



375 Beale Street  
Suite 700  
San Francisco, California  
94105

## Meeting Agenda - Final

### ABAG Executive Board

*President, Jesse Arreguin, Mayor, City of Berkeley*  
*Vice President, Belia Ramos, Supervisor, County of Napa*  
*Immediate Past President, David Rabbitt, Supervisor, County of Sonoma*

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Thursday, June 18, 2020

6:05 PM

Remote

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#### Association of Bay Area Governments Executive Board Meeting No. 448

The ABAG Executive Board will be meeting on June 18, 2020, 6:05 p.m., in the Bay Area Metro Center (Remotely). In light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 issued by Governor Newsom on March 17, 2020 and the Guidance for Gatherings issued by the California Department of Public Health, the meeting will be conducted via webcast, teleconference, and Zoom for committee, commission, or board members who will participate in the meeting from individual remote locations.

A Zoom panelist link for meeting participants will be sent separately to committee, commission, or board members.

The meeting webcast will be available at: <https://abag.ca.gov/meetings-events/live-webcasts>

Members of the public are encouraged to participate remotely via Zoom at the following link or phone number.

Attendee Link: <https://bayareametro.zoom.us/j/99090864296>

Join by Telephone: 888 788 0099 (Toll Free) or 877 853 5247 (Toll Free)

Webinar ID: 990 9086 4296

Detailed instructions on participating via Zoom are available at:  
<https://abag.ca.gov/zoom-information>

Committee members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial "\*9".

In order to get the full Zoom experience, please make sure your application is up to date.

Members of the public may participate by phone or Zoom or may submit comments by email at [info@bayareametro.gov](mailto:info@bayareametro.gov) by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name in the subject line. Due to the current circumstances there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

The ABAG Executive Board may act on any item on the agenda.

The meeting is scheduled to begin at 6:05 p.m.

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

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

**Roster**

Candace Andersen, Jesse Arreguin, London Breed, Cindy Chavez, Christopher Clark, David Cortese, Lan Diep, Pat Eklund, Maya Esparza, Nikki Fortunato Bas, Richard Garbarino, Leon Garcia, Liz Gibbons, Lynette Gibson McElhaney, Scott Haggerty, Barbara Halliday, Erin Hannigan, Rich Hillis, David Hudson, Wayne Lee, Jake Mackenzie, Rafael Mandelman, Gordon Mar, Nathan Miley, Karen Mitchoff, Raul Peralez, Julie Pierce, Dave Pine, David Rabbitt, Belia Ramos, Dennis Rodoni, Warren Slocum, Loren Taylor, Lori Wilson.  
William Kissinger (Non-voting).

**1. Call to Order / Roll Call / Confirm Quorum**

**2. Public Comment**

*Information*

**3. Executive Board Announcements**

*Information*

**4. President's Report**

- 4.a. [20-0936](#) President's Report of June 18, 2020, including a Report on the General Assembly Business Meeting of June 11, 2020

**Action:** Information

**Presenter:** Jesse Arreguin

- 4.b. [20-1019](#) Presentation from UC Berkeley Haas School of Business on SOS Business Recovery Loan Program

**Action:** Information

**Presenter:** Laura Tyson and Adair Morse, UC Berkeley

**Attachments:** [Item 04b 1 Summary Sheet SOS Business Recovery Loan Program.pdf](#)

**5. Executive Director's Report**

- 5.a. [20-0937](#) Executive Director's Report of June 18, 2020

**Action:** Information

**Presenter:** Therese McMillan

**6. Executive Board Consent Calendar**

- 6.a. [20-0930](#) Approval of ABAG Executive Board Minutes of May 21, 2020
- Action: Approval
- Presenter: Clerk of the Board
- Attachments: [Item 06a Minutes 20200521 447 Draft.pdf](#)
- 6.b. [20-0983](#) Authorization to Enter into an agreement with the City of Palo Alto to receive funds in an amount up to \$250,000 for the Palo Alto Horizontal Levee Pilot Project
- Action: Approval
- Presenter: Caitlin Sweeney
- Attachments: [Item 06b 1 Summary Sheet SFEP City of Palo Alto.pdf](#)  
[Item 06b 2 Summary Approval SFEP City of Palo Alto.pdf](#)
- 6.c. [20-0984](#) Authorization to amend an existing contract with Environmental Science Associates in an amount up to \$585,000 for the Palo Alto Horizontal Levee Pilot Project
- Action: Approval
- Presenter: Caitlin Sweeney
- Attachments: [Item 06c 1 Summary Sheet SFEP ESA Palo Alto.pdf](#)  
[Item 06c 2 Summary Approval SFEP ESA Palo Alto.pdf](#)
- 6.d. [20-0941](#) Authorization to enter into an agreement with Delta Stewardship Council to receive up to \$1,500,000 to provide science expertise and communication services and to integrate Delta data and priorities into San Francisco Estuary Partnership publications between July 1, 2020 and June 30, 2023
- Action: Approval
- Presenter: Caitlin Sweeney
- Attachments: [Item 06d 1 Summary Sheet Delta Stewardship Council.pdf](#)  
[Item 06d 2 Summary Approval Delta Stewardship Council.pdf](#)

## 7. ABAG Administrative Committee

- 7.a. [20-0938](#) Report on ABAG Administrative Committee Meetings of June 12, 2020 with the MTC Planning Committee and with the MTC Executive Committee
- Action: Information
- Presenter: Jesse Arreguin

- 7.b. [20-0972](#) Report on Initial Strategic Framework for Expanded Regional Housing Portfolio
- Discussion of an initial framework for a regional housing strategy that expands the housing portfolio currently held by ABAG and MTC and preliminary overview of potential guiding principles for a regional housing strategy and a three-phased implementation plan to align potential future initiatives with available funding and thorough planning.
- Action:** Approval
- Presenter:** Daniel Saver
- Attachments:** [Item 07b 1 Summary Sheet Expanded Regional Housing Portfolio.pdf](#)  
[Item 07b 2 Attachment AC Summary Expanded Regional Housing Portfolio.pdf](#)  
[Item 07b 3 Attachment B REAP Funds for Business Plan.pdf](#)

## 8. ABAG Legislation Committee

- 8.a. [20-0939](#) Report on ABAG Legislation Committee Meeting of June 12, 2020
- Action:** Information
- Presenter:** Julie Pierce
- 8.b. [20-0974](#) Assembly Bill 2621 (Mullin) Regional Climate Adaptation Planning
- Requires the Office of Planning and Research to establish guidelines for regional climate adaptation action plans and sets forth how regional climate networks can be established.
- Action:** Approval, Support if Amended
- Presenter:** Rebecca Long
- Attachments:** [Item 08b 1 Summary Sheet Regional Climate Adaptation Planning.pdf](#)  
[Item 08b 2 Attachment LC Summary AB 2621 Mullin.pdf](#)

## 9. Joint ABAG MTC Governance Committee

- 9.a. [20-0940](#) Report on Joint ABAG MTC Governance Committee Meeting of May 27, 2020
- Action:** Information
- Presenter:** Jesse Arreguin
- 9.b. [20-1014](#) Ratification of Appointments to ABAG Housing Committee
- Action:** Approval
- Presenter:** Jesse Arreguin
- Attachments:** [Item 09b 1 Summary Sheet Housing Committee Establishment and Appointment](#)

## 10. Regional Housing Needs Allocation

- 10.a. [20-0942](#) Update on Regional Housing Needs Determination (RHND) as identified by the California Department of Housing and Community Development (HCD)

**Action:** Information

**Presenter:** Paul Fassinger

**Attachments:** [EB 20200618 Item 10a 1 Summary Sheet RHND.pdf](#)  
[Item 10a 2 Attachment A Staff Memo on RHND.pdf](#)  
[Item 10a 3 Attachment B HCD Memo on RHND.pdf](#)  
[Item 10a 4 Attachment C Powerpoint on RHND.pdf](#)

## 11. Adjournment / Next Meeting

*The next regular meeting of the ABAG Executive Board is on July 16, 2020.*

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

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

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

**Accessibility and Title VI:** MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

**可及性和法令第六章:** MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者, 請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知, 以滿足您的要求。

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

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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.



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 20-0936      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Informational  
**File created:** 6/3/2020      **In control:** ABAG Executive Board  
**On agenda:** 6/18/2020      **Final action:**  
**Title:** President's Report of June 18, 2020, including a Report on the General Assembly Business Meeting of June 11, 2020

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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President's Report of June 18, 2020, including a Report on the General Assembly Business Meeting of June 11, 2020

Jesse Arreguin

Information



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
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## Legislation Details (With Text)

<b>File #:</b>	20-1019	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Report	<b>Status:</b>		Informational	
<b>File created:</b>	6/12/2020	<b>In control:</b>		ABAG Executive Board	
<b>On agenda:</b>	6/18/2020	<b>Final action:</b>			
<b>Title:</b>	Presentation from UC Berkeley Haas School of Business on SOS Business Recovery Loan Program				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Item 04b 1 Summary Sheet SOS Business Recovery Loan Program.pdf</a>				

Date	Ver.	Action By	Action	Result
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Presentation from UC Berkeley Haas School of Business on SOS Business Recovery Loan Program

Laura Tyson and Adair Morse, UC Berkeley

Information



**Association of Bay Area Governments**

**Executive Board**

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**June 18, 2020**

**Agenda Item 4.b.**

**UC Berkeley Haas School of Business**

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**Subject:** Presentation from UC Berkeley Haas School of Business on SOS Business Recovery Loan Program

**Background:** As part of the ABAG Executive Board's discussion on economic recovery and COVID-19 response, President Arreguin has invited Professor Laura Tyson at UC Berkeley (former chair of Clinton's Council of Economic Advisors) and Professor Adair Morse to give a presentation on an innovative proposal to leverage and state and local funding to create a small business recovery loan program and to discuss how regional officials can work in partnership to implement this innovative financing model.

**Issues:** None

**Recommended Action:** Information

**Attachments:** To Be Announced

**Reviewed:**   
Therese W. McMillan



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 20-0937      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Informational  
**File created:** 6/3/2020      **In control:** ABAG Executive Board  
**On agenda:** 6/18/2020      **Final action:**  
**Title:** Executive Director's Report of June 18, 2020  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
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Executive Director's Report of June 18, 2020

Therese McMillan

Information



ABAG

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 20-0930      **Version:** 1      **Name:**

**Type:** Minutes      **Status:** Executive Board Consent

**File created:** 6/2/2020      **In control:** ABAG Executive Board

**On agenda:** 6/18/2020      **Final action:**

**Title:** Approval of ABAG Executive Board Minutes of May 21, 2020

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Item 06a Minutes 20200521 447 Draft.pdf](#)

Date	Ver.	Action By	Action	Result
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Approval of ABAG Executive Board Minutes of May 21, 2020

Clerk of the Board

Approval



375 Beale Street  
Suite 700  
San Francisco, California  
94105

## Meeting Minutes - Draft

### ABAG Executive Board

*President, Jesse Arreguin, Mayor, City of Berkeley*  
*Vice President, Belia Ramos, Supervisor, County of Napa*  
*Immediate Past President, David Rabbitt, Supervisor, County of Sonoma*

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Thursday, May 21, 2020

5:40 PM

Board Room - 1st Floor (Remote)

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#### Association of Bay Area Governments Executive Board Meeting No. 447

The ABAG Executive Board may act on any item on the agenda.

The meeting is scheduled to begin at 5:40 p.m.,  
or immediately following the preceding ABAG and ACFA meetings.

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

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

#### Roster

Candace Andersen, Jesse Arreguin, London Breed, Cindy Chavez, Christopher Clark, David Cortese, Lan Diep, Pat Eklund, Maya Esparza, Nikki Fortunato Bas, Richard Garbarino, Leon Garcia, Liz Gibbons, Lynette Gibson McElhaney, Scott Haggerty, Barbara Halliday, Erin Hannigan, Rich Hillis, David Hudson, Wayne Lee, Jake Mackenzie, Rafael Mandelman, Gordon Mar, Nathan Miley, Karen Mitchoff, Raul Peralez, Julie Pierce, Dave Pine, David Rabbitt, Belia Ramos, Dennis Rodoni, Warren Slocum, Loren Taylor, Lori Wilson.  
William Kissinger (Non-voting).

#### 1. Call to Order / Roll Call / Confirm Quorum

President Arreguin called the meeting to order at about 5:50 p.m. Quorum was present.

**Present:** 33 - Andersen, Arreguin, Bas, Canepa, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garbarino, Garcia, Gibbons, Gibson McElhaney, Haggerty, Halliday, Hannigan, Hudson, Lee, Mackenzie, Mandelman, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Ramos, Rodgers, Rodoni, Taylor, and Wilson L

**Absent:** 1 - Pine

#### 2. Public Comment

The following gave public comment: Ken Bukowski.

#### 3. Executive Board Announcements

There were no Executive Board member announcements.

#### 4. President's Report

- 4.a. [20-0677](#) ABAG President's Report of May 21, 2020  
President Arreguin gave the report.
- 4.b. [20-0689](#) Recognition of Immediate Past President David Rabbitt  
President Arreguin and Executive Board members recognized Supervisor Rabbitt for his service as Immediate Past President.

#### 5. Executive Director's Report

- 5.a. [20-0678](#) Executive Director's Report of May 21, 2020  
Therese McMillan gave the report.

#### 6. Executive Board Consent Calendar

**Upon the motion by Mackenzie and second by Wilson, the ABAG Executive Board approved the Consent Calendar, including adoption of Resolution No. 14-2020. The motion passed unanimously by the following vote:**

**Aye:** 27 - Andersen, Arreguin, Bas, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garcia, Gibbons, Haggerty, Hannigan, Hudson, Mackenzie, Mandelman, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Ramos, Rodgers, Rodoni, and Wilson L

**Absent:** 7 - Canepa, Garbarino, Gibson McElhaney, Halliday, Lee, Pine, and Taylor

- 6.a. [20-0679](#) Approval of ABAG Executive Board Minutes of Meeting on April 9, 2020
- 6.b. [20-0680](#) Approval of ABAG Executive Board Minutes of Meeting on April 23, 2020
- 6.c. [20-0681](#) Adoption of Resolution No. 14-2020 Authorization to receive \$731,706 in bridge toll funds from the Metropolitan Transportation Commission (MTC) to support the San Francisco Bay Trail Project in Fiscal Year 2020/2021
- 6.d. [20-0682](#) Authorization to contract with the San Francisco Public Utilities Commission for up to \$180,000 to provide programmatic support for the Integrated Regional Water Management - Disadvantaged Community and Tribal Involvement Program. Contract period is May 2020 - December 2021.
- 6.e. [20-0820](#) Authorization to enter into an agreement with Delta Stewardship Council to receive up to \$950,000 to provide science expertise and communication services and to integrate Delta data and priorities into San Francisco Estuary Partnership publications

## 7. ABAG Administrative Committee

- 7.a. [20-0391](#) Report on ABAG Administrative Committee Meetings of March 13, 2020 with the MTC Planning Committee and the MTC Executive Committee, and of May 8, 2020 with the MTC Planning Committee, and of May 18, 2020 with the MTC Executive Committee

**Upon the motion by Arreguin and second by Pierce, the ABAG Executive Board approved the ABAG Administrative Committee report. The motion passed unanimously by the following vote:**

**Aye:** 26 - Andersen, Arreguin, Bas, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garcia, Gibbons, Haggerty, Hannigan, Hudson, Mackenzie, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Ramos, Rodgers, Rodoni, and Wilson L

**Absent:** 8 - Canepa, Garbarino, Gibson McElhaney, Halliday, Lee, Mandelman, Pine, and Taylor

- 7.b. [20-0729](#) Proposed Amendment to Plan Bay Area 2040: Adoption of Resolution No. 12-2020 and Resolution No. 13-2020

Approval of the proposed amendments to the Amended Plan Bay Area 2040 (Plan) and the Amended 2019 Transportation Improvement Program (TIP) to include the Interstate 680 Express Lanes Gap Closure Project in Alameda County, and approval of two companion technical documents - Transportation-Air Quality Conformity Analysis (Conformity Analysis) and Environmental Impact Report (EIR) Addendum that demonstrate the Amended Plan and Amended TIP comply with federal transportation conformity and California Environmental Quality Act (CEQA) requirements. The public comment period closed on April 24, 2020, and a summary of comments and responses will be presented prior to Committee action.

Adam Noetling gave the report.

The following gave public comment: Ken Bukowski.

**Upon the motion by Haggerty and second by Hudson, the ABAG Executive Board adopted Resolution No 12-2020 and Resolution No. 13-2020. The motion passed unanimously by the following vote:**

**Aye:** 27 - Andersen, Arreguin, Bas, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garbarino, Garcia, Gibbons, Haggerty, Hannigan, Hudson, Mackenzie, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Ramos, Rodgers, Rodoni, and Wilson L

**Absent:** 7 - Canepa, Gibson McElhaney, Halliday, Lee, Mandelman, Pine, and Taylor

7.c. [20-0821](#) Follow-up to Questions at the April Board meetings related to AB1487 Implementation and Mechanics

This item summarizes the legal and administrative framework for the Bay Area Housing Finance Authority (BAHFA), including the steps necessary to pursue a November 2020 revenue measure and a pathway to explore expanding the region's housing portfolio even absent a November 2020 ballot measure. This is an informational item to frame the discussion and provide context for the decisions that the Joint Committees have recommended to the ABAG Executive Board and the Metropolitan Transportation Commission.

Daniel Saver gave the report.

7.d. [20-0817](#) Decision on Pursuit of November 2020 Revenue Measure

Key considerations to inform a decision regarding whether or not to pursue a general obligation bond on the November 2020 ballot to fund affordable housing.

Daniel Saver gave the report.

The following gave public comment: Ken Bukowski, JR Starrett.

**Upon the motion by Hudson and second by Eklund, the ABAG Executive Board deferred action on pursuing a ballot measure until after November 2020. The motion passed unanimously by the following vote:**

**Aye:** 33 - Andersen, Arreguin, Bas, Canepa, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garbarino, Garcia, Gibbons, Gibson McElhaney, Haggerty, Halliday, Hannigan, Hudson, Lee, Mackenzie, Mandelman, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Ramos, Rodgers, Rodoni, Taylor, and Wilson L

**Absent:** 1 - Pine

**7.e. [20-0819](#) Direction on Future Regional Housing Work Plan**

Discussion of Bay Area Regional Housing Portfolio and Range of Activities for Potential Future Regional Housing Work Plan.

Preliminary overview of options and strategies for Bay Area regional agencies to expand their existing housing portfolio and seek new funding to support tenant protections, preservation of existing housing, and production of new affordable housing.

Daniel Saver gave the report.

The following gave public comment: Aaron Eckhouse, Stewart Hyland, Elizabeth Wampler, Heather Hood, Kate Hartley, Ken Bukowski, Jordan Grimes.

**Upon the motion by Mackenzie and second by Gibson McElhaney, the ABAG Executive Board adopt Option 2, Expanded Regional Housing Portfolio. The motion passed unanimously by the following vote:**

**Aye:** 32 - Andersen, Arreguin, Bas, Canepa, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garbarino, Garcia, Gibbons, Gibson McElhaney, Haggerty, Halliday, Hannigan, Hudson, Lee, Mackenzie, Mandelman, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Rodgers, Rodoni, Taylor, and Wilson L

**Absent:** 2 - Pine, and Ramos

**8. ABAG Legislation Committee****8.a. [20-0392](#) Report on ABAG Legislation Committee Meetings of February 14, 2020, March 13, 2020, and May 8, 2020, including Ratification of Election of Chair and Vice Chair**

Julie Pierce and Rebecca Long gave the report.

**Upon the motion by Pierce and second by Hudson the ABAG Executive Board approved the ABAG Legislation Committee report. The motion passed unanimously by the following vote:**

**Aye:** 26 - Andersen, Arreguin, Bas, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garcia, Gibbons, Haggerty, Hannigan, Hudson, Mackenzie, Mandelman, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Ramos, Rodgers, Rodoni, and Wilson L

**Absent:** 8 - Canepa, Garbarino, Gibson McElhaney, Halliday, Lee, Mar, Pine, and Taylor

**9. ABAG Finance Committee**



**9.a.     [20-0684](#)**     Report on ABAG Finance Committee Meeting of May 21, 2020

Karen Mitchoff gave the report.

**Upon the motion by Mitchoff and second by Pierce, the ABAG Executive Board approved the ABAG Finance Committee report. The motion passed unanimously by the following vote:**

**Aye:** 26 - Andersen, Arreguin, Bas, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garcia, Gibbons, Haggerty, Hannigan, Hudson, Mackenzie, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Ramos, Rodgers, Rodoni, and Wilson L

**Absent:** 8 - Canepa, Garbarino, Gibson McElhaney, Halliday, Lee, Mandelman, Pine, and Taylor

**9.b.     [20-0688](#)**     Authorization to amend a contract with Visual Strategies for Association of Bay Area Governments website operations and maintenance in an amount not to exceed \$72,000 for Fiscal Year 2020-2021

Karen Mitchoff gave the report.

The following gave public comment: Ken Bukowski.

**Upon the motion by Mitchoff and second by Gibbons, the ABAG Executive Board authorized the Executive Director of the Metropolitan Transportation Commission, or her designee, to amend the existing contract with Visual Strategies on behalf of the Association of Bay Area Governments for website operations and maintenance in an amount not to exceed \$72,000 for Fiscal Year 2020-2021. The motion passed unanimously by the following vote:**

**Aye:** 26 - Andersen, Arreguin, Bas, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garcia, Gibbons, Haggerty, Hannigan, Hudson, Mackenzie, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Ramos, Rodgers, Rodoni, and Wilson L

**Absent:** 8 - Canepa, Garbarino, Gibson McElhaney, Halliday, Lee, Mandelman, Pine, and Taylor

**10. ABAG Housing Methodology Committee****10.a.     [20-0397](#)**     Report on ABAG Housing Methodology Committee Meeting of March 12, 2020 and May 14, 2020

President Arreguin gave the report.

The following gave public comment: Ken Bukowski.

**Upon the motion by Arreguin and second by Pierce, the ABAG Executive Board approved the ABAG Housing Methodology Committee report. The motion passed unanimously by the following vote:**

**Aye:** 26 - Andersen, Arreguin, Bas, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garcia, Gibbons, Haggerty, Hannigan, Hudson, Mackenzie, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Ramos, Rodgers, Rodoni, and Wilson L

**Absent:** 8 - Canepa, Garbarino, Gibson McElhaney, Halliday, Lee, Mandelman, Pine, and Taylor

## 11. ABAG Regional Planning Committee

- 11.a. [20-0396](#) Report on ABAG Regional Planning Committee Meetings of February 5, 2020, March 4, 2020, and May 6, 2020, including Ratification of Election of Chair and Vice Chair

Karen Mitchoff gave the report.

**Upon the motion by Mitchoff and second by Pierce, the ABAG Executive Board approved the ABAG Regional Planning Committee report. The motion passed unanimously by the following vote:**

**Aye:** 32 - Andersen, Arreguin, Bas, Canepa, Chan, Chavez, Clark, Cortese, Diep, Eklund, Esparza, Garbarino, Garcia, Gibbons, Gibson McElhaney, Haggerty, Halliday, Hannigan, Hudson, Lee, Mackenzie, Mandelman, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Rodgers, Rodoni, Taylor, and Wilson L

**Absent:** 2 - Pine, and Ramos

- 11.b. [20-0685](#) Update on Regional Housing Needs Allocation (RHNA) and Regional Early Action Planning (REAP) Program

Karen Mitchoff gave the report.

- 11.c. [20-0399](#) Adoption of Resolution No. 07-2020 Approval of RHNA Subregions and Approval of Proposed Methodology for Determining Subregion Shares of the Regional Housing Needs Determination (RHND)

Karen Mitchoff gave the report.

**Upon the motion by Mitchoff and second by Eklund, the ABAG Executive Board adopted Resolution No. 07-2020. The motion passed unanimously by the following vote:**

**Aye:** 31 - Andersen, Arreguin, Bas, Canepa, Chan, Chavez, Clark, Diep, Eklund, Esparza, Garbarino, Garcia, Gibbons, Gibson McElhaney, Haggerty, Halliday, Hannigan, Hudson, Lee, Mackenzie, Mandelman, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Rodgers, Rodoni, Taylor, and Wilson L

**Absent:** 3 - Cortese, Pine, and Ramos

## 12. Local Government Services

- 12.a. [20-0704](#) Adoption of Resolution No. 05-2020 adopting the updated 2019 San Francisco Bay Area Integrated Regional Water Management Plan

James Muller gave the report.

**Upon the motion by Eklund and second by Lee, the ABAG Executive Board adopted Resolution No. 05-2020. The motion passed unanimously by the following vote:**

**Aye:** 31 - Andersen, Arreguin, Bas, Canepa, Chan, Chavez, Clark, Diep, Eklund, Esparza, Garbarino, Garcia, Gibbons, Gibson McElhaney, Haggerty, Halliday, Hannigan, Hudson, Lee, Mackenzie, Mandelman, Mar, Miley, Mitchoff, Peralez, Pierce, Rabbitt, Rodgers, Rodoni, Taylor, and Wilson L

**Absent:** 3 - Cortese, Pine, and Ramos

### **13. Adjournment / Next Meeting**

President Arreguin adjourned the meeting at about 9:32 p.m. The next regular meeting of the ABAG Executive Board is on July 16, 2020.



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

<b>File #:</b>	20-0983	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Report	<b>Status:</b>		Executive Board Consent	
<b>File created:</b>	6/9/2020	<b>In control:</b>		ABAG Executive Board	
<b>On agenda:</b>	6/18/2020	<b>Final action:</b>			
<b>Title:</b>	Authorization to Enter into an agreement with the City of Palo Alto to receive funds in an amount up to \$250,000 for the Palo Alto Horizontal Levee Pilot Project				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Item 06b 1 Summary Sheet SFEP City of Palo Alto.pdf</a> <a href="#">Item 06b 2 Summary Approval SFEP City of Palo Alto.pdf</a>				

Date	Ver.	Action By	Action	Result
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Authorization to Enter into an agreement with the City of Palo Alto to receive funds in an amount up to \$250,000 for the Palo Alto Horizontal Levee Pilot Project

Caitlin Sweeney

Approval

**Association of Bay Area Governments**

**Executive Board**

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**June 18, 2020**

**Agenda Item 6.b.**

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**San Francisco Estuary Partnership**

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**Subject:** Authorization to Enter into an agreement with the City of Palo Alto to receive funds in an amount up to \$250,000 for the Palo Alto Horizontal Levee Pilot Project

**Background:** The San Francisco Estuary Partnership is working in partnership with the City of Palo Alto on the Palo Alto Horizontal Levee Pilot Project. The City of Palo Alto is providing funds to the San Francisco Estuary Partnership to support the geotechnical study and analysis as a component of the 60% design for a multi-benefit horizontal levee project in Palo Alto, to achieve habitat improvement, public access, flood protection, and water quality improvement. SFEP will manage the project.

At the February 20, 2020 ABAG Executive Board meeting, the Executive Board authorized the Executive Director of the Metropolitan Transportation Commission, or her designee, to enter into an agreement with the City of Palo Alto to receive funds in an amount up to \$120,000. That amount was incorrect and an amended authorization for the correct amount of up to \$250,000 is now requested.

**Issues:** None

**Recommended Action:** The Executive Board is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, on behalf of the Association of Bay Area Governments and the San Francisco Estuary Partnership, to enter into an agreement with the City of Palo Alto in an amount up to \$250,000 for the Palo Alto Horizontal Levee Pilot Project.

**Attachments:** Summary Approval

**Reviewed:**

  
Therese W. McMillan

**S U M M A R Y   O F   E X E C U T I V E   B O A R D   A P P R O V A L**

<b>Work Item No.:</b>	1720 (FSRC tbd)
<b>Grantor:</b>	City of Palo Alto
<b>Work Project Title:</b>	Palo Alto Horizontal Levee Project
<b>Purpose of Project:</b>	Restore habitat along the Bay shoreline, adapt to sea level rise, provide additional wastewater treatment, and engage residents and stakeholders in shoreline planning activities.
<b>Brief Scope of Work:</b>	This project will complete geotechnical investigation and analysis in support of the 60% Design for the project.
<b>Project Cost Not to Exceed:</b>	\$250,000
<b>Funding Source:</b>	City of Palo Alto
<b>Fiscal Impact:</b>	Funds programmed in FY 2019 – 20 Budget, and will be in subsequent budgets through FY 21-22.
<b>Motion by Committee:</b>	The Executive Board is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, on behalf of the Association of Bay Area Governments and the San Francisco Estuary Partnership, to enter into an agreement with the City of Palo Alto in an amount up to \$250,000 for the Palo Alto Horizontal Levee Pilot Project.
<b>ABAG Executive Board Approval:</b>	Jesse Arreguin , ABAG President
<b>Approval Date:</b>	



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

<b>File #:</b>	20-0984	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Report	<b>Status:</b>		Executive Board Consent	
<b>File created:</b>	6/9/2020	<b>In control:</b>		ABAG Executive Board	
<b>On agenda:</b>	6/18/2020	<b>Final action:</b>			
<b>Title:</b>	Authorization to amend an existing contract with Environmental Science Associates in an amount up to \$585,000 for the Palo Alto Horizontal Levee Pilot Project				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Item 06c 1 Summary Sheet SFEP ESA Palo Alto.pdf</a> <a href="#">Item 06c 2 Summary Approval SFEP ESA Palo Alto.pdf</a>				

Date	Ver.	Action By	Action	Result
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Authorization to amend an existing contract with Environmental Science Associates in an amount up to \$585,000 for the Palo Alto Horizontal Levee Pilot Project

Caitlin Sweeney

Approval

**Association of Bay Area Governments**

**Executive Board**

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**June 18, 2020**

**Agenda Item 6.c.**

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**San Francisco Estuary Partnership**

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**Subject:** Authorization to amend an existing contract with Environmental Science Associates in an amount up to \$585,000 for the Palo Alto Horizontal Levee Pilot Project

**Background:** The U.S. Environmental Protection Agency awarded the San Francisco Estuary Partnership (SFEP) \$85,000 in its 2018-2019 National Estuary Program funds to develop conceptual designs for a horizontal levee project adjacent to the City of Palo Alto Regional Water Quality Control Plant. Through a competitive procurement process, Environmental Science Associates (ESA) was selected to perform these services, and the ABAG Executive Board authorized the Executive Director of the Metropolitan Transportation Commission, or her designee, to enter into a contract with ESA.

The competitive procurement process included an option to amend the contract with the selected consultant to add additional tasks to advance the Palo Alto Horizontal Levee project, dependent on funding. The San Francisco Estuary Project has since received funding from the Coastal Conservancy and is anticipated to receive additional funding from the City of Palo Alto to advance work on the Palo Alto Horizontal Levee Project. The additional funds will complete 60% design and permitting for the project.

**Issues:** None

**Recommended Action:** The Executive Board is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, to enter into a contract amendment on behalf of the San Francisco Estuary Partnership with Environmental Science Associates for Environmental Design Services for Horizontal Levee at the City of Palo Alto Regional Water Quality Control Plant in an amount up to \$585,000 from on or about February 1, 2019 to December 31, 2022.

**Attachments:** Summary Approval

**Reviewed:**



Therese W. McMillan



**S U M M A R Y   O F   E X E C U T I V E   B O A R D   A P P R O V A L**

<b>Work Item No.:</b>	1720 (FSRC 1343) 1720 2930
<b>Contractor:</b>	Environmental Science Associates
<b>Work Project Title:</b>	Palo Alto Horizontal Levee Project
<b>Purpose of Project:</b>	Advance nature-based shoreline restoration in San Francisco Bay region
<b>Brief Scope of Work:</b>	Develop project, 60% design, and permitting plan for a horizontal levee in City of Palo Alto
<b>Project Cost Not to Exceed:</b>	\$585,000
<b>Funding Source:</b>	U.S. Environmental Protection Agency State Coastal Conservancy City of Palo Alto
<b>Fiscal Impact:</b>	Funds programmed in FY 20-21 Budget
<b>Motion by Committee:</b>	The Executive Board is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, to enter into a contract amendment on behalf of the San Francisco Estuary Partnership with Environmental Science Associates for Environmental Design Services for Horizontal Levee at the City of Palo Alto Regional Water Quality Control Plant in an amount up to \$585,000 from on or about February 1, 2019 to December 31, 2022.
<b>ABAG Executive Board Approval:</b>	Jesse Arreguin, ABAG President
<b>Approval Date:</b>	



ABAG

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 20-0941      **Version:** 1      **Name:**

**Type:** Report      **Status:** Executive Board Consent

**File created:** 6/3/2020      **In control:** ABAG Executive Board

**On agenda:** 6/18/2020      **Final action:**

**Title:** Authorization to enter into an agreement with Delta Stewardship Council to receive up to \$1,500,000 to provide science expertise and communication services and to integrate Delta data and priorities into San Francisco Estuary Partnership publications between July 1, 2020 and June 30, 2023

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Item 06d 1 Summary Sheet Delta Stewardship Council.pdf](#)  
[Item 06d 2 Summary Approval Delta Stewardship Council.pdf](#)

Date	Ver.	Action By	Action	Result
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Authorization to enter into an agreement with Delta Stewardship Council to receive up to \$1,500,000 to provide science expertise and communication services and to integrate Delta data and priorities into San Francisco Estuary Partnership publications between July 1, 2020 and June 30, 2023

Caitlin Sweeney

Approval

## Association of Bay Area Governments

### Executive Board

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June 18, 2020

Agenda Item 6.d.

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#### San Francisco Estuary Partnership

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**Subject:** Authorization to enter into an agreement with Delta Stewardship Council to receive up to \$1,500,000 to provide science expertise and communication services and to integrate Delta data and priorities into San Francisco Estuary Partnership publications between July 1, 2020 and June 30, 2023

**Background:** The Delta Stewardship Council (DSC) was created by the Delta Reform Act of 2009 to achieve the state mandated coequal goals for the Delta. "Coequal goals" means the two goals of providing a more reliable water supply for California and protecting, restoring, and enhancing the Delta ecosystem. The Delta Reform Act of 2009 also established the Delta Science Program under DSC. The mission of the Delta Science Program is to provide the best possible unbiased scientific information to inform water and environmental decision making in the Delta.

One of the core functions of the Science Program is to provide technical advice on Delta issues and to assure that a body of knowledge develops to narrow uncertainty and support decision-making. A second core function of the Science Program is to ensure adequate and appropriate outside scientific review of scientific proposals, projects and products. Under agreements with DSC, the Association of Bay Area Governments (ABAG) through the San Francisco Estuary Partnership (SFEP) has historically provided institutional support for multi-agency planning, environmental and scientific projects, estuarine and scientific public education and outreach. This agreement will continue a longstanding working relationship.

Under the new agreement, ABAG/SFEP will facilitate providing ongoing, detailed technical scientific advice for DSC projects and further the integration of scientific practices, through utilization of scientific expertise, into Delta programs. In addition, ABAG/SFEP will identify and communicate cutting-edge science and facilitate communication through workshops, websites, social media, and other communication venues. Finally, the agreement would allow for the integrate of Delta data and priorities into the 2022 update of SFEP's planning document (the Estuary Blueprint), and the next release of the most comprehensive report on the health of the Estuary, the 2023 State of the Estuary Report.

At the May 21, 2020 ABAG Executive Board meeting, the Executive Board authorized the Executive Director of the

**Association of Bay Area Governments**

**Executive Board**

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**June 18, 2020**

**Agenda Item 6.d.**

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**San Francisco Estuary Partnership**

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Metropolitan Transportation Commission, or her designee, to enter into an agreement with the Delta Stewardship Council to receive funds in an amount up to \$950,000. That amount was incorrect and an amended authorization for the correct amount of up to \$1,500,000 is now requested.

**Issues:**

None

**Recommended Action:**

The Executive Board is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, to enter into an agreement with the Delta Stewardship Council to receive funds in an amount up to \$1,500,000 to provide science expertise and communication services and to integrate Delta data and priorities into San Francisco Estuary Partnership publications between July 1, 2020 and June 30, 2023.

**Attachments:**

Summary Approval

**Reviewed:**



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Therese W. McMillan

**S U M M A R Y   O F   E X E C U T I V E   B O A R D   A P P R O V A L**

<b>Work Item No.:</b>	1720
<b>Grantor:</b>	Delta Stewardship Council
<b>Work Project Title:</b>	Science and Communication Collaboration
<b>Purpose of Project:</b>	Provide science and communication services and integrate Delta data and priorities in Estuary Partnership publications.
<b>Brief Scope of Work:</b>	Provide consultant scientific and communications expertise to inform Delta Stewardship Council projects and programs and integrate Delta data and priorities into the 2022 Estuary Blueprint and the 2023 State of the Estuary Report.
<b>Project Cost Not to Exceed:</b>	\$1,500,000
<b>Funding Source:</b>	Delta Stewardship Council
<b>Fiscal Impact:</b>	Funds programmed in FY 2020-21 Budget
<b>Motion by Committee:</b>	The Executive Board is requested to authorize the Executive Director of the Metropolitan Transportation Commission, or her designee, to enter into an agreement with the Delta Stewardship Council to receive funds in an amount up to \$1,500,000 to provide science expertise and communication services and to integrate Delta data and priorities into San Francisco Estuary Partnership publications between July 1, 2020 and June 30, 2023.
<b>ABAG Executive Board Approval:</b>	Jesse Arreguin, ABAG President
<b>Approval Date:</b>	



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 20-0938      **Version:** 1      **Name:**

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

**File created:** 6/3/2020      **In control:** ABAG Executive Board

**On agenda:**      **Final action:**

**Title:** Report on ABAG Administrative Committee Meetings of June 12, 2020 with the MTC Planning Committee and with the MTC Executive Committee

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Report on ABAG Administrative Committee Meetings of June 12, 2020 with the MTC Planning Committee and with the MTC Executive Committee

Jesse Arreguin

Information



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 20-0972      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Executive Board Approval  
**File created:** 6/5/2020      **In control:** ABAG Executive Board  
**On agenda:** 6/18/2020      **Final action:**  
**Title:** Report on Initial Strategic Framework for Expanded Regional Housing Portfolio

Discussion of an initial framework for a regional housing strategy that expands the housing portfolio currently held by ABAG and MTC and preliminary overview of potential guiding principles for a regional housing strategy and a three-phased implementation plan to align potential future initiatives with available funding and thorough planning.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [Item 07b 1 Summary Sheet Expanded Regional Housing Portfolio.pdf](#)  
[Item 07b 2 Attachment AC Summary Expanded Regional Housing Portfolio.pdf](#)  
[Item 07b 3 Attachment B REAP Funds for Business Plan.pdf](#)

Date	Ver.	Action By	Action	Result
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### Report on Initial Strategic Framework for Expanded Regional Housing Portfolio

Discussion of an initial framework for a regional housing strategy that expands the housing portfolio currently held by ABAG and MTC and preliminary overview of potential guiding principles for a regional housing strategy and a three-phased implementation plan to align potential future initiatives with available funding and thorough planning.

Daniel Saver

Approval

**Association of Bay Area Governments**

**Executive Board**

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**June 18, 2020**

**Agenda Item 7.b.**

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**Expanded Regional Housing Portfolio**

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**Subject:** Report on Initial Strategic Framework for Expanded Regional Housing Portfolio

**Background:** On June 12, 2020, the ABAG Administrative Committee and MTC Executive Committee met jointly and received a report on an initial strategic framework for an expanded regional housing portfolio.

Both the ABAG Administrative Committee and the MTC Executive Committee are expected to recommend approval of the proposed strategic framework by the ABAG Executive Board and the MTC Commission, respectively.

Additionally, staff has identified an opportunity to repurpose up to \$400,000 in cost-savings from the REAP consulting budget to contribute to the Expanded Housing Portfolio Business Plan. This would enable the agencies to leverage a \$100,000 private-sector commitment for the Business Plan. Savings in the consultant budget have been achieved through conducting work in-house during the RHNA process and other efficiencies. These funds were previously transferred to the MTC budget. Repurposing cost-savings in the consultant budget would not impact REAP funds set aside to support local jurisdictions with their Housing Elements.

**Issues:** None

**Recommended Action:** The Executive Board is requested to approve the ABAG Administrative Committee report and recommendation regarding approval of the proposed initial strategic framework for an expanded regional housing portfolio, including the proposed Phase 1 Work Plan.

**Attachments:** A. Summary Sheet, ABAG Administrative Committee, June 12, 2020

B. REAP Consulting Budget Funds for Business Plan for Expanded Housing Portfolio

**Reviewed:**



Therese W. McMillan



# Metropolitan Transportation Commission and Association of Bay Area Governments Joint MTC Executive Committee and ABAG Administrative Committee

June 12, 2020

Agenda Item 6.a.

## Expanded Regional Housing Portfolio

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**Subject:** Report on Initial Strategic Framework for Expanded Regional Housing Portfolio

Discussion of an initial framework for a regional housing strategy that expands the housing portfolio currently held by ABAG and MTC and preliminary overview of potential guiding principles for a regional housing strategy and a three-phased implementation plan to align potential future initiatives with available funding and thorough planning.

**Overview:** In discussions about AB 1487 implementation in their May meetings, the ABAG Executive Board and the Metropolitan Transportation Commission deferred consideration of a regional affordable housing revenue measure and instead directed staff to explore expanding the regional housing portfolio absent a ballot measure.

Staff has developed an initial strategic framework for an expanded regional housing portfolio and seeks feedback from policymakers. The foundation for the strategic framework is a strong partnership between ABAG and MTC, including through the incubation of the Bay Area Housing Finance Authority (BAHFA) as a shared initiative of the two agencies. This multi-agency partnership is designed to enable consideration of all policy, programming, and financing tools at the region's disposal to address the scale and severity of the housing crisis, while also leaning into the leadership role that ABAG has played in regional housing policy.

The proposed initial strategic framework has two parts. The first is a proposed list of guiding principles to reflect shared understandings of the future direction for the regional housing portfolio as it is developed through an iterative, collaborative process. The second is a three-phased implementation plan with a proposed near-term work plan.

### **Guiding Principles**

The proposed guiding principles are:

1. **Collaborative, Multi-agency Strategy.** Pursue a strategy rooted in partnership between ABAG, MTC, and BAHFA—with ABAG in a leading role.
2. **Advance the “3Ps” Framework.** Ensure the expanded housing portfolio comprehensively addresses the need to protect current residents from

displacement, preserve existing housing, and produce new affordable housing.

3. **Embrace Innovation and Creativity.** Craft innovative approaches to overcome persistent challenges in the region's housing ecosystem.
4. **Multi-Sector Partnerships.** Cultivate partnerships that leverage other public and private efforts on housing; focus on value-add activities that complement, scale up, and/or fill gaps in existing approaches.
5. **Equity-Focused Approach.** Prioritize communities that are most impacted by the region's affordability crisis, especially low-income communities and communities of color.
6. **Achieve Scale.** Strive for housing strategies that meet the scale of the region's housing problems.
7. **Ensure Financial Sustainability.** Right-size new programs to available resources to ensure sustainable fiscal health of the agencies along with any expansion of activities.

#### **Phased Implementation Plan**

The initial strategic framework is structured in three phases:

1. **Phase 1 – Planning (next 3 months).** The first phase involves extensive planning to explore potential revenue sources and lay the foundation for corresponding additional activities. A key component of Phase 1 is to support the administrative infrastructure for an expanded housing portfolio, including the establishment of a new ABAG Housing Committee and the BAHFA Board. Another critical task in Phase 1 is to initiate a Regional Housing Portfolio Business Plan to evaluate methodically any significant future housing activities, including the possibility of accepting land donations and the feasibility of issuing project revenue bonds. A more detailed Phase 1 Work Plan is included in Attachment A.
2. **Phase 2 – Early Stage Pilot Activities (3-12 months).** The second phase will continue to advance the work from Phase 1 and also introduce new pilot activities, subject to funding availability and policy direction from the governing boards. The goal of these pilot activities is to swiftly make a meaningful, measurable impact on the region's housing challenges and simultaneously to build the agencies' housing-related capacity. A preliminary list of potential Phase 2 activities is included in Attachment A.

**3. Phase 3 – Expand Upon Early Successes (12 months and beyond).**

Details of Phase 3 activities will be developed during planning activities, including the Business Plan, in Phases 1 and 2.

**Recommendation:** Staff recommends that the ABAG Administrative Committee and the MTC Executive Committee accept the report and recommend approval of the initial strategic framework for an expanded regional housing portfolio, including the proposed Phase 1 Work Plan, by the ABAG Executive Board and Metropolitan Transportation Commission, respectively.

**Attachments:**

- A. Memo on an Initial Strategic Framework for an Expanded Regional Housing Portfolio
- B. Letter from Bay Area Housing for All
- C. Overview of Local Affordable Housing Revenue Measures
- D. Overview of Recent Housing Commitments from Private Sector



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Therese W. McMillan



## *Memorandum*

TO: Joint MTC Executive and ABAG Administrative  
Committee

DATE: June 12, 2020

FR: Executive Director

RE: Initial Strategic Framework for Expanded Regional Housing Portfolio

### **Introduction & Overview**

In May, the ABAG Executive Board and Metropolitan Transportation Commission directed staff to explore expanding the regional housing portfolio to address the Bay Area's chronic housing affordability and displacement crisis. Currently, the 101 cities and nine counties in the Bay Area are each addressing the regional housing crisis on their own with severely limited resources and staffing capacity. These challenges are only poised to worsen during the COVID recovery period as local budgets are increasingly constrained. Developing a comprehensive, data-driven regional housing strategy with resources to support local jurisdictions is a critical next step to tackle the housing crisis at scale and begin to deliver on bold regional housing outcomes. Such a regional strategy will require collaboration between ABAG, MTC, local jurisdictions, and external stakeholders to build upon existing housing strategies in order to achieve efficiencies, to identify gaps in existing approaches, and to catalyze innovative regional-scale solutions.

Central to the development of a regional housing strategy is the recognition that there is no single “silver bullet” to resolve the region's housing problems. Just as the causes and contours of the region's housing crisis are complex and multifaceted, a comprehensive regional housing strategy must deploy a multipronged package of solutions that leverages all available tools at the region's disposal. At the policy and program level, this multipronged approach is captured by the “3Ps” framework, which recognizes the need to simultaneously protect current residents from displacement and prevent them from entering homelessness, preserve existing housing, and produce new affordable housing. At the institutional level, it entails a multiagency partnership that draws upon the full range of authorities, capacities, and expertise of various entities anchored by ABAG and MTC.

The success of this regional partnership is embodied in the passage in 2019 of AB 1487 (Chiu), which established the first regional housing finance authority in the state—the Bay Area Housing Finance Authority (BAHFA)—as a shared initiative of ABAG and MTC. Policymakers from both agencies collaborated closely during the legislative process to shape BAHFA into its current form. One of the unique characteristics of BAHFA is its joint governance structure that requires a double green-light process to obtain approval from both the ABAG Executive Board and the

BAHFA Board (comprised of the same members of the Commission) for many consequential decisions, including the power to raise revenue through a regional ballot measure.

BAHFA represents a package of new authorities beyond those currently held by ABAG and MTC; it is another set of tools in the regional toolbox, complementary to the activities of both agencies. This complementary role for BAHFA must be viewed in light of the leadership role that ABAG has played in regional housing policy, including its leadership on the Regional Housing Needs Allocation process, the development of the regional growth strategy, and the collection and analysis of regional housing data. The development of a regional housing strategy will seek to define the roles of ABAG, MTC, and BAHFA—along with other associated entities such as ABAG’s Advancing California Finance Authority (ACFA)—within the context of a multiagency partnership. The regional housing strategy will also seek to leverage external resources including private funding and affordable housing finance experts.

Ultimately, an expanded regional housing portfolio will endeavor to raise and deploy new funding to produce new affordable housing, preserve existing housing, and advance tenant protections; provide technical assistance to local jurisdictions; and generate useful data to inform local and regional housing policies and programs. This will include exploring the authorities of ACFA and BAHFA to raise revenue through a variety of sources (including a regional ballot measure), issue bonds, apply for and receive grants from private and public entities, invest moneys of the authorities, and enter into joint powers agreements as appropriate.

This memo presents an initial framework for an expanded regional housing strategy. The memo proceeds in two parts. First, it outlines proposed “guiding principles” for an expanded regional housing strategy. Second, it details a phased implementation plan to align potential future initiatives with available funding and thorough planning.

### **Guiding Principles**

The exploration of a comprehensive regional housing strategy will involve an iterative, collaborative process led by ABAG and MTC policymakers as staff investigate potential revenue sources and corresponding activities. Staff proposes the following guiding principles that can serve as a foundation for a shared understanding of the future direction for the regional housing portfolio:

1. **Collaborative, Multi-agency Strategy.** Pursue a regional housing strategy rooted in a collaborative partnership between ABAG and MTC that simultaneously draws upon the strengths of each agency while also leaning into **ABAG’s leadership role on housing issues**. The Bay Area Housing Finance Authority provides an opportunity to strengthen this partnership by institutionalizing shared decision-making with respect to specific new regional tools.
2. **Advance the “3Ps” Framework.** Ensure the expanded housing portfolio operates within the “3Ps” framework of protecting current residents, preserving existing housing, and producing new affordable housing. This framework should include a focus on the most vulnerable residents, elevating homelessness prevention strategies across the 3Ps by serving those with extremely low incomes.
3. **Embrace Innovation and Creativity.** Craft innovative approaches to overcome persistent challenges the region has faced, including with creative financing, pilot

programs, and a bold vision to achieve measurable impact on housing outcomes and connected communities.

4. **Multi-Sector Partnership Model.** Cultivate multi-sector partnerships that leverage other public and private efforts to deepen impact and facilitate cross-sector communication to achieve shared goals. Focus on value-add activities that complement, scale up, and/or fill gaps in the efforts of other public sector, philanthropic, and private sector endeavors.
5. **Equity-Focused Approach.** Prioritize communities that are most impacted by the region's affordability crisis, especially low-income communities and communities of color. Without affordable and stable housing opportunities, systemically marginalized Bay Area residents will lose access to critical resources such as public transportation, health care, jobs, and quality schools—and the region will lose its racial and cultural diversity, as well as its economic edge.
6. **Achieve Scale.** Strive for housing strategies that meet the scale of the region's housing problems.
7. **Ensure Financial Sustainability.** Right-size new programs to available resources to ensure that expansion of the regional housing portfolio proceeds in a fiscally responsible manner. Respect appropriate boundaries between transportation and housing investment funds. Explore revenue generation opportunities as appropriate. Work towards a self-sustaining model.

#### **Phased Implementation Plan and Near-Term Work Plan**

Staff's initial proposal to explore expansion of the regional housing portfolio is structured in three phases. This phased approach seeks to gradually expand regional housing activities within the current fiscally constrained environment by providing time to pursue revenue opportunities and evaluate programmatic priorities with policymakers. The three phases are:

- **Phase 1 – Planning (next 3 months).** The first phase involves intensive planning to explore potential revenue sources without a ballot measure and to lay the foundation for corresponding expanded activities. A key component of Phase 1 is to support the administrative infrastructure for the regional agencies' expanded housing work, including the formation of a new ABAG Housing Committee, the activation of the BAHFA Board, and planning for the formation of the BAHFA Advisory Committee. Another critical component is to initiate the **Regional Housing Portfolio Business Plan** to evaluate methodically any significant future housing activities including the possibility of accepting land donations and the feasibility of issuing project revenue bonds. The Business Plan will draw upon subject matter experts to develop a roadmap of creative yet sustainable activities with an emphasis on innovative financing options and the staffing structures necessary to support them. Bay Area Housing for All has already offered \$100,000 to support a Business Plan (Attachment B). Additionally, the Business Plan will present options for the roles of the different regional agencies, including the potentially complementary financing options available through ACFA and BAHFA.
- **Phase 2 – Early Stage Pilot Activities (3-12 months).** The second phase will continue to advance the work from Phase 1 while also introducing new pilot activities, subject to funding availability and policy direction from the governing boards. The goal of these pilot activities is to swiftly make a meaningful, measurable impact on the region's

housing challenges and simultaneously to build the agencies' housing-related capacity. Considering time and resource constraints, such activities are likely to build upon existing staff expertise and regional programming, leveraging the relationships and convening power of ABAG, MTC, and BAHFA. During Phase 2, policymakers will provide guidance on key issues identified during the development of the Regional Affordable Housing Portfolio Business Plan. Staff expects to conclude the Business Plan by the close of Phase 2.

- **Phase 3 – Expand Upon Early Successes (12 months and beyond).** The third phase will provide policymakers the opportunity to implement recommendations from the Business Plan. The costs and staffing requirements for potential activities will be identified in detail as part of the Business Plan, along with proposals for the division of labor between the various regional finance authorities.

**Proposed Phase 1 Work Plan (next 3 months)**

Staff has developed a proposed work plan to guide next steps as the agencies enter Phase 1 of exploring an expanded regional housing portfolio. Importantly, Phase 1 primarily includes planning and other exploratory tasks that can be accomplished with existing staff, except for the Business Plan which will require external consultant expertise. The proposed Phase 1 work plan is achievable but will stretch existing capacity. Consequently, staff proposes a streamlined approach with regional committees and boards meeting only as necessary to advance key work items and respond to emerging opportunities. Staff would return in the early fall with a status update and proposal for Phase 2 activities right-sized to fit available resources and partnership opportunities.

Work Item	Key Tasks	Resource Needs
Support Regional Housing Committees	<ul style="list-style-type: none"> <li>● Support new ABAG Housing Committee</li> <li>● Support activation of BAHFA Board</li> <li>● Develop a plan for empaneling the BAHFA Advisory Committee</li> </ul>	<ul style="list-style-type: none"> <li>● Current staff is sufficient so long as the agencies pursue a streamlined meeting schedule during the next three months. Multiple committee meetings each month would reduce staff capacity to pursue other near-term work items.</li> </ul>
Regional Housing Portfolio Business Plan	<ul style="list-style-type: none"> <li>● Develop scope of work</li> <li>● Secure additional funding to develop the Business Plan</li> <li>● Release RFP and select consultant(s)</li> </ul>	<ul style="list-style-type: none"> <li>● Current staff can scope and manage RFP process</li> <li>● \$300k-\$500k required for consulting services. <ul style="list-style-type: none"> <li>○ \$100,000 has been committed from the Bay Area Housing For All coalition.</li> </ul> </li> </ul>
Track Federal and State Housing Efforts	<ul style="list-style-type: none"> <li>● Monitor state and federal legislation and budget processes for housing-related issues</li> <li>● Brief boards/committees as needed</li> </ul>	<ul style="list-style-type: none"> <li>● Current staff is sufficient</li> </ul>

	<ul style="list-style-type: none"> <li>● Strategically intervene to support Bay Area positions, as appropriate</li> </ul>	
Explore and Pursue Partnership Opportunities	<ul style="list-style-type: none"> <li>● Engage with philanthropic and private-sectors to explore potential revenue options and other public-private partnerships.</li> <li>● Explore partnership opportunities with other public agencies, including potential land donations, technical assistance, and data-gathering.</li> <li>● Evaluate value-add opportunities to complement activities of public and private sectors for potential Phase 2 pilot programs.</li> </ul>	<ul style="list-style-type: none"> <li>● Current staff is sufficient</li> </ul>

### Range of Potential Phase 2 Pilot Activities

Although additional planning and research is needed, staff has begun to evaluate potential activities that could be suitable for Phase 2 of implementation. Given the short timeline and resource constraints, staff's preliminary list prioritizes less resource-intensive initiatives for Phase 2. Potential activities may require fewer new resources because of the possibility of leveraging partnerships with other public and/or private entities, the potential alignment with core competencies of ABAG and MTC and the consolidated staff, and the lack of a need for intensive capital fundraising. Additionally, staff has focused on activities with clear regional value-add propositions that would support rather than compete with local jurisdictions. The list is presented as a potential menu and staff seeks feedback from policymakers on the following options:

- ***Regional Convenings for Local Agency Staff.*** During initial outreach to staff in county housing departments, there was a strong desire for the regional government to regularly convene local housing officials to fortify the regional network and enable identification and dissemination of best practices. These convenings could also serve as early scoping sessions for longer-term technical assistance programs to support local staff.
- ***Regional Affordable Housing Application Platform.*** Several local jurisdictions and sub-regional collaborations have begun to explore a centralized application platform to enable prospective tenants to apply to available affordable housing units. Such a tool could ease the administrative burden on both applicants and housing managers, help to overcome persistent access barriers to affordable housing, and develop data about the housing needs of specific populations. The regional agencies could explore a potential partnership to expand this prototype at the regional level.
- ***COVID-Related Technical Assistance to Local Jurisdictions.*** While technical assistance could focus on any of the 3Ps, there is an acute need for rapid development of protection strategies for existing residents threatened with displacement due the economic fallout from COVID-19. Regional technical assistance on both policies and programs,



especially rental and mortgage assistance programs, could support the development of best practices and knowledge-sharing across jurisdictional boundaries.

- ***Acquisition and Preservation Financing Strategies.*** COVID-related defaults in rent and mortgage payments could lead to displacement-inducing foreclosures and private acquisitions of housing affordable to lower- and middle-income residents. The agencies could seek to develop creative acquisition and rehab financing strategies that both stop short-term displacement and create long-term affordability.

### **Develop Potential Phase 3 Activities During Planning in Phases 1 and 2**

One purpose of the phased implementation strategy is to enable sufficient time to evaluate and plan for longer-term and more resource-intensive activities in Phase 3 and beyond. The Business Plan will serve as the primary vehicle through which Phase 3 activities will be developed. Staff anticipates the scope of the Business Plan to include evaluation of comprehensive housing finance strategies, ongoing technical assistance programs for local jurisdictions across the 3Ps, regional funding coordination to increase efficiencies and certainty in the affordable housing development process, enhanced data gathering, and exploration of a regional ballot measure at an appropriate future moment.

	Phase 1 PLANNING (next 3 months)	Phase 2 EARLY STAGE PILOT ACTIVITIES (3-12 months)	Phase 3 EXPAND UPON EARLY SUCCESSES (12 months & beyond)
Regional Housing Portfolio Business Plan	<ul style="list-style-type: none"> <li>• Develop scope of work</li> <li>• Secure funding</li> <li>• Release RFP</li> <li>• Select consultant(s)</li> </ul>	<ul style="list-style-type: none"> <li>• Oversee consultants</li> <li>• Regular reports to and direction from policymakers</li> </ul>	
Assess Revenue & Partnership Opportunities	<ul style="list-style-type: none"> <li>• Track state and federal efforts;</li> <li>• Strategically intervene as appropriate</li> <li>• Engage w/ public &amp; private stakeholders to explore potential partnerships</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue generation activities as appropriate</li> <li>• Continue to explore and form initial partnerships</li> </ul>	
Expanded Programming		Examples include: <ul style="list-style-type: none"> <li>• Regional affordable housing platform to streamline applications;</li> <li>• COVID-related “protections” TA</li> <li>• Evaluate existing regional housing funds</li> <li>• Share best practices and host local agency convenings</li> </ul>	Consider recommendations from Business Plan for <ul style="list-style-type: none"> <li>• TBD housing finance</li> <li>• Funding coordination</li> <li>• Technical assistance</li> <li>• enhanced data gathering, and</li> <li>• Explore a future regional ballot measure</li> </ul>
Support Boards and Committees	Support regional policymakers, including to-be-formed ABAG Housing Committee, BAHFA Board, and BAHFA Advisory Committee.		
TOTAL COST	\$300-500K	TBD [pending activities & revenue]	TBD [pending activities & revenue]

**Conclusion**

Staff seeks feedback on the proposed initial regional housing strategy for an expanded housing portfolio. Staff seeks approval of the Phase 1 Proposed Work Plan, including a streamlined committee meeting schedule during the next three months and a detailed status report as the agencies transition to Phase 2 in the fall.



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Therese W. McMillan

Attachment B – Letter from Bay Area Housing for All

Attachment C – Overview of Local Affordable Housing Revenue Measures

Attachment D – Overview of Recent Housing Commitments from Private Sector



May 5, 2020

MTC Commissioners and ABAG Executive Board  
Bay Area Metro Center  
375 Beale St  
San Francisco, CA 94105

Dear MTC Commissioners and ABAG Executive Board:

As elected officials, we know you are on the frontlines of responding to the COVID pandemic ensuring the safety and health of our Bay Area communities, especially our most vulnerable residents. On behalf of the Bay Area Housing for All (BAHA) leadership team, we want to thank all of you for the work you're doing.

As we discussed in our meeting on April 8, we recognize the path to the ballot may change in response to the COVID pandemic and accompanying economic uncertainty. As has been our approach throughout this process, the decisions we make in partnership with the Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG) will continue to be both data-driven and responsive to the needs of our region. We appreciate your leadership during this uncertain time.

**This crisis, and our need to 'Shelter In Place' for the sake of our shared health and the world economy, only underscores the necessity for there to be sufficient and safe homes to do so.**

Our region, using the authority and structure of BAHFA already created through AB 1487, can address the severe economic and health impacts of the COVID-19 pandemic while building a strong foundation for a lasting recovery. Immediately prior to the pandemic, California faced a shortage of 1.3 million affordable homes. As we respond to this crisis and plan for our long-term recovery, the guiding motivation of BAHA has become even more critical: it is essential for everyone to have a healthy, stable home. Therefore, the BAHA leadership team remains committed to working with MTC and ABAG in standing up BAHFA to provide the kind of regional coordination, technical assistance, and funding/financing for affordable housing -- both to meet the existing need and to play a role in our region's recovery. For example:

- BAHFA could receive and coordinate funds across the region, not just from a ballot measure, but also could directly receive and disburse funds from the state, federal stimulus, private funds, etc.;
- BAHFA could provide TA to jurisdictions who are trying to figure out how to use the new federal housing dollars coming to their jurisdictions; and
- BAHFA could be a direct lender/under-writer of affordable housing production and preservation deals, which could be especially beneficial to lower-capacity jurisdictions who were short staffed before this crisis and are now even more stretched for capacity.

We believe these steps can provide our region with the relief and resources needed to address the increase in homelessness and housing insecurity we're already seeing and will continue to see as a result of the COVID pandemic and economic fallout. There is a great opportunity to leverage the structure and authorities of BAHFA, as well as existing staff, to do this work. The first, and most foundational piece, of this work is to create a business plan for BAHFA. **We understand the financial constraints that accompany this new public health and economic crisis and the impact this will have on resources available to fund the work needed to launch a regional agency. We would like to extend the offer to engage in a partnership to ensure this critical work continues to move forward. We have identified \$100,000 in assistance.**

Please feel free to reach out to any of us with your questions and thoughts. Thank you all again for your partnership.

Sincerely,

Judith Bell, Chief Impact Officer, The San Francisco Foundation  
 Amie Fishman, Executive Director, Non-Profit Housing Association of Northern California  
 Heather Hood, Vice President, Enterprise Community Partners, Northern California  
 Tomiquia Moss, Founder and Chief Executive, All Home

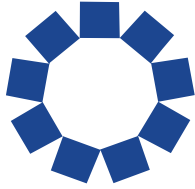
Cc: Therese McMillan, Executive Director, MTC  
 Rebecca Long, Government Relations Manager, MTC/ABAG  
 Randy Rentschler, Director of Legislation and Public Affairs, MTC/ABAG

**Bay Area Local Affordable Housing Funding Measures (2015 – Present)**

County/City	Year	Mechanism	Revenue	Type of Funding	Notes
San Jose	2020	Real Estate Transfer Tax	\$ 50 million	General	Per annum
San Francisco	2019	GO Bond	\$ 600 million	Dedicated	
Berkeley	2018	GO Bond	\$ 135 million	Dedicated	
San Francisco	2018	Targeted Gross Receipts Tax	\$ 300 million	Dedicated	Per annum
Napa County & various cities	2018	TOT Hotel Tax Increase	\$ 5 million	Dedicated	Per annum
Emeryville	2018	GO Bond	\$ 50 million	Dedicated	
Santa Clara County	2016	GO Bond	\$ 950 million	Dedicated	
Alameda County	2016	GO Bond	\$ 580 million	Dedicated	
San Mateo County	2016	Sales Tax	\$ 85 million	General	Per annum
San Francisco	2015	GO Bond	\$ 310 million	Dedicated	

**Overview of Recent Housing Commitments from Private Sector**

Source & Total Commitment	Resource Type	Details
<b>Apple</b> <b>\$2.5 Billion</b>	Housing Financing <i>\$2.15 Billion</i>	<ul style="list-style-type: none"> <li>• \$1 billion affordable housing investment fund in partnership with State</li> <li>• \$1 billion first-time homebuyer mortgage assistance fund in partnership with State</li> <li>• \$150 million Bay Area housing fund (long-term forgivable loans and grants)</li> </ul>
	Land <i>\$300 Million</i>	<ul style="list-style-type: none"> <li>• Value of land owned by Apple in San Jose made available for affordable housing</li> </ul>
	Nonprofit Donation <i>\$50 Million</i>	<ul style="list-style-type: none"> <li>• Donation to nonprofits supporting vulnerable populations and addressing homelessness, including Destination Home in Santa Clara County</li> </ul>
<b>Google</b> <b>\$1 Billion</b>	Land <i>\$750 Million</i>	<ul style="list-style-type: none"> <li>• Value of land owned by Google made available for market rate and affordable housing</li> </ul>
	Housing Financing <i>\$250 Million</i>	<ul style="list-style-type: none"> <li>• Housing investment fund</li> </ul>
<b>Facebook</b> <b>\$1 Billion</b>	Housing Financing <i>\$425 Million</i>	<ul style="list-style-type: none"> <li>• \$250 million to finance mixed-income housing on excess state-owned land</li> <li>• \$150 million to Partnership for the Bay's Future (see below) to fund new affordable housing in the Bay Area</li> <li>• \$25 million to build teacher and essential worker housing in San Mateo and Santa Clara Counties</li> </ul>
	Land <i>\$225 Million</i>	<ul style="list-style-type: none"> <li>• Value of land owned by Facebook in Menlo Park made available for mix-income housing</li> </ul>
	TBD <i>\$350 Million</i>	<ul style="list-style-type: none"> <li>• Funds for additional commitments based on the rollout and effectiveness of other Facebook initiatives</li> </ul>
<b>Partnership for the Bay's Future</b> <b>\$540 Million</b>	Housing Financing <i>\$500 Million</i>	<ul style="list-style-type: none"> <li>• Affordable housing funds for Bay Area projects (includes \$150 million from Facebook, per above)</li> </ul>
	Policy Grants <i>\$40 Million</i>	<ul style="list-style-type: none"> <li>• Grants to local governments and nonprofits to support policy development across the 3Ps</li> </ul>
<b>Kaiser Permanente</b> <b>\$200 million</b>	Housing Financing <i>\$100 Million</i>	<ul style="list-style-type: none"> <li>• \$50 million contribution to a \$100 million national loan fund for affordable housing</li> <li>• Up to \$50 million contribution to the Housing for Health Fund in the Bay Area</li> </ul>
	TBD <i>\$100 Million</i>	<ul style="list-style-type: none"> <li>• Remaining funds in the \$200 million "Thriving Communities Fund" are unprogrammed</li> </ul>
<b>Cisco</b> <b>\$50 Million</b>	Nonprofit Donation <i>\$50 Million</i>	<ul style="list-style-type: none"> <li>• Donation to Destination Home over 5 years to address homelessness in Santa Clara County</li> </ul>
<b>Marc &amp; Lynne Benioff</b> <b>\$30 million</b>	Research & Policy <i>\$30 Million</i>	<ul style="list-style-type: none"> <li>• Donation to UC San Francisco to start the Homelessness and Housing Initiative, which will research causes of homelessness and identify evidence-based solutions.</li> </ul>



ASSOCIATION  
OF BAY AREA  
GOVERNMENTS

Item 7b, Attachment B

Bay Area Metro Center  
375 Beale Street, Suite 700  
San Francisco, CA 94105  
415.820.7900  
[www.abag.ca.gov](http://www.abag.ca.gov)

## *Memorandum*

TO: ABAG Executive Board

DATE: June 18, 2020

FR: Executive Director

RE: REAP Consulting Budget Funds for Business Plan for Expanded Housing Portfolio

### **Background**

The Regional Early Action Planning Grants Program (REAP) is the regional component of the Local Government Planning Support Grants program administered by the state Housing and Community Development Department (HCD). ABAG's portion of this funding is \$23.9 million. ABAG applied for a 25% advance (\$5.9 million) in January 2020 and expects to receive funds this summer. At the direction of the ABAG Executive Board, the initial 25% of funds have been designated (1) to enhance the 6<sup>th</sup> cycle of RHNA, and (2) to develop a technical assistance program to support local jurisdictions in adopting compliant Housing Elements. In FY 2019-20, ABAG transferred \$3.45 million of REAP funds to MTC for staffing and consulting support for these activities. The \$2.45 million balance of REAP funds remains in the ABAG budget for direct support to local jurisdictions with their Housing Elements.

### **Updated REAP Consulting Budget**

Much has changed since ABAG submitted the application for the first 25% of REAP funds in January. The COVID-19 pandemic has exacerbated the region's underlying housing crisis. At the same time, ABAG and MTC have engaged in robust discussions to develop a regional housing strategy, ultimately directing staff to develop an expanded Regional Housing Portfolio with ABAG in a leading role. Additionally, staff achieved significant costs savings in the REAP consulting budget by performing a greater-than-expected amount of work on the RHNA process in-house and achieving other efficiencies.

Staff proposes repurposing the cost-savings in the REAP consulting budget to enable funding up to \$400,000 in consulting services for the proposed Business Plan for an expanded regional housing portfolio. This would leverage \$100,000 in private donations pledged by Bay Area Housing For All (see Attachment B to the Summary Sheet for the joint meeting of the ABAG Administration and MTC Executive Committees). Staff has received preliminary approval from HCD that redeployment of these consulting funds for the Business Plan meets REAP statutory requirements. These funds have already been designated for consultant support and transferred to the MTC budget. This would not affect the \$2.45 million in REAP funds earmarked to assist local jurisdictions with their Housing Elements.

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Therese McMillan



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 20-0939      **Version:** 1      **Name:**  
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**Title:** Report on ABAG Legislation Committee Meeting of June 12, 2020  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:**

Date	Ver.	Action By	Action	Result
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Report on ABAG Legislation Committee Meeting of June 12, 2020

Julie Pierce

Information





# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

<b>File #:</b>	20-0974	<b>Version:</b>	1	<b>Name:</b>	
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<b>On agenda:</b>	6/18/2020	<b>Final action:</b>			
<b>Title:</b>	Assembly Bill 2621 (Mullin) Regional Climate Adaptation Planning				
	Requires the Office of Planning and Research to establish guidelines for regional climate adaptation action plans and sets forth how regional climate networks can be established.				
<b>Sponsors:</b>					
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	<a href="#">Item 08b 1 Summary Sheet Regional Climate Adaption Planning.pdf</a> <a href="#">Item 08b 2 Attachment LC Summary AB 2621 Mullin.pdf</a>				

Date	Ver.	Action By	Action	Result
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### Assembly Bill 2621 (Mullin) Regional Climate Adaptation Planning

Requires the Office of Planning and Research to establish guidelines for regional climate adaptation action plans and sets forth how regional climate networks can be established.

Rebecca Long

Approval, Support if Amended

**Association of Bay Area Governments**

**Executive Board**

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**June 18, 2020**

**Agenda Item 8.b.**

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**Legislation**

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**Subject:** Assembly Bill 2621 (Mullin) Regional Climate Adaptation Planning

**Background:** On June 12, 2020, the ABAG Legislation Committee and MTC Legislation Committee met jointly and received a report on Assembly Bill 2621 (Mullin) which requires the Office of Planning and Research to establish guidelines for regional climate adaptation action plans and sets forth how regional climate networks can be established.

Both the ABAG Legislation Committee and the MTC Legislation Committee recommended a support if amended position on AB 2621 to the ABAG Executive Board and the MTC Commission, respectively.

**Issues:** None

**Recommended Action:** The Executive Board is requested to approve the ABAG Legislation Committee AB 2621 (Mullin) recommendation to support if amended.

**Attachments:** Summary Sheet, ABAG Legislation Committee, June 12, 2020

**Reviewed:**

  
Therese W. McMillan

**Metropolitan Transportation Commission and Association of Bay Area Governments  
Joint MTC Legislation Committee and ABAG Legislation Committee**

June 12, 2020

Agenda Item 6a

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**Assembly Bill 2621 (Mullin): Regional Climate Adaptation Planning**

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- Subject:** Requires the Strategic Growth Council to establish guidelines for regional climate adaptation action plans and sets forth how regional climate networks can be established.
- Overview:** Assembly Bill 2621 (Mullin) provides legislative intent to develop guidance for investment in regional priority climate adaptation projects and to foster collaboration among local, regional and state agencies to “promote highly cost-effective regional climate adaptation solutions.” The bill was originally introduced to complement a potential bond measure to fund climate adaptation projects in recognition that further work needs to be done to identify those projects that can best mitigate climate risks. Many communities have begun to understand and identify their most pressing climate threats, but few have defined or prioritized projects needed to mitigate climate hazards—a key step necessary before communities are ready to effectively invest new capital funding.
- Recommendation:** Support if Amended
- Discussion:** We agree that state guidance related to climate adaptation planning and investments would be very helpful and is an area where the Legislature can make progress on climate adaptation even in the absence of new capital investment. However, we are concerned that as drafted the bill will not deliver its intended results and could inadvertently undermine effective climate adaptation planning. Below we summarize our concerns and suggest amendments to address them.

**Definition of “Region” Could Result in a Patchwork Approach**

We are concerned that the bill’s definition of “region” could result in individual counties or small groupings of counties within the S.F. Bay Area forming subregional networks, rather than ensuring that the region’s nine-county geography is the basis for the Bay Area’s regional climate adaptation planning work. The bill provides that a “regional climate network” can be established by two or more local governments whose jurisdictions cover at least one county. While reference is made to California’s Fourth Climate Change Assessment (Assessment)—which defines the Bay Area region as the nine counties—the bill also states that “nothing in this section limits the number of regional climate networks that may be established within each region identified” in that Assessment. This could result in a patchwork approach to regional climate adaptation planning that would not only be an inefficient use of increasingly scarce taxpayer funds, but would also undermine nine-county coordination and further disadvantage communities with the least capacity to form a network.

When it comes to climate adaptation planning, at least for the Bay Area, “region” should mirror the geography of the sustainable communities strategy, the state-required plan to reduce greenhouse gas emissions from transportation. Effective climate adaptation planning requires a regional framework to help knit together local efforts under a common set of goals and strategies and it makes common sense that our greenhouse gas reduction strategy and our climate adaptation strategy should be based on a shared geography. Where the state can be most helpful is in setting statewide guidance about climate adaptation, defining the roles and responsibilities of local and regional agencies, and eventually providing resources to help *implement* adaptation projects.

In the Bay Area, climate adaptation planning work has been underway at the nine-county level for years, including work facilitated by the Bay Area Regional Collaborative as well as the Bay Conservation and Development Commission. In addition, local jurisdictions have partnered with nonprofits to voluntarily form the [Bay Area Climate Adaptation Network](#) (BayCAN) for the nine-county region, which serves as a forum for information sharing on the latest science and best practices, but is not a governing body that could assume (or should be assigned) responsibility for regional climate adaptation planning and project prioritization. Outside the Bay Area, councils of government and metropolitan planning organizations that are responsible for sustainable communities strategies have been conducting this work. And similar to BayCAN, voluntary climate collaboratives have cropped up across the state at the multi-county regional scale, including the six-county Sacramento region, the six-county central coast, the Los Angeles region and San Diego.

In summary, regions across the state have initiated regional climate adaptation planning on a scale that makes sense and the state's policies should reinforce those efforts. Without settling on the question of *which* Bay Area agency should be responsible for developing a regional climate adaptation strategy, we would like to request amendments to AB 2621 to ensure that for the Bay Area, the appropriate *geography* is the nine counties. Additional consultation with BARC is planned over the next month to reach consensus on which public entity should assume the primary responsibility for administering climate adaptation planning *funding* given the region's unique multi-regional agency environment, recognizing that climate adaptation planning work involves a host of organizations and agencies working together to accomplish shared regional goals.

### **Regional Climate Adaptation Plan Requirements**

Our second concern relates to the bill's requirements for the components of a regional climate adaptation action plan. Specifically, the bill requires that the Office of Planning and Research develop guidelines for such plans on or before January 1, 2022 and lists numerous elements of such plans, including:

- A description and prioritization of projects necessary to respond to climate vulnerabilities
- Identification of the and goals the projects are designed to achieve
- A financial strategy and a schedule.

While these elements make sense for a project-level planning document, much *project-level* climate adaptation planning work should be conducted by local jurisdictions who have authority over land use, as *informed* by a regional climate adaptation planning framework that helps ensure that local jurisdictions are approaching climate adaptation planning in a regionally-consistent way, with a common set of assumptions and goals. For instance, a draft regional adaptation guidance produced by the San Francisco Bay Conservation and Development Commission—sets forth evaluation criteria that should be used when comparing adaptation strategies.

We would like to see AB 2621 amended to 1) provide that regional climate adaptation plans incorporate a regional-level strategies and guiding principles and not necessarily specific projects; and 2) strengthen the relationship between regional and local climate adaptation planning efforts so that there is more clarity about each level of governments' roles and responsibilities. In our view, regional agencies are best

positioned to set guidance and develop measurable goals and performance measures. They are also best positioned to provide targeted grants and resources to meet local needs while ensuring individual investments and activities add up to regional resilience. Local jurisdictions are best positioned to engage in inclusive, community-based planning and problem solving that leads to decisions about which adaptation projects will work best to address local hazards, vulnerabilities, needs and priorities.

**No OPR Approval**

Finally, we are concerned that as drafted, the plan requires approval by OPR. Since the plans are voluntary, this requirement could deter regional agencies from undertaking the plans in the first place, particularly since no state funding accompanies the bill.

In summary, staff recommends a “support if amended” position on the bill to address the following concerns:

- Ensure that for the Bay Area, the term “region” is limited to the nine counties
- Modify the components of the regional climate adaptation plan guidelines to focus less on projects and instead provide clarity about the key strategic-level components that should be included in a regional climate adaptation plan and the relationship between regional and local adaptation plans
- Remove the OPR approval requirement

**Bill Positions:**

**Support**


California Association of Resource Conservation Districts  
California Climate & Agriculture Network (CALCAN)  
California Tahoe Alliance  
Peninsula Open Space Trust (POST)  
San Francisco Public Utilities Commission  
Sierra Business Council  
Sierra Club  
Silicon Valley Leadership Group  
Valley Vision, Inc.

**Oppose**

None on file

**Attachment:**

None

  
Therese W. McMillan



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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Report on Joint ABAG MTC Governance Committee Meeting of May 27, 2020

Jesse Arreguin

Information



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 20-1014      **Version:** 1      **Name:**  
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**Title:** Ratification of Appointments to ABAG Housing Committee  
**Sponsors:**  
**Indexes:**  
**Code sections:**  
**Attachments:** [Item 09b 1 Summary Sheet Housing Committee Establishment and Appointments v2.pdf](#)

Date	Ver.	Action By	Action	Result
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Ratification of Appointments to ABAG Housing Committee

Jesse Arreguin

Approval

## Association of Bay Area Governments

### Executive Board

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June 18, 2020

Agenda Item 9.b.

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### ABAG Housing Committee

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**Subject:** Establishment of ABAG Housing Committee and Ratification of Appointments

**Background:** According to the ABAG Bylaws, the President, subject to the advice and consent of the Executive Board, has authority to create committees and to determine their structure, charge, size and membership.

President Arreguin seeks to create a new Housing Committee as a standing committee of ABAG and proposes the following:

- Charge: The establishment of this new Housing Committee will position ABAG to play a greater leadership role in implementing an expanded regional housing portfolio by advising the Executive Board on housing *implementation* activities (as opposed to regional housing *planning*). This will include all items in the expanded regional housing portfolio developed as part of the implementation of AB 1487, such as new affordable housing finance strategies, housing-related technical assistance to local jurisdictions across the “3Ps”, a potential regional affordable housing application platform, enhanced housing data gathering, and a potential future regional housing funding measure. The Housing Committee will also advise the Executive Board on policies and programs to address homelessness.
- Chair: To be selected by committee members and subject to confirmation by the Executive Board per ABAG Bylaws.
- Duration: Standing Committee
- Frequency: Regular monthly or quarterly meetings, and special meetings as called by the Chair
- Per Diem: Provided to committee members per ABAG Bylaws
- Members: Proposed committee member appointments will be announced at the meeting.

The Housing Committee will operate in conformance with the ABAG Bylaws and the Policies on ABAG Committee Formation, Structure, and Membership, and will be subject to the Brown Act.



**Association of Bay Area Governments**

**Executive Board**

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**June 18, 2020**

**Agenda Item 9.b.**

**ABAG Housing Committee**


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**Issues:** None

**Recommended Action:** The Executive Board is requested to ratify the establishment of the Housing Committee and the appointments thereto, as reported.

**Attachments:** None

**Reviewed:**

  
Therese W. McMillan



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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<b>Attachments:</b>	<a href="#">EB 20200618 Item 10a 1 Summary Sheet RHND.pdf</a> <a href="#">Item 10a 2 Attachment A Staff Memo on RHND.pdf</a> <a href="#">Item 10a 3 Attachment B HCD Memo on RHND.pdf</a> <a href="#">Item 10a 4 Attachment C Powerpoint on RHND.pdf</a>				

Date	Ver.	Action By	Action	Result
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Update on Regional Housing Needs Determination (RHND) as identified by the California Department of Housing and Community Development (HCD)

Paul Fassinger

Information

Association of Bay Area Governments

Executive Board

June 18, 2020

Agenda Item 10.a.

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**Regional Housing Needs Allocation (RHNA):  
Update on Regional Housing Needs Determination (RHND)**

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**Subject:** Update on Regional Housing Needs Determination (RHND) as identified by the California Department of Housing and Community Development (HCD)

**Background:** On June 10, 2020, ABAG received the proposed Cycle 6 RHND from HCD staff, following a consultation process between ABAG and HCD staff this spring. The RHND as determined by HCD between 2022 and 2030 has been identified as **441,176 housing units**. Of the total identified need:

- 25.9% would be for very-low income households
- 14.9% would be for low income households
- 16.5% would be for moderate income households
- 42.6% would be for above-moderate income households

**Issues:** Should the Board wish to object to the RHND under California Government Code 65584.01(c), it must do so within 30 days of receipt of the RHND (July 10, 2020). HCD has agreed to ABAG staff's request to use the lower Department of Finance population forecast when calculating the RHND, as well as other technical inputs provided during consultation. As staff has not identified any technical inaccuracies in the RHND calculation, staff recommends accepting the notice of determination.

**Recommended Action:** Information Only

**Attachments:**

- A. Staff Memo on RHND
- B. HCD Memo to ABAG Board
- C. Presentation

**Reviewed:**



Therese W. McMillan

# REGIONAL HOUSING NEEDS ALLOCATION



TO: ABAG Executive Board

DATE: June 18, 2020

FR: Executive Director

RE: Update on Regional Housing Need Determination (RHND)

## Overview

On June 10, 2020, the California Department of Housing and Community Development (HCD) transmitted its proposed Regional Housing Needs Determination for the Bay Area's Cycle 6 RHNA process to the ABAG Executive Director. As shown in **Attachment B**, the determination is the state's estimation of the total housing need for the nine-county San Francisco Bay Area between 2022 and 2030. As discussed below, the needs determination followed a consultation process between ABAG/MTC staff and HCD staff on technical inputs. ABAG is required to use it as the "big number" to distribute to local jurisdictions through the allocation process in 2021.

## Consultation Process

As part of the consultation process outlined in Government Code Section 65584.01(c), ABAG was required to provide a variety of information to HCD, which was submitted as a consultation letter on May 29, 2020. ABAG/MTC staff and HCD staff also held several meetings prior to the submission to discuss the data and mechanics of the RHND calculation. The meetings focused on the appropriate forecast to use as the basis of the calculation, as well as vacancy rates, the rates of over-crowding and cost-burden, and comparable regions to the Bay Area.

ABAG/MTC staff recommended that the DOF population forecast be used as the "baseline forecast" of the RHND. The Regional Growth Forecast used in Plan Bay Area 2050 integrates strategies and policies that cause it to be significantly higher than the DOF forecast. Use of the DOF forecast is also appropriate for the RHND as HCD is required to adjust (i.e., increase) the DOF forecast using a variety of calculation factors, which would result in double-counting if overlaid with Plan Bay Area 2050 strategy impacts.

In addition, ABAG/MTC staff provided the following input to HCD:

- **Target Vacancy Rate.** HCD interprets the government code to say that the minimum target vacancy rate for the overall housing stock, rental and ownership, is 5 percent. While the law is less clear on this point, staff did not dispute the issue given that 5 percent is a reasonable vacancy rate.
- **Comparable Regions.** The adjustments made for overcrowded and cost burdened households depend on the region to which the Bay Area is compared, and the statistical data source that is used. ABAG/MTC staff identified a group of seven large regions for comparison with the Bay Area:
  1. Washington-Baltimore-Arlington, DC-MD-VA-WV-PA
  2. Seattle-Tacoma, WA
  3. Boston-Worcester-Providence, MA-RI-NH-CT

4. Denver-Aurora, CO
5. Minneapolis-St. Paul, MN-WI
6. New York-Newark, NY-NJ-CT-PA
7. Chicago-Naperville, IL-IN-WI

The government code allows the Bay Area to identify comparable regions for calculating the adjustments for overcrowded and cost burdened households. Using comparable regions instead of national averages is more accurate and tends to reduce the size of the adjustment for these two problems. HCD agreed to accept this group of regions for the comparison.

- **Appropriate Federal Data Source.** ABAG/MTC staff asked HCD to only use data from the U.S. Census PUMS 2014-2018 dataset because it is the most recent source. In this case, HCD decided to use another census tabulation, known as the 2011-2015 CHAS dataset. While this data is not as recent, HCD prefers it because it has been able to use it consistently for all of the different regions in the state. Ultimately, the selection of data source and vintage had relatively minor impacts to the RHND calculation.

### Needs Determination

The calculation of the RHND follows specific rules laid out in the government code. The baseline population growth during the RHND period is multiplied by factors known as headship rates to produce the number of housing units needed. Adjustment factors for vacancy rates, overpayment and overcrowding are added to calculate the number of housing units necessary for the end of the period. This number is subtracted from the estimated housing units at the beginning of the period, to produce the RHND.

HCD has determined that the total number of housing need, as measured in housing units, for the Cycle 6 RHNA period should be **441,176 units**. The total need is further divided by income level<sup>1</sup> in proportions generally consistent with Cycle 5:

- **114,442 units** affordable to very-low income households (25.9%)
- **65,892 units** affordable to low-income households (14.9%)
- **72,712 units** of moderate-income households (16.5%)
- **188,130 units** of above moderate households (42.6%)

While the total number of units assigned in this RHND cycle is 135% more than in Cycle 5, it is consistent with the low rates of construction in the Bay Area since 2011. It is still well below the number of units assigned to Southern California. SCAG was assigned 1,344,740 units in Cycle 6, a 229% increase from the 409,060 units it was assigned in Cycle 5.

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<sup>1</sup> Income categories are determined by the Area Median Income (AMI) set by the Federal Government. Very low-income households make 50% or less of AMI. Low income households make between 80% and 50% of AMI. Moderate income households make between 120% and 80% of AMI, and above moderate or market rate households make over 120% of AMI.

**Next Steps**

The Executive Board can object to the determination within 30 days of receipt, in accordance with Government Code Section 65584.01(c). Under the statutory deadline, this would mean that HCD would have to receive an appeal prior to July 10, 2020. The objection can only be filed if the region disagrees with HCD population projection, or it believes that HCD has misapplied the RHND methodology.

As HCD have accepted most of the information provided as part of the RHND calculation, including the use of DOF forecast as the baseline population input, and no technical inaccuracies in the RHND calculation have been identified, staff recommends accepting the notice of determination.

The HMC will continue to work to identify a proposed RHNA methodology to distribute the RHND to individual jurisdictions by the fall of this year. The RHND will also play a role in assigning final subregion shares by December 2020. The RHNA process is anticipated to wrap up in late 2021, following the completion of an appeals process next year.

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833  
(916) 263-2911 / FAX (916) 263-7453  
www.hcd.ca.gov



June 9, 2020

Therese W. McMillan, Executive Director  
Association of Bay Area Governments  
375 Beale Street, Suite 700  
San Francisco, CA 94105

Dear Therese W. McMillan,

**RE: Final Regional Housing Need Determination**

This letter provides the Association of Bay Area Governments (ABAG) its final Regional Housing Need Determination. Pursuant to state housing element law (Government Code section 65584, et seq.), the Department of Housing and Community Development (HCD) is required to provide the determination of ABAG's existing and projected housing need.

In assessing ABAG's regional housing need, HCD and ABAG staff completed an extensive consultation process from March 2019 through May 2020 covering the methodology, data sources, and timeline for HCD's determination of the Regional Housing Need. HCD also consulted with Walter Schwarm with the California Department of Finance (DOF) Demographic Research Unit.

Attachment 1 displays the minimum regional housing need determination of **441,176** total units among four income categories for ABAG to distribute among its local governments. Attachment 2 explains the methodology applied pursuant to Gov. Code section 65584.01. In determining ABAG's housing need, HCD considered all the information specified in state housing law (Gov. Code section 65584.01(c)).

As you know, ABAG is responsible for adopting a methodology for RHNA allocation and RHNA Plan for the projection period beginning June 30, 2022 and ending December 31, 2030. Pursuant to Gov. Code section 65584(d), the methodology to prepare ABAG's RHNA plan must further the following objectives:

- (1) Increasing the housing supply and mix of housing types, tenure, and affordability
- (2) Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns
- (3) Promoting an improved intraregional relationship between jobs and housing
- (4) Balancing disproportionate household income distributions
- (5) Affirmatively furthering fair housing

Pursuant to Gov. Code section 65584.04(d), to the extent data is available, ABAG shall include the factors listed in Gov. Code section 65584.04(d)(1-13) to develop its RHNA

plan, and pursuant to Gov. Code section 65584.04(f), ABAG must explain in writing how each of these factors was incorporated into the RHNA plan methodology and how the methodology furthers the statutory objectives described above. Pursuant to Gov. Code section 65584.04(h), ABAG must submit its draft methodology to HCD for review.

Increasing the availability of affordable homes, ending homelessness, and meeting other housing goals continues to be a priority for the State of California. To support these goals the 2019-20 Budget Act allocated \$250 million for all regions and jurisdictions for planning activities through the Regional Early Action Planning (REAP) and Local Early Action Planning (LEAP) Grant programs. ABAG has \$ 23,966,861 available through the REAP program and HCD applauds ABAG's efforts to engage early on how best to utilize these funds and HCD looks forward to continuing this collaboration. All ABAG jurisdictions are also eligible for LEAP grants and are encouraged to apply to support meeting and exceeding sixth cycle housing element goals. While the SB 2 Planning Grant deadline has passed, ongoing regionally tailored technical assistance is still available through that program.

In addition to these planning resources HCD encourages local governments to consider the many other affordable housing and community development resources available to local governments that can be found at <https://www.hcd.ca.gov/grants-funding/nofas.shtml>

HCD commends ABAG and its leadership in fulfilling its important role in advancing the state's housing, transportation, and environmental goals. ABAG is also recognized for its actions in proactively educating and engaging its board and committees on the RHNA process and the regional housing need, as well as creating tools to aid the public understanding in the process. HCD especially thanks Paul Fassinger, Gillian Adams, Aksel Olsen, Dave Vautin, Bobby Lu, Matt Maloney, and Elizabeth Bulgarin for their significant efforts and assistance. HCD looks forward to its continued partnership with ABAG and its member jurisdictions and assisting ABAG in its planning efforts to accommodate the region's share of housing need.

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Acting Deputy Director, at [megan.kirkeby@hcd.ca.gov](mailto:megan.kirkeby@hcd.ca.gov) or Tom Brinkhuis, Housing Policy Specialist at (916) 263-6651 or [tom.brinkhuis@hcd.ca.gov](mailto:tom.brinkhuis@hcd.ca.gov).

Sincerely,



Megan Kirkeby  
Acting Deputy Director

Enclosures



## ATTACHMENT 1

### HCD REGIONAL HOUSING NEED DETERMINATION ABAG: June 30, 2022 through December 31, 2030

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	25.9%	114,442
Low	14.9%	65,892
Moderate	16.5%	72,712
Above-Moderate	42.6%	188,130
<b>Total</b>	<b>100.0%</b>	<b>441,176</b>
* Extremely-Low	15.5%	Included in Very-Low Category

Notes:

Income Distribution:

*Income categories are prescribed by California Health and Safety Code (Section 50093, et. seq.). Percents are derived based on Census/ACS reported household income brackets and county median income, then adjusted based on the percent of cost-burdened households in the region compared with the percent of cost burdened households nationally.*

## ATTACHMENT 2

### HCD REGIONAL HOUSING NEED DETERMINATION: ABAG June 30, 2021 through December 31, 2030

#### Methodology

ABAG: PROJECTION PERIOD (8.5 years) HCD Determined Population, Households, & Housing Unit Need		
Reference No.	Step Taken to Calculate Regional Housing Need	Amount
1.	<b>Population: December 31 2030 (DOF June 30 2030 projection adjusted + 6 months to December 31 2030)</b>	8,273,975
2.	- <i>Group Quarters Population: December 31 2030 (DOF June 30 2030 projection adjusted + 6 months to December 31 2030)</i>	-169,755
3.	<b>Household (HH) Population</b>	8,159,280
4.	<b>Projected Households</b>	<b>3,023,735</b>
5.	+ Vacancy Adjustment (3.27%)	+98,799
6.	+ Overcrowding Adjustment (3.13%)	+94,605
7.	+ Replacement Adjustment (.50%)	+15,120
8.	- <i>Occupied Units (HHs) estimated June 30, 2022</i>	-2,800,185
9.	+ Cost-burden Adjustment	+9,102
<b>Total</b>	<b>6<sup>th</sup> Cycle Regional Housing Need Assessment (RHNA)</b>	<b>441,176</b>

Detailed background data for this chart is available upon request.

#### Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Gov. Code Section 65584.01, projections were extrapolated from DOF projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institute, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons within the Household Population to form households at different rates based on American Community Survey (ACS) trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment (standard 5% maximum to total projected housing stock) and adjusts the percentage based on the region's current vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% vacancy rate and regions current vacancy rate based (**1.73%**) on the 2014-2018 ACS data. For ABAG that difference is **3.27%**.
6. Overcrowding Adjustment: In regions where overcrowding is greater than the comparable region's overcrowding rate, or in the absence of comparable region the national overcrowding rate. HCD applies an adjustment based on the amount the regions overcrowding rate (**6.73%**) exceeds the comparable region's rate (**3.60%**). For ABAG that difference is **3.13%**. Data is from the 2014-2018 ACS.
7. Replacement Adjustment: HCD applies a replacement adjustment between .5% and 5% to the total housing stock based on the current 10-year annual average percent of demolitions the region's local government annual reports to Department of Finance (DOF). For ABAG the 10-year annual average multiplied by the length of the projection period is .40%, and the minimum **.50%** adjustment is applied.

8. Occupied Units: This figure reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2022).
9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the comparable regions, as determined by ABAG. The very-low and low income RHNA is increased by the percent difference ( $66.64\% - 66.00\% = .64\%$ ) between the region and the comparable region cost burden rate for households earning 80% of area median income and below, then this difference is applied to very low- and low-income RHNA proportionate to the share of the population these groups currently represent. The moderate and above-moderate income RHNA is increased by the percent difference ( $16.25\% - 13.10\% = 3.15\%$ ) between the region and the comparable region cost burden rate for households earning above 80% Area Median Income, then this difference is applied to moderate and above moderate income RHNA proportionate to the share of the population these groups currently represent. Data is from 2012-2016 CHAS.





# Regional Housing Needs Determination (RHND): Cycle 6

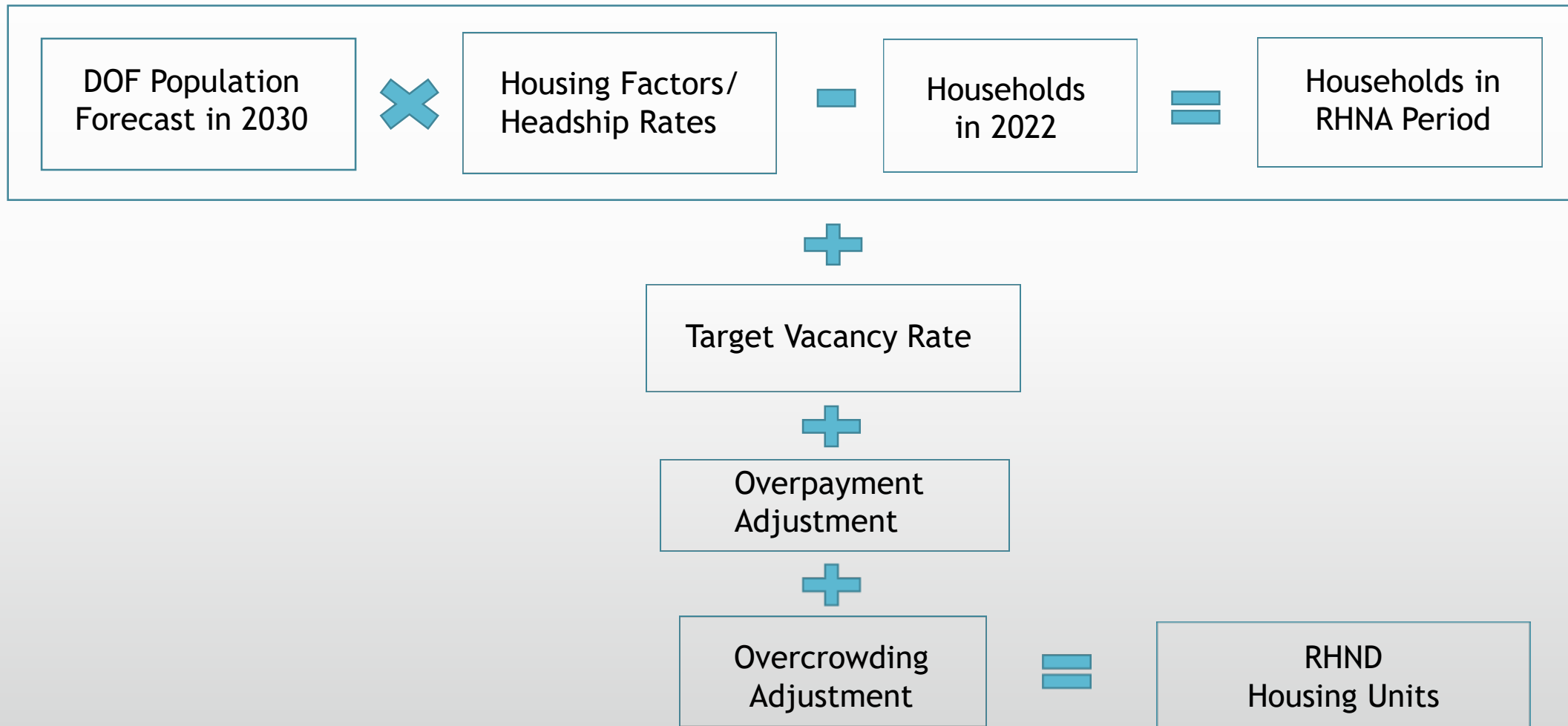
ABAG Executive Board  
June 18, 2020



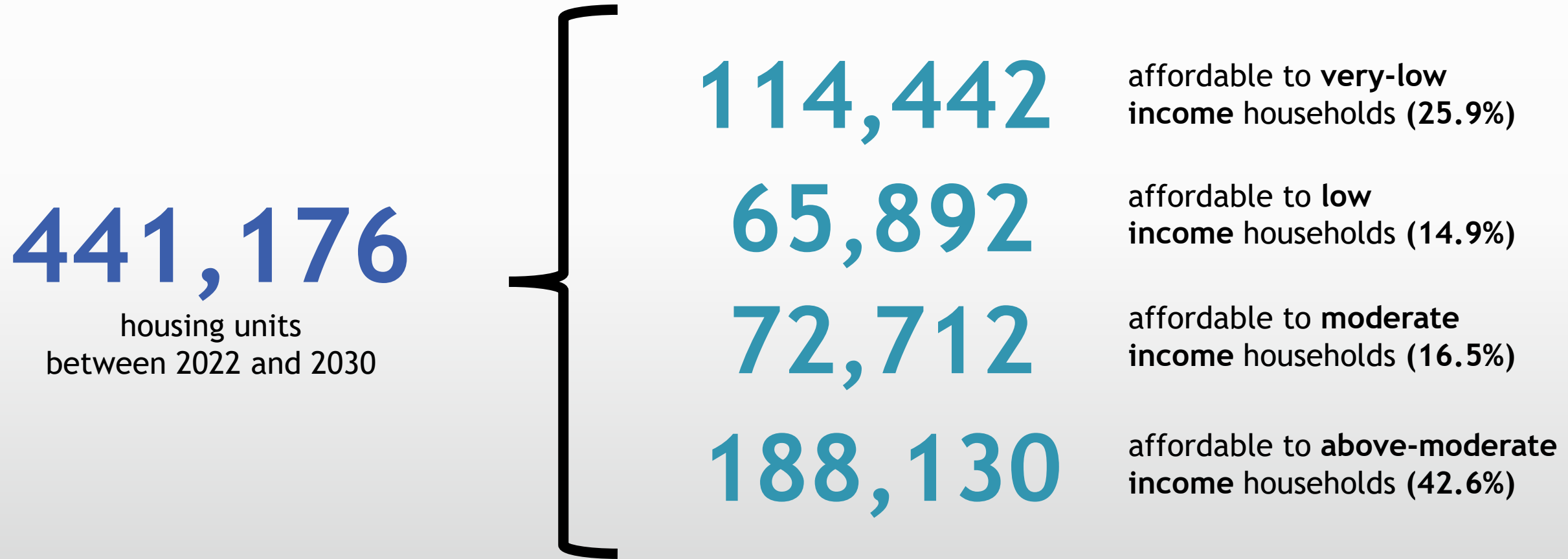
# What is the RHND?

- Identification of the Regional Housing Needs Determination (RHND) is a key step in the Regional Housing Need Allocation (RHNA) process.
- The RHND is the number of housing units assigned to the region which must be allocated among individual jurisdictions for this eight-year RHNA cycle.
- The RHND is assigned housing units according to four different income categories: very-low, low, moderate, and above-moderate income.
- Before the determination was received, ABAG/MTC staff consulted with HCD to provide statutorily-required information.

# How does HCD calculate the RHND?



# What is the RHND identified by HCD?



# Comparison of RHNDs

- The Bay Area's Cycle 6 RHND is 135% higher than Cycle 5; this is due primarily to vacancy rate, overcrowding, and overpayment adjustments, most of which is new to Cycle 6.
- Southern California's (SCAG) Cycle 6 RHND is 229% higher than Cycle 5; this was due primarily to a higher baseline forecast and the use of national instead of comparable regions for overcrowding and overpayment adjustments.
- Other regions have seen a range of changes, with some seeing less dramatic increases given that they do not have a comparable housing crisis to the coastal metro areas.
- The RHND, with adjustments is a somewhat larger number than the early years of the Final Regional Growth Forecast for Plan Bay Area 2050.



# Next Steps

- The Executive Board can object to the determination within 30 days of receipt, prior to July 10, 2020. The objection can only be filed under one of two specified grounds listed in law.
- As HCD have accepted most of the information provided as part of the RHND calculation, including the use of DOF forecast as the baseline population input, and no technical inaccuracies in the RHND calculation have been identified, staff recommends accepting the notice of determination.
- The Bay Area still faces a housing crisis, even in the face of the coronavirus pandemic, and the region needs significant additions to its housing stock to address decades of rising affordability challenges.
- Staff will move forward with the RHNA process through the HMC this summer and fall.

# RHNA Timeline

	Milestone	Deadline
★	HCD Regional Housing Need Determination	June 2020
	Plan Bay Area 2050 Draft Blueprint	July 2020
★	Proposed RHNA methodology, draft subregion shares	Fall 2020
	Plan Bay Area 2050 Final Blueprint	December 2020
	Final subregion shares	December 2020
	Draft RHNA methodology to HCD for review	Winter 2021
	Final RHNA methodology, draft allocation	Spring 2021
	RHNA appeals	Summer 2021
	Final Plan Bay Area 2050	September 2021
	Final RHNA allocation	Winter 2021
	Housing Element due date	January 2023