



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*

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Thursday, March 12, 2020

10:00 AM

Yerba Buena - 1st Floor

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#### 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, Jeffrey Levin, Scott Littlehale, 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

#### 3. Chair's Report

3.a. [20-0473](#) ABAG Housing Methodology Committee Chair's Report

**Action:** Information

**Presenter:** Jesse Arreguin

**Attachments:** [Item 3 1 Meeting #4 Notes v2.pdf](#)  
[Item 3 2 Correspondence from HMC Members v1.pdf](#)  
[Item 3 3 Meeting Presentation v2.pdf](#)

#### 4. Consent Calendar

- 4.a. [20-0474](#) Approval ABAG Housing Methodology Committee Minutes of January 24, 2020

**Action:** Approval

**Presenter:** Clerk of the Board

**Attachments:** [Item 4 Minutes 20200124 Draft.pdf](#)

## 5. Report on Engagement with Community-Based Organizations

- 5.a. [20-0475](#) Report on Engagement with Community-Based Organizations

Presentation of a summary of what staff heard from residents who participated in focus groups to share their thoughts about regional housing issues and how the RHNA process could help address them.

**Action:** Information

**Presenter:** Leah Zippert

**Attachments:** [Item 5 1 Summary Sheet CBO Outreach v1.pdf](#)  
[Item 5 2 Attachment A Memo Summary of CBO Outreach v1.pdf](#)

## 6. Report on Results of Local Jurisdiction Survey

- 6.a. [20-0476](#) Summary of Local Jurisdiction Survey Results

Presentation of a summary of the information about RHNA factors and fair housing issues that local jurisdiction staff submitted in response to the local jurisdiction survey.

**Action:** Information

**Presenter:** Eli Kaplan

**Attachments:** [Item 6 1 Summary Sheet Local Jurisdiction Survey Results v1.pdf](#)  
[Item 6 2 Attachment A Memo Survey Results Summary v1.pdf](#)

## 7. Report on Plan Bay Area 2050 Blueprint Update on Metropolitan Transportation Commission and ABAG Executive Board Direction and on Regional Housing Need Allocation Nexus

- 7.a. [20-0477](#) Report on Plan Bay Area 2050 process, including direction from MTC Commission and ABAG Executive Board on the Draft Blueprint growth geographies and strategies as well as next steps to ensure RHNA is consistent with the Plan

Update on the Plan Bay Area 2050 process, including Metropolitan Transportation Commission and ABAG Executive Board direction on the Draft Blueprint strategies in February, identification of potential implications for RHNA consistency, and consideration of Housing Methodology Committee next steps.

**Action:** Information

**Presenter:** Dave Vautin

**Attachments:** [Item 7 1 Summary Sheet PlanBayArea2050Update v1.pdf](#)  
[Item 7 2 Presentation PlanBayArea2050Update March HMC v2.pdf](#)

## Lunch / Break

## 8. Continuation of Discussion of Potential Factors to Include in the RHNA Methodology

- 8.a. [20-0478](#) Continuation of the Discussion of Potential Factors to Include in the RHNA Allocation Methodology

Presentation of potential RHNA methodology factors that have been refined based on feedback provided at the January meeting and introduction of a tool that allows HMC members to explore combining factors into sample methodologies.

**Action:** Information

**Presenter:** Gillian Adams

**Attachments:** [Item 8 1 Summary Sheet Methodology Factors v1.pdf](#)  
[Item 8 2 Attachment A Memo Potential Factors Toolkit v2.pdf](#)

## 9. Adjournment / Next Meeting

*The next regular meeting of the ABAG Housing Methodology Committee is on April 9, 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.

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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.



**ABAG**

# Metropolitan Transportation Commission

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## Legislation Details (With Text)

**File #:** 20-0473      **Version:** 1      **Name:**

**Type:** Report      **Status:** Informational

**File created:** 3/3/2020      **In control:** ABAG Housing Methodology Committee

**On agenda:** 3/12/2020      **Final action:**

**Title:** ABAG Housing Methodology Committee Chair’s Report

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**Attachments:** [Item 3 1 Meeting #4 Notes v2.pdf](#)  
[Item 3 2 Correspondence from HMC Members v1.pdf](#)  
[Item 3 3 Meeting Presentation v2.pdf](#)

Date	Ver.	Action By	Action	Result
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ABAG Housing Methodology Committee Chair’s Report

Jesse Arreguin

Information



# MEMO

To: RHNA HMC Team  
From: Civic Edge Consulting  
Date: January 29, 2020  
RE: January 24 HMC Meeting #4 Notes - DRAFT



## Meeting Info

HMC Meeting #4  
Friday, January 24, 2020  
Bay Area Metro Center

## Meeting Notes by Agenda Item

### 1. Call to Order/ Roll Call / Confirm Quorum – Jesse Arreguín, Fred Castro

### 2. Chair's Report – Jesse Arreguín

Noted that this committee has decided to wait to address the issue of consistency between Plan Bay Area and RHNA, particularly as ABAG and MTC have not yet made a decision on Plan Bay Area and RHNA integration. Information will be presented at the next HMC meeting on the issue of consistency of allocation based on geography.

### 3. Consent Calendar

### 4. Continuing Discussion of Methodology Factors – Gillian Adams, Brad Paul, and Amber Shipley

#### HMC Member Questions on Presentation

- **Pat Eklund:** Asked if information detailing each factor was included in the agenda packet for the meeting.
- **Monica Brown:** Inquired about funding for local jurisdictions to assist with implementation of the job-housing fit factor.
  - **Gillian Adams:** Responded that RHNA does not come with tools for implementation. Communities need to come up with their own local housing plan.
  - **Arreguín:** Added that there will be state grant funding sources to assist in implementation. ABAG also has grant funding. This question also relates to Plan Bay Area and the development and implementation of Plan Bay Area.

## HMC Member Questions/Comments – Clarifying Questions

- **Bob Planthold:** Asked if the term “accessibility” used in the presentation is referring to proximity. Highlighted that “accessibility” has a different meaning in the disability community and suggested using the term “proximity” to provide greater clarity.
  - **Adams:** Noted this clarification. Staff will make this change.
- **Eklund:** Asked if staff could identify what the policy goals or factors are that are underrepresented in the blueprint.
  - **Adams:** Clarified that the blueprint has not been developed yet. Referencing underrepresented policy goals was a way to clarify why the HMC might consider additional factors to Plan Bay Area 2050.
- **Eklund:** Inquired about the reasoning for using permits issued instead of approvals issued.
  - **Adams:** Noted that permits issued is used because it is the dataset currently available. There were recent changes to the report local governments are required provide to the state, but staff does not have that information for past years.
- **Eklund:** Asked why the number of households at the census tract level within high-resource areas was used instead of acreage. Expressed concerns over the availability of land to develop in high-resource areas.
  - **Adams:** Stated that staff uses households instead of acres as a representation of people living in those places rather than acres itself.
- **Josh Abrams:** Asked about the state’s index used to calculate the high-resource area factor.
  - **Adams:** Responded that the index includes the following indicators: poverty, adult education, employment, job proximity, median home value, pollution, math and reading proficiency for fourth graders, high school graduation rates, student poverty, and a filter related to poverty and racial segregation.
- **Welton Jordan:** Asked for a clarification on overcrowding and whether this dataset refers to adults only or families.
  - **Aksel Olsen:** Responded that per the Census Bureau, it is more than one person in a room, so it includes the entire population of a household.
- **Victoria Fierce:** Inquired about the jobs accessibility factor and whether the factor compares commute times by car and by transit. The map and presentation show differing information.
  - **Olsen:** Stated staff does have access to transit data but was not able to pull it into this iteration of the maps in time for this meeting.
- **Neysa Fligor:** Asked about the 30-minute commute and whether it’s better to put miles instead of commute time when considering the jobs accessibility factor.



- **Olsen:** Stated using miles does not reflect difficulties getting around during congested times.
- **Fligor:** Inquired about shifts in a jurisdiction's share of permits issued for very low- and low-income housing over time. Will these jurisdictions get more low-income housing or would they get a higher RHNA number across the different categories?
  - **Adams:** Noted the factor considers the share of affordable units. For this meeting, staff included a factor that affects jurisdiction total number.
- **Darin Ranelletti:** Noted the allocation of market rate units and asked if these factors consider affordability.
  - **Adams:** Staff did not look at factors specific to market feasibility.
- **Susan Adams:** Expressed concerns about comparing BART to the SMART train capacity levels. Asked whether jurisdictions can swap housing allocations.
  - **Fligor:** Asked about including subregions where distribution of allocations could potentially be decided locally.
  - **Gillian Adams:** Explained how trading within a subregion could potentially work.
- **Elise Semonian:** Asked about housing population data and expressed that the local housing element cycle does not align with this process. Expressed concerns about double counting factors, especially if a jurisdiction has already taken that factor into consideration previously.
- **Jane Riley:** Shared concerns about environmental impacts of RHNA at the local level. Regarding areas of opportunity, in unincorporated areas of Sonoma, there are steep hillsides that pose risks in environmental disasters. Unless a per capita basis is used, highlighted that it would be challenging for places where there are no resources available and environmental risks.
- **Jeff Levin:** Inquired about education measures in areas of opportunity and whether the scale – jurisdiction / tract level – is properly capturing opportunity.
  - **Adams:** Noted staff used the State dataset that shows information at tract level.
- **Victoria Fierce:** Inquired as to the reasoning behind including building vs. occupancy permits.
  - **Adams:** Noted building permits issued is the dataset currently available.
- **Brown:** Asked for clarification on what is meant by a "good school" and suggested that staff move away from using this term to indicate a well-resourced school.
  - **Adams:** Acknowledged this concern.
- **Abrams:** Asked if the factors will include future planned development in Plan Bay Area.
  - **Adams:** Answered affirmatively if HMC chooses to use Plan Bay Area.





- **Carlos Romero:** Noted that the racial segregation category fits into the fair housing and equity factors. He expressed that race could have been included in this section even as a potential category to assess fair housing and equity considerations.

① When you say "Accessibility" Do you mean "Proximity"?

② Identify underrepresented Blue Print goals?

③ Can we use 'approvals' v. permits issued?

④ Why not a ceiling in high resource areas?

⑤ Factors in Highest Resource Areas?

① Overcrowding - How is it defined?

② Jobs/commute - what happened to transit? <sup>Accessibility</sup>

③ Can we use miles instead of commute time?

④ Clarify the last RTHNA Jurisdiction Factor?

⑤ Market Feasibility → Any thought on this w/ current factors?

① Can jurisdictions swap housing allocations?

② 5 years of data on this RTHNA cycle - maybe more realistic? As currently written, double counting?

③ Communities of Opportunities - what if they overlap w/ hazards?

④ Are Education measures properly capturing opportunity?

⑤ Permits - occupancy or lived in?

① What is a "good school"?

② Future Household → Market Factors?

③

### Small Group Exercise Report Outs:

#### Yellow

- Group was divided along J2: Jobs Accessibility as their preferred Jobs and Jobs-Housing factor. Raised questions on whether 30 minutes was an accurate representation of a standard commute. The other half of the group supported the J3 map.
- Interest was expressed for all three Plan Bay Area factors, but more information is needed.



- Observed that in high resource areas where there is less overcrowding and cost burden, market rate housing with less affordable units tends to be built. In areas where there is overcrowding and cost burdening, housing would likely go to low income communities.
- Selected E1 as their preferred Fair Housing and Equity factor in this section. Raised questions on how factors will be weighted and showing exposure to fire hazard and other environmental hazards on the maps. Noted that other constraints, such as narrow streets, hillside protection ordinances, regulatory environmental hazards, should be indicated on the map.
- Selected T1 as their preferred Transportation factor. Stated that this factor is the most aspirational factor. Asked how total acreage considered takes into account acreage suitable for housing and job development.
- Natural hazards are very important to consider and have been included in other factors. The group felt that O2 also was important to include.
- Pat Eklund additionally noted that housing should go where future jobs are and therefore housing should be dispersed across those areas.

### **Blue**

- Focused on fair housing and equity factor and had an in-depth conversation on integrating equity into these factors.
- Selected E1 as preferred factor focusing on areas of high opportunity with a couple caveats. Recommended that racial segregation be called out in this factor while being mindful of previous remarks made by Brad Paul. Highlighted the nuance of racially integrating areas of high opportunity and avoiding gentrifying and displacing people in communities of color that currently exist.
- Emphasized their strong preference for E1 and articulated that it does not make sense to push housing in areas where there is existing cost burden.

### **Orange**

- Expressed need for greater clarity on the data and calculation for the Plan Bay Area factor. There is a need to understand the allocation process and how this factor is calculated.
- Jobs-Future Jobs stood out as a key factor to consider.
- Called for factors to be analyzed in combination and gave an example of analyzing the job-housing balance as related to transit.
- Asked about Plan Bay Area and how current and future jobs are considered as well as job growth.
- Prioritized E1 as the most significant factor under fair housing and equity to consider. Highlighted the need to call out race as a specific category.
- Expressed support for more housing outside of these areas to stabilize displacement in high resources areas.
- Highlighted the importance of addressing cost burden and overcrowding. Using market rate housing solutions in the near term does not address cost-burden and overcrowding.
- Expressed that the job-housing balance is very important. Fit should be used for income distribution.



- Noted that under possible transportation factors, T1 makes more sense to this group than T2. T2 reflects where transit is already next to housing. Noted that existing land allocations in transit priority areas (TPAs) for T1 strategies should remain.

### **Maroon**

- Focused discussion on natural hazards first. Emphasized that there is not a way to easily compare hazards and the RHNA map.
- Suggested that past RHNA performance should be examined for lessons learned.
- Suggested the Plan Bay Area maps be combined and asked for more information on what will occur.
- Highlighted the need to make sure we put jobs near transit and these calculations should weight towards jobs.
- Selected E1 as the preferred factor for the high resource area maps. Noted that all communities should have access to resources.
- Expressed concerns about the practicality of allocations and implementation. How do we get it done?
- Selected options 1 + 2 to reflect jobs-housing fit. Noted that HMC members will have to make sure there is diverse housing in these areas.
- Inquired about using planned transportation and considering what is planned vs. constructed. Suggested that jobs and transit would be a good factor.

### **Purple**

- Selected the T1 transportation factor. Noted that there is a need to orient HMC members on how to look at the data to refine discussion. Inquired about the proximity of high-resource areas to jobs.
- The group would like to see the P3 map by land area, so using the projections across land area.
- Asked about the possibility for commute time reduction over time. How are bus only lanes taken into consideration?
- Future transit consideration was liked amongst the group.
- Expressed that J2 was a transportation map and should focus on proximity to jobs and resources, not just a high resource area.
- Prioritized P2 and P1 factors and shared concern on impacts to fair housing.
- The maps would do well as overlays. Looking at them side by side was challenging.
- For equity factors, the group selected all 3. Pointed out that cost burden does not equal overcrowding and that maybe we'd like to see what over housed looks like instead. What would looking at opportunity levels by tracts and not jurisdiction tell us? Who gets access to well-resourced schools is a little bit more refined than the tract the school is in.
- Within the jobs-housing fit factor, group prioritized J2 and J4. Would like to see weighting within proximity to jobs and expanding beyond jurisdictions.
- Regarding J1, the group wanted to look at high VMT and destinations based on job source. Interested in shortening commute and increasing jobs.
- The group would like HMC to use current building permit data as last RHNA cycle happened during recession. There was desire for more information on hazard areas.



## **Teal**

- Started with a discussion on P1 and P3 and housing and transit access. Noted that not all transit is equal and that greater distinction should be made between high quality and modest quality.
- This group had strong consensus on E1 as their preferred factor for fair housing and equity. Discussed impacts to high resource areas as well as other areas. Also considered data issues with the North Bay.
- Emphasized a desire to combine J2 + J4 – jobs-housing fit and proximity to jobs and housing. Asked how commute shed availability is taken into consideration.
- On transportation, the group reached consensus the jobs factor was more important than transit. Making sure we build housing near transit was a more compelling argument.
- O1 makes sense – look at hazard zones.

## **Public Comment:**

- **Shajuti Hossain, Public Advocates**  
Stated her attendance in support of factors addressing social equity. A memo was circulated to HMC members from the Six Wins for Social Equity Network outlining their technical recommendations on equity in RHNA. Key points are as follows: (1) AFFH be used in metrics for all steps of the methodology, (2) more information needs to be provided on opportunity maps, and (3) weighting of factors needs to align with the scale of the problem and more information needs to be provided on factor metrics.
- **Justine Marcus, Enterprise Community Partners**  
Expressed appreciation for staff's work on E1 and acknowledged that this is a technical and consensus building challenge. A couple different metrics on the table such as opportunity maps and other metrics for racial segregation and exclusion. Expressed desire for rigorous analysis behind the opportunity maps and how that stacks up against broader driving forces behind these patterns – racial exclusion, legacy of single-family zoning, etc. There is a real opportunity to compare these factors. There are problems with data to scale up from census tract to jurisdiction and weighting must be considered with significant magnitude. Noted that staff could consider allocation floors in communities that are historically exclusive proportional with their populations. Underscored the disinvestment of segregated communities of color in the region and called for holistic community development at the local and regional level.
- **Aaron Eckhouse, CA YIMBY**  
Asked HMC members to focus on objective metrics instead of using self-reported factors from cities. Encouraged HMC to not rely heavily on past RNHA methodologies. Shared support for previous comments on distinguishing fair housing in total allocation and income level allocation. Expressed agreement with staff that more housing opportunities should be created in high-resource areas, rather than steering development to low-resource areas. When considering factors that reflect poverty and high poverty areas, use the regional need determination. Prioritize areas accessible to transit as low density areas have a lot of areas to grow and develop around transit.



- **Jay Garfinkle, Alameda resident**

Stated concern for safety as a factor. Much of Alameda is fill and subject to sea level rise and liquefaction. During king tides, two of the main egress areas are underwater. People would not be able to get out of the island and emergency services couldn't get there. Special attention must be given to the safety factor. The whole island of Alameda is a high hazard area. Also expressed concerns about HMC representation. Alameda is represented by a member from a suburban area. The two communities are not comparable. Noted that it does not make sense to have them represent Alameda.

- **Paul Foreman, Alameda Citizens Task Force**

Shared concerns about impact of hazards on the weighting of factors. Noted that areas with land availability like Alameda may seem like they should have increased housing allocations, but they should not due to hazards and that should be considered in weighting. Also stated that there is a disconnect between RHNA and the funding mechanism. The current goals of market rate and affordable housing are imbalanced. Is there some way for communities to get credit for adding market rate?

### **Lunch / Dot Voting to Prioritize Factors Across the Categories**

E1 High Resource Areas – 19 HMC, 3 audience

E2 Cost-burdened households – 3 audience

E3 Overcrowded households – 1 audience

T1 Transit Connectivity – 6 HMC, 1 audience

T2 Transit Access – 5 HMC

Vehicle Miles Traveled – 5 HMC, 2 audience

P2 Future Jobs – 8 HMC, 2 audience

P3 Future Transit Access – 1 HMC

01 Natural hazards – 9 HMC, 1 audience

02 RHNA Performance – 1 HMC

02b RHNA Performance – 2 HMC, 3 audience

J1 Existing jobs – 1 HMC

J1b Recent Job Growth – 1 HMC

J2 Jurisdiction Job Access – 11 HMC, 3 audience

J3 Jobs-Housing Balance – 6 HMC

J4 Jobs-Housing Fit – 6 HMC, 3 audience

#### **Other Factors**

E "1.5" Potentially index racial divergence or isolation – 3 audience

Market feasibility – 1 HMC





### HMC Member Questions/Comments – Discussion on Consolidating Factors

- **Welton Jordan:** Shared that having only three dots felt like artificial scarcity.
- **Victoria Fierce:** Stated that a land density map may be helpful to compare datasets – land area vs. population with access to transit etc.
- **Paolo Ikezoe:** Noted that unincorporated areas are not clearly marked on these maps and may confuse what is happening in the more urbanized areas. The unincorporated areas in each county are skewing data.
- **Matt Regan:** Stated that it would be helpful to have a feasibility map. Asked how much it costs per square foot to build housing in each area. What is the market feasibility for



what we're trying to achieve in different communities? Some analysis in that regard would be helpful.

- **Josh Abrams:** Getting housing near jobs is the biggest factor for me. Getting jobs and housing near well-performing schools is also important. Lastly, the GHG impacts of where the housing goes is also significant. Those three things get at transit in a more holistic approach.
- **Scott Littlehale:** Put a dot on high resource areas. This is an index comprised of these other factors including job proximity, which is another one of my priorities as a representative of people with a median commute of 90 minutes. It's interesting to see what's loaded in the index. We may need to unpack and look at the weighting.
- **Aarti Shrivastava:** Inquired where Plan Bay Area is situated in this process. Noted that it would be important to test this process after weighting and factor selection. Model data and assess whether this is having unintended consequences. It would be good to test the methodology before implementing.
- **Jeff Levin:** Highlighted that this group needs to think first about the outcomes. Which factors will get us to those outcomes? It would be useful to look at some sort of race factor. High resource areas can be a good proxy. Asked whether racial exclusion can be considered as a specific factor.
- **Michael Brilliot:** Asked if the draft methodology will then be tested. Are we getting to the intended methodology and how will we know? Noted that more clarification is needed with opportunity areas. Inquired about outlying areas where the jobs are likely not going to go. It is important to overlay factors and do not induce sprawl. Analyzing factors separately was difficult.
- **Bob Planthold:** Expressed support for previous suggestion earlier for diverse types of housing. The cost of side by side duplex is different from a four-story apartment building. There is a big difference to build housing in one part of Bay Area. The cost of housing materials varies in different parts of the bay, which should be considered when building low income housing.
- **Rick Bonilla:** Indicated that the city of San Mateo is in the wrong spot on the map. Noted that future transit opportunities, such as the electrification of Caltrain, should be taken into consideration.
- **Diane Dillon:** Added that a map overlaying the varying costs to build in the region would be helpful. In Napa County, it costs \$500 per square foot to build. Insurance is also a barrier to building more housing. Noted that in rural areas of the region these costs can be barriers.



- **Carlos Romero:** Echoed previous comments on the importance of race as a factor. Voted for high opportunity area due to few other factors that addressed race. Highlighted and voiced support for the dense memo sent out by the Six Wins for Solidarity that includes equity recommendations.
- **Rodney Nickens, Jr:** Voted for high-resource areas but noted that the category needs to be unpacked more. Voted for jobs-housing balance and highlighted the need to continue to look at how we focus growth in exclusionary areas. Stated that HMC members must think about racial segregation when addressing gentrification.
- **Victoria Fierce:** Asked about the VMT maps and noted that it was not clear if the darker color indicates commuting in or out. Noted that maps visualizing GHG emissions would be helpful and would more accurately depict the climate crisis.
- **Ellen Clark:** Expressed that in the current RHNA cycle, low frequency rail doesn't solve environmental concerns.
- **Brandon Kline:** Noted that occupancy certificates issued should be considered. Not all permits issued lead to occupancy certificates. Stated that maps should be switched from vehicle miles traveled (VMT) from level of service (LOS). Highlighted that this process should capture metrics not always looked at in land use planning.
- **Jonathan Fearn:** Voted for high-resource areas. Noted that HMC members should not lose sight of homogeneity in zoning, as this is a major driver in exclusion.

**Public Comment:**

- **Jay Garfinkle, Alameda resident**  
Inquired about the definition of diversity within this process and whether income, racial, or other categories of diversity are being included. Questioned the RHNA process as it alters population growth and geographic development trends.

**5. Draft Criteria for Evaluating Methodology Options**

**HMC Member Questions/Comments**

- **Bob Planthold:** Expressed confusion on the types of housing referenced in the first objective on page 19. What is being done to define higher housing costs as opposed to a single-family home?
  - **Adams:** Responded that this objective focuses on home values. This objective aims to increase the mix of housing types.
- **Matt Regan:** Noted that the presentation seems to focus on one objective. Inquired how these objectives will meet SB 375 goals and GHG reductions. Asked if this presentation reflects a comprehensive overview.





- **Adams:** Stated this is what was prepared by the State.
- **Planthold:** Noted that in objective 5, the wording refers to income; however, fair housing also applies to people with disabilities. Asked how accessible units could remain earmarked for people with disabilities from planning/development to construction and occupancy.
- **Mindy Gentry:** Inquired if HCD is looking at these objectives as equally important.
  - **Adams:** Responded that all of these objectives must be met.
- **Neysa Fligor:** Asked about data regarding people with disabilities. What is HCD or ABAG's process for determining each category? Used income as an example to showcase differences across the region. Shared that according to developers, demand is for middle to high income in Los Altos. Asked for more data around estimates for housing demand based on income.
  - **Adams:** Responded that staff does not have answer and suggested looking at existing RHNA income distribution for how shares are allocation.
- **Adams:** Stated that staff will use this feedback to inform the HMC process. Shared next steps to take the feedback on factors and start to think about weighting factors. Staff will use this framework from the state to show progress towards fulfilling goals.
- **Jeff Levin:** Highlighted the need to show lower income housing data over time. Stated that lower income communities have been displaced out of areas that now appear as higher income areas. Utilizing a data snapshot in time will not address the problem.
  - **Adams:** Responded that displacement over time may be accounted for with allocations to higher resource areas. Staff will look into this question.
- **Paolo Ikezoe:** Noted that what the state and what the HMC is trying to do is to set a target fairly for high- and low-income jurisdictions. If a jurisdiction has a low RHNA, it's not your maximum. It's a target for addressing housing.

## Public Comment

- **David Early, Placeworks**  
Observed that many of the objectives refer to income, not total allocation. Asked if HCD will take recommendations to change evaluation criteria.
- **Aaron Eckhouse, CA YIMBY**  
Shared serious concerns about objective #4, stating that it will steer allocation of market-rate housing away from wealthier areas where it is most likely to be built and towards poorer areas where it is less likely to be built. This raises concerns about gentrification and displacement. This affirms including AFFH in the total allocation to jurisdictions as well as the distribution of income within that allocation. This may undo the great work we've already begun to do today.

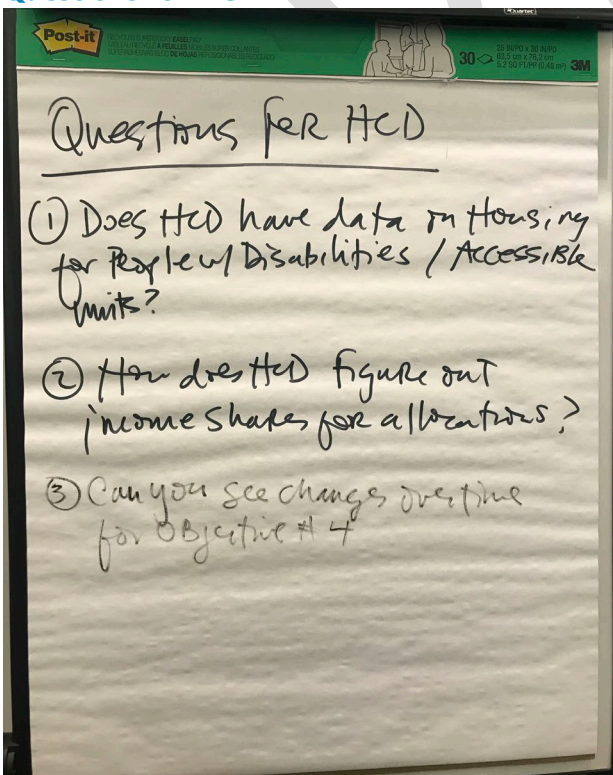


- **Adams:** Stated that these objectives are in the State's statute. We will need to find a way to address all of these objectives.
- **Jay Garfinkle, Alameda resident**  
Asked about local jurisdictions assigning disabled access units to people with disabilities. Noted that upon moving in, people without disabilities could sign a contract to vacate the unit should someone with access needs request the unit.
- **Afshan Hamid, Planning Manager, City of Vallejo**  
Shared an update on their local efforts to get more housing into Vallejo and through their housing element. Their policies encourage them to develop more mixed housing. Highlighted that the gap is construction, labor, material costs. They are not seeing the rate of investment from developers. The market isn't supporting what the policies are saying. There will continue to be a gap, so this is something that should be addressed through this process.

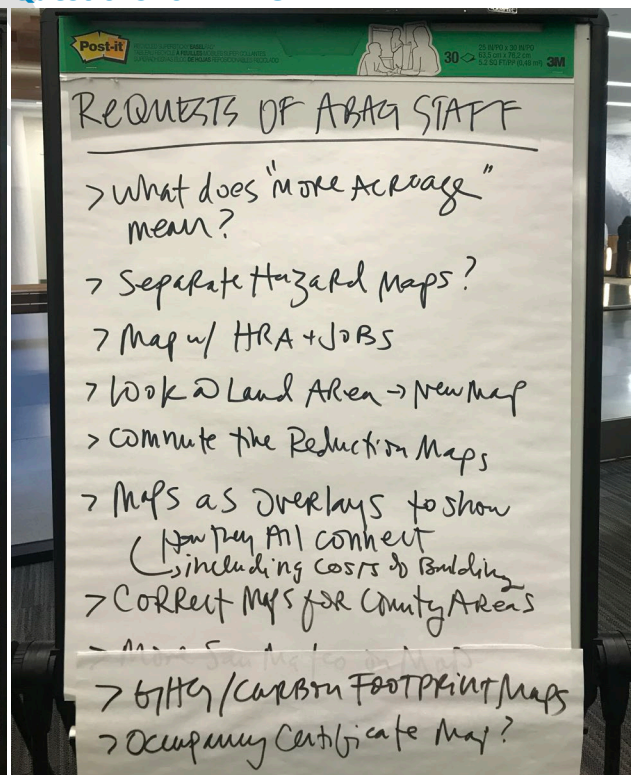
### Staff Response to Displacement Comments

- **Brad Paul:** Responded to comments on low income areas and displacement. Stated that allocations are at a jurisdictional level. At the local level, policymakers can determine where housing allocation is distributed. Noted that there are also Plan Bay Area recommendations that could address displacement. There is a discussion at the regional level for funding housing affordability. Expressed support for the suggestion to discuss evaluation criteria with HCD.

### Questions for HCD



### Questions for ABAG



## 6. Wrap Up and Next Steps

### Meeting Photos



TO: Housing Methodology Committee

DATE: March 3, 2020

FR: Deputy Executive Director, Policy

RE: HMC Member Correspondence

## **Overview**

This memo provides an overview of the correspondence received since the January 24th meeting.

### **1. Bob Planthold – February 21, 2020 – Resource Sharing**

Many claim no housing shortage.

<https://sf.curbed.com/2020/2/20/21122662/san-francisco-bay-area-nimbys-history-nimby-development>



**WELCOME**

ABAG Housing  
Methodology Committee  
March 12, 2020



# PUBLIC COMMENT

ABAG Housing  
Methodology Committee  
March 12, 2020



# What We Heard from Community-Based Organizations

ABAG Housing  
Methodology Committee  
March 12, 2020

# CBO outreach

Seven focus group meetings around the Bay Area

- Different community-based organizations with 61 community members
- Presented background RHNA information and opened up for discussion
- Included personal perspectives on housing challenges
- Shared Bay Area maps with possible methodology factors: job centers, areas served by transit and State Opportunity Map
- Conducted meetings in Spanish and Chinese, translating as needed



# What community members said

- More housing was needed everywhere for everyone
- Need for funding/financing for affordable housing, re-invest in communities that are under-resourced and support new with resources/services
- Emphasis on linking jobs to housing and getting communities that haven't stepped up to do more

# What community members said

- Support for additional housing in high resource areas, with concerns
- Put housing at the intersection of job centers, transit and high resource areas
- Housing near transit is good, but transit availability, reliability, safety and cost are concerns
- Need to be involved in local housing element updates
- Important to enforce RHNA plans with incentives or penalties to ensure housing



# PUBLIC COMMENT

ABAG Housing  
Methodology Committee  
March 12, 2020



# Results of Local Jurisdiction Survey

ABAG Housing  
Methodology Committee  
March 12, 2020

# Local jurisdiction survey background

- HMC commented on draft survey November 2019
- ABAG Regional Planning Committee approved survey December 2019
- Survey available online from January 8 to February 5, 2020

County	Number of Responses	Response Rate
Alameda	9	60%
Contra Costa	14	70%
Marin	8	73%
Napa	3	50%
San Francisco	1	100%
San Mateo	14	67%
Santa Clara	13	81%
Solano	4	50%
Sonoma	6	60%
<b>Region</b>	<b>71</b>	<b>65%</b>

# Survey content

- 53 questions broken up into two sections:
  - Housing and Land Use
  - Fair Housing Issues, Goals, and Actions
- Today's summary focuses on four topic areas in the first section
  - Relationship between jobs and housing
  - Housing opportunities and constraints
  - Housing affordability and overcrowding
  - Housing demand

# Relationship between jobs and housing

Figure 1. How would you rate the balance between low-wage jobs and the number of homes affordable to low-wage workers in your jurisdiction? (Question 2)

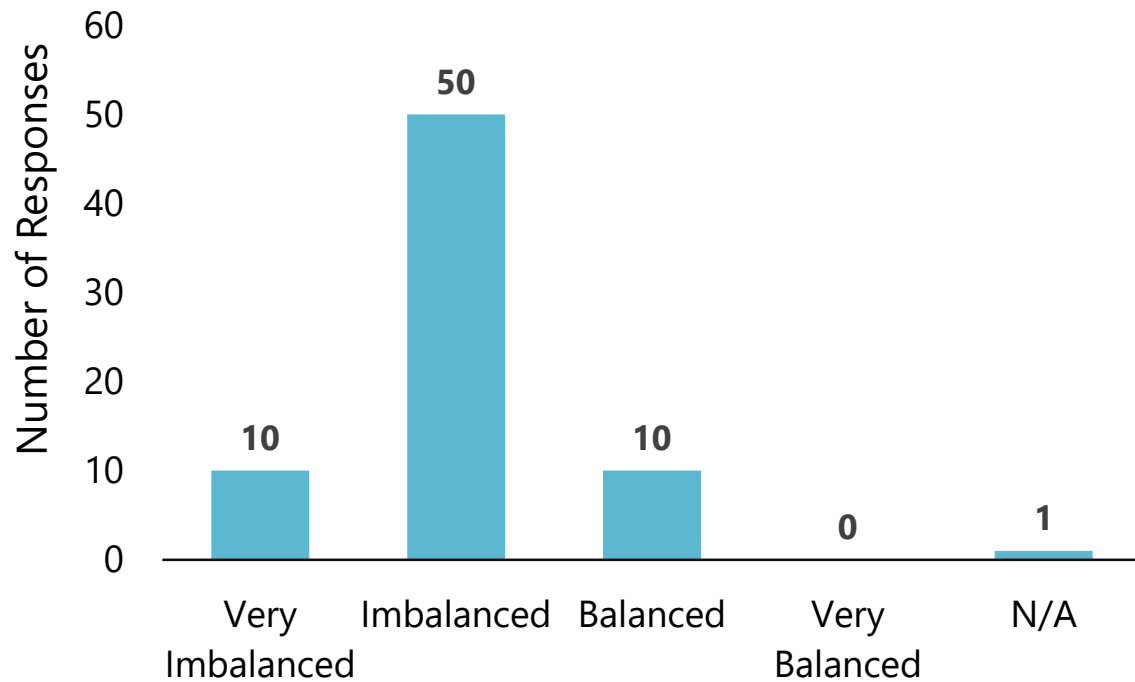
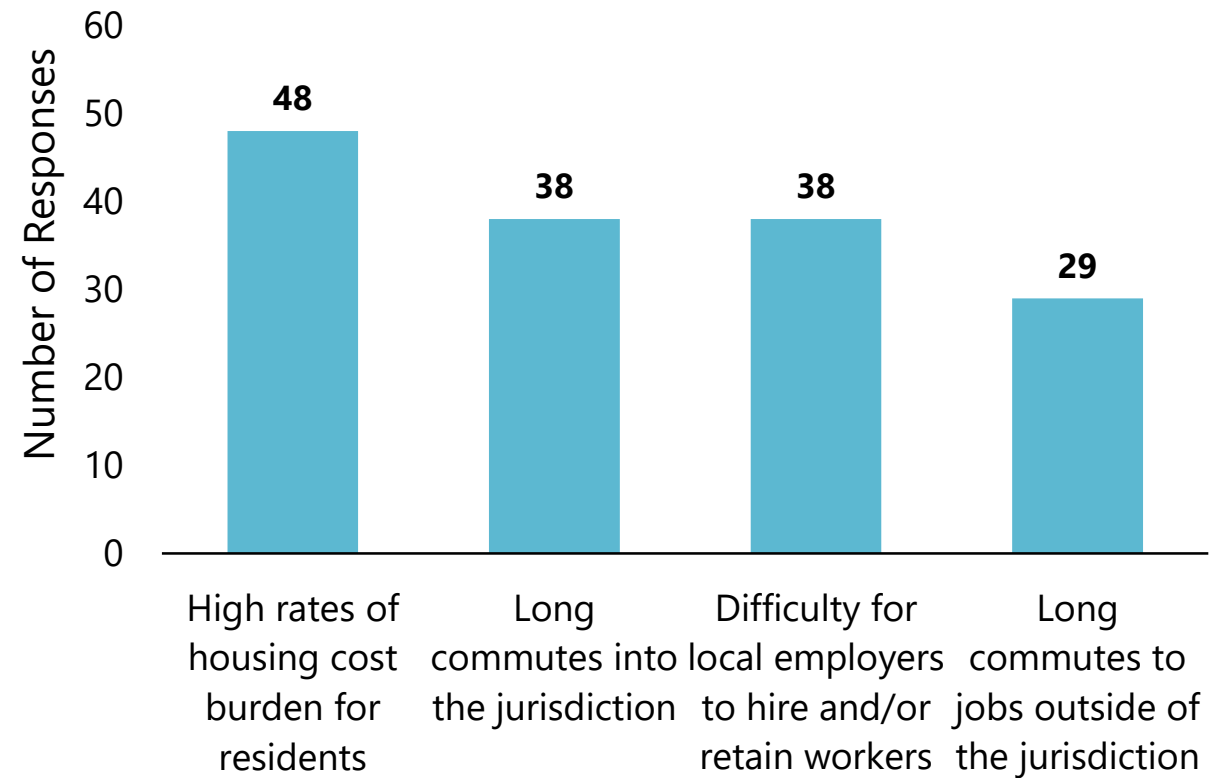
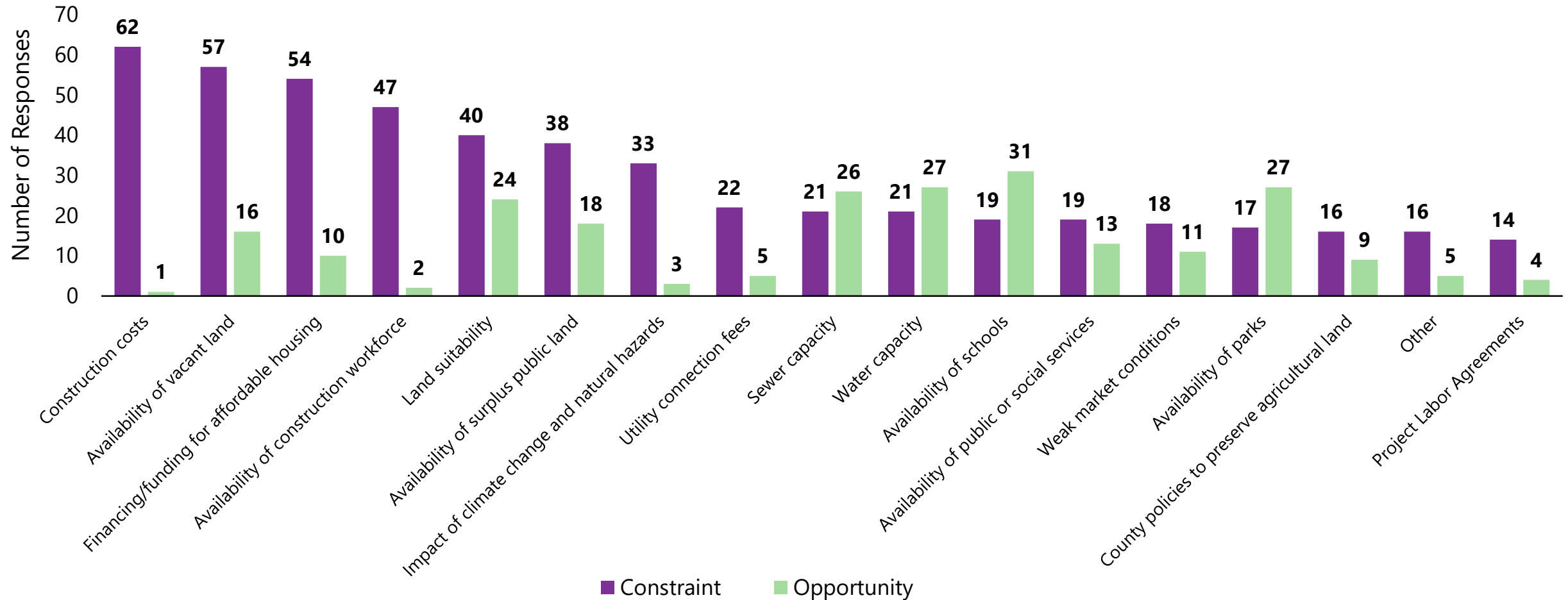


Figure 2. Which of the following impacts does the balance or imbalance of low-wage workers to homes affordable to low-wage workers have on your jurisdiction? (Question 4)



# Housing opportunities and constraints

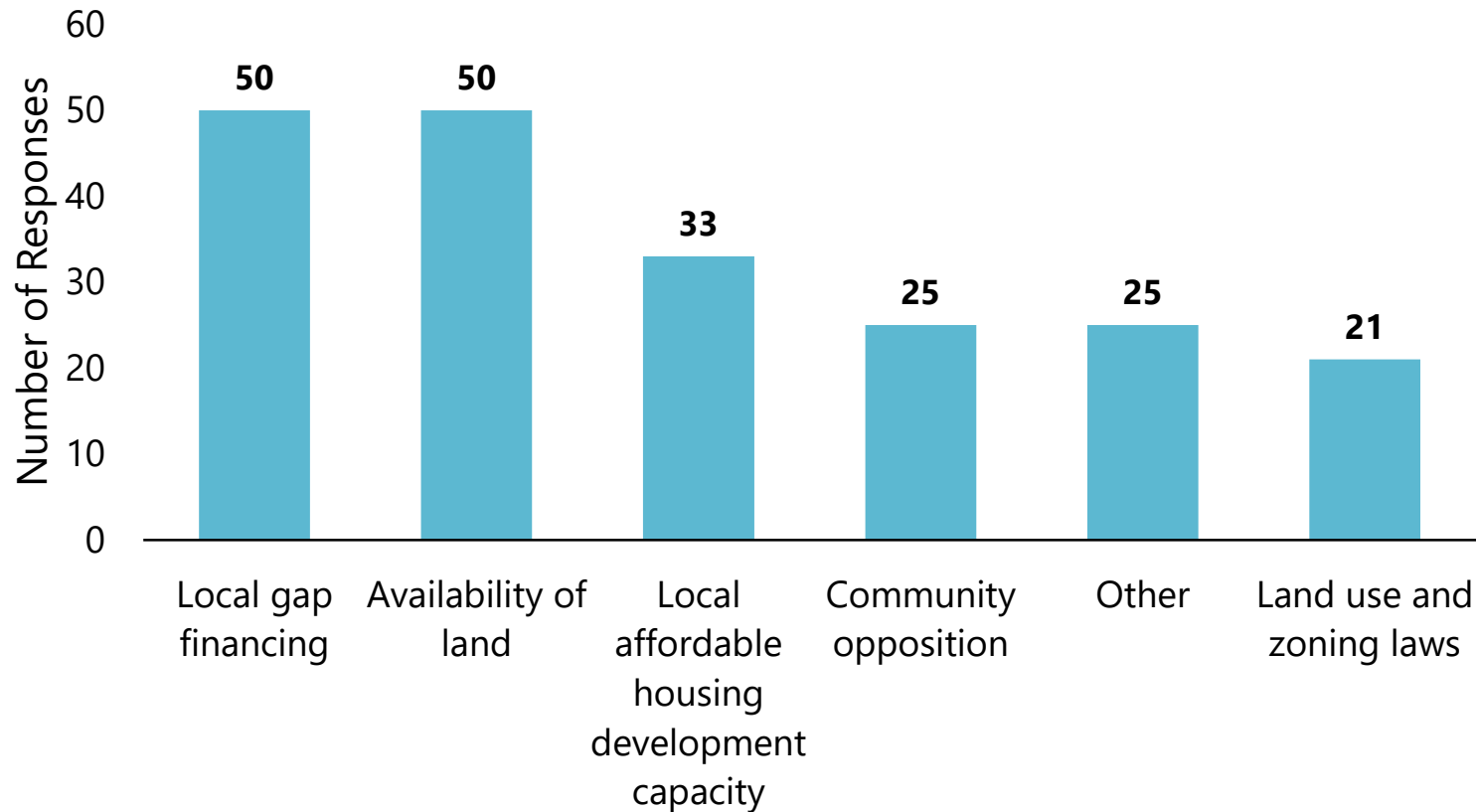
Figure 4. Which of the following apply to your jurisdiction as either an opportunity or a constraint for development of additional housing by 2030? (Question 7)





# Housing affordability and overcrowding

Figure 7. What are the primary barriers or gaps your jurisdiction faces in meeting its RHNA goals for producing housing affordable to very low- and low-income households? (Question 19)



# Housing demand

- Farmworker housing
- Presence of postsecondary educational institutions
- Loss of subsidized affordable housing due to expiring affordability requirements
- Loss of housing from state-declared emergencies

# Next steps

- HMC members can consider survey results as they decide on methodology factors
- Survey results may shape how ABAG designs technical assistance and grant programs like REAP
- Fair housing report at upcoming HMC meeting



# PUBLIC COMMENT

ABAG Housing  
Methodology Committee  
March 12, 2020



# Update on Plan Bay Area Blueprint

ABAG Housing  
Methodology Committee  
March 12, 2020



# PUBLIC COMMENT

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March 12, 2020



# Continuing Discussion of Methodology Factors

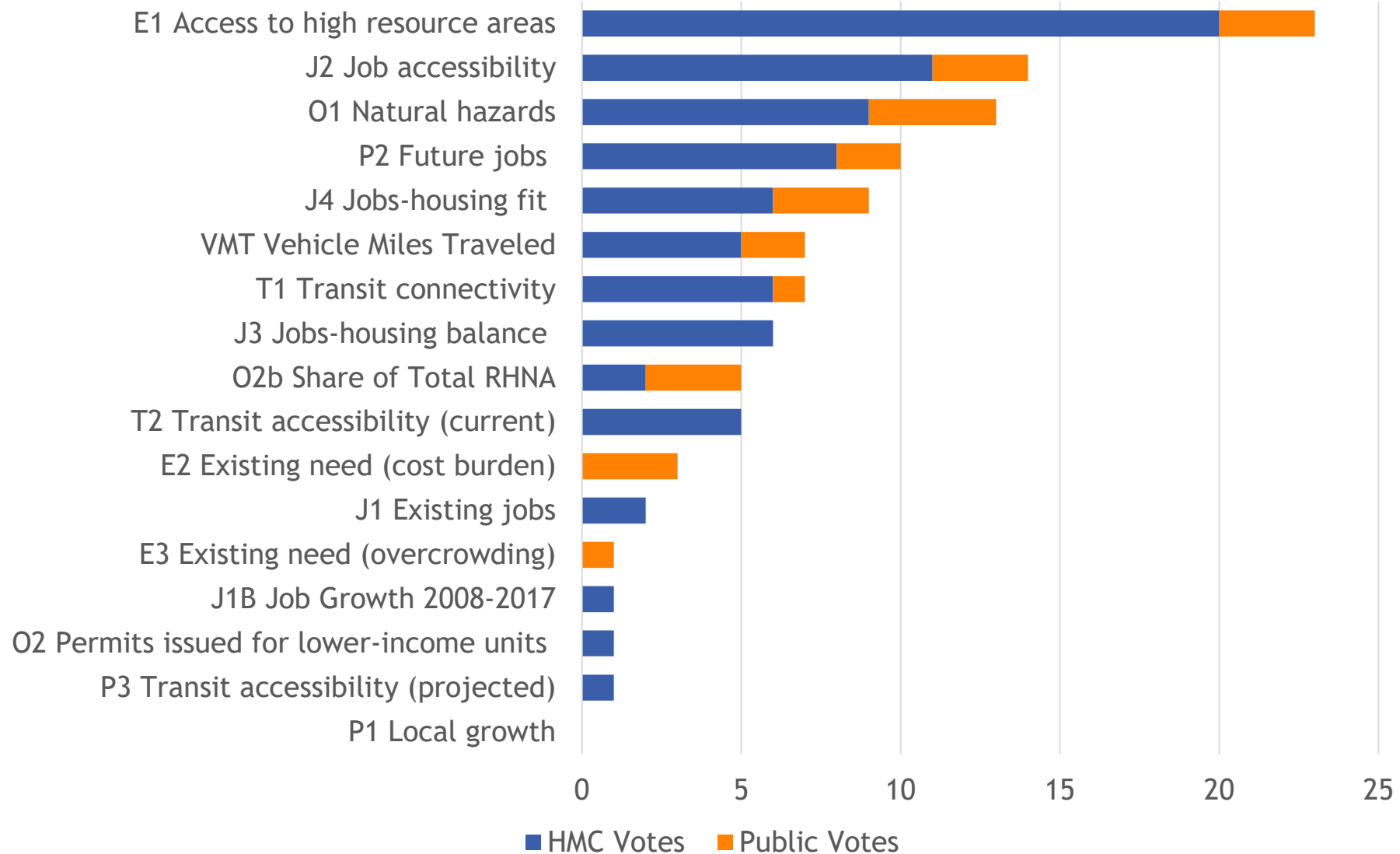
ABAG Housing  
Methodology Committee  
March 12, 2020

# Considering RHNA factors

- January HMC - discussion of potential factors in five categories:
  - Factors from Plan Bay Area 2050
  - Fair Housing and Equity
  - Jobs and Jobs-Housing Fit
  - Transportation
  - Other Factors of Importance (Natural Hazards, Past RHNA Performance)
- March HMC - continue refining top factors for total allocation



# Dot voting results from January



# Translating data into factors

- **Baseline allocation** - existing land use pattern
  - Jurisdiction's current share of region's total households
  - Accounts for jurisdiction size in methodology
- **Factor adjustments** - adjust baseline pattern up or down
  - Standardized by scaling to range of 0.5 to 1.5
- **Factor weights** - relative importance of each factor
  - Determines share of total regional housing need allocated by a factor

# Potential factors: fair housing and equity

- Access to High Opportunity Areas
  - Percentage of households living in Highest or High Resource areas from TCAC/HCD Opportunity Map
  - Revised to use draft 2020 version of Opportunity Map
- Divergence Index
  - The divergence index score for a jurisdiction, which is a calculation of how different a jurisdiction's demographics are from the region

# Potential factors: jobs and jobs housing fit

- Job Proximity (Auto and Transit)
  - Share of region's total jobs that can be accessed from a jurisdiction by a 30-minute auto commute or 45-minute transit commute
- Vehicle Miles Travelled
  - Total modeled vehicle miles traveled per worker in 2020 from Plan Bay Area 2040

# Potential factors: jobs and jobs housing fit

- Jobs-Housing Balance
  - Ratio of jobs within a jurisdiction to housing units in the jurisdiction
- Jobs-Housing Fit
  - Ratio of low-wage jobs in a jurisdiction to low-cost rental units in the jurisdiction.
- Future Jobs
  - Share of the region's forecasted jobs based on Plan Bay Area 2050

# Potential factors: transportation

- Transit Connectivity
  - Percentage of the region's total acres within Transit Priority Areas

# Potential factors: other

- Natural Hazards
  - Percentage of acres within a jurisdiction's urbanized area in locations with low risk from natural hazards according to the Modified ABAG/MTC Multi-Hazard Index
  - Revised to include all “very high risk” fire severity zones, “very high” liquefaction susceptibility zones, and Alquist-Priolo Fault Zones. Removed sea level rise zones to be consistent with the adaptation-based strategy used in Plan Bay Area 2050

# Discussion

- Developing a sample methodology using visualization tool
- <https://rhna-factors.mtcanalytics.org>





# PUBLIC COMMENT

ABAG Housing  
Methodology Committee  
March 12, 2020



# WRAP UP AND NEXT STEPS

ABAG Housing  
Methodology Committee  
March 12, 2020



**ABAG**

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 20-0474      **Version:** 1      **Name:**

**Type:** Minutes      **Status:** Committee Approval

**File created:** 3/3/2020      **In control:** ABAG Housing Methodology Committee

**On agenda:** 3/12/2020      **Final action:**

**Title:** Approval ABAG Housing Methodology Committee Minutes of January 24, 2020

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Item 4 Minutes 20200124 Draft.pdf](#)

Date	Ver.	Action By	Action	Result
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Approval ABAG Housing Methodology Committee Minutes of January 24, 2020

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*

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Friday, January 24, 2020

10:00 AM

Yerba Buena - 1st Floor

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#### 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, Jeffrey Levin, Scott Littlehale, 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 10:05 a.m. Quorum was present.

**Present:** 30 - Adams, Abrams, Addison, Arreguin, Bonilla, Brilliot, Brown, Brown-Stevens, Clark, Dillon, Eklund, Fearn, Fierce, Fligor, Gentry, Ikezoe, Jordan, Kline, Littlehale, Levin, Nickens, Pierce, Planthold, Ranelletti, Regan, Riley, Romero, Semonian, Shrivastava, and Walsh

**Absent:** 7 - Bolaria-Shifrin, Campos, Ebbs, Hancock, Kirkeby, Marti, and Smith

#### 2. Public Comment

There was no public comment.

#### 3. Chair's Report

3.a. [20-0178](#) Chair's Report

Chair Arreguin gave the Chair's report.

#### 4. Consent Calendar

Upon the motion by Planthold and second by Romero, the Consent Calendar was approved, including minutes of December 19, 2019. The motion passed unanimously by the following vote:

**Aye:** 26 - Adams, Abrams, Addison, Arreguin, Bonilla, Brilliot, Brown, Brown-Stevens, Clark, Dillon, Eklund, Fierce, Gentry, Jordan, Kline, Littlehale, Levin, Nickens, Planthold, Ranelletti, Regan, Riley, Romero, Semonian, Shrivastava, and Walsh

**Absent:** 11 - Bolaria-Shifrin, Campos, Ebbs, Fearn, Fligor, Hancock, Ikezoe, Kirkeby, Marti, Pierce, and Smith

- 4.a. [20-0179](#) Approval of ABAG Housing Methodology Committee Minutes of December 19, 2019

#### 5. RHNA Methodology Factors

The following members joined the meeting: Neysa Fligor, Jonathan Fearn, Paolo Ikezoe, Julie Pierce.

- 5.a. [20-0180](#) Continuation of the Discussion of Potential Factors to Include in the RHNA Methodology

Staff will provide information about potential factors for inclusion in the RHNA methodology based on the feedback provided at the December meeting.

Gillian Adams gave the report.

The following gave public comment: Paul Foreman; Shajuti Hossain; Justine Marcus; Aaron Eckhouse; Jay Garfinkle.

#### Lunch / Break

#### 6. RHNA Methodology

- 6.a. [20-0181](#) Report on Draft Proposal of Criteria for Evaluating Allocation Methodology Options

Staff will provide an overview of draft criteria for evaluating allocation methodology options as they are developed. The proposed criteria are based on the review of other regions' draft methodologies by the California Department of Housing and Community Development (HCD).

Gillian Adams gave the report.

The following gave public comment: David Early; Aaron Eckhouse; Jay Garfinkle; Afshan Hamid.

## **7. Adjournment / Next Meeting**

Chair Arreguin adjourned the meeting at about 1:20 p.m. The next regular meeting of the ABAG Housing Methodology Committee is on February 18, 20120.



ABAG

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 20-0475      **Version:** 1      **Name:**

**Type:** Report      **Status:** Informational

**File created:** 3/3/2020      **In control:** ABAG Housing Methodology Committee

**On agenda:** 3/12/2020      **Final action:**

**Title:** Report on Engagement with Community-Based Organizations

Presentation of a summary of what staff heard from residents who participated in focus groups to share their thoughts about regional housing issues and how the RHNA process could help address them.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Item 5 1 Summary Sheet CBO Outreach v1.pdf](#)  
[Item 5 2 Attachment A Memo Summary of CBO Outreach v1.pdf](#)

Date	Ver.	Action By	Action	Result
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### Report on Engagement with Community-Based Organizations

Presentation of a summary of what staff heard from residents who participated in focus groups to share their thoughts about regional housing issues and how the RHNA process could help address them.

Leah Zippert

Information

**Association of Bay Area Governments**

**Housing Methodology Committee**

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**March 12, 2020**

**Agenda Item 5.a.**

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**Report on Community-Based Organization Outreach**

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**Subject:** Report on Engagement with Community-Based Organizations

**Background:** A series of seven focus groups with Community-Based Organizations (CBOs) was conducted throughout the region between January 14 and February 1, 2020. Focus group participants were asked questions about regional housing issues in an interactive setting and encouraged to discuss thoughts freely with other participants.

In **Attachment A**, staff have summarized the meetings and the overall suggestions made by the community members.

At the March meeting, HMC members will have the opportunity to listen to and discuss the comments made by community members for incorporation into the methodology.

**Issues:** None

**Recommended Action:** Information

**Attachment:** A. Summary of CBO Outreach

**Reviewed:**



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Therese W. McMillan



TO: Housing Methodology Committee

DATE: March 12, 2020

FR: Deputy Executive Director, Policy

RE: Report on Engagement with Community-Based Organizations

## Overview

To provide additional input for the Housing Methodology Committee (HMC) to consider in the RHNA methodology, ABAG staff conducted a series of seven focus groups with Community-Based Organizations (CBOs) throughout the region between January 14 and February 1, 2020. Focus group participants were asked questions about regional housing issues in an interactive setting and encouraged to discuss thoughts freely with other participants. The CBOs included Acterra, Center for Independent Living, Green Hive, Sacred Heart, Sound of Hope Radio Network, and West Oakland Indicators Project. There were 61 participants total in the focus groups.

The focus groups heard a background RHNA presentation from ABAG staff and then participated in a discussion about where housing could go in the Bay Area. Staff encouraged participants to share their perspectives on the housing challenges they face as a foundation for thinking about where housing growth should be prioritized. To help community members better understand the concept of the RHNA methodology, staff shared maps of the Bay Area showing some of the ideas for potential methodology factors that had been discussed by the HMC, including job centers, areas served by transit, and the State's Opportunity Areas. Sessions were conducted in Spanish and in Chinese where needed and presentation materials were translated. A summary of themes from all groups follows.

## Overall Themes

- Overall, people commented that more housing was needed everywhere for everyone.
- Participants mentioned many issues that we are aware of: homelessness, overcrowding, displacement, long commutes, cost burden, and lack of construction workers.
- Addressing homelessness and avoiding displacement were common concerns.
- There is also a need for more funding/financing for affordable housing and to re-invest in communities that are under-resourced and to support new housing with resources/services, e.g., schools, police, fire and other social services.
- Many participants emphasized linking housing to jobs and the importance of communities who have not provided housing, especially affordable housing, to do more.
- For this reason, there was support for more housing in high resource areas that provide good opportunities, particularly access to high-performing schools. However, people were concerned about putting housing in those areas due to racism and classism

concerns. Some commenters felt that more new housing in neighborhoods with mixed racial groups and incomes and education levels would be better.

- The other major comments focused on putting housing at the intersection of job centers, transit and high resource areas.
- There was support for having more housing near transit, but many people were concerned about public transit availability, reliability, safety and cost to riders.
- Several groups commented on the need to be involved in local housing element updates.
- Several groups emphasized the importance of ensuring RHNA enforcement through incentives or penalties to ensure the needed housing gets built.

### **Community Based Organizations**

The following is a brief summary of each focus group meeting.

#### ***Acterra (Palo Alto) – provider of environmental education in the region, with a focus on Santa Clara and San Mateo counties.***

Many of the comments from participants at Acterra focused on getting employers to do their part to provide more housing and on encouraging wealthier South Bay communities to do more to zone for housing for all economic levels. Additionally, participants discussed the negative tax implications for housing as compared with retail and long permitting processes for communities.

#### ***Community Resources for Independent Living (Hayward) – peer-based disability resource agency that provides advocacy and resources for people with disabilities to improve lives and make communities fully accessible.***

Staff met with two groups, Spanish speakers and people with disabilities. The Spanish language group commented about racism in a variety of housing policies and highlighted the need to address homelessness. They expressed concerns about focusing housing near transit because of safety issues and a lack of convenience. They also didn't want to put people of color, particularly people with lower incomes, in high resource areas because they would be subject to racism/classism and would not have access to their social networks and community connections. The focus group of people with disabilities thought housing near transit was very important, but was also concerned about transit safety. They strongly supported having affordable housing in every community. Affordable housing in high resource areas would allow people to see and experience more possibilities, but there were also concerns about becoming isolated when living in communities that do not have the social services that people need.

#### ***Green Hive (Vallejo) – co-working space.***

Participants were concerned about lack of resources, including housing at all levels and jobs in Vallejo and Solano County. Several people commented that more investments are needed in communities that suffer from disinvestment. In particular, they were concerned about directing additional growth to places like Vallejo that struggle to provide sufficient public resources and

where the market does not support the multi-family developments needed to provide affordable housing. There was a concern about displacement and long commutes for Bay Area residents. Comments included wanting job-rich areas to also provide housing for all income levels, and a greater emphasis on having more “teeth” for RHNA. Overall, participants thought that, in a perfect world, we would place housing at the intersection of high resources, jobs and transit.

***Sacred Heart Community Service (San Jose) - the Community Action Agency for Santa Clara County, providing essential services and self-sufficiency programs for individuals and families in need.***

Several Sacred Heart participants were experiencing homelessness, and the conversation focused on providing more housing for the homeless and some of the challenges with accessing the resources currently available to the homeless, such as transit passes. Participants emphasized concerns about avoiding displacement and addressing its impacts. They also highlighted the importance of the RHNA process truly having an impact on creating new housing, particularly in wealthier communities. Additional concerns included lack of public transit and influence of large corporations on what gets built.

***Sound of Hope Radio Network (San Francisco) - a non-profit radio network providing news, music and information to expatriate Chinese in the Bay Area***

Participants were focused on providing more housing overall, particularly affordable housing, in order to address displacement. There was support for more low-income housing located near transit and more housing near jobs in general, with affordable housing near minimum-wage jobs. Comments included wanting housing in high-resource areas to enable access to educational opportunities and also to provide additional housing choices outside of San Francisco. There was a general desire to see more investment and resources for people with minimum-wage jobs to have opportunities and support to improve their circumstances.

***West Oakland Environmental Indicators Project (Oakland) - a resident-led, community-based environmental justice organization***

This group proposed a number of possible methodology factors including past performance in permitting low- and very low-income housing, vacancy rates, health indicators, levels of homelessness, areas prone to natural disasters, linking housing types to job types and looking at warehouse areas for development. Participants were concerned about a range of issues, including access to transit, homelessness, and assuring that areas that have not traditionally done so provide a range of housing choices — everything from studios on up. There was also an emphasis on improving connections between school districts and RHNA/local housing planning. Participants also highlighted the importance of considering the relationship of housing to transportation, including thinking about the impact of parking policies, and increasing transit services in places that avoided adding transit as a way to self-segregate.



**ABAG**

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 20-0476      **Version:** 1      **Name:**

**Type:** Report      **Status:** Informational

**File created:** 3/3/2020      **In control:** ABAG Housing Methodology Committee

**On agenda:** 3/12/2020      **Final action:**

**Title:** Summary of Local Jurisdiction Survey Results

Presentation of a summary of the information about RHNA factors and fair housing issues that local jurisdiction staff submitted in response to the local jurisdiction survey.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Item 6 1 Summary Sheet Local Jurisdiction Survey Results v1.pdf](#)  
[Item 6 2 Attachment A Memo Survey Results Summary v1.pdf](#)

Date	Ver.	Action By	Action	Result
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### Summary of Local Jurisdiction Survey Results

Presentation of a summary of the information about RHNA factors and fair housing issues that local jurisdiction staff submitted in response to the local jurisdiction survey.

Eli Kaplan

Information

**Association of Bay Area Governments**

**Housing Methodology Committee**

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**March 12, 2020**

**Agenda Item 6.a.**

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**Summary of Local Jurisdiction Survey Results**

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**Subject:** Summary of Local Jurisdiction Survey Results

**Background:** Housing Element Law requires each Council of Governments (COG) to survey its member jurisdictions during the Regional Housing Needs Allocation (RHNA) process. On January 8, 2020, a survey link was emailed to city managers, county administrators, community development and planning directors, and housing staff in all 109 ABAG jurisdictions. The deadline for completing the survey was February 5, 2020, at which point ABAG received 71 responses, a response rate of 65%.


In **Attachment A**, staff have summarized the responses to the first section of the survey, which contained questions related to the statutory housing and land use factors.

ABAG staff will present responses for the second section of the survey, which focused on fair housing issues, goals, and actions, at a future HMC meeting.

**Issues:** None

**Recommended Action:** Information

**Attachment:** A. Summary of Local Jurisdiction Survey Results

**Reviewed:**   

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Therese W. McMillan

# REGIONAL HOUSING NEEDS ALLOCATION



TO: Housing Methodology Committee  
 FR: Deputy Executive Director, Policy  
 RE: Summary of Local Jurisdiction Survey Results

DATE: March 12, 2020

## Overview

Housing Element Law requires each Council of Government (COG) to survey its member jurisdictions during the Regional Housing Needs Allocation (RHNA) process to gather information on factors that must be considered for inclusion in the methodology.<sup>1</sup> Recent legislation also requires ABAG to collect information on jurisdictions' fair housing issues and strategies for achieving fair housing goals.<sup>2</sup> ABAG staff presented the Housing Methodology Committee (HMC) with a draft of the survey in November 2019. Staff revised the survey to incorporate feedback from HMC members, local jurisdiction staff, and other stakeholders, and the ABAG Regional Planning Committee approved the survey in December 2019. The survey became available online on January 8, 2020. A survey link was emailed to city managers, county administrators, community development and planning directors, and housing staff in all 109 ABAG jurisdictions. The deadline for completing the survey was February 5, 2020, at which point ABAG received 71 responses, a response rate of 65%. Table 1 shows the response rates for each of the nine Bay Area counties.

*Table 1. Local jurisdictions survey response rate by county.*

County	Responses	Response Rate
Alameda	9	60%
Contra Costa	14	70%
Marin	8	73%
Napa	3	50%
San Francisco	1	100%
San Mateo	14	67%
Santa Clara	13	81%
Solano	4	50%
Sonoma	6	60%

## Survey Responses

The survey consisted of 53 questions in two sections. This memo summarizes the responses to the first section, which contained questions related to the statutory housing and land use factors. This section included 36 questions divided into four topics: Relationship Between Jobs and Housing, Housing Opportunities and Constraints, Housing Affordability and Overcrowding, and Housing Demand. ABAG Staff will present responses for the second section of the survey, which focused on fair housing issues, goals, and actions, at a future HMC meeting.

<sup>1</sup> See State of California [Government Code Section 65584.04\(b\)\(1\)](#).

<sup>2</sup> See State of California [Government Code Section 65584.04\(b\)\(2\)](#).

### Topic 1: Relationship Between Jobs and Housing

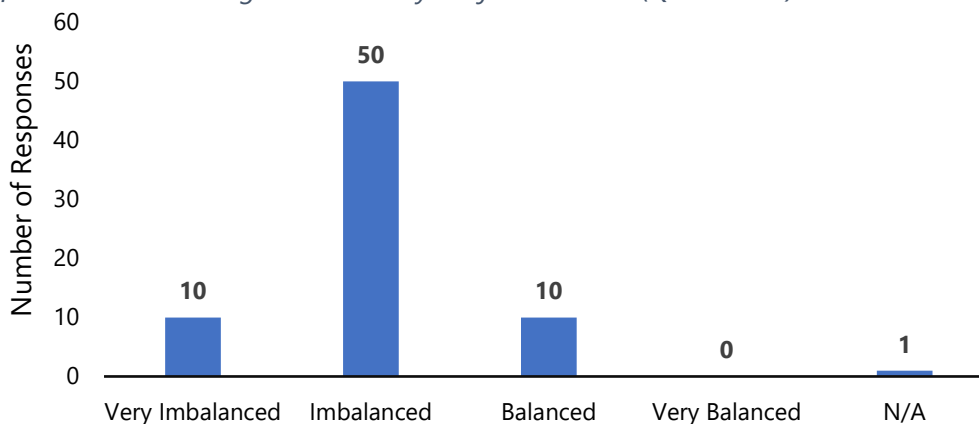
The six questions in this topic area centered on jurisdictions' issues related to jobs-housing fit, which measures the relationship between a jurisdiction's low-wage jobs and homes affordable to low-wage workers. The first question presented each jurisdiction's jobs-housing fit ratio and included a data visualization comparing a jurisdiction's jobs-housing fit ratio to other jurisdictions throughout the region. Respondents were asked to reflect on the jobs-housing fit in their community using both their own perceptions and the data provided. Additionally, respondents had the opportunity to consider the impacts of this balance or imbalance, and they could comment on what strategies might be helpful for addressing issues related to an imbalance between low-wage workers and affordable housing.

#### Key Takeaways from Respondents' Comments

**Suggestions for measuring jobs-housing fit:** Several jurisdictions commented the rent threshold the survey used for units affordable to low-wage workers excludes many of the deed-restricted affordable units that currently exist in their communities or are in the development pipeline. Multiple respondents provided data on the number of deed-restricted affordable units in their jurisdictions. It is worth noting that, for the jobs-housing fit factor presented to the HMC for the March 2020 meeting, the thresholds for low-wage jobs and low-cost rental units were set higher than the values used for the survey.<sup>3</sup> However, staff and the HMC will take these survey comments into account when deciding how to define the jobs-housing fit ratio and what data sources to use if this factor is selected for the RHNA methodology.

**Imbalance between low-wage jobs and affordable housing in the region:** 60 jurisdictions (85%) stated the ratio between low-wage jobs and affordable homes in their jurisdiction is imbalanced or very imbalanced, while only 10 (14%) indicated their jurisdiction is balanced (see Figure 1). Responses varied by county, as no jurisdictions in Marin, San Mateo, or Santa Clara Counties reported a balance in their jobs-housing fit ratios. These same counties also contained all of the jurisdictions who stated their jobs-housing fit ratio is very imbalanced.

Figure 2. How would you rate the balance between low-wage jobs and the number of homes affordable to low-wage workers in your jurisdiction? (Question 2)

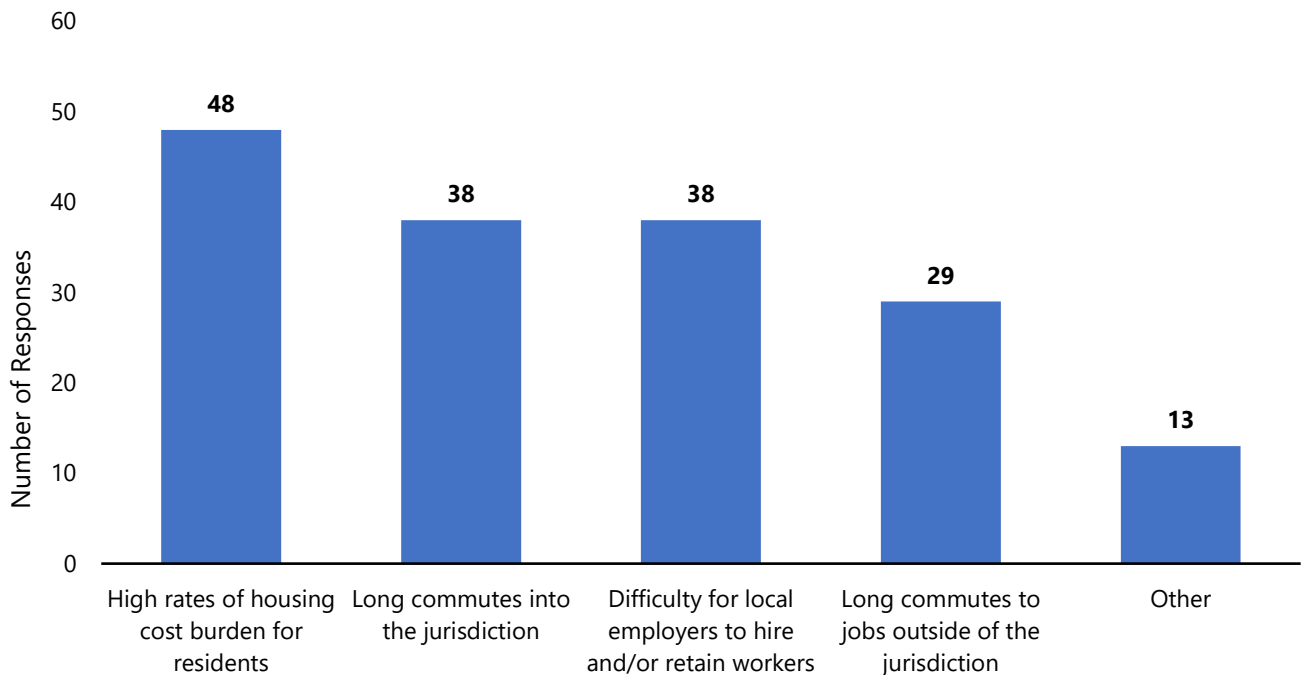


<sup>3</sup> For the proposed jobs-housing fit factor, the threshold for a low-wage job is set at \$3,333 per month and low-cost rental units are defined as those renting for less than \$1,500 per month.

**Reasons for imbalance in local jobs-housing fit ratio:** Respondents mentioned a lack of rental housing, state policy limiting deed restrictions for ADUs, high land prices, a lack of land available for development, and limited resources for producing affordable housing due to the end of redevelopment agencies as reasons for the jobs-housing fit imbalance. Multiple jurisdictions noted that, while their jobs-housing fit ratio suggested an imbalance, it was comparable to many other jurisdictions in the region, suggesting a broader regional problem. Lastly, some respondents noted potential for future improvements in their jobs-housing fit ratio based on recent rent stabilization policies, ongoing ADU production, or affordable housing units in the development pipeline.

**Impacts of imbalance in local jobs-housing fit ratio:** Jurisdictions indicated that the most common impact of an imbalance between low-wage workers and affordable housing is high housing cost burden for residents (see Figure 2). The majority of respondents also noted impacts on employers and workers in their jurisdictions, with 38 respondents (53%) stating that the imbalance between low-wage workers and affordable housing results in long commutes into the jurisdiction and hinders employers’ ability to hire or retain workers. Beyond the options listed on the survey, respondents wrote that displacement and overcrowding are also local issues related to an imbalance in jobs-housing fit.

*Figure 2. Which of the following impacts does the balance or imbalance of low-wage workers to homes affordable to low-wage workers have on your jurisdiction? (Question 4)*



**Usefulness of jobs-housing fit data:** 51% of respondents indicated their jurisdiction uses jobs-housing fit data to inform policy decisions, including:

- Updating Housing Elements, General Plans, and other long-range plans
- Revising land use policies, such as industrial zoning
- Approving development projects



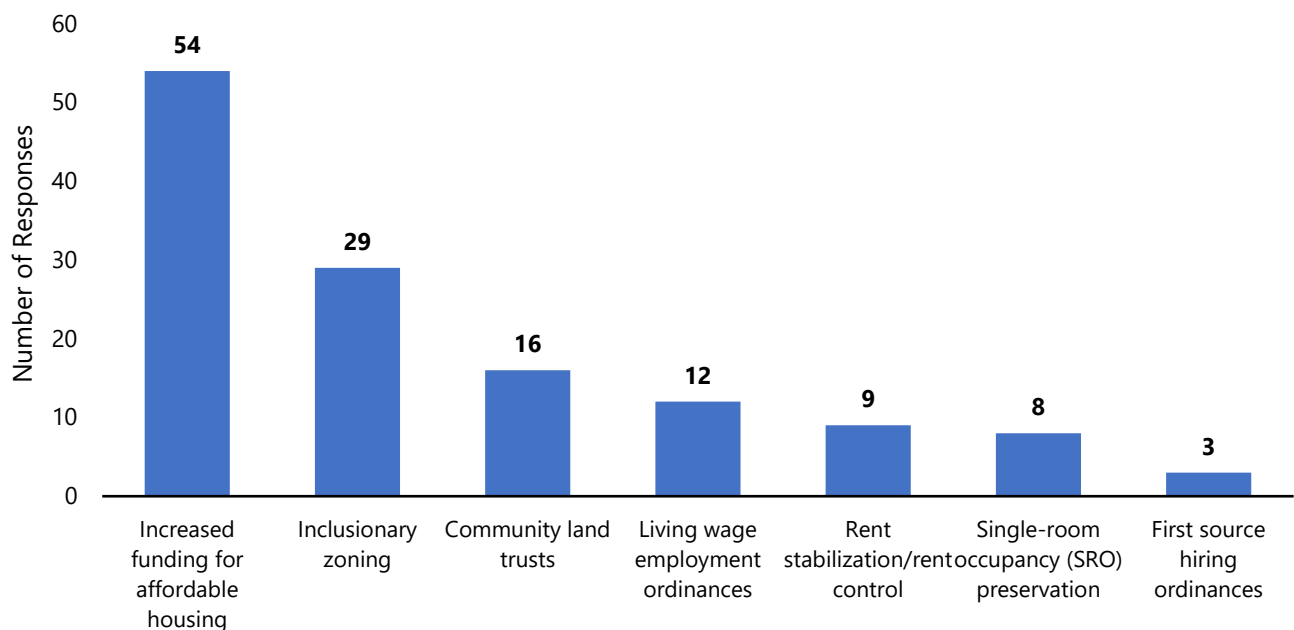
- Recruiting new businesses
- Designing affordable housing policies such as inclusionary zoning, commercial linkage fees, and rent stabilization

Jurisdictions that do not use jobs-housing fit data explained why this data is not as relevant to their communities. Some noted a jobs-housing balance metric is more useful, particularly in communities where there is more housing relative to jobs. Others noted that more data collection is needed to examine jobs-housing fit issues in their jurisdiction. Lastly, some felt other data are more relevant for housing affordability issues, such as comparing overall housing cost and wage data. The HMC can take these comments into account when considering jobs-housing fit as a factor in the RHNA methodology. The survey results indicate using jobs-housing fit as a RHNA factor would align with policymaking in many jurisdictions, but there are also other data sources that could potentially be a factor for the relationship between jobs, housing, and affordability.

**Strategies for addressing jobs-housing fit imbalance:** Jurisdictions focused on policies to produce and preserve affordable housing to address a jobs-housing fit imbalance (see Figure 3). Increased funding for affordable housing received the most support from respondents (76%) followed by inclusionary zoning (41%) and community land trusts (23%). Beyond the options listed on the survey, jurisdictions commented that they support the following strategies:

- Policies to encourage production of ADUs and allow for rent-restrictions in ADUs
- Increased housing density
- Policies to incentivize affordable housing production, such as density bonuses
- Funding to acquire and preserve affordable housing that currently exists on the market without subsidy

*Figure 3. If your jurisdiction experiences an imbalance in the jobs-housing fit for low-wage workers, which of the following policies, programs, or strategies would be most helpful for your jurisdiction to implement to help address this imbalance? (Question 6)*



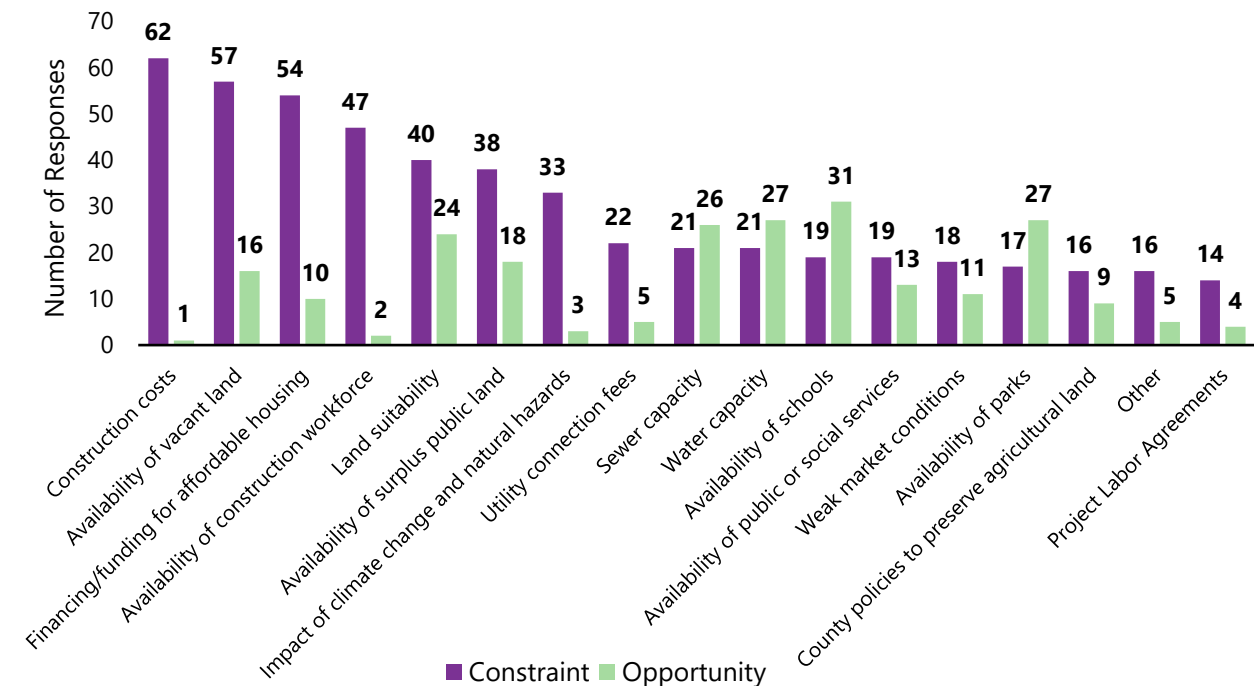
## Topic 2: Relationship Between Jobs and Housing

The seven questions within this topic area focused on factors within jurisdictions that create opportunities or constraints for developing more housing. These questions also focus specifically on opportunities and constraints for encouraging jobs and housing near transit, developing housing near job centers, and minimizing greenhouse gas emissions.

### Key Takeaways from Respondents' Comments

**Opportunities and constraints for developing housing:** Jurisdictions' constraints for developing new housing centered on issues related to costs and land. Nearly all respondents (87%) cited construction costs as a constraint (see Figure 4). Other constraints reported by more than 50% of jurisdictions were the availability of vacant land, funding for affordable housing, availability of construction workforce, land suitability, and availability of surplus public land. There was less of a regional consensus around opportunities for developing housing, with no single factor being cited as an opportunity by most respondents. Factors considered to be opportunities related largely to infrastructure and community amenities, with the most common opportunities being the availability of schools, availability of parks, water capacity, and sewer capacity. These four factors were also the only factors listed more commonly as opportunities than as constraints.

Figure 4. Which of the following apply to your jurisdiction as either an opportunity or a constraint for development of additional housing by 2030? (Question 7)



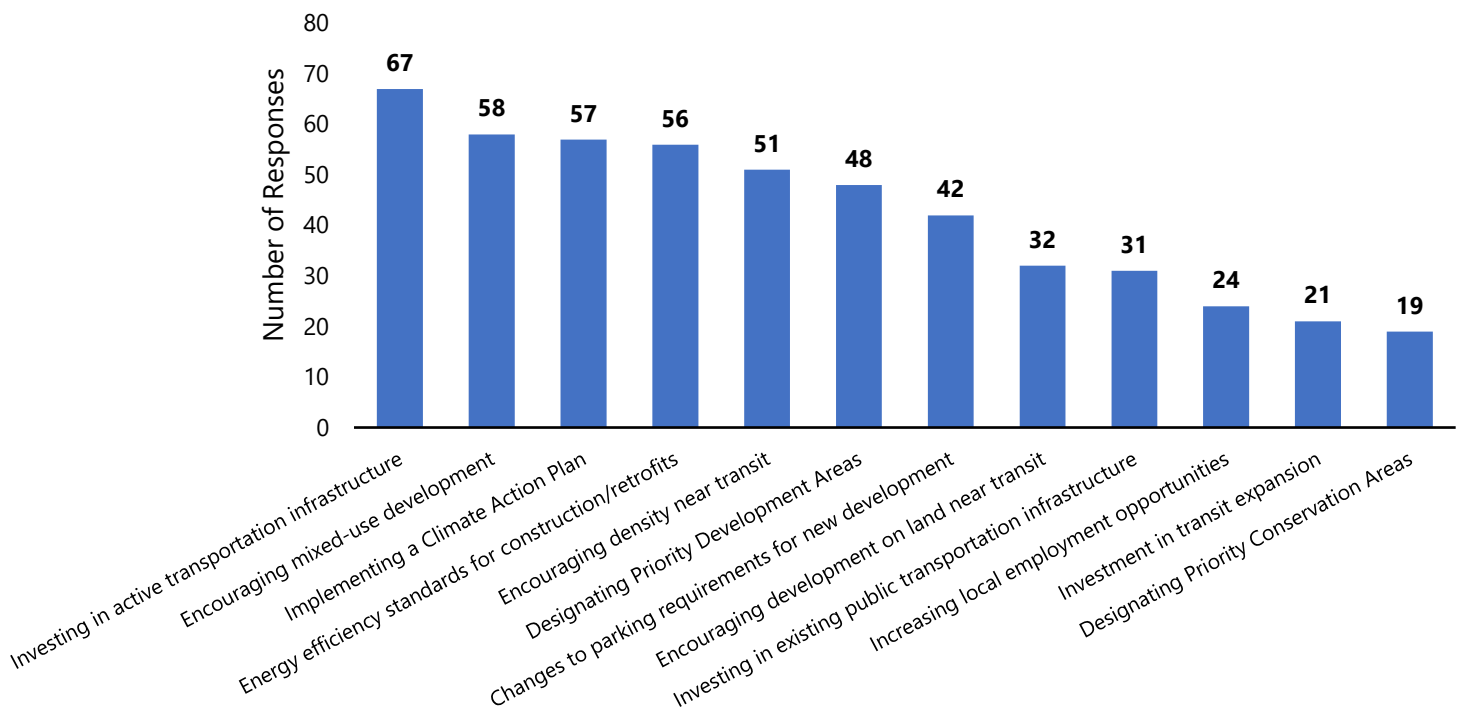
### Opportunities and constraints for encouraging housing near transit and jobs: 57

jurisdictions (80%) stated they encounter opportunities or constraints in encouraging jobs and housing near existing transportation infrastructure, while 50 (70%) reported having opportunities or constraints for encouraging housing near job centers. In their responses to these questions, jurisdictions reported a mix of both opportunities and constraints for developing housing near

jobs and transit, with some respondents noting that both opportunities and constraints exist simultaneously in their jurisdictions. Jurisdictions in Alameda, Contra Costa, Marin, Napa, and San Mateo counties noted that specific plans for areas around bus and rail transit centers provide opportunities for greater density and mixed-use development near transportation infrastructure, which can encourage housing near jobs and transit. Similarly, jurisdictions in Santa Clara County discussed how rezoning efforts near job centers can create opportunities for more housing near jobs. Some of the obstacles listed by jurisdictions echo what was mentioned in the previous questions related to opportunities and constraints for developing housing in general: limited vacant land, high construction costs, and construction labor shortage. Additionally, jurisdictions throughout the region stated that a lack of existing transit service prevents them from encouraging jobs and housing near public transportation infrastructure. Likewise, respondents across the region also noted that their jurisdictions lack job centers, which prevents them from locating housing near jobs. Lastly, some jurisdictions noted that while they do have job centers, the land near these jobs is not zoned to allow for residential construction.

**Strategies for reducing greenhouse gas (GHG) emissions:** Seven of the policies listed in this question have been adopted by a majority of respondents. The most widespread strategy (94% of respondents) is investing in active transportation infrastructure to support biking and walking (see Figure 5). Other popular strategies for reducing GHG emissions include encouraging mixed-use development and density near transit, adopting energy efficiency standards for new construction, designating Priority Development Areas, and changing parking requirements. This information could potentially assist staff and the HMC in designing a RHNA methodology that satisfies the statutory objective to encourage efficient development patterns and achieve GHG reduction targets.

Figure 5. What land use policies or strategies has your jurisdiction implemented to minimize greenhouse gas emissions? (Question 13)



### **Topic 3: Housing Affordability and Overcrowding**

The eight questions within this topic area discussed issues jurisdictions face related to high housing costs, data jurisdictions use to assess these issues, and barriers that jurisdictions face in meeting their RHNA targets for lower-income households.

#### *Key Takeaways from Respondents' Comments*

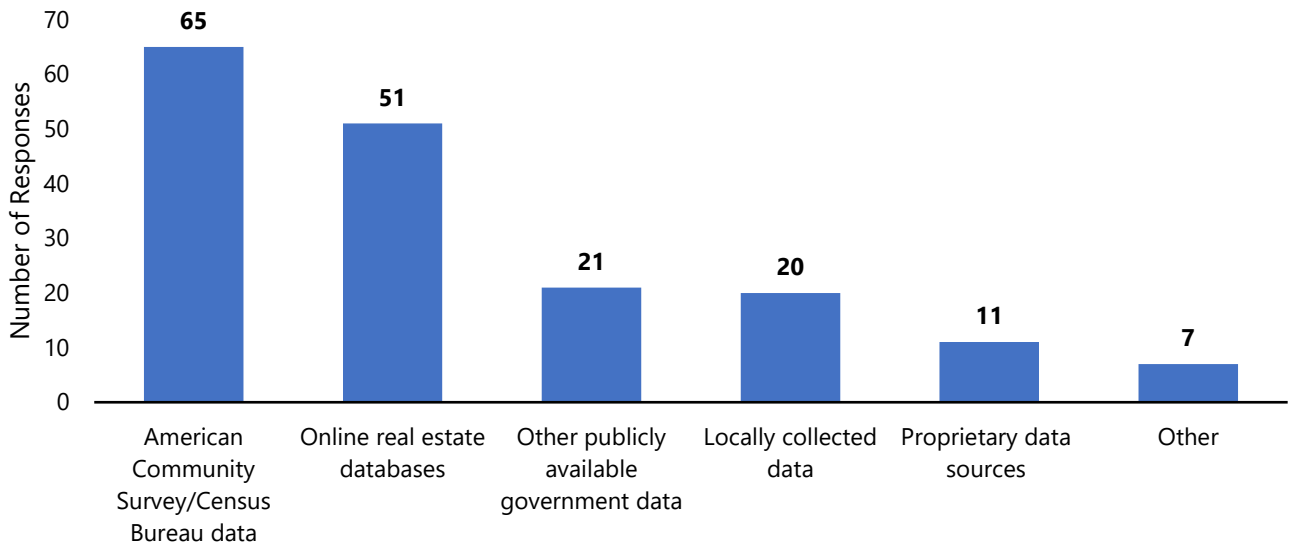
**Policymaking related to housing costs and overcrowding:** 51 respondents (72%) have considered impacts of housing costs and high rates of rent burden<sup>4</sup> on residents. However, only 33 respondents (46%) stated they have considered the impacts of overcrowding on residents. Specifically, jurisdictions noted they examine issues related to housing costs and overcrowding when updating their Housing Elements, completing Consolidated Planning processes required by HUD, and creating affordable housing policies such as inclusionary zoning and rent stabilization.

**Data collection on housing costs and homelessness:** Jurisdictions largely rely on Census Bureau data (65 respondents, 92%) and online real estate databases, such as Zillow or Trulia (51 respondents, 72%), to examine housing costs (see Figure 6). 30% of jurisdictions reported using publicly available data sources in addition to Census Bureau data, which included the county assessor's database, California Department of Finance data, HUD's CHAS dataset, and data provided by ABAG. Approximately 30% of respondents also reported using locally collected data such as building permit records, local rental registries, and local surveys of landlords, apartment communities, and first-time homebuyers. Lastly, about 15% of respondents use proprietary data sources to examine housing costs, which include products like CoStar, RealQuest, DataQuick, and Axiometrics. The vast majority of respondents noted that housing costs in their jurisdiction are increasing. However, a few jurisdictions stated that prices have been stabilizing in the past year after increasing sharply in recent years, while two jurisdictions reported that rental prices declined in the past year. Also, a few jurisdictions stated that prices of for-sale homes have leveled off while rents continue to rise. In terms of data collection on homelessness, 40 respondents (56%) indicated their jurisdictions collect data on the occurrence of homelessness within their boundaries. Nearly all these jurisdictions noted their data collection on homelessness is a part of bi-annual countywide efforts related to the Point-in-Time counts required by HUD.

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<sup>4</sup> HUD defines households as rent-burdened if they spend more than 30% of their income on rent. For more information on this measure, see [https://www.huduser.gov/portal/pdredge/pdr\\_edge\\_featd\\_article\\_092214.html](https://www.huduser.gov/portal/pdredge/pdr_edge_featd_article_092214.html).

Figure 6. What data sources does your jurisdiction use to examine local trends in housing costs? (Question 16)



**Barriers to meeting lower-income RHNA goals:** The most common barriers to affordable housing production identified by survey respondents were gap financing and land availability. Both of these obstacles were selected by 50 respondents (70%), while no other barrier was selected by the majority of respondents (see Figure 7). Other barriers identified by respondents were similar to factors mentioned in earlier questions related to obstacles to housing development generally, such as construction costs and high prices for land, materials, and labor. Respondents also mentioned a lack of funding and staff resources for the implementation of affordable housing programs, particularly due to the dissolution of redevelopment agencies.

Additionally, 20 respondents provided an estimate for how many affordable units could be built in their jurisdictions if ample gap financing was available. In total, these 20 jurisdictions estimated that 12,000 units of housing affordable to low- and very low-income households could be built if they had the necessary funding. Similarly, multiple jurisdictions stated that they would be able to accommodate their entire low- and very low-income RHNA if given the gap financing to enable construction of these affordable units. Jurisdictions' estimates for the funding needed to build these units ranged from \$200,000 to \$500,000 per unit.

Similarly, jurisdictions indicated financing for constructing new affordable housing was the support they would most desire from the Bay Area Housing Finance Authority, with 65 jurisdictions (92%) selecting this option (see Figure 8). Financing for preservation of both subsidized affordable housing and affordable housing that exists on the market without subsidy were the next most popular options for financial support from BAHFA. Most jurisdictions also noted they would like technical assistance with complying with HCD's pro-housing designation and other state regulations, as well technical assistance for Housing Element outreach. ABAG staff may be able use the information provided from local jurisdictions for designing the technical assistance programs that will be provided as part of the Regional Early Action Planning grants program.

Figure 7. What are the primary barriers or gaps your jurisdiction faces in meeting its RHNA goals for producing housing affordable to very low- and low-income households? (Question 19)

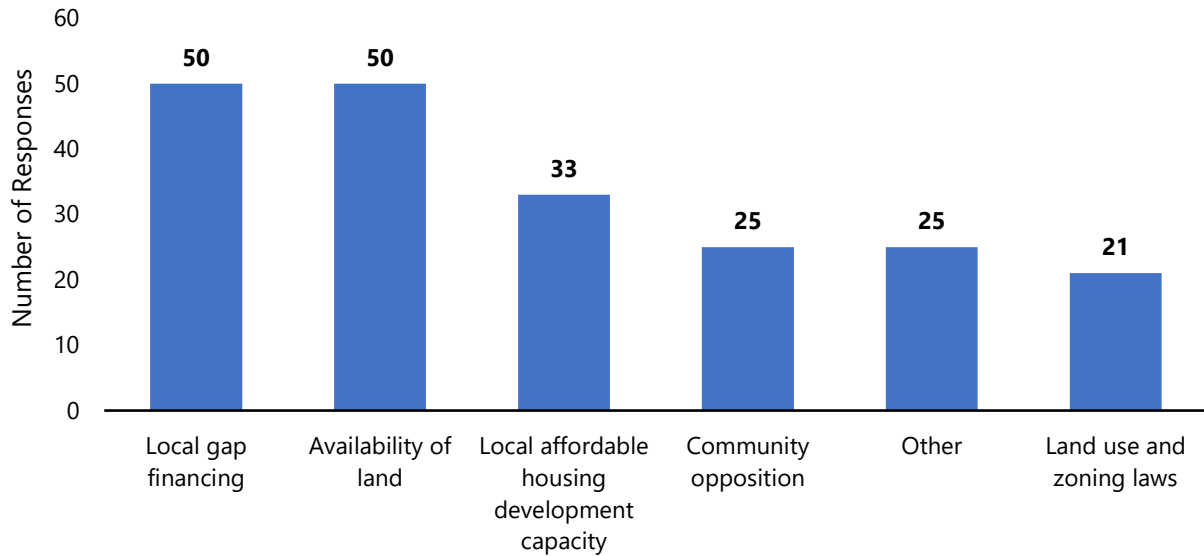
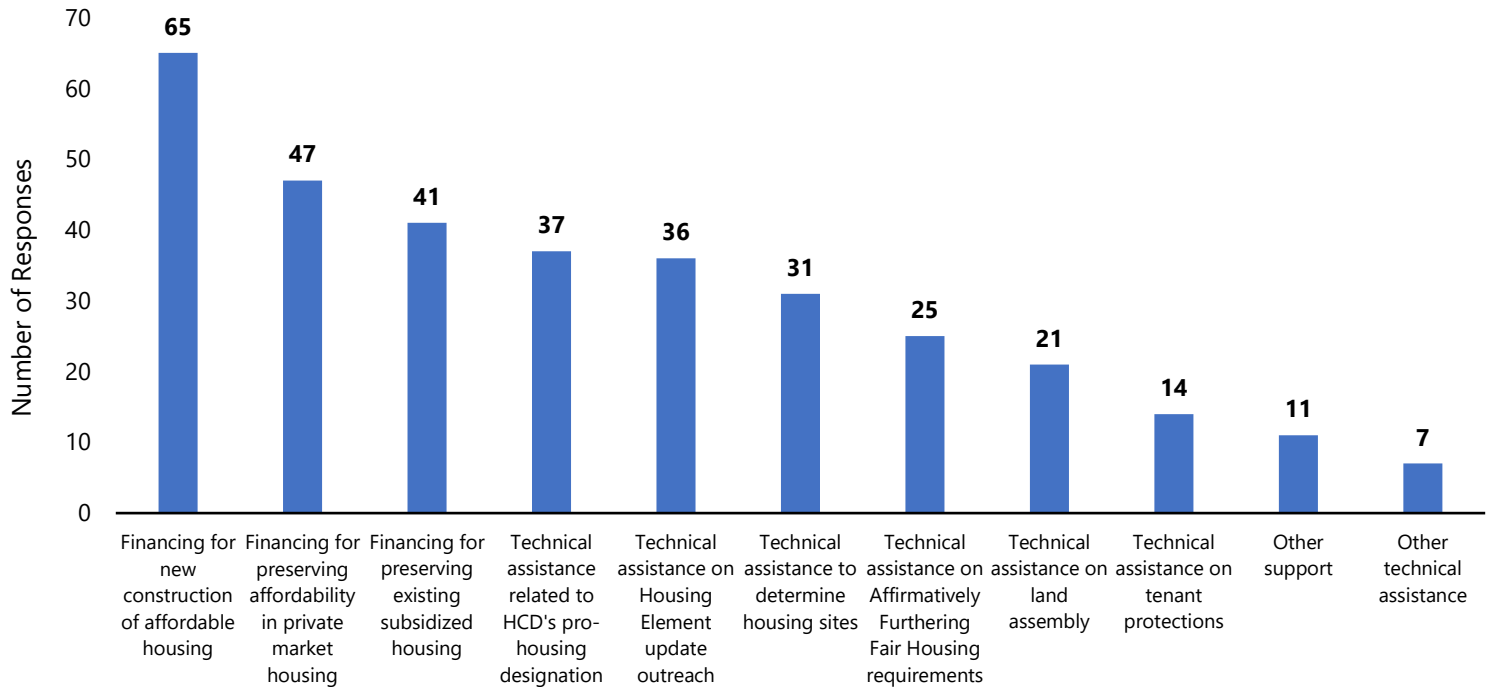


Figure 8. What types of support would your jurisdiction like to see the Bay Area Housing Finance Authority (BAHFA) provide to help your jurisdiction meet its RHNA goals and comply with the requirement to affirmatively further fair housing? (Question 21)



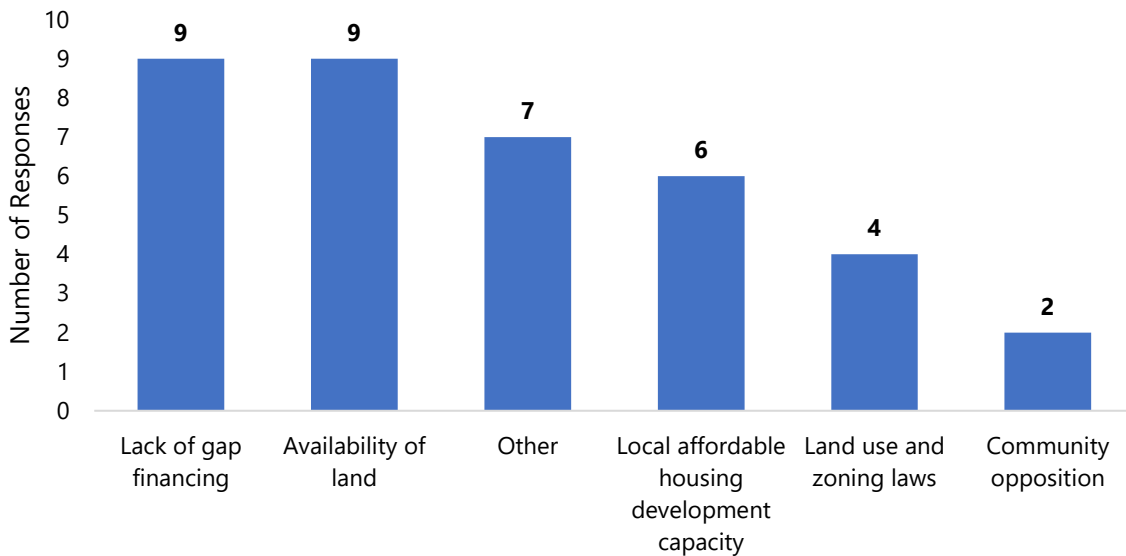
#### Topic 4: Housing Demand

The 15 questions within this topic area focused on demand for housing created in jurisdictions by farmworkers, nearby postsecondary educational institutions, the loss of subsidized housing units due to expiring affordability contracts, and state-declared emergencies.

*Key Takeaways from Respondents' Comments*

**Housing needs for the region's farmworkers:** Only 16 respondents (23%) identified a need for farmworker housing in a typical year. Of those, six provided an estimate of local housing need for farmworkers, which totaled approximately 5,000 units. Data sources for estimates included interviews with farmworkers and farm owners, the USDA Census of Agriculture, Napa County Farmworker Housing Needs Assessment, Santa Clara County Planning Department survey, and the California Employment Development Department. The most common barriers to meeting demand for farmworker housing are similar to barriers to developing affordable housing generally. Among the 16 respondents with a need for farmworker housing, the most common barriers are a lack of financing and limited availability of land (see Figure 9).

*Figure 9. If your jurisdiction is not currently meeting the demand for farmworker housing, what are the main reasons for this unmet demand?? (Question 24)*



**Housing demand created by postsecondary educational institutions:** Responses to questions about housing demand created by postsecondary educational institutions indicate a need for better data collection on this issue. Only 8 respondents (11%) were able to provide an estimate for this housing need. Several more jurisdictions indicated there is significant housing demand created by nearby postsecondary educational institutions, but the number of housing units needed to meet this demand is unknown. The three jurisdictions that were able to estimate the housing demand created by postsecondary educational institutions stated that the data for their estimates came from surveys conducted by these institutions, but several more jurisdictions indicated they have not been able to obtain this information from local colleges and universities.

**Loss of subsidized affordable housing:** 19 respondents (27%) stated their jurisdictions had lost subsidized affordable housing units in the past 10 years due to expiring affordability contracts or other issues facing at-risk affordable housing units. Most of the data for these responses came from internal sources. Jurisdictions noted their awareness of affordable housing built with redevelopment funds that converted to market-rate due to expiring regulatory agreements, and

respondents also stated they were aware of below-market-rate units built through inclusionary housing programs that had lapsing affordability requirements.

A larger number of respondents expected to lose affordable housing units in the next 10 years, with 23 respondents (32%) noting that they anticipated these future losses. These respondents also referred to internal city records that indicated the pending expiration of regulatory agreements. Notably, one jurisdiction stated that 68% of existing below-market-rate rental units in its Below Market Rate Housing Program are set to expire in 10 years. Additionally, another respondent commented that the number of affordable units owned by for-profit owners in their jurisdiction is high according to research by the California Housing Partnership, which indicates a high risk for losing these affordable units in the future.<sup>5</sup> These survey responses indicate that helping cities prevent the loss of affordable housing because of expiring affordability requirements could be a potential focus of ABAG's Regional Early Action Planning grants program. Additionally, the variety of data on at-risk affordable units collected by both individual jurisdictions and the California Housing Partnership points to a need to compile this data if the HMC were to consider using the loss of affordable units as a RHNA methodology factor.

**Loss of housing units due to state-declared emergencies:** Only six respondents (8%) stated their jurisdiction had lost housing units during a state-declared emergency (such as a fire or other natural disaster) that have not been rebuilt. These jurisdictions are in Napa, San Mateo, Santa Clara, Solano, and Sonoma counties. Two jurisdictions in Sonoma County were able to provide precise data on the number of units lost in recent fires. Another Sonoma County jurisdiction noted that they did not lose any housing in the fire but have experienced increased demand in housing because of lost units in surrounding communities. Additionally, two jurisdictions in Marin County noted that, while they have not lost units recently, they expect that units lost in the future due to sea level rise and increased flooding may not be replaced.

### **Next Steps**

As the HMC continues its process to develop the RHNA methodology, HMC members and ABAG staff can consider what they have learned from the local jurisdiction survey. The themes that emerged from the survey may point to which factors have readily available data across the region or which factors best align with current policy concerns in local jurisdictions. Additionally, information from the survey may be relevant beyond the RHNA process and shape how ABAG designs technical assistance and grant programs in the future to better respond to local concerns.

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<sup>5</sup> For more information on the California Housing Partnership's research on at-risk affordable housing in California, see [https://1p08d91kd0c03rlxhmtydpr-wpengine.netdna-ssl.com/wp-content/uploads/2020/02/2020-Affordable-Homes-at-Risk\\_CHPC-Final.pdf](https://1p08d91kd0c03rlxhmtydpr-wpengine.netdna-ssl.com/wp-content/uploads/2020/02/2020-Affordable-Homes-at-Risk_CHPC-Final.pdf).





**ABAG**

# Metropolitan Transportation Commission

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## Legislation Details (With Text)

<b>File #:</b>	20-0477	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Report	<b>Status:</b>		Informational	
<b>File created:</b>	3/3/2020	<b>In control:</b>		ABAG Housing Methodology Committee	
<b>On agenda:</b>	3/12/2020	<b>Final action:</b>			
<b>Title:</b>	<p>Report on Plan Bay Area 2050 process, including direction from MTC Commission and ABAG Executive Board on the Draft Blueprint growth geographies and strategies as well as next steps to ensure RHNA is consistent with the Plan</p> <p>Update on the Plan Bay Area 2050 process, including Metropolitan Transportation Commission and ABAG Executive Board direction on the Draft Blueprint strategies in February, identification of potential implications for RHNA consistency, and consideration of Housing Methodology Committee next steps.</p>				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Item 7 1 Summary Sheet PlanBayArea2050Update v1.pdf</a> <a href="#">Item 7 2 Presentation PlanBayArea2050Update March HMC v2.pdf</a>				

Date	Ver.	Action By	Action	Result
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Report on Plan Bay Area 2050 process, including direction from MTC Commission and ABAG Executive Board on the Draft Blueprint growth geographies and strategies as well as next steps to ensure RHNA is consistent with the Plan

Update on the Plan Bay Area 2050 process, including Metropolitan Transportation Commission and ABAG Executive Board direction on the Draft Blueprint strategies in February, identification of potential implications for RHNA consistency, and consideration of Housing Methodology Committee next steps.

Dave Vautin

Information

## Association of Bay Area Governments

### Housing Methodology Committee

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March 12, 2020

Agenda Item 7.a.

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#### Update on Plan Bay Area 2050 Blueprint

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**Subject:** Report on Plan Bay Area 2050 process, including direction from MTC Commission and ABAG Executive Board on the Draft Blueprint growth geographies and strategies as well as next steps to ensure RHNA is consistent with the Plan

**Background:** At December's Housing Methodology Committee meeting, some members felt it was premature to consider integrating the Plan Bay Area 2050 Blueprint into the RHNA process without further information on the inputs and outputs of the long-range planning process. With additional direction from both the MTC Commission and the ABAG Executive Board in February to study a specific set of growth geographies and strategies in the Draft Blueprint, staff is now returning to the HMC to provide additional clarity on the inputs to Plan Bay Area 2050.

Housing strategies being analyzed as part of the Draft Blueprint include allowing a greater mix of housing types and densities in a broader range of growth areas. This "PDAs Plus" framework balances local and regional priorities, integrating both locally-nominated Priority Development Areas (PDAs) as well as select Transit-Rich Areas (TRAs) and High-Resource Areas (HRAs) to address critical sustainability and equity goals. This approach is complemented with strategies to support all three "P's" of housing – production, preservation, and protection. Overall, the direction from both boards more closely aligns the Draft Blueprint with fair housing principles than past iterations of Plan Bay Area, which have primarily focused growth in locally-nominated areas.

**Issues:** Under state law, RHNA must be consistent with Plan Bay Area 2050. Both the overall housing growth for the region, as well as housing growth for each jurisdiction, must be greater in the long-range plan than over the eight-year RHNA cycle. Once an initial RHNA methodology has been developed and the Draft Blueprint modeling is complete, it will be possible to identify any inconsistencies that may exist – and begin refinements to RHNA factors or Plan strategies as needed to ensure consistency.

**Association of Bay Area Governments**

**Housing Methodology Committee**

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**March 12, 2020**

**Agenda Item 7.a.**

**Update on Plan Bay Area 2050 Blueprint**

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**Recommended Action:** Information

**Attachment:** A. Presentation

**Reviewed:**



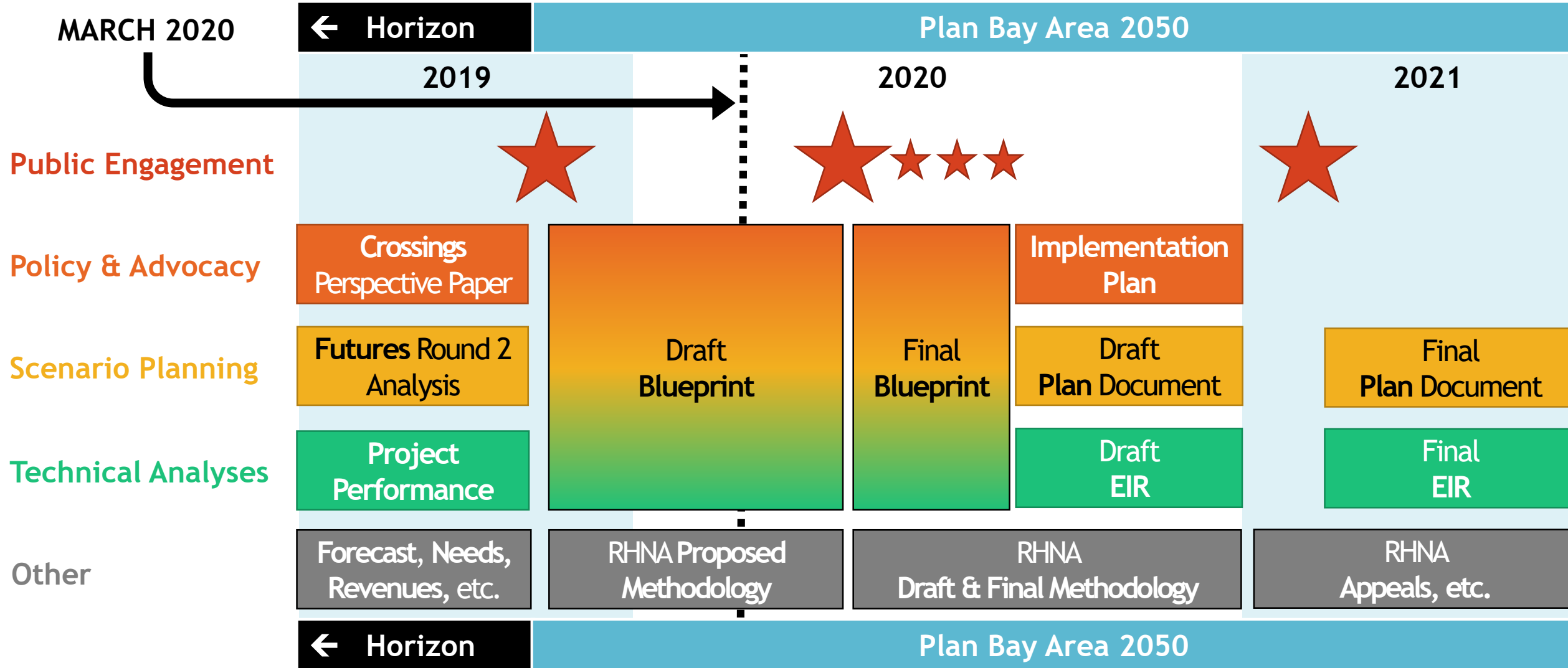
Therese W. McMillan

PLAN BAY AREA 2050

# Update on Plan Bay Area 2050 Blueprint

RHNA Housing Methodology Committee  
March 12, 2020 - Dave Vautin, MTC/ABAG

# Plan Bay Area 2050 and RHNA Schedules



# Refresher: There are three primary statutory connections between RHNA & the Plan.

**RHNA must be consistent with the development pattern from the Plan<sup>1</sup>.**

- **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.

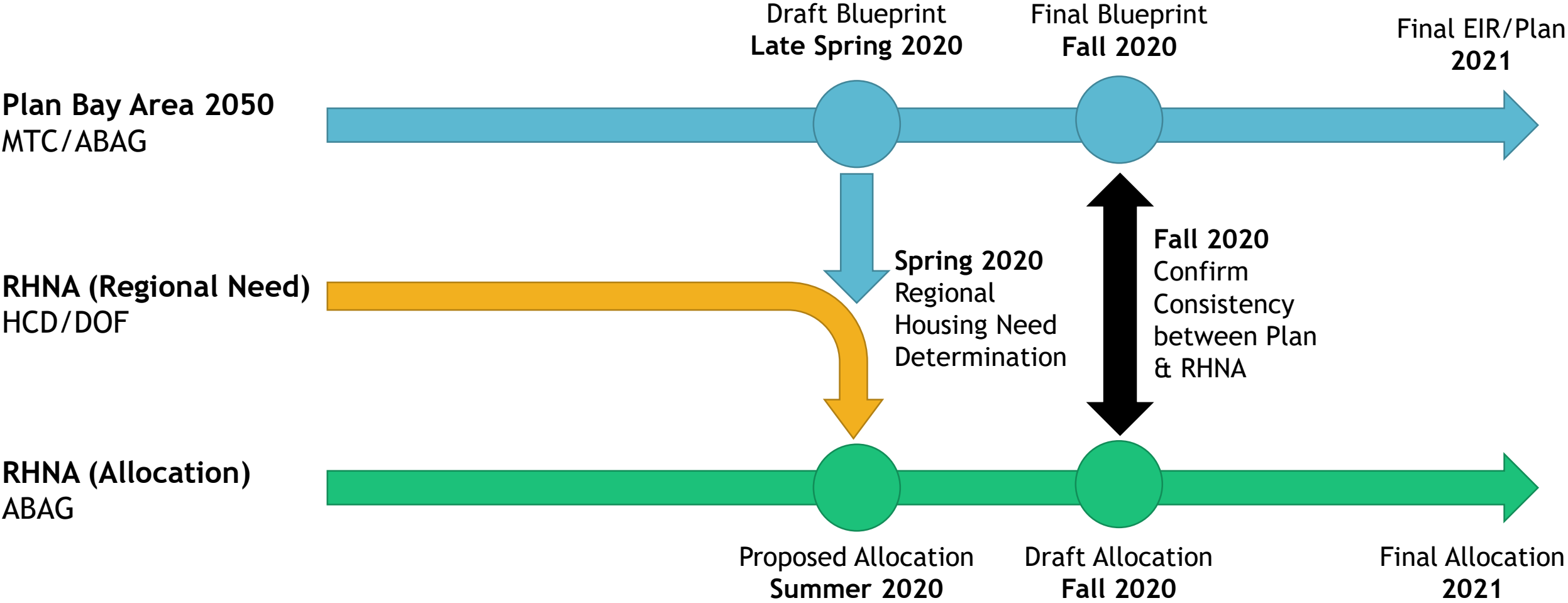
**Subregional shares must be generated based on the Plan<sup>2</sup>.**

- **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.**

**Key assumptions from the Plan's Regional Growth Forecast should be provided to the state during the RHND consultation process<sup>3</sup>.**

- **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  $\pm 1.5$  percent of the state's own forecast for the Bay Area.**

# Refresher: ABAG will have to confirm RHNA is consistent with the Final Blueprint later in 2020.





# PLAN BAY AREA 2050

At December's HMC meeting, some members felt it was premature to build off the Plan Bay Area 2050 Blueprint until more details were available.

With direction from the MTC and ABAG boards in February 2020, staff can now provide more clarity on the inputs to the Draft Blueprint.





PLAN BAY AREA 2050

# Highlights of the Draft Blueprint

Growth Geographies & Strategies Approved for  
Analysis by MTC/ABAG Boards in February 2020

# The Plan Bay Area 2050 Blueprint is a package of strategies designed to advance the regional vision.

*Vision: Ensure by the year 2050 that the Bay Area is **affordable**, **connected**, **diverse**, **healthy** and **vibrant** for all.*



- **Transportation** Investments & Strategies
- **Housing** Geographies & Strategies
- **Economic** Geographies & Strategies
- **Environmental** Strategies



12,900

comments at fall 2019  
“pop-up” workshops and  
online engagement

90%

of comments supported  
the Blueprint strategies



>250

attendees at fall 2019  
Draft Blueprint  
stakeholder workshops

# Bold Strategies for a More Affordable Bay Area



**Reduce the region's extreme cost of living by enabling over a million new homes near public transit**

- Strategies include:
- Allow a Greater Mix of Housing Types and Densities in Growth Areas
  - Reduce Barriers to Housing Near Transit and in Areas of High Opportunity



**Produce and preserve much-needed affordable housing through public, non-profit, and private sector action**

- Strategies include:
- Fund Affordable Housing Protection, Preservation, and Production
  - Require 10 to 20 Percent of New Housing to be Affordable



**Provide robust discounts for low-income residents both for tolls and transit fares**

- Strategies include:
- Reform Regional Transit Fare Policy
  - Implement Per-Mile Tolling on Congested Freeways with Transit Alternatives

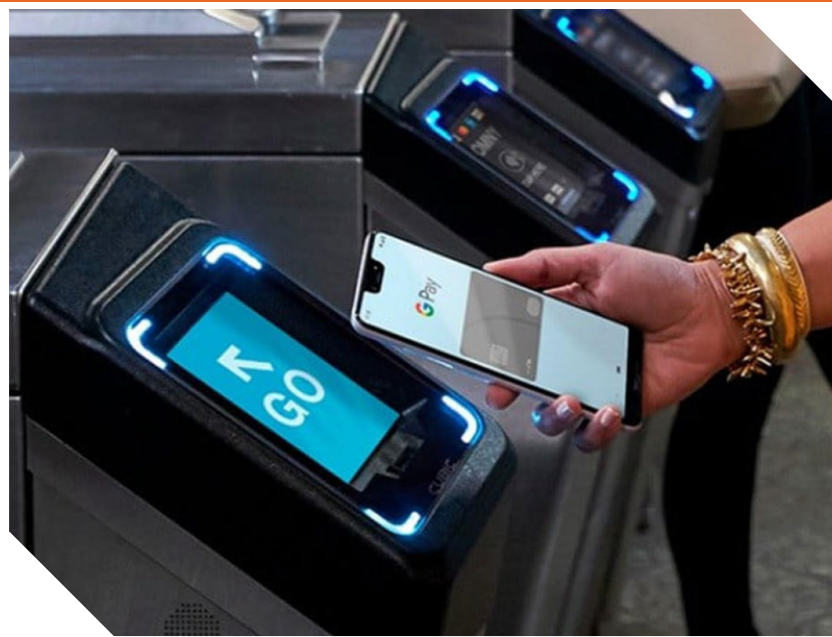
# Bold Strategies for a More Connected Bay Area



**Create a world-class public transportation system, emphasizing maintenance and ridership as critical twin goals**

Strategies include:

- Operate and Maintain the Existing System
- Advance Low-Cost Transit Projects
- Build a New Transbay Crossing



**Standardize transit fares across the region and advance seamless mobility through unified trip planning & payment**

Strategies include:

- Reform Regional Fare Policy
- Enable Seamless Mobility with Unified Trip Planning and Fare Payments



**Permanently reduce traffic congestion through a proven approach of pricing select corridors**

Strategies include:

- Implement Per-Mile Tolling on Congested Freeways with Transit Alternatives

# Bold Strategies for a More Diverse Bay Area



**Protect renters from being displaced to the region's periphery and beyond**

**Strategies include:**

- Further Strengthen Renter Protections Beyond State Legislation



**Tackle racial inequities by enabling more housing in historically-exclusionary places**

**Strategies include:**

- Allow a Greater Mix of Housing Types and Densities in Growth Areas
- Reduce Barriers to Housing Near Transit and in Areas of High Opportunity



**Create opportunities to grow the middle class through business incubators and childcare programs**

**Strategies include:**

- Expand Childcare Support for Low-Income Families
- Create Incubator Programs in Economically-Challenged Areas

# Bold Strategies for a More Healthy Bay Area



**Eliminate traffic deaths by making streets safer for all roadway users**

**Strategies include:**

- Advance Regional Vision Zero Policy through Street Design and Reduced Speeds
- Build a Complete Streets Network

[Draft Blueprint: Strategies](#)



**Protect tens of thousands of Bay Area homes from rising sea levels and from potential earthquake damage**

**Strategies include:**

- Adapt to Sea Level Rise
- Modernize Existing Building with Seismic, Wildfire, Drought, and Energy Retrofits



**Ensure the region's greenbelt remains protected for future generations**

**Strategies include:**

- Maintain Urban Growth Boundaries
- Protect High-Value Conservation Lands

# Bold Strategies for a More Vibrant Bay Area



**Encourage more job growth in housing-rich areas through strategic regional impact fees**

**Strategies include:**

- Assess Transportation Impact Fees on New Office Developments
- Assess Jobs-Housing Imbalance Fees on New Office Developments

Draft Blueprint: Strategies



**Preserve critical industrial lands and work to catalyze job growth in these locations**

**Strategies include:**

- Retain Key Industrial Lands through Establishment of Priority Production Areas
- Create Incubator Programs in Economically-Challenged Areas



**Convert aging 20<sup>th</sup> century malls and office parks into vibrant mixed-use destinations for the 21<sup>st</sup> century**

**Strategies include:**

- Transform Aging Malls and Office Parks into Neighborhoods



# What geographies are prioritized for housing & jobs in the Draft Blueprint?

## Protect



Areas outside Urban Growth Boundaries  
(including PCAs)



Unmitigated High Hazard Areas

## Prioritize



PDAs



PPAs



TRAs:  
Frequent Regional Rail



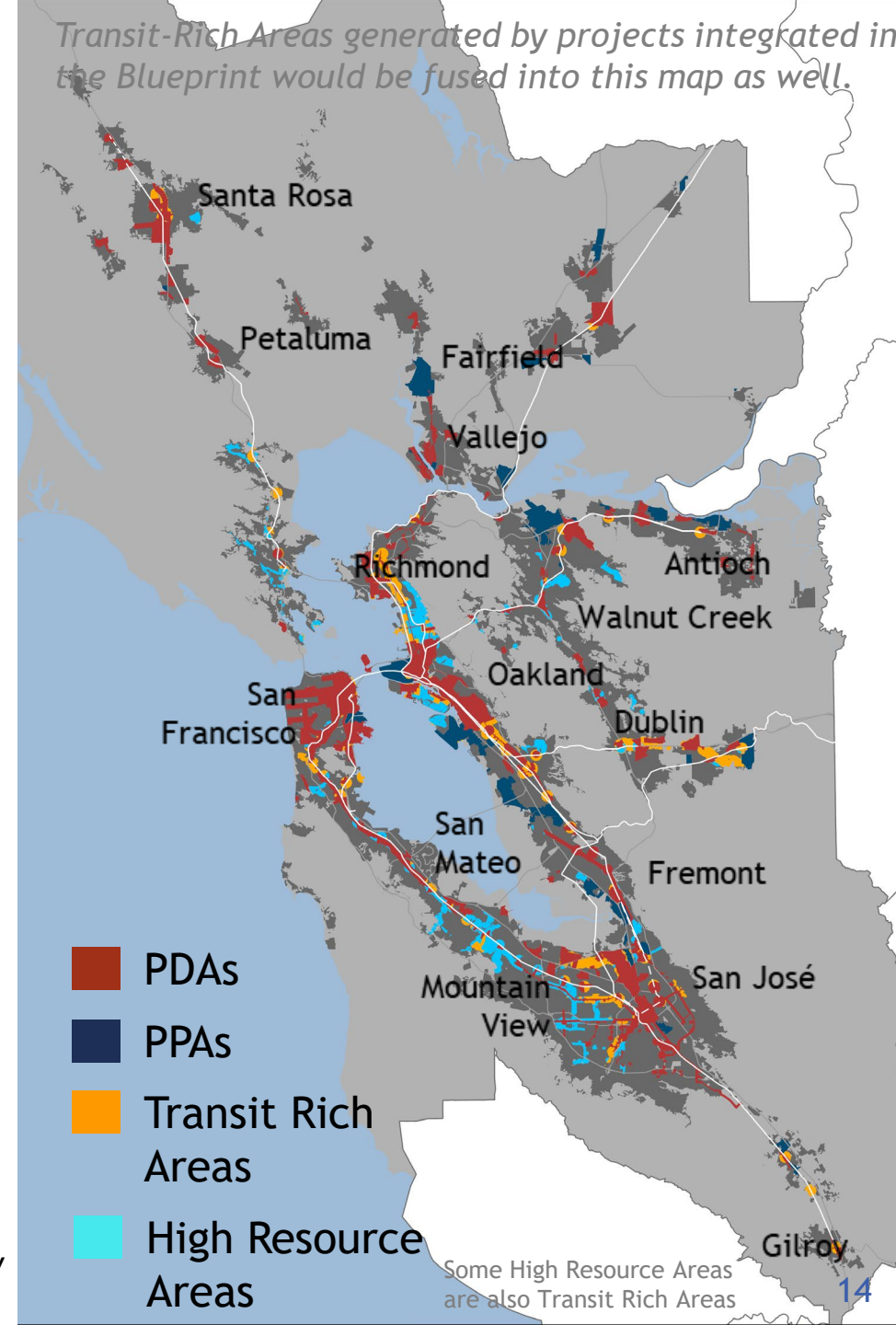
TRAs\*  
All Other



HRAs\*

\* Applies to all jurisdictions except those that have already nominated more than 50% of PDA-eligible areas

Transit-Rich Areas generated by projects integrated in the Blueprint would be fused into this map as well.



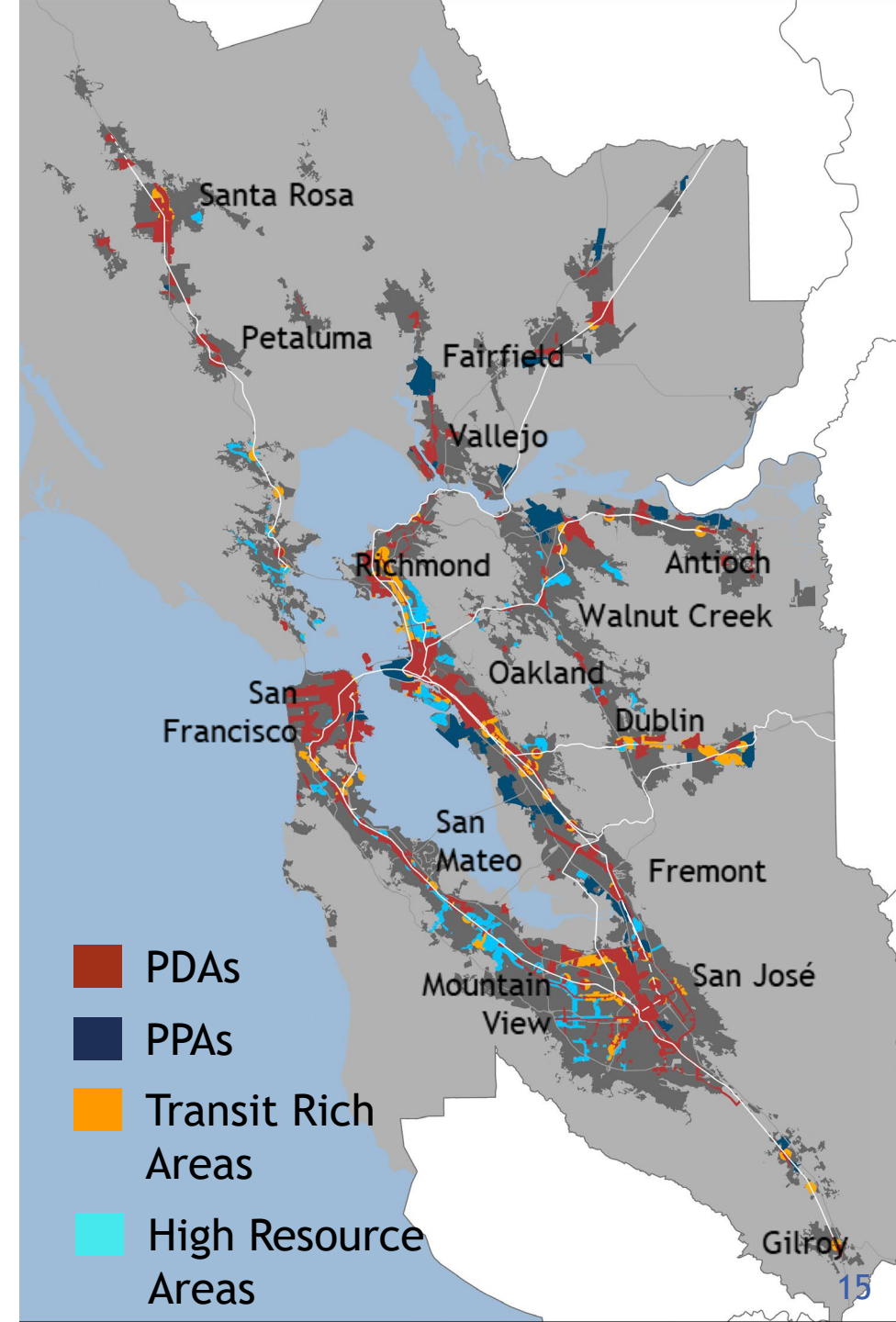
# What will happen between the Draft Blueprint & Final Blueprint in relation to growth geographies?

Local jurisdictions will have one more opportunity to nominate additional PDAs or expand PDA boundaries between mid-March and end of May.







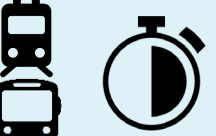



Expanded local engagement will occur simultaneously, emphasizing this opportunity especially for jurisdictions that nominated less than 50 percent of PDA-eligible areas.

Staff will review submissions this summer and ensure they are consistent with the latest PDA eligibility criteria, adopted in 2019.

Additional PDAs will be integrated into the Final Blueprint growth geographies later this year.

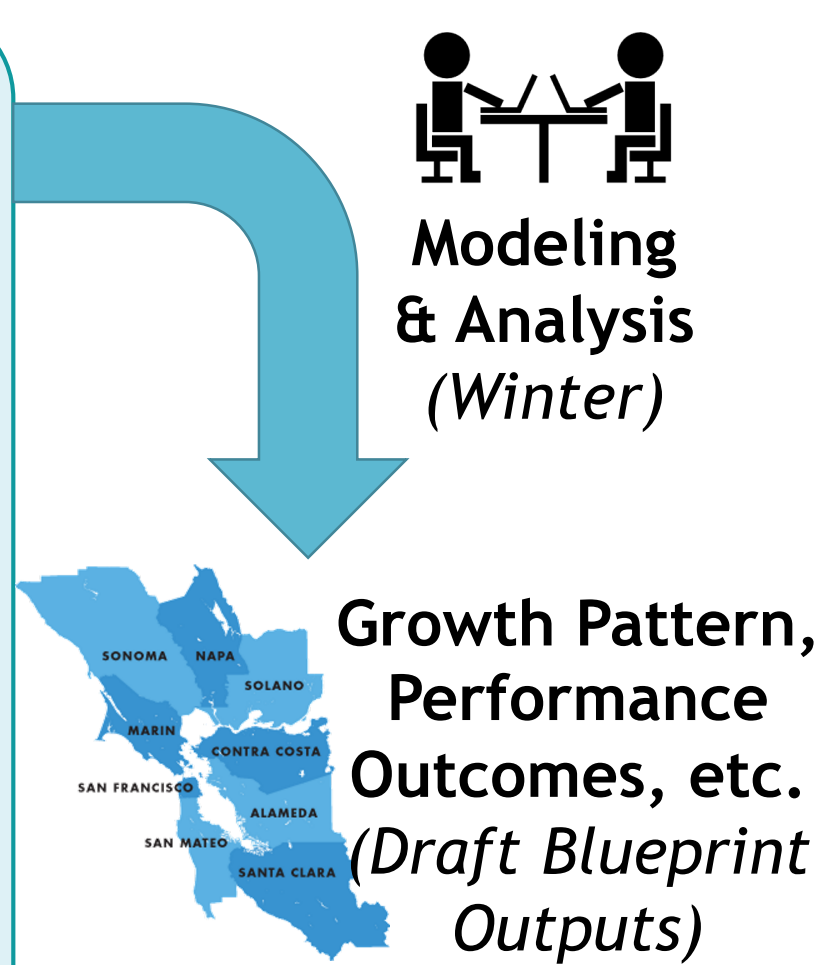


# What might this look like on the ground?

<i>Context (not exhaustive)</i>			<i>Housing Mix (illustrative only)</i>	
Transit	Job Access	Area Land Use		
 <p><i>Very frequent service</i></p>				
 <p><i>Frequent service</i></p>				
 <p><i>Basic service</i></p>				

Included in all areas: essential local services and supportive transportation infrastructure

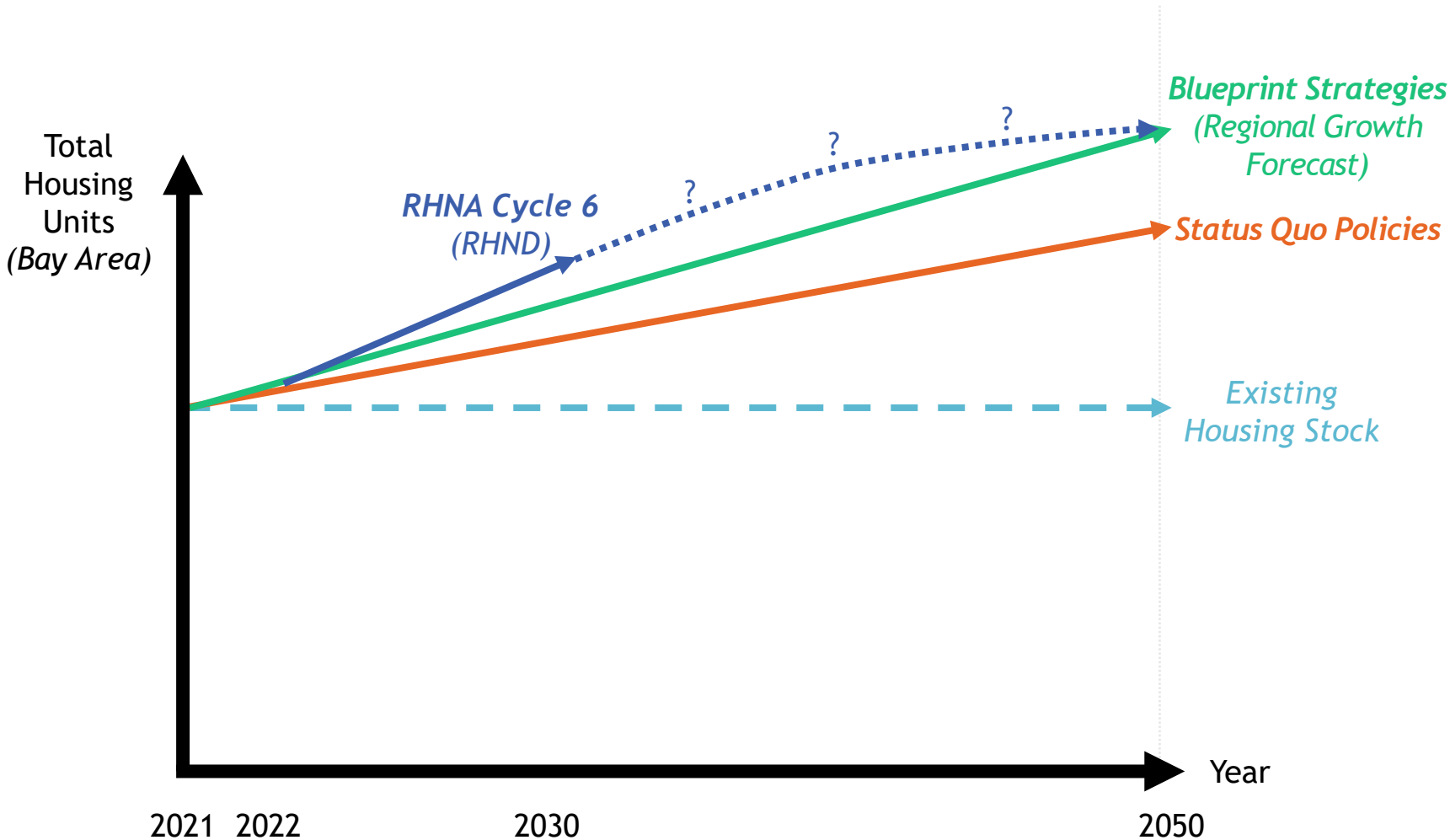
# Draft Blueprint: Analysis Underway



# Next Steps for RHNA Consistency

What are the next steps this spring and summer to ensure that RHNA is consistent with Plan Bay Area 2050?

# How does MTC/ABAG evaluate consistency between RHNA and Plan Bay Area 2050?



## Consistency Issue #1

Plan Bay Area 2050 Growth in Bay Area housing units through year 2050	$\geq$	RHNA Need for Bay Area housing units through year 2030
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## Consistency Issue #2

Plan Bay Area 2050 Local forecasted housing growth through year 2050 (Blueprint)	$\geq$	RHNA Allocation of housing need to local jurisdiction through year 2030
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# What are the next steps for the HMC?

MTC/ABAG staff will return to the HMC later this spring to brief you on the forecasted outcomes of the Draft Blueprint.

- The forecasted outcomes will highlight strengths and limitations of the strategies and growth geographies approved for analysis by MTC and ABAG in February.
- This information will likely further inform your decision to include or not include the Plan Bay Area 2050 Blueprint as part of the RHNA methodology.

There will be an opportunity this summer to modify RHNA factors and/or Plan strategies to ensure consistency as required by state law.

- The inclusion of select Transit-Rich and High-Resource Areas in the Draft Blueprint more closely aligns the Plan with key factors under discussion for RHNA, but further refinements may be also necessary.

*Detailed maps and strategy descriptions are available on [planbayarea.org](http://planbayarea.org).*

PLAN BAY AREA 2050

# Plan Bay Area 2050 Draft Blueprint: Q&A

Dave Vautin, Plan Bay Area 2050 Project Manager  
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**ABAG**

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 20-0478      **Version:** 1      **Name:**

**Type:** Report      **Status:** Informational

**File created:** 3/3/2020      **In control:** ABAG Housing Methodology Committee

**On agenda:** 3/12/2020      **Final action:**

**Title:** Continuation of the Discussion of Potential Factors to Include in the RHNA Allocation Methodology

Presentation of potential RHNA methodology factors that have been refined based on feedback provided at the January meeting and introduction of a tool that allows HMC members to explore combining factors into sample methodologies.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Item 8 1 Summary Sheet Methodology Factors v1.pdf](#)  
[Item 8 2 Attachment A Memo Potential Factors Toolkit v2.pdf](#)

Date	Ver.	Action By	Action	Result
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Continuation of the Discussion of Potential Factors to Include in the RHNA Allocation Methodology

Presentation of potential RHNA methodology factors that have been refined based on feedback provided at the January meeting and introduction of a tool that allows HMC members to explore combining factors into sample methodologies.

Gillian Adams

Information

**Association of Bay Area Governments**

**Housing Methodology Committee**

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**March 12, 2020**

**Agenda Item 8.a.**

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**Methodology Factors**

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**Subject:** Continuation of the Discussion of Potential Factors to Include in the RHNA Allocation Methodology

**Background:** At their January 24, 2020 meeting, members of the Housing Methodology Committee (HMC) continued their small group discussions to identify potential factors to include in the RHNA allocation methodology. Staff presented 14 factors in five categories: factors from Plan Bay Area 2050, fair housing and equity, jobs and jobs-housing fit, transportation and other factors of importance, which included natural hazards and past RHNA performance.

Facilitators used maps for the Bay Area of each potential factor to assist the groups in prioritizing factors. At the end of the meeting, HMC members and members of the public provided feedback about the potential factors they wanted to prioritize for additional exploration.

In **Attachment A**, staff has developed a set of potential factors that responds to the priorities identified by the HMC. For now, staff is focusing on factors that would be used to identify a jurisdiction's total number of housing units, although some of the factors presented could also be used as part of the income allocation methodology.

At the March meeting, HMC members will have the opportunity to discuss the revised factors and again provide feedback about priorities for factors to include in the methodology. The HMC will have an opportunity to consider factors for the income allocation at future meetings.

**Issues:** None

**Recommended Action:** Information

**Attachment:** A. Potential Factors Toolkit

**Reviewed:**



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Therese W. McMillan

# REGIONAL HOUSING NEEDS ALLOCATION



TO: Housing Methodology Committee  
FR: Deputy Executive Director, Policy  
RE: Potential Factors for the RHNA Methodology

DATE: March 12, 2020

## Overview

The Housing Methodology Committee's (HMC) objective is to recommend an allocation methodology for dividing up the Bay Area's Regional Housing Need Determination among the region's jurisdictions. This Regional Housing Needs Allocation (RHNA) methodology is a formula that calculates the number of housing units assigned to each city and county, and the formula also distributes each jurisdiction's housing unit allocation among four affordability levels. The HMC will need to select key factors to serve as the main components of the methodology. The factors function as levers that "drive" the allocation from the regional total to the jurisdiction share. While the RHNA process focuses on housing need, staff recognizes that *identifying* need is as much art as science. Ultimately, the allocation assigned to jurisdictions will be based on the factors that HMC members and ABAG's Executive Board consider most important.

The RHNA methodology must achieve two outcomes: determining the total number of housing units for each jurisdiction and determining the distribution of those units into the four income categories. For now, staff is continuing to focus on factors that would be used to identify a jurisdiction's total number of housing units, although some of the factors presented could also be used as part of the income allocation methodology. The HMC will have an opportunity to consider factors for the income allocation at future meetings.

## Continuation of Discussion of Potential Factors

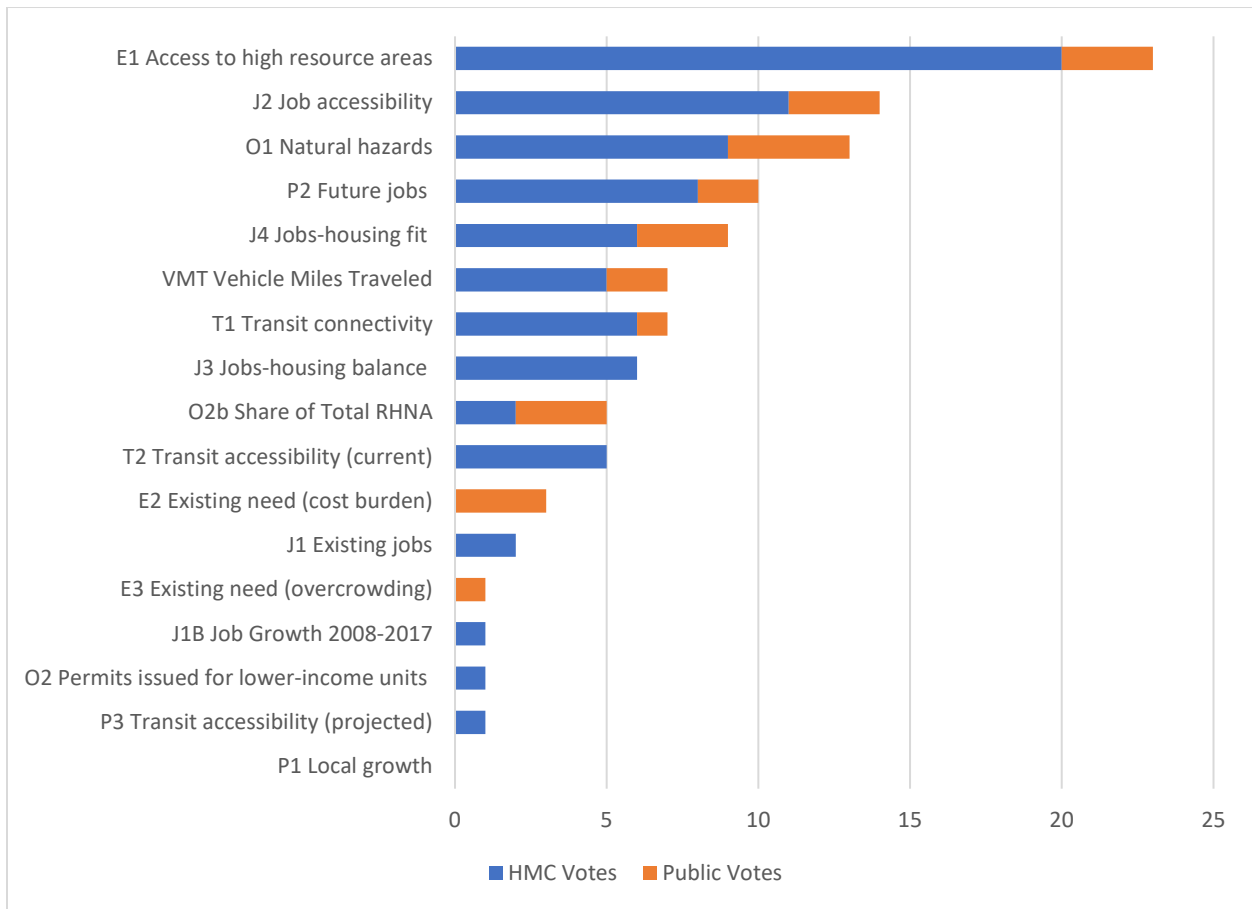
At the January 2020 HMC meeting, staff presented a set of potential factor topics for inclusion in the methodology. ABAG staff presented maps showing the regional distribution among jurisdictions for each potential factor topic (e.g., jobs-housing fit, transit proximity, etc.).<sup>1</sup> HMC members discussed the factors in small groups and then had an opportunity (along with members of the public in attendance) to vote for the factors they wanted prioritized for continued exploration. Figure 1 shows the top priorities identified by the voting.

ABAG staff has developed a revised set of nine potential methodology factors based on the feedback from the January meeting. The information staff is presenting for the March meeting takes development of the allocation methodology one step further by translating the raw data for each priority topic shown in the maps from the January meeting into an actual factor that could be incorporated into the methodology and used to assign housing need to each jurisdiction. The revised factors and the methodology for translating the data into a factor are described in more detail below.

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<sup>1</sup> The maps from the January HMC meeting can be viewed at <https://abag.ca.gov/rhna-maps>

**Figure 1: Results of Dot Voting for Priority Factors**



At the March meeting, staff will present the revised factors and ask HMC members to continue the process of refining and prioritizing the factors to be included in the methodology. Staff has developed a visualization tool that shows a map of the jurisdiction-specific output for different combinations of factors (<https://rhna-factors.mtcanalytics.org/>). The tool enables users to explore sample RHNA methodologies by allowing them to insert a proxy number for the total housing need determination that ABAG will receive from HCD and to apply a weight to each potential factor. ABAG staff will use the tool to support HMC members as they prioritize factors, consider weights for each factor, and develop an initial recommendation for a RHNA methodology. While the tool will enable the HMC to explore the ten factors described below, staff will be looking for feedback about how to narrow down the number of factors to be included in the methodology, to ensure it meets the HMC’s goals for a methodology that is easy to understand and there is a compelling narrative for why the methodology was chosen as the best way to achieve the RHNA objectives.

***Translating Data into Factors***

For each potential factor, ABAG staff has taken the raw data presented in the maps from the January HMC meeting and translated into a factor for use in the methodology. This translation process involves three steps:

1. **Baseline allocation:** As a starting place for the RHNA methodology, ABAG staff is proposing to assign each jurisdiction a share of the total Regional Housing Needs Determination (RHND) from the California Department of Housing and Community Development (HCD) based on the jurisdiction's size (in terms of households) as a share of the region's total households. This *baseline allocation* means that a larger jurisdiction will receive a larger allocation, but each jurisdiction starts out with an equal share of the total housing need relative to jurisdiction size.

If, in the future, the HMC decides to incorporate the Plan Bay Area 2050 Blueprint into the RHNA methodology, each jurisdiction's share of forecasted household growth could readily be used in place of its share of existing households. That would be similar to the approach used in ABAG's methodology for the 2015-2023 RHNA cycle.

2. **Factor adjustments:** Each selected factor for the methodology would be applied to this household distribution and be used to adjust up or down a jurisdiction's baseline allocation. A jurisdiction with above average scores on the factors would get an *upwards* adjustment, whereas a city with below average scores on the factors would get a *downwards* adjustment relative to the baseline allocation. To ensure that each factor is treated consistently in the methodology formula, each factor is standardized by scaling it to the range of 0.5 to 1.5. This facilitates comparison of the impact a factor has on a jurisdiction's allocation.
3. **Factor weights:** the methodology includes weights for each factor that correspond to the relative importance of each factor in the overall allocation, reflecting the priorities of the HMC and ABAG's board. When applied, the weight determines the share of the RHND that will be assigned by that particular factor.

## Fair Housing and Equity

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Staff has proposed two factors that address the statutory objective that the RHNA methodology must affirmatively further fair housing. Housing Element Law defines affirmatively furthering fair housing as:

"taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws."<sup>2</sup>

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<sup>2</sup> See California [Government Code Section 65584\(e\)](#).

While other Councils of Governments (COGs) have used the Opportunity Map and other equity-related factors in their RHNA income allocations, ABAG staff has received direction from the HMC to incorporate equity-related factors into the methodology for a jurisdiction's total allocation. Doing so maximizes the impact these factors will have on overcoming patterns of segregation and fostering inclusive communities.

The *Access to High Opportunity Areas* factor received the most votes at the January HMC meeting. This factor would allocate more housing units to jurisdictions with a higher share of households living in areas labelled High Resource or Highest Resource on the Opportunity Map produced by the California Tax Credit Allocation Committee (TCAC) and HCD. Staff revised this factor to incorporate the draft 2020 Opportunity Map, which includes more recent data and some modifications to the methodology, including a revision to how rural areas are assessed. Staff has summarized the TCAC/HCD 2020 methodology in Appendix A.

Several HMC members also expressed interest in exploring a factor that considers racial segregation more explicitly. To address this feedback, staff has proposed a *Divergence Index* factor. The divergence index measures how the racial distribution of a local area (in this context, a jurisdiction) differs compared to the demographics of a larger area (in this context, the region). If the local area has the same racial distribution as the larger area, the divergence index is scored at 0. The more a jurisdiction's demographics diverge from the regional distribution, the higher the divergence index score. A high score does not indicate that the jurisdiction is racially homogenous, only that its demographic profile differs markedly from the region as a whole. Given the multitude of racial and ethnic groups in the Bay Area, the Othering and Belonging Institute at UC Berkeley has identified the Divergence Index as the best measure of segregation in the region in part because it captures segregation for multiple racial groups at the same time.<sup>3</sup> One challenge with the divergence index is that it can be high both in areas of concentrated poverty as well as in areas of concentrated affluence

It is worth noting that explicitly race-based criteria raise constitutional issues and are subject to strict scrutiny, meaning that they must be narrowly tailored to achieve a compelling interest, and it must be demonstrated that race-neutral policies are ineffective. It is not clear that a race-neutral policy such as use of the opportunity maps would be ineffective, so stakeholders may raise constitutional issues with respect to the *Divergence Index* factor based on its focus on race and ethnicity

Both the *Access to High Opportunity Areas* and *Divergence Index* factors would address the RHNA mandate to affirmatively further fair housing by increasing access to opportunity and replacing segregated living patterns. Although the *Access to High Opportunity Areas* factor does not explicitly incorporate racial demographics, it has the potential to expand housing opportunities for low-income households and people of color in more places where these

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<sup>3</sup> See "Racial Segregation in the San Francisco Bay Area, Part 1" at <https://belonging.berkeley.edu/racial-segregation-san-francisco-bay-area>.

communities have historically lacked access. Another practical strength of this factor is that HCD has consistently used the Opportunity Map to assess whether the RHNA methodologies developed by other COGs meet the objective to affirmatively further fair housing and it would increase alignment with how funding for affordable housing is distributed statewide.

<b>1. Access to High Opportunity Areas</b>	
Impact	More housing units allocated to jurisdictions with the most access to opportunity.
Definition	The percentage of a jurisdiction’s households living in census tracts labelled High Resource or Highest Resource based on opportunity index scores. <sup>4</sup>
Revisions	Revised to incorporate data from updated draft 2020 Opportunity Maps.
Data source	HCD/TCAC 2020 Opportunity Maps
Dot Vote Rank	1
<b>2. Divergence Index</b>	
Impact	More housing allocated to jurisdictions that are more segregated compared to the rest of the region.
Definition	The divergence index score for a jurisdiction, which is a calculation of how different a jurisdiction’s demographics are from the region
Revisions	New factor
Data source	U.S. Census Bureau, American Community Survey 2014-2018, Tables B03002; B19013
Dot Vote Rank	N/A

### **Jobs and Jobs-Housing Fit**

ABAG staff has included five potential job-related factors. The *Job Proximity* and *Vehicle Miles Travelled (VMT)* factors consider the relationships between jobs and transportation. The *Job Proximity* factor encourages more housing in jurisdictions with easy access to the region’s job centers. Based on travel model data, staff has revised the *Job Proximity* factor to include jobs that can be accessed from a jurisdiction within a 45-minute transit commute, in addition to jobs that can be accessed from a jurisdiction by a 30-minute auto commute. While the two could be combined, we have left them separate for the March meeting since the transit component is new.<sup>5</sup>

The *Vehicle Miles Travelled (VMT)* factor was included as a reference map at the January HMC meeting, but ranked highly in the dot voting exercise. This factor would direct more housing to

<sup>4</sup> The Opportunity Area Maps include indicators related to poverty, adult education, employment, job proximity, median home value, pollution, math proficiency (4<sup>th</sup> grade), reading proficiency (4<sup>th</sup> grade), high school graduation rate, student poverty rate and a filter related to poverty and racial segregation. For more information about the methodology used to create the maps, see <https://www.treasurer.ca.gov/ctcac/opportunity/draft-2020-tcac-hcd-methodology-december.pdf>.

<sup>5</sup> While the transit factor is a new addition, to be consistent, the auto access factor has been updated to use the same source, the regional travel model. The map presented in January on auto access alone relied on data from Inrix, a provider of traffic volume data.

jurisdictions where a high percentage of workers drive long distances to work, with a goal of increasing access to existing jobs and reducing greenhouse gas emissions.

The *Jobs-Housing Balance* and *Jobs-Housing Fit* factors specifically incorporate the relationships between housing and jobs and would allocate more housing to jurisdictions where there are a high number of jobs relative to housing. The *Jobs-Housing Balance* factor evaluates the total number of jobs and housing in a jurisdiction without considering the relative costs of housing in the jurisdiction compared to the wages of the jobs in the jurisdiction. The *Jobs-Housing Fit* factor has the benefit that it directly addresses this statutory requirement that the RHNA allocation promote “an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.”<sup>6</sup>

Most of the jobs factors that staff has presented use jurisdiction boundaries as the geography of analysis. The *Job Proximity* factor uses a commute shed and several HMC members have suggested that the *Jobs-Housing Fit* factor should be revised to use commute sheds. The idea behind using a commute shed is to better capture the lived experience of accessing jobs irrespective of jurisdiction boundaries. Housing and job markets extend beyond jurisdiction boundaries—in most cities, a majority of workers work outside their jurisdiction of residence, and demand for housing in a particular jurisdiction is substantially influenced by its proximity and accessibility to jobs in another community.

Staff analyzed the commute shed variants of the jobs-housing fit and jobs-housing balance measures. While there are compelling reasons to use a transportation accessibility measure that recognizes that job and housing markets are typically substantially larger than particularly the smaller and even medium sized jurisdictions, staff has, for the time being, decided to use the more conventional measurement of jurisdiction boundaries. First, this is consistent with the research that helped cement the planning relevance of the jobs-housing fit measure.<sup>7</sup> Second, there are potential issues with having jobs and housing units outside of a jurisdiction play a role in determining a jurisdiction’s allocation of RHNA units. The output of the RHNA methodology is an allocation to a particular jurisdiction so the factors have to assign a score to each jurisdiction. Assigning RHNA units to a jurisdiction based on factor that includes an assessment of housing and/or jobs outside of the jurisdiction’s boundaries would mean that a jurisdiction could be held responsible for responding to land use decisions outside of its control.

The *Future Jobs* factor is the only one included in the potential factors that would be based on forecasted data rather than existing conditions. This factor would use data from the forecasted development pattern in the Plan Bay Area 2050 Blueprint. As discussed at the January meeting, the Blueprint is still under development, so this factor is based on information from the Clean and Green Future developed as part of the [Horizon Initiative](#) as a placeholder until the Blueprint is released. Clean and Green was selected as the placeholder because it best represents the

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<sup>6</sup> See California [Government Code Section 65584\(e\)](#).

<sup>7</sup> Benner, C., & Karner, A. (2016). Low-wage jobs-housing fit: identifying locations of affordable housing shortages. *Urban Geography*, 37(6), 883-903.



moderate-growth Future explored in the Horizon process. The data used is from the *Horizon Futures Round 2* because the growth framework for this second round of analysis incorporates additional growth in High Resource Areas and Transit-Rich Areas, consistent with the Plan Bay Area 2050 Growth Framework that was recently approved by ABAG and MTC policy makers.

<b>3a. Job Proximity - Auto</b>	
Impact	More housing allocated to jurisdictions with easy access to region's job centers.
Definition	Share of region's total jobs that can be accessed from a jurisdiction by a 30-minute auto commute.
Revisions	Revised to be sourced from travel model travel time data.
Data source	MTC, Travel Model One
Dot Vote Rank	2
<b>3b. Job Proximity - Transit</b>	
Impact	More housing allocated to jurisdictions with easy access to region's job centers.
Definition	Share of region's total jobs that can be accessed from a jurisdiction by a 45-minute transit commute.
Revisions	New factor
Data source	MTC, Travel Model One
Dot Vote Rank	N/A
<b>4. Vehicle Miles Travelled (VMT)</b>	
Impact	More housing allocated to jurisdictions with a high number of vehicle miles travelled per worker.
Definition	Total modeled vehicle miles traveled per worker in 2020 from Plan Bay Area 2040. <sup>8</sup>
Revisions	New factor
Data source	MTC
Dot Vote Rank	6
<b>5. Jobs-Housing Balance</b>	
Impact	More housing allocated to jurisdictions with a high number of jobs relative to the amount of housing.
Definition	Ratio of jobs within a jurisdiction to housing units in the jurisdiction.
Revisions	None
Data source	MTC, U.S. Census Bureau, ACS 2014-2018, Census LEHD LODES for 2015-2017
Dot Vote Rank	8

<sup>8</sup> Data from Plan Bay Area 2050 would be used once it is available.

<b>6. Jobs-Housing Fit</b>	
Impact	More housing allocated to jurisdictions with a high number of low-wage jobs relative to the number of low-cost rental units.
Definition	Ratio of low-wage jobs (less than \$3,333/month) within a jurisdiction to the number of low-cost rental units (less than \$1,500/month) in the jurisdiction.
Revisions	None
Data source	MTC, U.S. Census Bureau, ACS 2014-2018, Census LEHD LODES for 2015-2017
Dot Vote Rank	5
<b>7. Future Jobs<sup>9</sup></b>	
Impact	More housing allocated to jurisdictions with a higher share of projected jobs.
Definition	Jurisdiction's share of the region's forecasted jobs based on Plan Bay Area 2050.
Revisions	None
Data source	MTC
Dot Vote Rank	4

## **Transportation**

Staff has included the Transit Connectivity factor that was presented in January without any revisions. This factor would allocate more housing to jurisdictions with a high share of the region's total acres within Transit Priority Areas (TPAs).<sup>10</sup> Using this approach, rather than a percentage of population or households in a TPA or the percentage of a jurisdiction's land area in a TPA, ensures that each jurisdiction's transit resources are counted equally and are not relative to the jurisdiction's size or experience in directing growth to transit-served locations.

<b>8. Transit Connectivity</b>	
Impact	More housing allocated to jurisdictions with existing and planned transit infrastructure.
Definition	Jurisdiction's percentage of the region's total acres within Transit Priority Areas.
Revisions	None
Data source	MTC
Dot Vote Rank	7

<sup>9</sup> Although ABAG would likely use data for year 2030 if the HMC decides to use Plan Bay Area 2050, staff used data for year 2050 from the Clean and Green future due to greater reliability of the data that is currently available.

<sup>10</sup> Defined in the California Public Resources Code, Section 21099 as areas within 1/2 mile of a Major Transit stop, which could be any of the following:

- Existing rail stations
- Planned rail stations in an adopted RTP
- Existing ferry terminals with bus or rail service
- Planned ferry terminals with bus or rail service in an adopted RTP
- Intersection of at least two existing or planned bus routes with headways of 15 minutes or better during both the morning and evening peak periods

## Other Factors of Importance

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The HMC expressed a lot of interest in a factor related to natural hazards. For the January meeting, staff proposed a factor that used the Multi-Hazard Index developed for the Horizon Initiative as a way to consider the broad range of hazards to which Bay Area jurisdictions are susceptible. For the March meeting, ABAG staff has revised the Multi-Hazard Index for use in RHNA to consider all relevant hazards, ensure all highest risk areas are incorporated, and better align with Plan Bay Area 2050. See Appendix B for a summary of the revised methodology for the Multi-Hazard Index.

With regard to fire hazards, in the original *Natural Hazards* factor, an area only received a score of 1 (highest risk) for fire if it had both high exposure to wildfire and landslide. In the revised version, all areas with “very high” fire risk are assigned a risk score of 1 even if they are not at risk for landslide. This approach to considering fire risk is consistent with proposed legislation, Senate Bill 182 (Jackson), that would add a new RHNA objective to Housing Element Law and add wildfire risk to the list of factors that must be considered for the RHNA methodology. If this bill becomes law, ABAG would be required to consider wildfire risk in the methodology for this RHNA cycle.

In the latest version of SB 182, the sixth RHNA objective would be “Promoting resilient communities. Furthering this objective includes reducing development pressure within very high fire risk areas.” In considering wildfire risk in the methodology, ABAG (and other COGs in future RHNA cycles) would be directed to reduce potential development in very high fire risk areas, including through taking into account the percentage of a jurisdiction’s land considered suitable for development that is in a “very high fire risk” area. Although the bill includes specifics about addressing fire risks, nothing in the bill prohibits ABAG from considering wildfire risk in addition to other hazards, consistent with the overall RHNA objective of “promoting resilient communities.”

Staff also modified the *Natural Hazards* factor to add all “Alquist Priolo Fault Zones” to consider fault rupture, include any “Very High” liquefaction susceptibility zones, and remove sea level rise from the assessment of flooding. Removal of sea level rise zones is consistent with the approach used for Plan Bay Area 2050, which includes investments to mitigate the impacts of sea level rise. However, many of areas susceptible to sea level rise are still captured by liquefaction and/or FEMA 100-year flood zones.

9. Natural Hazards	
Impact	More housing is allocated to areas with low natural hazard risk.
Definition	Percentage of acres within a jurisdiction’s urbanized area in locations with low risk from natural hazards according to the Modified MTC/ABAG Multi-Hazard Index.
Revisions	Added all “very high risk” fire severity zones, “very high” liquefaction susceptibility zones, and Alquist-Priolo Fault Zones. Removed sea level rise zones to be consistent with the adaptation-based strategy used in Plan Bay Area 2050.
Data source	MTC; USGS liquefaction susceptibility; CAL FIRE FRAP LRA/SRA data; FEMA (flood zones), Alquist-Priolo Fault Zones (California Geological Survey)
Dot Vote Rank	3

## Appendix A: Explanation of TCAC/HCD Opportunity Map Methodology

### Purpose of Opportunity Mapping

The Opportunity Map stems from the California Department of Housing and Community Development's (HCD's) policy goals to avoid further segregation and concentration of poverty and to encourage access to opportunity through affordable housing program design and implementation.<sup>11</sup> In February 2017, the California Tax Credit Allocation Committee (TCAC) and HCD established the California Fair Housing Task Force to provide evidence-based policy recommendations related to fair housing goals.<sup>12</sup> TCAC and HCD charged the Task Force with creating an opportunity map using reliable and publicly available data sources to identify areas in the state whose characteristics have been shown by research to support positive economic, educational, and health outcomes for low-income families and their children.

TCAC adopted the first Opportunity Map in December 2017 with the goal of increasing access to high opportunity areas for households living in affordable housing financed by the Low Income Housing Tax Credit (LIHTC) program. TCAC administers the federal and state LIHTC programs, which represent the primary funding source for new affordable rental housing.<sup>13</sup> When scoring applications for LIHTC funding, TCAC provides a tiebreaker bonus for projects located in a census tract designated as Highest or High Resource on the TCAC/HCD Opportunity Map. TCAC/HCD revises the Opportunity Map annually. In February 2020, TCAC/HCD released a draft version of the 2020 Opportunity Map that uses updated data and includes revisions to the methodology.<sup>14</sup>

### Opportunity Index Scores and Categorization

The TCAC/HCD Opportunity Map uses 21 indicators to calculate opportunity index scores for census tracts in each region in California. The draft 2020 Opportunity Map measures rural areas using block groups instead of census tracts (as was done in previous versions) because tracts in rural areas of California are approximately 37 times larger in land area than tracts in non-rural areas.<sup>15</sup> Using block groups in rural areas allows for finer-grained analysis (each rural tract contains three block groups). For most of the Bay Area, opportunity is measured at the census tract level, but there are also areas designated as rural that are measured at the block group level.

Tracts and rural block groups with the following characteristics are not included in the opportunity index dataset due to the lack of reliable data:

- Areas where prisoners make up at least 75% of the population.

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<sup>11</sup> For more information on the purpose of opportunity mapping and the 2020 Opportunity Map methodology, see <https://www.treasurer.ca.gov/ctcac/opportunity/draft-2020-tcac-hcd-methodology-december.pdf>.

<sup>12</sup> The Task Force includes The Othering & Belonging Institute at UC Berkeley, the Urban Displacement Project at UC Berkeley, the Turner Center for Housing Innovation at UC Berkeley, and the California Housing Partnership.

<sup>13</sup> For information on TCAC's LIHTC programs, see <https://www.treasurer.ca.gov/ctcac/program.pdf>.

<sup>14</sup> To view the draft 2020 Opportunity Map, see <https://belonging.berkeley.edu/tcac-2020-preview>.

<sup>15</sup> The Opportunity Map defines tracts as rural if at least half of the population resides in block groups labelled as rural on the U.S. Department of Agriculture's online multifamily mapping application.

- Areas with population density below 15 people per square mile and total population below 500.
- Areas where multiple opportunity index indicators lack reliable data due to sample size limitations in the American Community Survey conducted by the Census Bureau.

### ***Opportunity Index Scoring***

The TCAC/HCD Opportunity Map categorizes tracts and rural block groups into five groups:

- **Highest Resource**
- **High Resource**
- **Moderate Resource/Moderate Resource (Rapidly Changing)**
- **Low Resource**
- **High Segregation & Poverty**

Before an area receives an opportunity index score, census tracts and rural block groups are filtered into the High Segregation & Poverty category. This filter aligns with HCD's policy goals to avoid further segregation and poverty concentration while increasing access to opportunity for low-income families. The Task Force developed a two-stage approach:

- **Concentrated poverty:** First, identify tracts and rural block groups where at least 30% of population is below the federal poverty line. Research shows this share of neighborhood poverty corresponds with negative outcomes for individuals. To prevent students from distorting the concentrated poverty measure, college and graduate students are removed from the poverty calculation in tracts where they are at least 25% of the population.
- **Racial segregation:** Second, the filter measures racial segregation to capture tracts and rural block groups with a disproportionate share of households of color. The filter uses the location quotient of residential racial segregation (LQ), which is a relative measure of segregation rather than an absolute threshold. The LQ is the ratio of a racial group's population share in an area (e.g., a census tract or block group) to that group's share of the population in a larger area (in this case, the county). For the High Segregation & Poverty filter, tracts that have a LQ higher than 1.25 for Blacks, Hispanics, Asians, or all people of color are flagged as being racially segregated in comparison to the county. In other words, if any of these groups is 25% more concentrated in the tract or block group relative to the county, the area is considered racially segregated.

After filtering out High Segregation and Poverty areas, the TCAC/HCD Opportunity Map allocates the 20% of tracts in each region with the highest relative index scores to the Highest Resource designation and the next 20% to the High Resource designation. Each region thus ends up with 40% of its non-filtered tracts with reliable data as Highest or High Resource. The remaining non-filtered tracts are then evenly divided into Low Resource and Moderate Resource categories.

The approach to allocating resource categories for rural block groups is different. Rural block groups are compared to other rural block groups in the same county. 40% of rural block groups in a county are allocated to the Highest Resource and High Resource categories, and the remaining rural block groups in the county are evenly divided into Low Resource and Moderate Resource.

To account for places experiencing rapid changes in opportunity and resources, the draft 2020 Opportunity Map identifies Moderate Resource areas with index scores just below the High Resource threshold that have experienced rapid increases in key indicators since 2000. The 2020 Opportunity Map labels these areas as “Moderate Resource (Rapidly Changing)”. However, this new category currently does not impact TCAC or HCD programs, which focus on High and Highest Resource areas.

**Indicators that Determine Opportunity Index Scores**

The Opportunity Map categorizes 21 different indicators into three domains: **Economic, Education, and Environmental.**

Each census tract or block group receives a score for each indicator. The scores are averaged together by domain (with each indicator’s score receiving an equal weighting), and the three domain scores are then averaged together to create an index score for the tract or block group.

<b>Economic Domain Indicators</b>
<p><b><u>Poverty:</u> The percent of the population in each tract and rural block group with an income above 200% of federal poverty line.</b></p> <p>Numerous studies have shown tract-level poverty rates are a strong indicator of an area’s level of resources and a predictor of key life outcomes for low-income children. Living in low-poverty areas has been shown to generate significant benefits for both children and adults. The Task Force used 200% of the poverty line to reflect the higher cost of living in California.</p>
<p><b><u>Adult education:</u> the percent of adults 25 years and older who have earned at least a bachelor’s degree in each tract and rural block group.</b></p> <p>The tract-level share of adults that have earned a bachelor’s degree has been shown to be highly correlated with rates of upward economic mobility for low-income children. Higher rates of post-secondary attainment are also predictive of higher wages and improved work opportunities for adults, meaning that families are less likely to be economically insecure.</p>
<p><b><u>Employment:</u> The percent of individuals in each tract and rural block group age 20 to 64 who are employed in either the civilian labor force or the armed forces.</b></p> <p>The tract-level share of employed adults has been shown to be highly correlated with rates of upward economic mobility for low-income children, while adult unemployment is commonly considered an indicator of neighborhood disadvantage that affects the entire community.</p>
<p><b><u>Proximity to jobs:</u> The number of jobs filled by workers with less than a bachelor’s degree that fall within the typical commute distance of low-wage workers in the region.</b></p> <p>Communities can experience poor labor market outcomes because of the lack of nearby jobs with skill-levels and qualifications accessible to community members. This indicator encourages locate affordable housing near jobs likely to be attainable for low-income households.</p>
<p><b><u>Median home value:</u> The median value of owner-occupied units according to the census.</b></p> <p>Home value is a strong proxy for the quality of neighborhood resources. Research suggests that neighborhood characteristics like school quality, public resources, crime rates, and environmental quality are all reflected in home values.</p>

## Education Domain Indicators

**Math proficiency:** The percentage of 4<sup>th</sup> graders who perform at or above grade level, calculated as the enrollment-weighted average proficiency level of students at the three closest schools (within the same county) to each census tract/block group.<sup>16</sup>

Studies have shown that test scores correlate with students' neighborhood conditions, such as whether they live in a high-poverty or high-crime area. Further, test scores and other measures of school quality are highly correlated with upward mobility for low-income children. While this indicator does not account for non-neighborhood school district assignment policies, the academic literature suggests that low-income students are more likely to attend their neighborhood schools even when they have a choice to go elsewhere.

**Reading proficiency:** The percentage of 4<sup>th</sup> graders who perform at or above grade level, calculated as the enrollment-weighted average proficiency level of students at the three closest schools (within the same county) to each census tract/block group.<sup>5</sup>

See explanation above for the math proficiency indicator.

**High school graduation rates:** The cohort-weighted average of the percent of students who graduate in four years for the three high schools nearest to the tract or rural block group, based on California Department of Education data.<sup>17</sup>

Low graduation rates indicate schools are not preparing students for the workforce. Students who do not graduate from high school face a variety of challenges later in life, including an increased risk of going to prison and lower wages than their classmates who graduate.

**Student poverty rates:** The percentage of students not receiving free or reduced-price lunch, calculated using the enrollment-weighted average from the three closest schools (within the same county) to the census tract/block group.

Studies have consistently shown that attending low-poverty and economically integrated schools boosts educational achievement for low-income students, when compared to attending higher-poverty schools.

## Environmental Domain Indicators

The environmental domain uses data from CalEnviroScreen 3.0, a statewide risk assessment tool that measures cumulative impacts of multiple sources of pollution. The Opportunity Map uses 12 indicators from CalEnviroScreen 3.0, which were selected based on scientific literature related to the impact of the indicator on health and the quality of the data available:<sup>18</sup>

- **Ozone concentrations**
- **PM2.5 concentrations**
- **Diesel PM emissions**
- **Drinking water contaminants**
- **Pesticide use**
- **Toxic releases from facilities**
- **Traffic density**
- **Cleanup sites**
- **Groundwater threats**
- **Hazardous waste generators and facilities**
- **Impaired water bodies**
- **Solid waste sites and facilities**

<sup>16</sup> The Task Force utilized the average value from three schools because the methodology does not account for school assignment boundaries, which are different from census tract/block group boundaries.

<sup>17</sup> Previous versions of the Opportunity Map used district-wide graduation rates for this indicator. The draft 2020 Opportunity Map uses the same approach as the elementary school-based indicators (test scores and student poverty) to increase the accuracy of this indicator.

<sup>18</sup> For more information about the CalEnviroScreen indicators, see <https://oehha.ca.gov/calenviroscreen/indicators>.

## Appendix B: Explanation of Modified ABAG/MTC Multi-Hazard Index

### Summary

The Bay Area is a hazard rich region. Earthquakes, wildfires, floods, and landslides are all hazards that have and will continue to impact the region. The proposed Multi-Hazard Index is constructed using five regionally complete hazard layers for wildfire, landslide, flooding, fault rupture, and liquefaction. An early version was developed to support analysis for [Horizon Perspective Paper 3](#) which explores areas that are well suited for future growth. The index provides a hazards perspective on which places in the Bay Area have fewer/lesser hazards to contend with. This summary of the methodology for the Multi-Hazard Index has been revised to reflect the modifications made by ABAG staff for using the index in the RHNA methodology. ABAG staff has revised the Multi-Hazard Index to simplify the approach where possible, consider all relevant hazards, ensure all highest risk areas are incorporated, and better align with Plan Bay Area 2050. For RHNA purposes, ABAG staff included only those areas with the greatest exposure to hazard risks.

### Index Methodology

The Bay Area is a hazard rich region. Earthquakes, wildfires, floods, and landslides are all hazards that have and will continue to impact the region. Areas of high hazards are spatially correlated into two different groups:

1. In the mountains, fire and landslide hazards are known to occur in the same space. Steep topography is one variable that is a major driver of both landslide and fire hazard.
2. Along rivers and shorelines, flooding, sea level, and liquefaction hazards are spatially correlated. Most liquefaction zones are a result of current or historic river systems carrying liquefiable sediment into a zone. Similarly, areas where the region filled the bay are generally low elevation and at risk of current and future flooding.

The Modified Multi-Hazard Index staff proposes to use for the RHNA methodology includes the following areas of highest risk:

### ***Wildfire and Landslide Hazards***

- Any "Very High" Fire Hazard Severity Zone (CAL FIRE)
- A "High" Fire Hazard Severity Zone when it is also a "High" Landslide Area (USGS).

Assessment of fire hazards is based on the draft Fire Hazard Severity Zone (FHSZ) maps from CAL FIRE (2009), which take into account the amount of vegetation, the topography, and weather (temperature, humidity, and wind), and represents the likelihood of an area burning over a 30 to 50 year period.<sup>19</sup> ABAG staff chose the FHSZ map because it is tied to relevant state legislation [Senate Bill 1241 \(2012\)](#) which connects General Plan Housing and Safety Elements

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<sup>19</sup> Staff selected the Fire Hazard Severity Zone draft maps because the final versions omit some data, making it a regionally incomplete layer.



and incorporates CAL FIRE's review of Housing Elements. THE FHSZ maps are also the regulatory map that requires more stringent fire codes for new construction as well as defensible space requirements and inspections. The draft FHSZ maps staff used do not assess future fire risks as a result of climate change. CAL FIRE is updating these maps, with expected completion in late 2020/early 2021.

Assessment of landslide hazard areas is based on Landslides\_USGS (1998) which shows areas where landslides have occurred in the past, since these are the areas where future landslides are most likely to occur.

### ***Earthquake***

- All Alquist-Priolo Fault Zones (California Geological Survey)
- Any "Very High" Liquefaction Susceptibility Zone (USGS)

Liquefaction is a phenomena that can occur when three variables are present: (1) the ground at a location must be "loose" – uncompacted sand and silt without much clay, (2) The sand and silt must be water saturated due to a high water table, (3) the site must be shaken long and hard enough by an earthquake to trigger liquefaction. When liquefaction occurs, it can be very damaging to both buildings and most underground infrastructure (roads, water, wastewater, gas). Assessment of liquefaction is based on a map from the California Integrated Seismic Network (CISN) in 2012.

### ***Flooding***

- All 100-year Flood Zones (FEMA)

Assessment of current flooding is based on a simplified version of FEMA's maps which characterize current flooding risk from both bay and riverine sources. The FEMA flood maps exist for eight of the nine counties (San Francisco is unmapped).