/9/2019 **In control:** ABAG Housing Methodology Committee
On agenda: 12/19/2019 **Final action:**
Title: Relationship Between Plan Bay Area 2050 and Regional Housing Needs Allocation

Staff will provide a high-level overview of the Plan Bay Area 2050 Blueprint through summer 2020, describe how we have traditionally determined consistency between the Plan and RHNA, and discuss options for the Housing Methodology Committee to consider as it works to identify if and how the Blueprint plays a role in the RHNA formula.

Sponsors:

Indexes:

Code sections:

Attachments: [Item 5 Relationship between Plan Bay Area 2050 Blueprint and RHNA Summary Sheet.pdf](#)
[Item 5 Relationship between Plan Bay Area 2050 Blueprint and RHNA v4.pdf](#)

Date	Ver.	Action By	Action	Result
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Relationship Between Plan Bay Area 2050 and Regional Housing Needs Allocation

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Gillian Adams

Information

Association of Bay Area Governments

Housing Methodology Committee

December 19, 2019

Agenda Item 5.a.

Relationship between Plan Bay Area 2050 Blueprint and RHNA

Subject: Relationship between Plan Bay Area 2050 and Regional Housing Needs Allocation

Discussion of statutory requirements of consistency between the regional long-range plan (Plan Bay Area 2050) and the Regional Housing Need Allocation (RHNA), as well as the option for the Housing Methodology Committee to elect to use the Blueprint as part of the RHNA methodology.

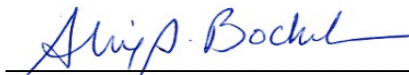
Background: Statutory requirements include language that the regional long-range plan (Plan Bay Area 2050) and RHNA allocations must be consistent. In addition, ABAG may elect to use the Plan Bay Area 2050 Blueprint's land use pattern to address some, but not all, of the required RHNA factors. Staff will provide a high-level overview of the Plan Bay Area 2050 Blueprint through summer 2020, describe how we have traditionally determined consistency between the Plan and RHNA, and discuss options for the Housing Methodology Committee to consider as it works to identify if and how the Blueprint plays a role in the RHNA formula.

Issues: None

Recommended Action: Information

Attachment: A. Summary Memo

Reviewed:


Alix Bockelman

REGIONAL HOUSING NEEDS ALLOCATION



TO: Housing Methodology Committee

DATE: December 19, 2019

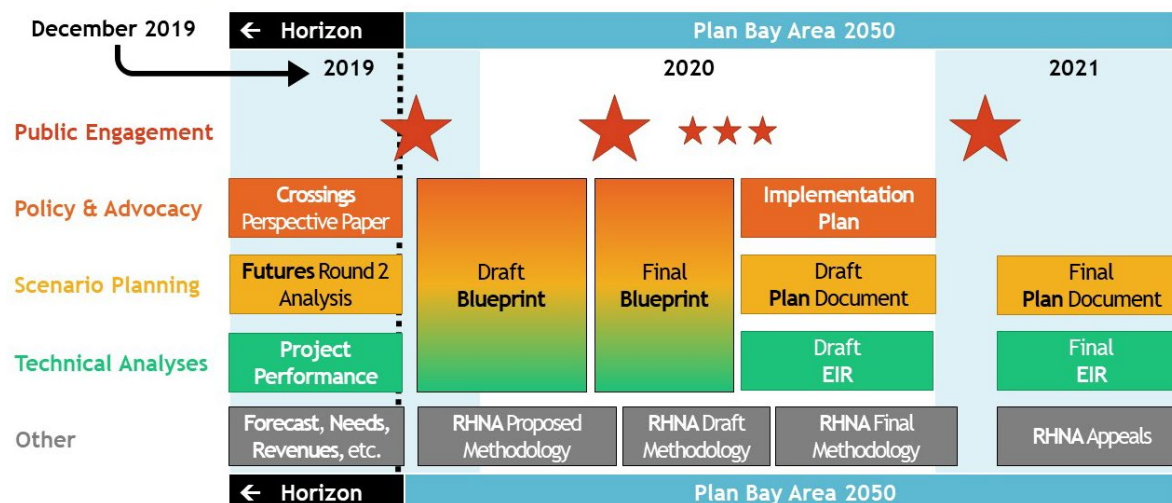
FR: Deputy Executive Director, Policy

RE: Relationship between Plan Bay Area 2050 Blueprint and RHNA

Overview

Plan Bay Area 2050 is the long-range regional plan slated for adoption in mid-2021, focusing on transportation, housing, the economy, and the environment. While the Plan and RHNA must be consistent under state law, the Plan and RHNA are different types of planning processes. This memorandum describes how the Plan and RHNA are different, what statutory requirements exist that link the Plan and RHNA, and how the Plan Blueprint could be used in the RHNA process.

Plan Bay Area 2050 Schedule



How are the Plan and RHNA Similar and How are They Different?

Both Plan Bay Area 2050 and RHNA must integrate future housing growth at all income levels and both focus on the same geography – the nine-county San Francisco Bay Area; however, there are key differences that should be understood.

Plan Bay Area 2050 is driven by conceptual strategies to be advanced on the state, regional, or local levels – e.g., inclusionary zoning or development subsidies – designed to influence the location and type of growth. These strategies are integrated into a parcel-based simulation model, UrbanSim 2.0, which forecasts the market feasibility of new development based on these assumed public policies and generates a future-year land use pattern. For the Plan Bay Area 2050 Blueprint, staff will seek input from policymakers on which strategies to integrate into the Blueprint, and then forecast a future growth pattern for housing and jobs (paired with complementary infrastructure investments) on the county and sub-county levels.

The housing strategies currently under consideration for inclusion in the Plan are:

- *Spur housing production*
 - Allow a Greater Mix of Housing Types and Densities in Priority Development Areas
 - Allow a Greater Mix of Housing Types and Densities Around All Major Transit Stops
 - Allow a Greater Mix of Housing Types and Densities in High Resource Areas
 - Streamline Development in All Areas Designated for Growth
 - Transform Aging Malls and Office Parks Into Neighborhoods
 - Repurpose Public Land to Build Housing
- *Retain and expand affordable housing*
 - Increase Renter Protections
 - Fund Affordable Housing Preservation and Production
 - Require 10% to 20% of New Housing to Be Affordable

RHNA, unlike Plan Bay Area 2050, is a factor-driven allocation process. Rather than forecasting future growth as driven by assumed public policies, the RHNA process is defined by metrics and factors that typically are used to craft a formula to allocate housing needs by income level. These factors can be reflective of current regional conditions, or they can include historic or future forecast data points. Unlike Plan Bay Area 2050, RHNA is focused on the short-to-medium term housing needs through the year 2030; it has a stronger implementation lens as it is directly related to Housing Elements on the local level. Lastly, unlike Plan Bay Area 2050's Regional Growth Forecast which is developed by ABAG/MTC, the Regional Housing Needs Determination (RHND) used for RHNA is developed by the state Department of Housing and Community Development (HCD) with select opportunities for input by ABAG.

Statutory Requirements

Statutory requirements that connect these processes are relatively limited. There are three primary connection points within the statutory requirements for the Plan and RHNA:

- 1) **RHNA must be consistent with the development pattern from the Plan.**¹ Housing Element Law does not provide a definition of consistency or specific guidance about how it should be achieved. Historically, MTC/ABAG has interpreted the consistency requirement to mean that the eight-year RHNA housing allocation for a given jurisdiction should not exceed the 30-year Plan housing forecast for the same jurisdiction. While this has historically not been a major issue, the significant expected increase in RHND, combined with the introduction of the requirement that the RHNA affirmatively further fair housing, may require greater reconciliation between the Plan Blueprint's strategies and the RHNA methodology's factors in mid-2020.

¹ [Government Code Section 65584.04\(m\).](#)

- 2) **Subregional shares must be generated based on the Plan.**² For any designated subregions, the share of the RHND allocated to that subregion must be generally based solely on the long-range plan, as opposed to other factors that may be integrated into the methodology.³
- 3) **Key assumptions from the Plan's Regional Growth Forecast should be provided to the state during the RHND consultation process.**⁴ However, the state is not required to integrate Council of Governments input on population growth estimates unless that total regional population forecast for the projection year is within ± 1.5 percent of the state's own forecast for the Bay Area. Similarly, the state will take under advisement information on overcrowding, etc. from the Regional Growth Forecast, but it may exercise appropriate discretion when calculating the RHND for a given region.

What RHNA Objectives and Factors Will the Blueprint Address?

Using growth forecasts from the Plan Bay Area 2050 Draft Blueprint and/or Final Blueprint as a factor for RHNA can be an effective way to ensure consistency between the Plan and RHNA. While ABAG has used the Plan as a significant component of the RHNA allocations in the past, this is not required under state law. For example, SANDAG (San Diego) did not use their long-range plan as part of their recently approved RHNA methodology, whereas SACOG (Sacramento) is planning on using their long-range plan as a core input to the RHNA process. HCD has accepted both of these approaches.

In general, staff suggest that the HMC consider integrating the Plan Bay Area 2050 Blueprint into the RHNA methodology, in part to maximize consistency between the two efforts and in part to address a suite of important RHNA objectives and factors. That said, the HMC will advise the ABAG Regional Planning Committee on its recommended methodology, including the extent to which the Plan Bay Area 2050 Blueprint should be used as part of the RHNA allocation methodology.

The Blueprint serves as a potential resource⁵ that would allow the methodology to address a broad set of factors without identifying new datasets or metrics. The Plan Bay Area 2050 Blueprint is being developed through a different process, and thus not all of the issue areas RHNA is statutorily required to tackle are requirements for Plan Bay Area 2050 (and vice versa).

The following tables highlight which objectives and which factors are likely to be integrated into the Blueprint, and which would likely need to be supplemented by additional RHNA methodology factors.

² [Government Code Section 65584.03\(c\).](#)

³ Per Government Code Section 65584.03(c), "the share or shares allocated to the delegate subregion or subregions by a council of governments shall be in a proportion consistent with the distribution of households assumed for the comparable time period of the applicable regional transportation plan."

⁴ [Government Code Section 65584.01.](#)

⁵ Because the Plan Bay Area 2050 Blueprint will focus on year 2050 growth forecasts for the county and sub-county levels, staff could produce a consistent set of year 2030 Blueprint growth forecasts by jurisdiction, solely for use in the RHNA process.

Tables 1 and 2 below show the ways in which the information and analyses in Plan Bay Area 2050 are aligned with the RHNA objectives and factors outlined in Housing Element Law. In addition to increasing consistency between RHNA and the Plan, use of the Plan could help address many of the goals of RHNA because it uses local land use planning and zoning as a foundation and comprehensively considers how housing is related to transportation, the economy, and the environment. The use of the UrbanSim 2.0 land use model allows for the integration of market realities and the impacts of policy changes into the forecasted development pattern in the Plan Blueprint.

The primary challenge to using the Plan in the allocation methodology is the fact that decisions about the strategies to be incorporated into the Plan Blueprint are ongoing. This includes decisions about whether the Blueprint will focus most growth on the voluntarily-adopted Priority Development Areas (PDAs) or whether other areas, such as other locations near transit or areas designated as High Resource Areas by the State, will also see increased future growth. These decisions will affect the extent to which the Blueprint promotes the equitable distribution of housing that is required for RHNA. These decisions will be made by MTC and ABAG policymakers this winter, with a forecasted growth pattern for the Draft Blueprint identified in spring 2020.

Table 1: Which RHNA Objectives Are Already Integrated into the Plan Blueprint?

Objectives (from Government Code §65584(d) and (e))	Comments
Increase housing supply and mix of housing types, tenure, and affordability all cities and counties within the region in an equitable manner	Integrated into the Plan Blueprint, with a few caveats. While the Plan Blueprint generally strives to address this objective, if the strategies in the Plan do not integrate geographies beyond the Priority Development Areas, the growth pattern may not be as equitable as potentially desired by the HMC.
Promote infill development and socioeconomic equity, protect environmental and agricultural resources, encourage efficient development patterns, and achieve GHG reduction targets	Integrated into the Plan Blueprint. These are generally in line with statutory requirements of Senate Bill 375, as well as the adopted Vision and Guiding Principles for the Plan.
Promote improved intraregional jobs-housing relationship, including balance between low-wage jobs and housing units affordable to low-wage workers in each jurisdiction	Depends on strategies to be integrated into the Plan Blueprint. If policymakers choose to integrate affordable housing strategies or strategies to shift the location of jobs, then the Plan Blueprint could address this RHNA objective directly.
Balance disproportionate household income distributions (more high-income RHNA to lower-income areas and vice-versa)	
Affirmatively further fair housing	

Table 2: Which RHNA Factors Are Already Integrated into the Plan Blueprint?

Factors <i>(from Government Code §65584.04(d))</i>	Comments
Existing and projected jobs and housing relationship, particularly low-wage jobs and affordable housing.	Integrated into the Plan Blueprint. UrbanSim 2.0 integrates existing baseline data on affordable housing availability and jobs by wage level, and future forecasts are influenced by strategies for both issue areas.
Lack of capacity for sewer or water service due to decisions outside the jurisdiction's control.	Integrated into the Plan Blueprint, with a few caveats. While the UrbanSim 2.0 model does use General Plans or current zoning as a baseline – which often may reflect utility constraints – strategies to increase developable capacity in a city may generate increased needs for water or sewer infrastructure.
The availability of land suitable for urban development.	Integrated into the Plan Blueprint, with a few caveats. When crafting the growth pattern, usage of UrbanSim 2.0 helps to ensure that certain parcels that are not buildable – for example, very steep slopes or marshlands that are unsuitable for new development – remain undeveloped.
Lands protected from urban development under existing federal or state programs.	Integrated into the Plan Blueprint. UrbanSim 2.0 understands baseline land use policies and designations, which include federal and state protected lands such as parks and open space.
County policies to preserve prime agricultural land.	Depends on strategies to be integrated into the Plan Blueprint. For the past two Plan cycles, MTC/ABAG have integrated an Urban Growth Boundary strategy that keeps today's boundary lines in effect through the planning horizon year. If that strategy is preserved – which seems likely based on public and policymaker input to date – then the Plan Blueprint will address this factor.
The distribution of household growth assumed for regional transportation plans and opportunities to maximize use of public transportation and existing transportation infrastructure.	Integrated into the Plan Blueprint. The Blueprint includes complementary transportation strategies and investments, and the UrbanSim 2.0 analysis is done in concert with transportation modeling to understand improved accessibilities from such investments.
Agreements between a county and cities in a county to direct growth toward incorporated areas of the county.	Depends on strategies to be integrated into the Plan Blueprint. For the past two Plan cycles, MTC/ABAG have integrated an Urban Growth Boundary strategy that keeps today's boundary lines in effect through the planning horizon year. If that strategy is preserved – which seems likely based on public and policymaker input to date – then the Plan Blueprint will address this factor.
The loss of units in assisted housing developments as a result of expiring affordability contracts.	Not likely to be reflected in Plan Blueprint. Data about the loss of affordable multi-family rental units in assisted housing developments is not used in the UrbanSim 2.0 simulation model.

Factors (from Government Code §65584.04(d))	Comments
The percentage of existing households paying more than 30 percent and more than 50 percent of their income in rent.	Integrated into the Plan Blueprint, with a few caveats. UrbanSim 2.0 understands both housing costs and relative incomes when forecasting future growth; the Regional Growth Forecast considers overcrowding directly. Strategies to address housing unaffordability and to reduce overcrowding will be considered by MTC/ABAG during the development of the Blueprint; however, no decisions have been made by the ABAG/MTC boards on which to include in the Plan at this time.
The rate of overcrowding.	
The housing needs of farmworkers.	Integrated into the Plan Blueprint, with a few caveats. The Plan Blueprint must house all forecasted new households through year 2050, which includes farmworkers. Affordable housing strategies could be integrated with specific consideration for farmworkers; however, no decisions have been made by the ABAG/MTC boards on which to include in the Plan at this time.
The housing needs generated by the presence of a university within the jurisdiction.	Integrated into the Plan Blueprint. Students can be housed in the regular housing market or in group quarter accommodations. The regional forecast projects the number of households and group quarter residents, some of whom are students. At the local scale, when developing the growth pattern using UrbanSim 2.0, institutions like major universities and their associated residential and non-residential pipeline projects are integrated.
The loss of units during a state of emergency that have yet to be rebuilt or replaced at the time of the analysis.	Integrated into the Plan Blueprint, with a few caveats. Emergencies that destroyed units prior to the Plan baseline year of 2015 would be integrated into the baseline inputs to UrbanSim 2.0. Emergencies that destroyed units after the Plan baseline year are assumed to be rebuilt before the Plan horizon year (2050).
The region's greenhouse gas emissions targets provided by the State Air Resources Board.	Integrated into the Plan Blueprint. This is consistent with the statutory requirements of Senate Bill 375.

Next Steps

Staff looks forward to feedback regarding if, and how, the Plan Blueprint should be integrated into the RHNA methodology. Options going forward include:

- 1) **Integrate the Plan Blueprint into the RHNA proposed methodology, once informed by MTC/ABAG board direction on key strategies this winter.** Integrating the Plan Blueprint will strengthen the nexus with the Plan and reduce the complexity of the RHNA methodology. Action this winter will help clarify which factors and objectives are ultimately addressed by strategies integrated into the Plan Blueprint. (preliminary staff recommendation)

- 2) **Do not integrate the Plan Blueprint into the RHNA methodology.** Not integrating the Plan Blueprint would provide greater flexibility in the RHNA process, but it may also increase the risk that the Plan Blueprint's strategies and the RHNA methodology would need to be revised substantially in summer 2020 to achieve consistency as required by state law.

Should option 1 to be the preferred path forward for the HMC, staff can return to the HMC this winter to highlight strategies integrated into the Draft Blueprint by the ABAG Board and MTC Commission. Staff can present again this spring once the Draft Blueprint's forecasted growth pattern for Plan Bay Area 2050 becomes publicly available.



Metropolitan Transportation Commission

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San Francisco, CA 94105

Legislation Details (With Text)

File #:	20-0066	Version:	1	Name:	
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File created:	12/9/2019	In control:		ABAG Housing Methodology Committee	
On agenda:	12/19/2019	Final action:			
Title:	Introduction to Factors via Housing Methodology Committee's Housing Goals				

Staff will report on the key themes envisioned by the HMC in its discussion of desired goals and outcomes for the RHNA process and continue the conversation about relating these goals to methodology factors.

Sponsors:

Indexes:

Code sections:

Attachments: [Item 6 Summary Sheet Report on Factors.pdf](#)
[Item 6 Attachment A Memo Intro to Factors via HMC Housing Goals.pdf](#)
[Item 6 Attachment B RHNA Statutory Objectives and Factors.pdf](#)
[Item 6 Attachment C Visioning Housing Goals Summary.pdf](#)
[Item 6 Attachment D RHNA Methodology Examples v2.pdf](#)

Date	Ver.	Action By	Action	Result
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Introduction to Factors via Housing Methodology Committee's Housing Goals

Staff will report on the key themes envisioned by the HMC in its discussion of desired goals and outcomes for the RHNA process and continue the conversation about relating these goals to methodology factors.

Gillian Adams

Information

Association of Bay Area Governments

Housing Methodology Committee

December 19, 2019

Agenda Item 6.a.

Introduction to Factors Via HMC's Housing Goals

Subject: Introduction to Factors via Housing Methodology Committee's Housing Goals

Staff will report on the key themes envisioned by the HMC in its discussion of desired goals and outcomes for the RHNA process and continue the conversation about relating these goals to methodology factors.

Background: Staff will summarize the results of the HMC's discussion at the October 18th meeting about envisioning desired outcomes and goals for the RHNA process and continue the conversation about relating these goals to methodology factors.


Issues: None

Recommended Action: Information

Attachment:

- A. Memo Intro to Factors via HMC Housing Goals
- B. RHNA Statutory Objectives and Factors
- C. Visioning Housing Goals Summary
- D. Sample Methodologies

Reviewed:



Alix Bockelman

REGIONAL HOUSING NEEDS ALLOCATION



TO: Housing Methodology Committee

DATE: December 19, 2019

FR: Deputy Executive Director, Policy

RE: Introduction to Factors via HMC's Housing Goals

Overview

The Housing Methodology Committee (HMC) has been convened to advise ABAG staff on the methodology for the 6th RHNA cycle (2022-2030), and to ensure the methodology considers the factors and meets the objectives outlined in Housing Element Law. For reference, **Attachment B** shows the 6th Cycle objectives and factors. Bolded and italicized text in that attachment identifies where requirements have been modified since the previous RHNA cycle due to statutory changes.

At the initial meeting of the HMC, members worked in small groups to identify the housing goals and outcomes they would like to see for the Bay Area as a result of the RHNA process. The next step in developing the allocation methodology will be to translate these themes into factors that would advance the desired outcomes. The paradigm and requirements for RHNA are outlined in Housing Element Law, but development of the methodology offers an opportunity to tailor those requirements to our regional context. Committee members will have to grapple with determining what is "equitable" and finding the right balance in achieving each of the RHNA objectives, which can sometimes appear to be at odds with one another.

Visioning Housing Goals

Attachment C shows committee members' comments about desired goals and outcomes for RHNA, organized by theme. The major themes can be summarized as:

1. Emphasize benefits to the region as a whole
2. Ensure transparency and ease of understanding, make sure people feel heard
3. Get more units built: make sure everyone has a place to live
4. Further social and racial equity
5. Create choices for all, so all communities have access to opportunities
6. Further the jobs-housing fit
7. Use this process as an opportunity to communicate the magnitude of the need for housing

Some of these key themes focus on desired characteristics for the RHNA process and methodology (e.g., transparent, easy to understand), while others identify some of the preferred outcomes for the region that would result from implementation of the RHNA methodology (e.g., further social and racial equity, create choices for all).

The Narrow Scope of RHNA

One of the challenges for HMC members will be to keep in mind the desired outcomes for the Bay Area identified in the visioning while working within the relatively limited scope of the RHNA process. At its core, RHNA is about connecting regional housing needs with the local planning process and ensuring that the many local plans, when taken together, work together to address regional housing challenges. The primary role of the RHNA methodology is to encourage a pattern of housing growth for the Bay Area. The allocation formula assigns units based on relative relationships between jurisdictions within the region. For example, if there is a factor to allocate units based on access to jobs, then a jurisdiction with many jobs will be allocated more units and a jurisdiction with fewer jobs will be allocated fewer units. Given the need to allocate units among the region's 109 jurisdictions, it can be difficult to address the specific nuances of each community's local context in the methodology.

Similarly, RHNA does not play a role in identifying specific locations within a jurisdiction that will be zoned for housing, and the RHNA methodology does not dictate which policies a local government will use to meet the housing needs of its residents or specific population groups. Although the HMC may select factors that conceptually assign housing to a particular geography, such as near a transit stop or in proximity to jobs, the resulting allocation from ABAG goes to the jurisdiction as a whole. It is up to local governments to use their Housing Elements to select the specific sites that will be zoned for housing.

Local governments are also responsible for choosing the strategies and policies that are best suited to meeting their community's housing needs as long as they are consistent with State Housing Element Law. For example, while the RHNA methodology must seek to affirmatively further fair housing, identifying policies to address homelessness or the housing needs of a particular group is beyond the scope of the regional RHNA process. Local governments will include strategies related to these issues when they develop their Housing Elements. HCD and ABAG will provide resources and technical assistance to support local governments as they develop and implement their Housing Elements. The following table distinguishes between the narrow scope of RHNA and the broader requirements for jurisdictions' Housing Elements:

RHNA	Housing Element
<ul style="list-style-type: none">• Determines how many new homes each local jurisdiction must plan for in its Housing Element.• Housing allocation is for an entire jurisdiction – housing is not allocated to specific sites or geographies within a jurisdiction.• A jurisdiction's housing allocation is divided across four income groups: very	<ul style="list-style-type: none">• Includes goals, policies, quantified objectives, financial resources, and constraints for the preservation, improvement, and development of housing for all income levels.• Identifies sites for housing and provides an inventory of land suitable and available for residential development, including vacant sites and sites having potential for redevelopment.

<p>low-, low-, moderate-, and above moderate-income.</p> <ul style="list-style-type: none"> Beyond the allocation of housing units by income group, does not address housing needs of specific population groups nor include policy recommendations for addressing those needs. 	<ul style="list-style-type: none"> Provides an analysis of any special housing needs, such as those of the elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter. Must demonstrate local efforts to remove governmental and nongovernmental constraints that hinder the locality from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters. Provides an analysis of existing affordable units at risk of converting to market-rate due to expiring subsidies or affordability contracts. Assesses existing fair housing issues and strategies for affirmatively furthering fair housing.
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Translating Themes into Factors

Over the next several months, ABAG staff will work with the HMC to prioritize the key factors to include in the methodology to advance the desired goals and outcomes identified by the committee. The allocation methodology is a formula that divvies up the Bay Area's total housing need by quantifying the number of housing units, separated into four income categories, that will be assigned to each city, town, and county to incorporate into its Housing Element. Members of the HMC are tasked with working collaboratively to select the best mix of factors that would result in an equitable distribution of housing need throughout the region. A factor can be used to translate a planning principle or attribute into housing numbers. Factors use data for each jurisdiction in the region about the selected principle or attribute to determine each jurisdiction's share of the total housing need.

As a starting place, staff has compiled sample RHNA methodologies, including ABAG's methodology from the previous RHNA cycle (2015-2023) and the draft methodologies developed for the current RHNA cycle by the Sacramento Area Council of Governments (SACOG), San Diego Association of Governments (SANDAG), and Southern California Association of Governments (SCAG) (**Attachment D**). Staff will use these examples to engage HMC members in a discussion of potential factors to include in the methodology and how the methodology should relate to Plan Bay Area 2050. The factors will continue to be refined at future meetings based on considerations of available data sources and decisions about the aspects of a particular factor to emphasize.

REGIONAL HOUSING NEEDS ALLOCATION



Summary of Statutory Objectives and Factors for RHNA

This is a summary of the statutory objectives the RHNA allocation is required to meet and the factors that are required to be considered in the allocation methodology. Italicized and bolded text indicates factors that have been added or revised for this RHNA cycle (6th cycle).

Summary of RHNA Objectives – from Government Code §65584(d) and (e)

The regional housing needs allocation plan shall further all of the following objectives:

- (1) Increase housing supply and mix of housing types, tenure, and affordability all cities and counties within the region in an equitable manner
- (2) Promote infill development and socioeconomic equity, protect environmental and agricultural resources, encourage efficient development patterns, **and achieve GHG reduction targets**
- (3) Promote improved intraregional jobs-housing relationship, **including balance between low-wage jobs and housing units affordable to low-wage workers in each jurisdiction**
- (4) Balance disproportionate household income distributions (more high-income RHNA to lower-income areas and vice-versa)
- (5) **Affirmatively further fair housing**

Summary of RHNA Factors – from Government Code §65584.04(e)

- (1) Existing and projected jobs and housing relationship, **particularly low-wage jobs and affordable housing**
- (2) Lack of capacity for sewer or water service due to decisions outside the jurisdiction's control.
- (3) The availability of land suitable for urban development.
- (4) Lands protected from urban development under existing federal or state programs
- (5) County policies to preserve prime agricultural land.
- (6) The distribution of household growth assumed for regional transportation plans and opportunities to maximize use of public transportation and existing transportation infrastructure.
- (7) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county
- (8) The loss of units in assisted housing developments as a result of expiring affordability contracts.

- (9) ***The percentage of existing households paying more than 30 percent and more than 50 percent of their income in rent.***
- (10) ***The rate of overcrowding.***
- (11) The housing needs of farmworkers.
- (12) The housing needs generated by the presence of a university within the jurisdiction.
- (13) ***The loss of units during a state of emergency that have yet to be rebuilt or replaced at the time of the analysis.***
- (14) ***The region's greenhouse gas emissions targets provided by the State Air Resources Board.***

REGIONAL HOUSING NEEDS ALLOCATION



Summary by Theme of HMC Comments on Visioning Housing Goals from October 18 Meeting

1. Emphasize benefits to the region as a whole

- More regional thinking.
- Come up with a RHNA methodology that has universal support that makes sense and is fair and equitable.
- Think holistically: about sustainability, health, equity, and greenhouse gas reductions.
- Create housing stability for all income levels that benefits the region as a whole.
- Do all cities have space to accept more housing? Or is the region reaching capacity?

2. Ensure transparency and ease of understanding, make sure people feel heard

- Transparency and ease of understanding for the ultimate methodology. Make sure we help communicate it to people affected.
- Have people and communities satisfied with the final conclusion, and feel that people are heard. This includes people in this group, and those who are not.

3. Get more units built: make sure everyone has a place to live

- Make sure everyone has a place to live. Address homelessness and fixed incomes.
- Make sure RHNA is a useful tool.
- Numbers should result in units being built by maximizing housing laws.
- Ensure outcomes are realistic and consider what is feasible to build given construction costs.
- Make sure we are realistic, but also challenge our notions of what is realistic.

4. Further social and racial equity

- Outcomes will reflect the diversity in the region and take into consideration job deserts and unaffordable areas.
- Outcomes will be equitable and sustainable (greenhouse gas reductions).
- Social Equity.
- Equitable distribution of housing in the region.
- Better racial and economic equity.
- Reduce inequalities in government funding and climate impacts.
- Be able to see what the factors do for racial/social equity. Perhaps this may mean testing outcomes.

5. Create choices for all, so all communities have access to opportunities

- People should be able to live where and how they want – all types of housing, families etc.
- Choices for all so all communities have opportunities for access to transit, jobs, and a livable wage.
- Place housing in the right locations – proximity to jobs and transit.
- Open opportunities to live in high-resource areas.
- Create housing stability for all income levels that benefits the region as a whole.
- Explore other ways to meet affordability other than density. Think about density that doesn't lead to sprawl.

6. Further the jobs-housing fit

- Job to Housing Balance – between wages and housing affordability. Try to prioritize this relationship – is this done city by city, or by radius of where these jobs are created?
- Should there be average commute goals to achieve allocations (distance or time)?
- Should proximity to jobs be a higher priority than PDAs? Don't abandon but modify PDA.
- Get higher paying jobs into expensive suburbs or development opportunities.
- Address jobs and housing balance.
- Place housing in the right locations – proximity to jobs and transit.
- Support transit corridors.
- Responsibility for housing may be at the city-level because that is where approvals for commercial spaces and housing happen. Are there mechanisms to expand commercial space with housing?

7. Use this process as an opportunity to communicate the magnitude of the need for housing

- Stay informed by implementation.
- Use this process as an opportunity to communicate and educate the magnitude of the need for housing.
- Connecting to the people that are impacted.

REGIONAL HOUSING NEEDS ALLOCATION



Association of Bay Area Governments

Regional Housing Needs Allocation (RHNA) Methodology Examples

This document shows key concepts from draft allocation methodologies submitted to the state by the Sacramento Area Council of Governments (SACOG), San Diego Association of Governments (SANDAG), and Southern California Association of Governments (SCAG). It also shows the methodology adopted by the Association of Bay Area Governments (ABAG) from the last RHNA cycle (2015-2023). The information in this document is intended only to illustrate how a RHNA methodology is constructed. *ABAG staff is not endorsing any of these specific approaches.*

The methodology is a formula to determine the total number of units, separated into four income categories, for which each city or county must plan. This formula is made up of factors that are used to assign each jurisdiction a share of the Regional Housing Need Determination (RHND), which is the total number of housing units allocated to a region by the California Department of Housing and Community Development (HCD). A factor is a way to translate a planning principle or attribute into numbers.

The allocation formula involves two outcomes:

1. **Determine the total number of units allocated to each jurisdiction.**
2. **Determine how each jurisdiction's allocation is divided among the four income categories.** The income categories are:
 - Very Low Income: 0-50% of Area Median Income
 - Low Income: 50-80% of Area Median Income
 - Moderate Income: 80-120% of Area Median Income
 - Above Moderate Income: 120% or more of Area Median Income

ABAG 5th Cycle (2015-2023) RHNA Methodology

Note: this methodology was for the most recent (2015-2023) RHNA period. It was developed prior to recent changes to Housing Element Law, including the new objective to affirmatively further fair housing. It is shown as a sample methodology, not as a recommendation for the current cycle.

Formula for Total Units:



70% of housing based on PDA growth

30% of housing based on factors for non-PDA areas:



Transit



Jobs



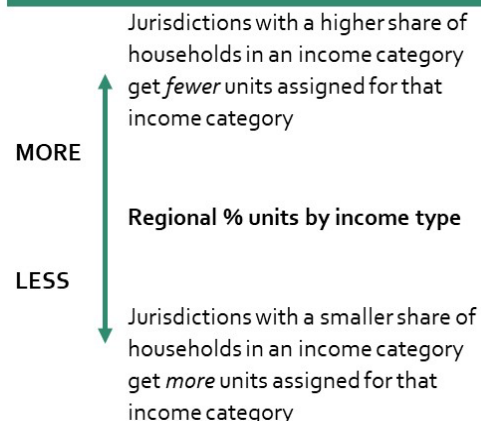
Past RHNA Performance

Upper Housing Threshold: No more than 1.5 X 2007-2014 RHNA

Minimum Housing Floor: At least 40% Growth

Formula for Income Allocation:

Rebalance Income Distribution



ABAG's methodology for the 5th RHNA cycle allocated 70% of the region's housing need based on a jurisdiction's projected housing unit growth within Priority Development Areas (PDAs). PDAs are existing neighborhoods near transit nominated by local jurisdictions as appropriate places to concentrate future growth. The remaining 30% of housing need was allocated to jurisdictions based on their projected housing unit growth in non-PDA locations. Projections for jurisdictions' housing unit growth came from Plan Bay Area, the Bay Area region's Regional Transportation Plan/Sustainable Communities Strategy.

In addition to allocating housing units based on projected growth, the RHNA methodology also included a "fair share component" to ensure that jurisdictions with PDAs did not bear too much responsibility for meeting the region's housing need. The fair share component consisted of the following factors:

- *Upper housing threshold*: a jurisdiction could not be allocated more housing units than 1.5 times its allocation from the 2007-2014 RHNA cycle.
- *Fair share factors* applied to jurisdictions' non-PDA growth included:
 - *Prior RHNA performance*: jurisdictions that issued permits for a higher number of very low- and low-income units during the 1999-2006 cycle received a lower allocation.
 - *Employment*: jurisdictions with a higher number of existing jobs in non-PDA areas received higher allocations.
 - *Transit*: jurisdictions with higher transit frequency and coverage received higher allocations.

A *minimum housing floor* was assigned for each jurisdiction, which was 40% of a jurisdiction's projected growth in households from 2015-2023. A jurisdiction could not be allocated fewer units than its minimum housing floor, which required each jurisdiction to plan for a portion of housing for its housing need.

The factors described above determined the total allocation assigned to Bay Area jurisdictions. Income allocation was determined by comparing a jurisdiction's existing household income distribution across the four income categories to the regional income distribution across the four income categories. A jurisdiction with a higher proportion of households in an income category received a smaller allocation of housing units in that same category.

Source: https://abag.ca.gov/sites/default/files/2015-23_rhna_plan.pdf

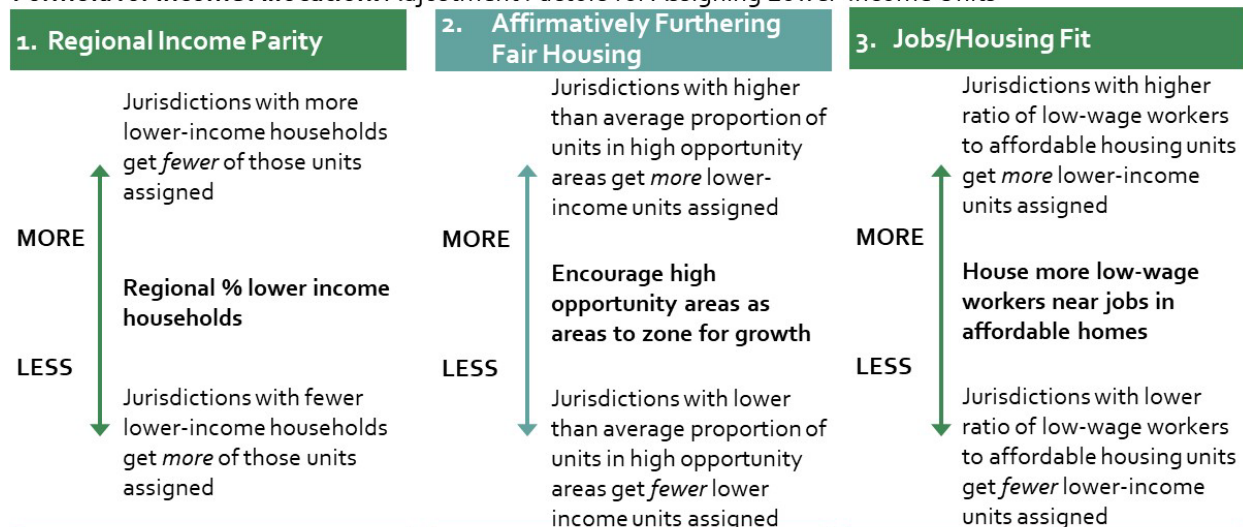
SACOG 6th Cycle Draft RHNA Methodology Framework

Formula for Total Units:



Housing to jurisdictions based on share of MTP/SCS growth forecast

Formula for Income Allocation: Adjustment Factors for Assigning Lower-Income Units



The SACOG methodology determines each jurisdiction's total RHNA and then adjusts the number of low- and very low-income units allocated based on three adjustment factors. To calculate each jurisdiction's total allocation, SACOG multiplies the regional determination received from HCD by each jurisdiction's proportion of the region's 2016-2035 forecasted growth. The forecasted growth for the region and each jurisdiction is identified in SACOG's Metropolitan Transportation Plan/Sustainable Communities Strategy.

After assigning a total allocation of housing units to each jurisdiction, SACOG uses the following three factors to determine the income distribution of these units:

- *Regional income parity*: A jurisdiction's proportion of lower-income households is compared to the regional proportion of lower-income households.¹ Jurisdictions with a lower proportion of lower-income households compared to the region receive an upward adjustment in their allocation of lower-income units, while jurisdictions with a higher proportion of lower-income households compared to the region receive a downward adjustment of lower-income RHNA units.
- *Affirmatively furthering fair housing*: This factor is based on a jurisdiction's proportion of existing housing units in high opportunity census tracts. Census tracts are labeled high opportunity if they receive opportunity index scores of "high resource" or "highest resource" on the opportunity maps produced by the California Tax Credit Allocation Committee (TCAC) and HCD. Jurisdictions with a higher proportion of existing units in high opportunity tracts compared to the region receive an upward adjustment of lower-

¹ "Lower-income" refers to very low- and low-income households, or all households below 80% of the Area Median Income.

income RHNA units, while jurisdictions with a lower proportion of existing units in high opportunity tracts compared to the region receive a downward adjustment of lower-income RHNA units.

- *Job-housing fit:* This factor is based on a jurisdiction's existing ratio of low-wage workers to units affordable to low-wage workers. Jurisdictions with a higher ratio of low-wage workers to units affordable to low-wage workers compared to the region receive an upward adjustment of lower-income units, while jurisdictions with a lower ratio compared to the region receive a downward adjustment of lower-income units.

Source: https://www.sacog.org/sites/main/files/file-attachments/draft_rhna_methodology_menu_2019-9-17.pdf?1568764417

SANDAG 6th Cycle Draft RHNA Methodology

Formula for Total Units:



65% of housing to jurisdictions with transit access



75% of housing to jurisdictions with rail and rapid bus



25% of housing to jurisdictions with major local bus lines



35% of housing to jurisdictions with jobs

Formula for Income Allocation:

Equity applied to ALL, based on the four income categories

Jurisdictions with more households in an income category get *fewer* units assigned for that income category

MORE

Regional % units by income type

LESS

Jurisdictions with fewer households in an income category get *more* units assigned for that income category

SANDAG's methodology consists of a transit component and a jobs component to allocate the total number of units, and an equity adjustment is used to determine the income distribution of those units.

- *Transit component:* SANDAG will allocate 65% of housing units based on each jurisdiction's share of regional transit services. Of the units allocated based on this transit factor, 75% will be allocated based on each jurisdiction's share of rail and "Rapid" bus stations,² while 25% will be allocated based on each jurisdiction's share of major transit stops.³
- *Jobs component:* SANDAG will allocate 35% of housing units based on each jurisdiction's existing share of the region's jobs.

² "Rapid" is a high-frequency, limited-stop bus service with seven routes throughout San Diego County.

³ SANDAG defines "major transit stops" as bus stops with an intersection of two or more major local bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.

Equity adjustment: A jurisdiction's existing household income distribution across the four income categories is compared to the regional income distribution across the four income categories. Jurisdictions that have a higher percentage of existing households in a given income category compared to the region receive a smaller share of units in that income category. Jurisdictions that have a lower percentage of households in a given income category compared to the region receive a greater share of units in that income category. While SANDAG's methodology does not include a component explicitly designated as an "Affirmatively Furthering Fair Housing Factor," HCD found that the equity adjustment sufficiently addressed this objective, noting that the jurisdictions assigned relatively larger shares of low income households were ones with low segregation per the TCAC/HCD opportunity maps, and conversely, jurisdictions with concentrations of TCAC/HCD denoted low-resource or high-segregation areas were allocated less lower income units than the regional average.

Source: https://www.sandag.org/uploads/projectid/projectid_189_26289.pdf

SCAG 6th Cycle Draft RHNA Methodology*

Formula for Total Units:

Existing Need:



50% of housing to jurisdictions with transit access



50% of housing to jurisdictions with job access

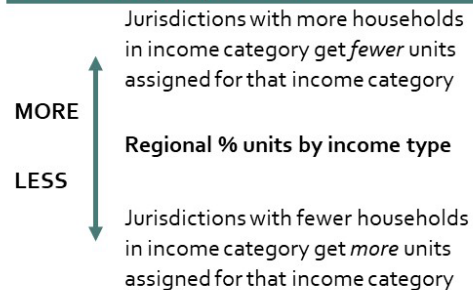
Residual redistribution for disadvantaged communities

Projected Need:

- Household growth from RTP/SCS
- Future vacancy need
- Replacement need

Formula for Income Allocation:

Social Equity Adjustment



- 150% minimum adjustment
- 0-30% additional adjustment for areas with lowest or highest resource concentration

* SCAG's draft Methodology has not yet been approved by HCD.

SCAG's methodology separates the regional determination from HCD into existing housing need and projected housing need, and uses separate formulas to assign existing and projected need to jurisdictions. SCAG then determines how each jurisdiction's total allocation will be divided among the four RHNA income categories using a social equity adjustment.

Projected need is based on household growth for jurisdictions between 2021 and 2029, as determined by growth forecasts from SCAG's Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy. SCAG then adds a vacancy adjustment to jurisdictions' projected growth, which is calculated by applying a target vacancy rate of 1.5% to the projected growth in owner-occupied households and a rate of 5% to the projected growth in renter-

occupied households. Lastly, SCAG adds a replacement need adjustment based on estimates of each jurisdiction's need for replacing units demolished between 2008 and 2018.

After calculating projected housing need, SCAG assigns existing housing need to jurisdictions based on three factors:

- *Transit accessibility:* 50% of the existing need component of a jurisdiction's total RHNA allocation will be assigned based on a jurisdiction's projected share of regional population in "high quality transit areas" in 2045. SCAG defines "high quality transit areas" as areas that are within a half-mile of transit stations (including light rail and commuter rail) and corridors that have less than 15-minute headways during peak hours for bus service.
- *Job accessibility:* 50% of the existing need component of a jurisdiction's total RHNA allocation will be assigned based on the share of the region's jobs that will be accessible by a 30-minute commute by car from a jurisdiction in 2045.
- *Disadvantaged communities:* Existing need allocated to a disadvantaged community is redistributed to other jurisdictions in the same county if the existing need exceeds the jurisdiction's projected household growth between 2020 and 2045. Disadvantaged communities are jurisdictions where more than 50% of the current population lives in census tracts considered "high segregation and poverty" or "low resource" based on opportunity index scores from the TCAC/HCD opportunity maps.

To distribute a jurisdiction's total RHNA among the four income categories, SCAG uses two adjustment factors:

- *Social equity adjustment:* SCAG compares a jurisdiction's existing household income distribution to the household income distribution of the county in which the jurisdiction is located. Jurisdictions with a higher percentage of existing households in a given income category compared to the county receive a smaller share of its allocated housing units within that income category. Jurisdictions with a lower percentage of households in a given income category compared to the county receive a greater share of its allocated housing units within that income category.
- *Affirmatively furthering fair housing adjustment:* Jurisdictions where more than 70% of the population lives in "high segregation and poverty"/"low resource" or "highest resource" census tracts will see an increase in the percentage of the social equity adjustment applied to each income category (as described above). A jurisdiction with a higher percentage of existing households in a given income category compared to the county would receive an even smaller share of its allocated housing units within that income category. A jurisdiction with a lower percentage of households in a given income category compared to the county would receive an even greater share of its allocated housing units within that income category. The designation of census tracts as "high segregation and poverty," "low resource," or "highest resource" comes from the opportunity index scores produced by TCAC/HCD.

Source: <http://www.scag.ca.gov/programs/Documents/RHNA/RHNA-Draft-Methodology.pdf>

Summary Table of Factors from Sample Methodologies

Formula for Total Units			
ABAG (RHNA5, 2015-2023)	SACOG	SANDAG	SCAG
<p>1. Sustainability component: projected housing unit growth between 2015-2023 in Priority Development Areas (PDAs)</p> <p>2. Upper housing threshold: allocation cannot exceed 150% of jurisdiction's 2007-2014 RHNA</p> <p>3. Past RHNA performance: permits issued by a jurisdiction for very low- and low-income units during 1999-2006 RHNA</p> <p>4. Employment: number of existing of jobs in a jurisdiction's non-PDA areas in 2010</p> <p>5. Transit: current transit frequency and coverage in a jurisdiction</p> <p>6. Minimum housing floor: allocation must be at least 40% of projected growth in households from 2015-2023</p>	<p>1. Local growth: jurisdiction's share of the region's 2016-2035 forecasted growth</p>	<p>1. Transit: jurisdiction's existing share of regional transit stations and stops</p> <p>2. Jobs: jurisdiction's existing share of the region's jobs</p>	<p>1. Household growth: jurisdiction's projected household growth for 2021-2029</p> <p>2. Future vacancy need: target vacancy adjustment applied to jurisdiction's projected owner and renter households</p> <p>3. Replacement need: jurisdiction's share of region's net replacement need for units demolished between 2008-2018 and not replaced</p> <p>4. Transit accessibility: jurisdiction's projected share of regional population in "high quality transit areas" in 2045</p> <p>5. Job accessibility: jurisdiction's projected share of region's jobs accessible by 30-minute commute by car in 2045</p> <p>6. Disadvantaged communities: reallocate residual housing need from disadvantaged communities to other jurisdictions in county</p>
Formula for Income Allocation			
ABAG (RHNA5, 2015-2023)	SACOG	SANDAG	SCAG
<p>1. Rebalance income distribution: shift jurisdiction's share of households in each income category 175% toward regional share of households in each income category</p>	<p>1. Regional income parity: shift jurisdiction's existing share of lower-income households toward regional share of lower-income households</p> <p>2. Affirmatively furthering fair housing: jurisdiction's share of existing units in "high resource" or "highest resource" census tracts</p> <p>3. Jobs-housing fit: jurisdiction's existing ratio of low-wage workers to units affordable to low-wage workers</p>	<p>1. Equity adjustment: shift jurisdiction's share of households in each income category toward regional share of households in each income category</p>	<p>1. Social equity adjustment: shift jurisdiction's share of households in each income category 150% toward regional share of households in each income category</p> <p>2. Affirmatively furthering fair housing adjustment: current share of a jurisdiction's population in census tracts that are "high segregation and poverty"/"low resource" or "highest resource"</p>

RHNA Methodology Factors Technical Appendix

ABAG (RHNA5)

Total allocation factors

- Sustainability component
 - *Definition:* A jurisdiction's projected housing unit growth between 2015-2023 in Priority Development Areas (PDAs).
 - *Factor's impact on the methodology:* 70% of the total RHNA was assigned to jurisdictions based on PDA growth.
 - *Data source:* ABAG's [Plan Bay Area Regional Transportation Plan/Sustainable Communities Strategy](#).
- Upper housing threshold
 - *Definition:* The upper housing threshold is set at 150% of a jurisdiction's 2007-2014 RHNA.
 - *Factor's impact on the methodology:* A jurisdiction cannot be allocated more housing units than its upper housing threshold.
 - *Data source:* ABAG's [2007-2014 RHNA Plan](#).
- Past RHNA performance
 - *Definition:* The number of permits issued by a jurisdiction for very low- and low-income units during the 1999-2006 RHNA period.
 - *Factor's impact on the methodology:* Cities that permitted a higher number of very low- and low-income units during the 1999-2006 cycle receive a lower allocation.
 - *Data source:* ABAG's 2007 report [A Place to Call Home: Housing in the San Francisco Bay Area](#).
- Employment
 - *Definition:* The number of existing jobs in a jurisdiction's non-PDA areas in 2010.
 - *Factor's impact on the methodology:* Jurisdictions with a higher number of existing jobs in non-PDA areas receive a higher allocation.
 - *Data source:* National Establishment Time Series (NETS) data for 2010
- Transit:
 - *Definition:* Current transit frequency and coverage in a jurisdiction. Service frequency is measured by average daily headways (time in minutes between transit arrivals over a 24-hour weekday period) in 2009 by jurisdiction. Transit coverage is measured by the percent of intersections within a jurisdiction that have transit stops.
 - *Factor's impact on the methodology:* Jurisdictions with higher transit frequency and coverage receive a higher allocation.
 - *Data source:* Metropolitan Transportation Commission.
- Minimum housing floor
 - *Definition:* 40% of a jurisdiction's projected growth in households from 2015-2023.
 - *Factor's impact on the methodology:* Jurisdictions cannot be allocated fewer units than the minimum housing floor.

- *Data source:* ABAG's Plan Bay Area Regional Transportation Plan/Sustainable Communities Strategy.

Income allocation factors

- Rebalance income distribution
 - *Definition:* A jurisdiction's existing household income distribution across the four income categories compared to the regional income distribution across the four income categories.
 - *Factor's impact on the methodology:* A jurisdiction's household income distribution is compared to the region's income distribution. A jurisdiction that has a higher proportion of households in an income category receives a smaller allocation of housing units in that same category.
 - *Data source:* US Census Bureau's ACS data.

Sacramento Area Council of Governments (SACOG)

Total allocation factors

- Local growth
 - *Definition:* The proportion of the region's 2016-2035 forecasted growth represented by each jurisdiction.
 - *Factor's impact on methodology:* SACOG's Regional Housing Need Determination is multiplied by a jurisdiction's share of the region's 2016-2035 forecasted growth to calculate the jurisdiction's total RHNA.
 - *Data source:* Growth forecasts from SACOG's [Metropolitan Transportation Plan/Sustainable Communities Strategy](#) (MTP/SCS).

Income allocation factors

- Regional income parity
 - *Definition:* The existing percentage of households in a jurisdiction that are lower-income. "Lower-income" refers to very low- and low-income households, or all households below 80% of the Area Median Income (AMI).
 - *Factor's impact on the methodology:* A jurisdiction's proportion of lower-income households is compared to the regional proportion of lower-income households. Jurisdictions with a lower proportion of lower-income households compared to the region receive an upward adjustment of lower-income RHNA units, while jurisdictions with a higher proportion of lower-income households compared to the region receive a downward adjustment of lower-income RHNA units.
 - *Data source:* 2016 estimates from the [Comprehensive Housing Affordability Strategy \(CHAS\)](#) dataset developed by the U.S. Department of Housing and Urban Development.
- Affirmatively furthering fair housing
 - *Definition:* A jurisdiction's proportion of existing housing units in high opportunity census tracts. Census tracts are labeled high opportunity if they receive opportunity index scores of "high resource" or "highest resource."

- *Factor's impact on the methodology:* A jurisdiction's proportion of units in high opportunity census tracts is compared to the regional proportion of units in high opportunity census tracts. Jurisdictions with a higher proportion of existing units in high opportunity tracts compared to the region receive an upward adjustment of lower-income RHNA units, while jurisdictions with a lower proportion of existing units in high opportunity tracts compared to the region receive a downward adjustment of lower-income RHNA units.
- *Data source:* [2019 opportunity index scores](#) calculated by the California Fair Housing Task Force convened by the Department of Housing and Community Development (HCD) and the California Tax Credit Allocation Committee (TCAC).
- Jobs-housing fit
 - *Definition:* A jurisdiction's existing ratio of low-wage workers to units affordable to low-wage workers. SACOG calculated the number of low-wage workers in each jurisdiction based on the number of jobs with wages less than \$2,300 per month. Units affordable to low-wage workers are defined as units with a rent less than \$1,000 per month. SACOG set the \$1,000 per month threshold for rent affordable to low-wage workers based on 30% of the income for a household with 1.5 workers each making \$2,300 per month.
 - *Factor's impact on the methodology:* Each jurisdiction's ratio is compared to the regional average of 1.9 low-wage workers to affordable units. Jurisdictions with a higher ratio of low-wage workers to units affordable to low-wage workers compared to the region receive an upward adjustment of lower-income units, while jurisdictions with a lower ratio compared to the region receive a downward adjustment of lower-income units.
 - *Data source:* The number of low-wage workers was calculated using data from the Census Bureau's [Public Use Microdata Sample \(PUMS\)](#) and [American Community Survey \(ACS\)](#) as well as SACOG's [SACSIM travel demand model](#). The number of affordable units was calculated using ACS data.

San Diego Association of Governments (SANDAG)

Total allocation factors

- Transit
 - *Definition:* Each jurisdiction's existing share of the region's rail stations, "Rapid" bus stations, and major transit stops. Rail stations are those served by Metropolitan Transit System's light rail lines or North County Transit District's commuter rail lines. "Rapid" is a high-frequency, limited-stop bus service with five Metropolitan Transit System routes and one North County Transit District route. SANDAG defines "major transit stops" as bus stops with an intersection of two or more major local bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.
 - *Factor's impact on the methodology:* SANDAG will allocate 65% of housing units based on each jurisdiction's share of regional transit services. Of the units allocated based on this transit factor, 75% will be allocated based on each

jurisdiction's share of rail and Rapid bus stations, while 25% will be allocated based on each jurisdiction's share of major transit stops.

- *Data source:* SANDAG's [Activity Based Model \(ABM\)](#).
- Jobs
 - *Definition:* Each jurisdiction's existing share of the region's total number of jobs.
 - *Factor's impact on the methodology:* SANDAG will allocate 35% of housing units based on each jurisdiction's share of the region's jobs.
 - *Data source:* SANDAG's employment estimates developed as part of the [regional growth forecast](#).

Income allocation factors

- Equity adjustment
 - *Definition:* A jurisdiction's existing household income distribution across the four income categories: very low (0-50% AMI), low (50-80% AMI), moderate (90-120% AMI), and above moderate (80-120% of AMI) compared to the regional income distribution across the four income categories.
 - *Factor's impact on the methodology:* A jurisdiction's household income distribution is compared to the region's income distribution. Jurisdictions that have a higher percentage of existing households in a given income category than the region receive a downward adjustment, which results in a smaller share of the allocated housing units within that income category than if no adjustment were applied. Jurisdictions that have a lower percentage of households in a given income category than the region receive an upward adjustment, which results in a greater share of the allocated housing units within that income category than if no adjustment were applied.
 - *Data source:* US Census Bureau's ACS data.

Southern California Association of Governments (SCAG)

Total allocation factors

- Household growth
 - *Definition:* A jurisdiction's projected household growth from 2021-2029.
 - *Factor's impact on the methodology:* A jurisdiction's projected household growth helps determine the projected housing need component of its total RHNA allocation.
 - *Data source:* SCAG's [Connect SoCal](#) Regional Transportation Plan/Sustainable Communities Strategy.
- Future vacancy need
 - *Definition:* A jurisdiction's projected vacancy need based on a target vacancy rate for owner and renter households. Calculated by applying current rates of owner-occupied units and renter-occupied units to projected household growth and then applying a target vacancy rate of 1.5% to the projected growth in owner-occupied households and a rate of 5% to the projected growth in renter-occupied households.

- *Factor's impact on the methodology:* SCAG uses future vacancy need to adjust each jurisdiction's projected housing need component of its RHNA allocation to account for the vacant housing units needed to support a healthy housing market.
- *Data source:* Current rates of owning and renting are from the US Census Bureau's ACS data. Household growth projections are from Connect SoCal. Target vacancy rates are based on rates used by HCD for the Regional Housing Need Determination.
- Replacement need
 - *Definition:* The jurisdiction's share or regional net replacement need based on the number of units demolished in a jurisdiction between 2008 and 2018 that have not been replaced.
 - *Factor's impact on the methodology:* A jurisdiction's replacement need is added to the projected housing need component of a jurisdiction's RHNA allocation.
 - *Data source:* Demolition data comes from the California Department of Finance. Data on demolished units that have been replaced was reported by jurisdictions in a survey administered by SCAG.
- Transit accessibility
 - *Definition:* A jurisdiction's projected share of regional population in "high quality transit areas" in 2045. SCAG defines "high quality transit areas" as areas within a half-mile of transit stations (including light rail and commuter rail) and corridors that have headways of 15 minutes or less during peak hours for bus service.
 - *Factor's impact on the methodology:* 50% of the existing need component of a jurisdiction's total RHNA allocation will be assigned based on transit accessibility.
 - *Data source:* SCAG's Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy.
- Job accessibility
 - *Definition:* The percent of the region's jobs that will be accessible by a 30-minute commute by car from a jurisdiction in 2045.
 - *Factor's impact on the methodology:* 50% of the existing need component of a jurisdiction's total RHNA allocation will be assigned based on jobs accessibility.
 - *Data source:* SCAG's Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy.
- Disadvantaged communities
 - *Definition:* Existing need allocated to a disadvantaged community is redistributed to other jurisdictions in the same county if the existing need exceeds the jurisdiction's projected household growth between 2020 and 2045. Disadvantaged communities are jurisdictions where more than 50% of the existing population lives in census tracts considered "high segregation and poverty" or "low resource."
 - *Factor's impact on the methodology:* Some of the existing need component of the RHNA allocation will be redistributed from jurisdictions that are disadvantaged communities to jurisdictions that are not disadvantaged communities.
 - *Data source:* 2019 opportunity index scores provided by HCD/TCAC.

Income allocation factors

- Social equity adjustment
 - *Definition:* A jurisdiction's existing household income distribution across the four income categories compared to the county income distribution across the four income categories.
 - *Factor's impact on the methodology:* SCAG compares a jurisdiction's existing household income distribution to the household income distribution of the county in which the jurisdiction is located. Jurisdictions with a higher percentage of existing households in a given income category compared to the county receive a smaller share of its allocated housing units within that income category. Jurisdictions with a lower percentage of households in a given income category compared to the county receive a greater share of its allocated housing units within that income category.
 - *Data source:* US Census Bureau's ACS data.
- Affirmatively furthering fair housing adjustment
 - *Definition:* The proportion of a jurisdiction's existing population in census tracts that are defined as "high segregation and poverty"/"low resource" or "highest resource."
 - *Factor's impact on the methodology:* Jurisdictions where more than 70% of the population lives in "high segregation and poverty"/"low resource" census tracts will see an increase in the percentage of the social equity adjustment applied to each income category (as described above). A jurisdiction with a higher percentage of existing households in a given income category compared to the county would receive an even smaller share of its allocated housing units within that income category. A jurisdiction with a lower percentage of households in a given income category compared to the county would receive an even greater share of its allocated housing units within that income category.
 - *Data source:* 2019 opportunity index scores provided by HCD/TCAC.



Metropolitan Transportation Commission

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Legislation Details (With Text)

File #: 20-0067 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 12/9/2019 **In control:** ABAG Housing Methodology Committee
On agenda: 12/19/2019 **Final action:**
Title: Overview of Regional Housing Need Determination (RHND) from Housing and Community Development

Staff will describe the process used to calculate the RHND, changes to this process for the upcoming RHNA cycle (6th cycle) resulting from recent legislation, and the potential impacts of these changes on the Bay Area's RHND for the 6th RHNA cycle.

Sponsors:

Indexes:

Code sections:

Attachments: [Item 7 Summary Sheet Report on RHND.pdf](#)
[Item 7 RHND Process Overview.pdf](#)

Date	Ver.	Action By	Action	Result
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Overview of Regional Housing Need Determination (RHND) from Housing and Community Development

Staff will describe the process used to calculate the RHND, changes to this process for the upcoming RHNA cycle (6th cycle) resulting from recent legislation, and the potential impacts of these changes on the Bay Area's RHND for the 6th RHNA cycle.

Gillian Adams

Information

Association of Bay Area Governments

Housing Methodology Committee

December 19, 2019

Agenda Item 7.a.

Overview of Regional Housing Need Determination from HCD

Subject: Overview of Regional Housing Need Determination (RHND) from Housing and Community Development

Staff will provide an overview of the Regional Housing Need Determination (RHND) process.


Background: The State's role in the Regional Housing Needs Allocation (RHNA) process is to identify the total number of housing units each region in California must plan for to meet the housing needs of people across the full spectrum of income levels. The number of housing units allocated to each region is known as the Regional Housing Need Determination (RHND), and the California Department of Housing and Community Development (HCD) is responsible for determining this number. Staff will describe the process used to calculate the RHND, changes to this process for the upcoming RHNA cycle (6th cycle) resulting from recent legislation, and the potential impacts of these changes on the Bay Area's RHND for the 6th RHNA cycle.

Issues: None

Recommended Action: Information

Attachment: A. Memo – RHND Process Overview

Reviewed:


Alix Bockelman

REGIONAL HOUSING NEEDS ALLOCATION



TO: Housing Methodology Committee

DATE: December 12, 2019

FR: Deputy Executive Director, Policy

RE: Background on HCD's Calculation of the Regional Housing Need Determination

Overview

The State's role in the Regional Housing Needs Allocation (RHNA) process is to identify the total number of housing units each region in California must plan for to meet the housing needs of people across the full spectrum of income levels. The number of housing units allocated to each region is known as the Regional Housing Need Determination (RHND), and the California Department of Housing and Community Development (HCD) is responsible for determining this number. This memorandum describes the process used to calculate the RHND, changes to this process for the upcoming RHNA cycle (6th cycle) resulting from recent legislation, and the potential impacts of these changes on the Bay Area's RHND for the 6th RHNA cycle.

Recent Legislation Impacting the RHND

Legislation passed since the 5th RHNA cycle has changed the process by which HCD calculates the RHND. As noted above, HCD uses several datapoints to allocate each region's RHND. The following aspects of the RHND calculation are new for this RHNA cycle, and may significantly change the number of units allocated to the region:

- Adjustment related to overcrowding.
- Adjustment related to cost burdened households.

Statutory changes also made several updates to existing components of the RHND calculation:

- In the previous cycle, HCD applied separate vacancy adjustments for owner-occupied housing and rental housing (ABAG's 5th cycle vacancy rate targets were 1.5% for owners and 5% for renters). For the 6th RHNA cycle, a 5% target vacancy rate is applied to the entire housing stock when HCD makes the RHND calculation.
- In the previous cycle, HCD applied adjustments during the RHND calculation to the figure for projected household growth. For the 6th RHNA cycle, the adjustments for vacancy, overcrowding, and replacement housing units are applied to the total number of projected households.

The Process for Calculating the RHND

The RHND expected to be assigned to the Bay Area by HCD in April 2020 represents the additional housing units needed to accommodate projected household growth of all income levels during the RHNA period from 2022 to 2030. To calculate the RHND for each region in California, HCD consults with the state Department of Finance (DOF) as well as each region's Council of Governments (COG). This consultation process is intended to provide regions with an opportunity to supply local data that HCD may consider for incorporation into the final RHND.

Population Forecast

The determination of housing needs starts with a comparison of population projections produced by DOF and population projections used in the regional transportation plan (which is Plan Bay Area 2050 for our region). If the region's population forecast is within 1.5 percent of DOF's forecast, then the region's forecast is used as the basis for the RHND. If the difference between the forecasts is greater than 1.5 percent, then ABAG and HCD consult to seek agreement on a population forecast. If agreement cannot be reached, HCD has final authority to determine the population projection to be used as the basis for the 2030 estimated household count.

Determining Housing Need

ABAG and HCD then consult about the assumptions and methodology to be used by HCD to determine the region's housing needs. During the consultation process, COGs are required to provide HCD with its assumptions for the following datapoints, if available:¹

- Anticipated household growth associated with projected population increases.
- Household size data and trends in household size.
- The percentage of households that are overcrowded and the overcrowding rate for a comparable housing market.²
- The rate of household formation, or headship rates, based on age, gender, ethnicity, or other established demographic measures.
- The vacancy rates in existing housing stock, and the vacancy rates for healthy housing market functioning and regional mobility, as well as housing replacement needs.³
- Other characteristics of the composition of the projected population.
- The relationship between jobs and housing, including any imbalance between jobs and housing.
- The percentage of households that are cost burdened and the rate of housing cost burden for a healthy housing market.⁴
- The loss of units during a state of emergency that was declared by the Governor during the previous RHNA planning period that have yet to be rebuilt or replaced at the time of the data request.

Steps to Calculate Housing Need

HCD uses the data points listed above to determine the RHND allocated to the Bay Area. At a basic level, this calculation consists of the following steps: ⁵

¹ For more information, see [Government Code Section 65584.01\(b\)\(1\)](#).

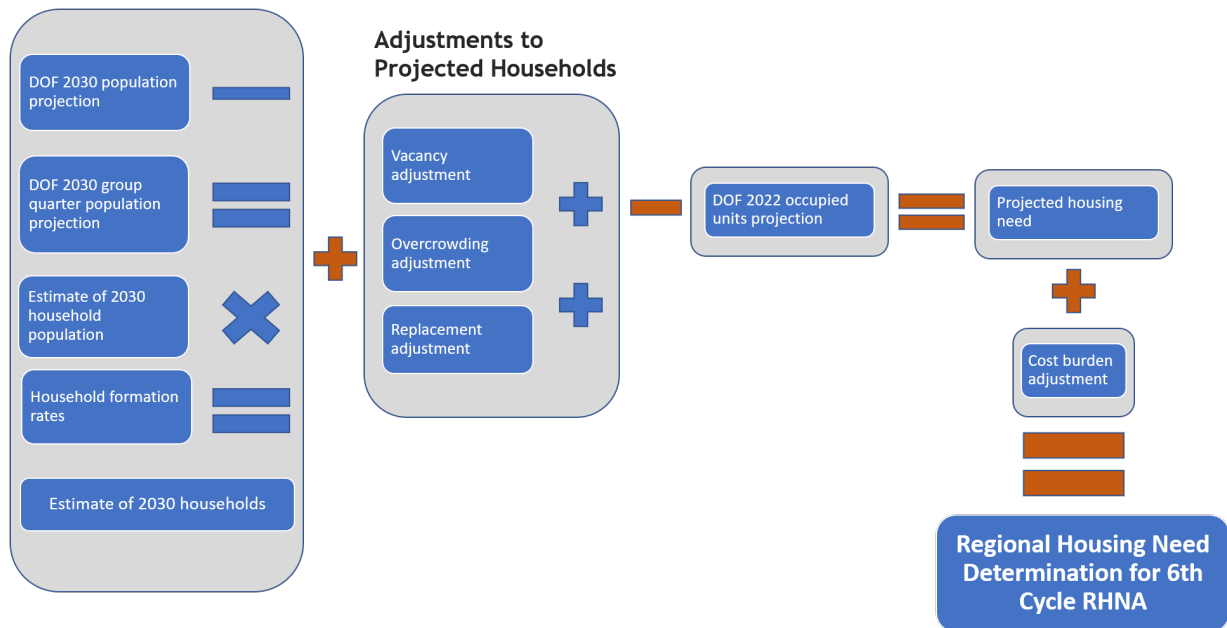
² The statute defines "overcrowded" as more than one resident per room in each room in a dwelling.

³ The statute defines the vacancy rate for a "healthy rental housing market" as no less than 5%.

⁴ The statute defines "cost-burdened" to mean households paying more than 30% of household income on housing costs. The term "rate of housing cost burden for a healthy housing market" means that the rate of households that are cost burdened is no more than the average rate of households that are cost burdened in comparable regions throughout the nation.

⁵ The Census Bureau classifies all people not living in housing units (house, apartment, mobile home, rented rooms) as living in group quarters. Institutional group quarters include correctional facilities, nursing homes, and mental hospitals. Non-institutional group quarters include college dormitories, military barracks, group homes, missions, and shelters.

Projected Households Estimate



Likelihood of a Larger RHND for the 6th RHNA Cycle

The effects of the recent statutory changes discussed above make it likely the RHND assigned to the Bay Area for the 6th RHNA cycle will be larger than the RHND for the 5th RHNA cycle. First, setting the target vacancy rate of 5% is likely to result in a larger vacancy adjustment added to the RHND. Additionally, the new adjustments for overcrowding and housing cost burden are also anticipated to add to the RHND, as rates of housing cost burden and overcrowding in the Bay Area tend to be higher than national averages. Lastly, since the adjustments for vacancy, overcrowding, and replacement units are now applied to the total number of projected households rather than just projected household growth, the impacts of these adjustments will now be larger since the adjustment percentages are being applied to a larger figure. The table below shows that the Bay Area tends to be more crowded, cost burdened and with less vacant stock than the U.S. as a whole. The adjustment factors will seek to rebalance the regional housing market.

	Own		Rent		Total	
	Region	US	Region	US	Region	US
Vacancy	0.7%	1.7%	3.0%	6.1%	1.7%	3.4%
Crowding	3.0%	1.7%	10.9%	6.2%	6.5%	3.3%
Cost Burden (Low Income)	58.4%	53.7%	71.8%	66.4%	66.6%	60.8%
Cost Burden (High Income)	18.5%	10.9%	11.8%	9.0%	16.2%	10.4%
Notes:						
Vacancy is measured as units for rent or sale as a share of the rental or ownership universe per ACS 2017-5 B25003 and B25004.						
Overcrowding is measured as a household with more than one person per room per ACS 2017-5 B25014.						
Cost Burden refers to households paying more than 30 percent of their income. Data is here segmented into households making above and below the 80 percent of AMI threshold, using HUD CHAS 2012-2016, Table 7.						

The impacts of the statutory changes to the RHND process can be seen in the RHND numbers allocated to similar regions, including the Sacramento Area Council of Governments (SACOG) and Southern California Association of Governments (SCAG):

	RHNA 5	RHNA 6	Percent Increase
Los Angeles region (SCAG)	409,060	1,344,740	329%
Sacramento region (SACOG)	104,970	153,512	146%

For reference, the Bay Area's RHND for the 5th Cycle of RHNA was 187,990.

Next Steps

In the coming months, ABAG will complete the consultation process with HCD regarding the data being used to determine the Bay Area's RHND. ABAG currently expects that this consultation process will finish in February 2020, and ABAG anticipates receiving the Bay Area's RHND from HCD in April 2020.



Metropolitan Transportation Commission

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Legislation Details (With Text)

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On agenda: 12/19/2019 **Final action:**

Title: Feedback on Today's Meeting and What to Expect at the Next Meeting

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
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Feedback on Today's Meeting and What to Expect at the Next Meeting

Gillian Adams

Information