



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

## Meeting Agenda - Final

### ABAG Housing Methodology Committee

*Chair, Jesse Arreguin, Mayor, City of Berkeley*

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Thursday, July 9, 2020

2:00 PM

Remote

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#### Association of Bay Area Governments Housing Methodology Committee

The ABAG Housing Methodology Committee will be meeting on July 9, 2020, 2:00 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/98252002788>

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

Webinar ID: 982 5200 2788

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

The meeting is scheduled to begin at 2:00 p.m.

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

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

**Roster**

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

**1. Call to Order / Roll Call / Confirm Quorum****2. Public Comment**

*Informational*

**3. Chair's Report**

- 3.a. [20-0988](#) ABAG Housing Methodology Committee Chair's Report of July 9, 2020

**Action:** Information

**Presenter:** Jesse Arreguin

**Attachments:** [Item 3a 1 HMC Meeting #7 Notes.pdf](#)  
[Item 3a 2 Correspondence from HMC Members.pdf](#)  
[Item 3a 3 Presentation.pdf](#)

**4. Consent Calendar**

- 4.a. [20-0989](#) Approval of ABAG Housing Methodology Committee Minutes of June 19, 2020

**Action:** Approval

**Presenter:** Clerk of the Board

**Attachments:** [Item 4a Minutes 20200619 Draft.pdf](#)

**5. Plan Bay Area 2050**

- 5.a. [20-0985](#) Plan Bay Area 2050 Draft Blueprint: Key Findings

Presentation on the findings from the Draft Blueprint analysis, highlighting successes and shortcomings in advance of stakeholder workshops later this month.

**Action:** Information

**Presenter:** Dave Vautin

**Attachments:** [Item 5a 1 Summary Sheet Blueprint Key Findings.pdf](#)  
[Item 5a 2 PBA50\\_DraftBlueprintFindings\\_AttachmentA\\_Presentation.pdf](#)  
[Item 5a 3 PBA50\\_DraftBlueprintFindings\\_AttachmentB\\_StrategiesHandout.pdf](#)

## 6. RHNA Methodology Concepts

- 6.a. [20-0987](#) Plan Bay Area 2050 and RHNA Methodology
- Consideration of Incorporating Plan Bay Area 2050 Draft Blueprint in the RHNA Methodology
- Action:** Information
- Presenter:** Gillian Adams
- Attachments:** [Item 6a 1 Summary Sheet PBA50-RHNA.pdf](#)  
[Item 6a 2 Attachment A - Using PBA50 in RHNA.pdf](#)  
[Item 6a 3 Attachment A - Using PBA50 in RHNA - Appendix 1.pdf](#)  
[Item 6a 4 Attachment A - Using PBA50 in RHNA - Appendix 2.pdf](#)
- 6.b. [20-0986](#) RHNA Income Allocation
- Further Discussion of the Regional Housing Needs Allocation (RHNA) Income Allocation Methodology
- Action:** Information
- Presenter:** Eli Kaplan
- Attachments:** [Item 6b 1 Summary Sheet Income Allocation.pdf](#)  
[Item 6b 2 Revisiting Income Allocation Approaches.pdf](#)  
[Item 6b 3 Revisiting Income Allocation Approaches - Appendix 1.pdf](#)  
[Item 6b 4 Revisiting Income Allocation Approaches - Appendix 2.pdf](#)

## 7. Adjournment / Next Meeting

*The next special meeting of the ABAG Housing Methodology Committee is on August 13, 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.



**ABAG**

# Metropolitan Transportation Commission

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## Legislation Details (With Text)

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**File created:** 6/9/2020      **In control:** ABAG Housing Methodology Committee

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Date	Ver.	Action By	Action	Result
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ABAG Housing Methodology Committee Chair's Report of July 9, 2020

Jesse Arreguin

Information



# MEMO

To: RHNA HMC Team  
From: Civic Edge Consulting  
Date: June 26, 2020  
RE: June 19, 2020 HMC Meeting #7 Notes



## Meeting Info

Housing Methodology Committee (HMC) Meeting #7  
Friday, June 19, 2020  
Zoom Conference Webinar  
[Recording Available Here](#)

## Meeting Notes by Agenda Item

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

### 2. Public Comment on Items not on Agenda

- **Aaron Eckhouse, Regional Organizing Director for California YIMBY:** Asked whether the committee planned to address the Regional Housing Needs Determination (RHND) received from the California Department of Housing and Community Development (HCD). Noted that numerous people joined the ABAG Executive Meeting the evening prior to this HMC meeting to express their responses to the determination and that many felt the number was not adequate to address the scale of the Bay Area's housing needs. Additionally, acknowledged that the assumptions used to arrive at the concluding determination do not align with the population assumptions of Plan Bay Area. Discussed that they perceived the methodology used in the determination, which accepted a higher cost burden in the Bay Area relative to the rest of the country, was flawed. Concluded by stating they felt the HMC should push for a higher housing determination from HCD.

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

- **Arreguín:** Addressed the public comment from Eckhouse, noting that on June 9, the ABAG Executive Board received a letter from HCD informing the board that the minimum RHND is 441,176 total units which ABAG must allocate among the four income categories and jurisdictions. Several speakers at the ABAG Executive Board meeting requested the board appeal the decision, but they did not act; therefore, the determination submitted by HCD stands.

- **Victoria Fierce:** Voiced agreement with Eckhouse’s comment. Acknowledged that they, too, felt the number allocated by HCD was flawed and encouraged staff to appeal and push back on the number allocated, as the deadline to appeal is July 10. Raised concerns that the RHND number aims for a non-zero number of individuals who are rent burdened or crowded into homes.
- **Arreguín:** Reiterated that the HMC cannot act on this issue, only the ABAG Executive Board can. Noted this item was on the agenda for the ABAG executive board meeting, but there was no motion to appeal the determination. Offered an opportunity for input, but there were no raised hands.
- Minutes from last meeting approved

#### 4. Consent Calendar

##### Zoom Comments prior to Item 5:

- **Victoria Fierce:** thx
- **Fierce:** updated my zoom yesterday and took a minute to find where they hid the raise hand button.
- **Elise Semonian:** When will we be using the voting method we discussed at the beginning of this process?
- **Bob Planthold:** YES to approve consent calendar for May minutes.
- **Paisley Strellis:** Great question Elise - we'll be reviewing the modified consensus process (as updated for Zoom) as part of Agenda Item 5
- **Semonian:** Thanks
- **Josh Abrams:** I am not sure I totally understood. Did the window for ABAG Ex Board to appeal HCD's determination pass? (e.g. is it final final).
- **Fierce:** It must be appealed by July 10th. the window did not close.

#### 5. Income Allocation: Further Discussion of the Regional Housing Needs Allocation (RHNA) Income Allocation Methodology – *Gillian Adams (Information Item)*

- **Adams:** Introduced and presented the item. They acknowledged that feedback was heard, and impacted the process moving forward with the Blueprint for RHNA methodology.

#### HMC Members – Clarifying Questions

- **Matt Regan:** Noted that the question of economic feasibility was central to the determination that HMC is making. Asked whether there would be an economic feasibility study conducted to determine where affordable housing is possible to be built and what provided the most economic efficiency. Stated a strong desire for that conversation to take place.
  - **Adams:** Stated that Plan Bay Area (PBA) forecast is a place where questions of economic feasibility have been considered. A challenging factor of the RHNA process is that it does not allow for limiting allocations based on local planning or local zoning. This makes it hard to take these questions into account with this methodology. If the committee decides to use the PBA



Blueprint which will be discussed at the next meeting, the economic feasibility can be factored in there.

- **James Pappas:** Raised concerns around the perceived tradeoff between market rate and affordable housing in the methodology. Asked whether using the bottom-up approach in areas with high income and high job proximity could result in that area receiving a larger allocation overall, not a larger allocation of either market rate or affordable housing. Asked Adams to clarify whether there was a cap on the amount that a jurisdiction's total allocation could change. Emphasized a desire to address fair housing concerns.
  - **Adams:** Explained that if any jurisdiction got more market rate and more affordable housing, then another jurisdiction would get less of both. Noted the desire to strike a balance between achieving committee's goals, while working with a finite number of units to assign. Additionally, noted that the committee must address and decide whether the RHNA allocations are consistent with PBA. There would potentially be a situation where the RHNA methodology does not align with the expectations of PBA with too many allocations.
  - **Pappas:** Asked whether PBA forces a certain allocation to each city.
  - **Adams:** Stated that PBA did not force the allocation, rather they need to show that the allocations are consistent across both RHNA and PBA. Thus, there is an "upper limit" on what can be allocated to a particular jurisdiction.
  - **Pappas:** Stated that cities with fewer low-income households also tend to have greater job access and would be places to allocate low income households. Went on to say that these areas also have higher housing costs and would get a larger allocation overall.
  - **Adams:** Agreed and stated that this was part of finding a balance.
- **Pappas:** Asked whether it was possible to combine the bottom up approach with the income shift approach on the lower end of the income spectrum. Noted that this would help address the requirements for statutory fair housing.
  - **Adams:** Responded that there was no way to combine the two methodological approaches. The answer would be determined by the factors chosen when defining the approach. To address the fair housing requirements, the committee should choose factors that direct more affordable units to higher income places. The challenge would be the income shift, because a jurisdiction would have a total number of units allocated by the determined factors. If a higher share of those were to be lower income units, then the share of market rate for that jurisdiction is lower. This is where the either-or choice comes into play for methodology. This also impacts other jurisdictions because if that higher income jurisdiction is using up more lower income units, then there are less lower income units available for other jurisdictions.
  - **Pappas:** Clarified that the income shift is about proportions, whereas the bottom-up approach is about the amount.
  - **Adams:** Stated that Pappas was correct. On the income shift, the total amount is set first, then the proportion of market rate versus affordable is



determined within that total. Bottom up allows you to stack them together to get to a total.

- **Michael Brilliot:** Asked Adams about Figure 7 in the memo. Noted that the total number of housing units was less in the Bottom-Up 3-Factor than in the Bottom-Up 2-Factor.
  - **Adams:** Stated that yes, for these three example cities in Figure 7, the numbers for the Bottom-Up 3-Factor were smaller. Clarified that Figure 7 did not show all jurisdictions in the region. The results for the factors that were chosen resulted in different allocations between Bottom-Up 2-Factor and Bottom-Up 3-Factor. The rest of the region's housing need went to jurisdictions not shown in this figure.
  - **Brilliot:** Stated that this made it seem as though transit added an unintended consequence.
- **Aarti Shrivastava:** Asked to clarify how the Bottom-Up approach connects with the three allocation methodologies discussed in the April and May meetings. Noted that it seemed as though the HMC identified equity, jobs, and transit as major factors which should continue to be used in the methodology, which are considered in the income shift approach.
  - **Adams:** Stated that the two approaches are independent of one another. If the committee were to decide to move forward with the Bottom-Up approach, this would mean the 3 options discussed in March no longer applied. Noted that the factors are still used in the Bottom-Up approach but are being used differently. The jobs-housing fit and high opportunity areas were incorporated into the Bottom-Up approach, but are used for each separate income category, which are then added up to get to a different total. Staff heard the desire from HMC for a different approach. Additionally, noted that the committee must decide between using the three March methodology options or something similar to use factors to come up with a jurisdiction's total. Then, the income shift would be used to adjust the proportions within the total. Essentially, the committee must decide between either the Income Shift or Bottom-Up approach.
  - **Shrivastava:** Clarified that in the Bottom-Up 2-Factor, transit does not play a strong role, but in the Bottom-Up 3-Factor there is a specific weight assigned to areas with transit.
  - **Adams:** Stated that this was correct and depending on which approach the committee decides to go with, those choices about what factors to choose and what weights to give them are part of the discussion in the Bottom-Up approach. These factors may need to be adjusted depending on the discussion of PBA Blueprint and its impacts.
- **Fernando Martí:** Asked staff to clarify whether the committee could look at the current performance of cities towards meeting their RHNA goals. Stated that some are performing well, and some are under performing in various income levels.
  - **Adams:** Stated that the statute does not allow this.



- **Martí:** Asked why in the analysis low-income and very low-income housing were labeled as “Affordable Housing”, while moderate and market rate housing were labeled as “Market Rate.”
  - **Adams:** Stated that staff chose to combine these income groups to simplify the methodology for allocating by income group, so that there were not four different income categories to delineate. Continued that unless there is a strong sentiment from the committee regarding the nuances between allocating moderate and above moderate housing, they would be combined into the two groups. If there was a strong sense that moderate needed to go to a different place than above moderate, staff would separate them. Generally, if the committee wants to allocate them using the same factors, it makes sense to combine the four income groups into two distinct buckets, thereby creating something less complex.
- **Martí:** Stated that they found it difficult to understand the tables presented without examples of what is specifically being talked about and that they would prefer specific examples. Stated that they would like examples of those cities to help picture what this looks like. Asked to clarify whether for high income cities and cities that fit the regional profile the Bottom-Up factors result in overall less allocation, while disproportionately low-income cities receive an overall greater allocation of housing. Noted that this seems different from previous conversations.
  - **Adams:** Stated that it was too hard to have results for all 109 jurisdictions. Noted that the online tool now has all options. Committee members can plug in information to generate a chart and table to show what happens to each jurisdiction. All factors play a role in the results. In the options that were selected for City A and City C, the results show lower allocations from the Bottom-Up approach than for City B, which is the disproportionately lower income jurisdiction. It is possible this is a result of the factors that were chosen, but more likely is tied to the fact that with the Bottom-Up approach, it is harder to predict an area’s allocation.
- **Martí:** Asked staff to clarify that on slide 11, the low-income allocation would be lower in cities like San Francisco, Oakland, Richmond, and East Palo Alto, and much higher in Marin; whereas on slide 12, cities like San Francisco, Oakland, Richmond and East Palo Alto, in any category get a lot more high income housing; and the cities within Marin County seem to get a pass on above moderate allocation.
  - **Adams:** Stated that the maps on those slides show the different results using different approaches. For example, at 125% income shift, there are not any areas that have a particularly high allocation of low-income units. As the shift changes, the distribution of the income allocation changes. This ties into the question of balance in that all approaches end up with slightly different results.
- **Jeff Levin:** Stated that they share concerns about moderate income that Martí raised but noted that moderate is only 15% of the region’s total housing need. Stated that at the last meeting, there was a lot of time spent looking at metrics that assessed the performance of RHNA methodologies and asked whether any analysis had been



done using those metrics. Further stated that it would be difficult to choose between methodologies in the absence of being able to understand the assessment criteria.

- **Adams:** Stated that staff chose not to bring the metrics back to this meeting to help keep conversation simpler but can bring metrics back to next meeting. As staff update the online tool, that will be part of the update. The metric results can be part of the discussion as committee members explore using the tool.
- **Levin:** Reiterated that they would like to look at metrics before deciding on methodology.
- **Pat Eklund:** Asked Adams to identify what changes were made to the memo the morning of the meeting.
  - **Adams:** Stated that on the chart that depicts the results for the three cities (Figure 7), the labels for the graph showing the results for City B are inaccurate, but the chart is the same.
- *Ended discussion by polling HMC Members. Responses summarized in [Appendix I](#).*

### Discussion of Poll Results

- **Ranelletti:** Stated that they find the income shift approach interesting because it assigns a lot of affordable housing with a high shift to high income areas, which furthers fair housing. But it is problematic that it assigns a lot of market rate units to lower income areas, which exacerbates displacement. Asked whether they methodology allows for a different shift by income level.
  - **Aksel Olsen:** Stated that in theory, it may be possible, but makes the math and computation much more challenging, since the numbers still must add up to the regional totals. Noted that staff could explore this idea, but it would complicate the calculation further.
- **Jane Riley:** Stated that they were concerned the slide that depicted the Bottom-Up approach showed that in the North Bay there was a larger share of units in unincorporated areas versus incorporated areas. Noted that in the South Bay, the opposite was true. Asked staff to clarify why this was.
  - **Adams:** Stated that this is one concern that using PBA might resolve. Should the methodology use current PBA forecasts, it would likely show less growth in unincorporated areas. This is something staff has considered.
  - **Olsen:** Noted a point about high opportunity areas that showed up relatively more in some unincorporated areas and that staff have tried to address this and tone down its effects. But there is still some pull to unincorporated areas that shows up in the Bottom-Up approach. Additionally, stated that this would be present in the total allocation as well, not that it impacts one over the other. This impacts the geography of the growth and is something that staff will try to address.
  - **Riley:** Stated that they would not like to commit to either the factors or the income shift until this information is built into the model.
  - **Olsen:** Stated that there could be many different versions of the Bottom-Up factors which would present different results. This will be part of the



- exploration for different factors and weights going forward, should the committee choose to go with the Bottom-Up approach.
- **Kaplan:** Clarified that the map that Riley was referring to shows the percent of a jurisdiction's allocation in a certain income category. The maps are not showing percent growth. The darker colors on this map do not mean more total units being sent to those areas.
  - **Riley:** Stated that expecting unincorporated areas to provide an urban-style infrastructure environment was challenging when compared to the infrastructure already available in cities.
  - **Forrest Ebbs:** Responded to Riley by noting that unincorporated areas are different across counties, as some are more developed than others. Noted that in some places, a third of the population resides in unincorporated areas, and there are some unincorporated towns with larger populations than incorporated cities in other counties. There are more nuanced considerations than just rural versus urban areas.
- **Abrams:** Stated a desire for low-income advocates or low-income communities to speak to what would be best for their communities in terms of the tradeoff between increasing gentrification and increasing concentrations of poverty. Additionally, noted that although the question of the jobs-housing fit is important, it is not the ratio that is being used presently. Would instead like to look at the ratios of low-income jobs versus high-income jobs, to not end up with a community with a high number of low-income jobs and a high number of high-income housing units.
  - **Noah Housh:** Stated that they were an alternate and wanted to speak as a member of the public. Provided support for the concept of the ABAG exercise for individual support using the tool and allowing for one-on-one space for explanation and clarification. Stated that the original criteria should inform the metrics that end up being used. Thinks it is important to talk about how the methodologies were built with consideration from HMC. Noted that in North Bay, they will push against adding more housing to unincorporated areas and cannot forget risk of wildfires and other natural disasters.
  - **Carlos Romero:** Responding to Abrams comment regarding how low-income communities respond to allocations of moderate-income and above moderate-income housing units. Stated that they have mixed feelings, but a way to mitigate the impacts is to have an inclusionary ordinance that includes a high percentage of lower income housing as a pretext to the development of market-rate housing. It's one way to mitigate the impact, but unclear if it can truly stop the strong forces of displacement experienced by low-income communities and communities of color.
  - **Amber Shipley:** Asked committee members to think about what information they would need to make a decision between moving forward with the Income Shift approach or Bottom-Up approach.
    - **Semonian:** Stated that they need more time to digest the information. Trying to digest how the high opportunity area allocation methodology plays into the income allocations. Most affordable housing being built will mean a lot of moderate or market rate housing being built alongside it.



- **Pierce:** Stated that prior to this meeting, they were already confused and that the meeting had not alleviated these concerns. Stated that they would like more discussion generally and, more specifically, how PBA fits into the methodologies. Raised concerns around the level of subsidy that would be necessary to build the housing units being allocated and around the ability to express the decision made by the committee in a concise way.
- **Eklund:** Stated that they agree with previous speakers. Acknowledged concerns with using the tool on their own and noted the need for more direct help from staff in using the tool, specifically when it comes to toggling between income shifts. Expressed that whichever methodology is decided on must be simple enough to explain to respective communities. Expressed the need to look at any unintended consequences of whatever methodology is chosen and the desire to look at specific cities.
- **Neysa Fligor:** Stated that their reservations revolve around why it seems the decisions are framed as either-or, with no opportunity to find a middle ground. Would like to understand if the committee could look at specific communities and know what that the methodologies look like in practice. Asked what a higher income shift refers to in terms of percentage, or magnitude of change.
- **Ruby Bolaria Shifrin:** Stated that they agree they would like more time to digest the information presented. Raised that it is the HMC's responsibility to figure this out and the answer should not be to make things less complex but aim for more equitable outcomes. If that means the tool is more robust than in the past, this is probably a good thing. Acknowledged that they will not make everyone happy, so the group needs to lead with the values that were outlined at the start of the process. Expressed that the group has said in the past that they would like to put more affordable homes in high opportunity areas. They do not want to overburden lower-income areas with low-income housing. Cited a recent study from UC Berkeley's Urban Displacement Project, in partnership with Stanford, that used credit score data to track displacement and found that in the Bay Area, middle-income earners are displaced at a higher rate than low-income earners. This raises the question of offering more market rate housing to help lessen the burden on middle-income earners, and subsequently lessen the further displacement of low-income earners.
- **Tawny Macedo:** Expressed that they shared the concerns raised by Bolaria Shifrin regarding the complexities of where market rate and affordable units are built and the impacts on equity. Acknowledged that the RHNA process is complex, but that the group must come up with a resolution that demonstrates how the 5 statutory objectives are being met. Additionally, responded to Shipley's question, that they would like to see how the factors come together. Stated that the visualization tool is helpful and that it may be helpful to discuss the underlying calculations.
- **Abrams:** Stated that they would like to argue for simplicity, if possible. Noted that staff will have to take this back to the public and that decision makers will have to justify the decision to constituents. If the story can be told in a simple and understandable way, it will be more communicable to the public and other stakeholders.



- **Housh (alternate):** Stated that they agree with Shifrin, Macedo, and Abrams. Would like to get finer grained but also wants to be able to explain the result in a simplified way. Would like to look at the results and calculations side by side. The methodology will not be “one size fits all”. Asked staff to consider whether we can agree on an ultimate framework but there are backstops to make sure we do not push too hard on individual communities.
- **Rick Bonilla:** Noted that the questions regarding affordable housing and displacement apply to San Mateo County, and the ongoing discussions are difficult and tense. In San Mateo in particular, they have an issue with a 30-year-old voter-approved measure that restricted building height to 5 stories throughout most of the city. Acknowledged that to bring up the discussion of impending growth, there must be a way to explain the methodology and results in a simple way. Additionally, noted that the results would fare better with a higher determination number, allowing more housing throughout the Bay Area.
- **Levin:** Stated that they like the tables that break down at the jurisdiction level. With the Bottom-Up approach, asked to clarify whether the idea was to say how much of the total region’s low-income housing allocation is going to City A versus City B. Noted that the maps presented were misleading. Would like to be able to visualize how units will be allocated in practice.
- **Adams:** Thanked members for the feedback they had presented at the meeting. Acknowledged the complexity of the methodologies and the decision-making process. Clarified that they heard many members asking for more details, but noted that this would inherently present more complexity, and potentially lead to confusion. Reminded members that the tool has been upgraded and that staff are available to walk through the tool and explain it in one on one meetings with HMC members. Noted that the input of the PBA Blueprint might either solve or complicate some of the issues that have presented, and staff will work to figure out what the impacts are. At the next meeting, staff will present this Blueprint, and essentially add a final component of the methodology, which may require staff adjusting what has been presented so far. Acknowledged the importance of committee members preparing for that discussion by following up with staff if they would like to get more information on the tool. Noted the difficult decisions on the horizon for HMC members.
- **Matt Maloney:** Thanked everyone for their participation and acknowledged the frustration committee members had expressed. Expressed that with the draft of PBA ready to share, this would hopefully clarify the decisions presented for the group. Noted that many of the strategies considered in this plan are similar to the factors being considered by the HMC. Noted that the plan considers such factors as the natural hazards question, growth in transit-priority and high opportunity areas, market feasibility, and greenhouse gas emissions. The committee could put the results of the Blueprint into the tool, and the committee could choose to pivot off the results, using it as a baseline and making recommendations for adjustments. Specified the importance of the climate goals in PBA. Expressed that they hope this discussion will be illuminating for the group and allow them to pivot toward actionable steps.



## Comments from Zoom Chat

- **Martí:** Are there examples of cities similar to City A, City B, and City D?
- **Martí:** Is there any "moderate-income" (ie, affordable to incomes between 80-120% AMI) market-rate housing in the Bay Area? Where?
- **Martí:** How about availability of moderate-income jobs and housing affordable to those workers?
- **Strellis:** Thank you for sharing those questions, Fernando. We will have an opportunity for clarifying questions after the presentation.
- **Amber Shipley:** Fernando - we'll have time for clarifying questions after Gillian's presentation - perhaps you can ask this then?
- **Brilliot:** Please tell us which figure our graph specifically is wrong in the memo and needed to to be replaced in the memo. Thanks
- **Brilliot:** Needs to be replaced with the corrected figure/graph send by Fred this morning
- **Strellis:** Thank you Michael - staff will respond shortly
- **Brilliot:** I have a question
- **Brilliot:** I don't have raise hand function
- **Housh:** I think it is more effective to answer questions 1 at a time to clarify answers.
- **Brilliot:** I have same question as James. But also another
- **Fierce:** Yeah, the "Raise Hand" button got moved around. If you look at the participant list there's a "..." button next to the Invite one, and it hides there now.
- **Brilliot:** Thanks
- **Shrivastava:** can people who are not speaking mute themselves? We can hear a speaker in the background
- **Fierce:** nah, just a blank windows desktop
- **Strellis:** Hi all - just a friendly reminder to mute your mics when you are not speaking
- **Fierce:** there it is
- **Shrivastava:** transit
- **Scott Littlehale:** Can staff make available to HMC members the online data visualization tool that was used in the prior meeting to experiment with results from applying different bottom-up factors? (I cannot locate the link)
- **Abrams:** this one: <https://rhna-factors.mtcanalytics.org/>
- **Shrivastava:** Let's move the meeting along
- **Housh:** I would appreciate moving to discussion
- **Semonian:** As we plan for units in our housing elements jurisdictions with affordable housing units are going to be increasing their market rate units in order to get those affordable units - as most projects are not 100% affordable but are a small share of a market rate project. Wondering if this can be taken into consideration in these allocations
- **Semonian:** As we plan for units in our housing elements jurisdictions with affordable housing units are going to be increasing their market rate units in order to get those affordable units - as most projects are not 100% affordable but are a small share of a market rate project. Wondering if this can be taken into consideration in these allocations



- **Semonian:** Also having a hard time with the equity factor in the allocation methodology and how that plays out with the income allocations - since it does give certain communities "more of everything" in the initial allocation
- **Fierce:** link, for those scrambling to find that email <https://pollev.com/mtcabag302>
- **Housh:** Thanks Victoria!!
- **Abrams:** Directions: Online: go to [PolleEv.com/mtcabag302](https://PolleEv.com/mtcabag302)
- **Abrams:** Via Text: text the phrase MTCABAG302 to the number 22333, and then text the letter that corresponds to your response for multiple choice questions
- **Brilliot:** I vote for 124
- **Brilliot:** 125%,
- **Brilliot:** yes
- **Bob Planthold:** As I said in an e-mail after LAST MTG. too much INFO. is scattered through the multiple e-mails staff sends. Inefficient, asking members to jump back and forth.
- **Ranelletti:** The Income Shift approach is problematic because it assigns more market-rate units to lower-income areas potentially exacerbating displacement. Does the Income Shift methodology allow you to assign a high shift for affordable units and a low shift for market-rate units?
- **Brilliot:** Bottom up
- **Bolaria Shifrin:** Some unincorporated areas in the South Bay are literally a strip of land in btw cities and don't have the same issues of sprawl as the north bay  
Parts of El Camino blvd in San Mateo are unincorporated which frankly doesn't make sense so can see how that is different from North bay
- **Levin:** We should not conflate concentrations of very low and low income with "concentration of poverty". Poverty is at or below 30% of AMI, while low income goes up to 80% AMI.
- **Shrivastava:** Is there a way to require minimum densities for unit types. Very low, low and moderate should have them. HCD's criterion of 20 - 30 units is ludi
- **Riley:** I need to be able to fold in the Plan Bay Area info and factors before I can be comfortable recommending a methodology.
- **Levin:** I would be very concerned about switching the base case from current population to Plan Bay Area growth projections AFTER looking at all these methodologies using only the current population as the
- **Brilliot:** Would want to see or compare and contrast how the different methods distribute to the all the individual jurisdictions. Not just maps but actual numbers
- **Monica Brown:** I agree with Elise
- **Matt Walsh:** I agree with Elise. Just need more time to digest info.
- **Fierce:** a point of information, I noticed that in the minutes from last month that discussion sent to "all panelists" didn't end up in the minutes while discussion sent to "everyone". perhaps that was intentional, but something to point out nonetheless
- **Ellen Clark:** The jurisdiction by jurisdiction numbers are critical to understand differences; especially for the bottom up approach ....Because the effect on the ground is not predictable, when you look at in broad strokes..
- **Levin:** The minimum densities of 20-30 units/acre to qualify sites as suitable for very low and low income is a statutory issue, not just an HCD regulation. We can't impact



- that here, but particularly in places that designate a limited number of available sites, they will have to zone at densities higher than those minimums just to accommodate all of their lower income need.
- **Shrivastava:** The connection of the RHNA to Plan Bay Area is important and I understand it will be discussed at the next meeting.
  - **Eli Kaplan:** No final decisions are being made today.
  - **Shrivastava:** Some resources could include your planning/housing staff, staff reports written by other jurisdictions and talking with your Planning and Housing Directors. They can help. It is complicated enough for staff, so we can understand how tough it may be for those who don't have the technical background.
  - **Planthold:** Too many presentation slides are SMALL in size of type & of images, linear, and narrow. We need to have some slides side-by-side, as well as old-style flow-chart approach. SO that, as slides advance we can infer arrows pointing to different options and how factors affect.
  - **Brilliot:** I agree that the effect of market rate in low income communities is a complex and would like to understand this issue better, and hear from people that are knowledgeable
  - **Brilliot:** And get the perspective of these communities
  - **Susan Adams:** I agree with the. m
  - **Shrivastava:** The minimum densities don't just address the number of units but also economic feasibility.
  - **Fierce:** not raising my hand because I'd basically be saying everything that Rick is saying now, as a point of information
  - **Adams:** I agree with the need for a clear, easy to understand and explain the methodology to our staff and constituents.
  - **Shrivastava:** many times, cities zone sites for low or v low income housing at 30 units per acre but when they develop, they are all market-rate housing with maybe a 15% inclusionary number. There is a huge disconnect between the planning and implementation
  - **Regan:** The RHND is a floor not a ceiling. Of course a higher floor would be better but there's nothing other than political will stopping us from going higher.
  - **Walsh:** As an agency staffer, the simpler, the better. Easier to explain to decision makers and the public.
  - **Fierce:** In practice, this never happens. The cities that need affordable housing the most always end up failing to meet their minimal goals on purpose anyways.
  - **Levin:** Aarti - new state law will address that issue somewhat. If a city designates a site as low income, but develops it as market with 15% low income, it may need to then designate additional sites because it will no longer have the site capacity to meet its low income RHNA. In the past that was only looked at when the Housing Element was submitted, but now there is a requirement to maintain sufficient sites for each income level throughout the entire 8-year cycle.
  - **Fierce:** yeah, No Net Loss is a thing now. you can't just approve an inventory site for less than what was planned without reallocating the difference to another site
  - **Rick Bonilla:** I think it would help if we could see some samples of different types of jurisdictions under different scenarios and discuss different outcomes.



- **Shrivastava:** Thanks for the input. I think cities will have to make the decisions on the minimum densities to address disconnect between the planning and implementation if they are not to continually look at more sites throughout the cycle. With some help from State laws.
- **Brown:** Is the next meeting July 9th?
- **Arreguin:** Yes the next meeting is July 9<sup>th</sup>
- **Bolaria Shifrin:** Not for another year but happy to share what I can. Also there are other studies we've funded in this area that have come out that I can share. It's just not accurate to say market rate development always causes displacement. Data shows it actually can help mitigate displacement on a County level
- **Fierce:** there's a mirroring option in the settings you can fiddle with
- **Fierce:** yeah idk where it is either, I just know I found it once lol

### Public Comment

- **Aaron Eckhouse, Regional Organizing Director of California YIMBY:** Stated that they would like to echo the importance of high total allocation in communities with high resources and high job proximity, in both the lower income and market rate housing. Noted that there are ways to achieve this through both the Bottom-Up or Income Shift approaches. Regarding the issue raised with unincorporated areas, they felt this pointed to the issues with using jobs-housing balance as a metric. Stated that there is an issue with the sensitivity to placement of jurisdictional lines, particularly when there are small denominators at play, the ratios can become skewed. Stated that they prefer jobs proximity as a metric and that this will help focus housing growth in the Bay Area core, where it will do the most to advance climate goals rather than push housing out to periphery. Jobs and transit are important and relevant and encouraged the committee to use it.

## 6. Summary of Housing Methodology Committee (HMC) Progress to Date and Preview of Next Steps – Gillian Adams (Information Item)

### HMC Member Questions/Comments – Clarifying Questions

- **Regan:** Asked staff to clarify the difference between the statutory 'must-haves' and 'like-to-haves', and whether staff would alert members when these were in conflict.
  - **Adams:** Stated that yes, staff will have members focus on statutory components. Noted that it was unlikely these would come into conflict.
- **Martí:** Asked to clarify whether the group was voting on all the statements at once or one-by-one.
  - **Shipley:** One-by-one.

### Modified Consensus Voting

**Statement 1:** More housing should go to jurisdictions with more jobs than housing and to communities exhibiting racial and economic exclusion.

Result: Consensus reached.



**Statement 2:** The methodology should focus on: Equity, as represented by High Opportunity Areas (weighted 30-60% in March options) and the relationship between housing and jobs (weighted 20-60% in March options); however, no consensus on specific factor.

Result: Consensus reached.

**Statement 3:** Equity factors need to be part of total allocation, not just income allocation.

Result: Consensus reached.

**Statement 4:** Do not limit allocations based on past RHNA.

Result: Consensus reached.

**Statement 5:** Minimal support for Divergence Index factor.

Result: Consensus reached.

**Statement 5B:** Minimal support for Vehicle Miles Traveled (VMT) factor.

Result: Consensus not reached.

**Statement 6:** Housing in high hazard areas is a concern, but RHNA may not be the best tool to address it.

Result: Consensus reached.

**Statement 7:** Sample methodologies from March have too much growth in unincorporated areas.

Result: Consensus not reached.

## Discussion

- **Littlehale:** Noted that one of the only future indicators is the future jobs factor. Asked staff whether they had seen support for this.
  - **Adams:** Stated that the future jobs factor would come from PBA.
- **Shipley:** Asked committee members to discuss the VMT factor, what had given them pause, and what they would like to hear from staff to move the conversation forward.
- **Bonilla:** Alluded to the point made earlier that different counties are different with their unincorporated areas. Noted that in San Mateo county, there are areas along major stretches of roads that are considered unincorporated but are good spots to promote development. However, there are other unincorporated areas in which this does not apply.
- **Brilliot:** Expressed the need to differentiate between county pockets in an urbanized area versus unincorporated areas.
- **Riley:** Agreed with Brilliot. Stated that when looking at the map overall, for the entire North Bay including Napa and Solano counties, there is a higher growth in unincorporated areas than in cities. Expressed that they would like to look at the data to understand why this is the case in the North Bay and not the South Bay.
- **Eklund:** Stated that they feel strongly that agricultural land and open space should be protected, especially if the areas are zoned, which is mostly in unincorporated areas. Noted that there are cities that have property that is zoned for agricultural use. Feels that any property zoned for agricultural or open space should be removed from the analysis and not have the opportunity to be rezoned for residential use. Stated that Sonoma



County is atypical, as most of the cities have urban growth boundaries. Noted that Novato is the only city in Marin County that has an urban growth boundary. Further, stated that there are unincorporated areas that are built out along Highway 101 corridor. Expressed that they feel it is critical to respect agriculturally zoned land and open space.

- **Ebbs:** Stated that they felt every county is diverse. The issue of unincorporated versus incorporated gets into local policies and could undercut the entire decision made by RHNA. If RHNA required housing in incorporated cities but do not allow for annexation, there is a possibility to end up in the same situation in the future when unincorporated areas are untouchable. Stated that using unincorporated versus incorporated is not a consistent metric across all different counties and that the decision should be made at the local government level.

### Comments from Zoom Chat

- **Bonilla:** I really feel very strongly that even with this determination we need to find some very creative and durable public funding tools. I think private developers and banks may be reticent to help because there is uncertainty looking ahead and their strong bent for profit. Partnerships will need to be created that allow for motivation while meeting the needs
- **Fierce:** dope, my sound stopped working. I need to rejoin real quick.\
- **Strellis:** The first item we will be voting on is "More housing should go to jurisdictions with more jobs than housing and to communities exhibiting racial and economic exclusion" - Does the committee make this recommendation?
- **Romero:** Green
- **Fierce:** matt that is incredible
- **Planthold:** Q.1 --GREEN Card.
- **Abrams:** can we let the yellow people make comments?
- **Planthold:** Q. 2 - GREEN -- for both parts.
- **Shipley:** The methodology should focus on: Equity, as represented by High Opportunity Areas (weighted 30-60% in March options). Relationship between housing and jobs (weighted 20-60% in March options); however, no consensus on specific factor
- **Strellis:** The methodology should focus on:
  - Equity, as represented by High Opportunity Areas (weighted 30-60% in March options)
  - Relationship between housing and jobs (weighted 20-60% in March options); however, no consensus on specific factor
- **Romero:** Green, green
- **Strellis:** Equity factors need to be part of total allocation, not just income allocation
- **Romero:** Green
- **Planthold:** Q. 3- GREEN Card.
- **Planthold:** Q. 4 - GREEN Card.
- **Strellis:** Do not limit allocations based on past RHNA
- **Abrams:** If these are important decisions, I think it would be really helpful for us to hear insights about people who have concerns before we vote, rather than only giving them the option to send in comments afterwards. To hear the diversity of opinion will help me understand the issue.



- **Regan:** can you give us a scenario?
- **Romero:** Green
- **Levin:** So this is not a vote on what to do, but a vote on what to talk about?
- **Shrivastava:** PDAs are part of Plan Bay Area
- **Fierce:** yeah, separate from RHNA
- **Levin:** In other words, no guarantee that a city won't get a large increase or decrease compared to last cycle
- **Fierce:** in spirit of making it easier to explain to the public, I'm voting green
- **Fierce:** and matt's one red
- **Planthold:** Q. 5 VMT -- Green for minimal support Divergence Index --Yellow. If only one color for both factors, then Green.
- **Shrivastava:** need an explanation of both
- **Strellis:** Minimal support for Divergence Index or Vehicle Miles Traveled (VMT) factors
- **Macedo:** Would it help to address both of those separately with voting?
- **Shrivastava:** Agree that we should separate both
- **Shrivastava:** can Gillian explain divergence index
- **Shrivastava:** Will we discuss VMT in the context of Plan Bay Area
- **Strellis:** Minimal support for Vehicle Miles Traveled (VMT) factor
- **Strellis:** Housing in high hazard areas is a concern, but RHNA may not be the best tool to address
- **Planthold:** Q. 6 - Green card
- **Strellis:** Sample methodologies from March have too much growth in unincorporated areas
- **Planthold:** Q. 7 -- Yellow card
- **Riley:** I don't think its all unincorporated areas . . .
- **Levin:** When we do discuss unincorporated areas, it would be useful if staff could bring info that helps us understand how much of those areas is urbanized vs rural?
- **Matt Walsh:** I agree Jeff. Each County is a little different in how they address development.
- **Semonian:** And why are the county areas getting more - because they are high resource areas or segregated?
- **Clark:** Urbanized might be a better distinguishing factor than "unincorporated".. Agree there is a lot of variation - thinking about Alameda County and (say) Castro Valley versus East County
- **Shrivastava:** How late are we going to run
- **Levin:** Assigning housing to unincorporated areas doesn't necessarily mean promoting sprawl or developing in high risk areas. It's a county zoning decision as to where within the unincorporated area they would accommodate growth.
- **Bolaria Shifrin:** Agree with Rick and Jeff
- **Riley:** Do you all not have Urban Growth Boundaries approved by your voters?
- **Nickens:** I agree with Ellen, Rick, and Jeff.
- **Fierce:** yeah, its kinda the same question as the earlier one about high risk areas. we can give a county a big assignment, but RHNA ultimately can't say if the county moves that in an urbanized or rural area
- **Brown:** Solano County has urban limit. Growth is to be in the cities.



- **Fierce:** like, what we're doing here is saying "You must build X units of housing, now go figure out where to put it" and its on them to not put it in high risk areas, just as it is on them to not create sprawl
- **Brilliot:** I agree with that
- **Levin:** This is why we need to see the absolute numbers and not just the growth rates. A 20% increase on a base of 10,000 is far different from a 5% increase o a base of 200,000
- **Shrivastava:** i agree with Victoria
- **Bonilla:** I agree with Victoria too
- **Brilliot:** I agree with the statement from Jane Riley
- **Riley:** we don't get to look at zoning.
- **Levin:** I also agree with Victoria's statement
- **Bonilla:** Lots of zoning needs to be changed
- **Fierce:** I mean, ultimately, this whole process is just illuminating the gaps in our patchwork of regional governance. I hope we can address these gaps in coming years.
- **Levin:** Current zoning cannot be a factor when the point of Housing Elements is that jurisdictions may have to modify their zoning to accommodate their fair share of the region's housing need.
- **Riley:** Exactly, Jeff.
- **Regan:** At the risk of sounding like a broken record, we must also avoid the scenario where we focus so much growth in so few areas that we are looking at Type 1 or Type 2 construction in places where it makes no sense to build. It needs to be feasible at the end of the day.
- **Fierce:** yeah, exactly what Jeff said too
- **Riley:** Ditto Matt
- **Fierce:** having jx's update their zoning is, in fact, part of the housing element update process that is required in response to our RHNA numbers
- **Riley:** Yes Victoria!
- **Levin:** I agree with Matt. If we are concerned about construction cost and affordability we can't produce a growth pattern that calls for either high rise or single family and nothing in between. Spreading out the need across more places avoids that outcome
- **Fierce:** I do trust that the 101 planning directors in the bay area are smart enough to meet the challenge
- **Riley:** Thank you everyone. Good discussion!
- **Brown:** Happy Juneteenth
- **Brilliot:** Thanks1
- **Fierce:** yes, happy juneteenth!

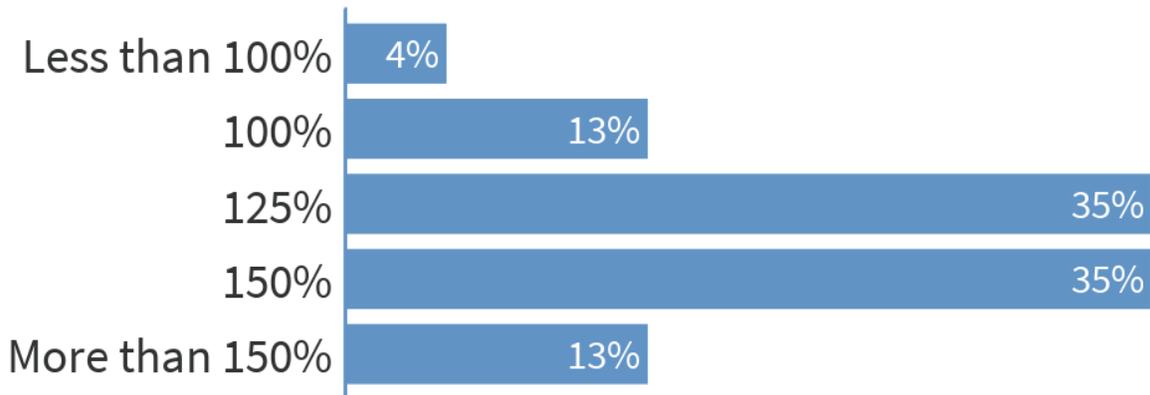
### Public Comment

- **David Early:** Alerted staff that audience could not see the text or the green, red, or yellow cards shown during the meeting.

### 7. Adjournment / Next Meeting – July 9



**If ABAG staff uses an income shift methodology, what income shift multiplier would you feel most comfortable with?**



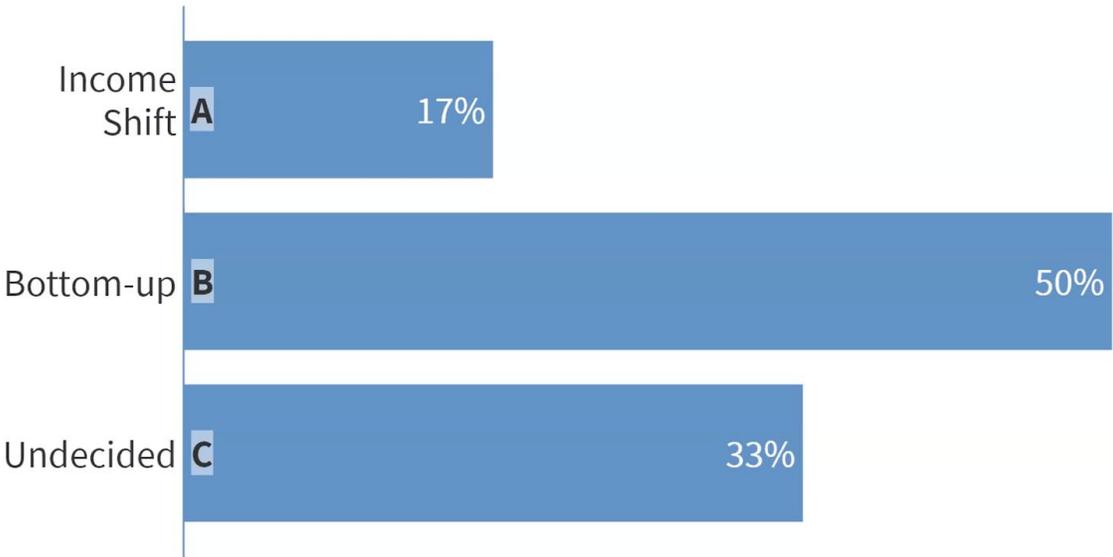
**If ABAG staff uses a bottom-up methodology, do you like the factors staff selected for allocating affordable units (Access to High Opportunity Areas, Jobs-Housing Fit, Job Proximity – Transit)?**



**If ABAG staff uses a bottom-up methodology, do you like the factors staff selected for allocating market-rate units (Jobs-Housing Balance, Job Proximity – Auto, Job Proximity – Transit)**



**Do you prefer the income shift approach or the bottom-up approach?**



TO: Housing Methodology Committee

DATE: June 30, 2020

FR: Deputy Executive Director, Policy

RE: HMC Member Correspondence

## Overview

This memo provides an overview of the correspondence received since the June 19 meeting.

### 1. Bob Planthold – June 25, 2020 – Resource Sharing

FYI, to add to the RHNA media file.

<https://blog.bayareametro.gov/posts/regional-agencies-local-governments-take-new-steps-solve-bay-area-housing-problems>

Bob Planthold

### 2. Bob Planthold – June 25, 2020 – Resource Sharing

RHNA folks,

This brings in ABAG and Priority Development Areas.

<https://sanfrancisco.cbslocal.com/2020/06/24/san-francisco-sunset-district-residents-fight-proposed-housing-development/>

### 3. Bob Planthold – June 25, 2020 – Resource Sharing

Note the sub-headline's emphasis on DOUBLING the rate of construction in the next decade..

May be a factual phrase, but likely to spur more readership of the article.

<https://www.eastbaytimes.com/2020/06/25/massive-new-home-building-target-set-for-bay-area/>

Bob Planthold

#### **4. Bob Planthold – June 25, 2020 – Resource Sharing**

This South Bay journal has input from South Bay sources.

Note this story claims there has been a change regarding the RHNA allocation, from an aspirational planning challenge to a mandatory target.

<https://www.bizjournals.com/sanjose/news/2020/06/22/bay-area-housing-requirement-2030-rhna.html>

Bob Planthold



**WELCOME**

ABAG Housing  
Methodology Committee

July 9, 2020



# USING PLAN BAY AREA 2050 IN THE RHNA METHODOLOGY

ABAG Housing  
Methodology Committee

July 9, 2020

# Plan Bay Area 2050 and RHNA methodology

- RHNA must be consistent with the development pattern from Plan Bay Area 2050
- HMC to consider potential options for incorporating Draft Blueprint in the RHNA methodology:
  - Option 1: Blueprint as an allocation factor
  - Option 2: Blueprint as baseline allocation

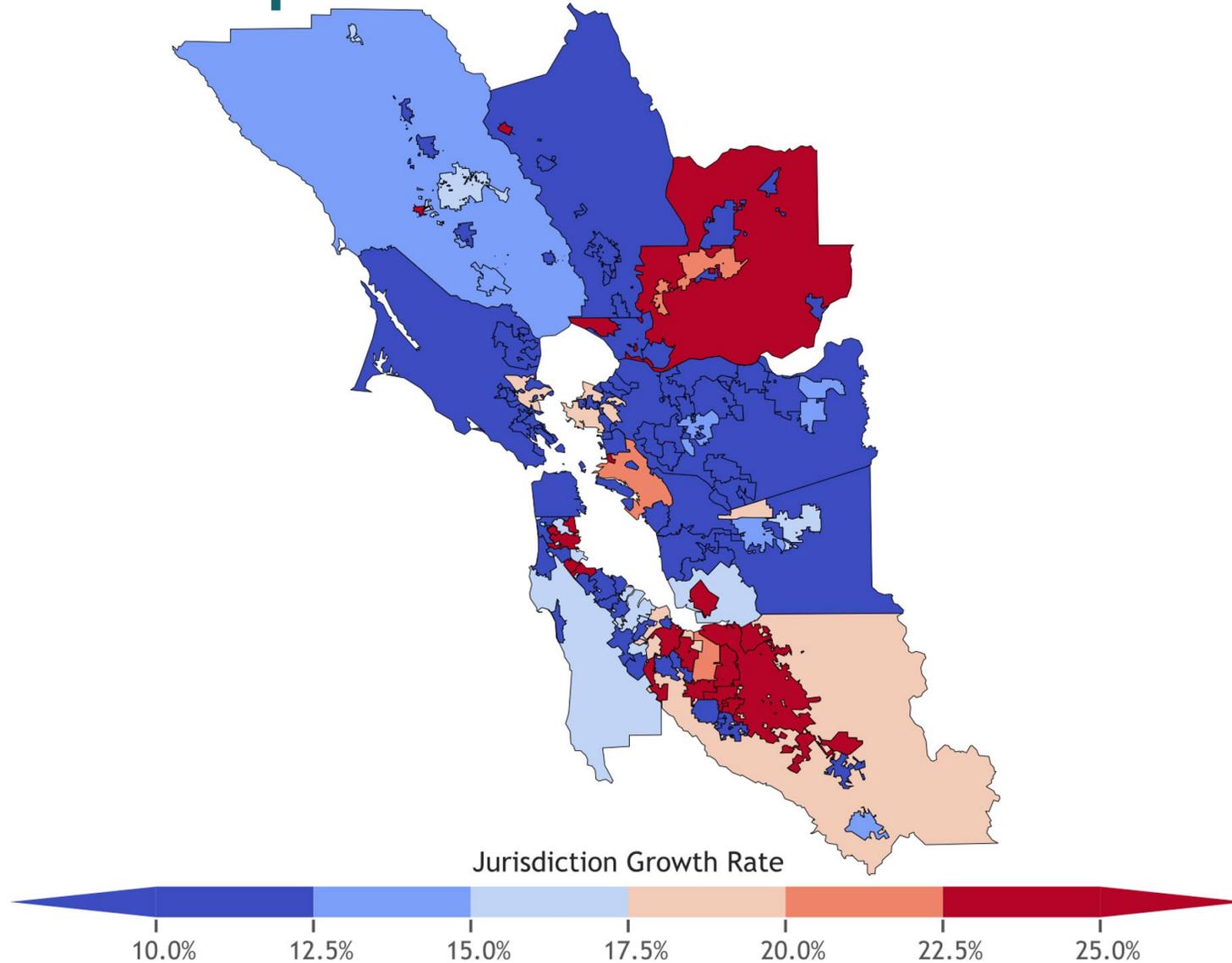
# Alignment between Draft Blueprint and RHNA goals

- HMC input from June included:
  1. More housing should go to jurisdictions with more jobs than housing and to communities exhibiting racial and economic exclusion
  2. The methodology should focus on equity and the relationship between housing and jobs
  3. Housing in high hazard areas is a concern, but RHNA may not be the best tool to address
- Draft Blueprint results in:
  - Substantial housing growth in high-resource communities, particularly in the South Bay, which helps to make these areas more inclusive
  - More growth near existing job centers, particularly on the Peninsula and in the South Bay
  - No additional growth in areas outside Urban Growth Boundaries and in areas with very high wildfire risk; protection of nearly all households at risk of sea level rise

# Option 1: Blueprint as allocation factor

- Jurisdiction allocation is based on share of household growth from 2010 to 2050 from the Draft Blueprint
- Draft Blueprint is used to determine the allocation; it is not used to adjust a baseline allocation
- Best paired with Income Shift income allocation methodology

# Option 1: Blueprint as allocation factor



# Option 2: Blueprint as baseline allocation

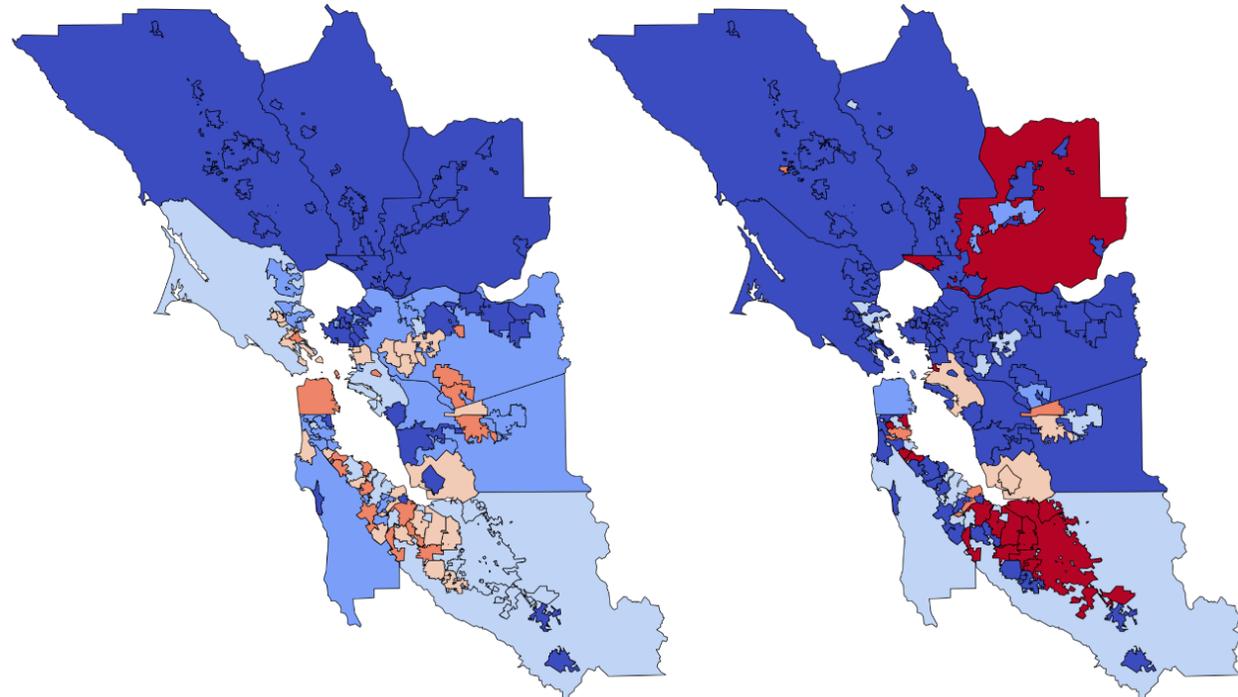
- Baseline allocation is starting place for methodology; factors and weights adjust the baseline up or down, depending on how a jurisdiction scores compared to other jurisdictions in the region
- Option 2 for incorporating Plan Bay Area 2050 in RHNA is to use 2010 to 2050 household growth from Draft Blueprint as baseline allocation instead of total households in 2019
- Same approach used in ABAG methodologies for previous RHNA cycles
- Most effective way to incorporate Draft Blueprint into *Bottom-Up* methodology options

# Option 2: Blueprint as baseline allocation

## Housing/Jobs Crescent

Baseline: Households in 2019

Baseline: Blueprint Growth 2020-2050



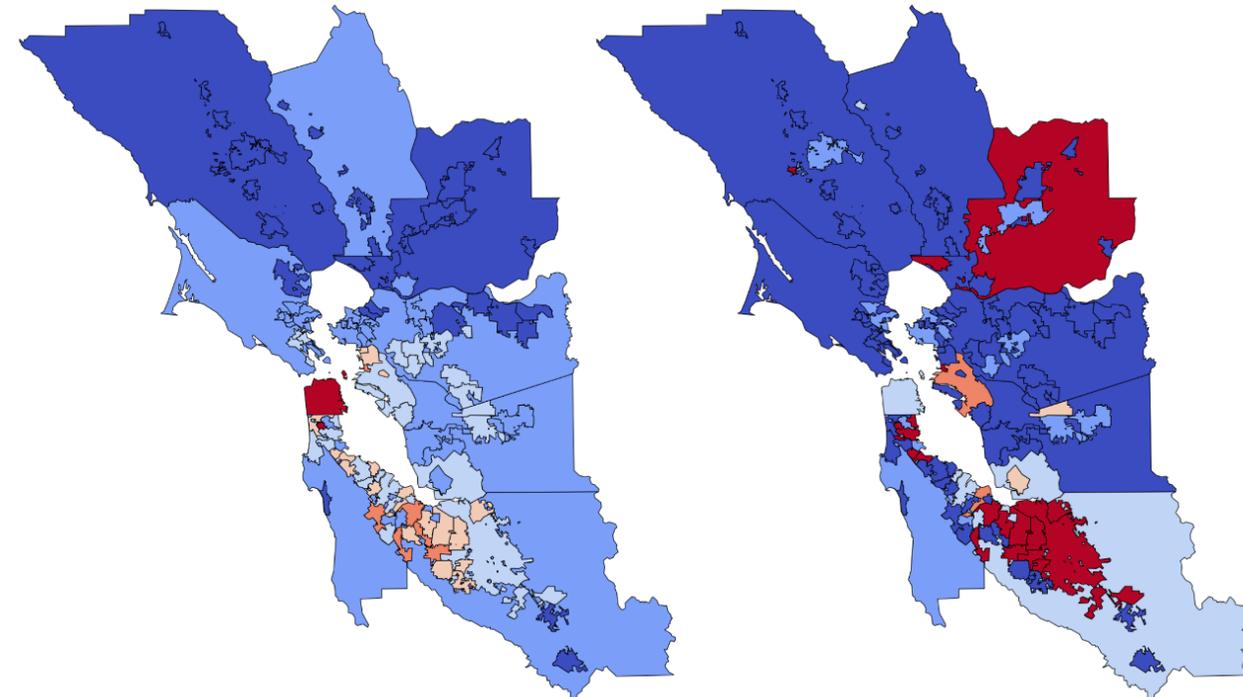
Jurisdiction Growth Rate

10.0% 12.5% 15.0% 17.5% 20.0% 22.5% 25.0%

## Bottom-Up 3-Factor Concept

Baseline: Households in 2019

Baseline: Blueprint Growth 2020-2050



Jurisdiction Growth Rate

10.0% 12.5% 15.0% 17.5% 20.0% 22.5% 25.0%

# Pros/cons for using Draft Blueprint in RHNA methodology

	Use the Blueprint	Continue to use 2019 households
<b>PROS</b>	<ul style="list-style-type: none"> <li>• Simple and straightforward</li> <li>• Integrates transit, hazards, and market feasibility through strategies and modeling</li> <li>• Better aligned with Plan Bay Area 2050</li> <li>• RHNA allocations more focused in Silicon Valley, region’s largest job center</li> <li>• Higher RHNA allocations in high-resource areas near major job centers - notably in South Bay</li> </ul>	<ul style="list-style-type: none"> <li>• Relatively straightforward</li> <li>• More even distribution of RHNA throughout region</li> <li>• Not dependent on Final Blueprint slated for approval this fall</li> </ul>
<b>CONS</b>	<ul style="list-style-type: none"> <li>• Lower RHNA allocations for some high-resource areas outside Silicon Valley</li> <li>• Draft Blueprint as allocation factor does not work easily for Bottom-Up approach</li> <li>• Blueprint will continue to evolve in summer &amp; fall via Plan public engagement</li> </ul>	<ul style="list-style-type: none"> <li>• RHNA allocations less aligned with long-range housing vision (Plan Bay Area 2050)</li> <li>• If HMC wants RHNA methodology to emphasize topics in the Plan (e.g., hazards, transit, market feasibility, etc.) they may need to be added as allocation factors</li> </ul>

In my **community**,  
I want to see affordable housing  
because ...  
everyone with a Section 8 voucher  
should be able to find a place  
to live!



In my **community**,  
I want to see a traffic circle/roundabout  
because ... @ the junction of 3 roads  
into town  
traffic spends a long time crawling  
to wider 2 lane section. Remove  
traffic lights and traffic would  
FLOW



In my **community**



the ocean view

because...

It's so beautiful!!



In my **community**,  
I want to see green hills & streets  
Restored creeks w/ fish  
because ...  
I love nature ... it restores  
me ... and because nature & the  
environment supports <sup>all</sup> life



In my **community**,  
I want to see MORE \$ for  
because ... ART  
WANT TO SEE 3 ON THE  
FRONT S WED!  
AND AL!



# PUBLIC COMMENT

ABAG Housing  
Methodology Committee

July 9, 2020



# REVISITING INCOME ALLOCATION APPROACHES

ABAG Housing  
Methodology Committee

July 9, 2020

# Potential approaches to income allocation

Income allocation  
applied to total  
allocation

**Income  
Shift**

Income allocation  
builds the total  
allocation

**Bottom-  
Up**

# Feedback from HMC in June

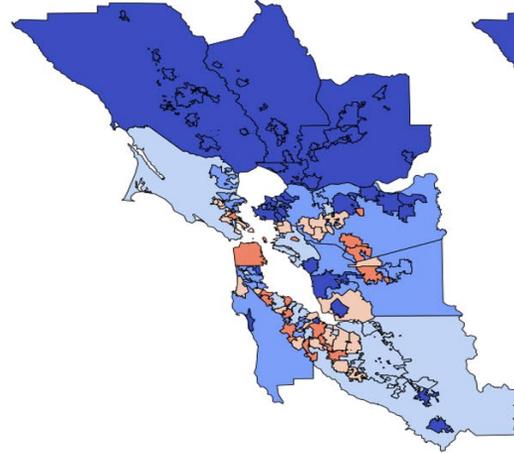
- **Income Shift multiplier:** 70% prefer 125% multiplier or 150% multiplier, with committee members evenly split between these two options
- **Factors for Bottom-Up concepts:** nearly all HMC members supported using the factors selected by staff for the *Bottom-Up* methodology concepts
- **Preferred income allocation methodology:** 50% prefer Bottom-Up approach, but 33% still undecided

# Multi-faceted decision: income allocation approach and baseline allocation

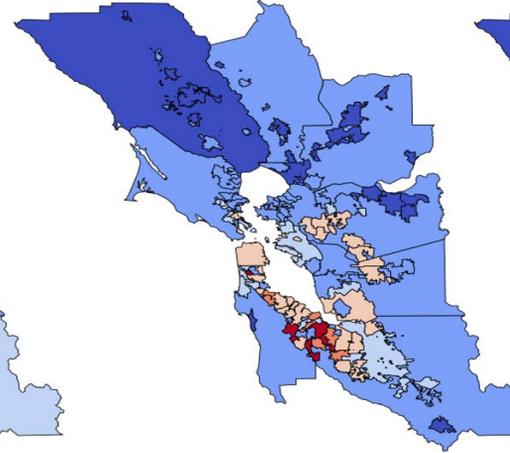
- **Baseline allocation** has significant impact on methodology output
- **Income allocation approach** can affect both how jurisdiction's RHNA is divided among income categories and the total RHNA assigned to jurisdictions
- HMC needs to consider combined impact of income allocation approach and baseline allocation

# Comparison of Growth Rates in Different Methodology Scenarios

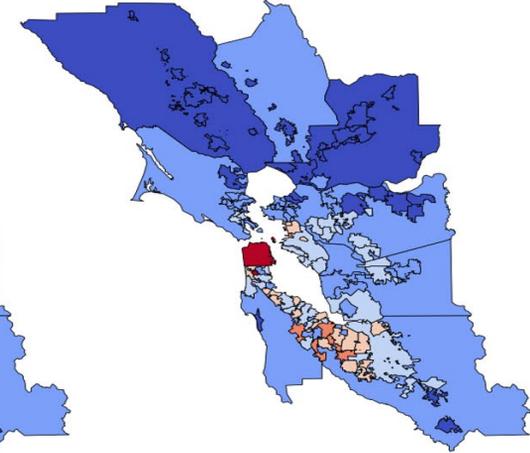
Housing / Jobs Crescent  
Baseline: HH 2019



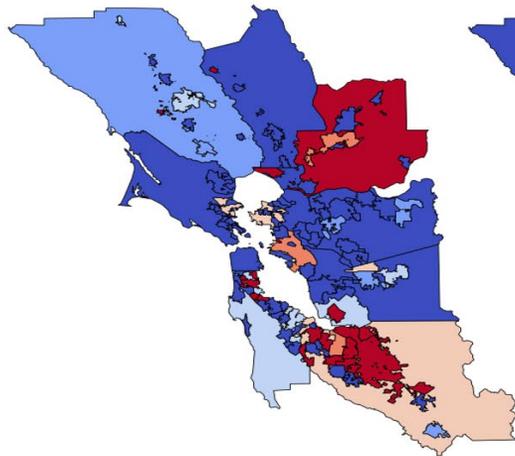
Bottom-Up 2-Factor  
Baseline: HH 2019



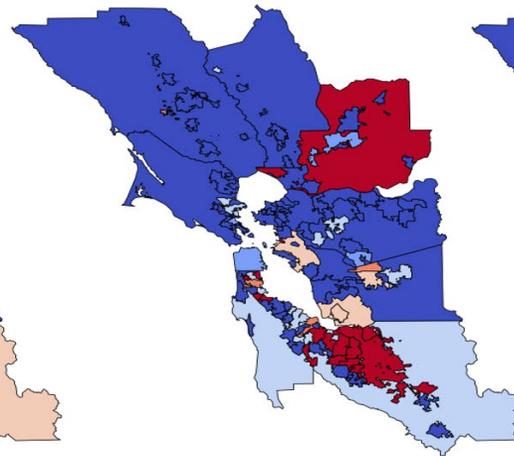
Bottom-Up 3-Factor  
Baseline: HH 2019



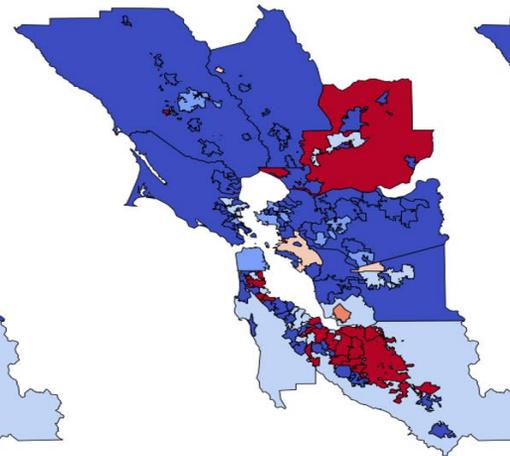
Blueprint Allocation



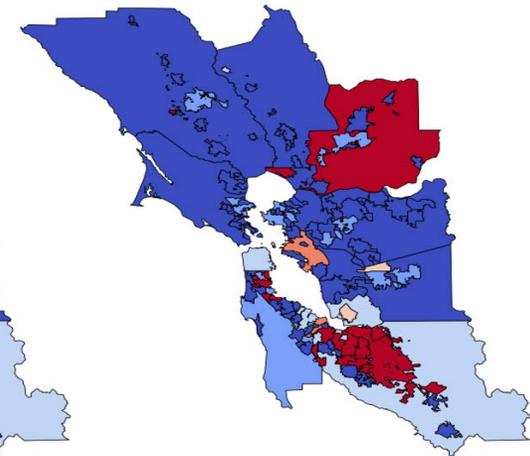
Housing / Jobs Crescent  
Baseline: Blueprint



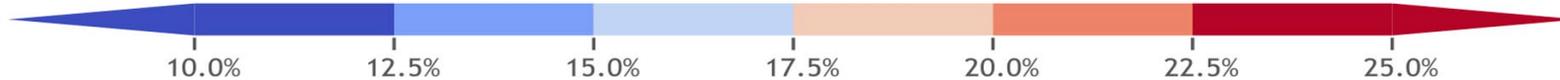
Bottom-Up 2-Factor  
Baseline: Blueprint



Bottom-Up 3-Factor  
Baseline: Blueprint



Jurisdiction Growth Rate



# Performance on evaluation metrics

- **Objective 1 metric:** Do jurisdictions with the most expensive housing costs receive a significant percentage of their RHNA as lower-income units?
  - Results: **Bottom-Up 2-Factor Concept (either baseline)** results in most expensive jurisdictions receiving 50% of allocation as lower-income units
- **Objective 2 metrics:** Do jurisdictions with the largest share of the region's jobs have the highest growth rates resulting from RHNA? Do jurisdictions with the largest share of the region's Transit Priority Area acres have the highest growth rates resulting from RHNA?
  - Results: **Bottom-Up 3-Factor Concept (Draft Blueprint baseline)** and **Housing/Jobs Crescent (Draft Blueprint baseline)** result in jurisdictions with most jobs and transit access growing by 21%

# Performance on evaluation metrics

- **Objective 3 metric:** Do jurisdictions with the most low-wage workers per housing unit affordable to low-wage workers receive a significant percentage of their RHNA as lower-income units?
  - Results: Both **Bottom-Up concepts (2019 households baseline)** result in jurisdictions with most unbalanced jobs-housing fit receiving 49% of allocation at lower-income units
- **Objective 4 metrics:** Do jurisdictions with the largest percentage of low-income residents receive a smaller share of their RHNA as lower-income units than jurisdictions with the largest percentage of high-income residents?
  - Results: Both **Bottom-Up concepts (either baseline)** result in disproportionately high-income jurisdictions receiving 51% of RHNA as lower-income units, while disproportionately low-income jurisdictions receive 39% of RHNA as lower-income units

# Performance on evaluation metrics

- **Objective 5 metrics:** Do jurisdictions with the largest percentage of households living in High or Highest Resource tracts receive a significant percentage of their RHNA as lower-income units? Do racially and economically exclusive jurisdictions receive allocations proportional to their share of the region's households?
  - **Results:** Both **Bottom-Up concepts (2019 households baseline)** result in jurisdictions with most access to opportunity receiving 51% of RHNA as lower-income units. **Housing/Jobs Crescent (2019 households baseline)** results in 87% of high divergence/high income jurisdictions receiving RHNA numbers that are at least proportional to their share of the region's households

# Discussion questions

- Should ABAG use the Plan Bay Area 2050 Blueprint in the RHNA methodology? If so, how?
- Do you prefer the Income Shift approach or the Bottom Up approach?
- Which baseline allocation pairs best with the income allocation approach you prefer?
- If you are undecided about any of the above, what else do you need to know to make a decision?

In my **community**,  
I want to see affordable housing  
because ...  
everyone with a Section 8 voucher  
should be able to find a place  
to live!



In my **community**,  
I want to see a traffic circle/roundabout  
because ... @ the junction of 3 roads  
into town  
traffic spends a long time crawling  
to wider 2 lane section. Remove  
traffic lights and traffic would  
FLOW



In my **community**



the ocean view

because...

It's so beautiful!!



In my **community**,  
I want to see green hills & streets  
Restored creeks w/ fish  
because ...  
I love nature ... it restores  
me ... and because nature & the  
environment supports <sup>all</sup> life



In my **community**,  
I want to see MORE \$ for  
because ... ART  
WANT TO SEE 3 ON THE  
FRONT S WED!  
AND



# PUBLIC COMMENT

ABAG Housing  
Methodology Committee

July 9, 2020



# WRAP UP AND NEXT STEPS

ABAG Housing  
Methodology Committee

July 9, 2020



**ABAG**

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 20-0989      **Version:** 1      **Name:**

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

**File created:** 6/9/2020      **In control:** ABAG Housing Methodology Committee

**On agenda:** 7/9/2020      **Final action:**

**Title:** Approval of ABAG Housing Methodology Committee Minutes of June 19, 2020

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Approval of ABAG Housing Methodology Committee Minutes of June 19, 2020

Clerk of the Board

Approval



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

## Meeting Minutes - Draft

### ABAG Housing Methodology Committee

*Chair, Jesse Arreguin, Mayor, City of Berkeley*

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Friday, June 19, 2020

10:00 AM

Remote

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#### Association of Bay Area Governments Housing Methodology Committee

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

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

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

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

#### Roster

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

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

Chair Arreguin called the meeting to order at about 10:05 a.m. Quorum was present.

**Present:** 32 - Abrams, Adams, Addison, Arreguin, Bolaria-Shifrin, Bonilla, Brilliot, Brown, Clark, Dillon, Ebbs, Eklund, Fierce, Fligor, Gentry, Jordan, Levin, Littlehale, Macedo, Marti, Nickens, Pappas, Pierce, Planthold, Ranelletti, Regan, Riley, Romero, Semonian, Shrivastava, Smith, and Walsh

**Absent:** 5 - Brown-Stevens, Campos, Fearn, Hancock, and Kline

#### 2. Public Comment

The following gave public comment: Aaron Eckhouse.

#### 3. Chair's Report

3.a. [20-0898](#) ABAG Housing Methodology Committee Chair's Report for June 19, 2020

Chair Arreguin gave the report.

#### 4. Consent Calendar

Upon the motion by Dillon and second by Pierce, the ABAG Housing Methodology Committee approved the Consent Calendar, including minutes of May 14, 2020.

The motion passed unanimously by the following vote:

**Aye:** 30 - Abrams, Adams, Addison, Arreguin, Bolaria-Shifrin, Bonilla, Brilliot, Brown, Clark, Dillon, Ebbs, Eklund, Fierce, Fligor, Gentry, Jordan, Levin, Littlehale, Marti, Nickens, Pappas, Pierce, Planthold, Ranelletti, Regan, Riley, Romero, Semonian, Shrivastava, and Walsh

**Absent:** 6 - Brown-Stevens, Campos, Fearn, Hancock, Kline, and Smith

**Abstain:** 1 - Macedo

- 4.a. [20-0899](#) Approval of ABAG Housing Methodology Committee minutes of May 14, 2020

#### 5. Income Allocation

- 5.a. [20-0931](#) Further Discussion of the Regional Housing Needs Allocation (RHNA) Income Allocation Methodology

Gillian Adams gave the report.

The following gave public comment: Aaron Eckhouse.

#### 6 Housing Methodology Committee Progress and Next Steps

- 6.a. [20-0932](#) Summary of HMC Progress to Date and Preview of Next Steps

Gillian Adams gave the report.

The following gave public comment: David Early.

#### 7. Adjournment / Next Meeting

Chair Arreguin adjourned the meeting at about 1:22 p.m. The next meeting of the ABAG Housing Methodology Committee is on July 9, 2020.



ABAG

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 20-0985      **Version:** 1      **Name:**

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

**File created:** 6/9/2020      **In control:** ABAG Housing Methodology Committee

**On agenda:** 7/9/2020      **Final action:**

**Title:** Plan Bay Area 2050 Draft Blueprint: Key Findings

Presentation on the findings from the Draft Blueprint analysis, highlighting successes and shortcomings in advance of stakeholder workshops later this month.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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### Plan Bay Area 2050 Draft Blueprint: Key Findings

Presentation on the findings from the Draft Blueprint analysis, highlighting successes and shortcomings in advance of stakeholder workshops later this month.

Dave Vautin

Information

Association of Bay Area Governments  
Housing Methodology Committee

July 9, 2020

Agenda Item 5a

**Plan Bay Area 2050 Draft Blueprint: Key Findings**

**Subject:** Presentation on the findings from the Draft Blueprint analysis, highlighting successes and shortcomings in advance of stakeholder workshops later this month.

**Background:** Approved for further analysis by MTC and ABAG in February 2020, the Draft Blueprint is the “first draft” of Plan Bay Area 2050, integrating 25 resilient and equitable strategies from the predecessor Horizon initiative. Horizon tested strategies against a wide range of external forces, exploring which policies and investments were best prepared for an uncertain future – from rising telecommute levels to economic boom & bust cycles to consumer preference shifts.

The Plan Bay Area 2050 Draft Blueprint weaves together these transportation, housing, economic, and environmental strategies – as highlighted in **Attachment B** – alongside an expanded set of growth geographies to advance critical climate and equity goals. Designed to accommodate the 1.5 million new homes necessary to house future growth and address overcrowding, as well as 1.4 million new jobs, the Draft Blueprint integrates critical strategies to address our severe and longstanding housing crisis. With infrastructure investments in walking, biking, and public transportation – as well as critical sea level protections designed to keep most Bay Area communities from flooding through 2050 – the Draft Blueprint makes meaningful steps towards the adopted Plan Bay Area 2050 Vision.

In line with the Plan Vision, this memorandum includes some key highlights as well as key challenges, organized by the five Guiding Principles – to ensure a more **affordable, connected, diverse, healthy, and vibrant Bay Area for all**.

**Highlights of  
Draft Blueprint:**

The Plan Bay Area 2050 Draft Blueprint goes well beyond what was included in the current long-range regional plan, Plan Bay Area 2040. Notable highlights from the analysis conducted over the past four months include:

- **Improving Affordability for All:** For a typical household, the cost burden for housing and transportation as a share of income declines by 9 points between 2015 and 2050. Reductions are even greater for low-income households – a decline of 26 points – with means-based fares and tolls yielding further dividends in advancing equity goals.
- **Expanding Housing Opportunities for Low-Income Residents.** With robust regional measures in play – as well as an expanded inclusionary zoning strategy – the Draft Blueprint includes funding capacity for the construction of over 400,000 permanently-affordable homes through 2050.
- **Focusing Growth in Walkable, Transit-Rich Communities.** The majority of future housing and job growth is located in walkable communities with frequent transit; the Final Blueprint may make further performance gains via additional transit strategies under consideration for the Final Blueprint.
- **Saving Lives and Protecting Communities.** Reduced speed limits and roadway redesigns help play a critical role in saving thousands of lives through 2050, even as more progress is needed to achieve Vision Zero goals. Investments in sea level rise infrastructure saves 98 percent of at-risk homes through 2050, and funding for seismic home retrofits protects 100 percent of homes at high risk of damage.

- **Positioning the Region for Robust Economic Growth.** Despite over \$200 billion in new taxes in the decades ahead to pay for the bold strategies approved in February 2020, Bay Area businesses are forecasted to rebound robustly, with per-capita gross regional product soaring by 65% through 2050.

### Challenges for Final Blueprint:

While the Draft Blueprint strategies make meaningful headway on some of the region's most critical policy issues, five key challenges remain in advancing the bold vision of Plan Bay Area 2050. These challenges will be the focus of our outreach and engagement this summer, as we consider how to make the Blueprint even more resilient and equitable in preparation for an uncertain future:

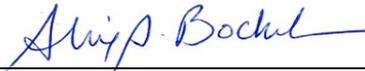
- **Challenge #1: Affordable Guiding Principle.** While the Draft Blueprint funds a considerable amount of deed-restricted affordable housing, hundreds of thousands of existing low-income residents would still lack a permanently affordable place to live. What strategies could we modify or advance to further increase production of homes affordable to lower-income residents, most importantly in High-Resource Areas with well-resourced schools and convenient access to jobs?
- **Challenge #2: Connected Guiding Principle.** While the Draft Blueprint makes significant headway in improving access for drivers and transit riders compared to existing trends, traffic congestion and transit overcrowding remain significant challenges across the region. How can new or expanded strategies better address these key transportation issues?
- **Challenge #3: Diverse Guiding Principle.** While the Draft Blueprint focuses a sizable share of affordable housing in historically-exclusionary places in the Bay Area, displacement risk continues to rise, especially in Communities of Concern. How can new or expanded strategies reduce this risk of displacement so more residents can remain in place?
- **Challenge #4: Healthy Guiding Principle.** While the Draft Blueprint includes robust protections for agricultural lands and communities vulnerable to sea level rise, the biggest challenge remaining relates to mitigating greenhouse gas emissions (GHG). Given the magnitude of the gap between Draft Blueprint performance and the state-mandated target, what strategies could we modify or expand to close this GHG gap in an equitable and sustainable manner?
- **Challenge #5: Vibrant Guiding Principle.** While Bay Area businesses thrive in the Draft Blueprint, job growth remains relatively concentrated in traditional job centers such as Silicon Valley. Potentially impactful strategies such as office development caps were not included in the Draft Blueprint following discussion at the Commission/Board workshop in January, and more modest strategies such as impact fees led to positive yet limited effects in shifting jobs to housing-rich communities, such as parts of Alameda County. What additional strategies could be considered to shift jobs closer to the region's existing workforce?

### Next Steps:

Staff will now seek further input from the public, key stakeholders, and local jurisdiction staff as part of summer 2020 engagement activities. Following a combination of virtual public workshops, telephone town halls, office hours, and non-digital engagement approaches, staff will return to this committee in September with a summary of feedback on Draft Blueprint strategies and outcomes. Staff will also develop potential revisions to the strategies for the Final Blueprint, with anticipated action also slated for **September 2020**. Following modeling and analysis of the Final Blueprint strategies this fall, MTC and ABAG will select a Preferred Alternative for the Plan Bay Area 2050 EIR by the **end of 2020**.

**Recommendation:** Information

**Attachments:** Attachment A: Presentation  
Attachment B: Draft Blueprint – Summary of Strategies (*February 2020*)

  
\_\_\_\_\_  
Alix Bockelman

The background of the slide is an aerial photograph of a region with rolling hills and a residential area. A dark blue banner with a white wavy border is positioned at the top left. The text 'PLAN BAY AREA 2050' is written in white, uppercase letters on this banner. The main title 'Draft Blueprint: Key Findings' is in large white font on a semi-transparent blue rectangular area in the lower right. Below the title, the date 'July 2020' and the program name 'MTC/ABAG Regional Planning Program' are written in a smaller, italicized white font.

PLAN BAY AREA 2050

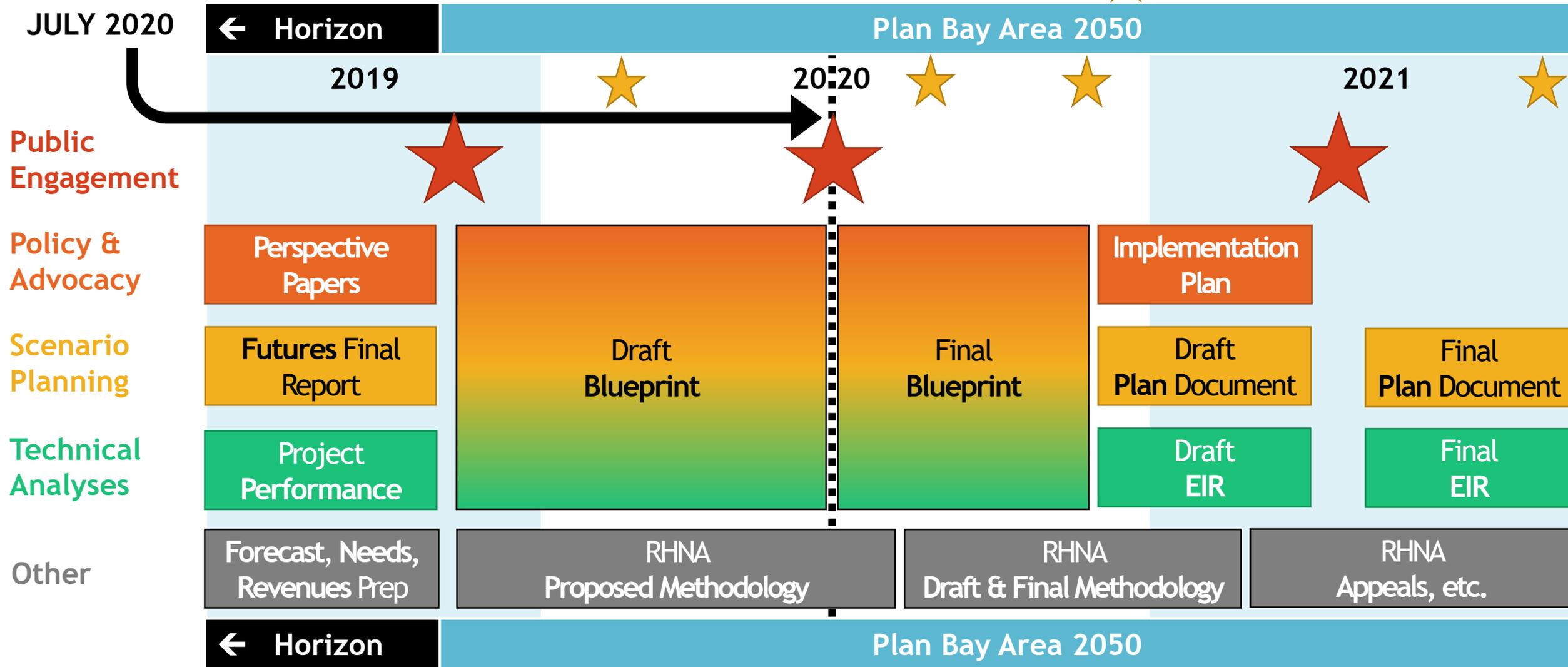
# Draft Blueprint: Key Findings

*July 2020*

*MTC/ABAG Regional Planning Program*

# Draft Blueprint: Major Milestone for Plan Bay Area 2050

★ = Major Policy Board Decisions



# The Draft Blueprint is built upon Horizon, which tested visionary strategies for an uncertain future.



Horizon explored dozens of bold strategies for the region's future, "stress testing" them against a broad range of external forces.

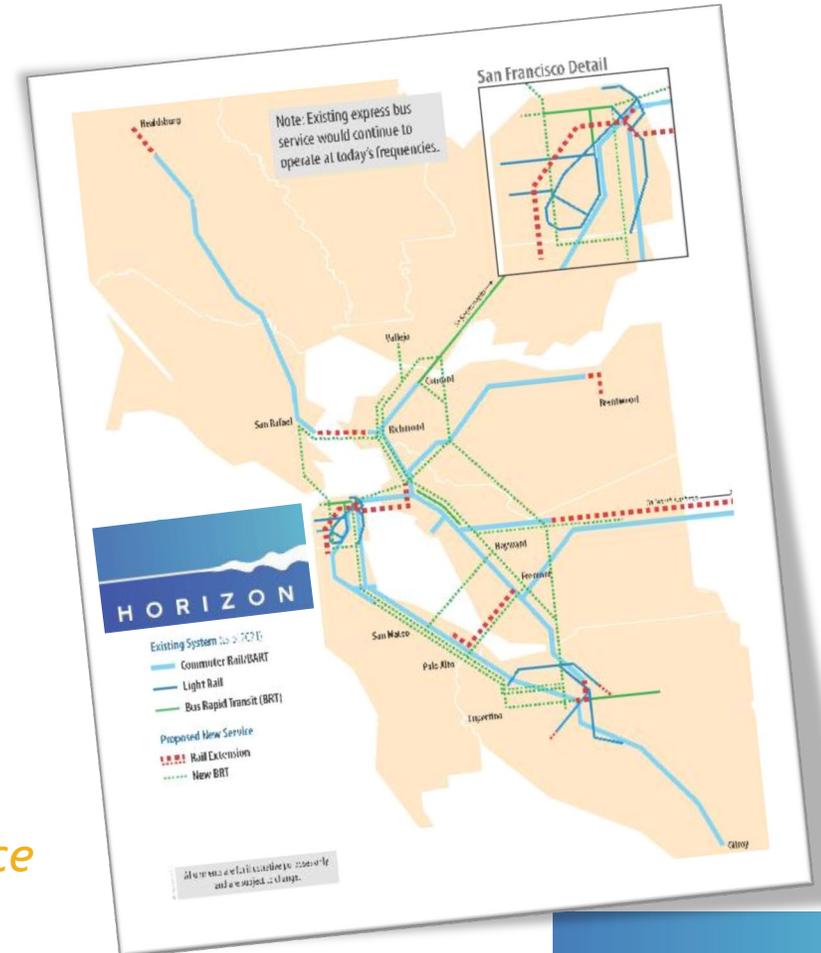
These included megaregional trends, technological shifts, and natural disasters, among others.

Strategies prioritized based upon:



*Resilience*

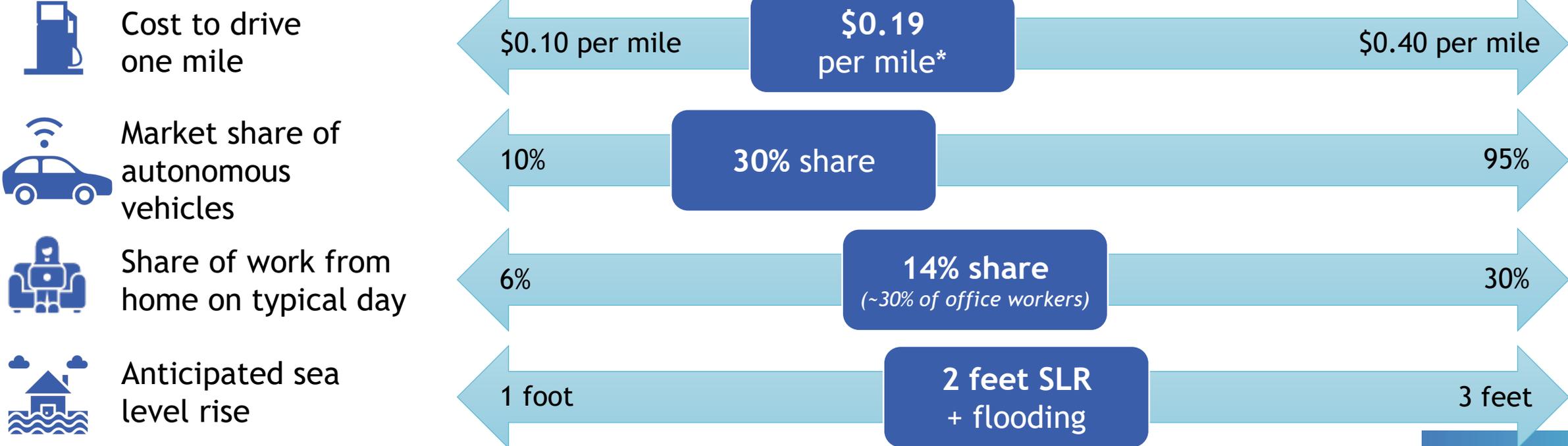
*Equity*



# Ultimately, some of the external forces our region may face in the decades ahead make it harder to achieve the regional vision.

## Examples of External Forces (2050)

## Range Explored in Horizon Futures vs. Plan Bay Area 2050 Draft Blueprint



Note: MTC/ABAG does not have independent authority to set external force levels for Plan Bay Area 2050. CARB regulates these assumptions in the manner prescribed by SB 375.

\* MTC/ABAG is specifically seeking a slightly higher auto operating cost from CARB in summer 2020.

# The Draft Blueprint integrates strategies to make progress towards the regional vision, despite the headwinds from external forces.

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



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

# Refresher: What is a strategy in the context of Plan Bay Area 2050?

What do we mean by “strategy”?

A strategy is either a **public policy or set of investments that can be implemented** in the Bay Area over the next 30 years; a strategy is **not a near-term action or legislative proposal**.

Who would implement these strategies?

Strategies in Plan Bay Area 2050 can be implemented at the **local, regional, or state levels**. Specific implementation actions and the role for MTC/ABAG will be identified through a collaborative process for the Implementation Plan later this year.

How many strategies can we include in the Blueprint?

Plan Bay Area 2050 must be **fiscally constrained**, meaning that not every strategy can be integrated into the Plan given finite revenues available.





**3,000**

comments at fall 2019  
“pop-up” workshops



**9,900**

comments from *Mayor of Bayville* online tool

**90%**

of comments at fall 2019  
“pop-up” workshops  
supported the strategies  
advanced into Plan Bay  
Area 2050 Blueprint

# Draft Blueprint: 9 Themes and 25 Bold Strategies

	<b>Maintain and Optimize Existing Infrastructure</b>	<b>25 Strategies</b> <i>(Draft Blueprint Inputs)</i>	
	<b>Create Healthy and Safe Streets</b>		<b>Spur Housing Production and Create Inclusive Communities</b>
	<b>Enhance Regional and Local Transit</b>		<b>Protect, Preserve, and Produce More Affordable Housing</b>
	<b>Reduce Risks from Hazards</b>		<b>Improve Economic Mobility</b>
	<b>Reduce Our Impact on the Environment</b>		<b>Shift the Location of Jobs</b>



Refer to **Attachment B** for details on all 25 strategies in the Draft Blueprint.

# Draft Blueprint: Highlights in the COVID-19 Era



While Plan Bay Area 2050 is a 30-year vision for the Bay Area, many of the strategies approved for analysis by the Commission and ABAG Board in February have only become more timely, including...



Advancing thousands of miles of safe bicycle & pedestrian facilities



Integrating protections from sudden rent hikes that accelerate displacement



Prioritizing strategies for essential workers, such as childcare subsidies



Protecting much-needed open space for the enjoyment of all residents

# Draft Blueprint: Expanded Growth Geographies

## Protect



Areas outside Urban Growth Boundaries  
(including PCAs)



Unmitigated High Hazard Areas

## Prioritize



**Priority Development Areas (PDAs)**



**Priority Production Areas (PPAs)**



**Transit-Rich Areas\* (TRAs):**  
Frequent Regional Rail

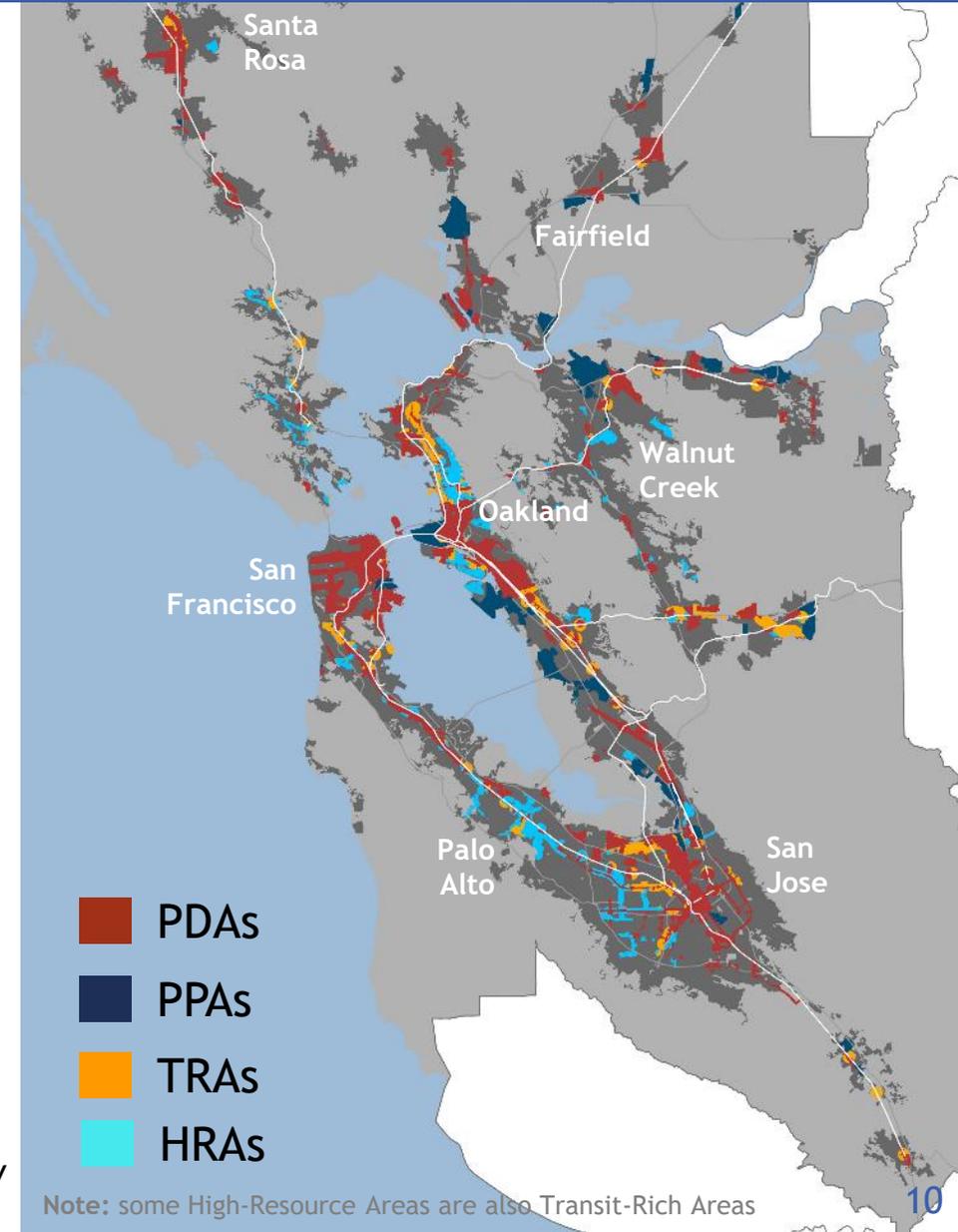


**TRAs\*:**  
All Other



**High-Resource Areas\* (HRAs)**

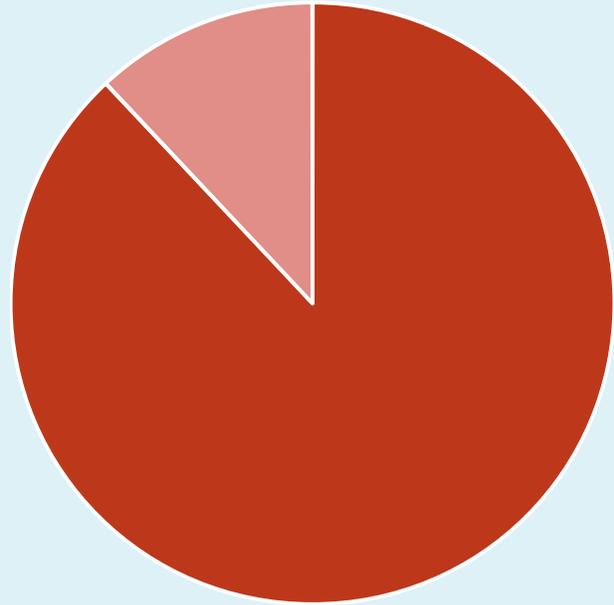
*\* Applies to all jurisdictions except those that have already nominated more than 50% of PDA-eligible areas*



# Draft Blueprint: New Revenues Required

## Transportation Element

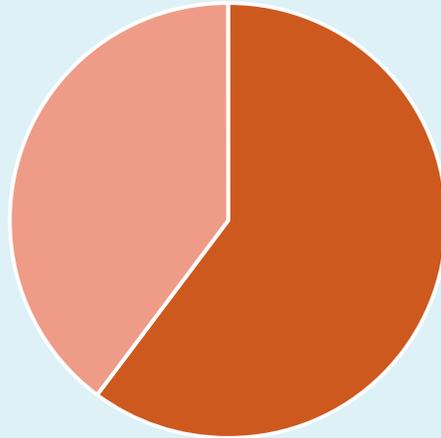
\$463 billion in existing funding  
\$63 billion in new revenues



■ Existing Revenues ■ New Revenues

## Housing Element

\$103 billion in existing funding  
\$68 billion in new revenues

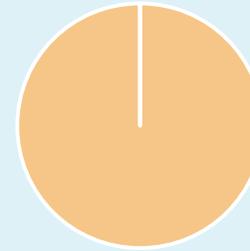


■ Existing Revenues ■ New Revenues

Remaining Needs:  
**\$397 billion** unfunded need  
for affordable housing ★

## Economy Element

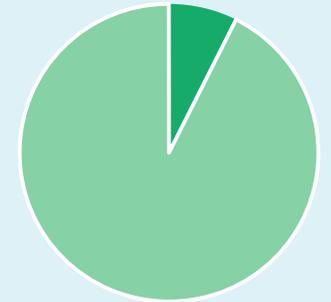
N/A in existing funding  
\$33 billion in new revenues



■ Existing Revenues ■ New Revenues

## Environment Element

\$3 billion in existing funding  
\$50 billion in new revenues

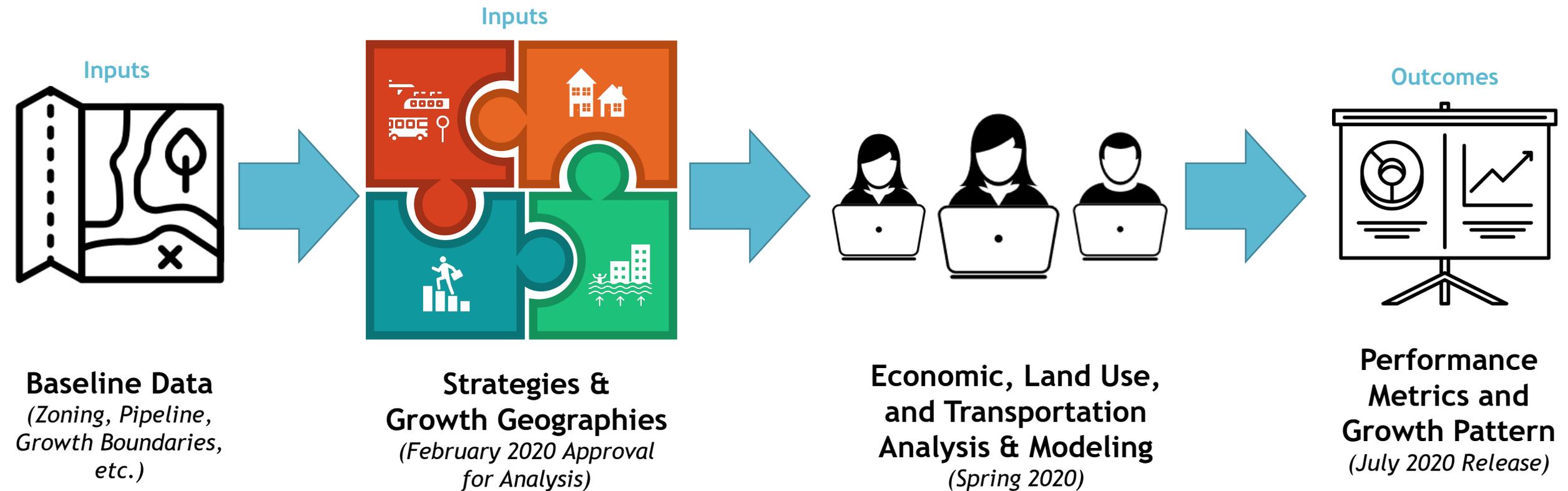


■ Existing Revenues ■ New Revenues

**Note:** some Transportation Element monies were reserved for Final Blueprint, so not all funds were expended in Draft Blueprint.

**Note:** as no Needs & Revenue work was done for Economy Element, we do not have a baseline accounting of local revenues for economic development.

# Draft Blueprint: How Did We Analyze It?



**Technical Note:** Quantitative outcomes showcased in today’s presentation reflect one of the three variants initially proposed for study, originally known as “Draft Blueprint Plus Crossing”. As structured in winter 2020, the Draft Blueprint was designed with three variants of the Blueprint to inform year 2020 ballot measure discussions for housing and transportation, which ultimately were derailed by the COVID-19 pandemic. Given that this variant best aligned with Final Blueprint revenue assumptions, qualitative discussion of the other Blueprint variants is provided in **Attachment C**.



# What are the Potential Outcomes of the Draft Blueprint?

*(in an uncertain future...)*

# Draft Blueprint Highlights (1 of 2)

## Improved Affordability

Housing and transportation costs are significantly reduced, especially for low-income residents.



*% of household income spent on housing + transportation*

**57%**

in 2015

**48%**

in 2050

## More Permanently-Affordable Homes

New revenues enable a significant uptick in production of deed-restricted affordable homes.



*number of new permanently-affordable homes*

**400,000+**

by 2050

## More Growth Near Transit

Most new homes are focused in walkable communities with frequent transit service.



*% of all housing within 1/2 mile of high-frequency transit*

**32%**

in 2015

**43%**

in 2050

# Draft Blueprint Highlights (2 of 2)

## Lives Saved and Injuries Averted

Strategies to reduce vehicle speeds and build protected bike/ped infrastructure save lives.



*fatalities avoided due to Draft Blueprint strategies*

**>1,500**  
through 2050

## Greater Resilience to Hazards

Seismic retrofits and sea level rise infrastructure protect thousands of homes from damage.



*% of homes at risk protected*

**100% 98%**  
from quake from SLR

## Robust Economic Growth

Despite significant tax increases to pay for new strategies, Bay Area businesses continue to thrive.



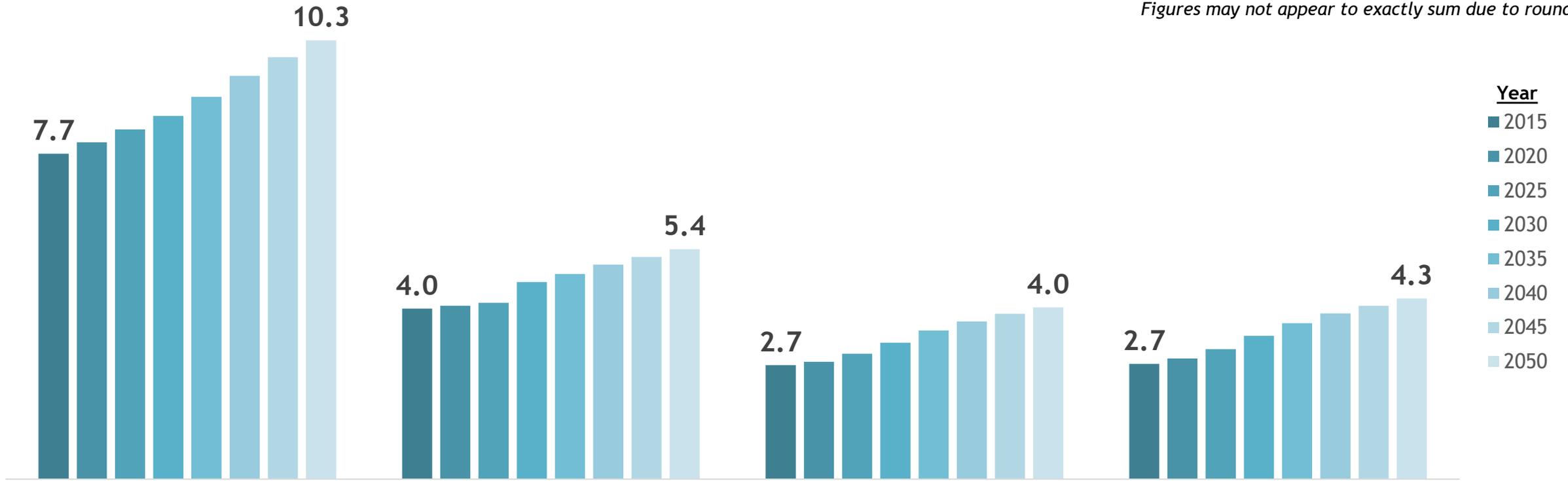
*growth in gross regional product per capita (constant \$)*

**+65%**  
by 2050

# The Draft Blueprint accommodates the needs of future residents by addressing historical underproduction of housing.

Regional Growth Forecast: Bay Area Integrating COVID-19/Recession Impacts between 2020 and 2030

*Figures may not appear to exactly sum due to rounding.*



**Year**

- 2015
- 2020
- 2025
- 2030
- 2035
- 2040
- 2045
- 2050

**Population**  
in millions

**+2.7 million**  
2015 to 2050

**Employment**  
in millions

**+1.4 million**  
2015 to 2050

**Households**  
in millions

**+1.4 million**  
2015 to 2050

**Housing Units**  
in millions

**+1.5 million**  
2015 to 2050



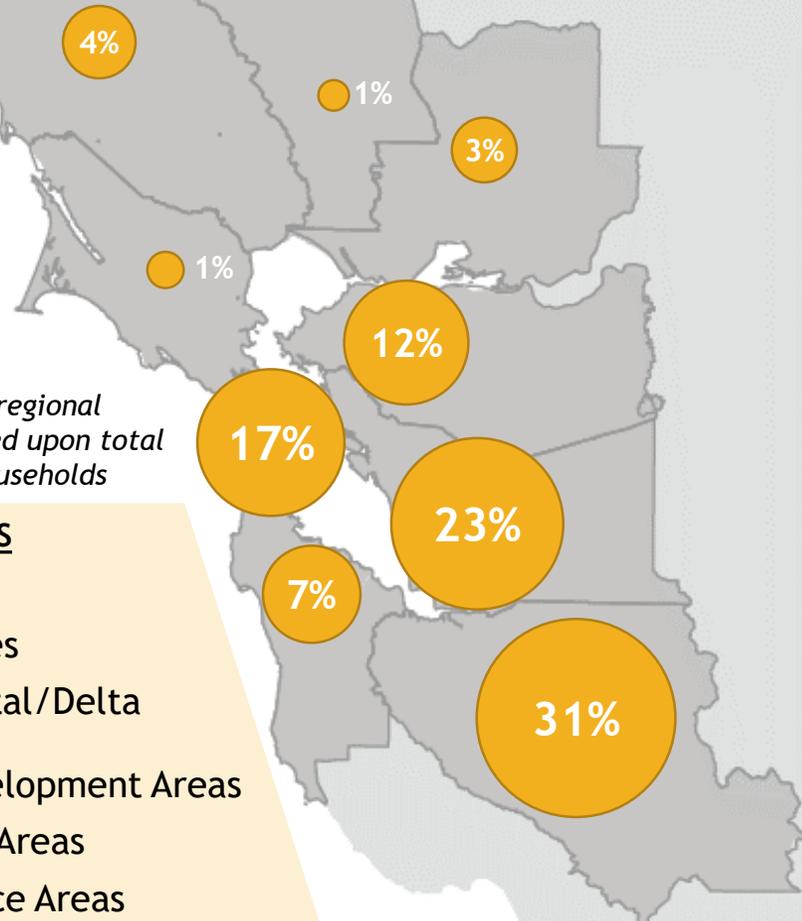
# Draft Blueprint: Housing Growth Pattern

For breakdowns on the subcounty level, please refer to Attachment C. Totals do not always sum to 100% due to rounding.

### Plan Bay Area 2040: 2010 to 2040 +0.8 million new households

**MAP LEGEND**  
X% County's share of regional growth, sized based upon total number of new households

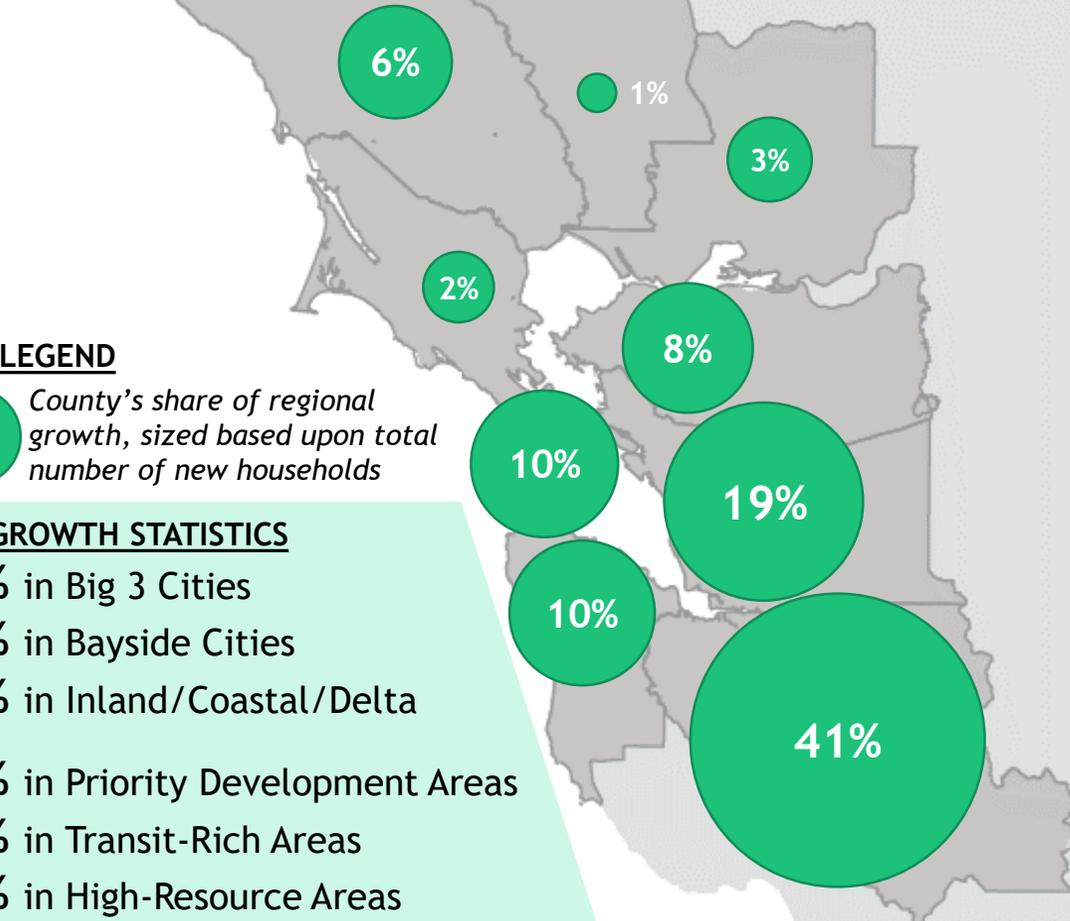
**KEY GROWTH STATISTICS**  
46% in Big 3 Cities  
33% in Bayside Cities  
21% in Inland/Coastal/Delta  
77% in Priority Development Areas  
61% in Transit-Rich Areas  
22% in High-Resource Areas



### Draft Blueprint: 2015 to 2050 +1.3 million new households

**MAP LEGEND**  
X% County's share of regional growth, sized based upon total number of new households

**KEY GROWTH STATISTICS**  
41% in Big 3 Cities  
37% in Bayside Cities  
22% in Inland/Coastal/Delta  
70% in Priority Development Areas  
70% in Transit-Rich Areas  
29% in High-Resource Areas



# Draft Blueprint: Jobs Growth Pattern

For breakdowns on the subcounty level, please refer to Attachment C. Totals do not always sum to 100% due to rounding.

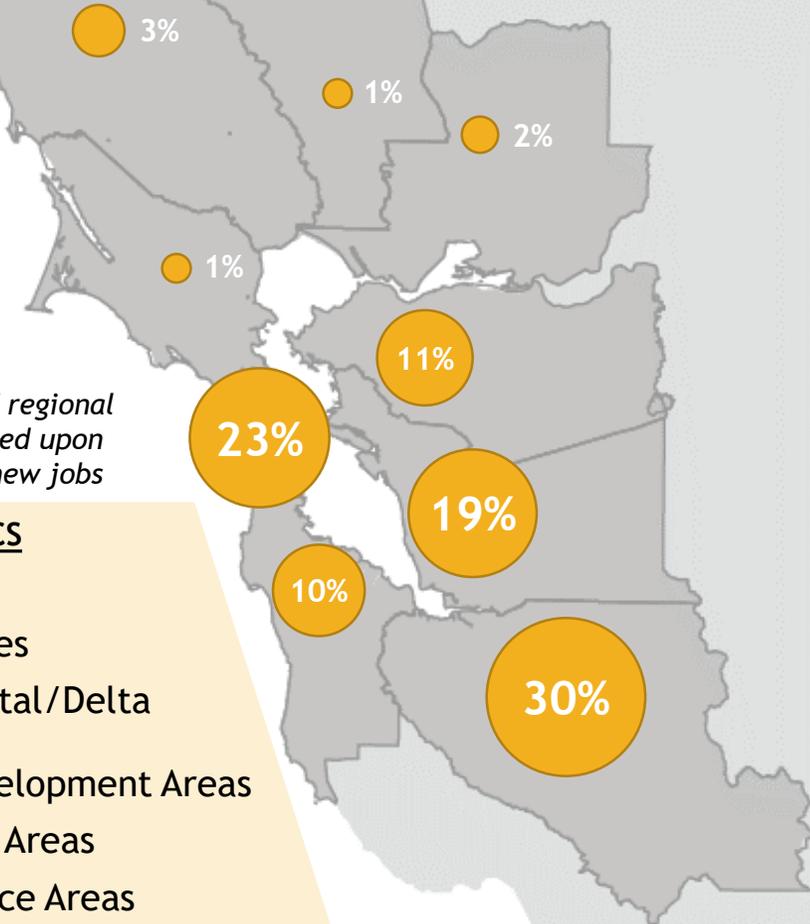
## Plan Bay Area 2040: 2010 to 2040 +1.3 million new jobs

### MAP LEGEND

X% County's share of regional growth, sized based upon total number of new jobs

### KEY GROWTH STATISTICS

- 44% in Big 3 Cities
- 40% in Bayside Cities
- 17% in Inland/Coastal/Delta
- 55% in Priority Development Areas
- 59% in Transit-Rich Areas
- 25% in High-Resource Areas



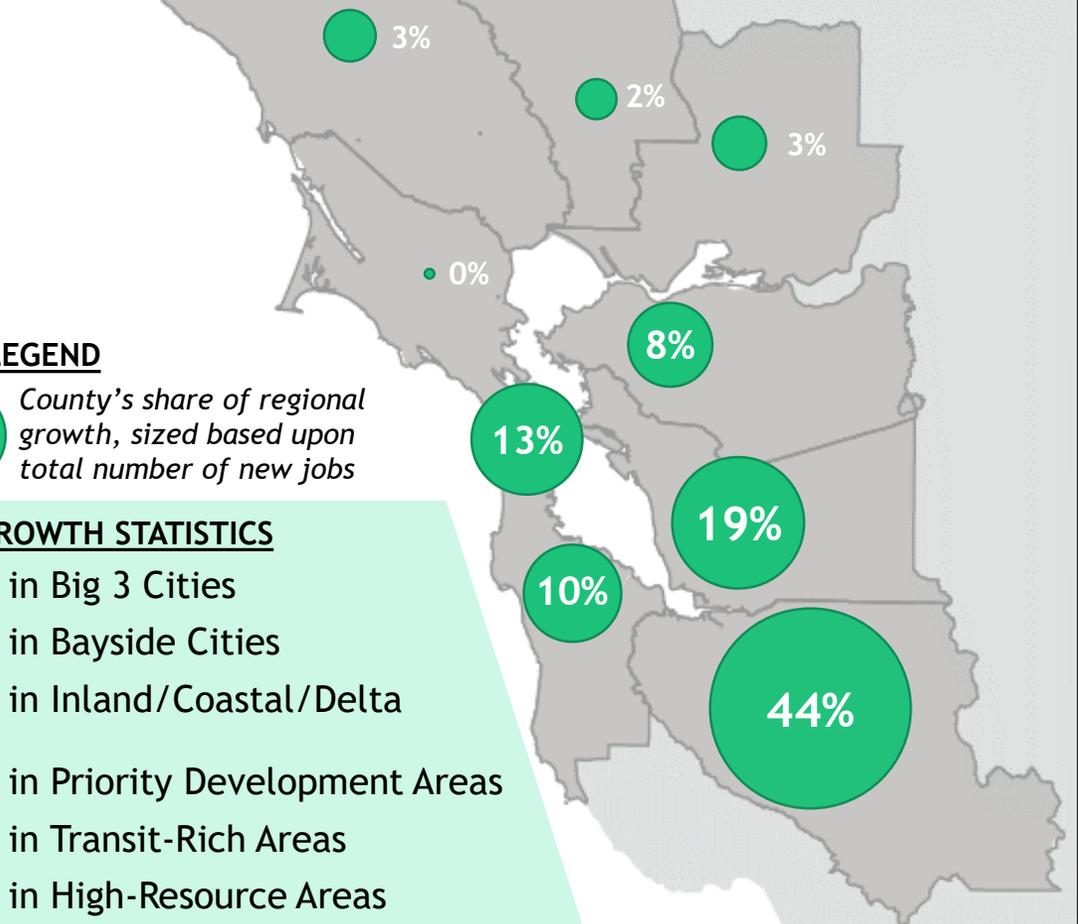
## Draft Blueprint: 2015 to 2050 +1.4 million new jobs

### MAP LEGEND

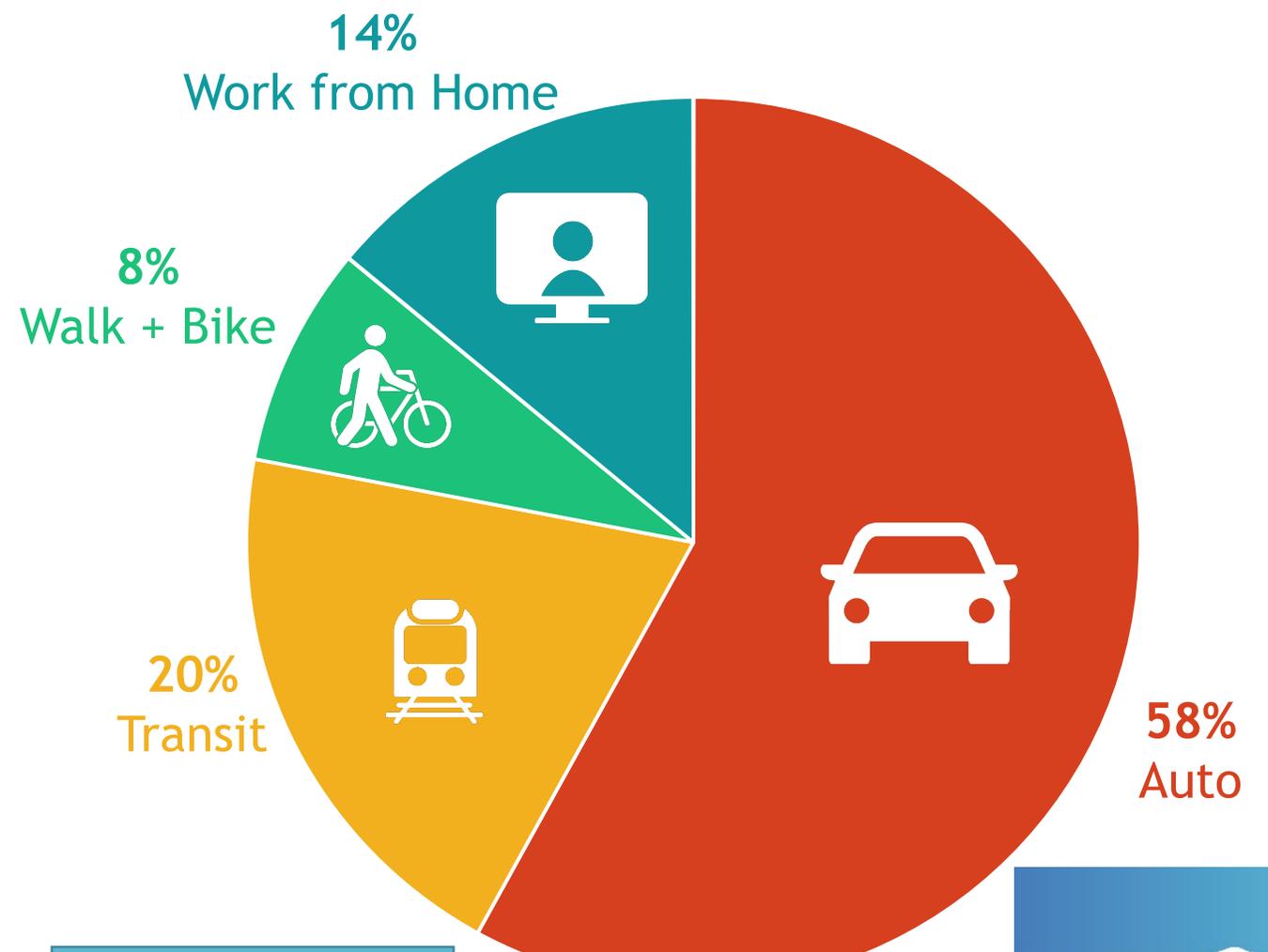
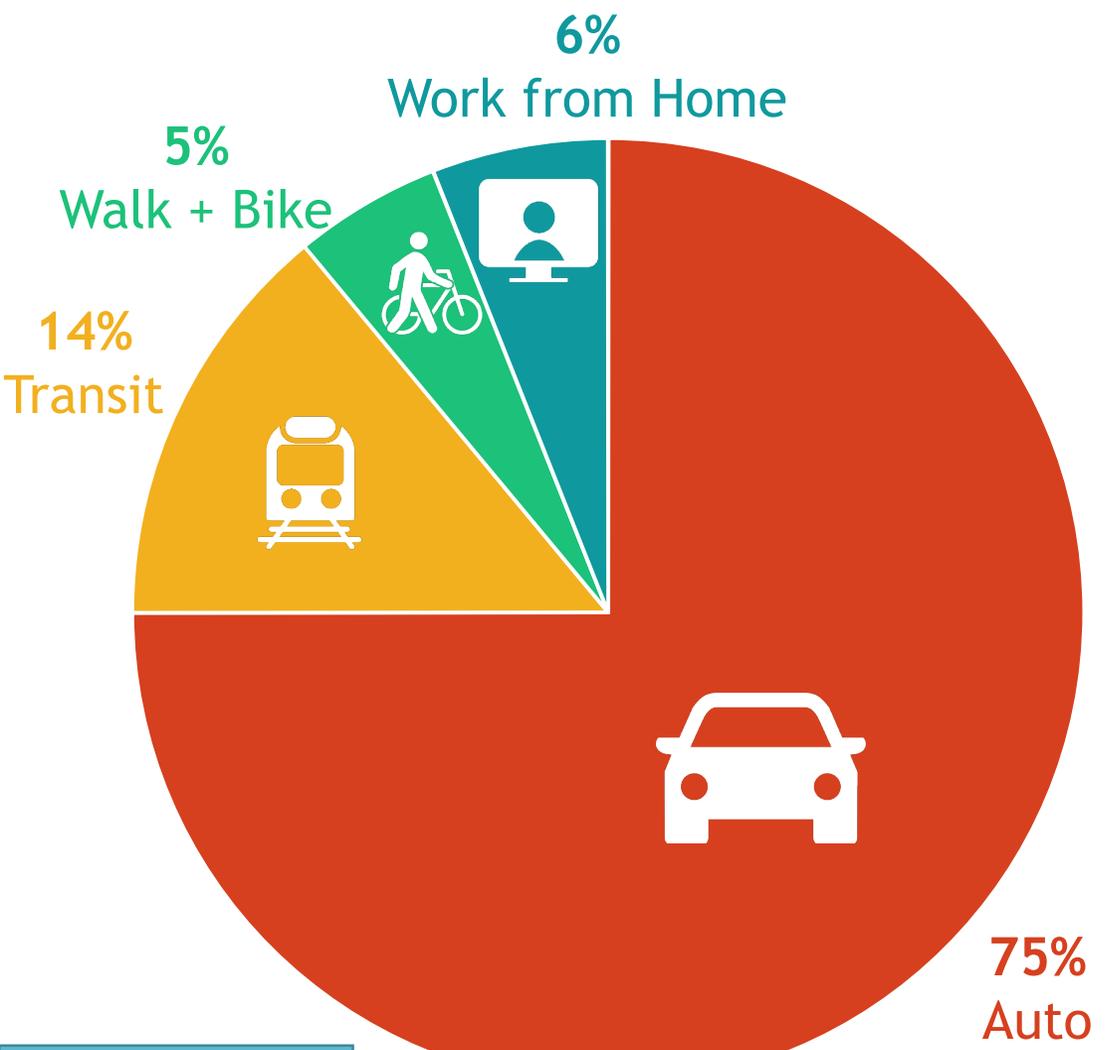
X% County's share of regional growth, sized based upon total number of new jobs

### KEY GROWTH STATISTICS

- 49% in Big 3 Cities
- 35% in Bayside Cities
- 16% in Inland/Coastal/Delta
- 42% in Priority Development Areas
- 50% in Transit-Rich Areas
- 19% in High-Resource Areas



# Draft Blueprint: Commute Mode Choices

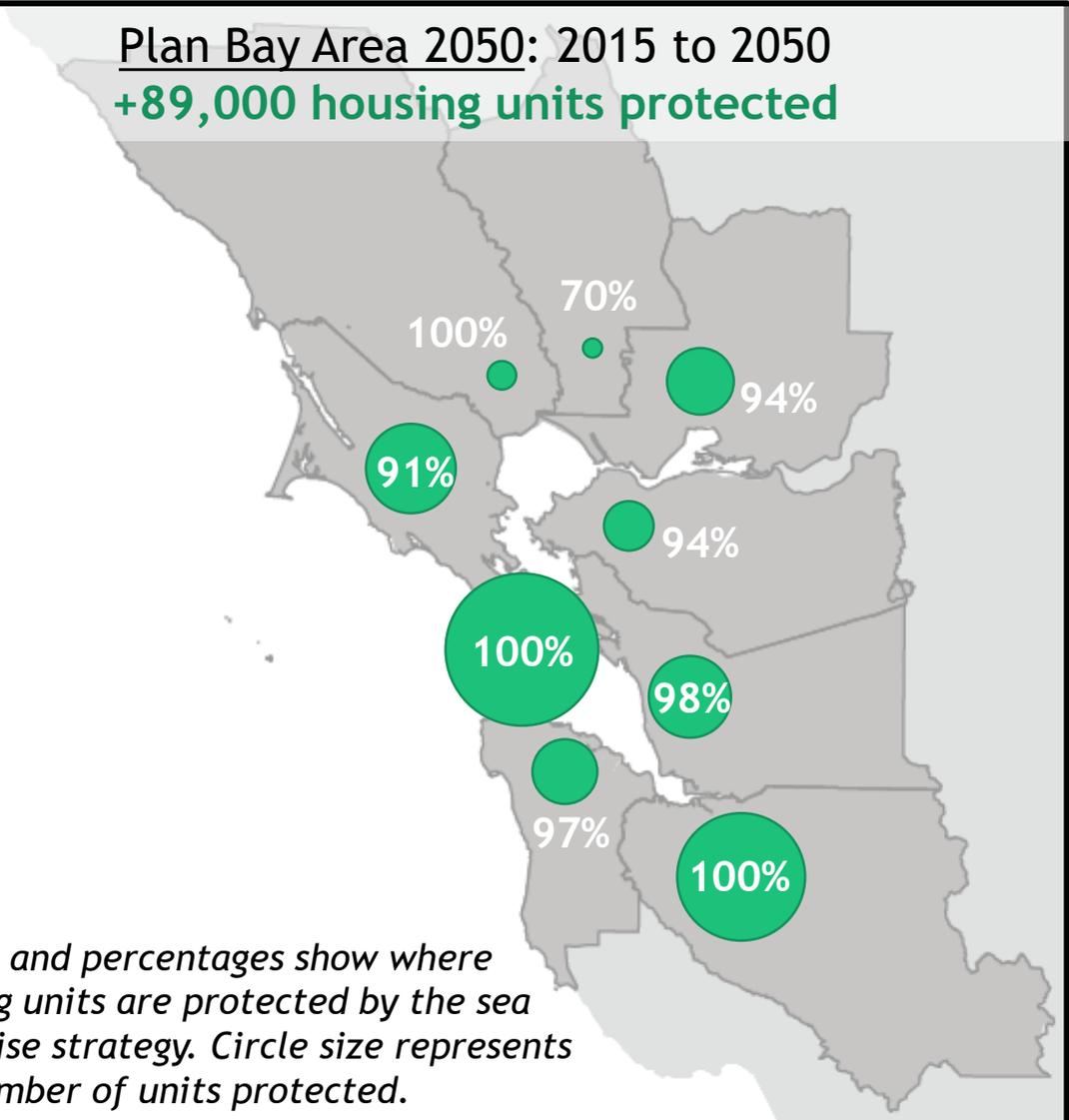


2015

2050 Blueprint

# Draft Blueprint: Sea Level Rise Protections

Plan Bay Area 2050: 2015 to 2050  
**+89,000 housing units protected**



*Circles and percentages show where housing units are protected by the sea level rise strategy. Circle size represents the number of units protected.*



Housing

**89,000**

units protected

**2,000**

units still at risk



Jobs

**166,000**

jobs protected

**10,000**

jobs still at risk



Environment

**100,000**

acres of marsh adaptation projects

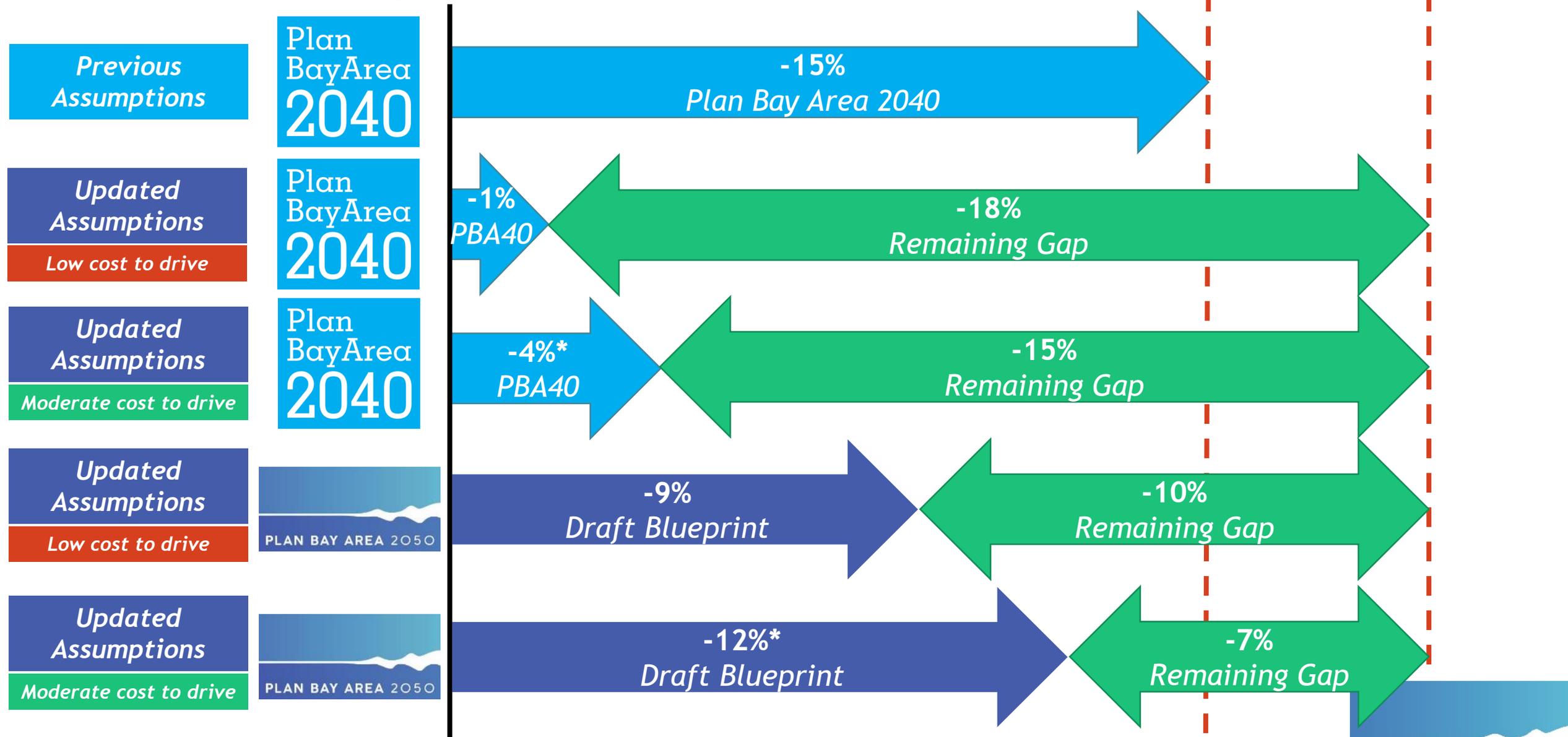


Transportation

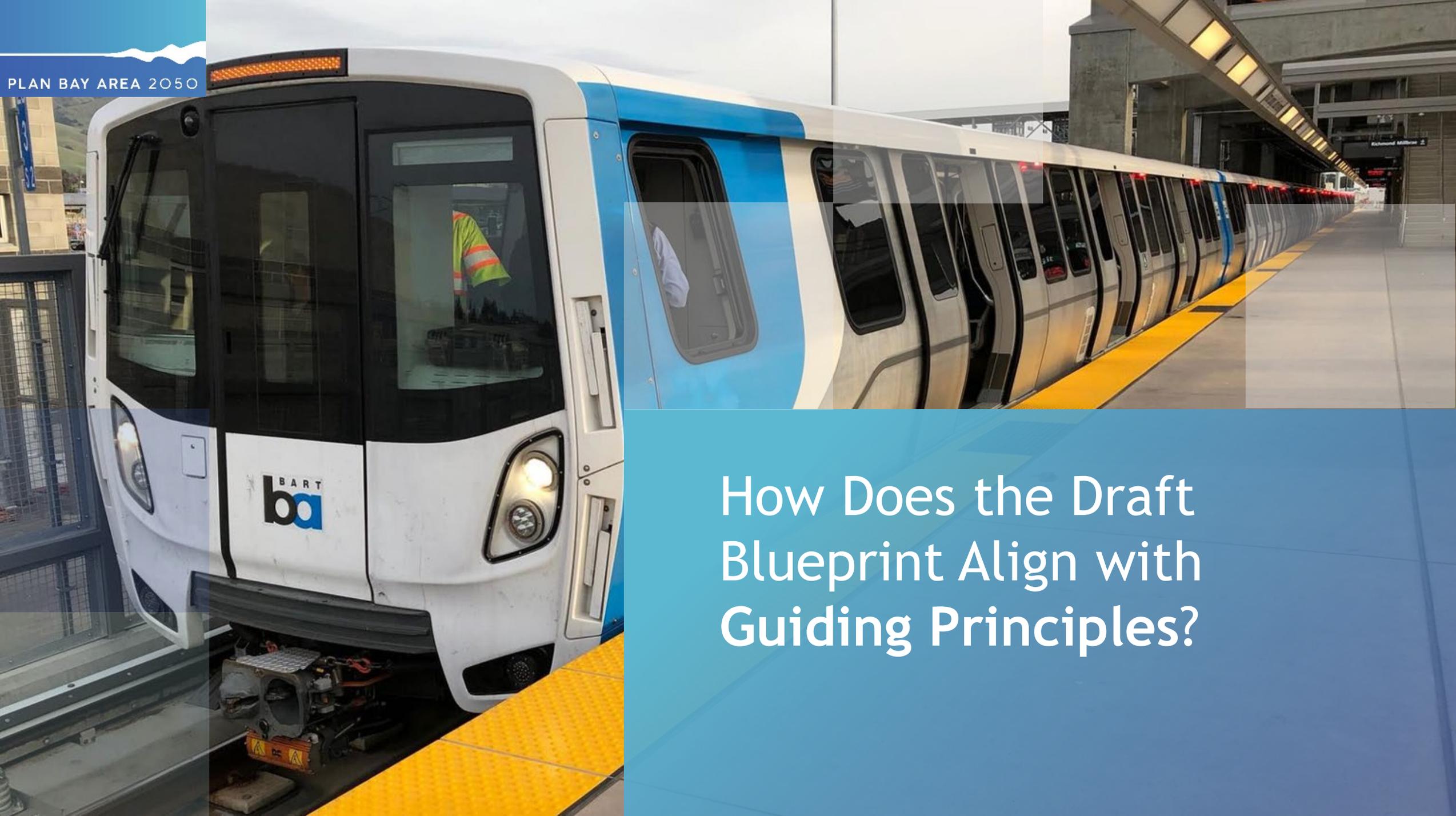
**All major highway and rail corridors protected at 2 feet of sea level rise**

# Draft Blueprint: GHG

-15% per-capita Previous CARB Target | -19% per-cap. New Target



\* = approximated effect of higher auto operating cost based upon past analyses



# How Does the Draft Blueprint Align with Guiding Principles?

## Overarching Finding:

The Draft Blueprint strategies excel in ensuring future growth is more equitable and resilient than past generations. However, righting the wrongs of the 20<sup>th</sup> century would require even bolder action.

# Evaluating the Draft Blueprint

Staff developed **10 evaluation questions** - two for each Guiding Principle - based upon feedback from stakeholder workshops in fall 2019 and winter 2020.



- Will Bay Area residents spend less on housing and transportation?
- Will the Bay Area produce and preserve more affordable housing?
- Will Bay Area residents be able to access their destinations more easily?
- Will Bay Area residents have a transportation system they can rely on?
- Will Bay Area communities be more inclusive?
- Will Bay Area residents be able to stay in place?
- Will Bay Area residents be healthier and safer?
- Will the environment of the Bay Area be healthier and safer?
- Will jobs and housing in the Bay Area be more evenly distributed?
- Will Bay Area businesses thrive?



Refer to **Attachment C** for all the metrics, including breakdowns by income level.

# Key Findings: A More Affordable Bay Area



- Will Bay Area residents spend less on housing and transportation?  
**Yes, with greater reductions for lower-income households.**
  - This will be the first Plan Bay Area that actually reduces housing cost burden, especially for lower-income households.
  - Means-based tolls are effective in mitigating most equity impacts, whereas means-based fares lead to cost burden reductions for low-income transit riders.
- Will the Bay Area produce and preserve more affordable housing?  
**Yes, but it remains short of existing regional needs.**
  - The Draft Blueprint has sufficient funding to permanently protect existing deed-restricted units and to produce approximately enough new units for all low-income household growth through 2050.



**Key Challenge for Final Blueprint: How do we further increase production of homes affordable to lower-income residents, especially in High-Resource Areas?**

# Key Findings: A More Connected Bay Area



- **Will Bay Area residents be able to access their destinations more easily?**  
**Yes for transit, no for auto.**
  - Access to jobs improves for public transit, particularly in Communities of Concern, thanks to bus and BART investments in the Draft Blueprint.
  - Rising traffic congestion, combined with reduced speed limits, play a role in reducing automobile access to destinations.
- **Will Bay Area residents have a transportation system they can rely on?**  
**Depends on the highway corridor and transit operator.**
  - Means-based tolls help reduce congestion on key corridors, but toll rates are insufficient to mitigate all impacts of a growing population.
  - While the New Transbay Rail Crossing addresses Transbay capacity constraints, transit crowding challenges continue to grow elsewhere, especially on express buses and rail systems.



**Key Challenge for Final Blueprint: How can new or expanded strategies better address traffic congestion and transit overcrowding?**

# Key Findings: A More Diverse Bay Area



- **Will Bay Area communities be more inclusive?**  
**Only High-Resource Areas become more inclusive.**
  - Reducing barriers to housing production in High-Resource Areas allows for an increase in the amount of deed-restricted affordable housing in historically-exclusive areas.
  - However, many Transit-Rich Areas are at risk of gentrification, as the Blueprint forecasts an increasingly wealthy demographic profile.
- **Will Bay Area residents be able to stay in place?**  
**Not over the long-term without further mitigations.**
  - Low-income residents continue to be at a high risk of displacement, especially in Communities of Concern; robust renter protections do not provide meaningful long-term relief.



**Key Challenge for Final Blueprint: How can we reduce risk of displacement so more residents can remain in place?**

# Key Findings: A Healthier Bay Area



- Will Bay Area residents be healthier and safer? **Yes, but more gains are needed for road safety.**
  - Nearly all homes at risk of sea level rise are protected by Draft Blueprint resilience investments.
  - While reduced speed limits save more than 1,500 lives through 2050, expanded strategies would be required to reach Vision Zero.
- Will the environment of the Bay Area be healthier and safer? **Yes, but more reductions are needed for greenhouse gas emissions (GHG).**
  - While the Draft Blueprint strategies make significant headway, a concerted effort in the Final Blueprint will be necessary if the Bay Area intends to close the sizeable remaining gap.



**Key Challenge for Final Blueprint: How do we close the greenhouse gas emissions gap in a sustainable and equitable manner?**

# Key Findings: A More Vibrant Bay Area



- **Will jobs and housing be more balanced? It depends.**
  - Higher-income jobs continue to cluster in Silicon Valley, even as workers may choose to work from home multiple days per week.
  - While job centers like San Francisco and Silicon Valley become more balanced, housing-rich communities in the East Bay and North Bay see more limited job growth.
- **Will Bay Area businesses thrive? Yes, select industries are anticipated to see robust growth.**
  - The Bay Area economy is projected to rebound robustly in the decades ahead; additional tax measures enable some of these gains to more equitably shared by all Bay Area residents.



**Key Challenge for Final Blueprint:** How could more ambitious strategies be employed to shift jobs closer to the region's workforce?

# 5 Key Challenges for Final Blueprint - Seeking Solutions!

<p>How do we further increase production of homes affordable to lower-income residents, especially in High-Resource Areas?</p>	<p>A larger regional measure for affordable housing?</p>	<p>More strategic investment in High-Resource Areas?</p>	<p>Expanded affordability requirements in new TODs?</p>	<p>Support for modular housing and lower-cost techniques?</p>
<p>How can new or expanded strategies better address traffic congestion and transit overcrowding?</p>	<p>New strategies related to regional rail &amp; express bus?</p>	<p>More funding for bike &amp; pedestrian infrastructure?</p>	<p>Redesign transit system with key timed transfers?</p>	<p>More corridors with means-based all-lane tolling?</p>
<p>How can we reduce risk of displacement so more residents can remain in place?</p>	<p>Supportive services in Communities of Concern?</p>	<p>More affordable housing in Transit-Rich Areas?</p>	<p>Workforce training programs?</p>	<p>Pilot universal basic income?</p>
<p>How do we close the greenhouse gas emissions gap in a sustainable and equitable manner?</p>	<p>50% telecommute mandate for big employers?</p>	<p>Exponentially grow regional subsidies for EVs?</p>	<p>Require GHG offsets for all highway projects?</p>	<p>Reform on- and off-street parking policies?</p>
<p>How could more ambitious strategies be employed to shift jobs closer to the region's workforce?</p>	<p>Expand jobs-housing impact fees?</p>	<p>Office development caps in West &amp; South Bay?</p>	<p>Tax subsidies to woo major employers?</p>	

# Listening and Learning from CBO Focus Groups

## Highlighted Quotes from Spring 2020 Listening Sessions on Draft Blueprint

A more comprehensive report on Public Engagement activities is slated for September 2020.

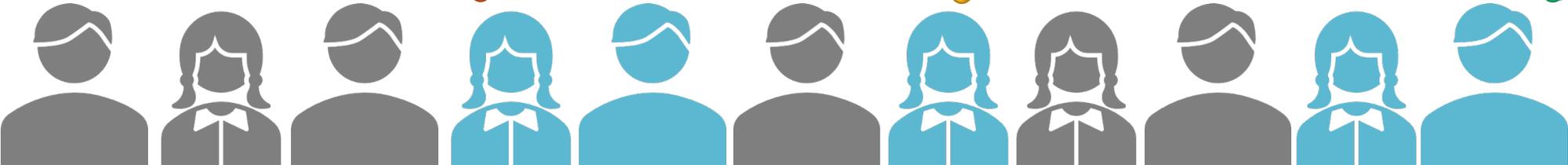
*This is not just about jobs but about what kind of jobs.*

*10 to 20 percent affordable housing is simply not sufficient.*

*Time transfers so they actually work for people, especially those with disabilities!*

*There are barriers to applying for housing, such as having a criminal record.*

*Any greening of the community will cause gentrification and displacement.*



# Transitioning to the Final Blueprint Phase:

Seeking Input from the Bay Area!



## Upcoming Summer 2020 Blueprint Engagement

Also:

- Office hours
- Flyers/surveys
- Listening line
- Official comment period
- Statistically-valid poll

9

county-specific  
virtual public  
workshops

3

virtual  
stakeholder  
workshops

5

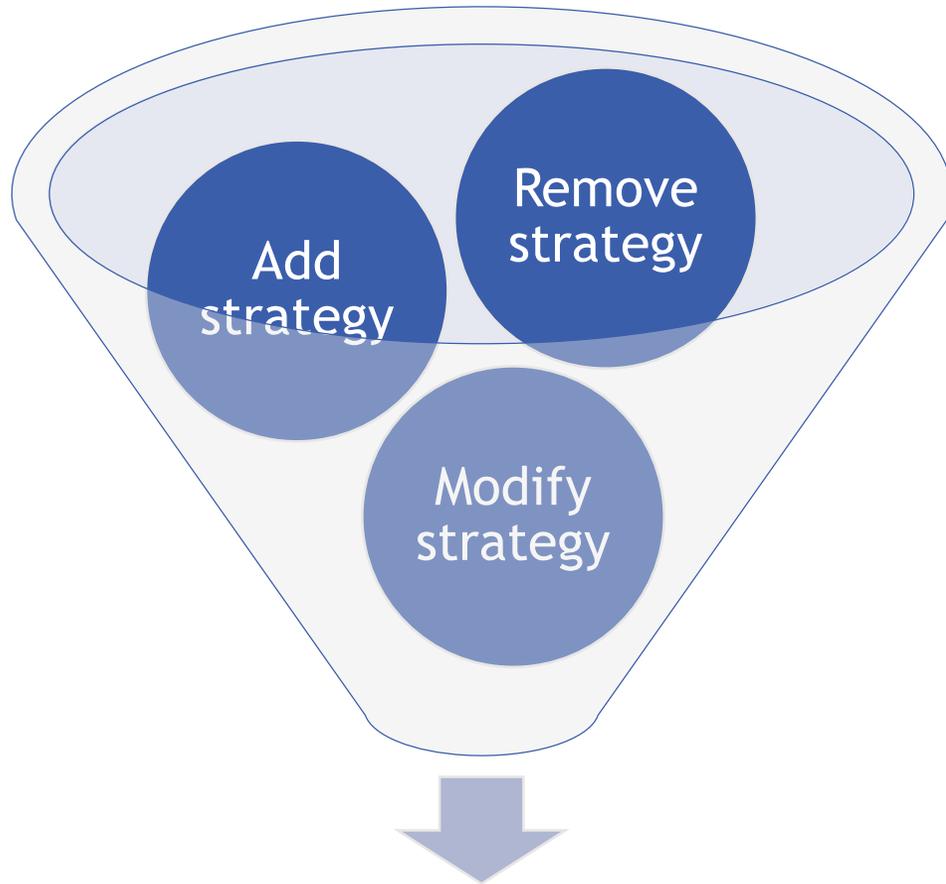
telephone town  
halls

7

focus groups in  
community  
organizations

# Looking for Input:

How can we address these remaining challenges in the Final Blueprint?



Final Blueprint

- We look forward to getting input from elected officials, the public, and stakeholder organizations on **equitable and resilient strategies to advance the Plan Vision of an affordable, connected, diverse, healthy, and vibrant Bay Area.**
- We've already started this process with the Transportation Element - **projects with performance challenges were identified early** and project sponsors have made commitments to address many of them. Work on this strand continues through September - **but transportation projects are just one small piece of the puzzle.**

# What's Next?



July

- Release of Draft Blueprint
- Virtual Workshops & Engagement

Mid-August

- Close of Blueprint Comment Period
- Strategy Refinements for Final Blueprint

September

- Report Out on Public & Stakeholder Engagement
- MTC/ABAG Action on Final Blueprint Strategies & Geographies

December

- Release of Final Blueprint
- MTC/ABAG Action on Preferred Alternative for Plan Bay Area 2050 EIR

## Questions/Comments?

For more information: refer to Attachments B and C in your packet or go to [planbayarea.org](http://planbayarea.org).

Contact info: Dave Vautin,  
[dvautin@bayareametro.gov](mailto:dvautin@bayareametro.gov)

PLAN BAY AREA 2050

# HELP US DRAFT THE BLUEPRINT.



## DRAFTING THE BLUEPRINT

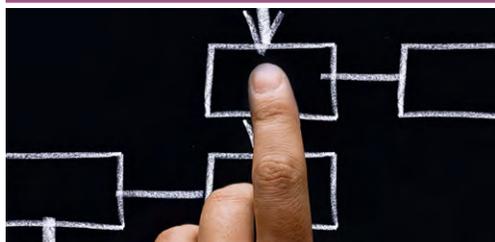
### WHAT IS THE PLAN?

Plan Bay Area 2050 is the long-range plan now being developed by the Metropolitan Transportation Commission and the Association of Bay Area Governments to guide the growth of our nine-county region for the next generation. Scheduled for completion in 2021, the Plan will integrate strategies for transportation, housing, the environment and the economy and lead the Bay Area toward a future that is affordable, connected, diverse, healthy, and vibrant for all by 2050.

### WHAT REQUIREMENTS MUST THE PLAN MEET?

Among many statutory requirements, the Plan must be fiscally constrained and rely on reasonably expected revenues; it must meet or exceed a 19 percent per-capita GHG reduction target for light-duty vehicles by 2035; and it must plan for sufficient housing at all income levels.

### WHAT IS THE DRAFT BLUEPRINT?



Creating the Blueprint is the first step toward developing Plan Bay Area 2050. The Draft Blueprint integrates 25 equitable and resilient proposed strategies from the Horizon initiative and offers bold solutions to address nine primary objectives across key areas including: transportation, housing, the environment and the economy.

### WHAT IS A "STRATEGY"?



A strategy is either a public policy or set of investments that can be implemented in the Bay Area over the next 30 years. A strategy is not a near-term action, a mandate for a jurisdiction or agency, or a legislative proposal. In addition, because Plan Bay Area 2050 must be fiscally constrained, not every strategy can be integrated into the Plan given finite available revenues.

### WHO IMPLEMENTS THESE STRATEGIES?



Strategies in Plan Bay Area 2050 can be implemented at the local, regional, or state levels. Specific implementation actions and the role for MTC/ABAG will be identified through a collaborative process for the Implementation Plan in late 2020. **See inside to learn more about the Draft Blueprint's objectives and proposed strategies.**

## WHAT ABOUT PUBLIC INPUT? WHAT'S NEXT?

In addition to robust analysis conducted as part of the Horizon initiative and ongoing feedback from elected officials, thousands of comments from Bay Area residents and stakeholders helped define and refine the 25 proposed Blueprint strategies. Staff will now conduct a detailed analysis and report back on outcomes from the Draft Blueprint strategies this spring. Planned public engagement will provide additional opportunities for strategies and projects to be revised and integrated into the Final Blueprint, with the Final Blueprint scheduled for completion later in 2020.

# DRAFT BLUEPRINT STRATEGIES

## OBJECTIVES



## TRANSPORTATION STRATEGIES

### 1. Maintain and Optimize Existing Infrastructure



**Operate and Maintain the Existing System.** Commit to operate and maintain the Bay Area's roads and transit infrastructure, while ensuring that all Priority Development Areas have sufficient transit service levels.

**Enable Seamless Mobility with Unified Trip Planning and Fare Payments.** Develop a unified platform for trip planning and fare payment to enable more seamless journeys.

**Reform Regional Transit Fare Policy.** Streamline fare payment and replace existing operator-specific discounted fare programs with an integrated fare structure across all transit operators.

**Implement Per-Mile Tolling on Congested Freeways with Transit Alternatives.** Apply a per-mile charge on auto travel on select highly-congested freeway corridors where transit alternatives exist, with discounts for carpoolers, low-income residents, and off-peak travel, with excess revenues reinvested into transit alternatives in the corridor.

### 2. Create Healthy and Safe Streets



**Build a Complete Streets Network.** Enhance streets to promote walking, biking, and other micromobility through sidewalk improvements and 7,000 miles of bike lanes or multi-use paths.

**Advance Regional Vision Zero Policy through Street Design and Reduced Speeds.** Reduce speed limits to 25 to 35 miles per hour on local streets and 55 miles per hour on freeways, relying on design elements on local streets and automated speed enforcement on freeways.

### 3. Enhance Regional and Local Transit



**Advance Low-Cost Transit Projects.** Complete a limited set of transit projects that performed well in multiple futures and require limited regional dollars to reach fully-funded status.

**Build a New Transbay Rail Crossing.** Address overcrowded conditions during peak commute periods and add system redundancy by adding a new Transbay rail crossing connecting the East Bay and San Francisco.

## OBJECTIVES



## ECONOMIC STRATEGIES

### 4. Improve Economic Mobility



**Expand Childcare Support for Low-Income Families.** Provide a 50 percent childcare subsidy to low-income households with children under 5, enabling more parents with young children to remain in (or to enter) the workforce.

**Create Incubator Programs in Economically-Challenged Areas.** Fund pre-incubation services or technical assistance for establishing a new business, as well as access to workspaces, and mentorship and financing in disadvantaged communities.

**Retain Key Industrial Lands through Establishment of Priority Production Areas.** Implement local land use policies to protect key industrial lands identified as Priority Production Areas, including preservation of industrial zoning.

### 5. Shift the Location of Jobs



**Allow Greater Commercial Densities in Growth Geographies.** Allow greater densities for new commercial development in select Priority Development Areas and select Transit-Rich Areas to encourage more jobs to locate near public transit.

**Assess Transportation Impact Fees on New Office Developments.** Apply expanded county-specific fees on new office development that reflects associated transportation impacts.

**Assess Jobs-Housing Imbalance Fees on New Office Developments.** Apply a regional jobs-housing linkage fee to generate funding for affordable housing when new office development occurs in job-rich places, thereby incentivizing more jobs to locate in housing-rich places.



## OBJECTIVES



## HOUSING STRATEGIES

## 6. Spur Housing Production and Create Inclusive Communities



**Allow a Greater Mix of Housing Types and Densities in Growth Areas.** Allow a variety of housing types at a range of densities to be built in Priority Development Areas, select Transit-Rich Areas, and select High-Resource Areas.

**Reduce Barriers to Housing Near Transit and in Areas of High Opportunity.** Reduce parking requirements, project review times, and impact fees for new housing in Transit-Rich and High-Resource Areas, while providing projects exceeding inclusionary zoning minimums even greater benefits.

**Transform Aging Malls and Office Parks into Neighborhoods.** Transform aging malls and office parks into mixed-income neighborhoods by permitting new land uses and significantly reducing development costs for eligible projects.

## 7. Protect, Preserve, and Produce More Affordable Housing



**Fund Affordable Housing Protection, Preservation and Production.** Raise an additional \$1.5 billion in new annual revenues to leverage federal, state, and local sources to protect, preserve and produce deed-restricted affordable housing.

**Require 10 to 20 Percent of New Housing to be Affordable.** Require at least 10 percent to 20 percent of new housing developments of 5 units or more to be affordable to low-income households, with the threshold defined by market feasibility as well as access to opportunity and public transit.

**Further Strengthen Renter Protections Beyond State Legislation.** Building upon recent tenant protection laws, limit annual rent increases to the rate of inflation, while exempting units less than 10 years old.

## OBJECTIVES



## ENVIRONMENTAL STRATEGIES

## 8. Reduce Risks from Hazards



**Adapt to Sea Level Rise.** Protect shoreline communities affected by sea level rise, prioritizing areas of low costs and high benefits and providing additional support to vulnerable populations.

**Modernize Existing Buildings with Seismic, Wildfire, Drought, and Energy Retrofits.** Adopt new building ordinances and incentivize retrofits to bring existing buildings up to higher seismic, wildfire, water and energy standards, providing means-based subsidies to offset impacts.

## 9. Reduce Our Impact on the Environment



**Maintain Urban Growth Boundaries.** Using urban growth boundaries and other existing environmental protections, confine new development within areas of existing development or areas otherwise suitable for growth, as established by local jurisdictions.

**Protect High-Value Conservation Lands.** Provide strategic matching funds to help conserve high-priority natural and agricultural lands, including but not limited to Priority Conservation Areas.

**Expand the Climate Initiatives Program.** Expand MTC's Climate Initiatives Program, which includes investments in transportation demand management and electrification incentive programs, while simultaneously working with the Air District and the State to reduce greenhouse gas emissions for other transportation sectors.

# ADVANCING EQUITY WITH BOLD STRATEGIES

As a cross-cutting issue of Plan Bay Area 2050, staff has worked to weave equity into every single strategy for the Draft Blueprint.



**AFFORDABLE**



Consistent regional means-based discounts for fares and tolls.



**CONNECTED**



Service frequency increases in both high-ridership corridors and in currently-undeserved PDAs.



**DIVERSE**



Emphasis on growth in High-Resource Areas to address the legacy of race-based exclusion.



**HEALTHY**



Prioritization of retrofit assistance and sea level rise infrastructure in lower-income communities.



**VIBRANT**



Incubator programs and childcare support designed to enable greater economic mobility.

## TELL US WHAT YOU THINK!

MTC and ABAG will hold public workshops all around the Bay Area later in 2020 and invite you to help shape the Plan Bay Area 2050 Blueprint. We want to find out what you – and your family, friends, and neighbors – have to say about the 25 proposed strategies and how these strategies could influence the way we will live, work and travel in the Bay Area over the next generation.

MTC and the ABAG Executive Board are scheduled to adopt a Final Blueprint in fall 2020. We look forward to hearing from you!

Visit [planbayarea.org](http://planbayarea.org) to learn more or to check the schedule of public workshops. You can also follow MTC BATA on social media.

**SPRING**

- Release Draft Blueprint Outcomes and Growth Pattern

**SUMMER**

- Revise Strategies for Final Blueprint
- Stakeholder and Public Workshops

**FALL**

- Adopt Final Blueprint
- Advance to Environmental Impact Report (EIR)

**WINTER**

- Environment Analysis



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#BayArea2050





**ABAG**

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 20-0987      **Version:** 1      **Name:**

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

**File created:** 6/9/2020      **In control:** ABAG Housing Methodology Committee

**On agenda:** 7/9/2020      **Final action:**

**Title:** Plan Bay Area 2050 and RHNA Methodology

Consideration of Incorporating Plan Bay Area 2050 Draft Blueprint in the RHNA Methodology

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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Plan Bay Area 2050 and RHNA Methodology

Consideration of Incorporating Plan Bay Area 2050 Draft Blueprint in the RHNA Methodology

Gillian Adams

Information

**Association of Bay Area Governments**

**Housing Methodology Committee**

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**July 9, 2020**

**Agenda Item 6.a.**

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**Plan Bay Area 2050 and RHNA Methodology**

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**Subject:** Consideration of Incorporating Plan Bay Area 2050 Draft Blueprint in the RHNA Methodology

**Background:** Housing Element Law requires that the RHNA methodology is consistent with the development pattern from the regional transportation plan (Plan Bay Area 2050). With the release of the Plan Bay Area 2050 Draft Blueprint, the Housing Methodology Committee (HMC) can consider what role the Blueprint can play in helping the methodology meet the RHNA statutory objectives, advance the HMC's stated policy goals, and support consistency with the Plan's development pattern.

**Issues:** None

**Recommended Action:** Information

**Attachment:** A. PBA50-RHNA Memo

**Reviewed:**   
\_\_\_\_\_  
Alix Bockelman

# REGIONAL HOUSING NEEDS ALLOCATION



TO: ABAG Regional Planning Committee

DATE: July 9, 2020

FR: Deputy Executive Director, Policy

RE: Incorporating Plan Bay Area 2050 into the RHNA Methodology

## Overview

Over the past year, two related planning initiatives led by MTC/ABAG have been ongoing: Plan Bay Area 2050 and the Regional Housing Needs Allocation (RHNA) process. Plan Bay Area 2050 explores outcomes over a 30-year time horizon with strategies designed to improve conditions for Bay Area transportation, housing, the economy, and the environment, to create a more resilient and equitable future for the region. RHNA seeks to advance similar outcomes, with a focus on allocations for housing at specific income levels to individual jurisdictions over an 8-year time horizon, with a nexus to upcoming updates to Housing Elements by local jurisdictions.

Housing Element Law requires that the RHNA methodology is consistent with the development pattern from the regional transportation plan (Plan Bay Area 2050).<sup>1</sup> With the release of the Plan Bay Area 2050 Draft Blueprint, the Housing Methodology Committee (HMC) can consider what role the Blueprint can play in helping the methodology meet the RHNA statutory objectives, advancing the HMC's stated policy goals, and supporting consistency with the Plan's development pattern. Ultimately, the Final Blueprint (action on final strategies slated in September 2020) and the Proposed Methodology (action slated in October 2020) will need to be consistent.

## Alignment Between Plan Bay Area 2050 Draft Blueprint and HMC Goals for RHNA Methodology

As shown in the materials for Item 5a, the Draft Blueprint is a comprehensive and integrated representation of many strategies and policies that are aligned with the RHNA statutory objectives and the HMC's goals for the RHNA methodology. At the June HMC meeting, committee members came to consensus around several recommendations to guide selection of the RHNA methodology. The HMC recommended that the methodology should direct more housing to jurisdictions with more jobs than housing and to communities exhibiting racial and economic exclusion and that the methodology should focus on equity and the relationship between housing and jobs.

The Draft Blueprint reflects the HMC's goals for RHNA by prioritizing growth in high-resource areas in addition to directing future housing growth to transit-served areas as a strategy for reducing greenhouse gas emissions (**Appendix 1**). Although the Draft Blueprint does not achieve an overall jobs-housing balance for the region, it does show gains by focusing more growth near existing job centers, particularly on the Peninsula and in the South Bay.

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<sup>1</sup> [Government Code Section 65584.04\(m\)\(1\)](#).

In terms of overall housing outcomes for the region, the Draft Blueprint's growth geographies and housing strategies reduce the housing cost burden, lowering the out of pocket cost of housing and transportation, especially for lower-income households. The Draft Blueprint also directs substantial housing growth in high-resource communities, which helps to make these areas more inclusive. Although the Draft Blueprint's policies preserve all existing deed-restricted affordable housing units and add more affordable units, low-income residents continue to be at high risk of displacement.

One of the other recommendations the HMC came to consensus on in June was that the RHNA methodology may not be the best tool to address concerns about housing located in areas with high hazard risk. The Draft Blueprint takes significant steps to address the region's hazard risks. The growth geographies in the Draft Blueprint also protect areas outside Urban Growth Boundaries and areas with very high wildfire risk from additional growth. The infrastructure investments proposed in the Blueprint would protect nearly all households at risk of sea level rise. Accordingly, the Draft Blueprint may be more directly suited for addressing concerns related to hazards than a RHNA methodology factor that limits allocations in high hazard risk areas.

### **Incorporating Plan Bay Area 2050 into the RHNA Methodology**

There are several options for how the Draft Blueprint could be incorporated into the RHNA methodology:

***Option 1: Use the Blueprint as a factor to direct the allocation of RHNA units.*** In this approach, each jurisdiction's allocation is based on its share of household growth from 2010 to 2050 from the Draft Blueprint.<sup>2</sup> The Sacramento region used this approach in its methodology for this RHNA cycle. Unlike the other methodology concepts discussed to date, in this option the Blueprint would not be used to adjust an underlying baseline allocation, but would instead be the sole determinant of a jurisdiction's RHNA allocation.

Using the Draft Blueprint as a factor for allocating total units would be best paired with the Income Shift income allocation methodology. Since the Bottom-Up concept uses separate factors to allocate units in each income category, this approach is not compatible with using the Draft Blueprint to allocate RHNA units, unless there was a rationale for using the Draft Blueprint to allocate a particular income category and other factors to allocate other income categories.

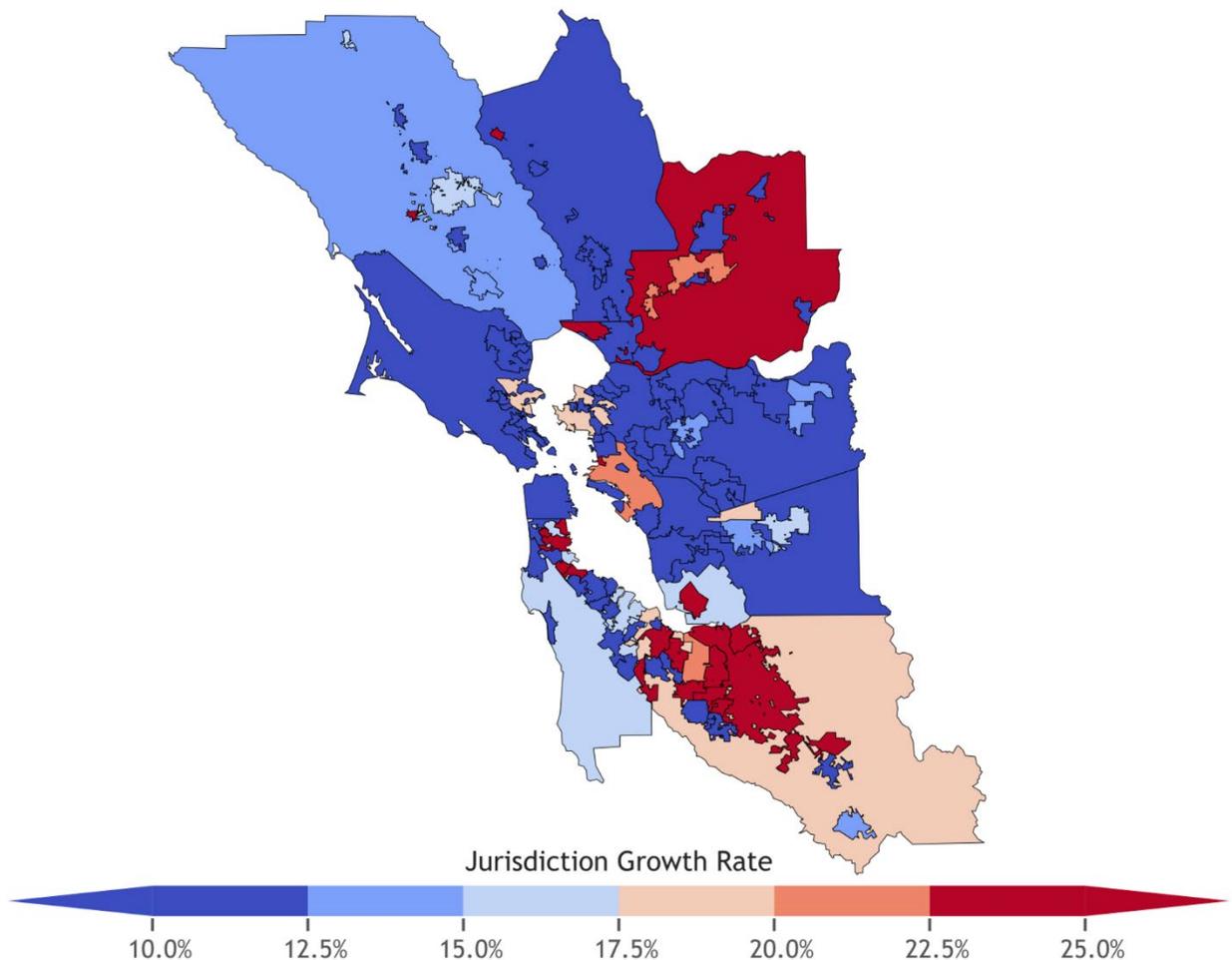
**Figure 1** shows the RHNA allocations that would result from using the growth pattern in the Draft Blueprint. Jurisdictions shown in the darkest blue experience the lowest growth rate while

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<sup>2</sup> Staff is recommending use of household growth for the entire Blueprint period (2020 to 2050) instead of the 8-year RHNA period (2023 to 2031) because the short-term forecast is heavily influenced by current data about pipeline projects, which is not uniformly available in a consistent format for all jurisdictions in the region. Using the full timeframe (scaled to RHND) better reflects the long-term view and is less influenced by the universe of known projects identified today.

the jurisdictions shown in the darkest red experience the highest growth rate. In terms of the overall growth pattern for the Bay Area, this map demonstrates the Draft Blueprint's emphasis on housing growth in Silicon Valley with lower rates of growth in many other communities throughout the region. The Draft Blueprint directs a significant share of the region's expected housing growth to jurisdictions in Santa Clara County (41 percent) and San Mateo County (10 percent). Jurisdictions in Sonoma County and Marin County are also expected to see higher shares of housing growth compared to what was forecasted in Plan Bay Area 2040. While using the Draft Blueprint as the baseline allocation results in lower allocations to the unincorporated areas for most counties, this is not the case for San Mateo, Santa Clara, and Solano counties.

**Figure 1: RHNA Allocations Using Draft Blueprint Growth Pattern**



**Option 2: Use the Blueprint as the Baseline Allocation for the RHNA Methodology**

The methodology options the HMC has been discussing to date have used the jurisdiction's share of total households in 2019 as the baseline allocation. The second option for using the Draft Blueprint in the RHNA methodology would be to instead use each jurisdiction's share of household growth from 2010 to 2050 from the Draft Blueprint as the baseline. This approach is

consistent with how long-range forecasts have been used in ABAG’s methodologies for previous RHNA cycles.

In these methodology options, the baseline allocation is used to assign each jurisdiction a share of the Regional Housing Needs Determination (RHND) from the California Department of Housing and Community Development (HCD) as a starting place for the methodology. The factors and weights selected for the RHNA methodology are then used to adjust a jurisdiction’s baseline allocation up or down, depending on how a jurisdiction scores on a factor compared to other jurisdictions in the region.

Since the *Bottom-Up* income allocation concepts use separate factors to allocate units in each income category, the most effective way to incorporate the Draft Blueprint into *Bottom-Up* methodology options is to use the Draft Blueprint as the baseline allocation. Using the Draft Blueprint as an allocation factor in the Bottom-Up concepts would only work if there were a rationale for using it to allocate units in a particular income category.

**Figure 2** compares the effects of the two different baselines on the *Jobs/Housing Crescent* (top) and *Bottom-Up 3-Factor* (bottom) methodology options. For these comparisons, staff removed the *Balanced Equity-Jobs-Transportation* and *Code Red to Address Housing Need* scenarios based on the feedback received at the June HMC meeting that the RHNA methodology should not include a factor related to natural hazards.<sup>3</sup> Staff elected to show only one of the *Bottom-Up* concepts to simplify the comparison of the effects of the different baselines.

**Table 1: Jobs/Housing Crescent and Bottom-Up 3-Factor Methodology Concepts**

<b>Jobs-Housing Crescent</b>	<b>Bottom-Up 3-Factor Concept</b>
<ul style="list-style-type: none"> <li>• 50% - Access to High Opportunity Areas</li> <li>• 10% - Jobs Proximity – Transit</li> <li>• 10% - Jobs-Housing Balance</li> <li>• 10% - Jobs-Housing Fit</li> <li>• 10% - Transit</li> </ul>	<p><b>Affordable: <u>Very Low and Low</u></b></p> <ul style="list-style-type: none"> <li>• Access to High Opportunity Areas 40%</li> <li>• Jobs-Housing Fit 40%</li> <li>• Job Proximity – Transit 20%</li> </ul>
	<p><b>Market-Rate: <u>Moderate and Above Moderate</u></b></p> <ul style="list-style-type: none"> <li>• Job Proximity – Auto 50%</li> <li>• Job Proximity – Transit 30%</li> <li>• Jobs-Housing Balance 20%</li> </ul>

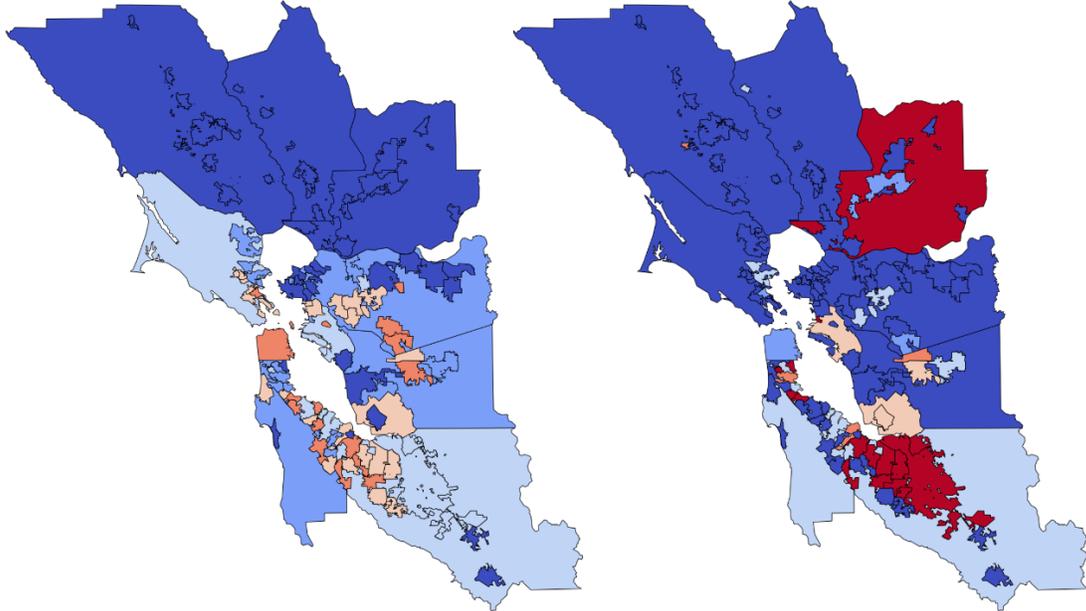
<sup>3</sup> The *Balanced Equity-Jobs-Transportation* and *Code Red to Address Housing Need* scenarios both included the hazards factor weighted at 10 percent. If the HMC is interested in revisiting these two conceptual methodologies from March and reallocating the 10 percent to other factors, staff can make these adjustments and use revised versions of these methodologies for future analyses.

**Figure 2: Comparison of RHNA Methodology Allocations Using Different Baseline Options**

**Housing / Jobs Crescent**

**Baseline: Households in 2019**

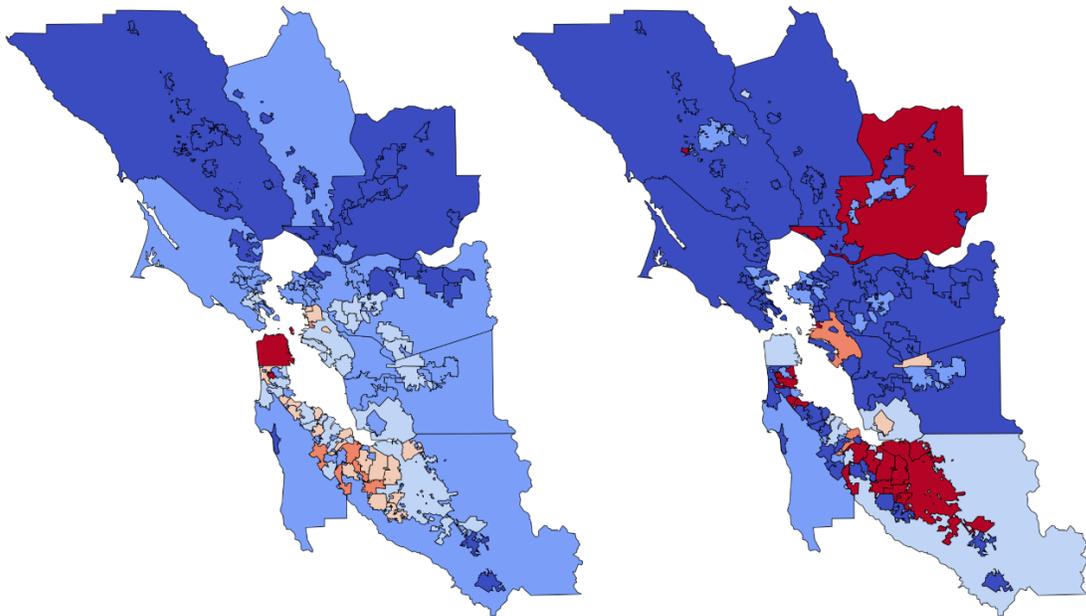
**Baseline: Blueprint Growth 2020-2050**



**Bottom-Up Three Factor Concept**

**Baseline: Households in 2019**

**Baseline: Blueprint Growth 2020-2050**



Jurisdiction Growth Rate

10.0% 12.5% 15.0% 17.5% 20.0% 22.5% 25.0%

The maps on the left show the results of each methodology concept with total households in 2019 as the baseline allocation and the maps on the right show the results of each methodology concept with the Draft Blueprint as the baseline allocation. The map showing the allocation results with the Draft Blueprint as the baseline allocation shows higher RHNA allocations in high-resource areas with good development capacity near major job centers – notably focused in the South Bay – and lower RHNA allocations elsewhere. These comparisons demonstrate the significant impact that the underlying growth pattern from the baseline allocation has on the resulting allocations since the factors and weights selected for the RHNA methodology are used to adjust this baseline allocation.

### **Considering Options for Incorporating the Draft Blueprint into the RHNA Methodology**

The charts in **Appendix 2** compare the jurisdiction-level total units allocations from using the Draft Blueprint to allocate RHNA units as well as the total unit allocations from the *Jobs/Housing Crescent* and *Bottom-Up 3-Factor* concepts when using total households in 2019 as the baseline and when using the Draft Blueprint as the baseline. The charts also include the RHNA allocations that would be derived using total households in 2019 (without adjustments from the methodology factors) as a point of reference.

The UrbanSim model that is used to evaluate the impact of the policies and strategies in the Draft Blueprint takes the financial feasibility of potential development projects, including housing, into account which informs the resulting development pattern. Some of the smaller RHNA allocations that result from using the Draft Blueprint as the baseline, particularly in smaller jurisdictions, could reflect the financial feasibility analysis from UrbanSim, while at the same time, the Blueprint addresses the strong jobs-to-housing surplus in the South Bay by focusing relatively more housing there than in earlier plans.

**Appendix 2** of the *Revisiting Income Allocation Approaches* memo for agenda item 6b contains charts illustrating how the different methodology options, including variations with total households in 2019 and Draft Blueprint as baseline allocations, perform on the evaluation metrics identified by the HMC. While many of the evaluation metrics focus on how units are distributed by income, the charts in Appendix 2 and the summary of the results in the memo for agenda item 6b can help in evaluating the effects of the different choices for incorporating the Draft Blueprint into the RHNA methodology.

**Pros/Cons of Possible Options for Advancing the RHNA Methodology**

The HMC is faced with deciding whether incorporating the Plan Bay Area 2050 Blueprint helps the RHNA methodology meet the RHNA statutory objectives, advance the HMC’s stated policy goals, and support consistency with the Plan’s development pattern. The HMC can choose to:

- Use the Blueprint in the RHNA methodology, either as an allocation factor or as the baseline allocation, or
- Continue to use total households in 2019 as the baseline allocation in the RHNA methodology.

**Table 2** shows the pros and cons of each of these choices.

**Table 2: Pros/Cons Incorporating Draft Blueprint into RHNA Methodology**

	<b>Pros</b>	<b>Cons</b>
<b>Use the Blueprint, Either as Allocation Factor or Baseline Allocation</b>	<ul style="list-style-type: none"> <li>• Simple and straightforward to implement and discuss (e.g., “the methodology aligns with growth predicted by Plan Bay Area 2050”)</li> <li>• integrates transit, hazards, and market feasibility through strategies and modeling</li> <li>• Better aligned with Plan Bay Area 2050</li> <li>• Emphasis on current and future employment development patterns leads to RHNA allocations more focused in Silicon Valley, region’s largest job center</li> <li>• Higher RHNA allocations in high-resource areas near major job centers – notably in the South Bay</li> </ul>	<ul style="list-style-type: none"> <li>• Lower RHNA allocations for some high-resource areas outside Silicon Valley</li> <li>• Draft Blueprint as allocation factor does not work easily for Bottom-Up income allocation approach</li> <li>• Blueprint will continue to evolve in summer &amp; fall via Plan public engagement, adding uncertainty to impacts on RHNA allocations</li> </ul>
<b>Use Total Households in 2019 as the Baseline Allocation</b>	<ul style="list-style-type: none"> <li>• Relatively straightforward to implement and discuss (e.g., “the methodology is consistent with Plan Bay Area 2050, but not dependent on it”)</li> <li>• More even distribution of RHNA throughout region</li> <li>• Not dependent on Final Blueprint slated for approval this fall</li> </ul>	<ul style="list-style-type: none"> <li>• RHNA allocations would be less aligned with long-range housing vision (Plan Bay Area 2050)</li> <li>• If the HMC wants RHNA methodology to emphasize topics currently addressed in the Plan (e.g., hazards, transit, market feasibility, etc.) they may need to be added as allocation factors</li> </ul>

## **Next Steps**

Staff will seek feedback from the HMC about their recommendations for incorporating the Plan Bay Area 2050 Draft Blueprint into the RHNA methodology. Staff recognizes that this decision will largely hinge on the allocation impacts of using the Blueprint as the baseline, as well as individual preferences for how closely synced the long-range plan and RHNA should be. As the maps and charts showing the varying results of the different methodology options have shown, the choice of whether to include the Draft Blueprint has significant impacts on the RHNA allocations.

Since the effect of the factors and weights of the RHNA methodology is to adjust the baseline allocation, deciding on the dataset to use as the baseline will set the stage for the HMC to refine its selection of factors and weights to be included in the allocation formula – whether that formula is based on the *Income Shift* or *Bottom-Up* income allocation approach. HMC members will have an opportunity to discuss their preferences for the income allocation methodology options in the next agenda item. There will be additional discussion about refining the methodology options at the remaining HMC meetings. Ultimately, the Final Blueprint (action on final strategies slated in September 2020) and the Proposed Methodology (action slated in October 2020) will need to be consistent.



# Proposed Draft Blueprint Growth Geographies

**Priority Development Area**

**Priority Production Area**

## Potential Additional Growth Geographies

**Transit-Rich Area (Outside High Resource Area)**

**Transit-Rich Area (Within High Resource Area)**

**High Resource Area with Basic Bus Service\***

• **Regional Rail Station**

— **Regional Rail Transit (Existing)**

--- **Regional Rail Transit (Under Construction)**

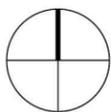
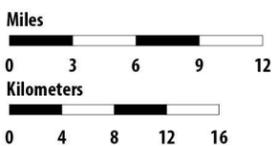
\*Peak headways of 16 to 30 minutes.

Priority Production Areas (PPAs) not shown

Areas shown are conceptual and for discussion purposes. Specific levels of development studied in the Draft Blueprint would vary throughout the region and will be determined through further discussion.

The following areas are excluded from the map: Wildland urban interface areas; Areas of unmitigated sea level rise (i.e., areas at risk from sea level rise through year 2050 that lack mitigation strategies in Plan Bay Area 2050 Environment Element); Areas outside locally-adopted urban growth boundaries; and Parkland and other open spaces within urbanized areas identified in the California Protected Areas Database. To complement adopted PDAs, High-Resource and Transit -Rich Areas are shown in jurisdictions that have nominated a total land area for PDAs that is less than 50% of the area within its boundaries eligible for PDA designation. Specific land uses analyzed in these locations in the Blueprint are expected to vary based upon local and regional context.

### Scale:



Source: TomTom, MTC/ABAG, 511 Regional Transit Database 2017

Map Author: JC, January 2020

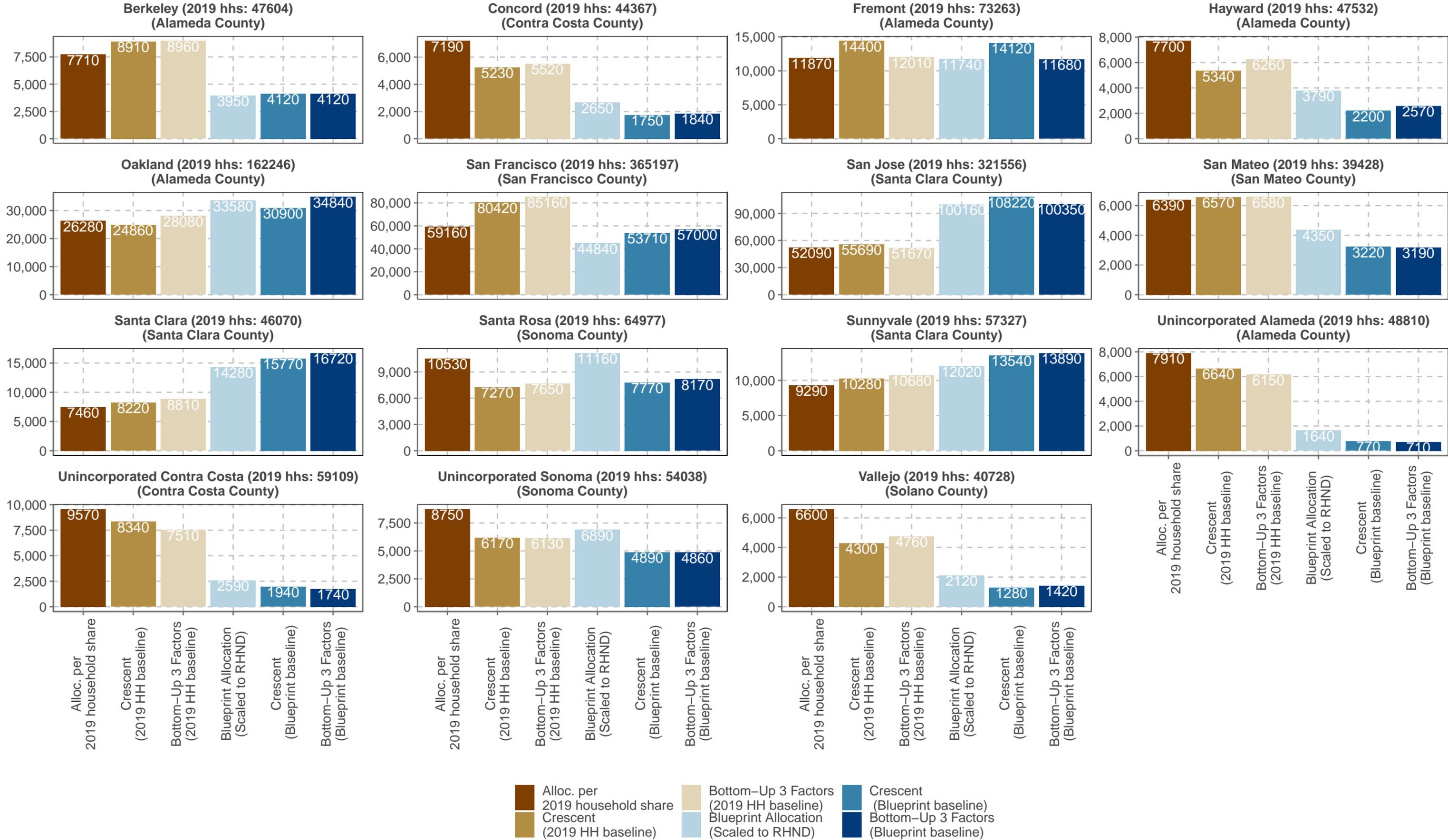
File Location: <https://mtdrive.box.com/s/2fj92fHzwYbFw6jij3ha83j17x3w>

# Jurisdiction potential allocations

## Group of Cities: Largest 15 (by 2019 households)

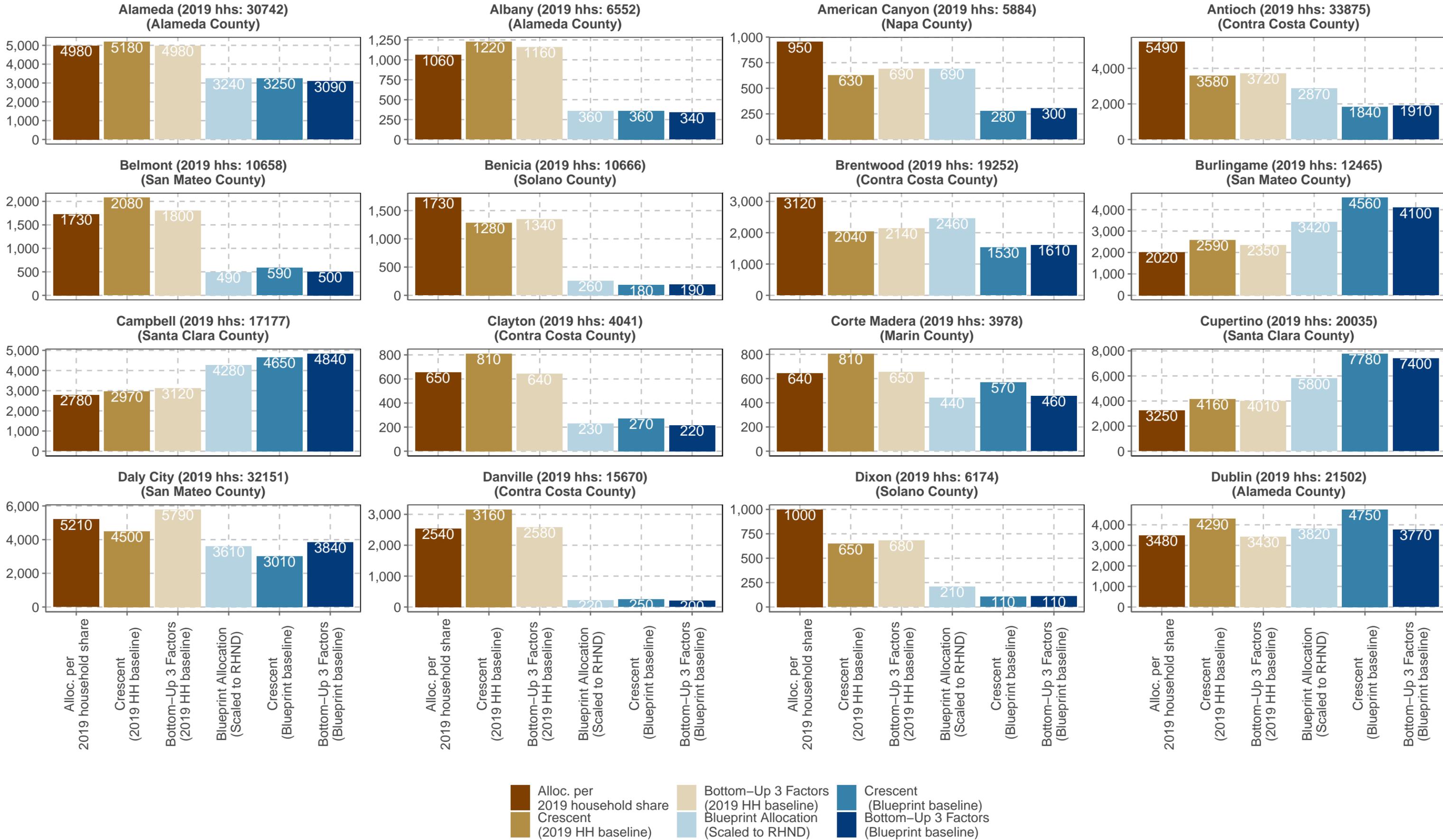
### Page 1

Allocation using 2019 household distribution and no factors; HMC concepts (Crescent Bsln HH19 and Bottom-up three-factor concept)



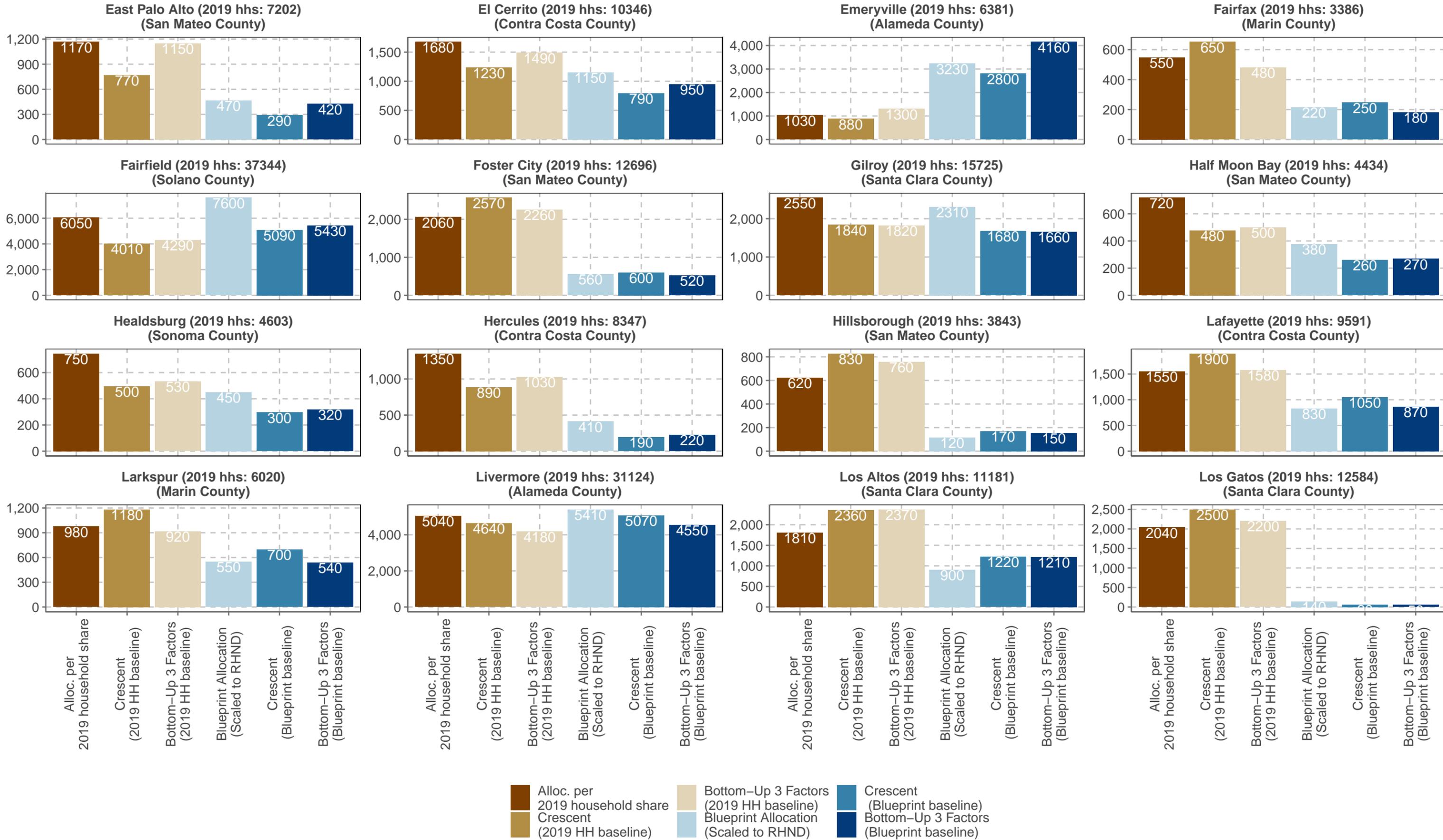
**Jurisdiction potential allocations**  
**Group of Cities: Middle Cities (by 2019 households)**  
**Page 2**

Allocation using 2019 household distribution and no factors; HMC concepts (Crescent Bsln HH19 and Bottom-up three-factor concept)



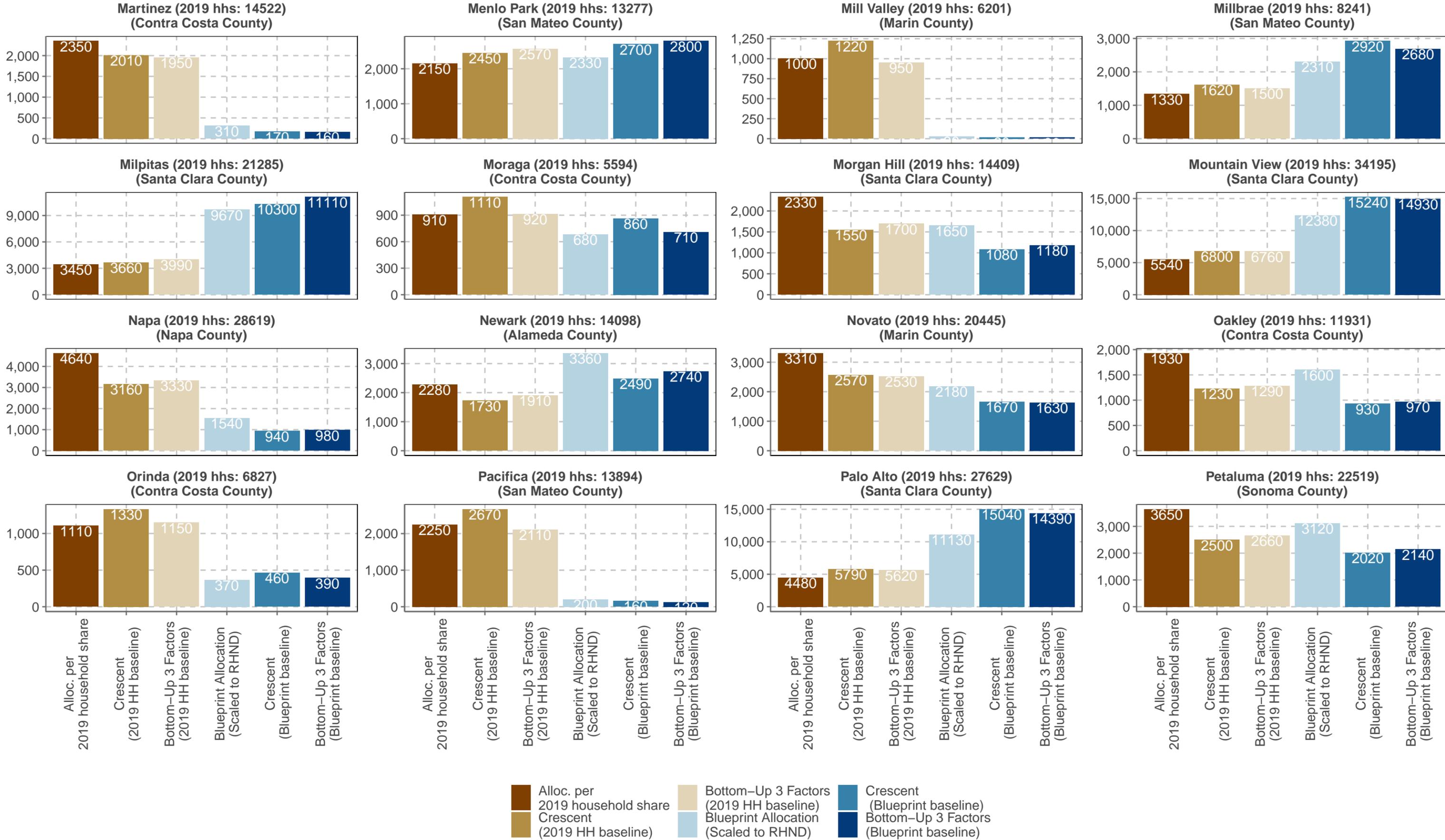
**Jurisdiction potential allocations**  
**Group of Cities: Middle Cities (by 2019 households)**  
**Page 3**

Allocation using 2019 household distribution and no factors; HMC concepts (Crescent Bsln HH19 and Bottom-up three-factor concept)



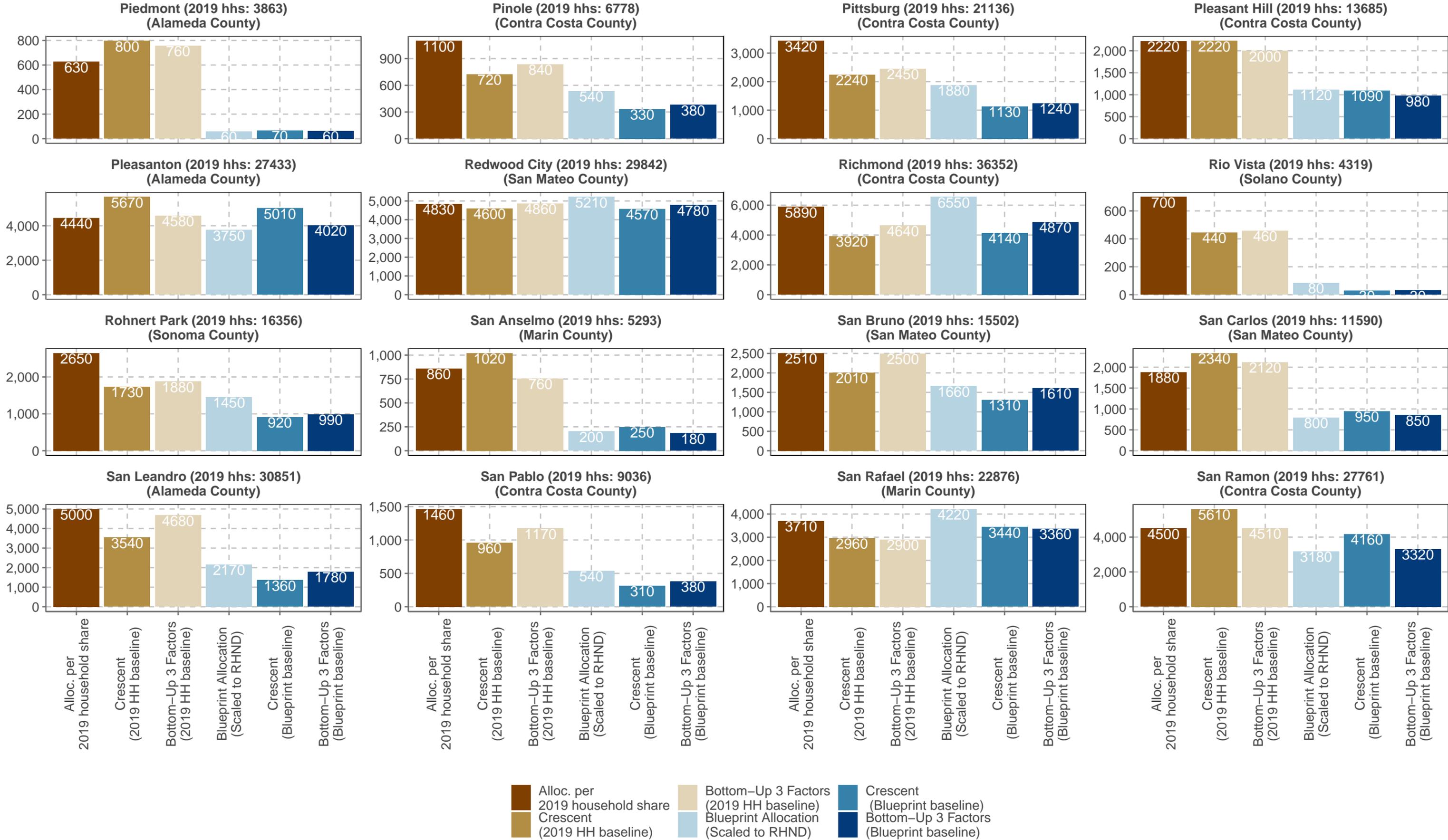
**Jurisdiction potential allocations**  
**Group of Cities: Middle Cities (by 2019 households)**  
**Page 4**

Allocation using 2019 household distribution and no factors; HMC concepts (Crescent Bsln HH19 and Bottom-up three-factor concept)



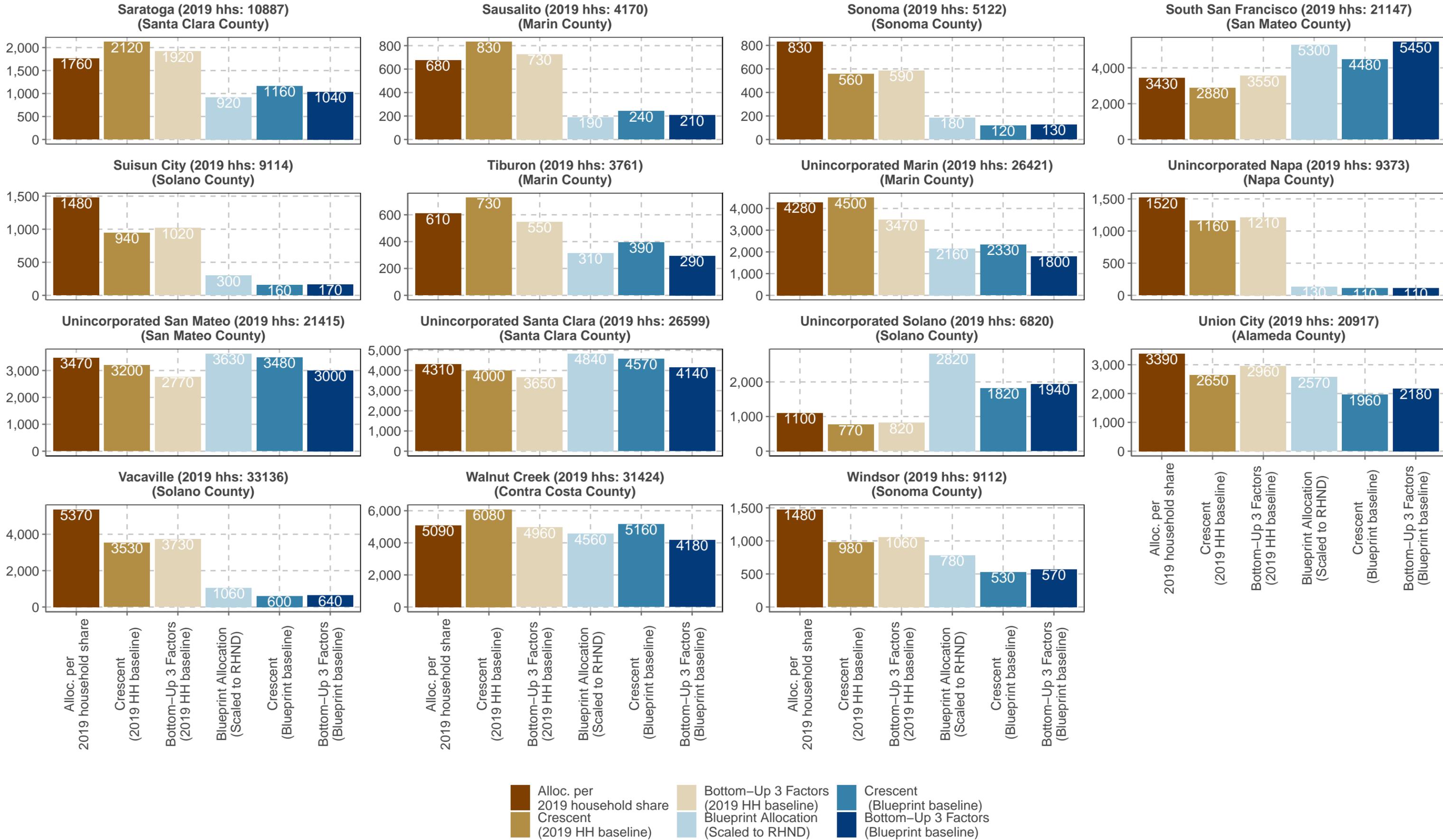
**Jurisdiction potential allocations**  
**Group of Cities: Middle Cities (by 2019 households)**  
**Page 5**

Allocation using 2019 household distribution and no factors; HMC concepts (Crescent Bsln HH19 and Bottom-up three-factor concept)



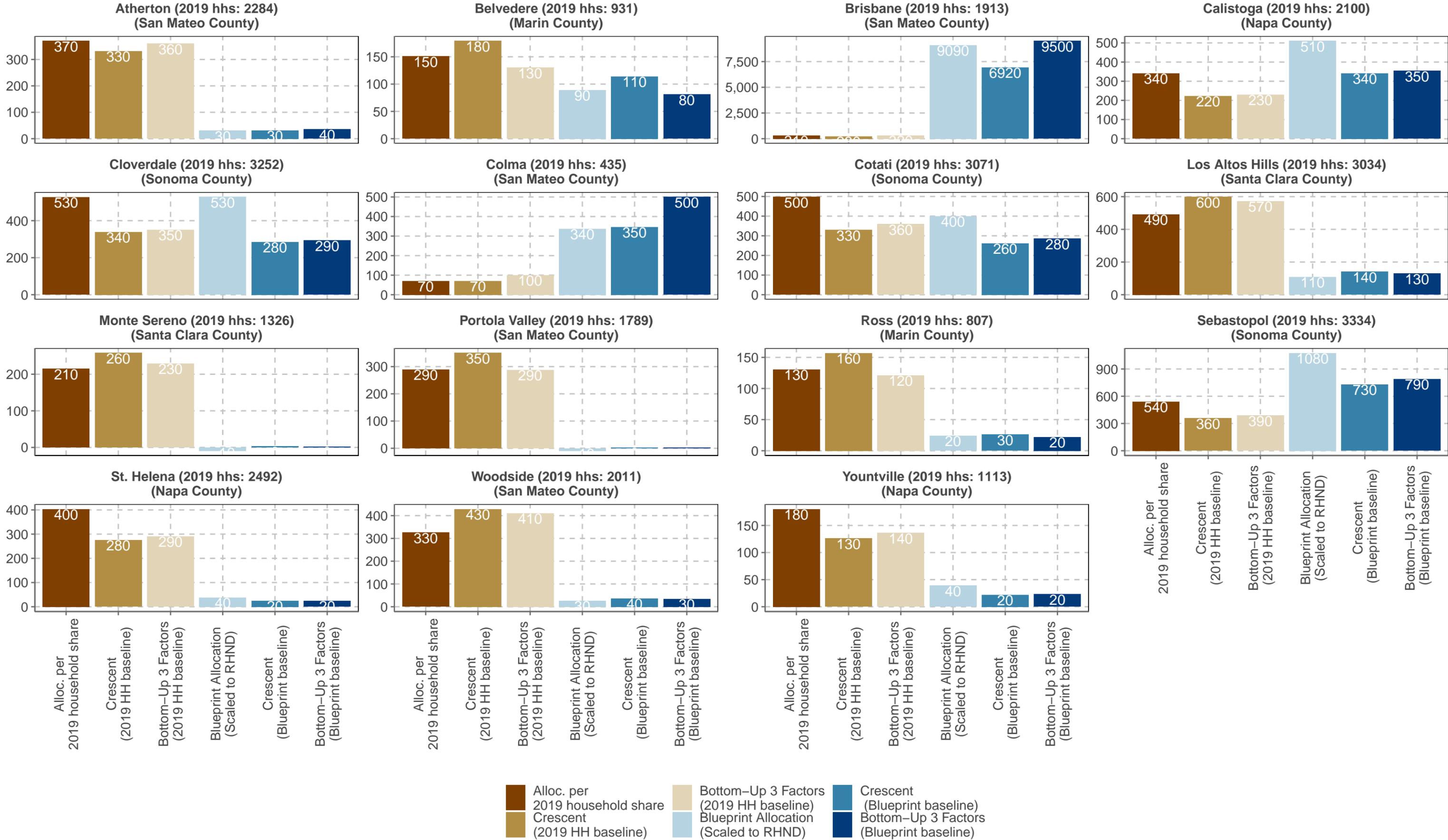
**Jurisdiction potential allocations**  
**Group of Cities: Middle Cities (by 2019 households)**  
**Page 6**

Allocation using 2019 household distribution and no factors; HMC concepts (Crescent Bsln HH19 and Bottom-up three-factor concept)



**Jurisdiction potential allocations**  
**Group of Cities: Smallest 15 (by 2019 households)**  
**Page 7**

Allocation using 2019 household distribution and no factors; HMC concepts (Crescent Bsln HH19 and Bottom-up three-factor concept)





ABAG

# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 20-0986      **Version:** 1      **Name:**

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

**File created:** 6/9/2020      **In control:** ABAG Housing Methodology Committee

**On agenda:** 7/9/2020      **Final action:**

**Title:** RHNA Income Allocation

Further Discussion of the Regional Housing Needs Allocation (RHNA) Income Allocation Methodology

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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RHNA Income Allocation

Further Discussion of the Regional Housing Needs Allocation (RHNA) Income Allocation Methodology

Eli Kaplan

Information

**Association of Bay Area Governments**

**Housing Methodology Committee**

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**July 9, 2020**

**Agenda Item 6.b.**

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**RHNA Income Allocation**

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**Subject:** Further Discussion of the Regional Housing Needs Allocation (RHNA) Income Allocation Methodology

**Background:** The Association of Bay Area Governments (ABAG), with guidance from the Housing Methodology Committee (HMC), must allocate the Regional Housing Needs Determination (RHND) from the State to the cities and counties in the nine-county Bay Area. Ultimately, the HMC will need to recommend a RHNA methodology that both assigns a total number of housing units to each Bay Area jurisdiction and distributes each jurisdiction's allocation among the four affordability levels.

At the May and June HMC meetings, staff presented several possible methodologies for allocating units by income that are aligned with the statutory objectives of RHNA. Attachment A summarizes the HMC's discussions about the income allocation methodology options to date. Staff will be seeking additional direction from the HMC on whether to pursue the Income Shift or Bottom-Up income distribution approaches in future iterations of the RHNA methodology.

**Issues:** None

**Recommended Action:** Information

**Attachment:** A. Income Allocation Memo

**Reviewed:**   
\_\_\_\_\_  
Alix Bockelman

# REGIONAL HOUSING NEEDS ALLOCATION



TO: Housing Methodology Committee

DATE: July 9, 2020

FR: Deputy Executive Director, Policy

RE: Revisiting Income Allocation Approach Options for the RHNA Methodology

## Overview

The Regional Housing Needs Allocation (RHNA) methodology must assign a total number of housing units to each Bay Area jurisdiction and distribute each jurisdiction's allocation among four income categories that include households at all income levels.<sup>1</sup> In May 2020, the HMC began discussing different approaches for the income allocation component of the RHNA methodology and considered metrics to help evaluate different methodology outcomes. At the June 2020 meeting, the HMC provided input on their current preferences for the income allocation approach. This memo summarizes the HMC's recent discussions on income allocation approaches and provides analysis to help the HMC with recommending an income allocation approach for the RHNA methodology.

## Updates from June 2020 HMC Meeting

At the June HMC meeting, staff presented possible RHNA methodologies related to two different approaches for allocating units by income: the *Income Shift* approach and the *Bottom-Up* approach. For the *Income Shift* approach, a factor-based methodology first allocates the total number of units to a jurisdiction, and the income allocation methodology is then used to distribute that total among the four income categories. The *Income Shift* compares a jurisdiction's distribution of households by income to the region's distribution and then moves the local income distributions closer to or beyond the regional distribution, depending on the income shift multiplier.

An income shift multiplier of 100 percent results in every jurisdiction's RHNA mirroring the region's existing income distribution. In theory, setting the income shift multiplier above 100 percent could close the gap between a jurisdiction's income distribution and the region's distribution in a shorter period of time. At the May meeting, HMC members expressed the most support for an income shift multiplier between 100 percent and 150 percent. Accordingly, the staff presentation at the June HMC focused on the impacts of applying income shift multipliers of 100 percent, 125 percent, and 150 percent.

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<sup>1</sup> State law defines the following RHNA income categories:

- Very Low Income: households earning less than 50 percent of Area Median Income (AMI)
- Low Income: households earning 50 - 80 percent of AMI
- Moderate Income: households earning 80 - 120 percent of AMI
- Above Moderate Income: households earning 120 percent or more of AMI

In contrast to the *Income Shift* approach, the *Bottom-Up* approach uses factors to determine allocations for the four income categories, and the sum of these income group allocations represents a jurisdiction’s total allocation. A jurisdiction’s allocation within each income category is determined based on how the jurisdiction scores relative to the rest of the region on the selected factors. For the June HMC meeting, staff developed two concepts for the *Bottom-Up* approach using some of the same methodology factors that have received the most attention and support from the HMC for use in the total allocation.

The *Bottom-Up 2-Factor Concept* uses two factors, weighted equally at 50 percent, for each combined income group (see **Table 1**). It includes the *Jobs-Housing Fit* and *High Opportunity Areas* factors to determine the allocation of affordable units (very low- and low-income units). The two factors used to determine the allocation of market-rate units (moderate- and above moderate-income units) are the *Jobs-Housing Balance* and *Job Proximity-Auto* factors. The *Bottom-Up 3-Factor Concept* uses three factors to determine the allocation for each income category. This concept includes the same factors as the *Bottom-Up 2-Factor Concept*, but with different weights. It also adds *Job Proximity – Transit* as the third factor to encourage more housing near transit.

**Table 1: Factors and Weights for Bottom-Up Income Allocation Variations**

<b>Bottom-Up 2-Factor Concept</b>		<b>Bottom-Up 3-Factor Concept</b>	
<b><i>Affordable: Very Low and Low</i></b>		<b><i>Affordable: Very Low and Low</i></b>	
• Access to High Opportunity Areas	50%	• Access to High Opportunity Areas	40%
• Jobs-Housing Fit	50%	• Jobs-Housing Fit	40%
		• Job Proximity – Transit	20%
<b><i>Market-Rate: Moderate and Above Moderate</i></b>		<b><i>Market-Rate: Moderate and Above Moderate</i></b>	
• Job Proximity – Auto	50%	• Job Proximity – Auto	50%
• Jobs-Housing Balance	50%	• Job Proximity – Transit	30%
		• Jobs-Housing Balance	20%

**Results from Polling HMC Members**

During the June meeting, staff showed analyses comparing the outcomes produced by different income shift multipliers and the two *Bottom-Up* concepts. Staff then polled the HMC members to assess the committee’s current attitudes toward the income shift multiplier and the factors selected by staff for the *Bottom-Up* concepts, as well as the committee’s overall preference for the income allocation approach. Voting results are displayed in **Figure 1, Figure 2, Figure 3,** and **Figure 4.**

**Figure 1: Feedback About Income Shift Multiplier**

*If ABAG staff uses an Income Shift methodology, what income shift multiplier would you feel most comfortable with?*

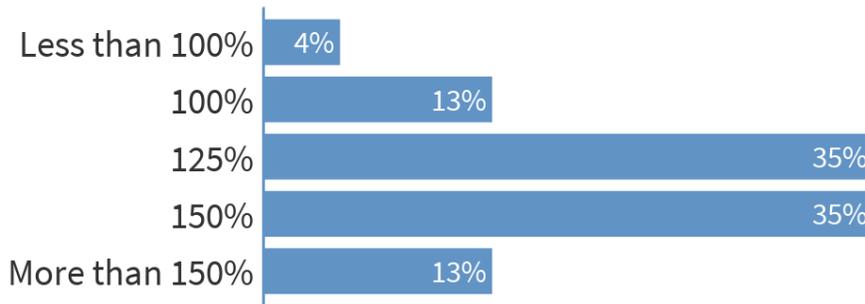


Figure 1 suggests that the HMC members are narrowing in on a preferred income shift multiplier that would be paired with a total allocation methodology if ABAG uses the *Income Shift* approach. 70 percent of the HMC prefers using either the 125 percent multiplier or the 150 percent multiplier, with committee members evenly split between these two options. In response, analyses prepared for the July HMC meeting that examine the outcomes produced by potential *Income Shift* methodologies focus only on the 125 percent multiplier and the 150 percent multiplier.

Figure 2 and Figure 3 indicate that nearly all HMC members supported using the factors selected by staff for the *Bottom-Up* methodology concepts. Accordingly, staff will continue to use the *Bottom-Up 2-Factor Concept* and *Bottom-Up 3-Factor Concept* for analyses prepared for the July meeting.

**Figure 2: Feedback About Factors in Bottom-Up Concepts for Allocating Affordable Units**

*If ABAG staff uses a Bottom-Up methodology, do you like the factors staff selected for allocating affordable units (Access to High Opportunity Areas, Jobs-Housing Fit, Job Proximity – Transit)?*

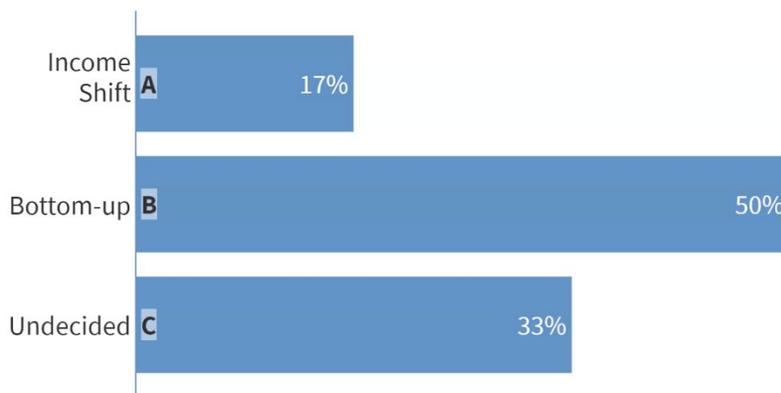


**Figure 3: Feedback About Factors in Bottom-Up Concepts for Allocating Market-Rate Units**  
*If ABAG staff uses a Bottom-Up methodology, do you like the factors staff selected for allocating market-rate units (Jobs-Housing Balance, Job Proximity – Auto, Job Proximity – Transit)?*



Figure 4 illustrates that the HMC currently prefers the Bottom-Up approach to the Income Shift approach, with 50 percent of HMC members indicating a preference for the Bottom-Up approach. However, one-third of the HMC is still undecided about which income allocation approach they prefer. In response, staff has designed an activity for HMC members to complete individually prior to the July meeting, which will guide HMC members through using the [RHNA online visualization tool](#) to create potential RHNA methodologies using both income allocation approaches. This activity will ideally give HMC members a better sense of which income allocation approach they prefer, which income shift level produces the best output, and which factors and weights are best for the total allocation methodology and/or bottom-up methodology.

**Figure 4: Feedback About Income Allocation Methodology Approaches**  
*Do you prefer the Income Shift approach or the Bottom-Up approach?*



**Deciding Between Income Allocation Approaches Currently Under Consideration**

As noted earlier, the HMC’s June meeting focused on comparing the *Income Shift* approach and the *Bottom-Up* approach. At the end of the meeting, one-third of the HMC was still undecided about which income allocation approach they prefer for ABAG’s RHNA methodology. Thus, this

memo contains additional analyses to assist the HMC with moving toward a recommendation for the income allocation approach.

To examine the outcomes produced by the *Income Shift* approach, staff paired the *Housing/Jobs Crescent* total allocation methodology with the 125 percent income shift multiplier and the 150 percent multiplier, as the majority of the HMC indicated a preference for these multipliers at the June meeting.<sup>2</sup> Additionally, staff continued to use the *Bottom-Up 2-Factor Concept* and *Bottom-Up 3-Factor Concept* to explore outcomes produced by the *Bottom-Up* approach since most HMC members indicated they approved of the factors used in these concepts.

As noted in the memo for the previous agenda item, the baseline allocation used in the RHNA methodology has a significant impact on the methodology's output. The baseline allocation is used to assign each jurisdiction a share of the Regional Housing Needs Determination (RHND) as a starting place for the methodology. The factors and weights selected for the RHNA methodology are then used to adjust a jurisdiction's baseline allocation up or down, depending on how a jurisdiction scores on a factor compared to other jurisdictions in the region.

To date, all the methodology options the HMC has been discussing for both income allocation approaches have used the jurisdiction's share of total households in 2019 as the baseline allocation. However, the HMC could choose to use each jurisdiction's share of household growth from 2010 to 2050 from the Plan Bay Area 2050 Draft Blueprint as the baseline. To assist the HMC with choosing an income allocation approach, staff paired the different *Income Shift* and *Bottom-Up* methodologies discussed in previous meetings with both baseline options (2019 households and Draft Blueprint) to explore the outcomes produced by these different combinations. Staff also paired the *Income Shift* approach with the Blueprint Allocation methodology, where the growth pattern in the Draft Blueprint allocates the RHND without any additional methodology factors.

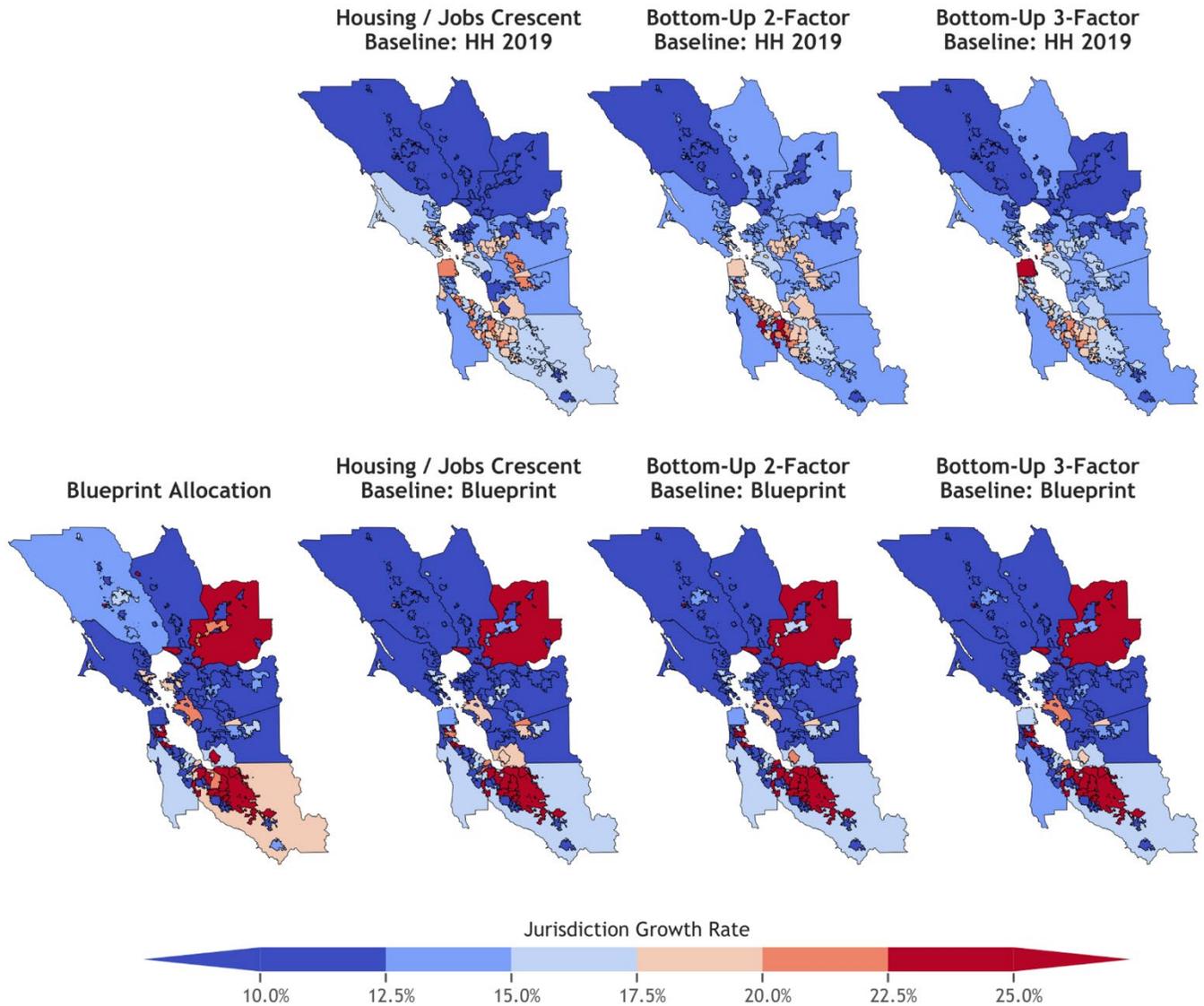
The income allocation approach used for the RHNA methodology not only affects how a jurisdiction's RHNA is divided among the four income categories, but it also influences the total number of units assigned to each jurisdiction. At the June meeting, HMC members requested more specific information on how total unit allocations to jurisdictions vary under the different methodology scenarios. Accordingly, **Figure 5** illustrates the differences in the growth rates that jurisdictions experience due to the total unit allocations received within the different income

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<sup>2</sup> Though staff continued to use the *Code Red to Address Housing Need and Balanced Equity-Jobs-Transportation* methodologies in analyses presented to the HMC in May and June, staff decided not to include these methodologies for the July meeting materials based on the feedback received at the June HMC meeting that the RHNA methodology should not include a factor related to natural hazards. These methodology options both included the *Natural Hazards* factor weighted at 10 percent. If the HMC is interested in revisiting these two conceptual methodologies from March and reallocating the 10 percent to other factors, staff can make these adjustments and use revised versions of these methodologies for future analyses. See a [summary of the sample methodology options from the March meeting](#) for more information.

allocation methodologies. In these maps, jurisdictions shaded with the darkest blue experience the lowest growth rates, while the jurisdictions shown in the darkest red experience the highest growth rates.

**Figure 5: Comparison of Growth Rates due to the Total Allocations Produced by Different Income Allocation Options**



The maps on the left side of Figure 5 represent RHNA methodologies that would pair with the *Income Shift* approach (Blueprint Allocation and Housing/Jobs Crescent), while the maps on the right side of Figure 5 represent *Bottom-Up* RHNA methodologies. The map in the lower left corner (labeled “Blueprint Allocation”) shows the total unit allocations that would result from using the growth pattern in the Draft Blueprint to allocate the RHND without any additional methodology factors. If ABAG were to use the Plan Bay Area 2050 Blueprint to allocate total

units, it would likely pair this allocation methodology with the *Income Shift* approach to divide jurisdictions' allocations among the RHNA income categories.

To the right of the "Blueprint Allocation" map are two maps showing growth rates from RHNA using the *Housing/Jobs Crescent* methodology, which would also be paired with the *Income Shift* approach. The top map reflects the growth pattern in the *Housing/Jobs Crescent* methodology if 2019 households is used for the baseline allocation, while the bottom map uses the Draft Blueprint for the baseline allocation. To the right of the *Housing/Jobs Crescent* maps are maps for the two *Bottom-Up* approach concepts developed by staff. Similar to the *Housing/Jobs Crescent* maps, the top maps for the *Bottom-Up* methodologies use 2019 households for the baseline allocation, while the bottom maps use the Draft Blueprint for the baseline allocation.

Figure 5 illustrates the Draft Blueprint's emphasis on housing growth in Silicon Valley, as the Draft Blueprint directs a significant share of the region's expected housing growth to jurisdictions in Santa Clara County (41 percent) and San Mateo County (10 percent). Accordingly, jurisdictions in this part of the region experience the most growth in all of the methodologies that use the Draft Blueprint for the baseline allocation in addition to the methodology that solely uses the Draft Blueprint to allocate RHNA. At a high-level, there do not appear to be significant differences in the patterns of housing growth between the *Income Shift* methodologies and the *Bottom-Up* methodologies when the Draft Blueprint is incorporated in the RHNA methodology. The methodologies that use 2019 households as the baseline have growth occurring in more locations throughout the region, which is particularly evident in the *Housing/Jobs Crescent* methodology and *Bottom-Up 2-Factor Concept*.

**Appendix 1** provides a more detailed look at how both total allocations and the share of units in each income category vary for all 109 Bay Area jurisdictions using the different methodology options. Each graph in Appendix 1 shows the allocations received under ten different scenarios:

- Scenarios using the *Bottom-Up* income allocation approach
  - *Bottom-Up 2-Factor Concept* with 2019 households as the baseline allocation
  - *Bottom-Up 2-Factor Concept* with the Draft Blueprint as the baseline allocation
  - *Bottom-Up 3-Factor Concept* with 2019 households as the baseline allocation
  - *Bottom-Up 3-Factor Concept* with the Draft Blueprint as the baseline allocation
- Scenarios using the *Income Shift* income allocation approach
  - Total allocation based on the Draft Blueprint paired with a 125% income shift
  - Total allocation based on the Draft Blueprint paired with a 150% income shift
  - *Housing/Jobs Crescent* methodology with 2019 households as the baseline allocation and paired with a 125% income shift
  - *Housing/Jobs Crescent* methodology with 2019 households as the baseline allocation and paired with a 150% income shift
  - *Housing/Jobs Crescent* methodology with the Draft Blueprint as the baseline allocation and paired with a 125% income shift

- *Housing/Jobs Crescent* methodology with the Draft Blueprint as the baseline allocation and paired with a 150% income shift

**Differences in Performance on the Evaluation Metrics**

For the May HMC meeting, staff prepared a set of potential metrics for evaluating RHNA methodology options. These metrics intend to assist the HMC with assessing whether a proposed methodology will meet the statutory RHNA objectives and further regional planning goals. Staff based some of these metrics on the analysis conducted by the Department of Housing and Community Development (HCD) in evaluating the RHNA methodologies completed by other regions in California.<sup>3</sup> Other metrics reflected input from stakeholders and staff’s interpretation of statutory language. After receiving feedback from the HMC in May, staff revised the initial set of proposed metrics based on what appeared to be most relevant or useful to HMC members. **Table 2** displays this revised set of metrics, all of which are currently incorporated in the [RHNA online visualization tool](#).

**Table 2: Evaluation Metrics Currently Available in the RHNA Online Visualization Tool**

Statutory Objective	Metric	Measurement
Objective 1: Does the allocation increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner?	Do jurisdictions with the most expensive housing costs receive a significant percentage of their RHNA as lower-income units?	Percent of RHNA as lower-income units for the 25 jurisdictions with the most expensive housing costs
Objective 2: Does the allocation promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region’s greenhouse gas reductions targets?	Do jurisdictions with the largest share of the region’s jobs have the highest growth rates resulting from RHNA?	Average growth rate resulting from RHNA for the 25 jurisdictions with the largest share of the region’s job
	Do jurisdictions with the largest share of the region’s Transit Priority Area acres have the highest growth rates resulting from RHNA?	Average growth rate resulting from RHNA for the 25 jurisdictions with the largest share of the Transit Priority Area acres

<sup>3</sup> For copies of letters HCD sent to other regions, see [this document](#) from the January 2020 HMC meeting agenda packet.

Statutory Objective	Metric	Measurement
Objective 3: Does the allocation promote an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low wage workers in each jurisdiction?	Do jurisdictions with the most low-wage workers per housing unit affordable to low-wage workers receive a significant percentage of their RHNA as lower-income units?	Percent of RHNA as lower-income units for the 25 jurisdictions with the most low-wage workers per housing unit affordable to low-wage workers
Objective 4: Does the allocation direct a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category?	Do jurisdictions with the largest percentage of low-income residents receive a smaller share of their RHNA as lower-income units than jurisdictions with the largest percentage of high-income residents?	Percent of RHNA as lower-income units for the 25 jurisdictions with the largest percentage of households below 80% of Area Median Income compared to the percent of RHNA as lower-income units for the 25 jurisdictions with the largest percentage of households above 120% of Area Median Income
Objective 5: Does the allocation affirmatively further fair housing?	Do jurisdictions with the largest percentage of households living in High or Highest Resource tracts receive a significant percentage of their RHNA as lower-income units?	Percent of RHNA as lower-income units for the 25 jurisdictions with the largest percentage of households in High or High Resource tracts
	Do racially and economically exclusive jurisdictions receive allocations proportional to their share of the region's households	Share of the jurisdictions with above-average divergence scores and percentages of households above 120% of Area Median Income that receive allocations at least proportional to their share of the region's households

**Appendix 2** contains charts illustrating how the 10 methodology scenarios from Appendix 1 perform on the evaluation metrics in Table 2. Overall, the methodologies using the *Bottom-Up* approach tend to perform well on the evaluation metrics most consistently across the different statutory objectives, which remains true whether 2019 households or the Draft Blueprint is used as the baseline allocation with these methodologies. Below is a summary describing which methodology options appear to most effectively achieve each of the five statutory objectives:

- Objective 1:** All *Bottom-Up* approaches perform best on this metric. The *Bottom-Up 2-Factor Concept* results in the jurisdictions with the most expensive housing costs receiving the highest share of their RHNA as affordable housing. These jurisdictions receive 50 percent of their allocation as lower-income units when the *Bottom-Up 2-Factor Concept* uses either baseline allocation (2019 households or Draft Blueprint).

- **Objective 2:** Using the Draft Blueprint as the baseline allocation improves how methodologies perform on the evaluation metrics for Objective 2. The *Bottom-Up 3-Factor Concept* using the Draft Blueprint for the baseline and *Housing/Jobs Crescent* using the Draft Blueprint most successfully achieve Objective 2. These methodologies both result in the jurisdictions with the largest share of the region's jobs growing by 21 percent, and the jurisdictions with the largest share of the region's Transit Priority Area acres also grow by 21 percent in both of these methodologies. Moreover, the growth rates in the jurisdictions with the most jobs and access to transit are more than double the growth rates experienced by other regions. When 2019 households is used for the baseline allocation, there is less discrepancy in the growth rates between different types of jurisdictions, though there is still more growth in the jurisdictions with the most jobs and transit access.
- **Objective 3:** Using 2019 households as the baseline results in better performance on the metric for Objective 3. The *Bottom-Up 2-Factor Concept* and *Bottom-Up 3-Factor Concept* are both the most effective methodologies for achieving Objective 3 when paired with the 2019 households baseline allocation. In both scenarios, the jurisdictions with the most low-wage workers per housing unit affordable to low-wage workers receive 49 percent of their RHNA as lower-income units.
- **Objective 4:** All of the *Bottom-Up* methodologies appear to perform best on the Objective 4 metrics regardless of which baseline allocation they are paired with. The *Bottom-Up* methodologies result in the jurisdictions with the most disproportionately large shares of high-income residents receiving the highest percentage of their RHNA as affordable housing, with 51 percent of the allocations for these jurisdictions as lower-income units. Additionally, both of the *Bottom-Up* methodologies also provide the most affordable housing for the jurisdictions with the most disproportionately large shares of low-income residents, with about 39 percent of the RHNA for these jurisdictions being lower-income units. These allocations achieve Objective 4, since the jurisdictions with the largest shares of low-income residents receive smaller percentages of lower-income RHNA than the most disproportionately wealthy jurisdictions. At the same time, the *Bottom-Up* methodologies still allocate more lower-income RHNA to the jurisdictions with significant low-income populations than the other methodology options, which addresses concerns that HMC members have raised about displacement in these jurisdictions.
- **Objective 5:** The different methodology options have somewhat mixed results in terms of their performance on the evaluation metrics for Objective 5. The *Bottom-Up* methodologies are best for allocating lower-income RHNA to jurisdictions with the most access to opportunity, particularly when paired with 2019 households as the baseline allocation. In both *Bottom-Up* scenarios using the 2019 households baseline, jurisdictions with the largest percentage of households living in High Resource or Highest Resource

census tracts receive 51 percent of their RHNA as lower-income units. However, the *Housing/Jobs Crescent* methodology paired with the 2019 households baseline allocation is by far the most effective for ensuring that jurisdictions exhibiting racial and economic exclusion receive allocations proportional to their share of the region's households. Using this methodology, 87 percent of the jurisdictions with both above-average divergence index scores and percentages of high-income households receive RHNA numbers that are at least proportional to their share of the region's households.

### **Next Steps**

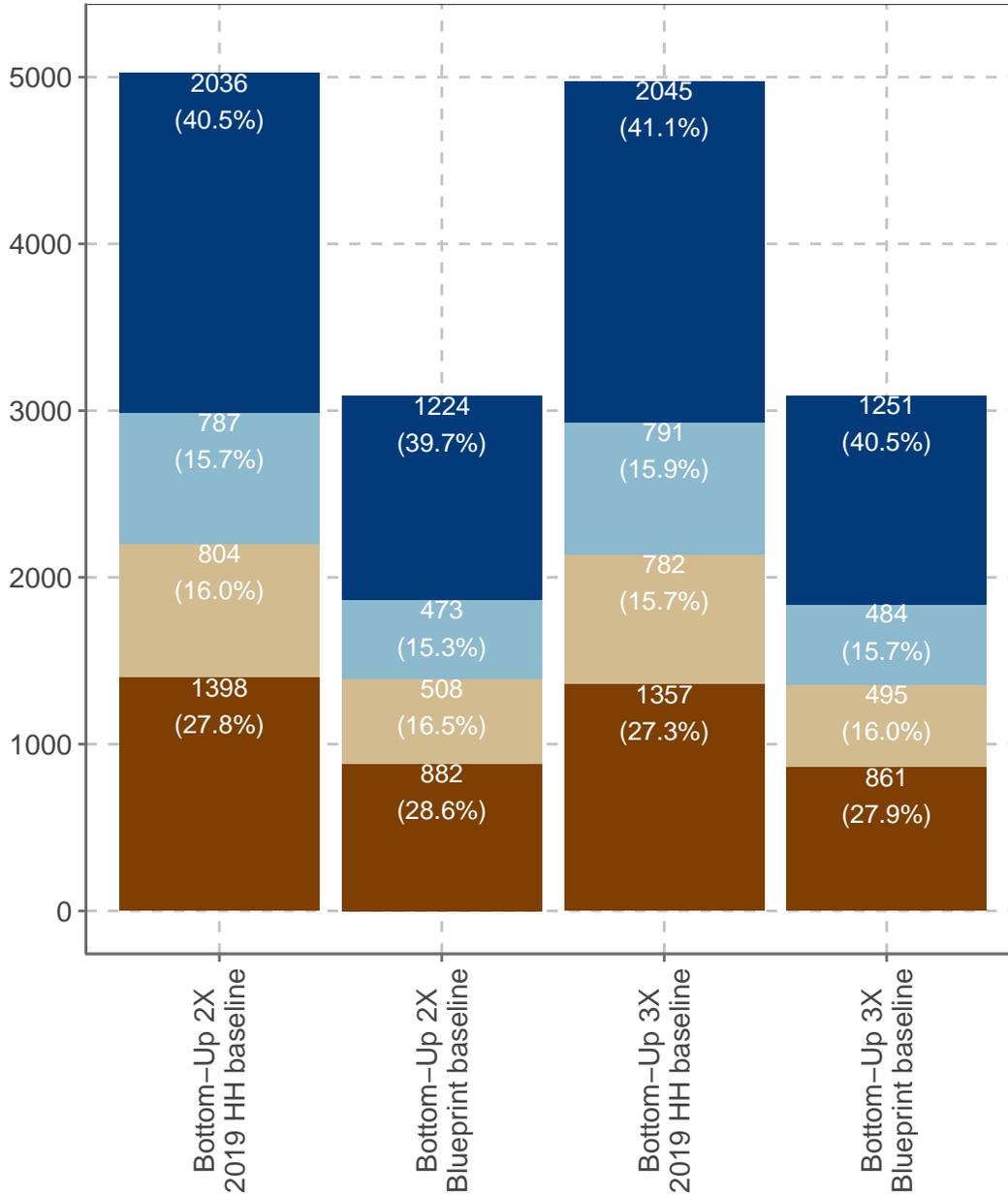
At the July HMC meeting, staff will seek feedback from the HMC about which income allocation approach they recommend for the RHNA methodology. When making their recommendation to staff, the HMC may wish to consider the following:

- **Regional growth pattern:** How does the regional growth pattern vary under the different methodology options? Does one of the income allocation approaches lead to methodology outcomes that better serve the region?
- **Variations in income allocations to jurisdictions:** How do the different approaches allocate affordable housing and market-rate units to different jurisdictions?
- **Performance on evaluation metrics:** Does one of the income approaches tend to produce methodologies that seem better suited for achieving the statutory objectives?
- **Combined effect with baseline allocation:** Does using the Draft Blueprint or 2019 households for the baseline allocation influence which income allocation approach has better results for the region?

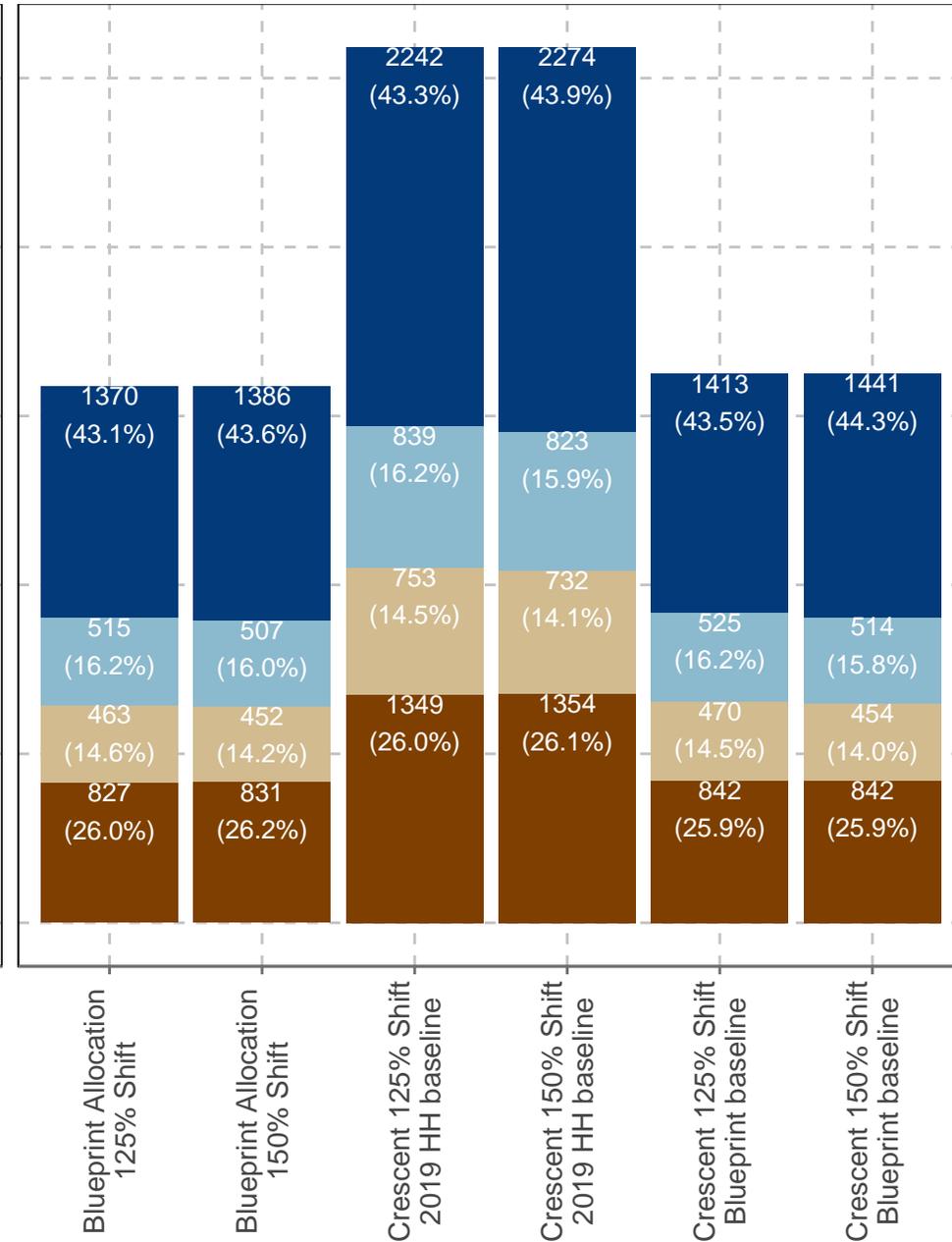
# Income Distribution, Alameda (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

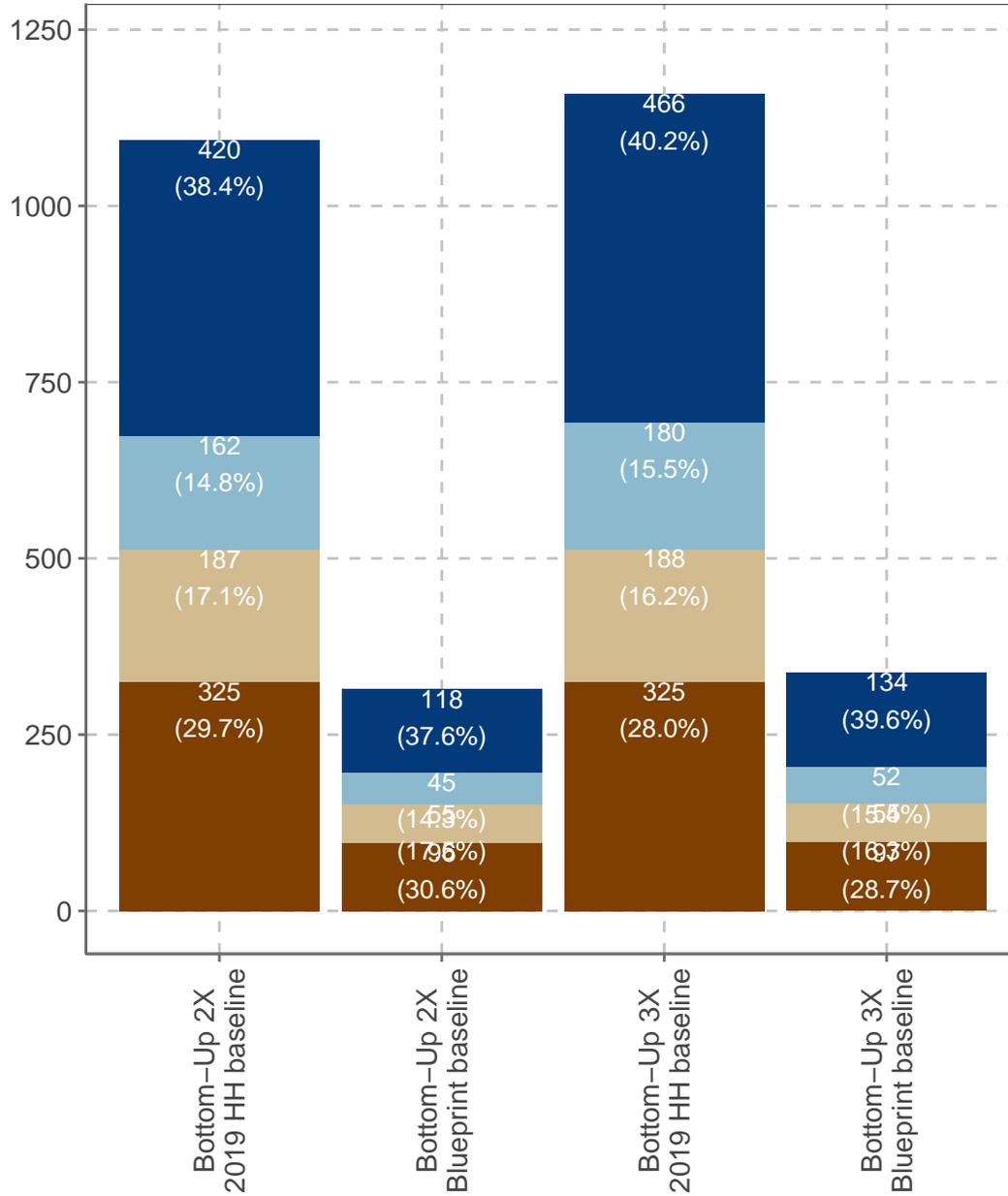


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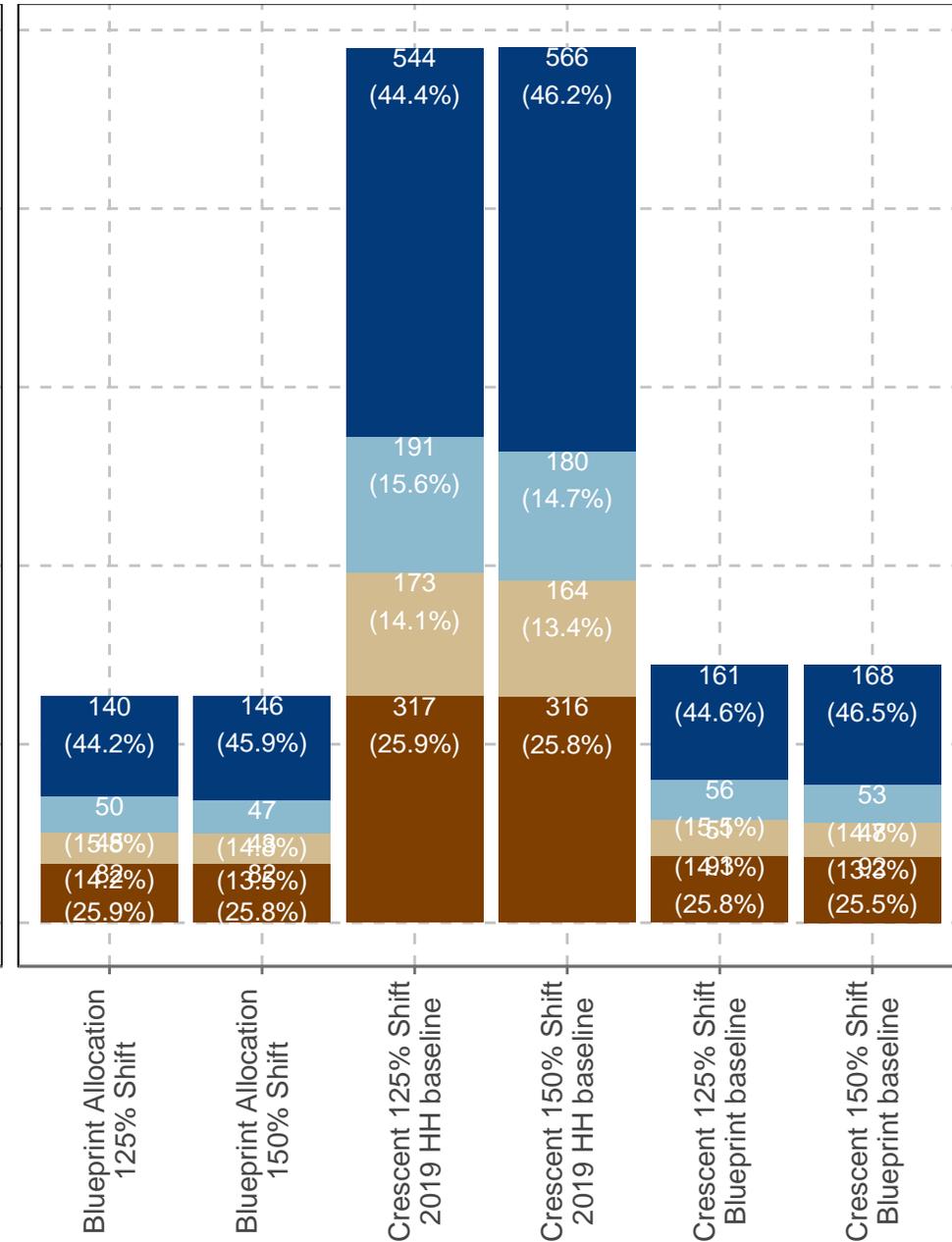
# Income Distribution, Albany (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

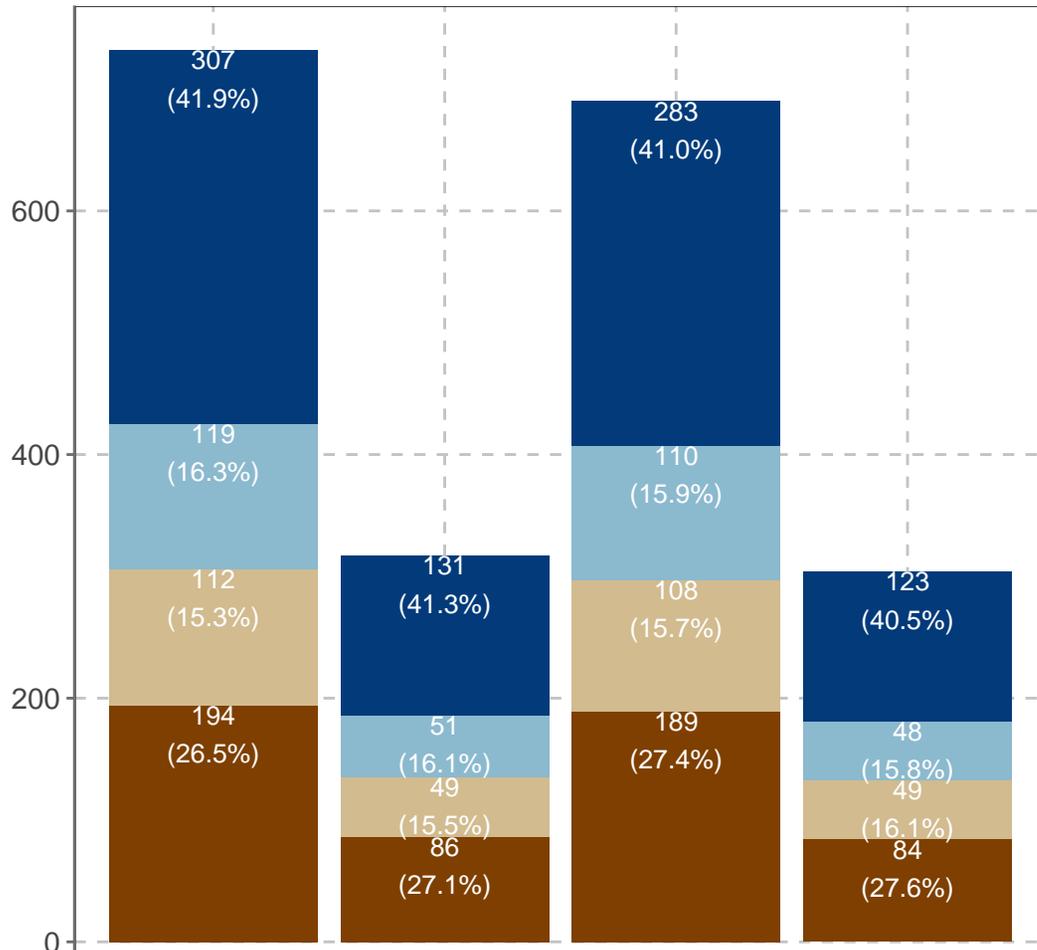


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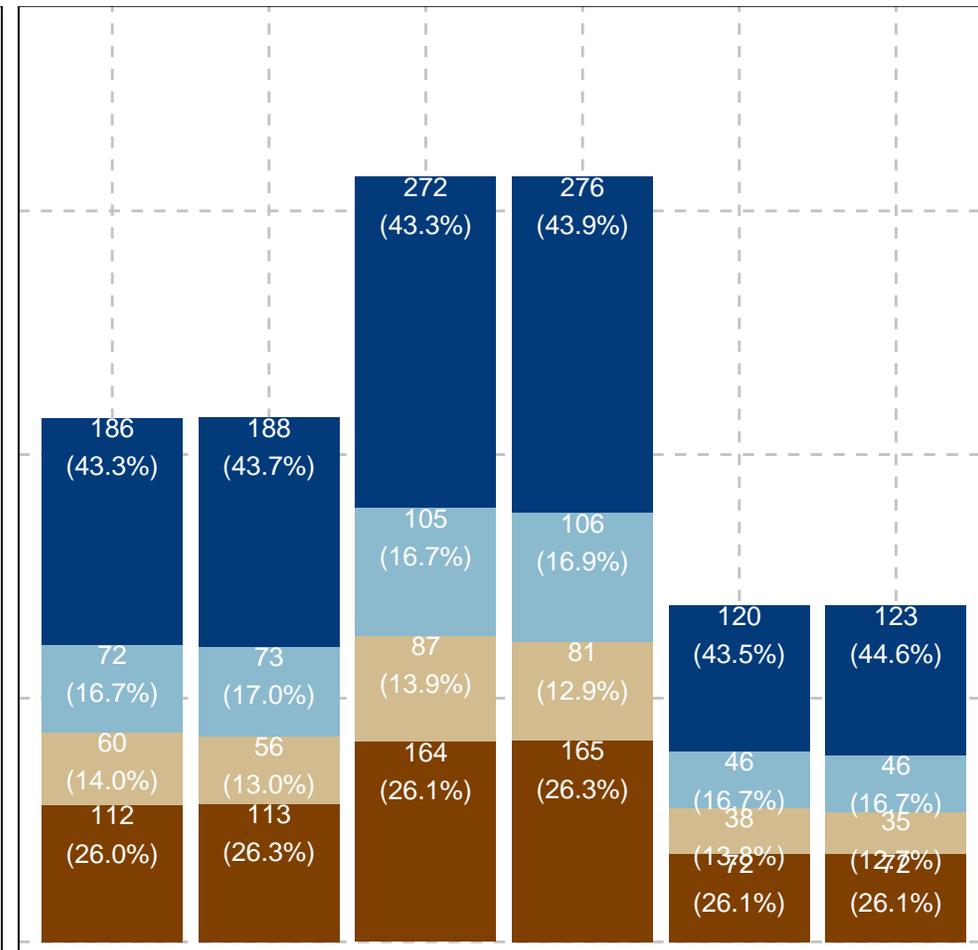
# Income Distribution, American Canyon (Napa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

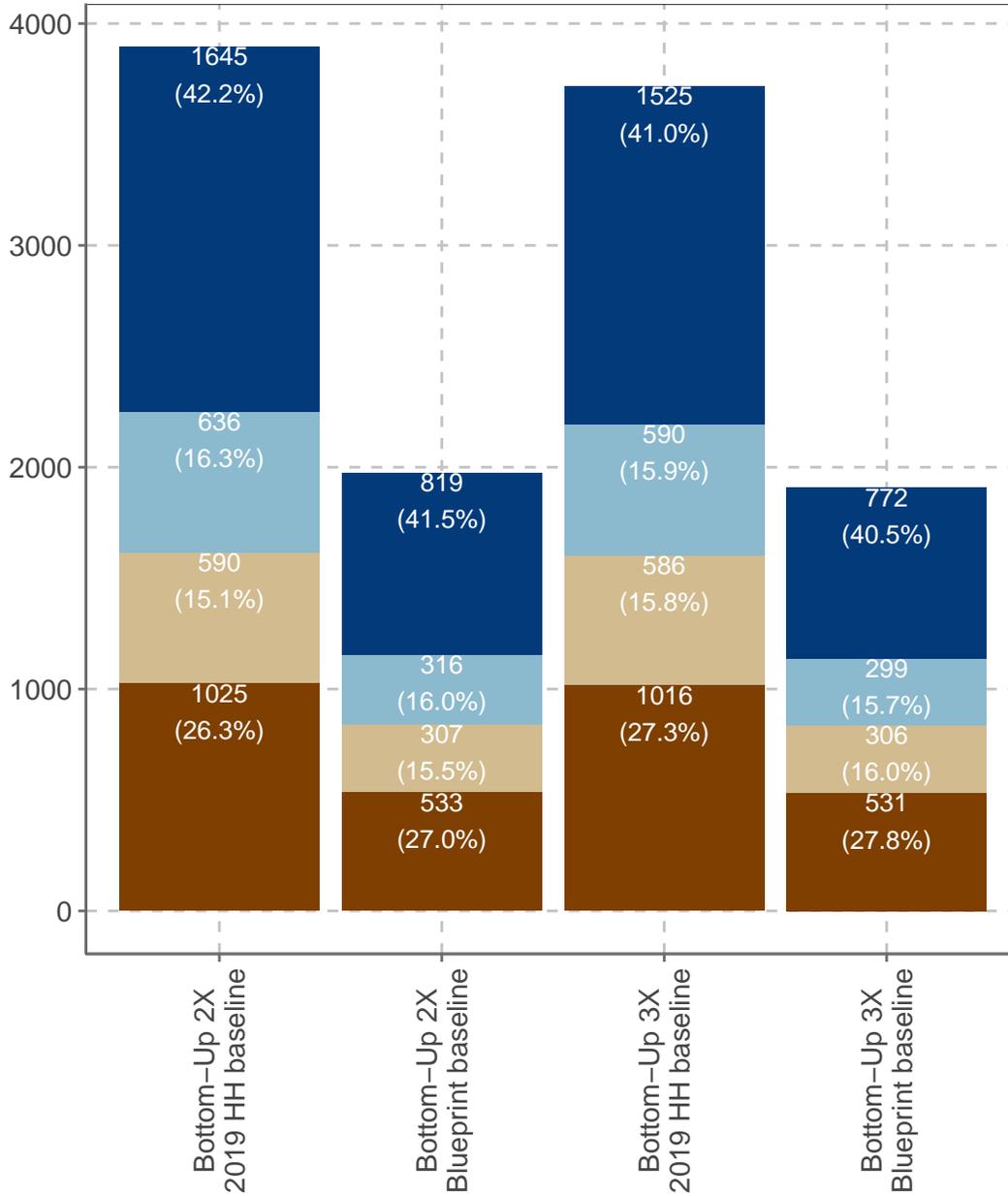


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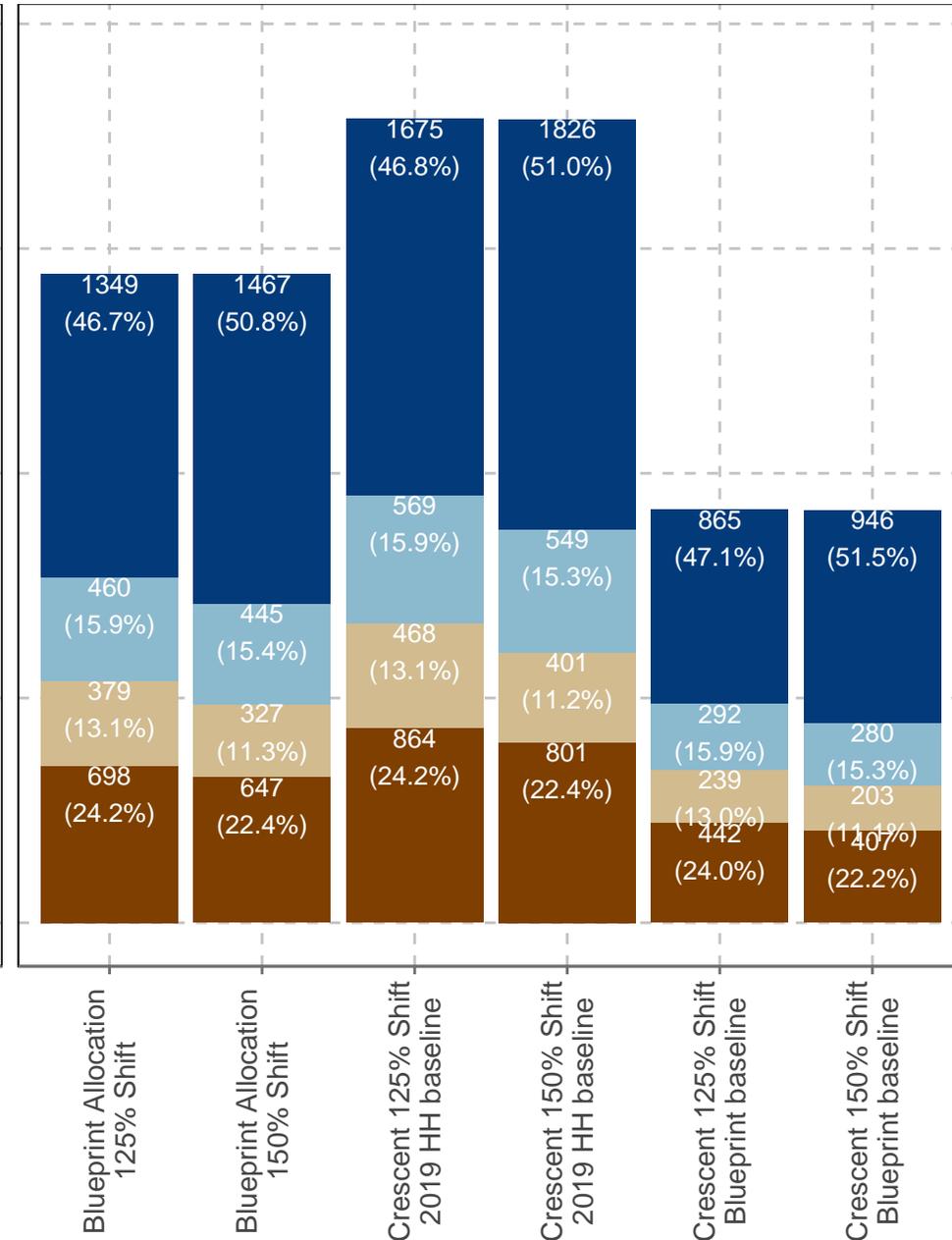
# Income Distribution, Antioch (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

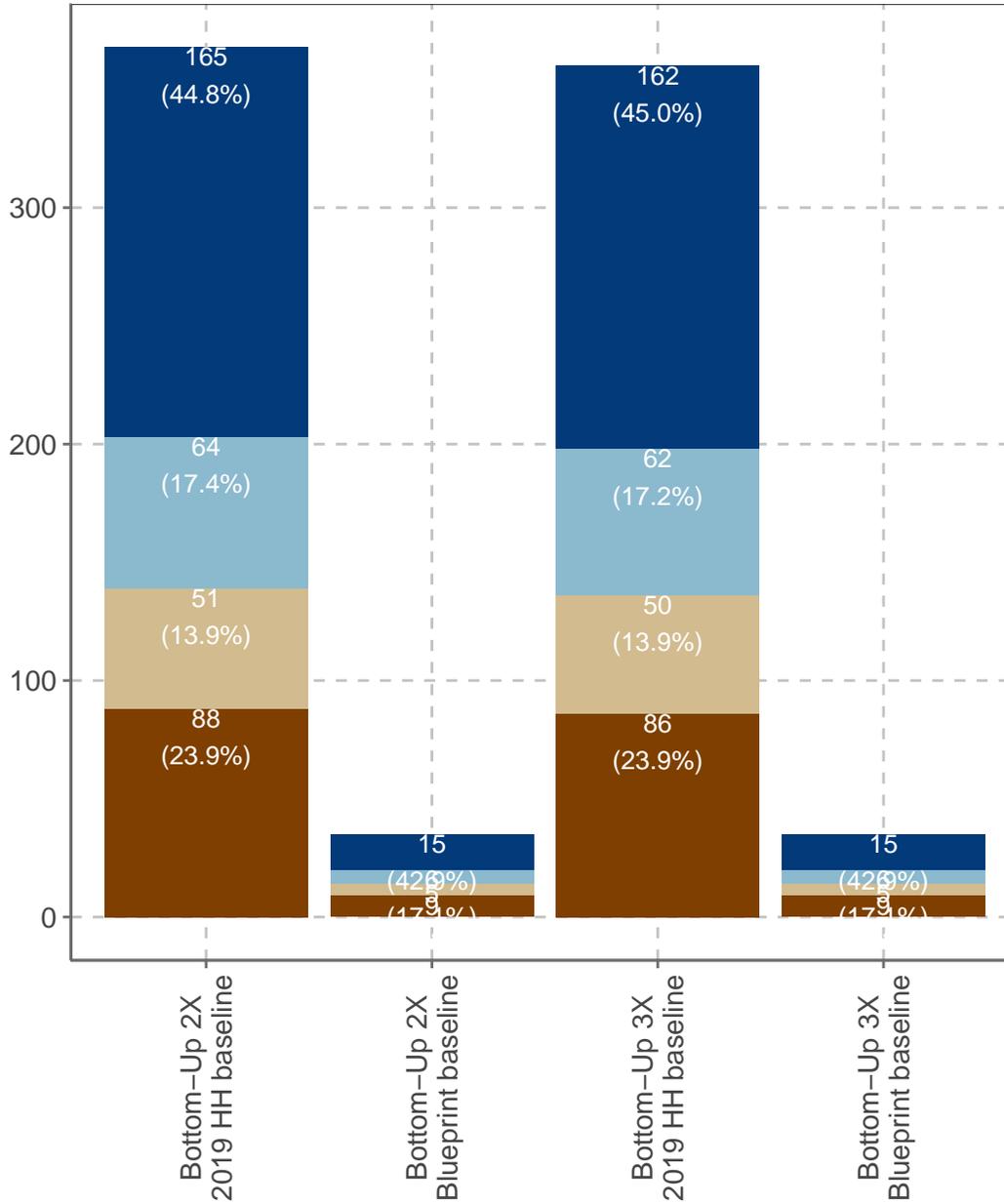


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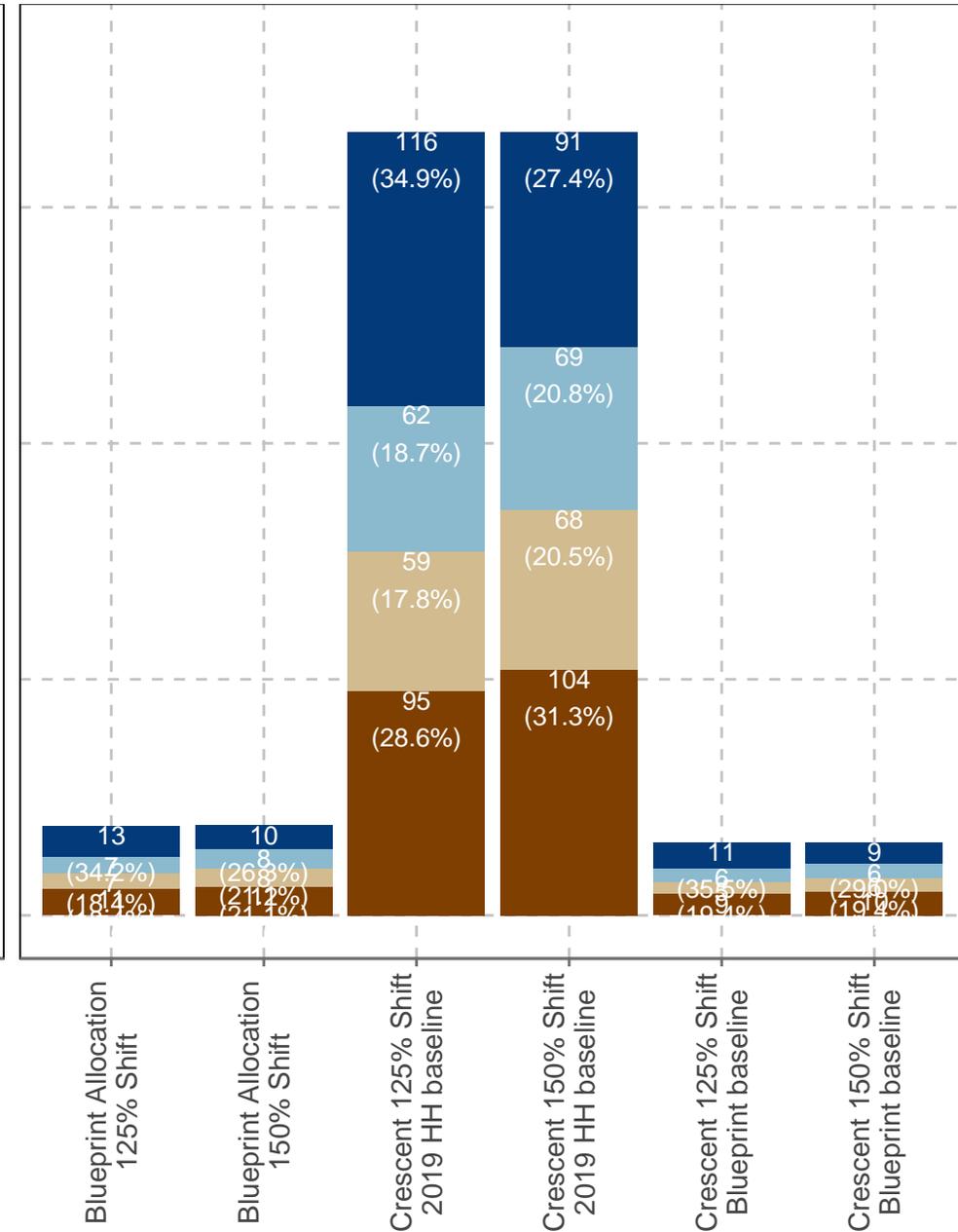
# Income Distribution, Atherton (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

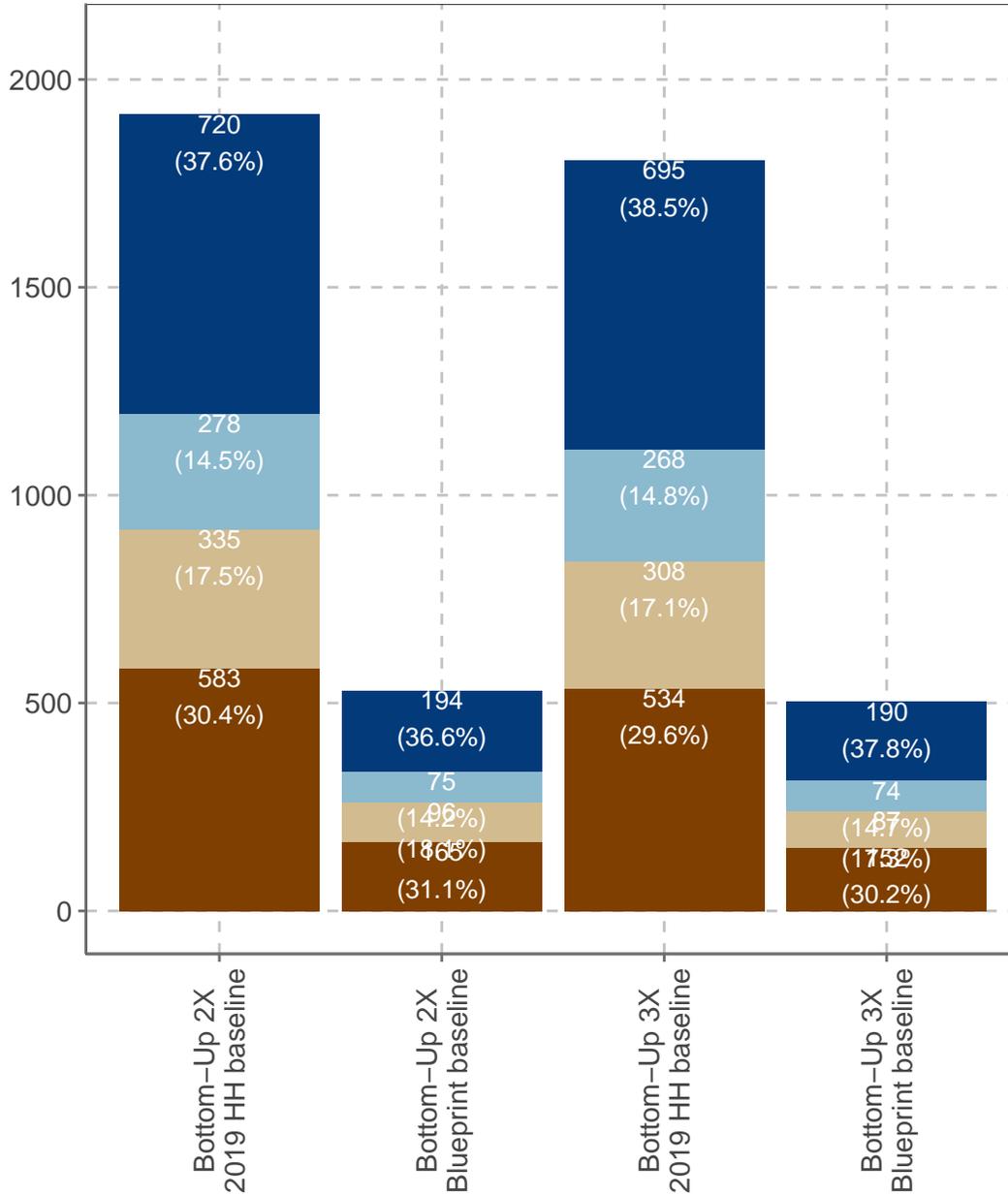


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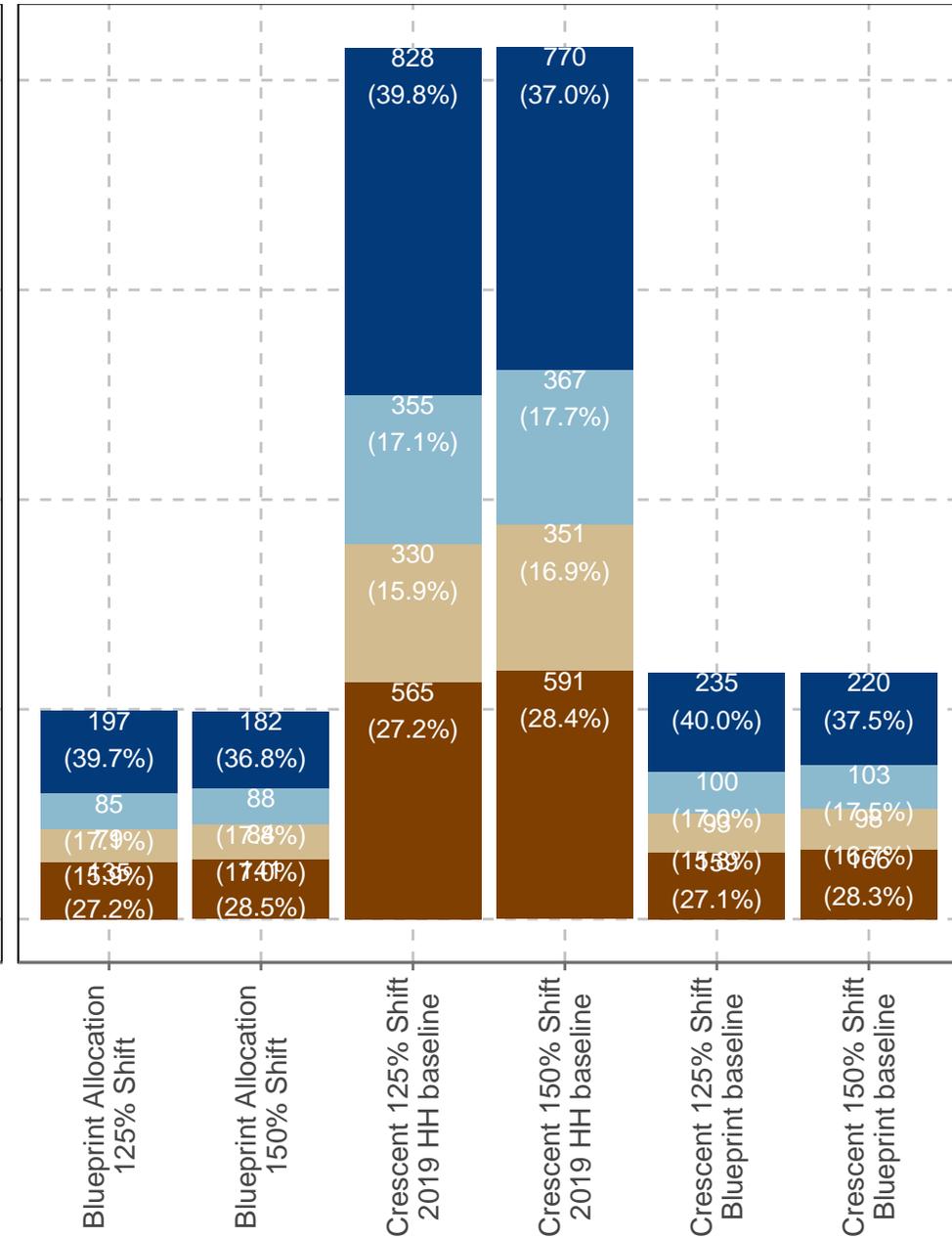
# Income Distribution, Belmont (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

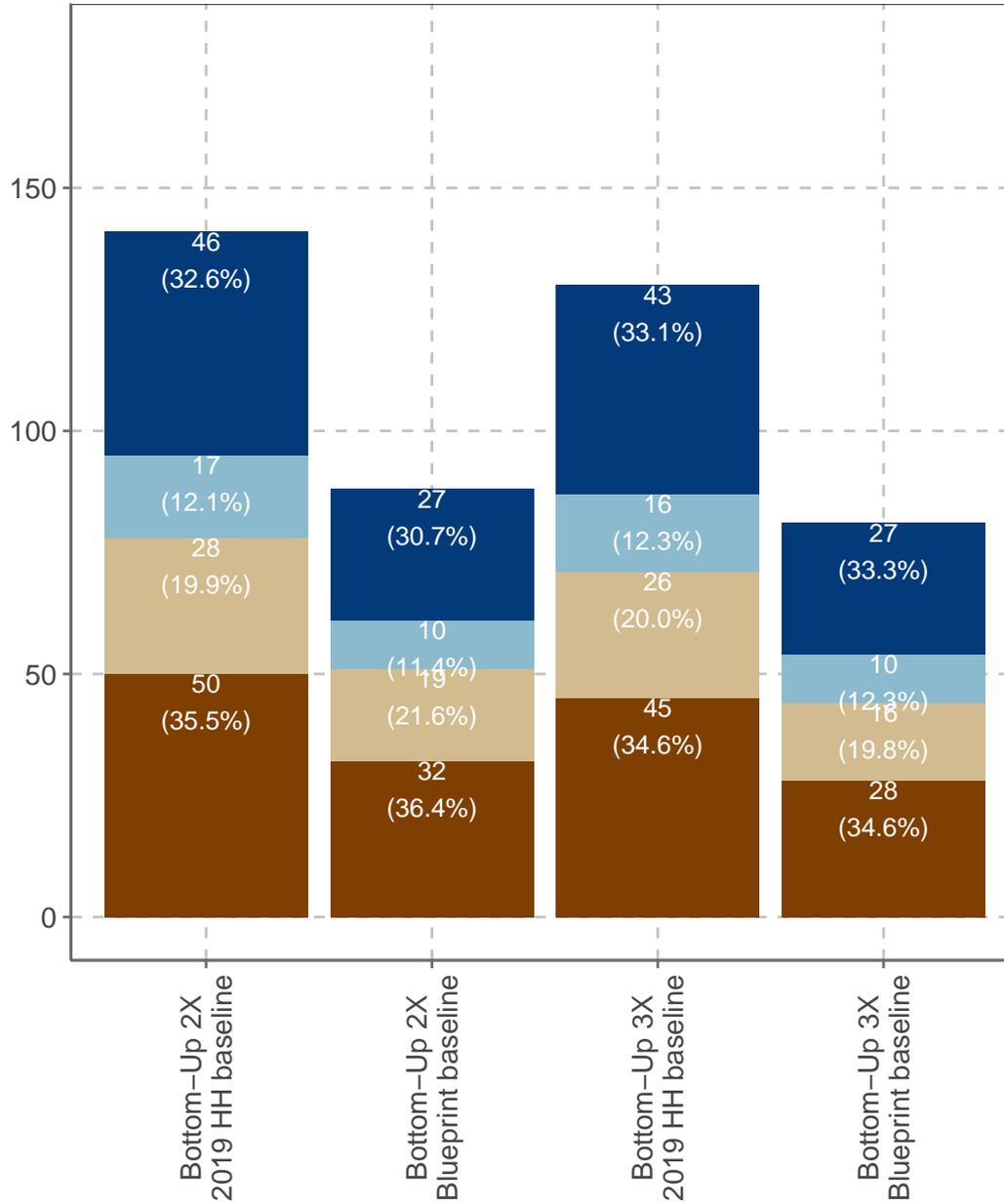


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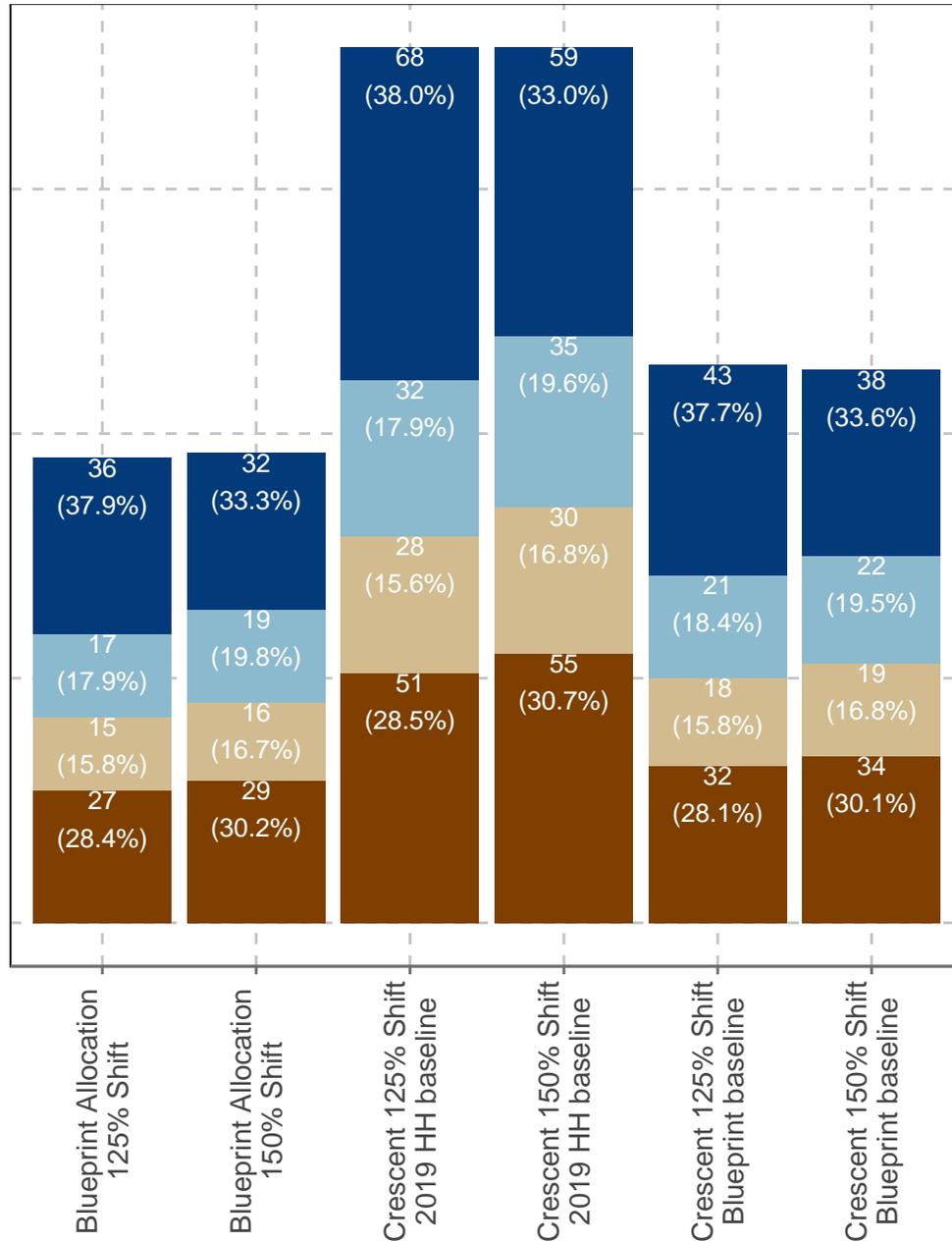
# Income Distribution, Belvedere (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

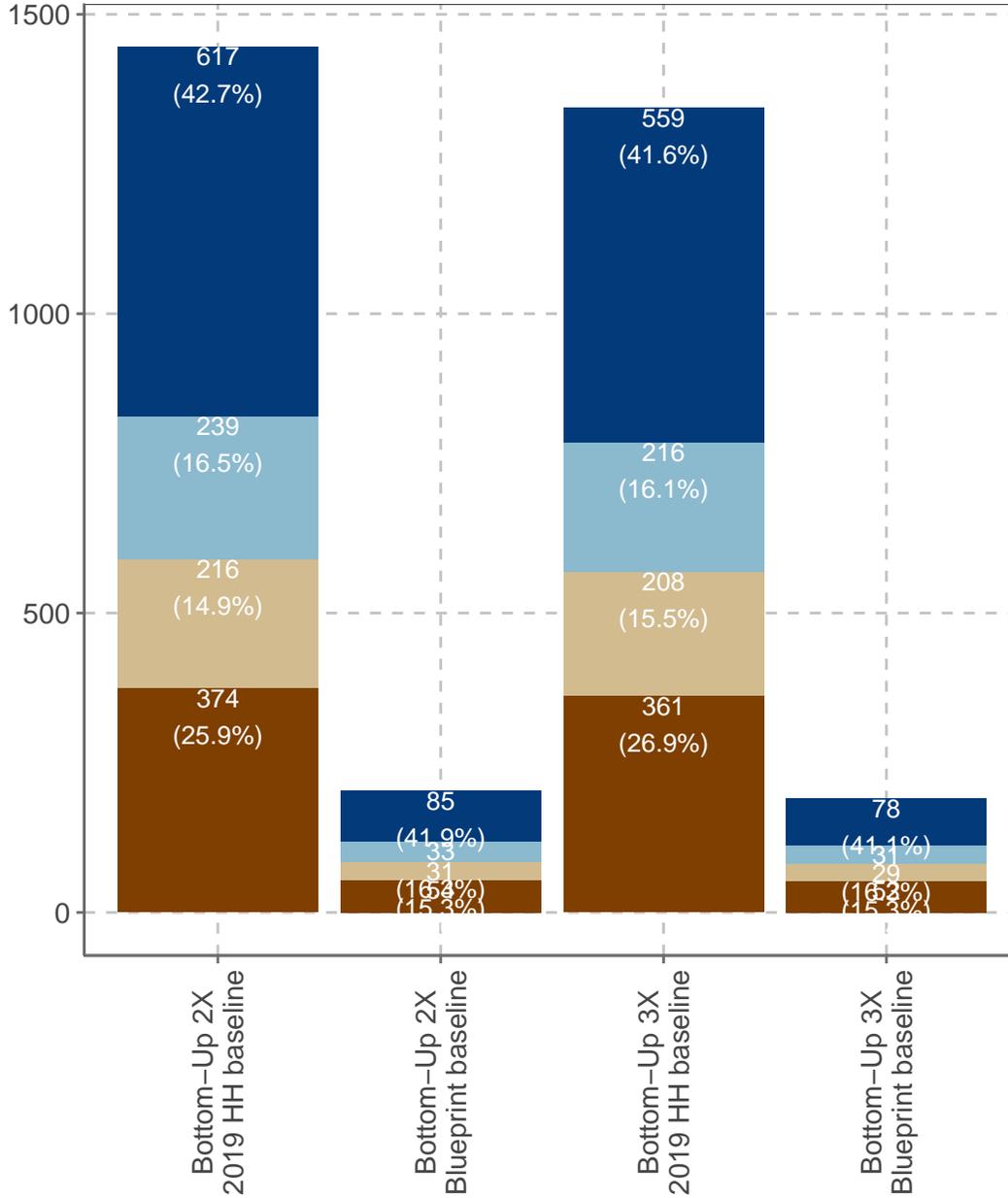


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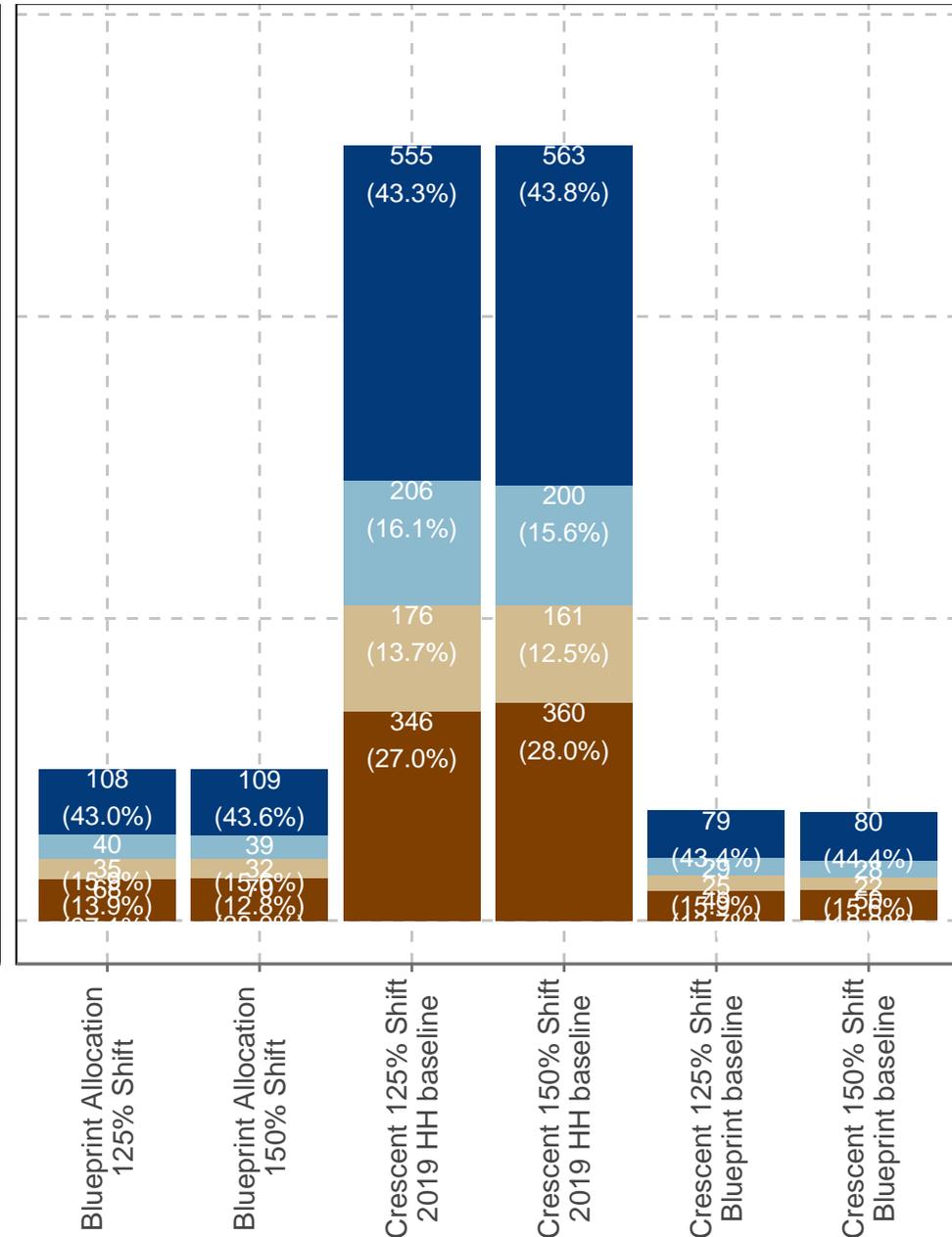
# Income Distribution, Benicia (Solano County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

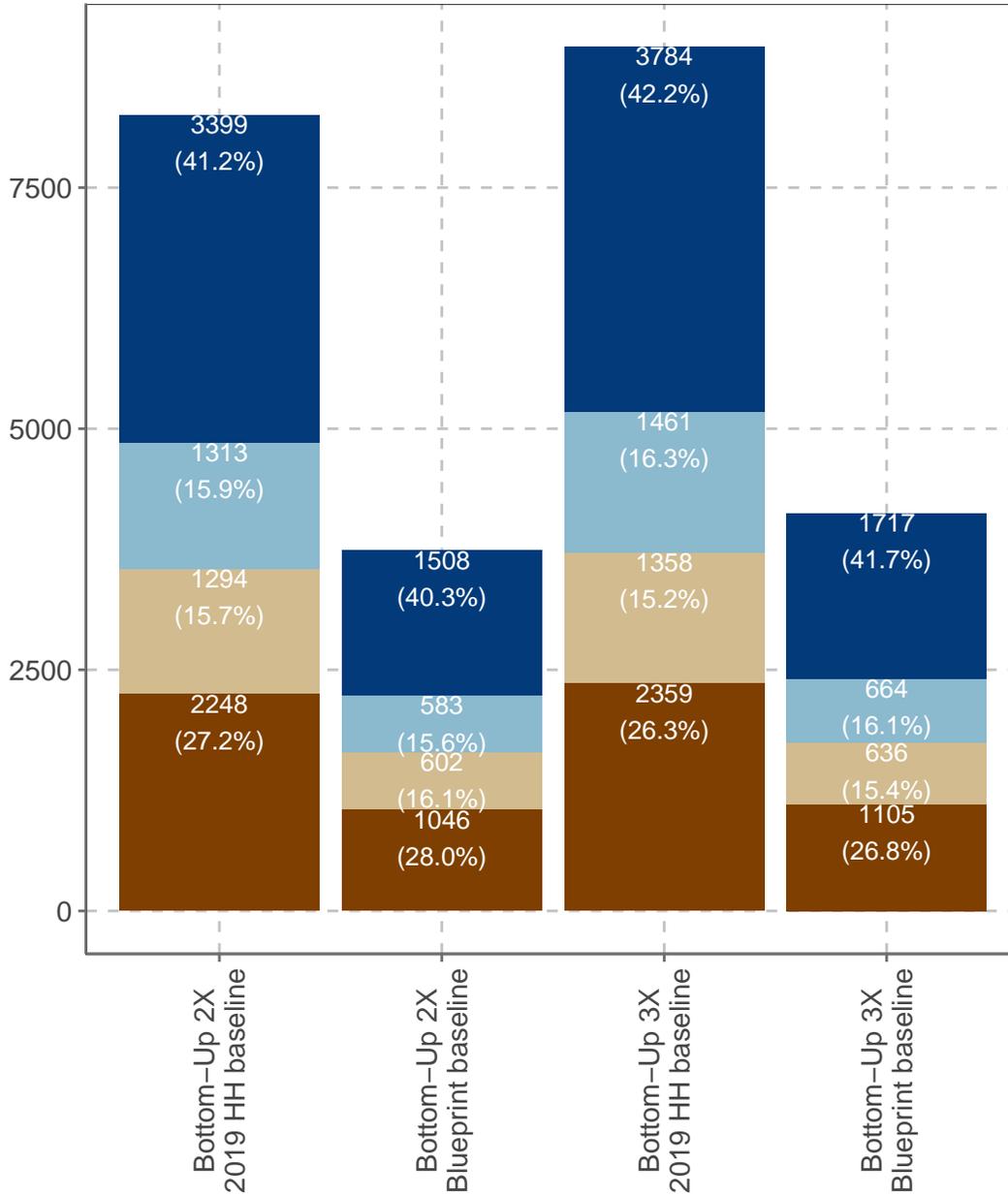


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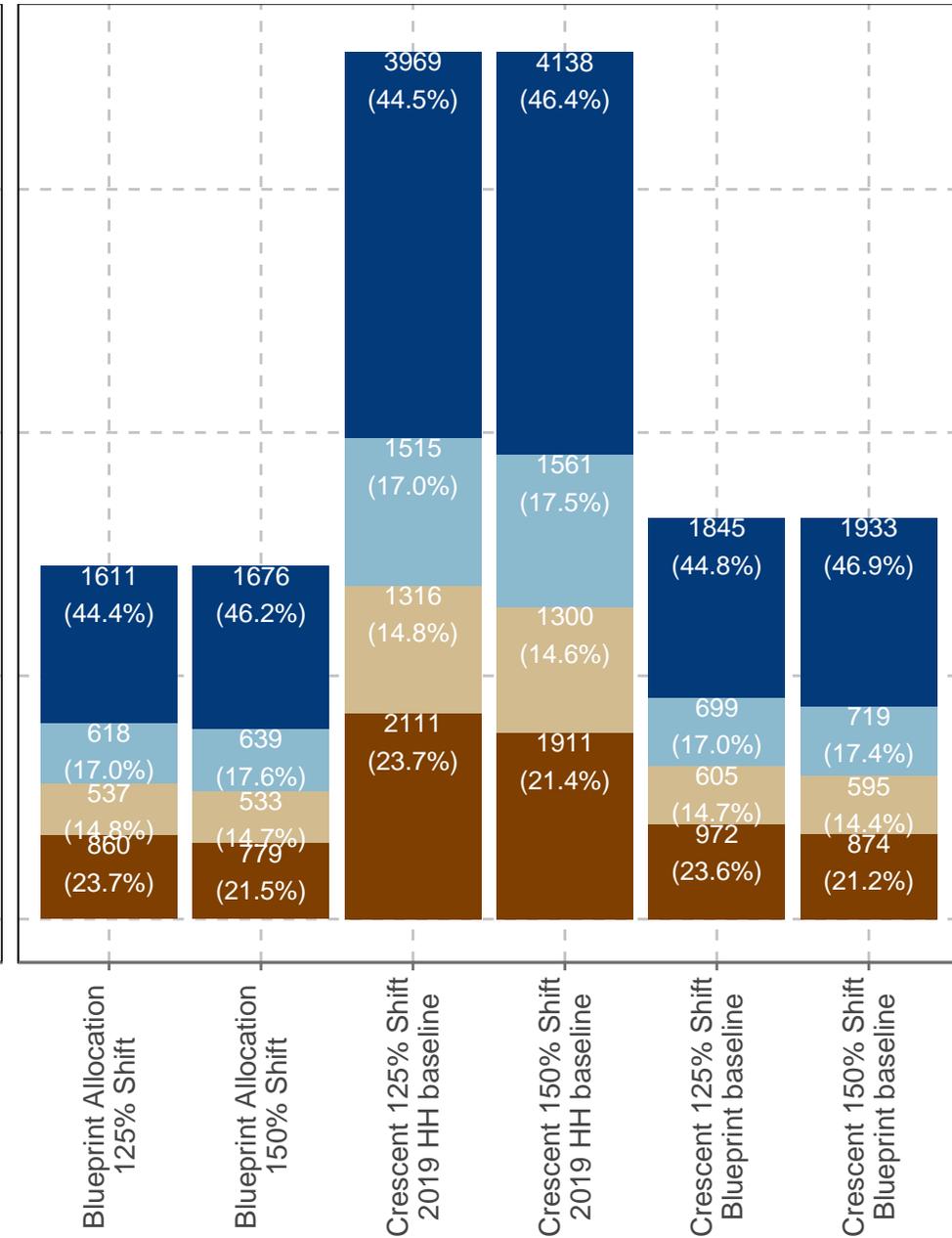
# Income Distribution, Berkeley (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

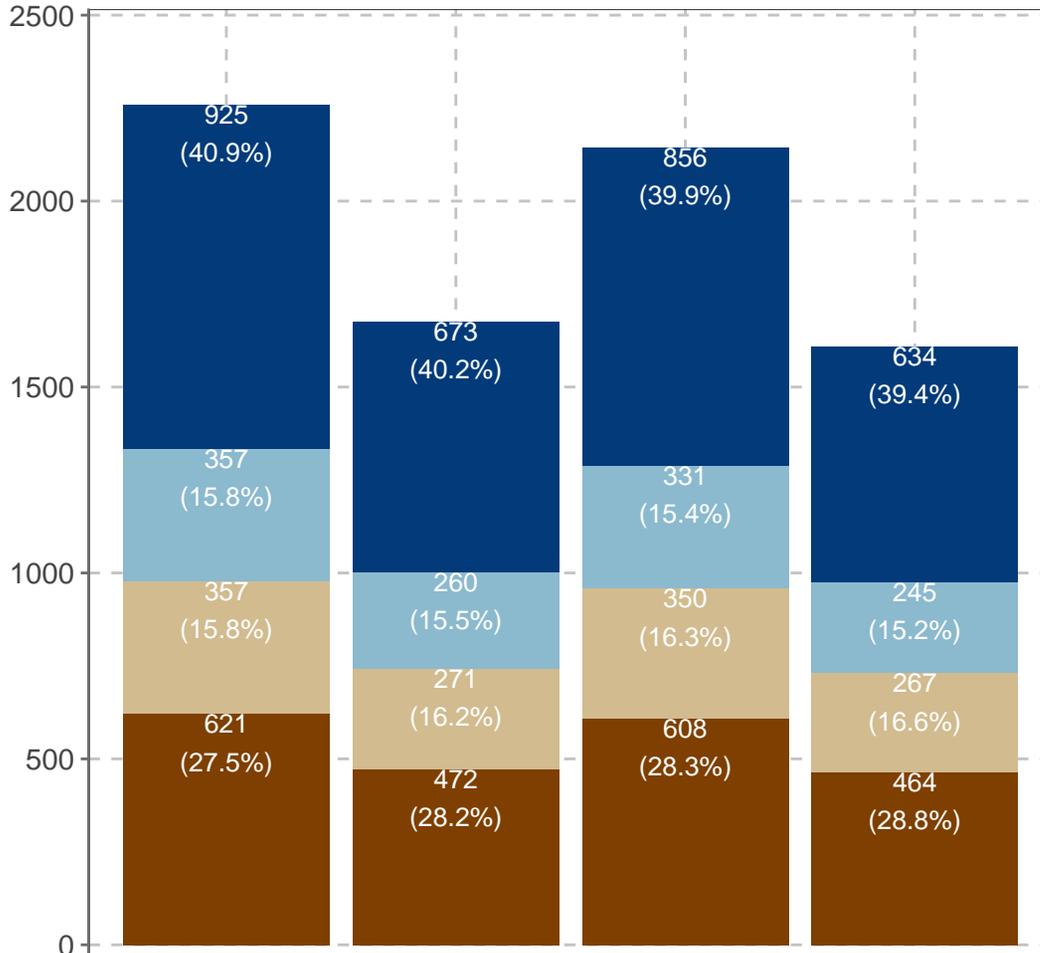


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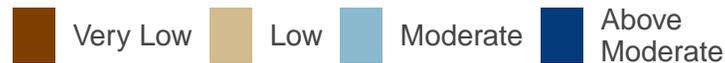
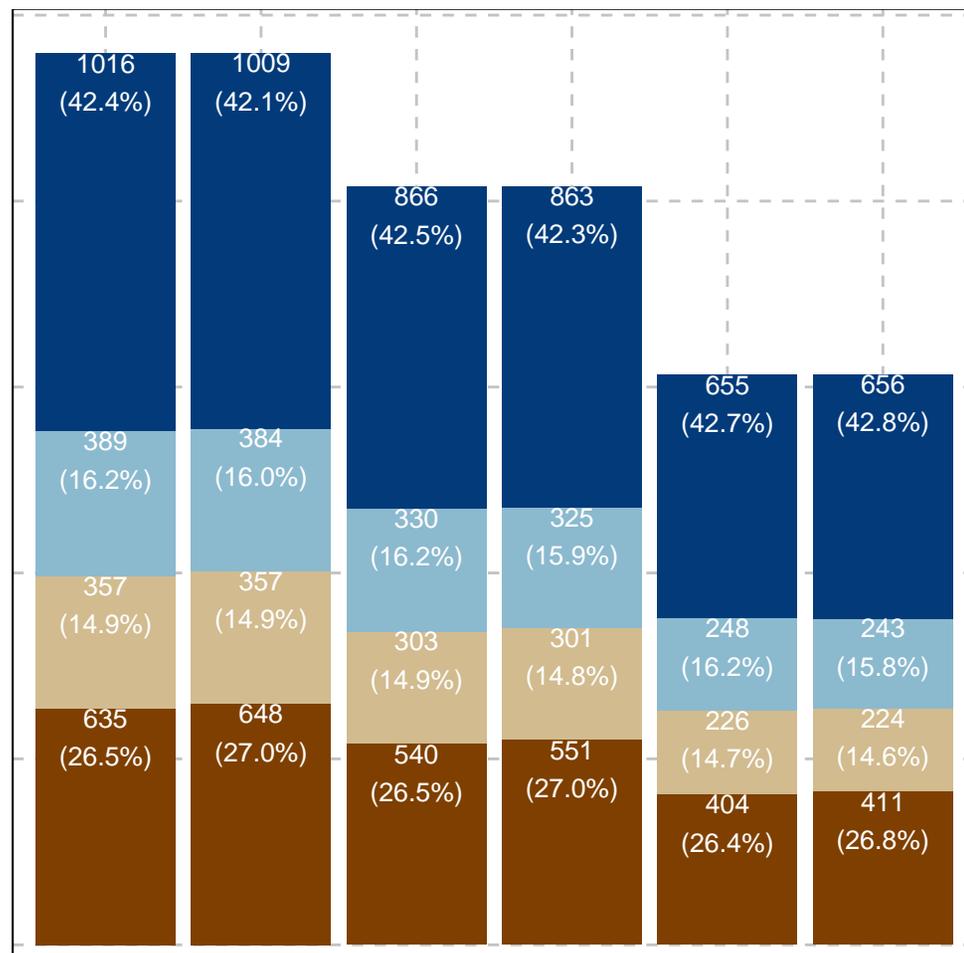
# Income Distribution, Brentwood (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



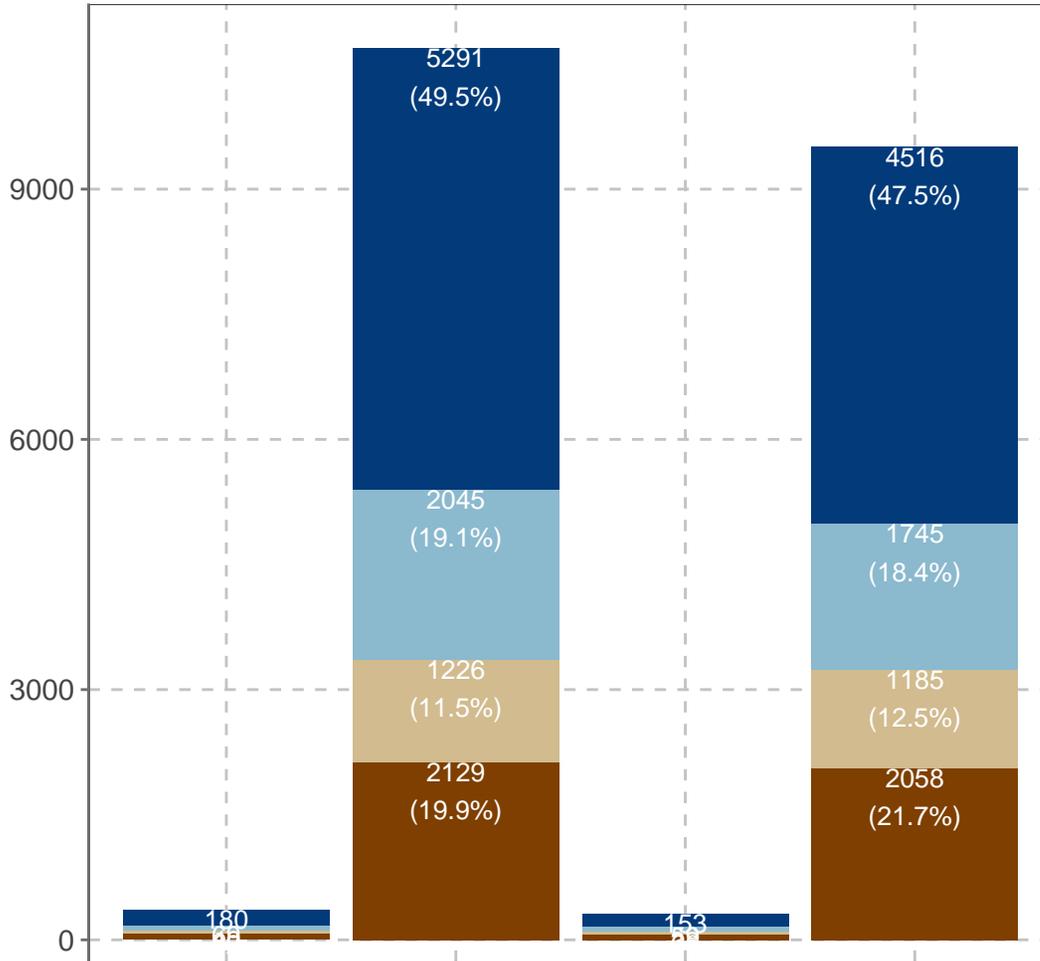
## Income Shift Approach



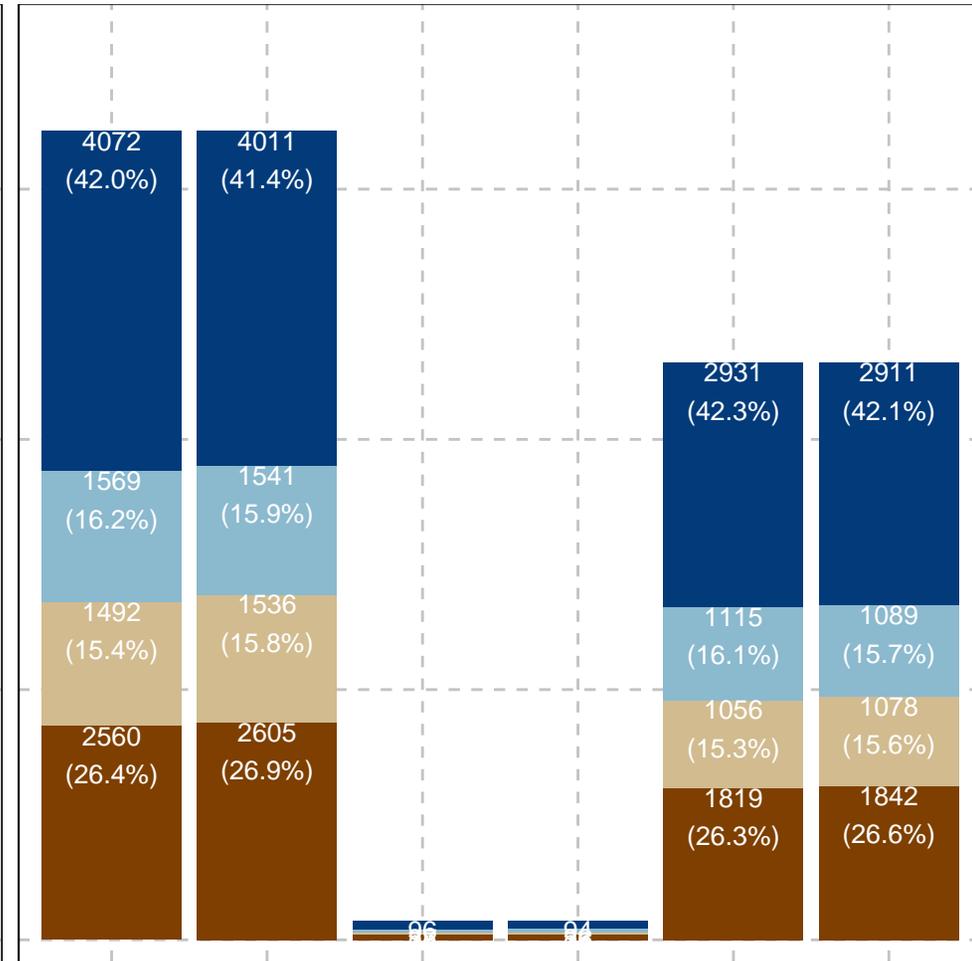
# Income Distribution, Brisbane (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



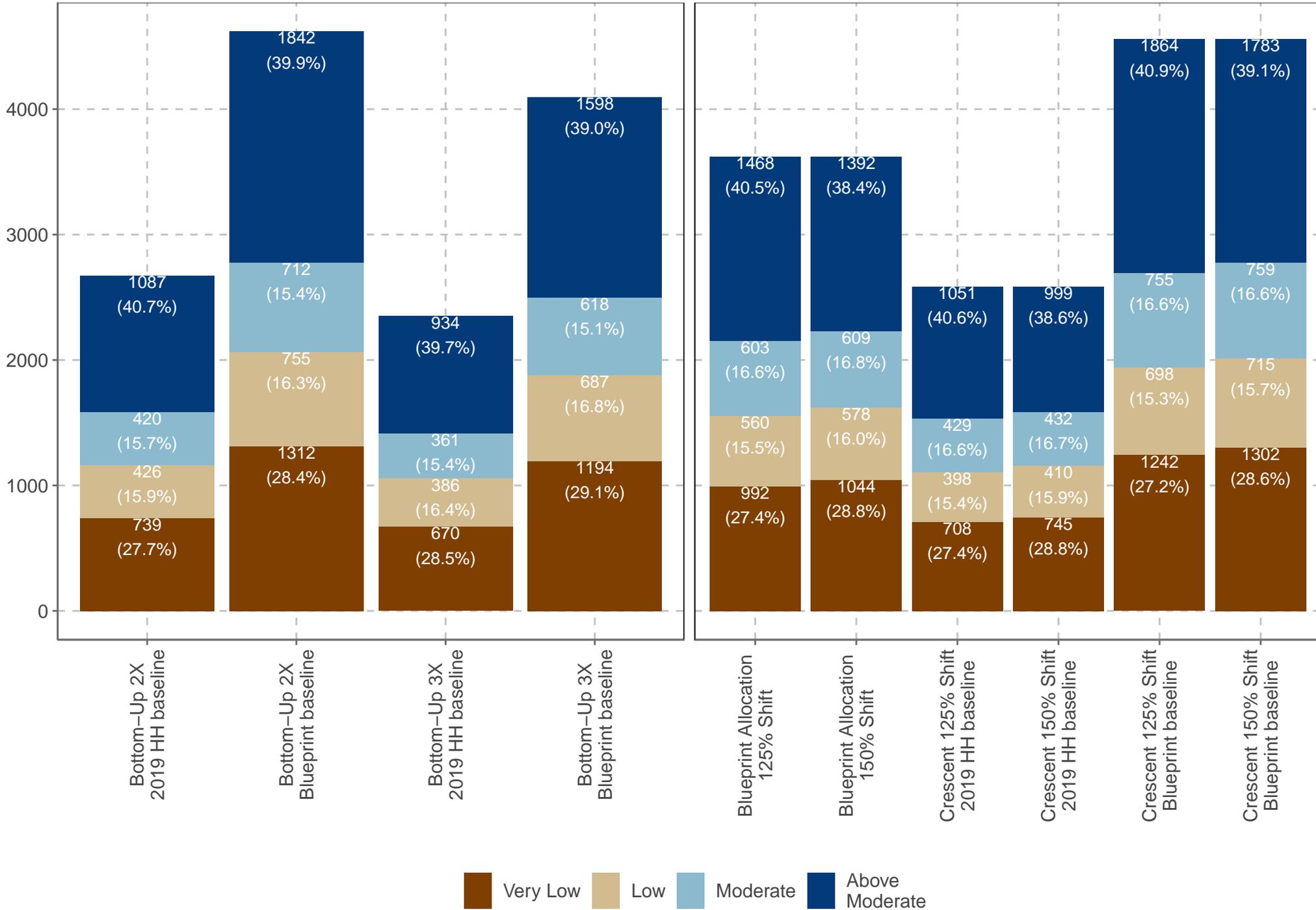
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# Income Distribution, Burlingame (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach

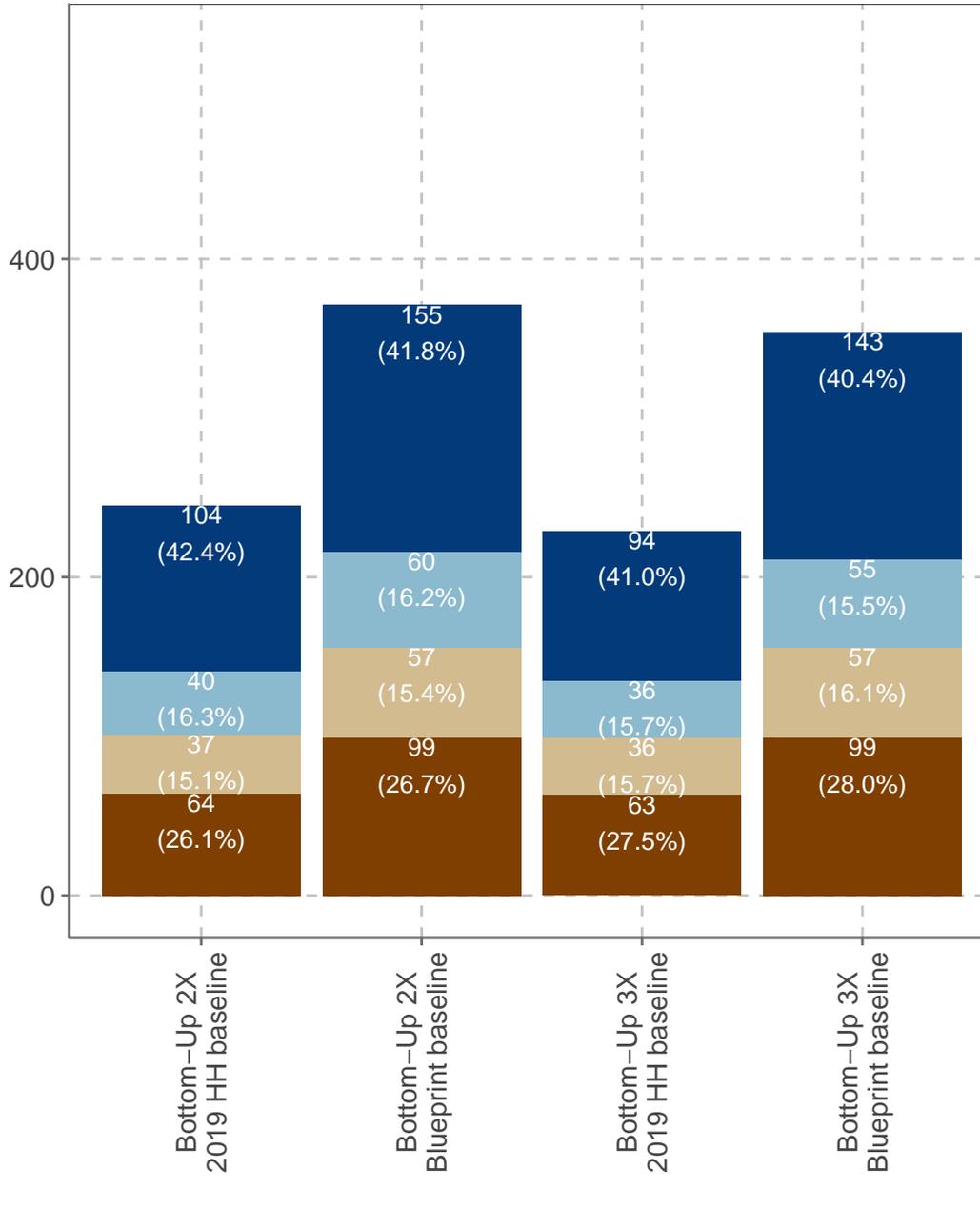
## Income Shift Approach



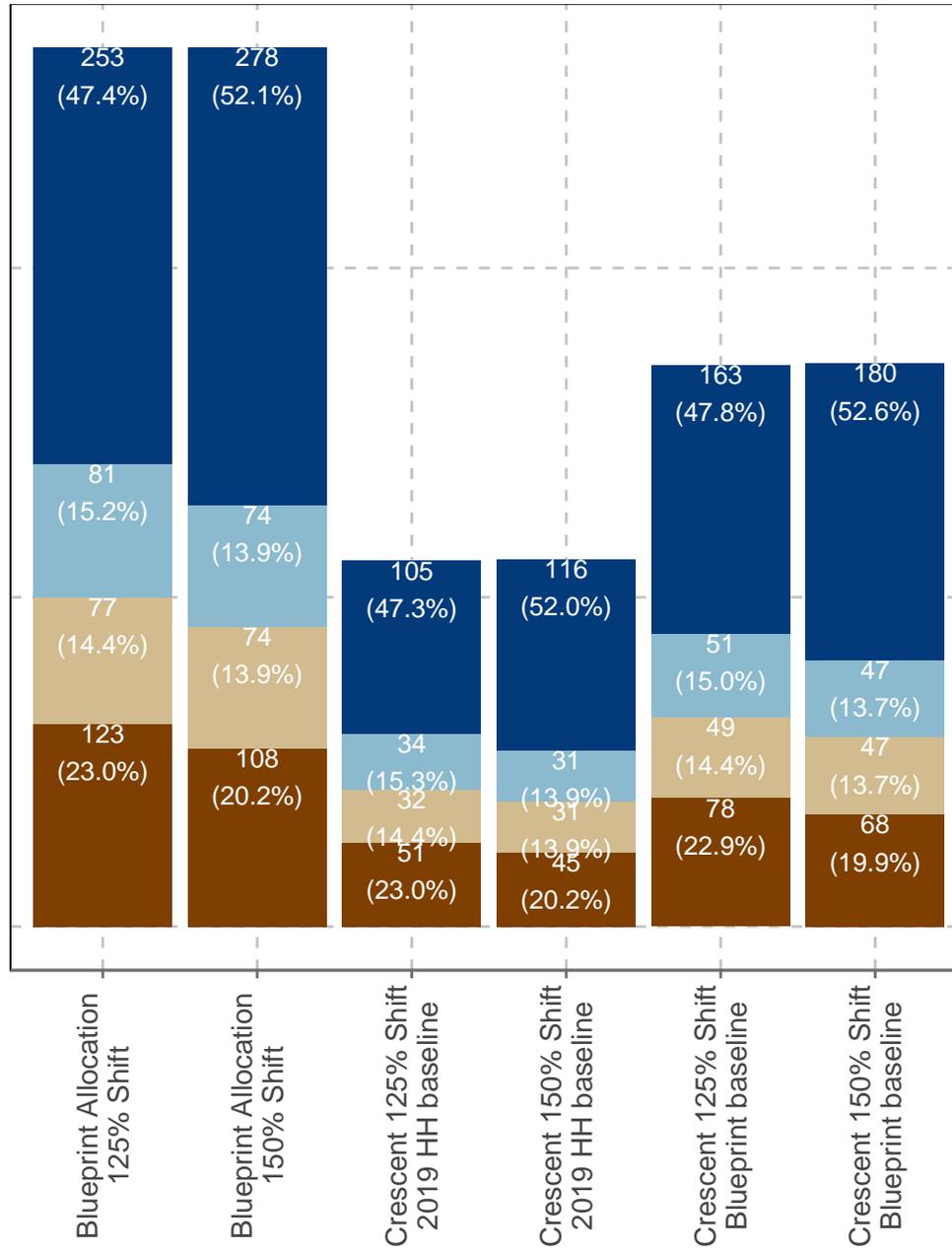
# Income Distribution, Calistoga (Napa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



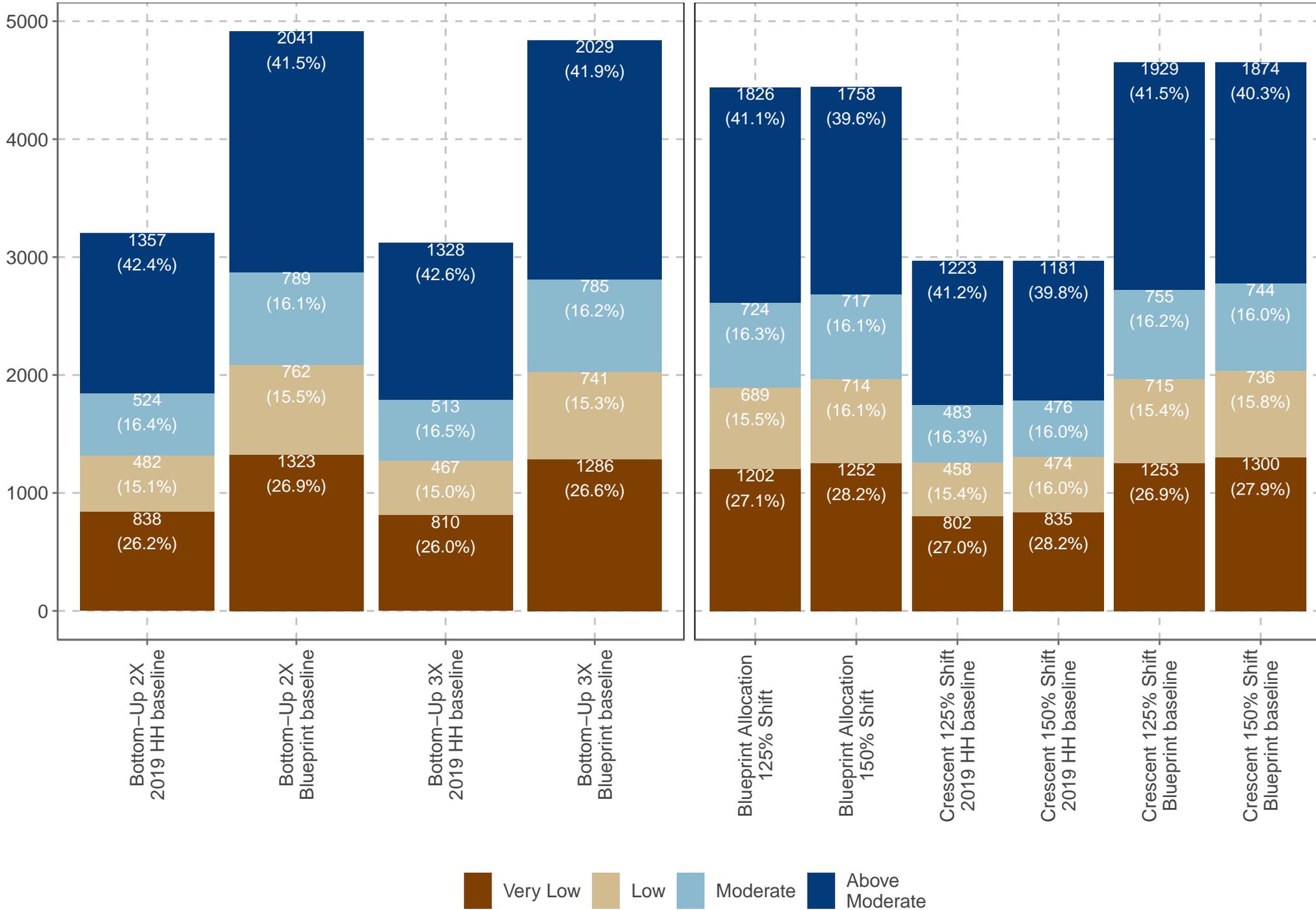
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# Income Distribution, Campbell (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach

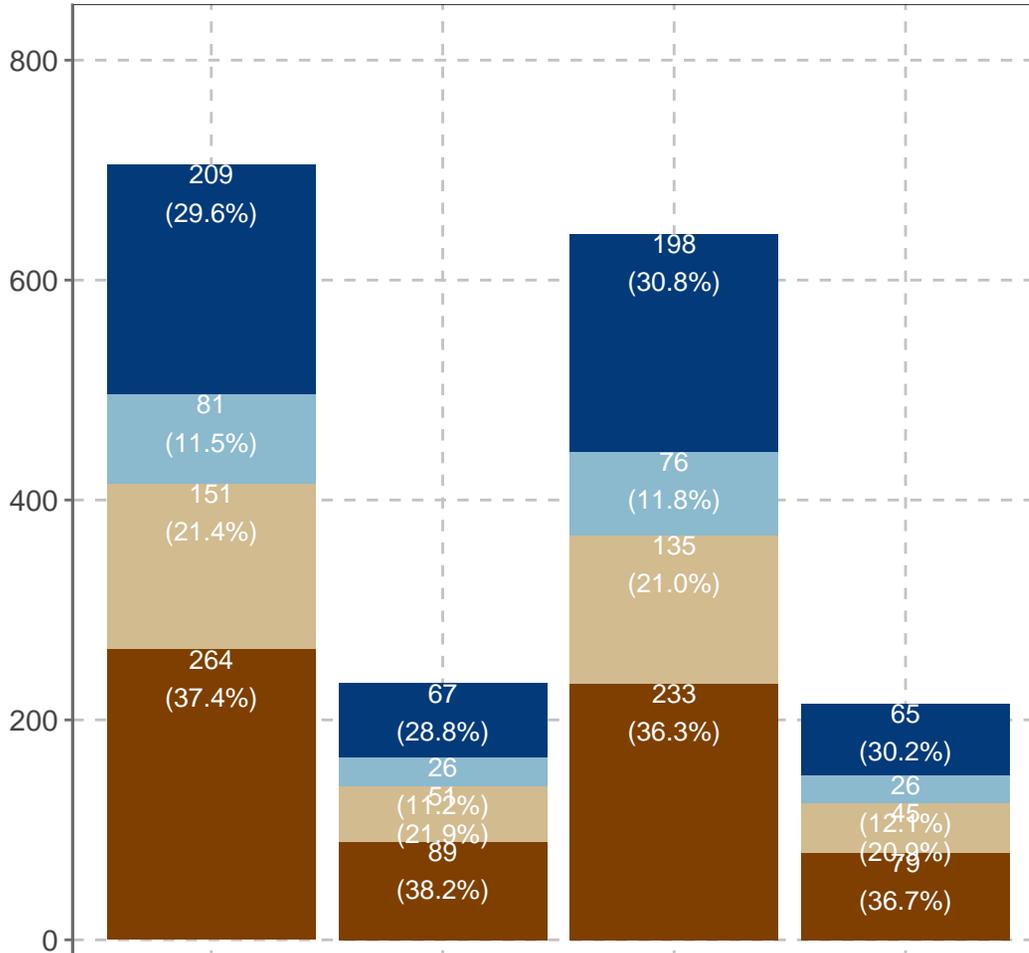
## Income Shift Approach



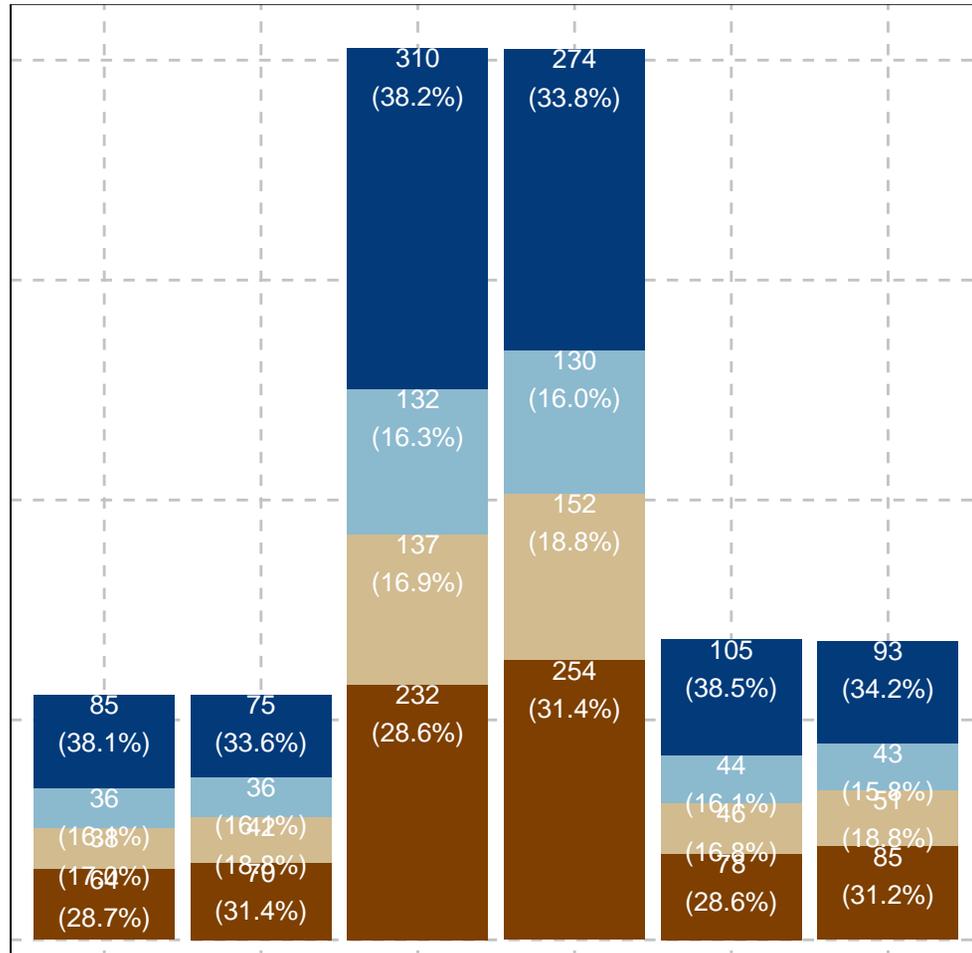
# Income Distribution, Clayton (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

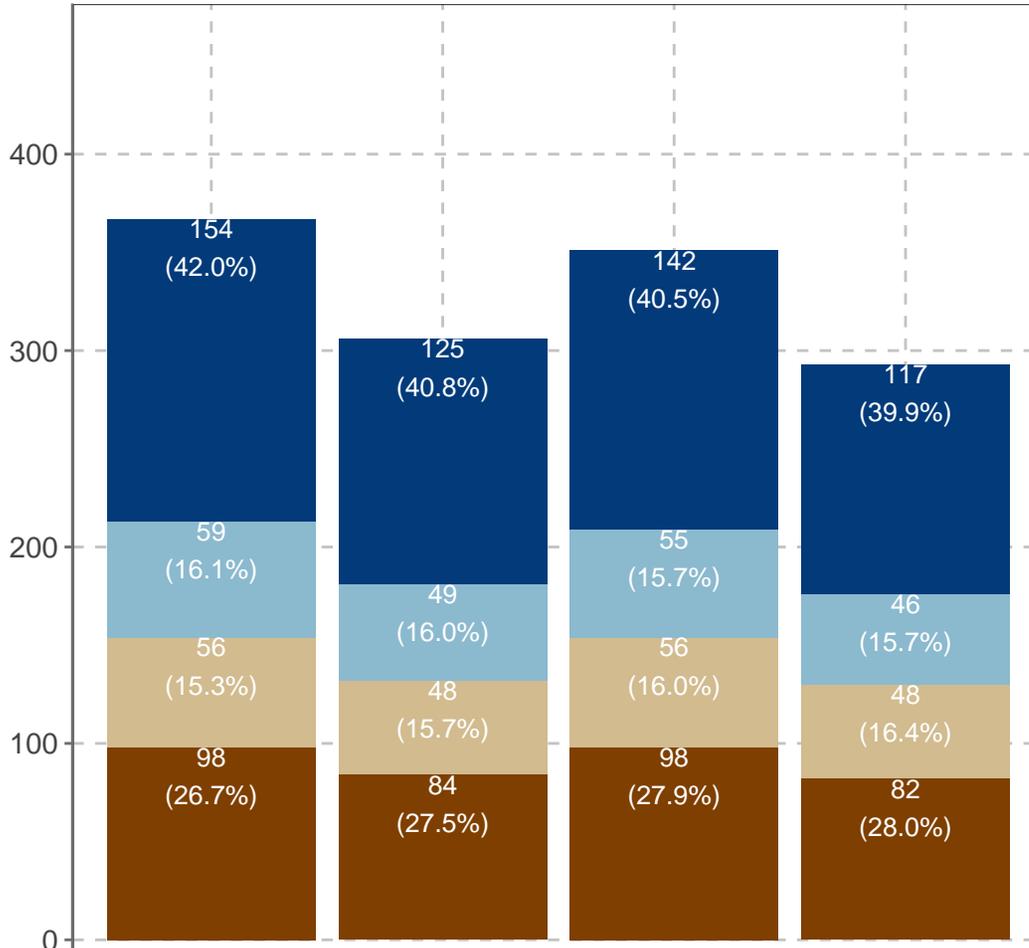


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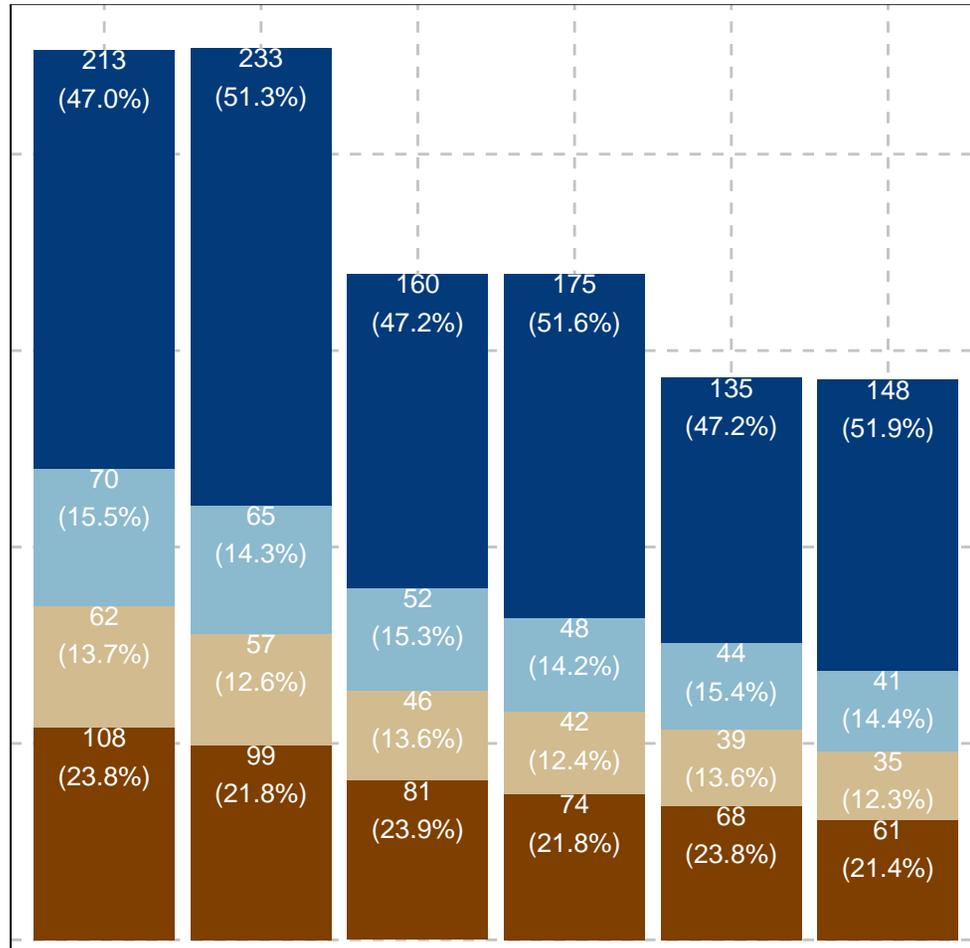
# Income Distribution, Cloverdale (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

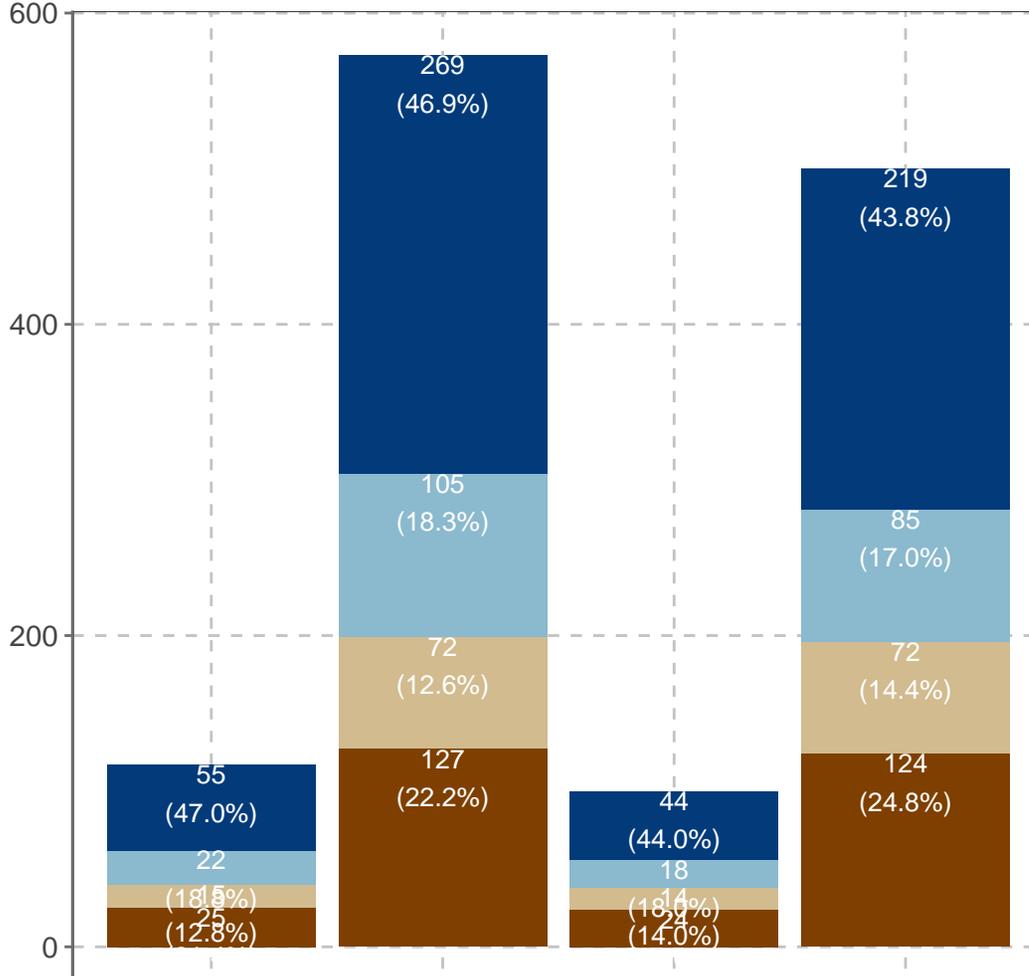


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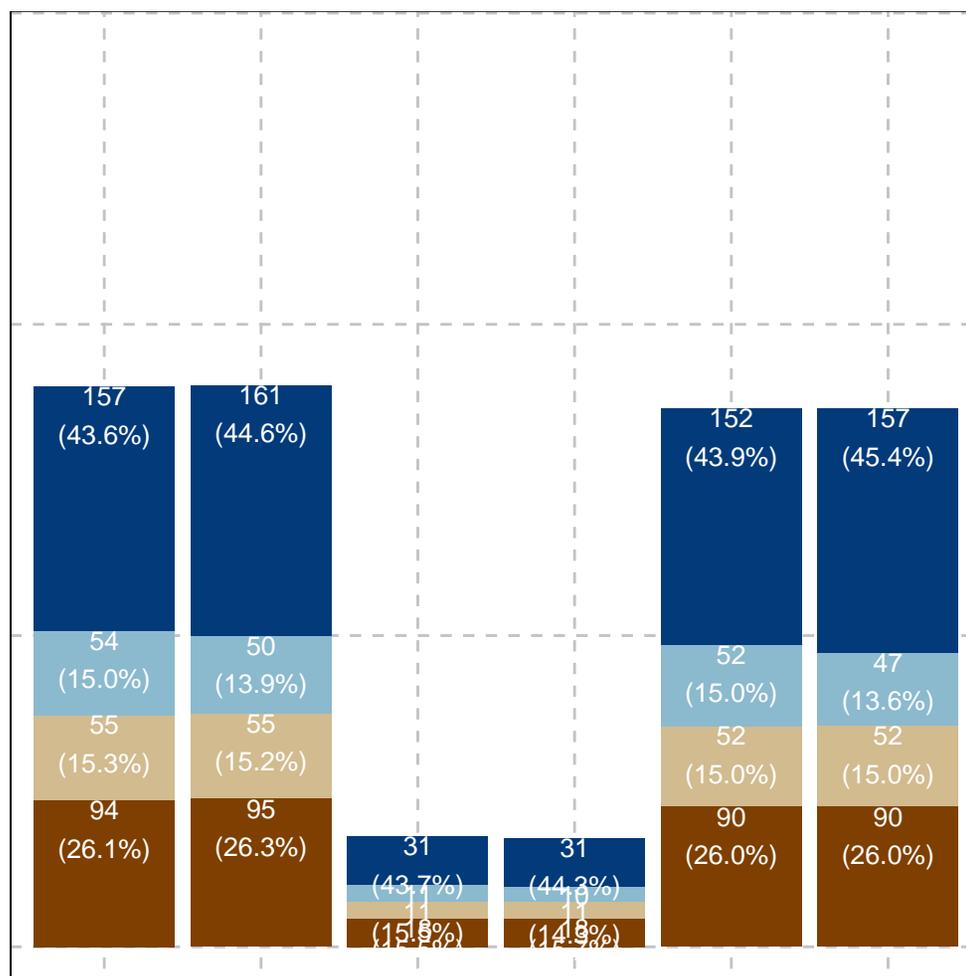
# Income Distribution, Colma (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

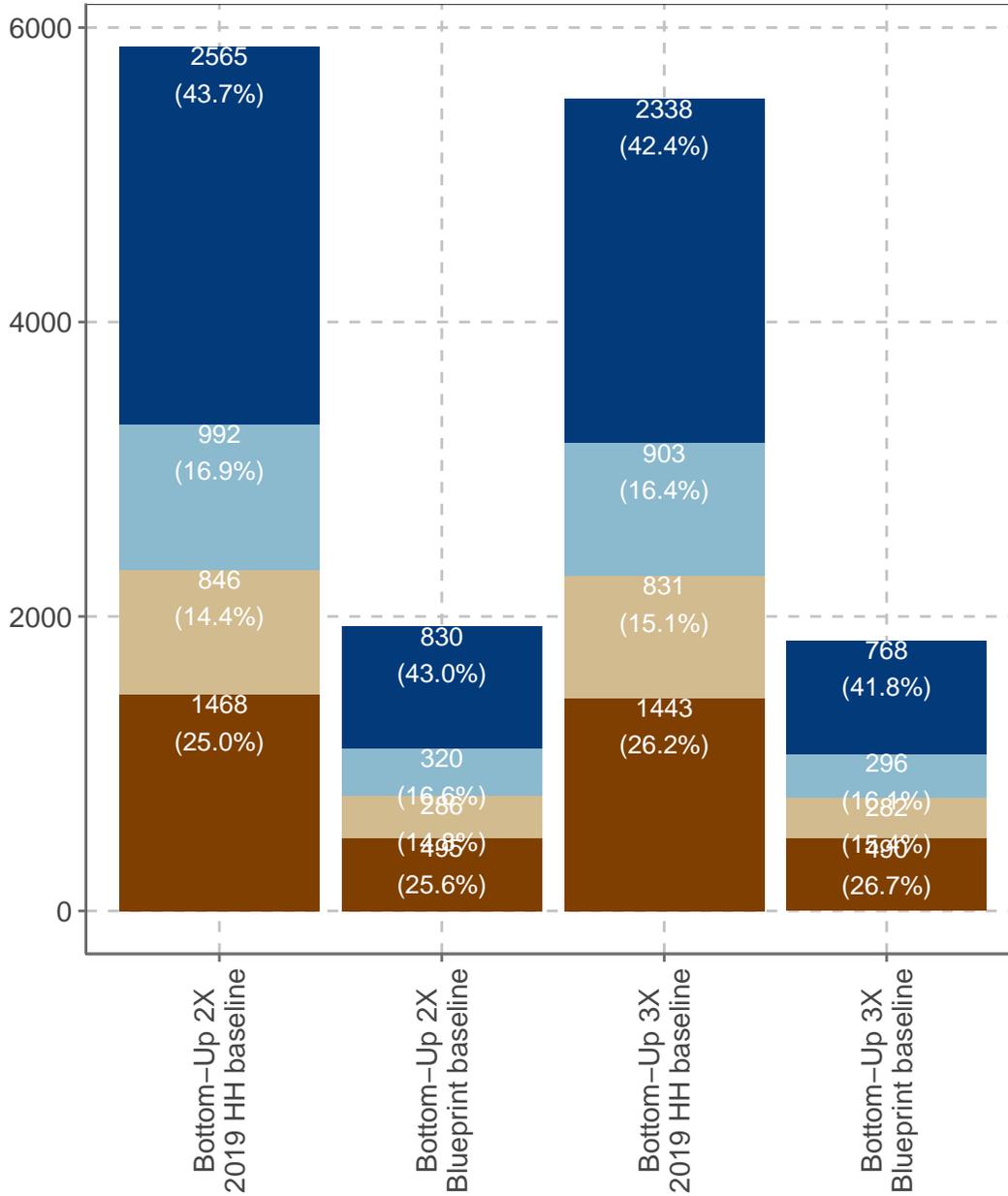


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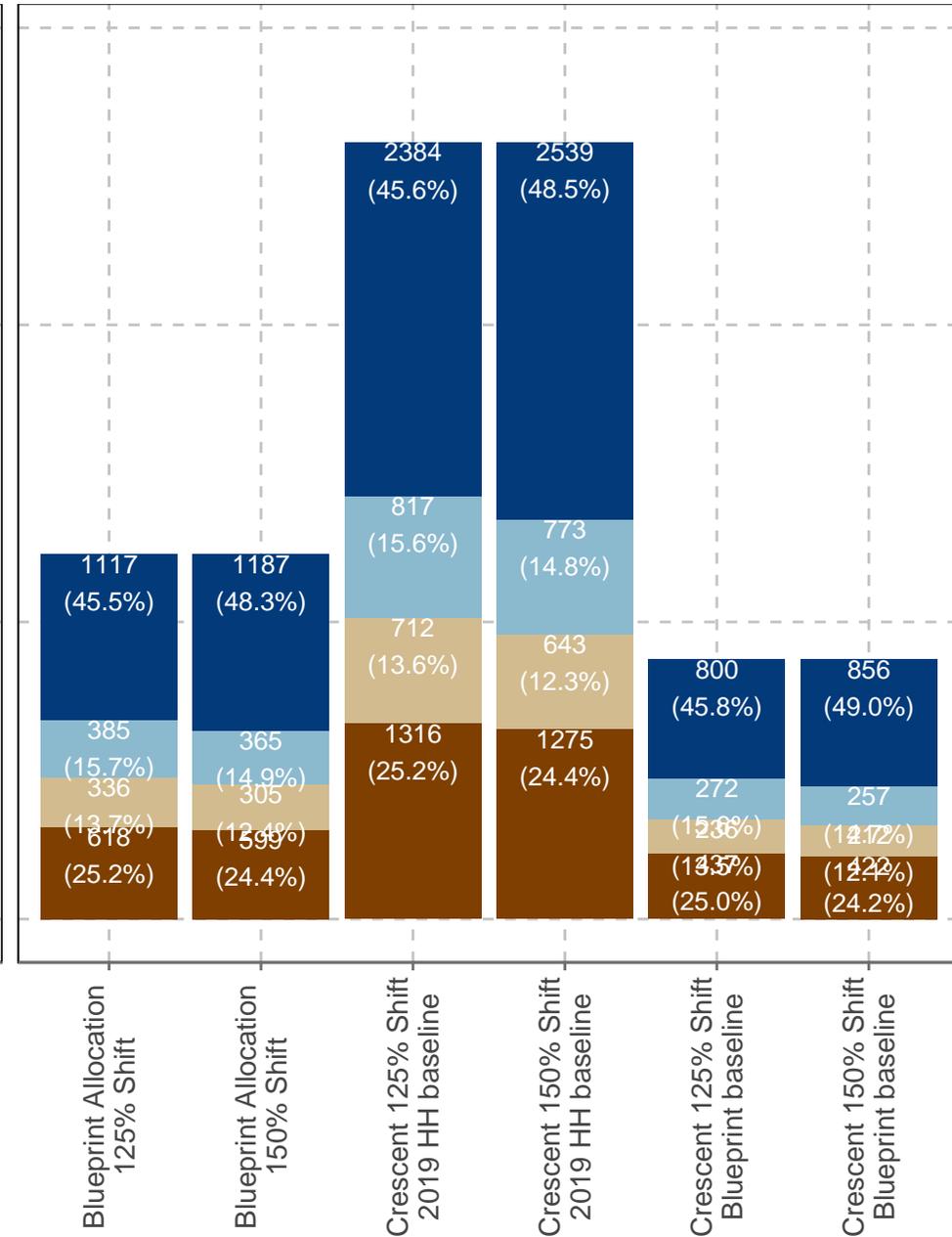
# Income Distribution, Concord (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

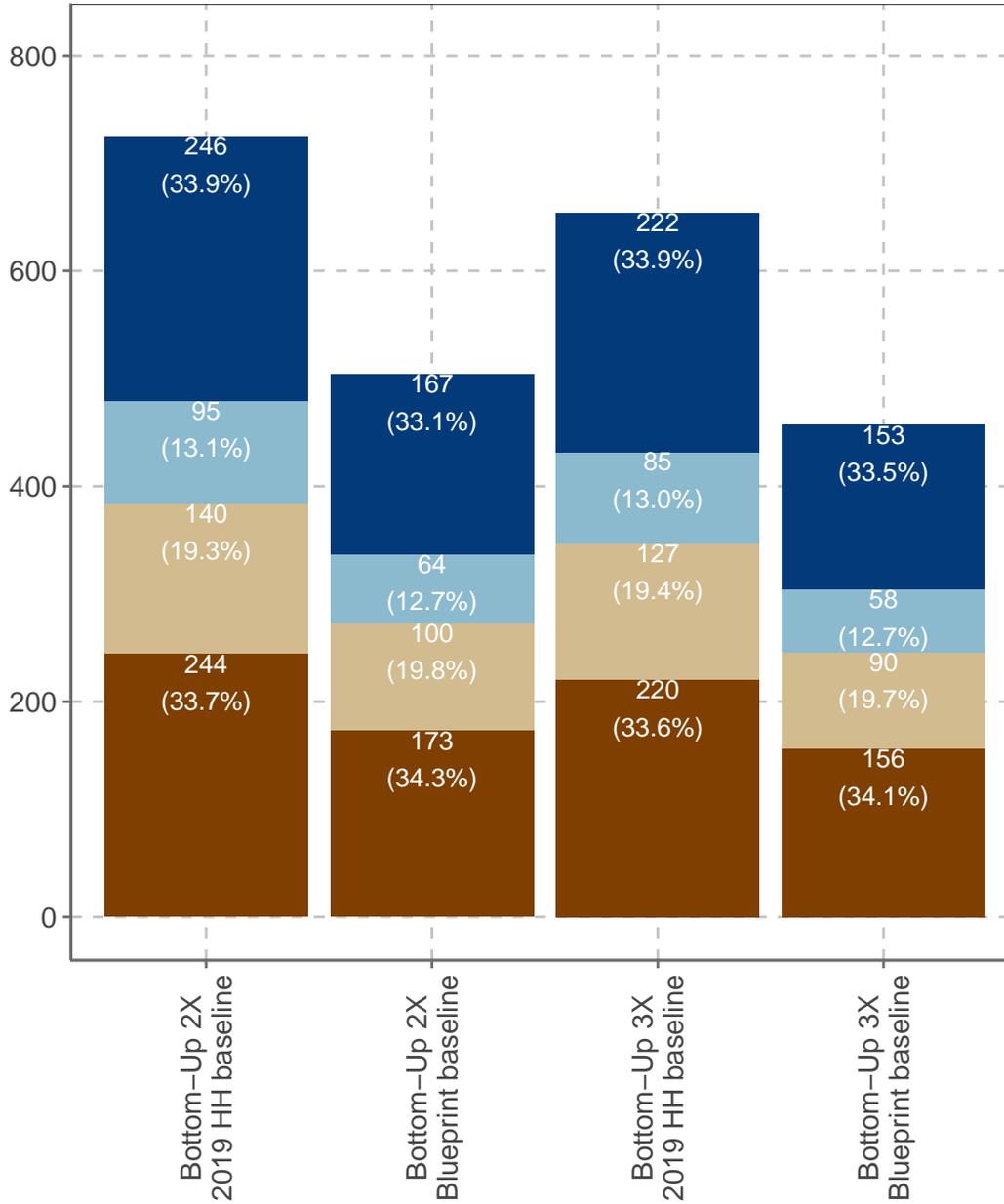


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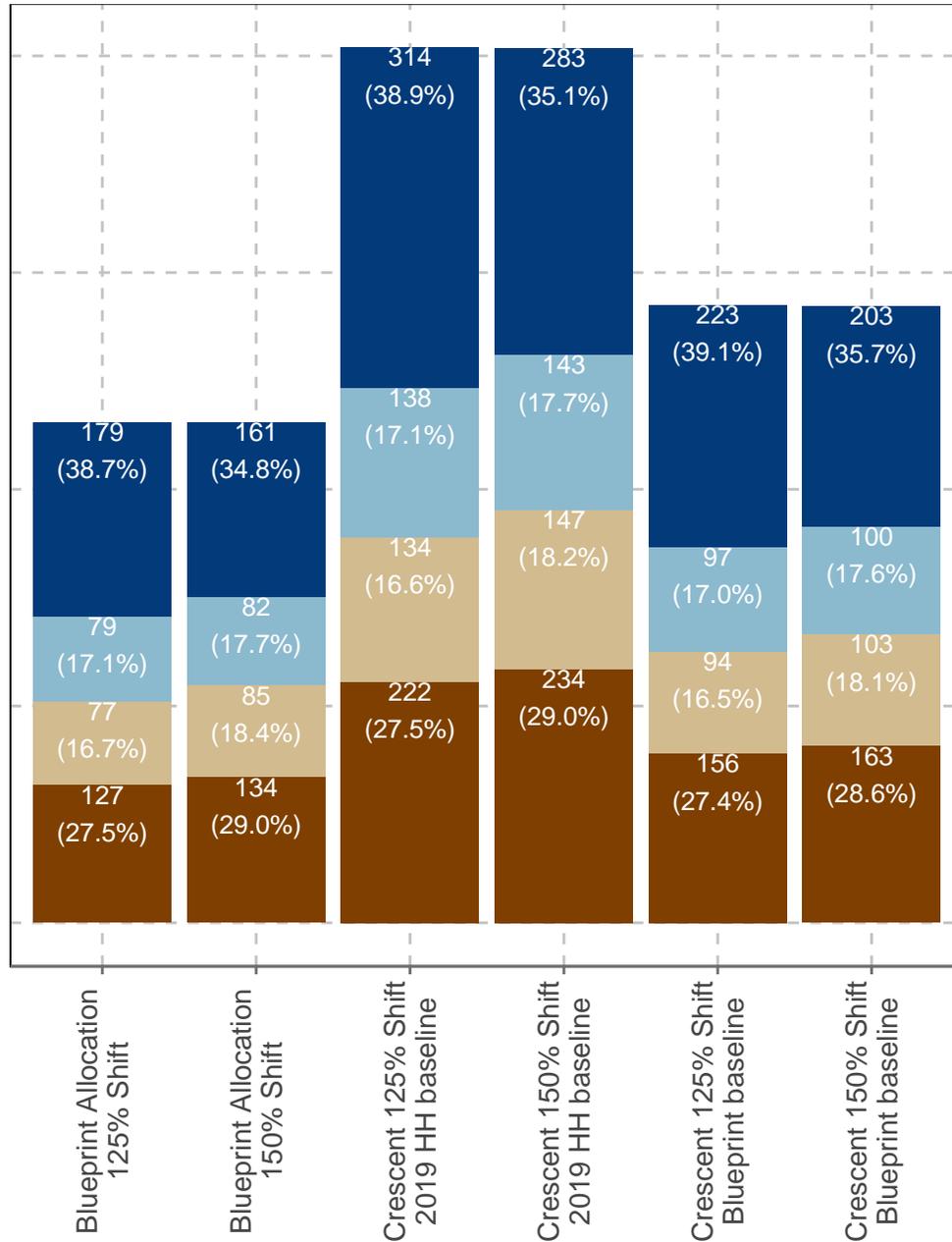
# Income Distribution, Corte Madera (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

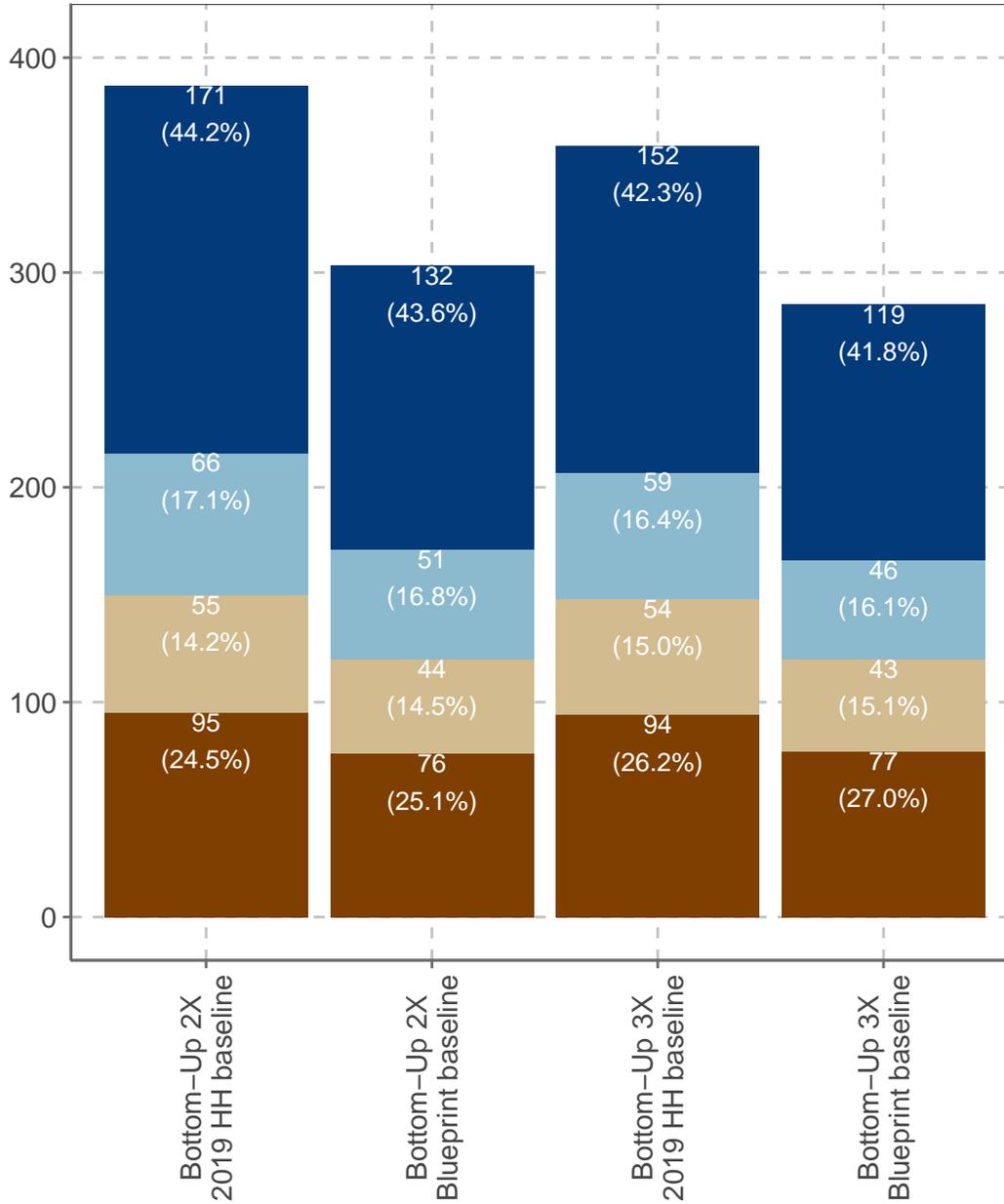


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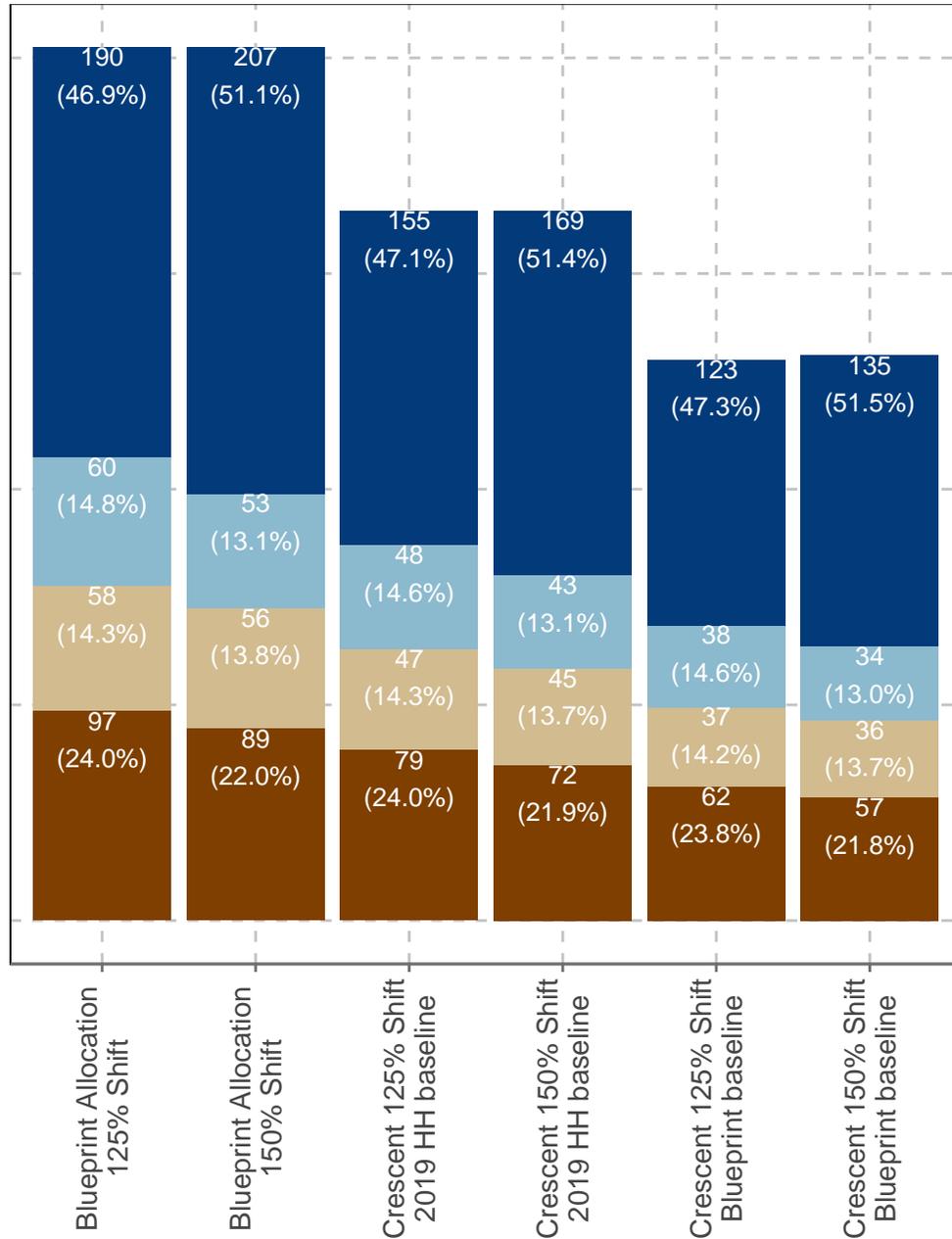
# Income Distribution, Cotati (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

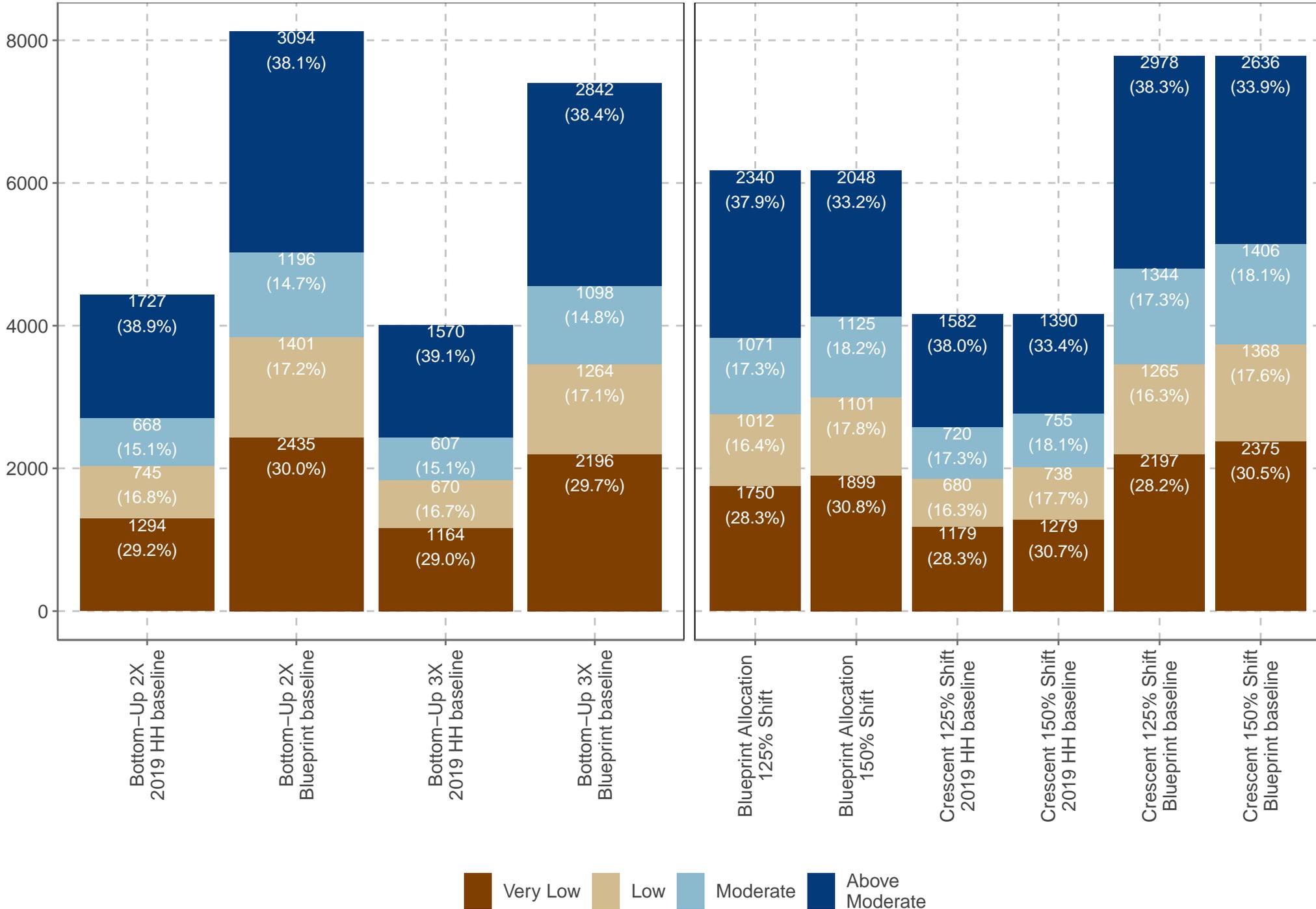


# Income Distribution, Cupertino (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach

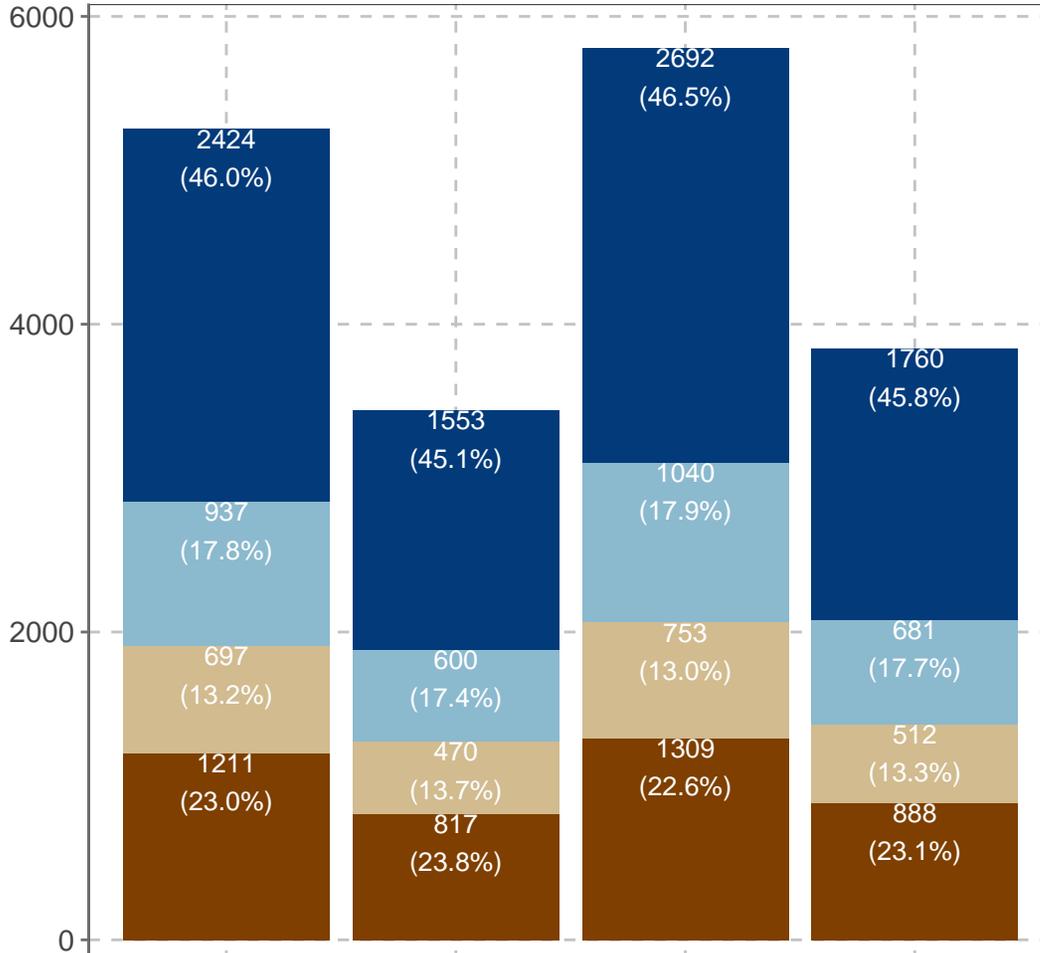
## Income Shift Approach



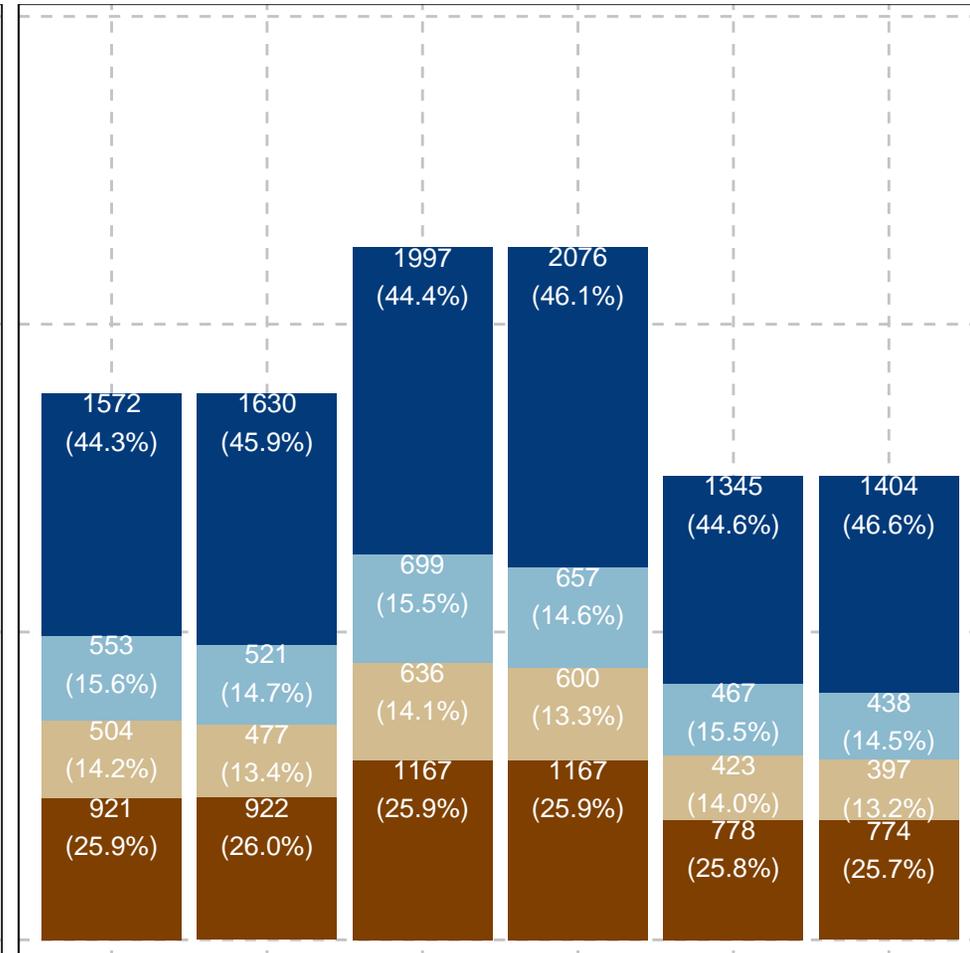
# Income Distribution, Daly City (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

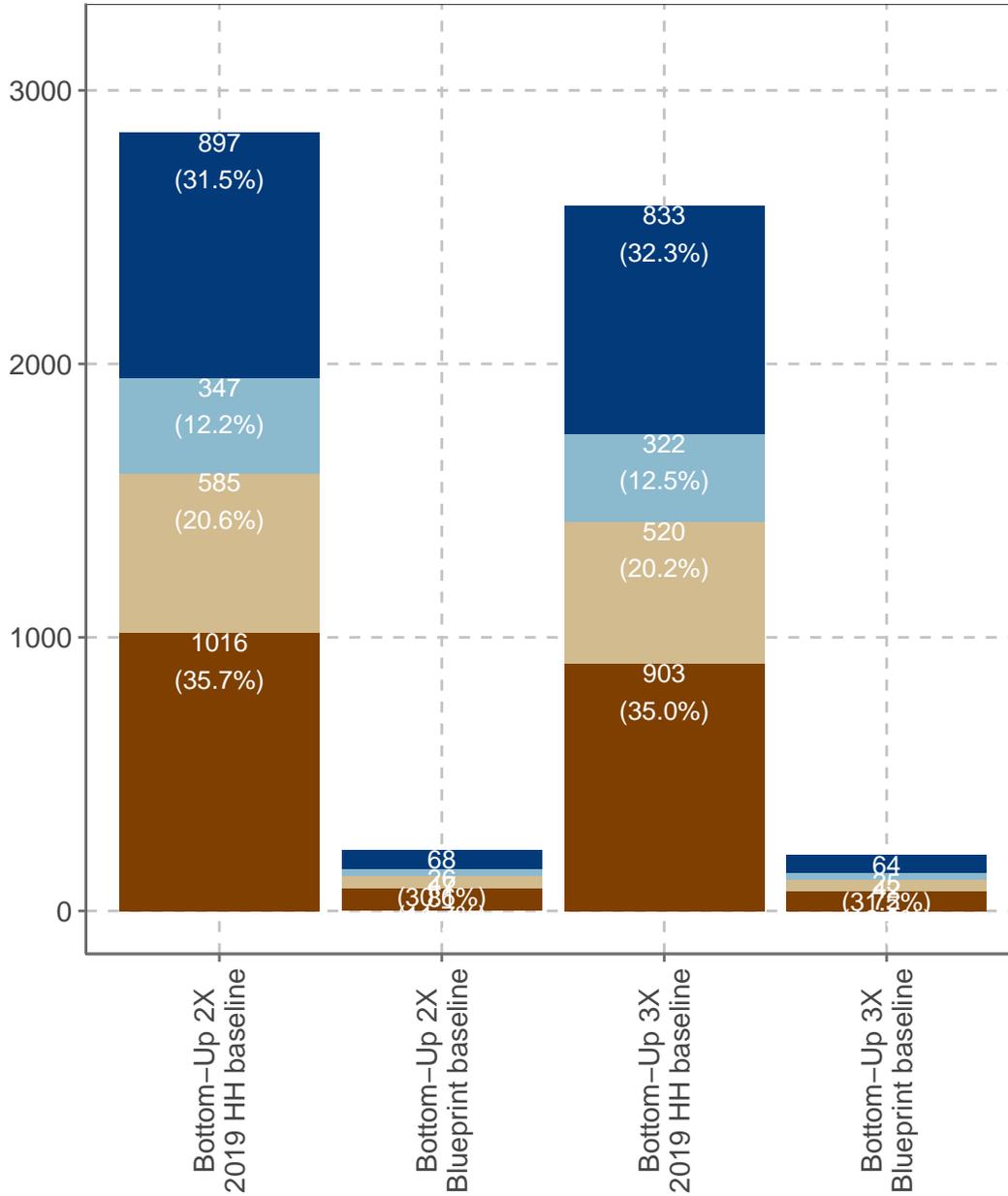


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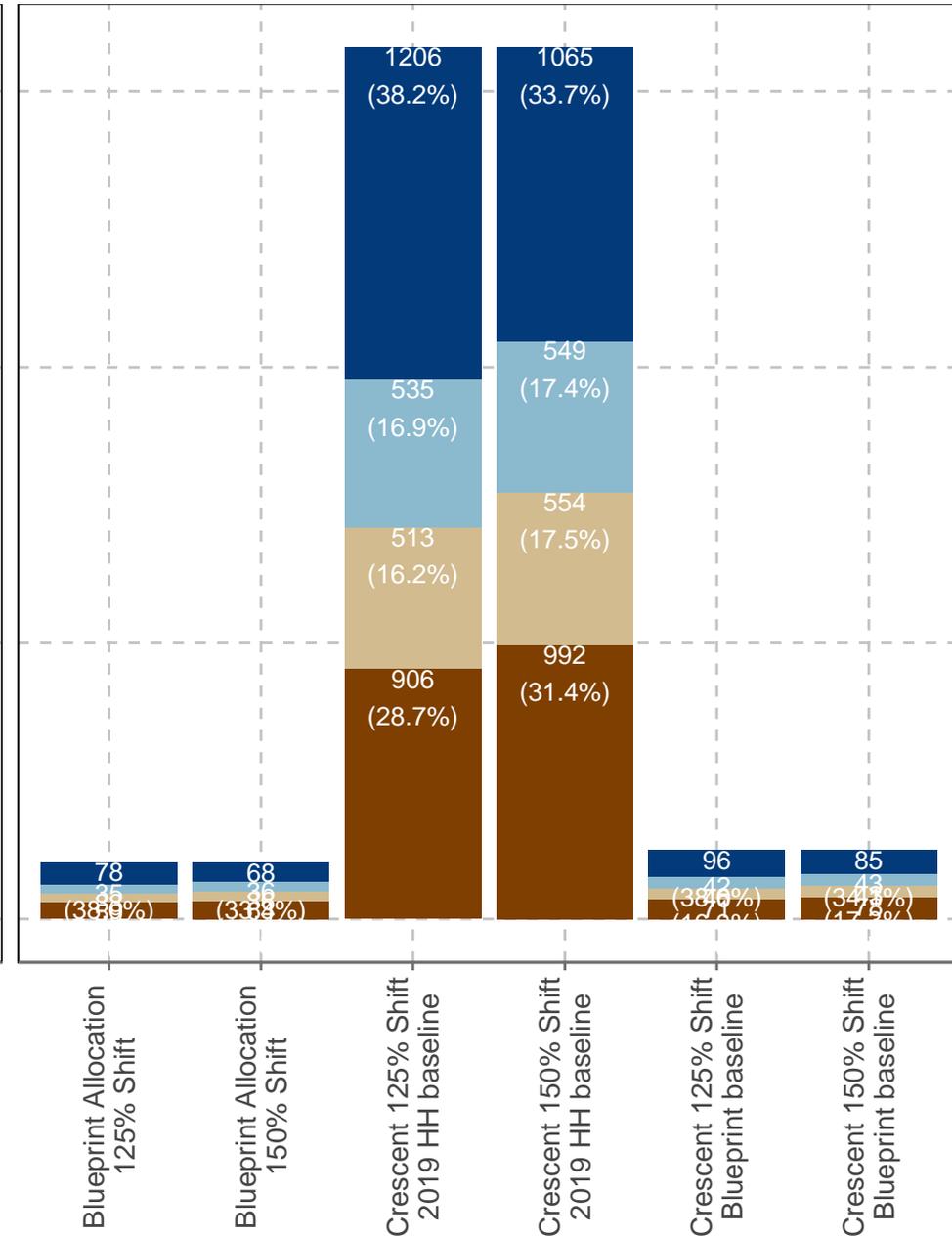
# Income Distribution, Danville (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

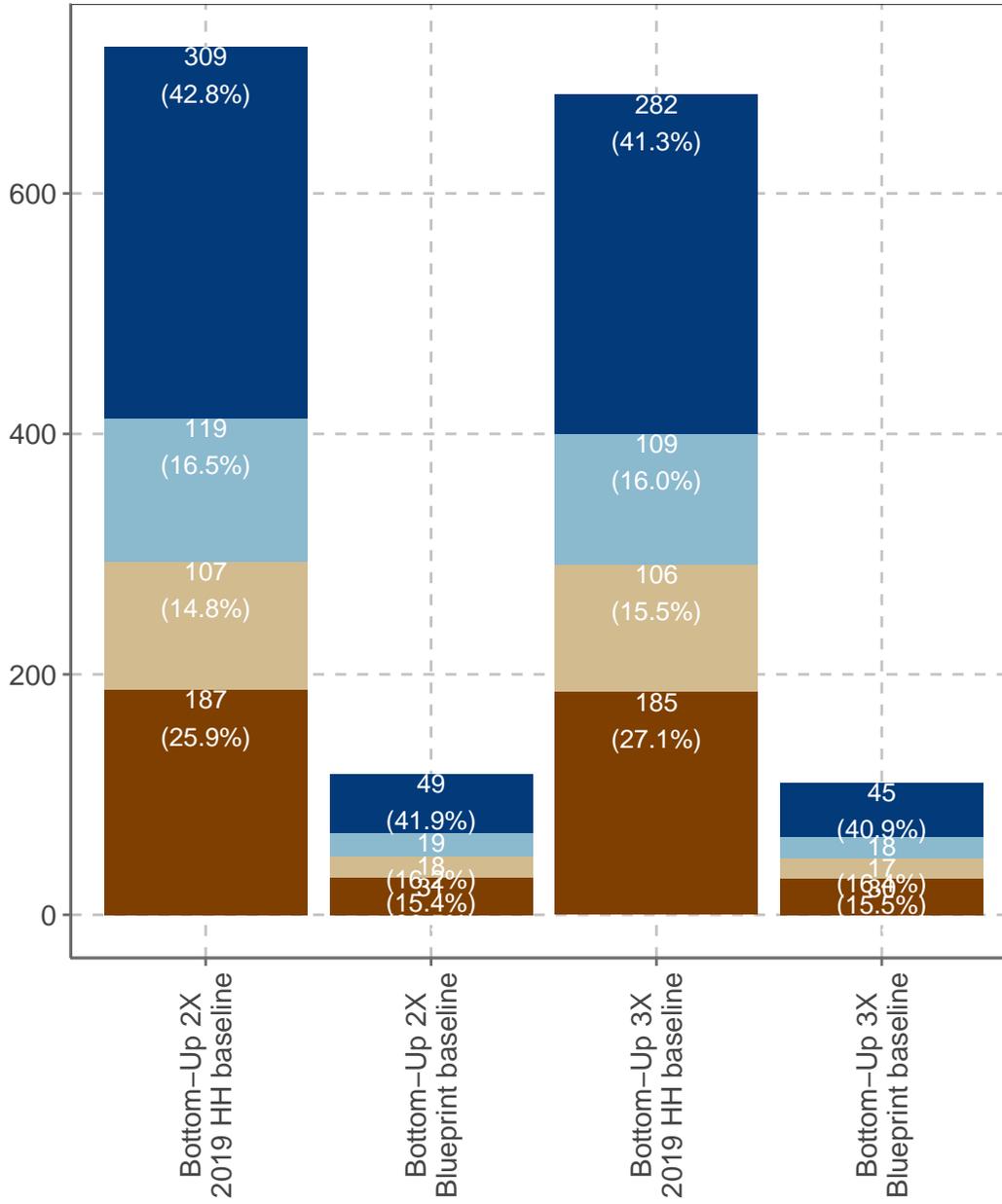


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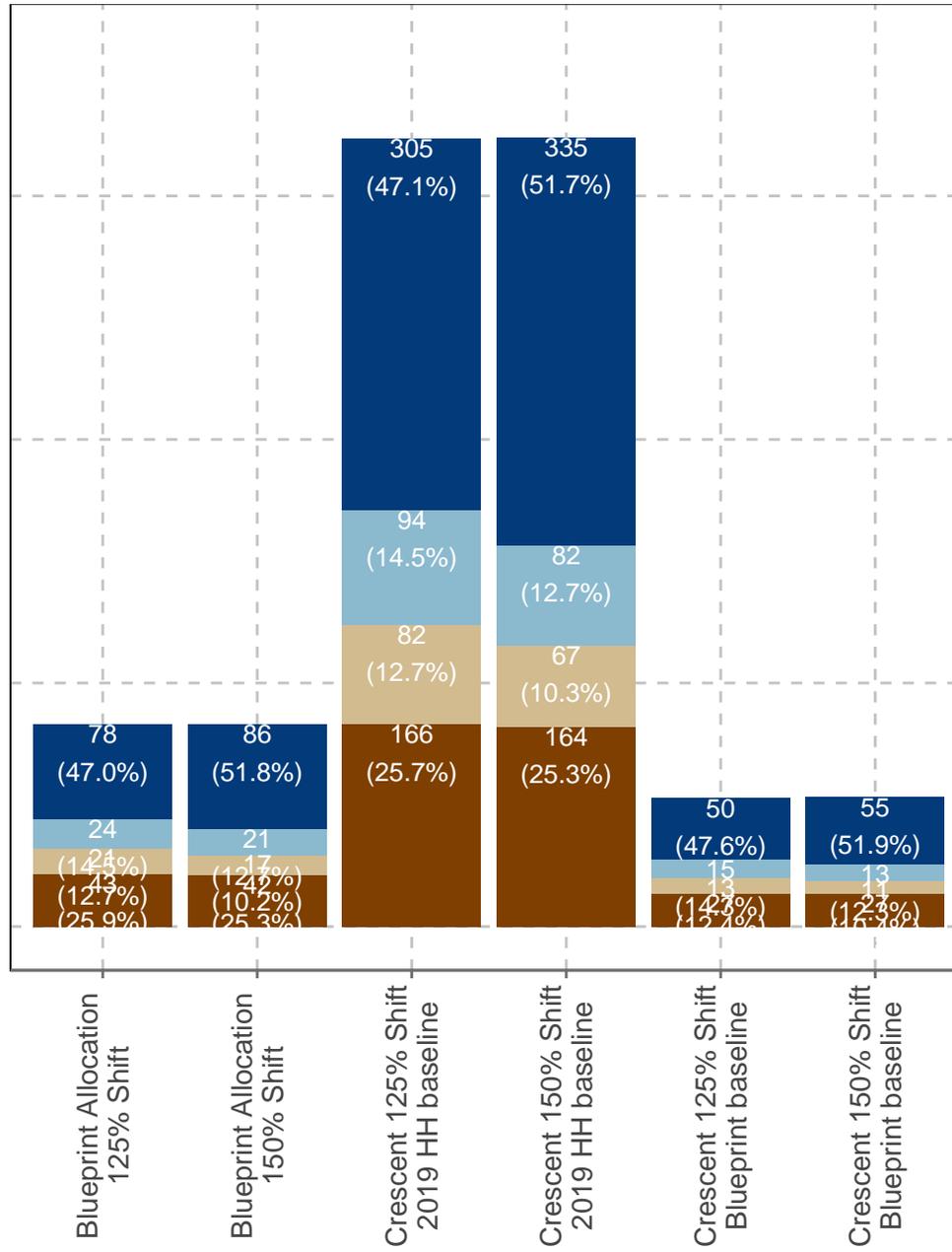
# Income Distribution, Dixon (Solano County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

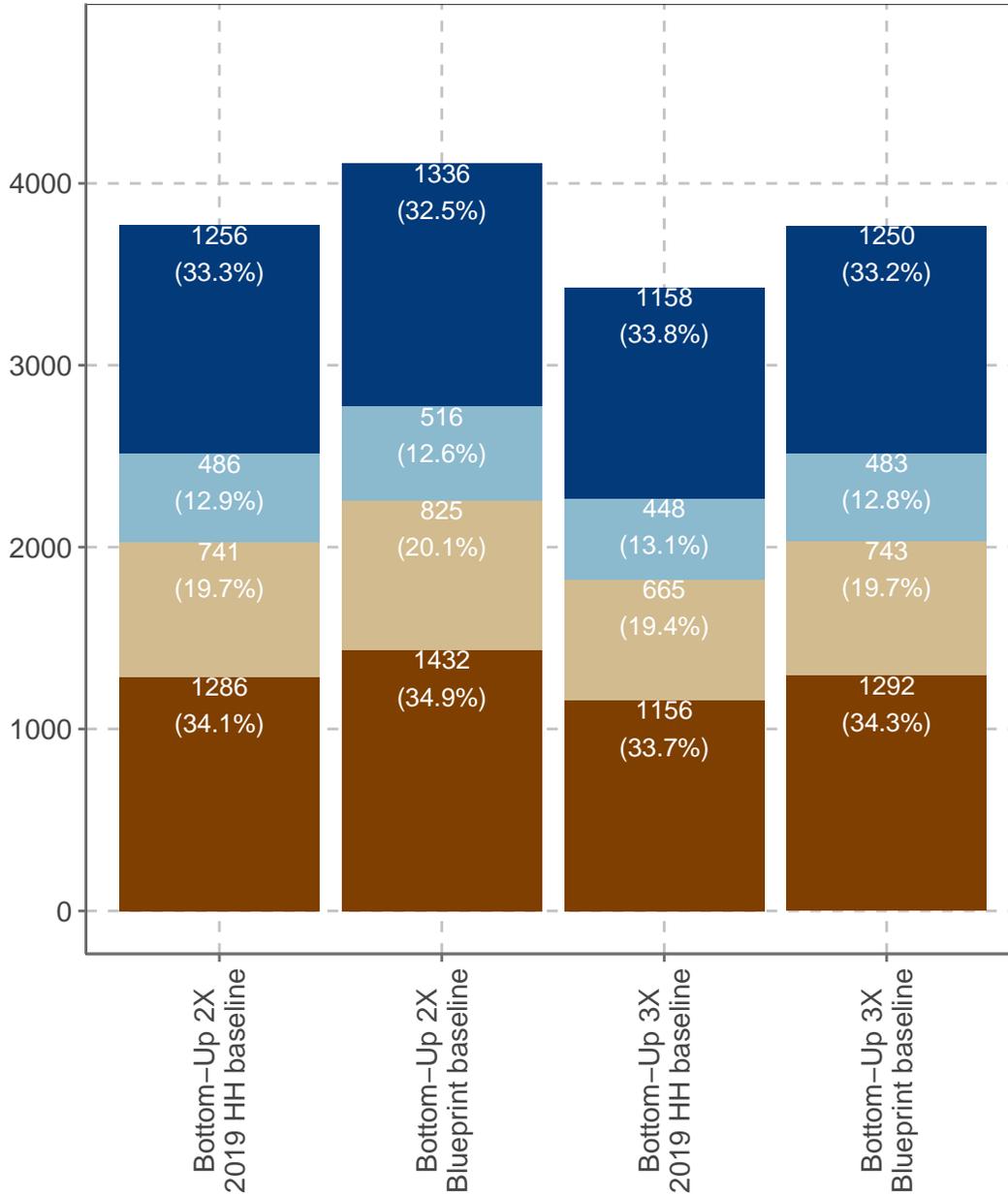


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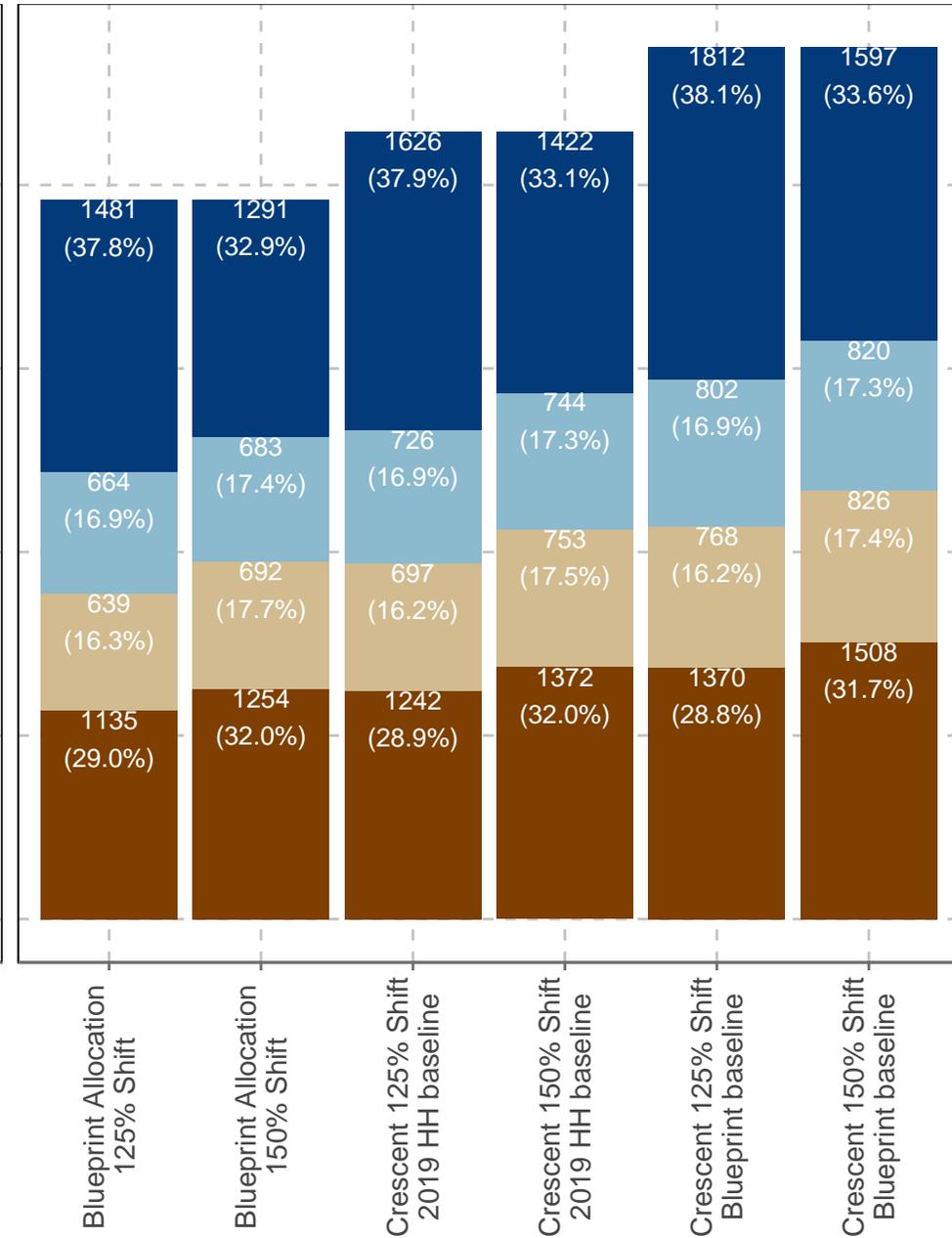
# Income Distribution, Dublin (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

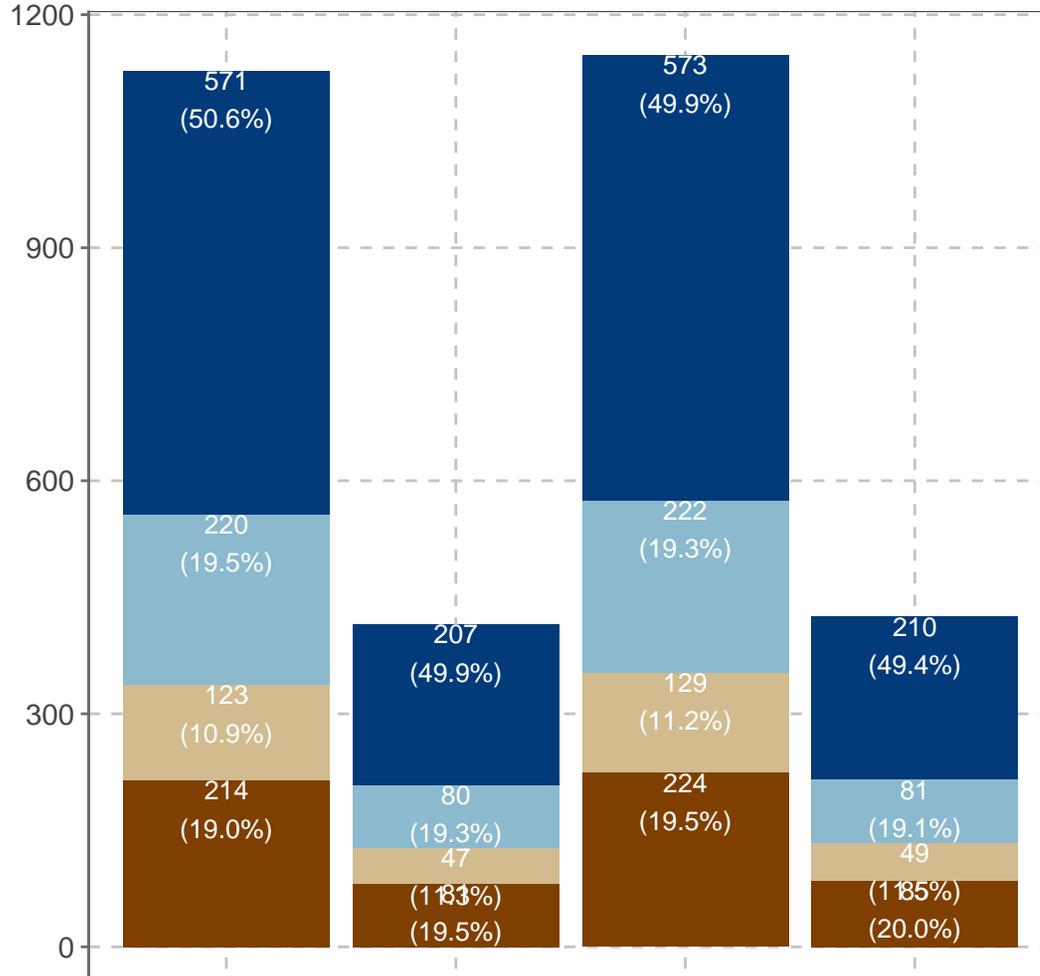


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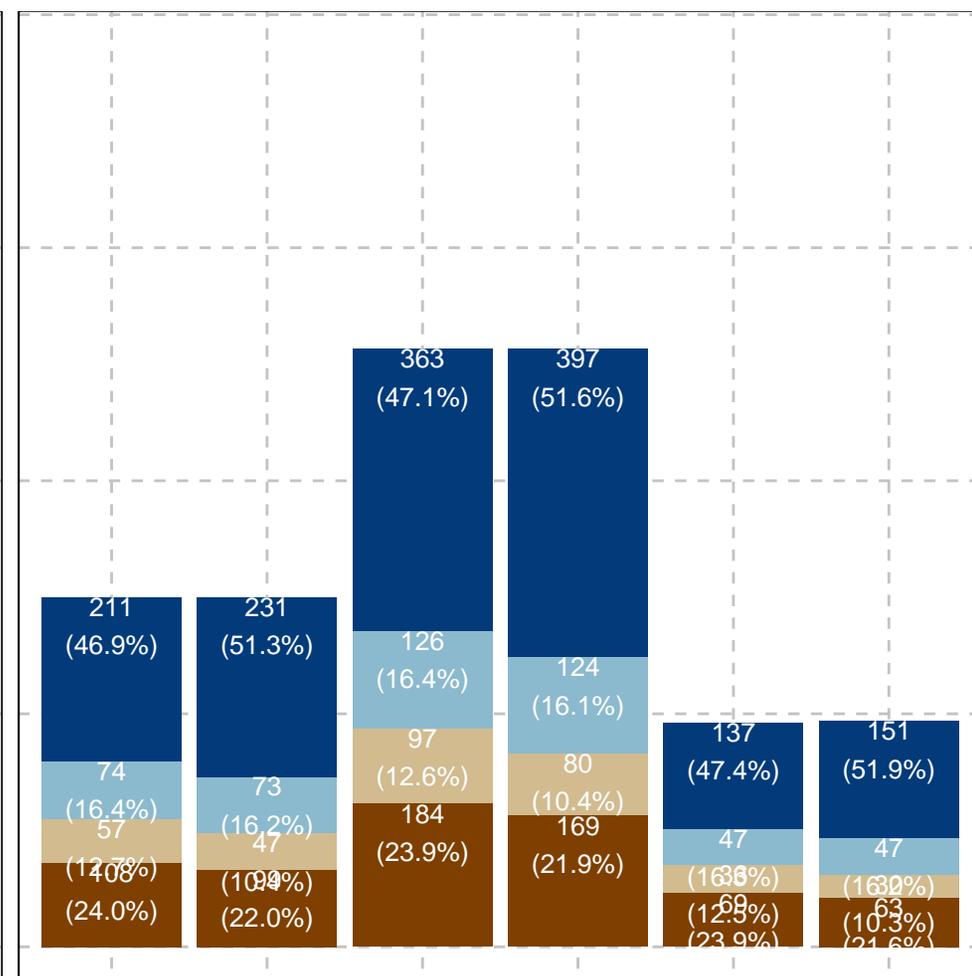
# Income Distribution, East Palo Alto (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

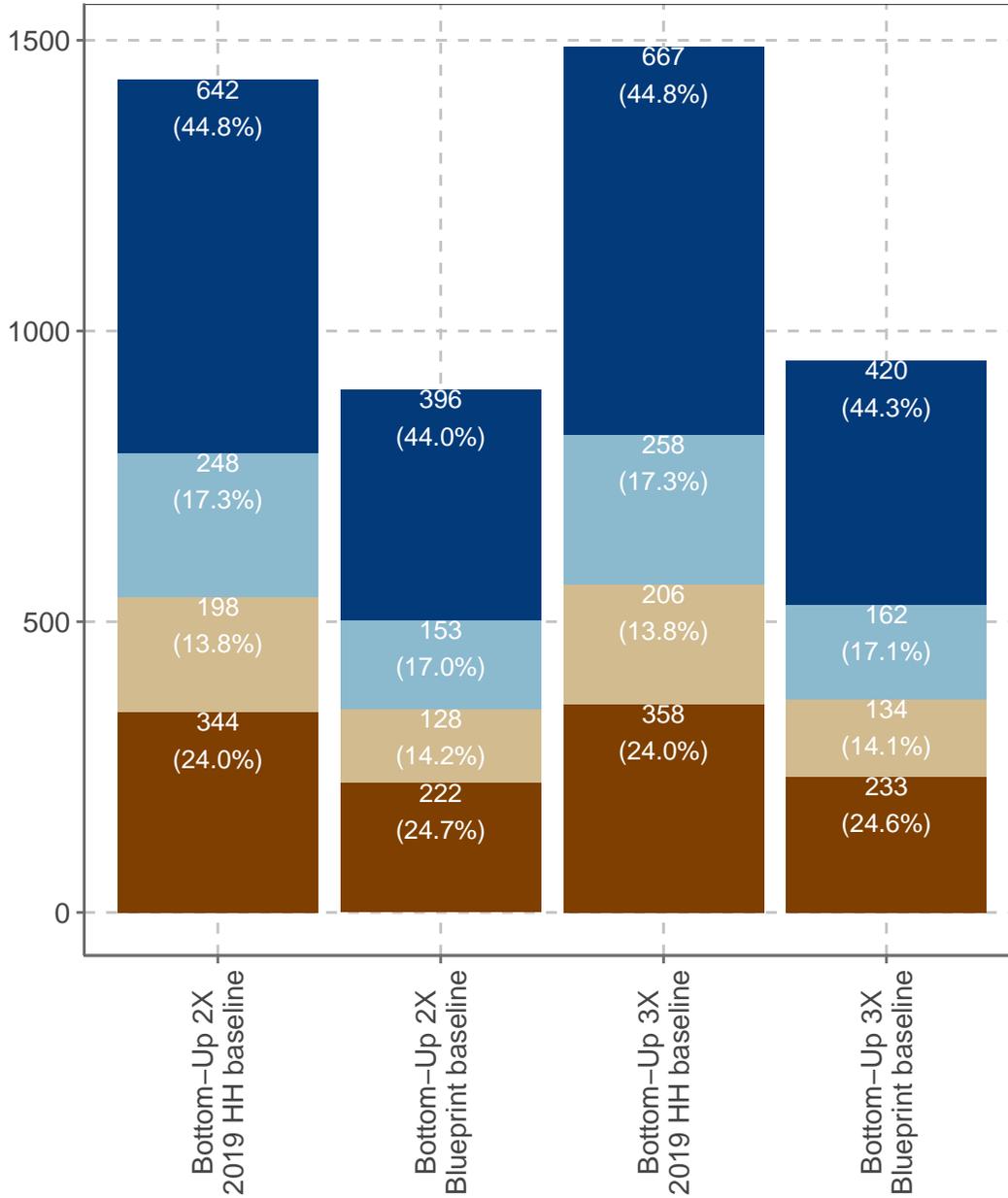


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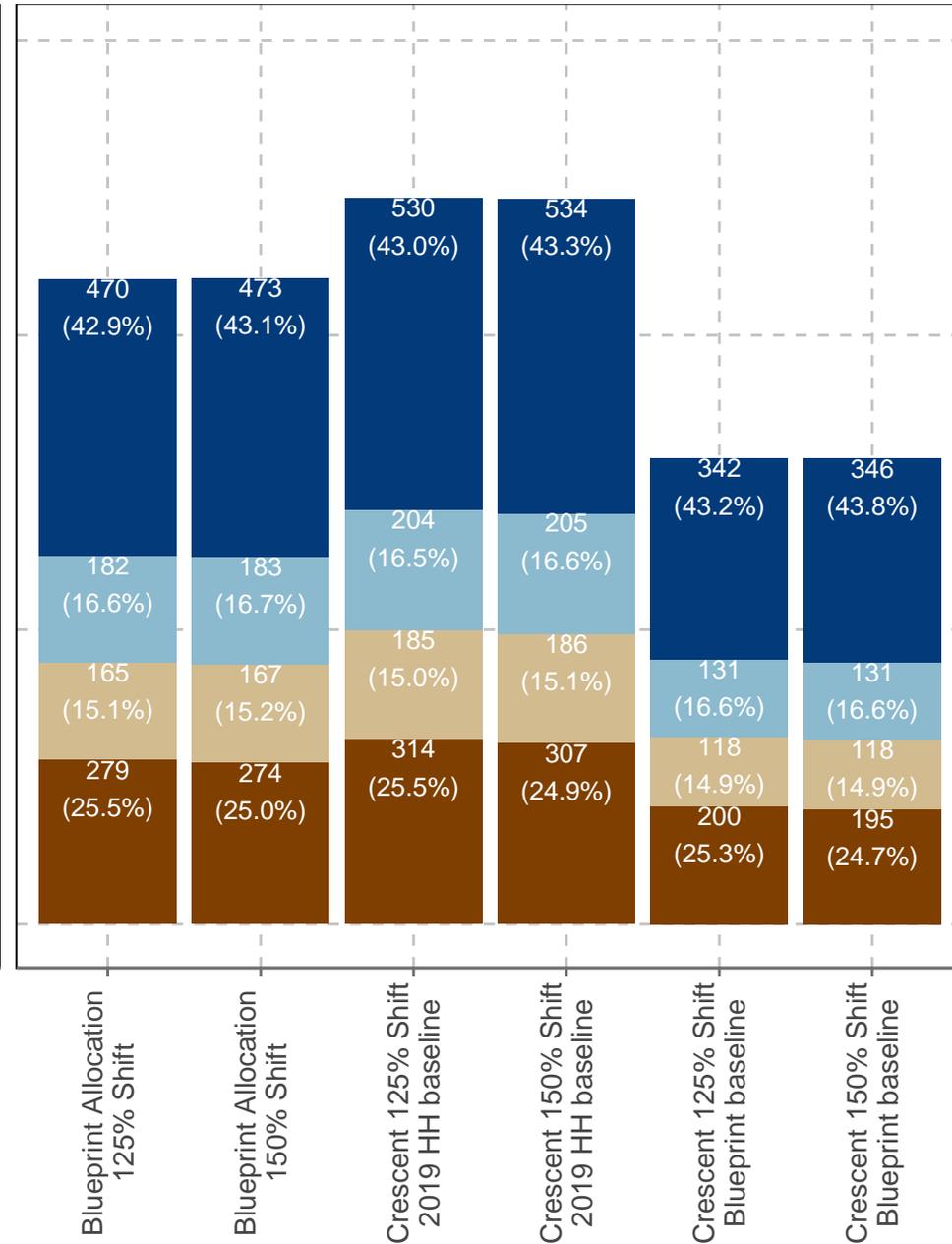
# Income Distribution, El Cerrito (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

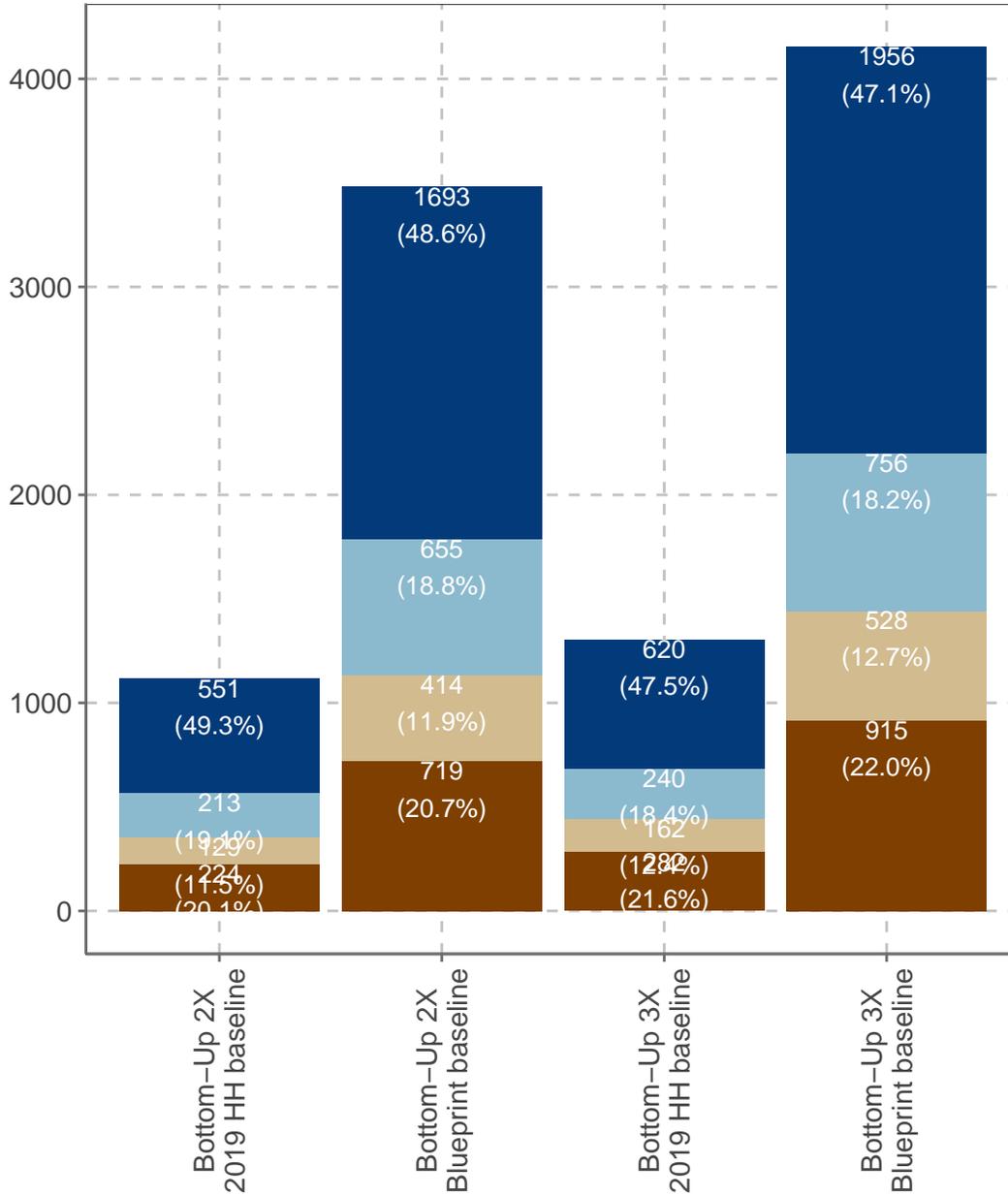


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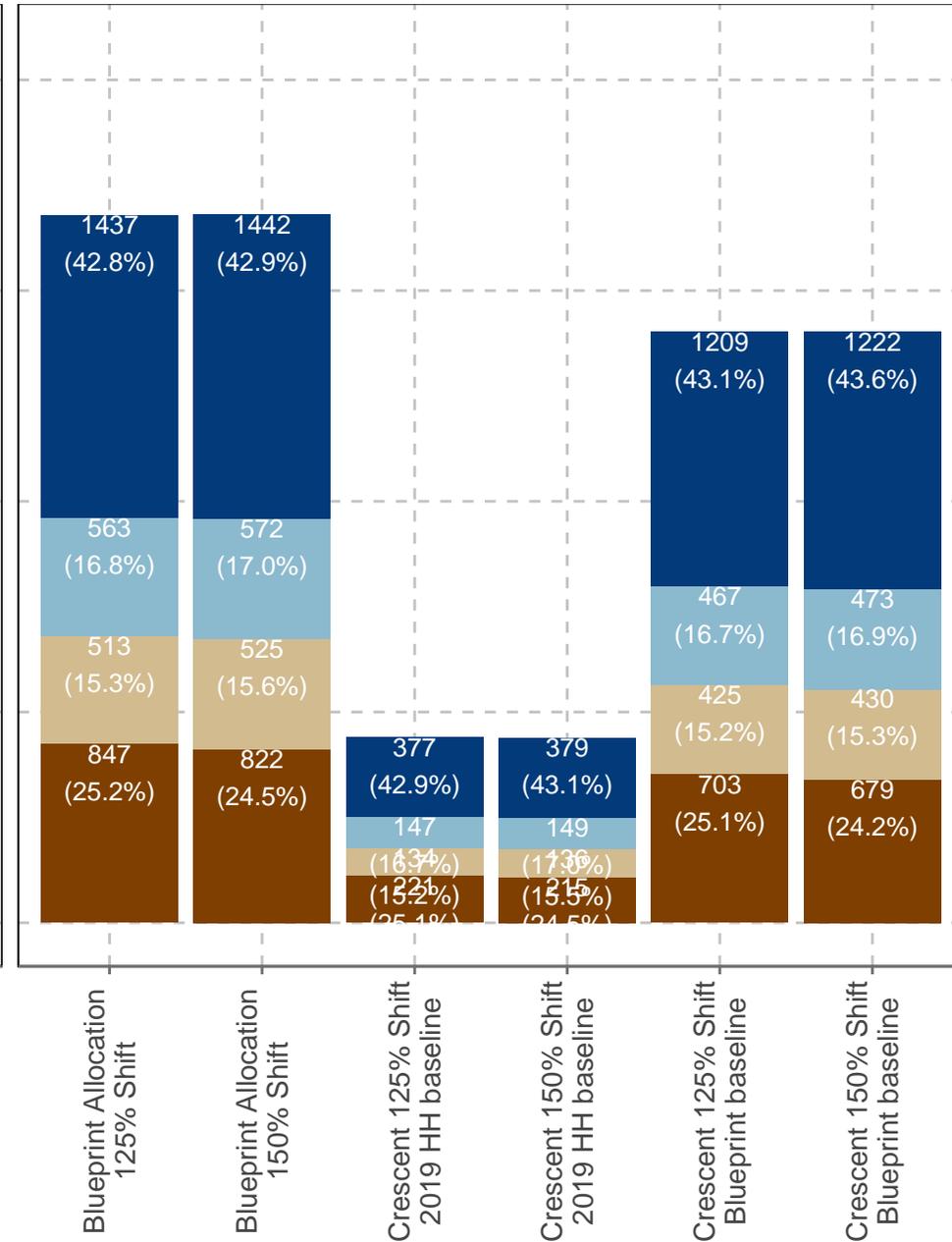
# Income Distribution, Emeryville (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

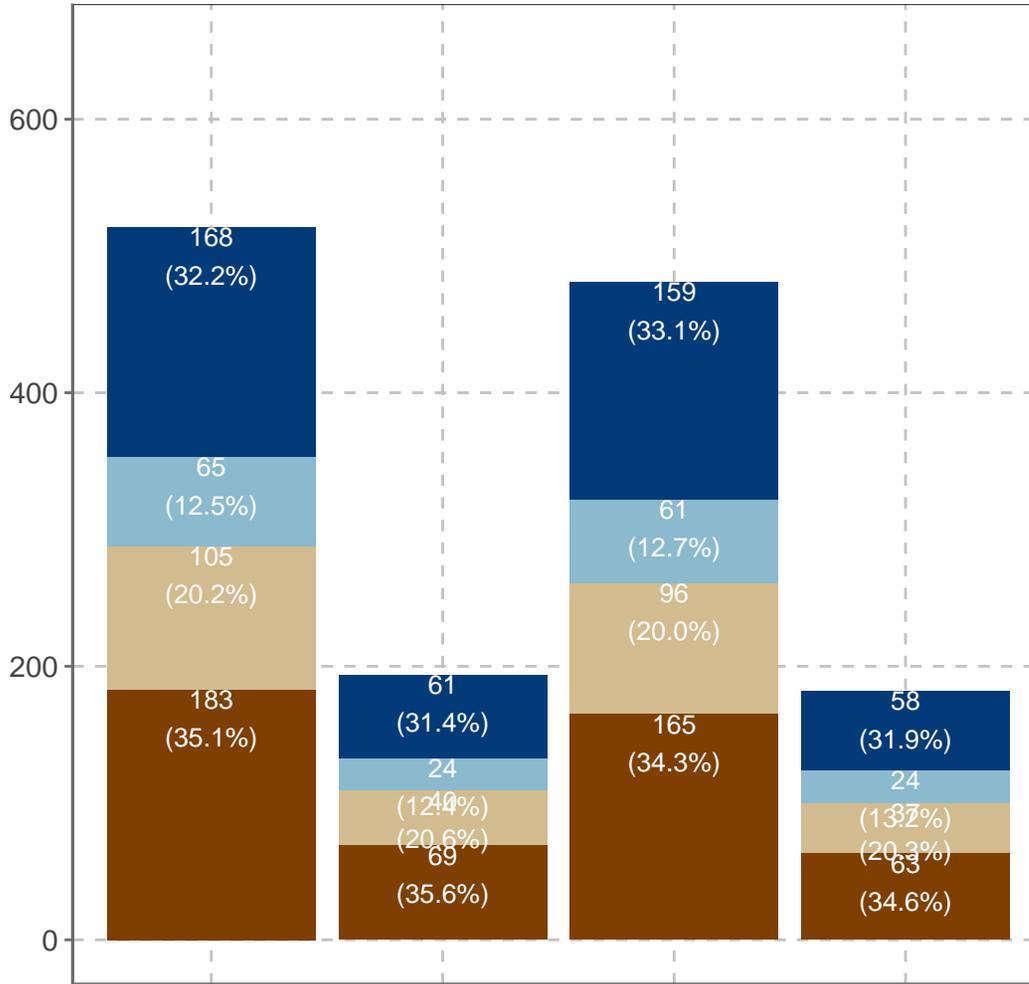


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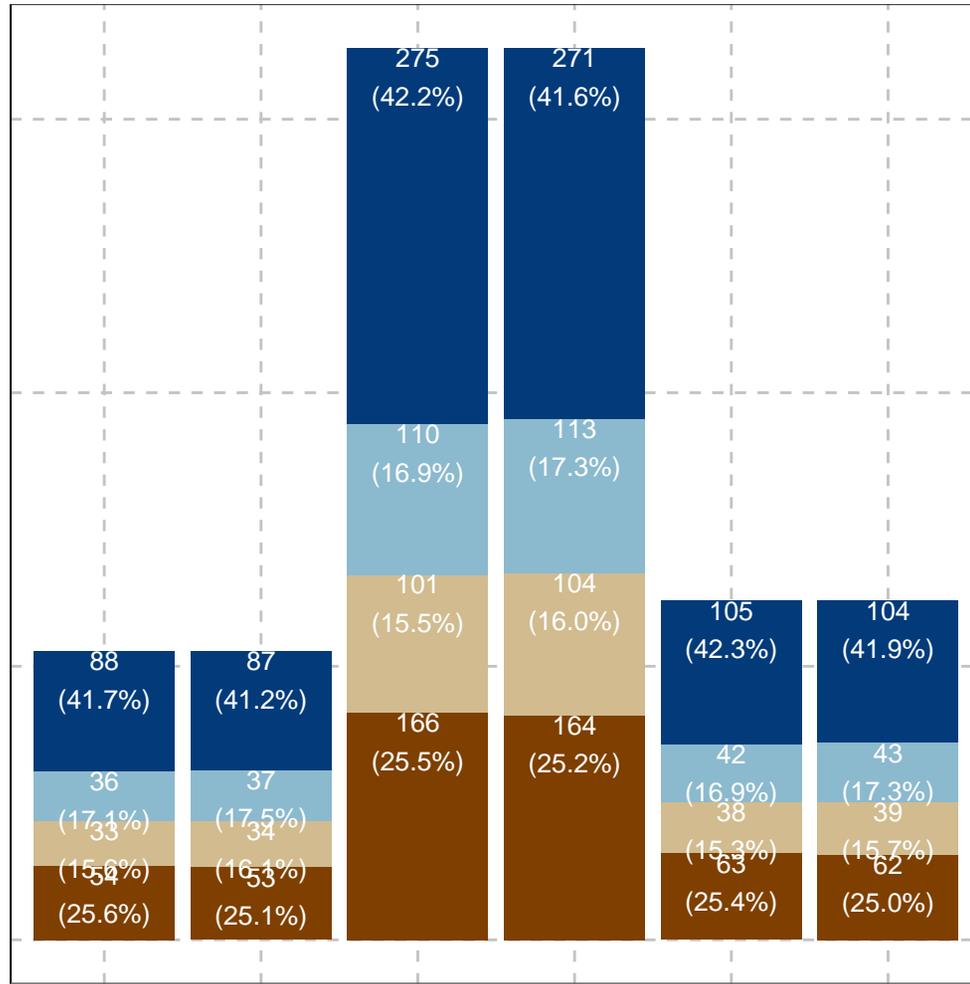
# Income Distribution, Fairfax (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



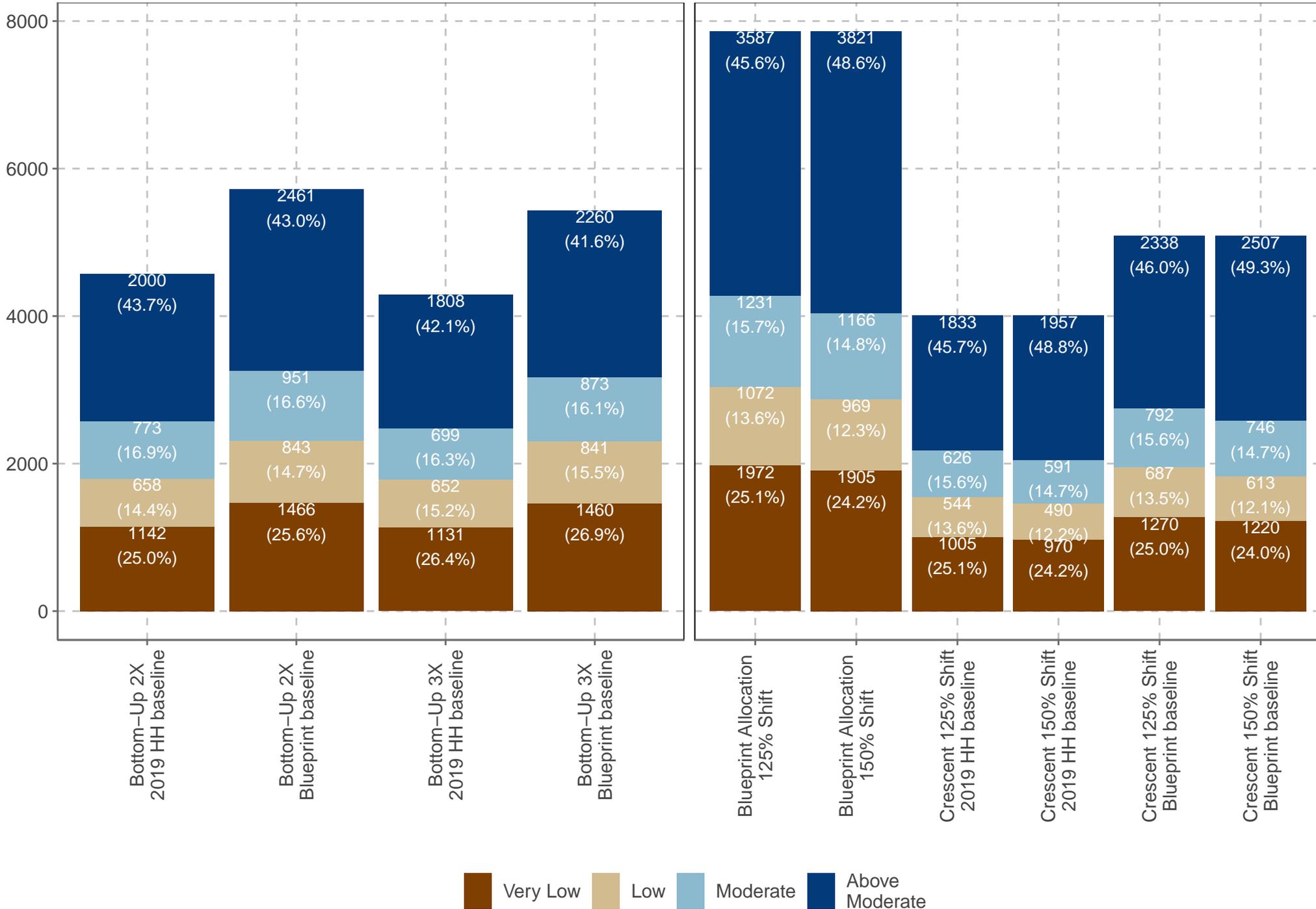
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Fairfield (Solano County)

Various approaches and baselines shown

## Bottom-Up Approach

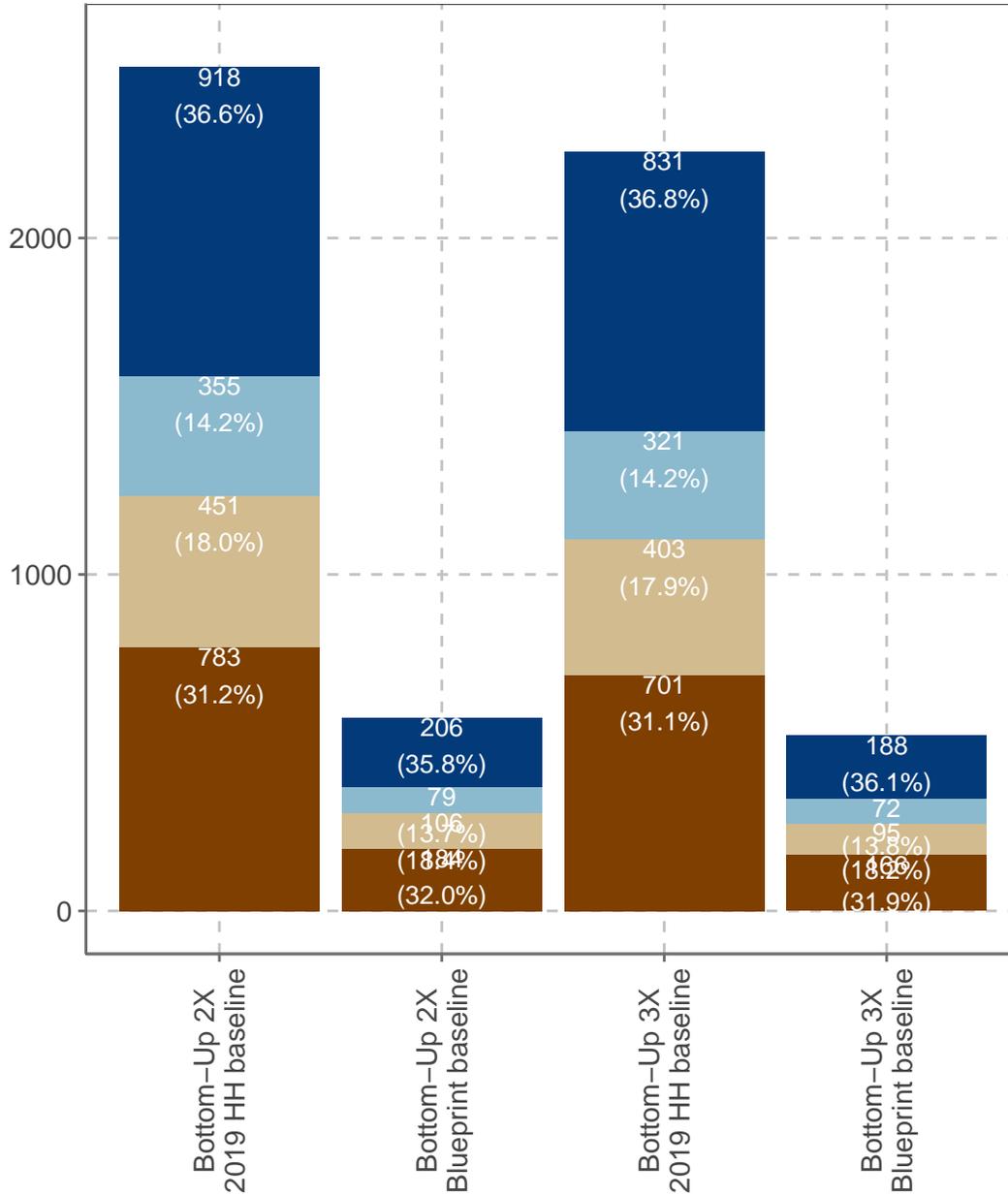
## Income Shift Approach



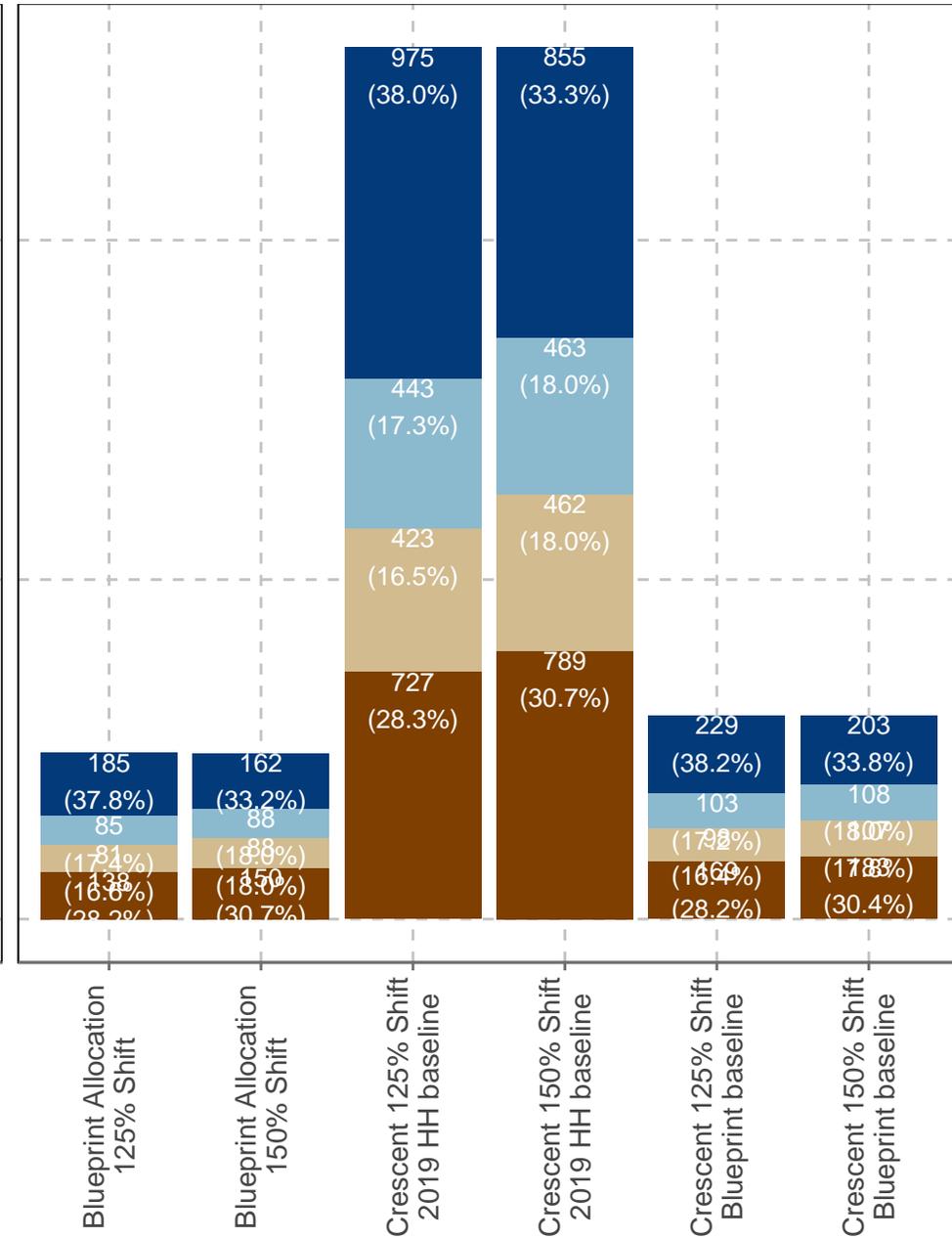
# Income Distribution, Foster City (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

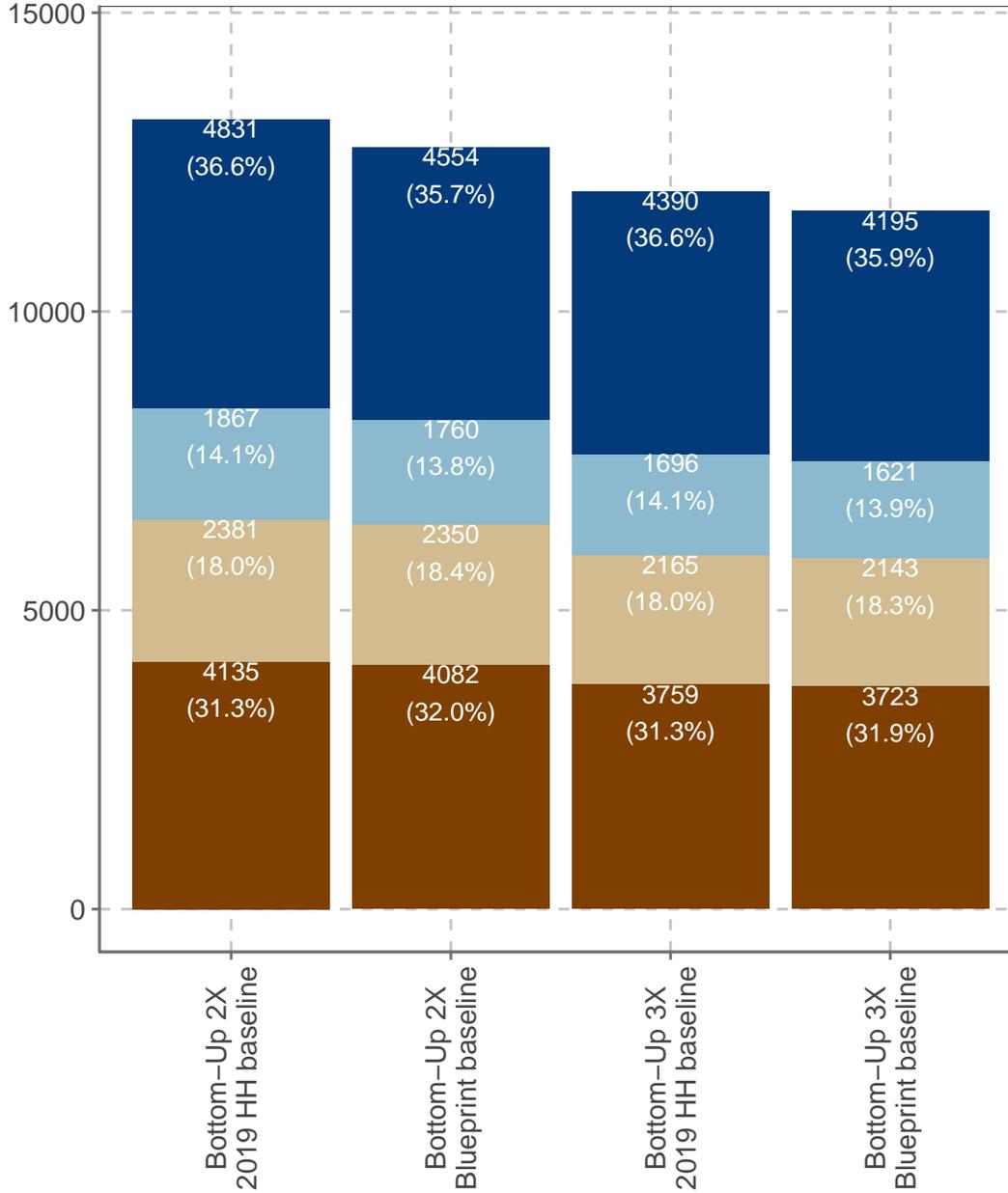


Very Low
  Low
  Moderate
  Above Moderate

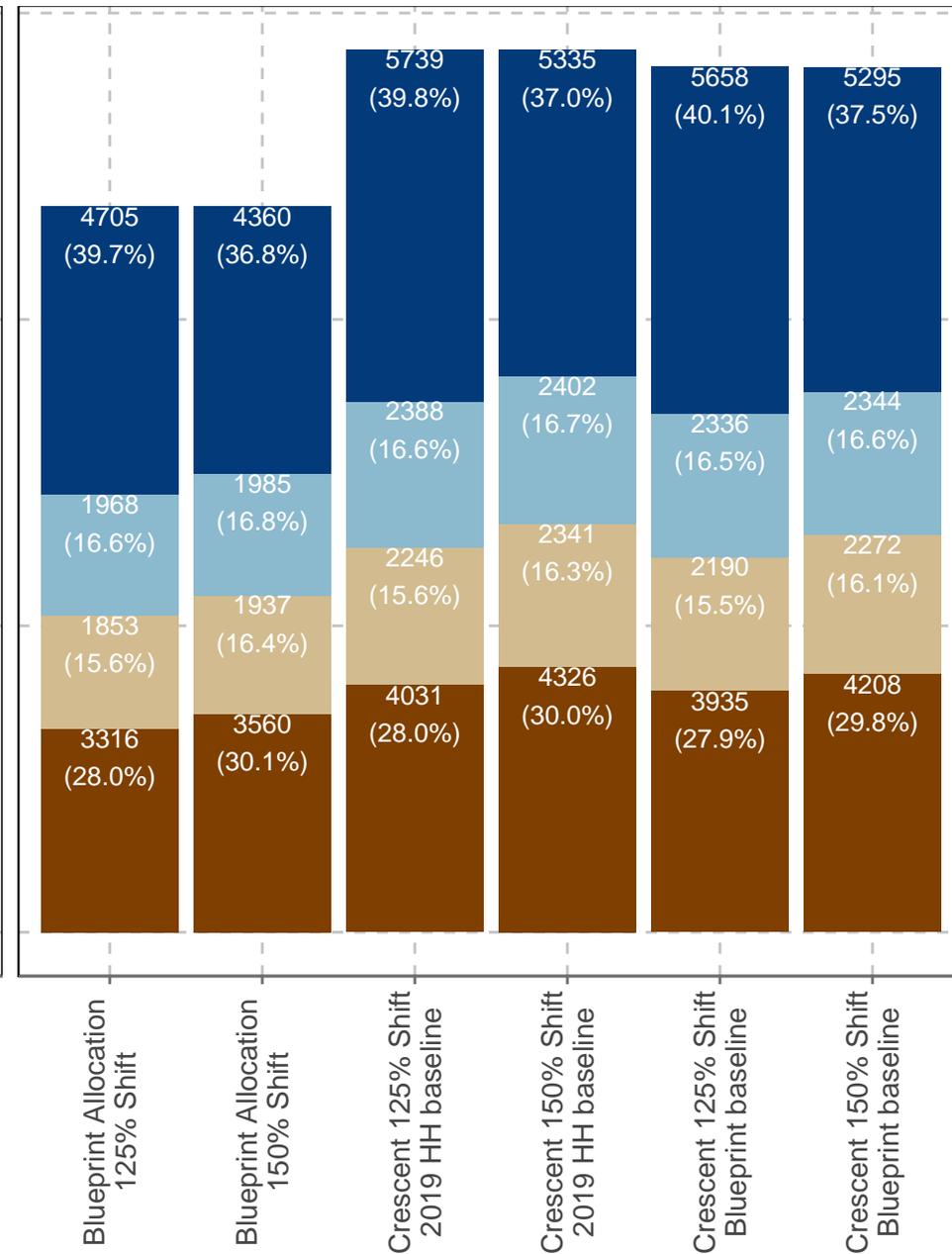
# Income Distribution, Fremont (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



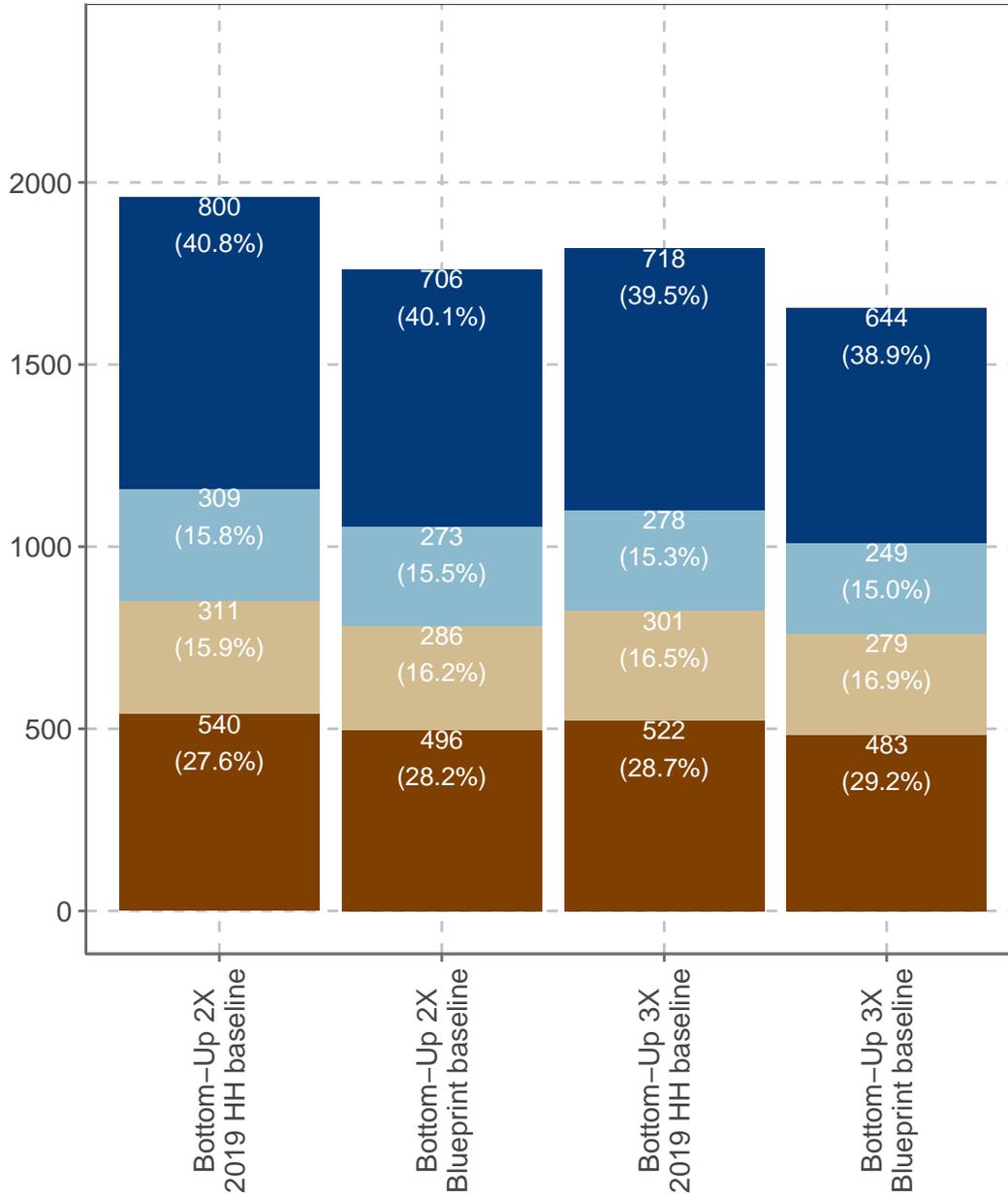
## Income Shift Approach



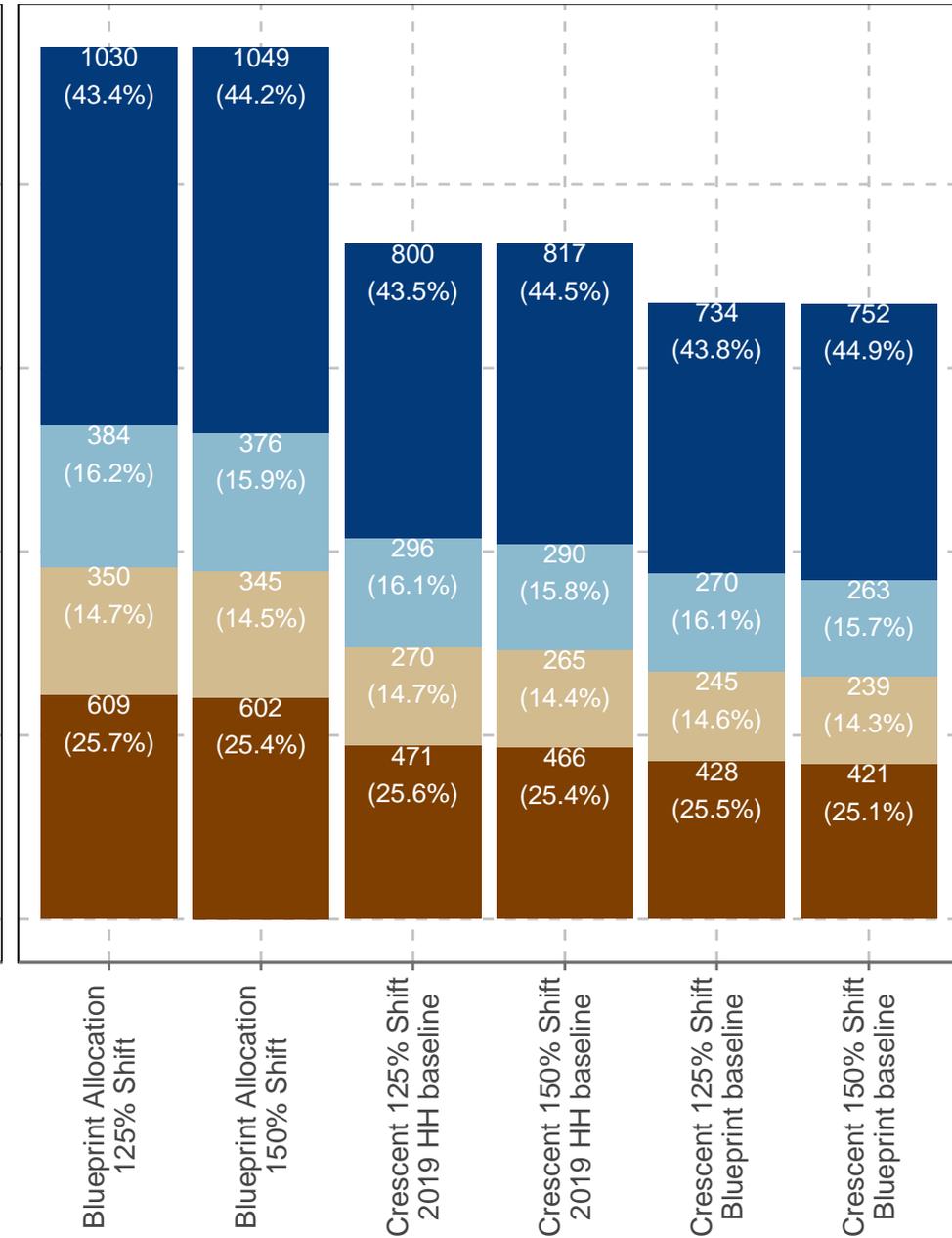
# Income Distribution, Gilroy (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



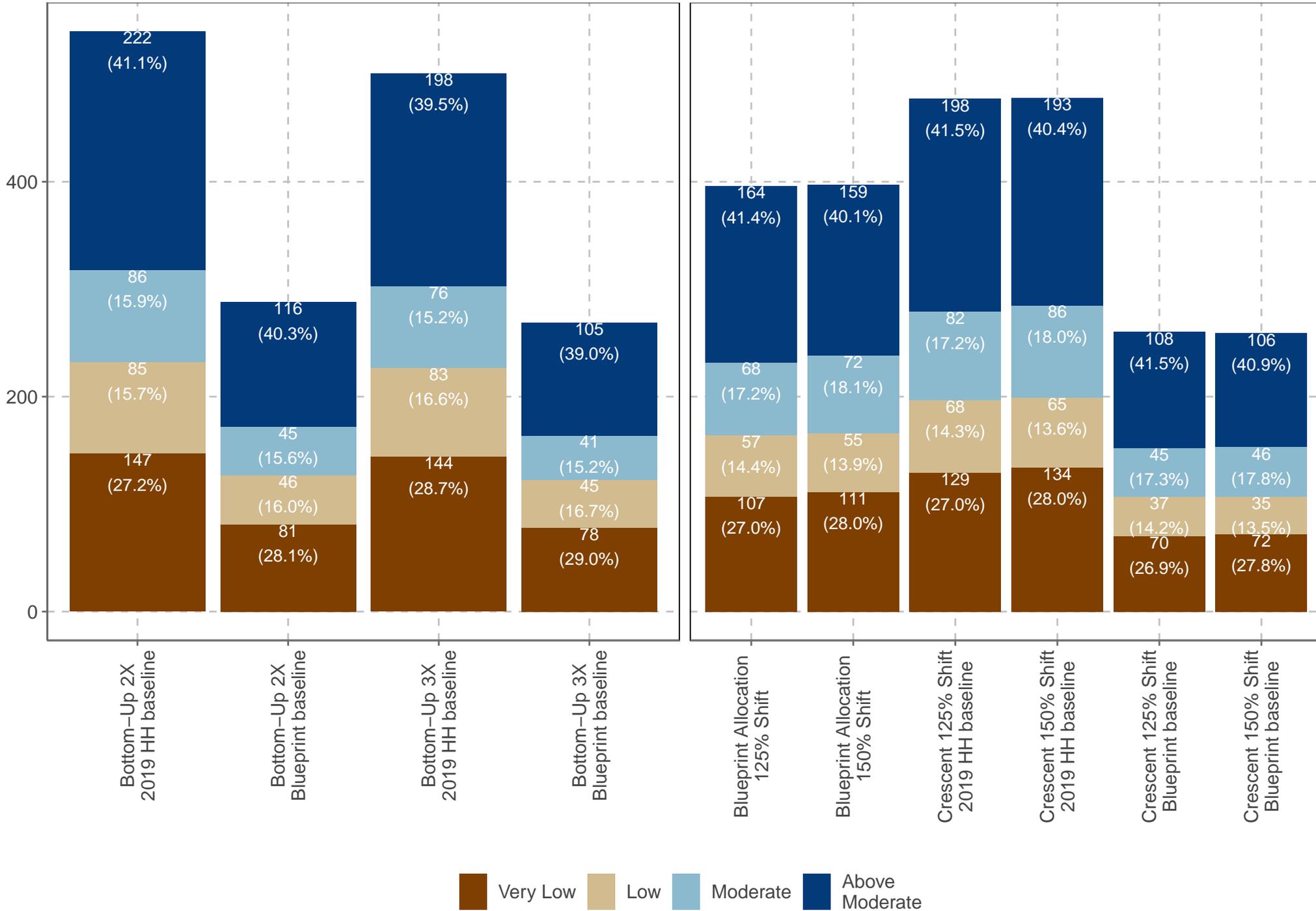
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Half Moon Bay (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach

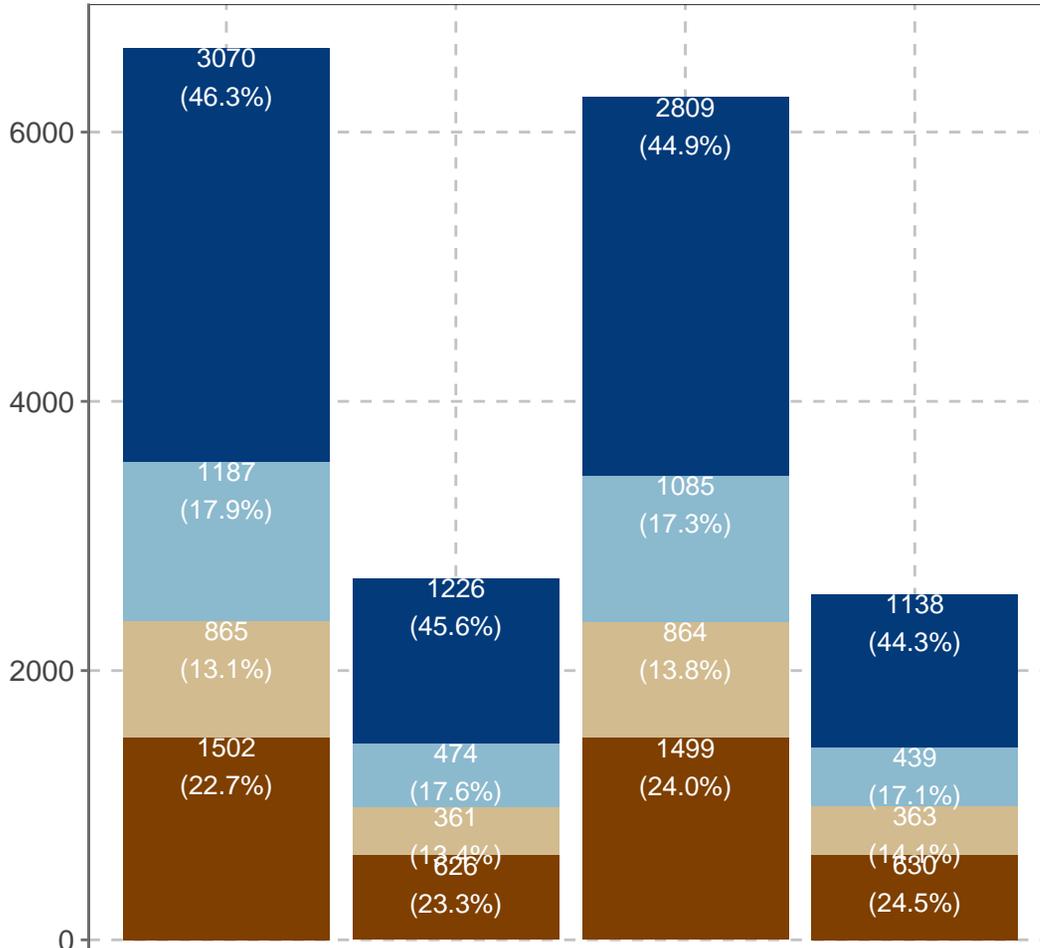
## Income Shift Approach



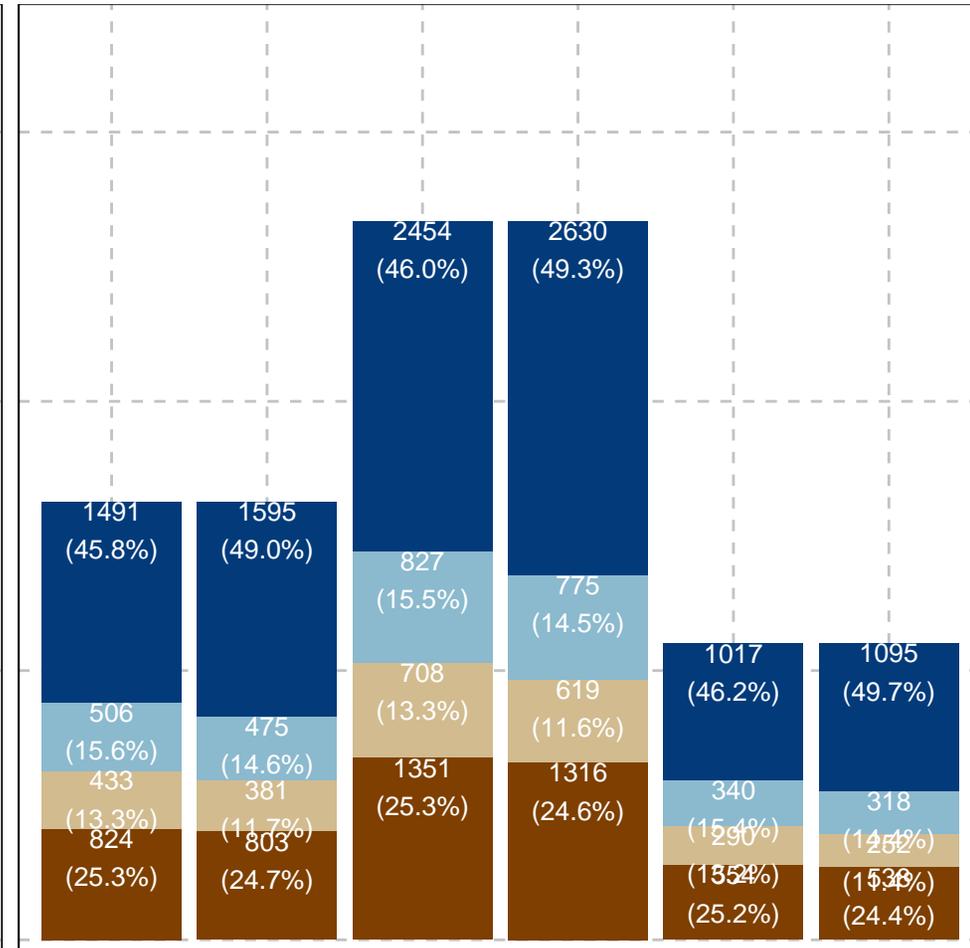
# Income Distribution, Hayward (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

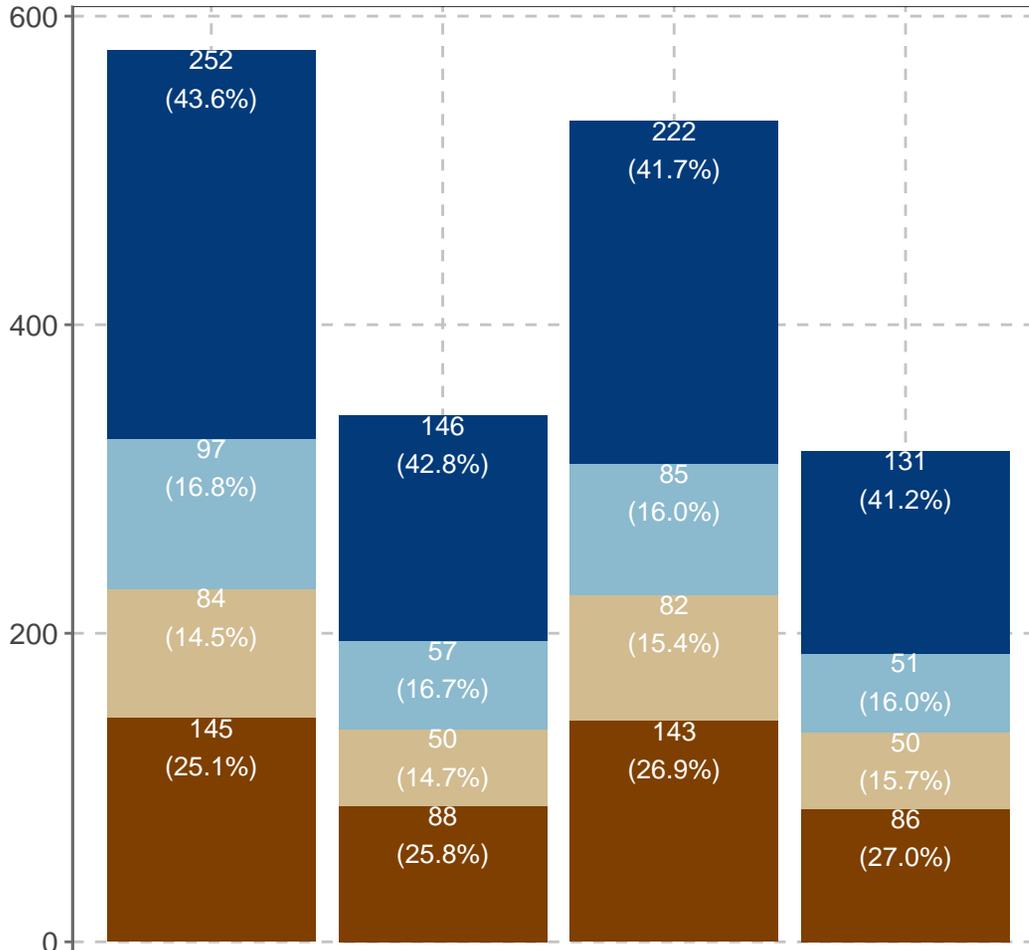


Very Low
  Low
  Moderate
  Above Moderate

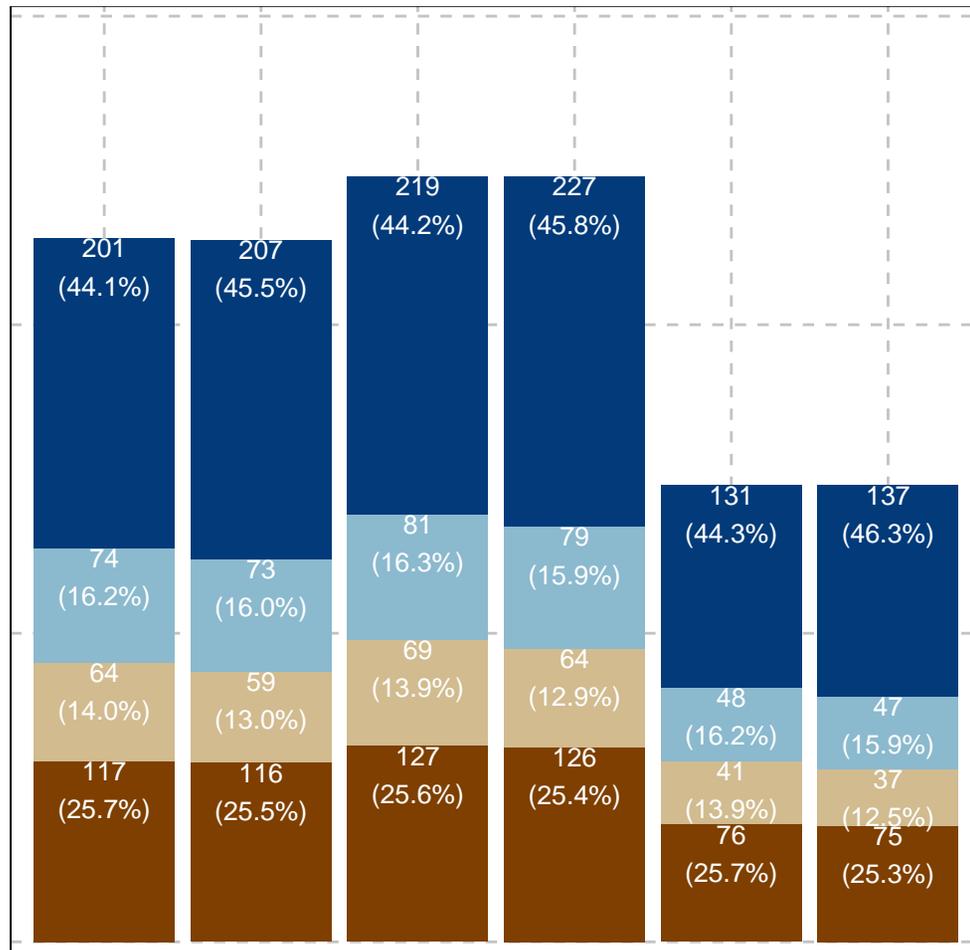
# Income Distribution, Healdsburg (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

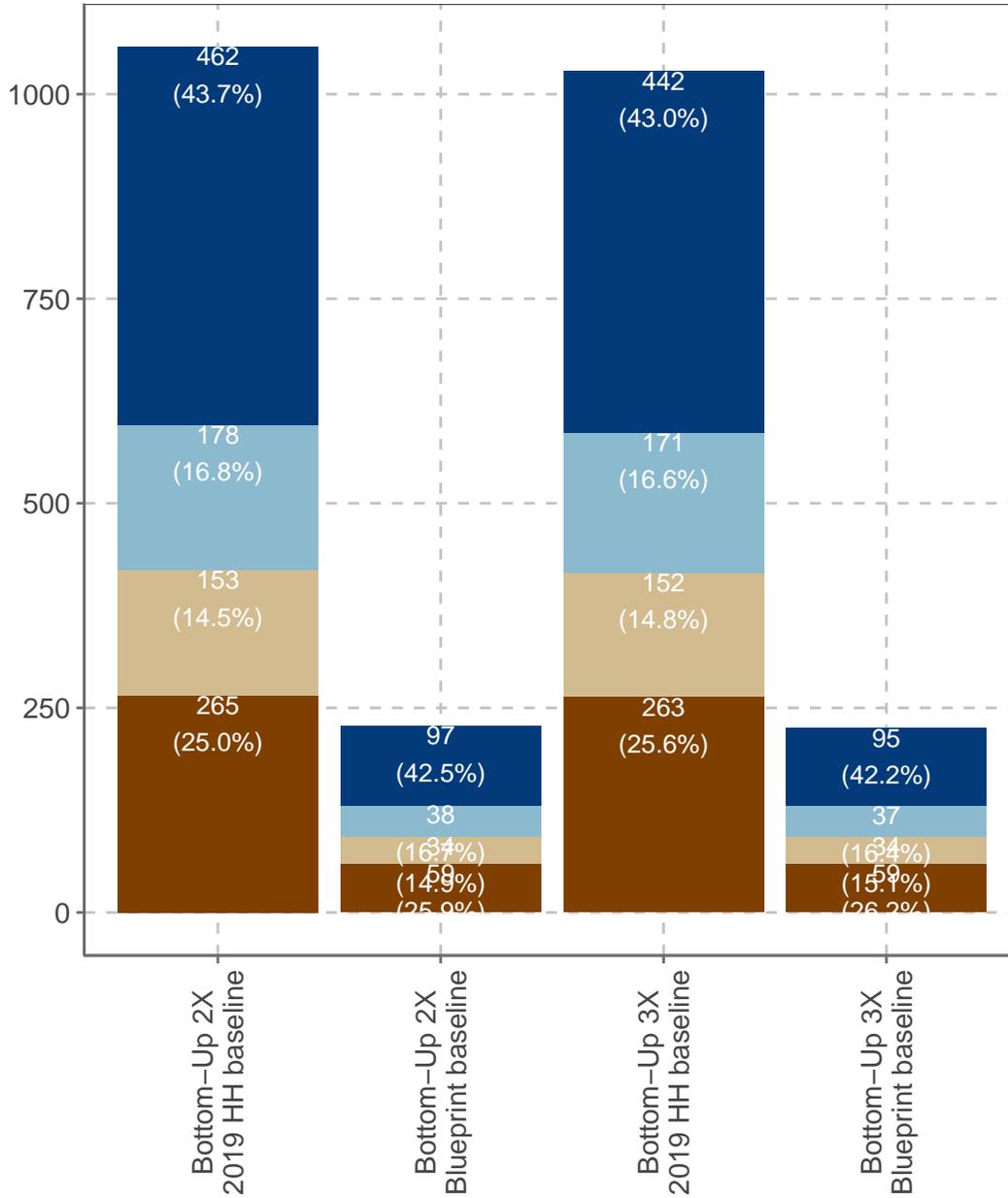


Very Low
  Low
  Moderate
  Above Moderate

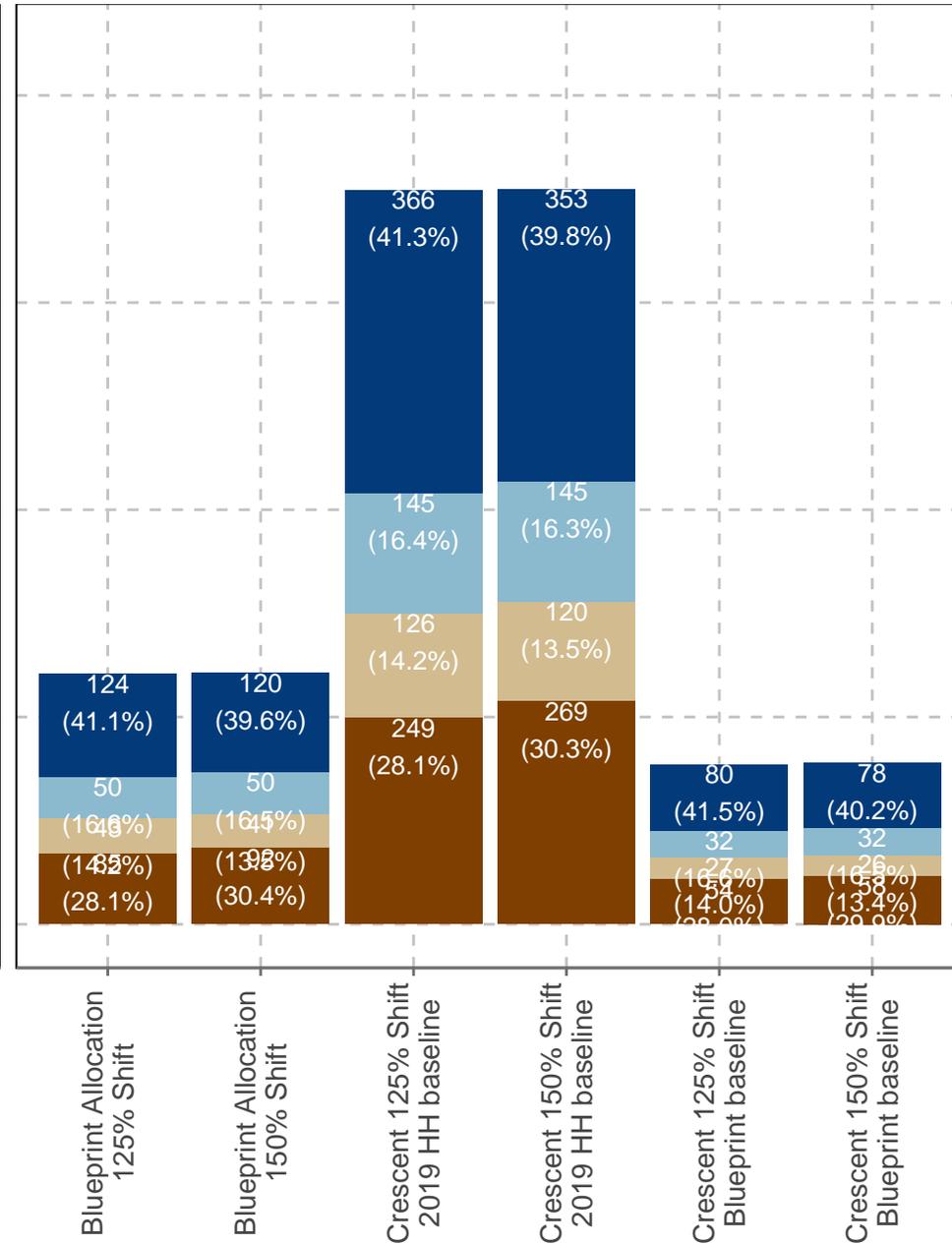
# Income Distribution, Hercules (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

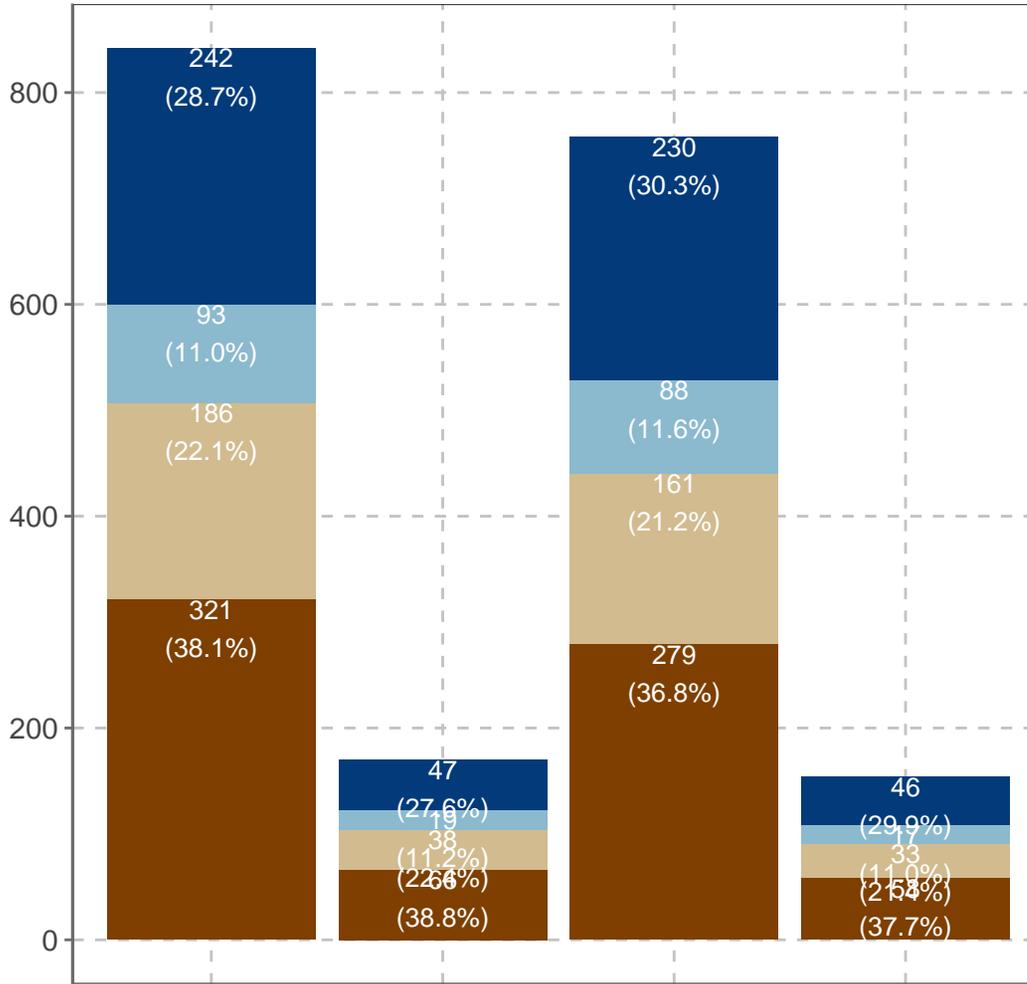


Very Low
  Low
  Moderate
  Above Moderate

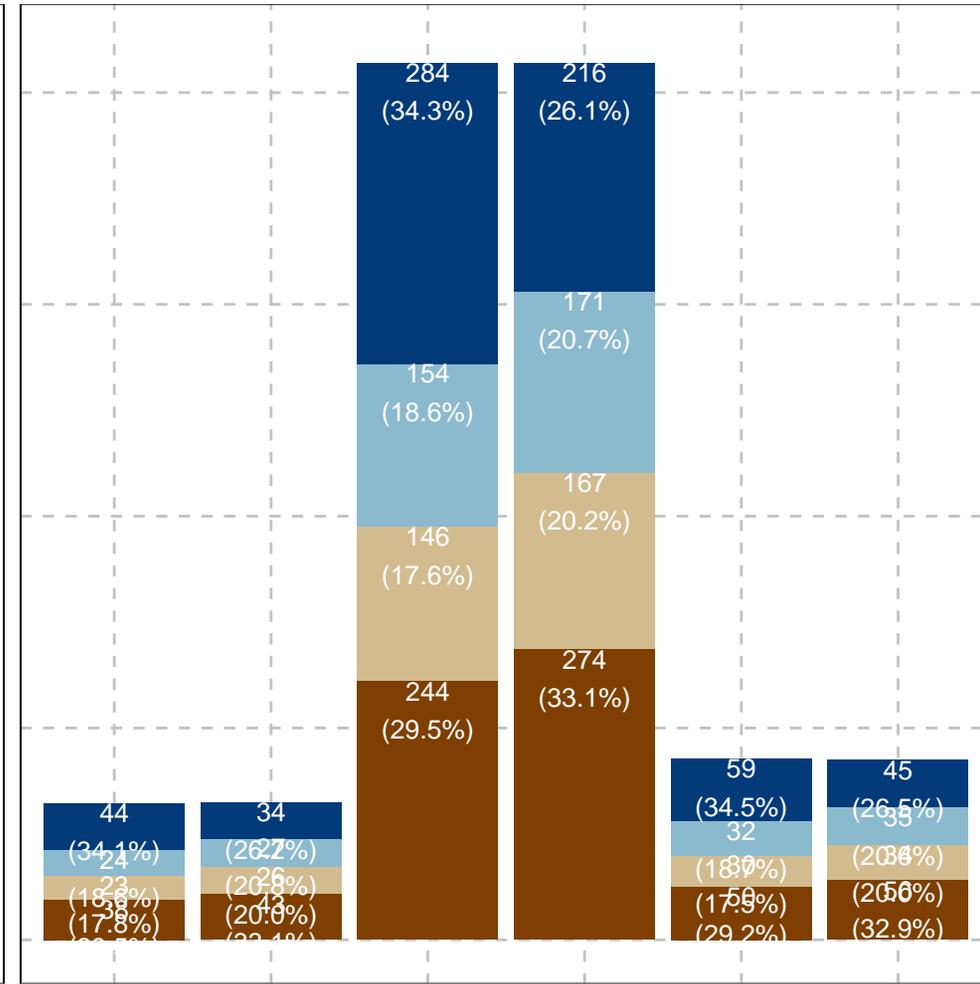
# Income Distribution, Hillsborough (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



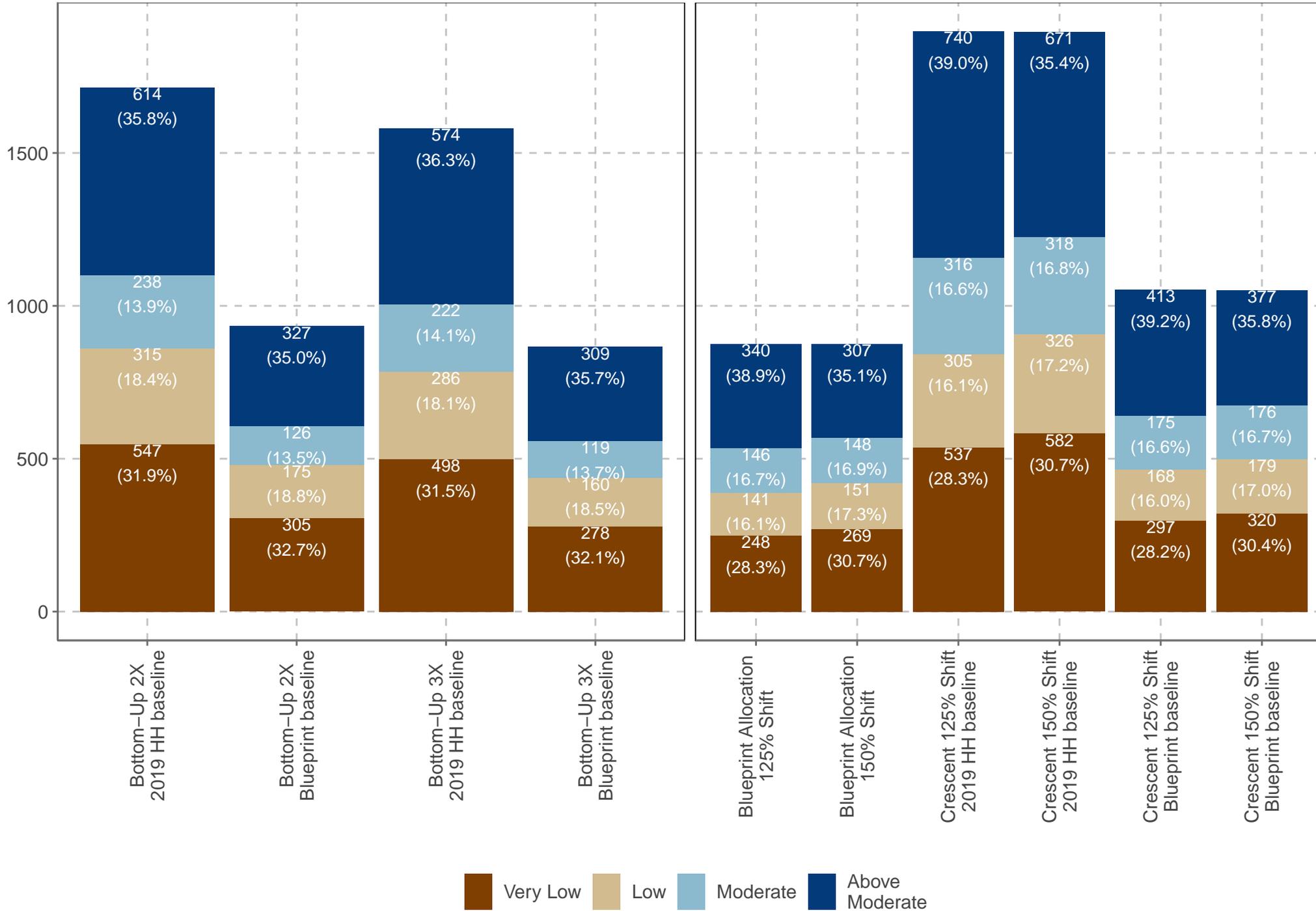
Very Low Low Moderate Above Moderate

# Income Distribution, Lafayette (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach

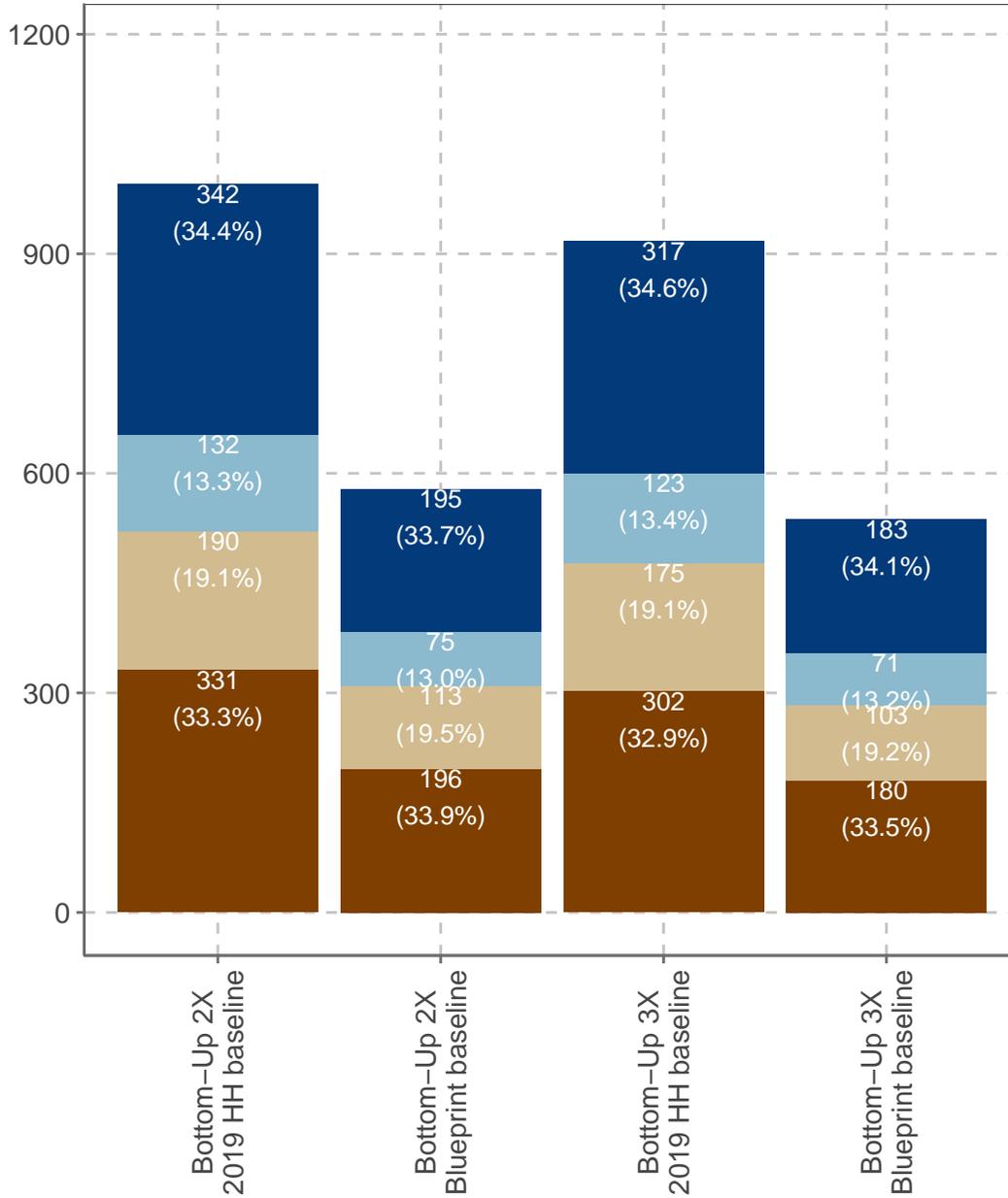
## Income Shift Approach



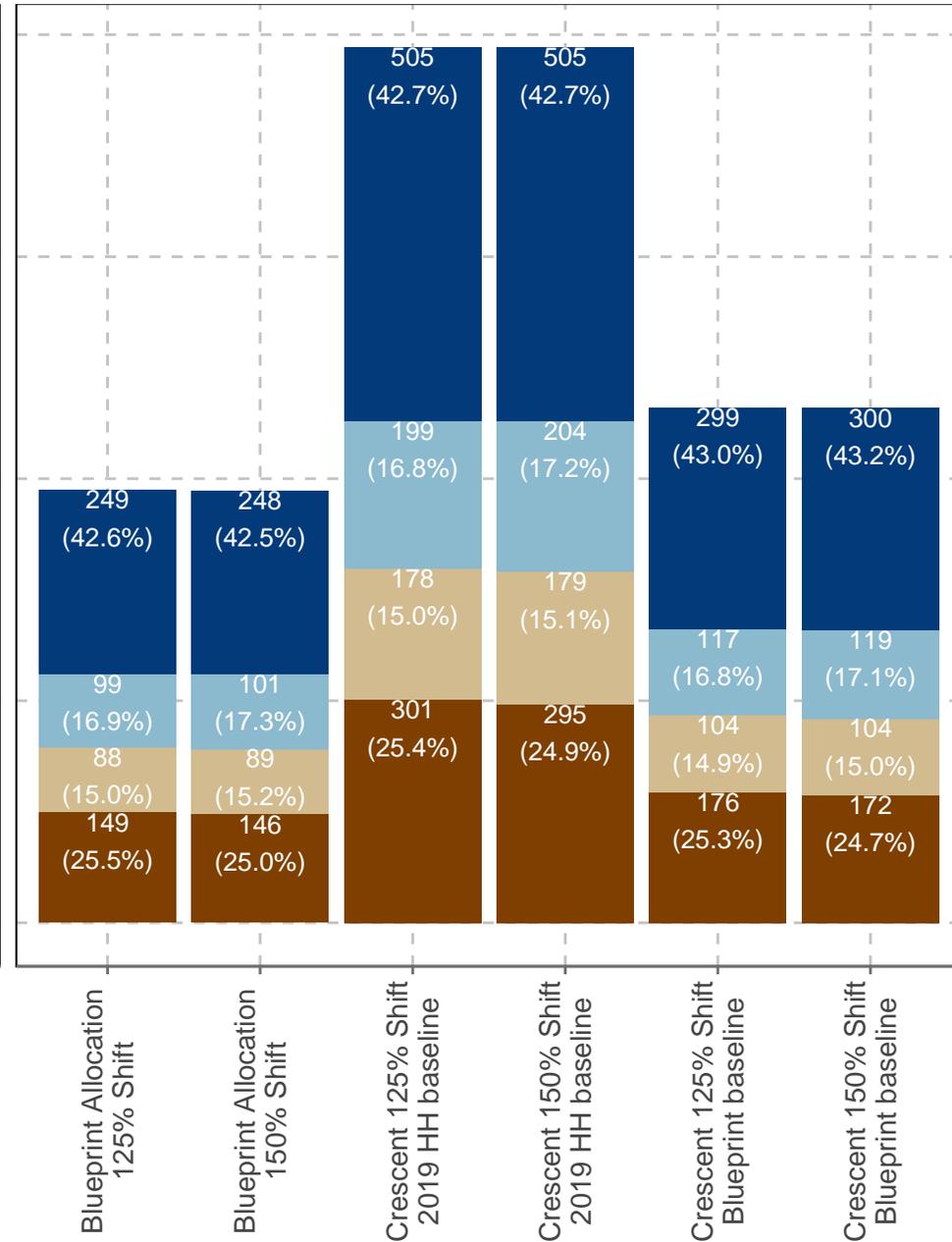
# Income Distribution, Larkspur (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

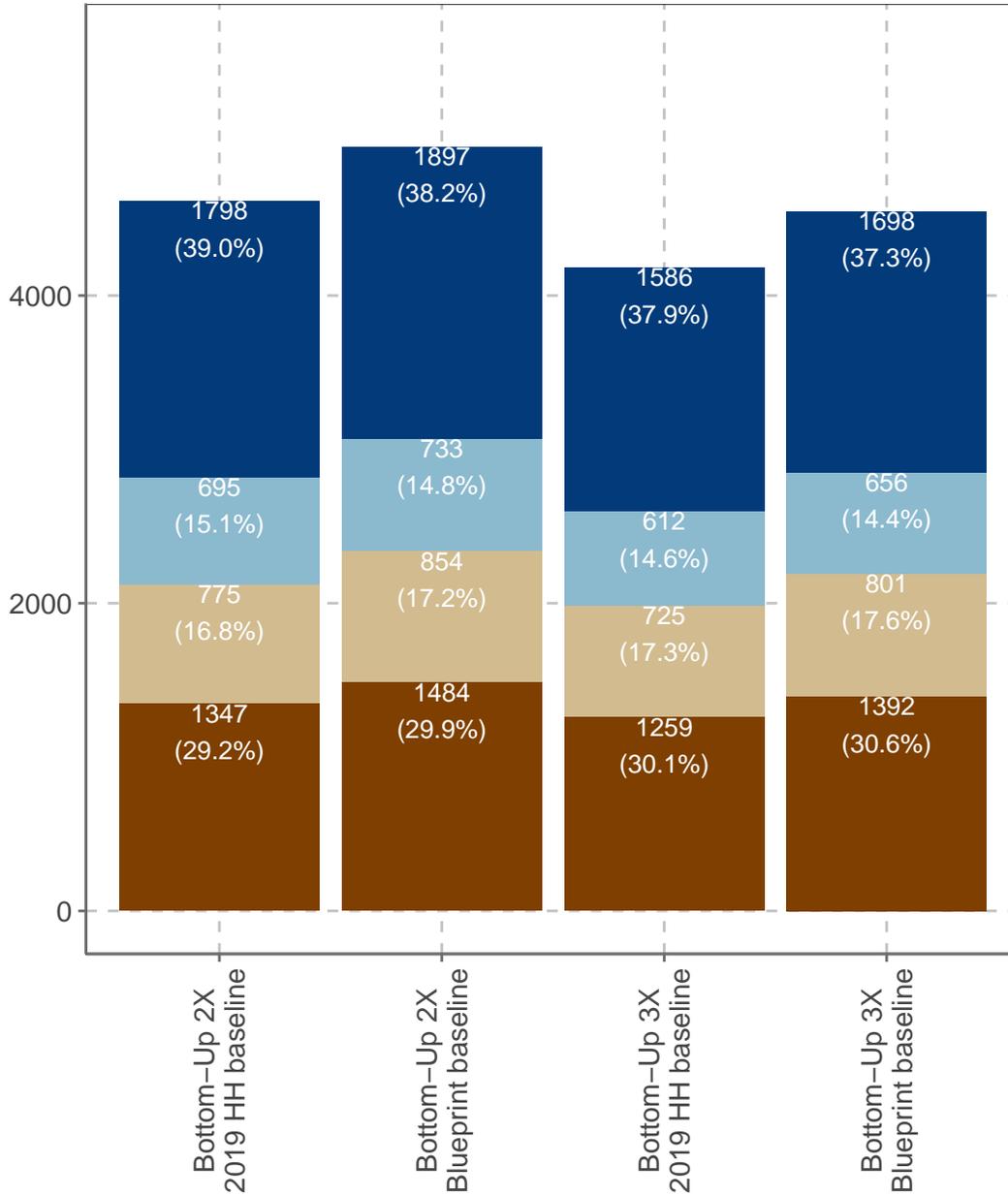


Very Low
  Low
  Moderate
  Above Moderate

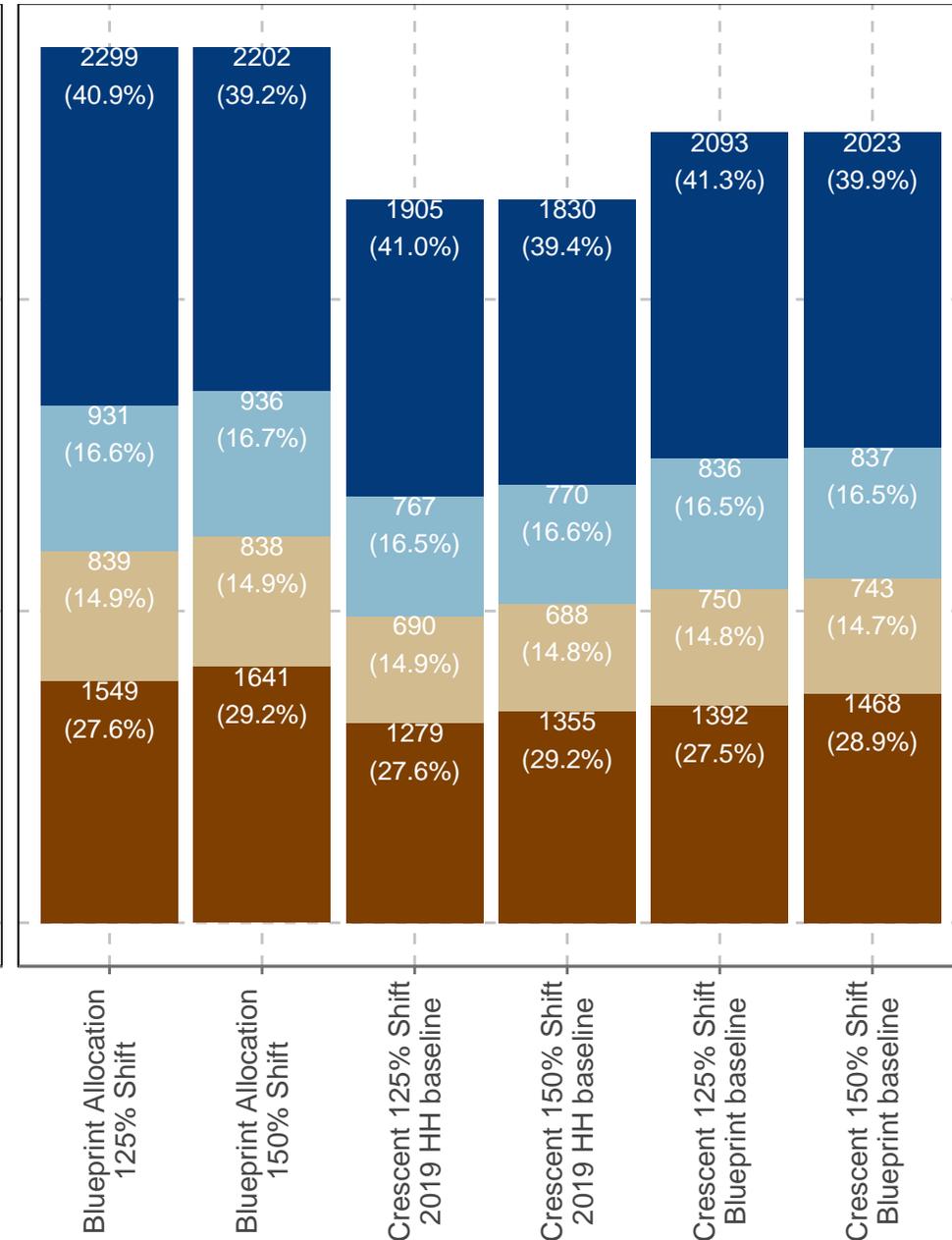
# Income Distribution, Livermore (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

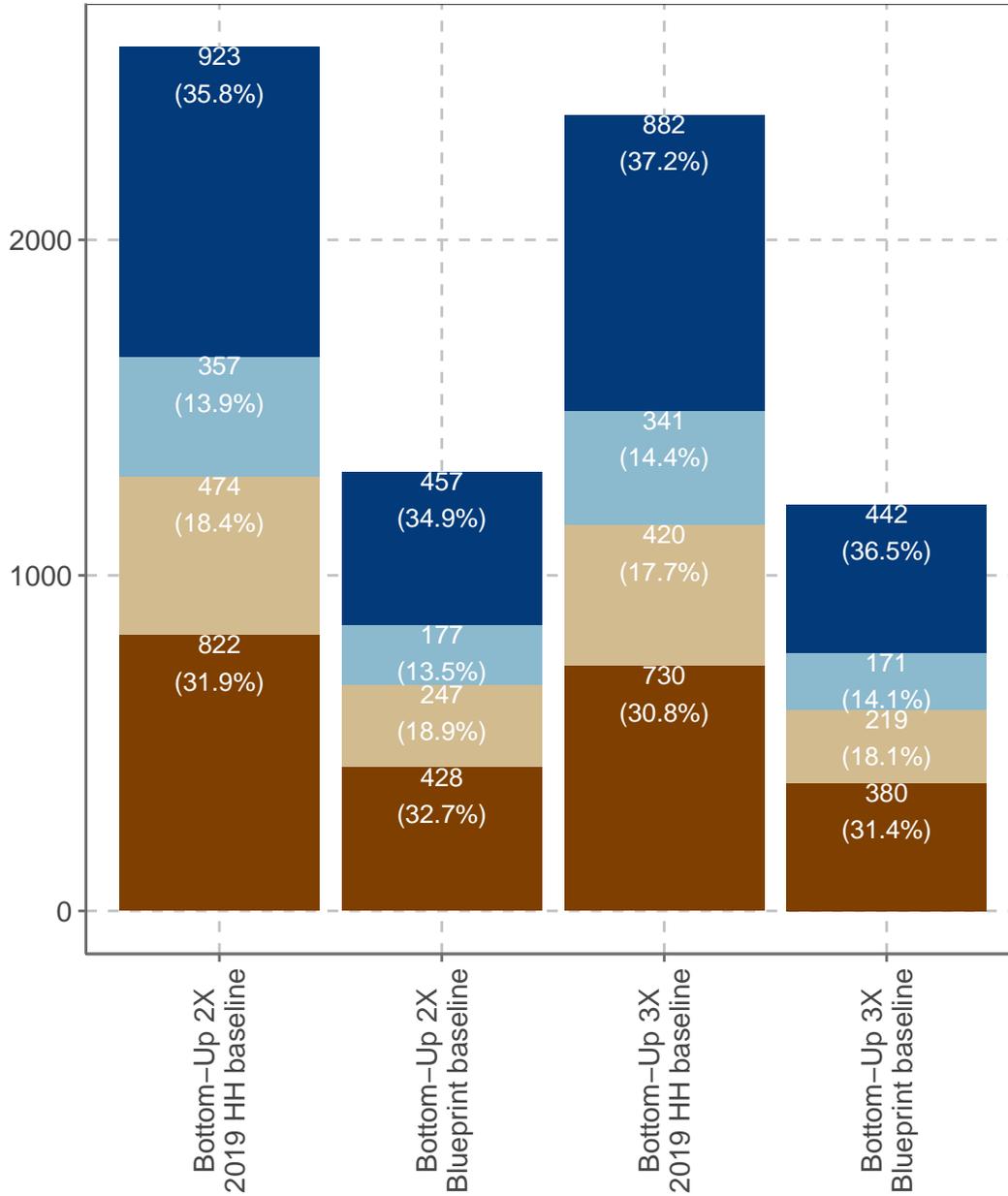


Very Low
  Low
  Moderate
  Above Moderate

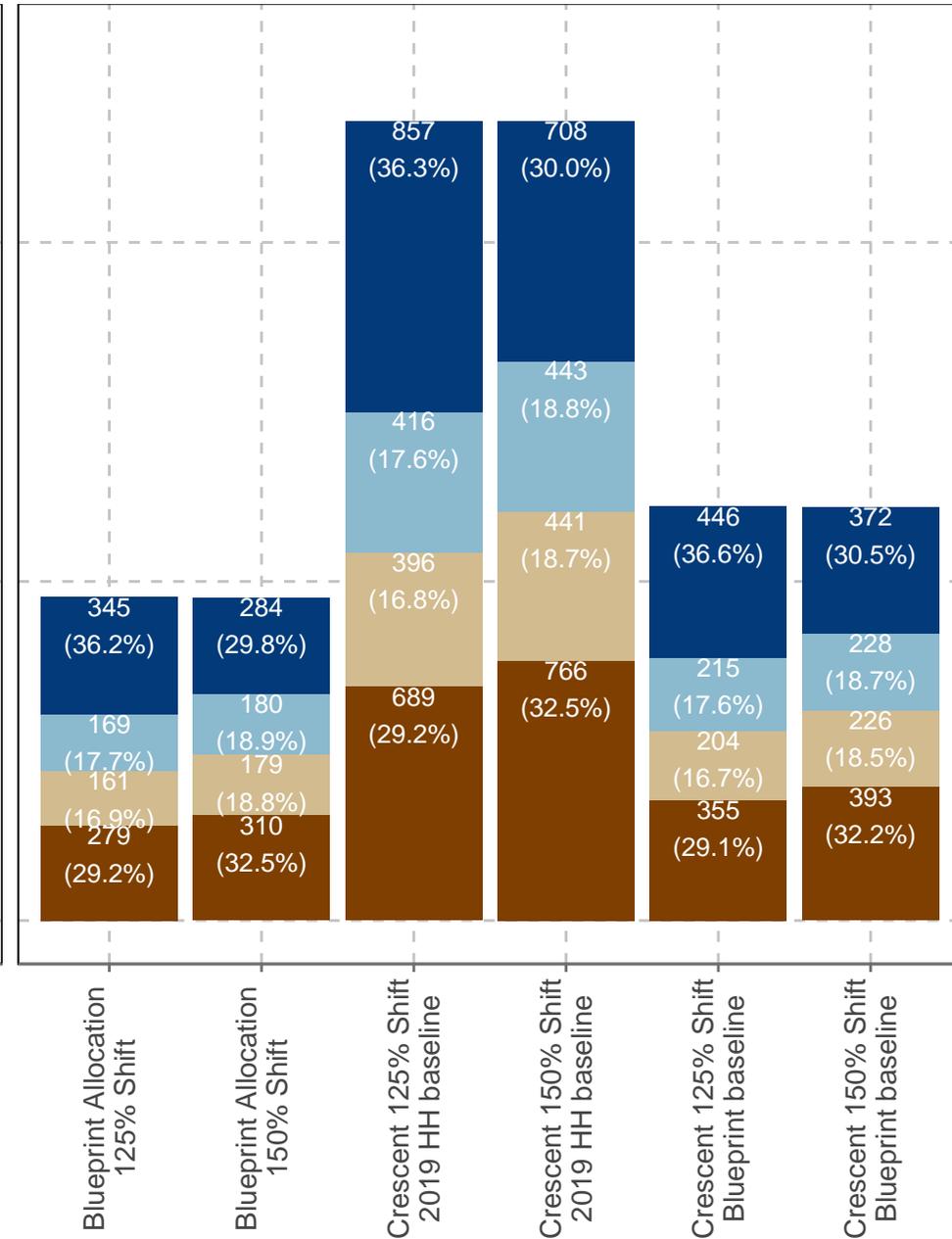
# Income Distribution, Los Altos (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

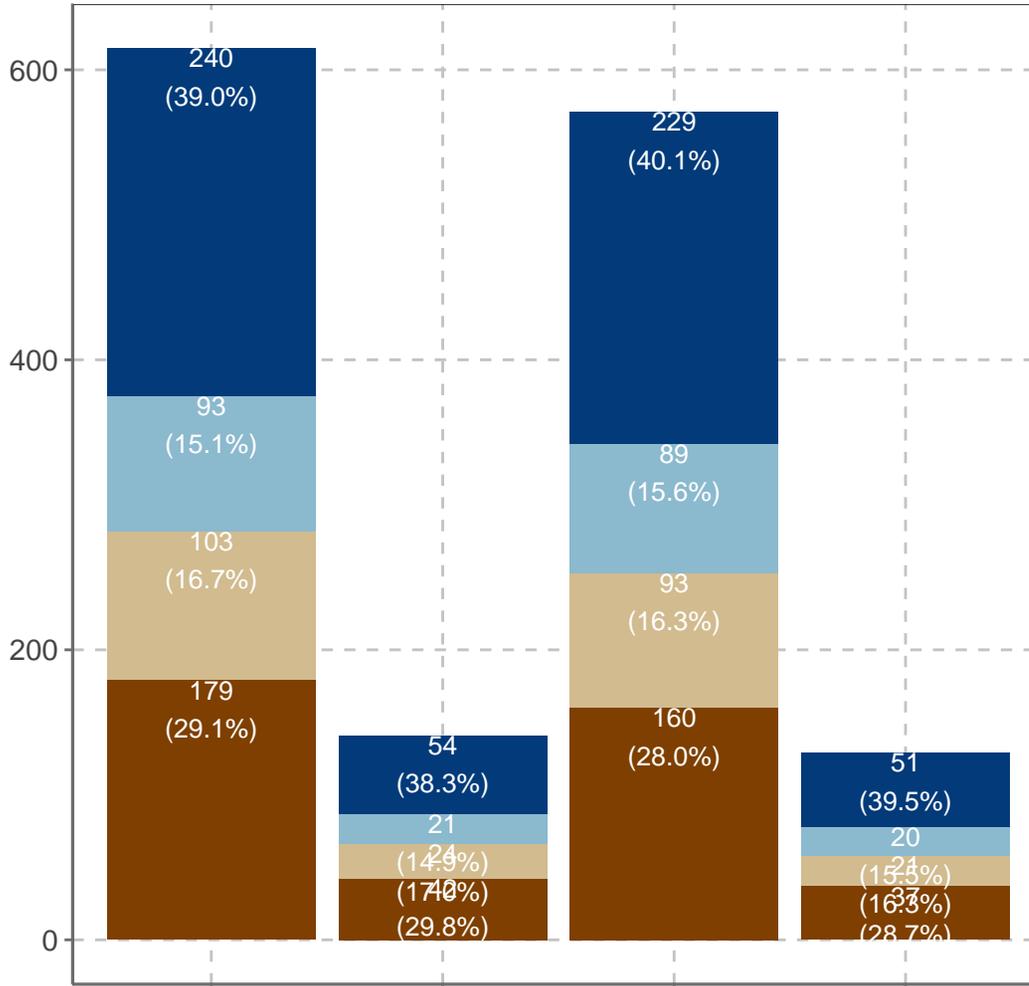


Very Low
  Low
  Moderate
  Above Moderate

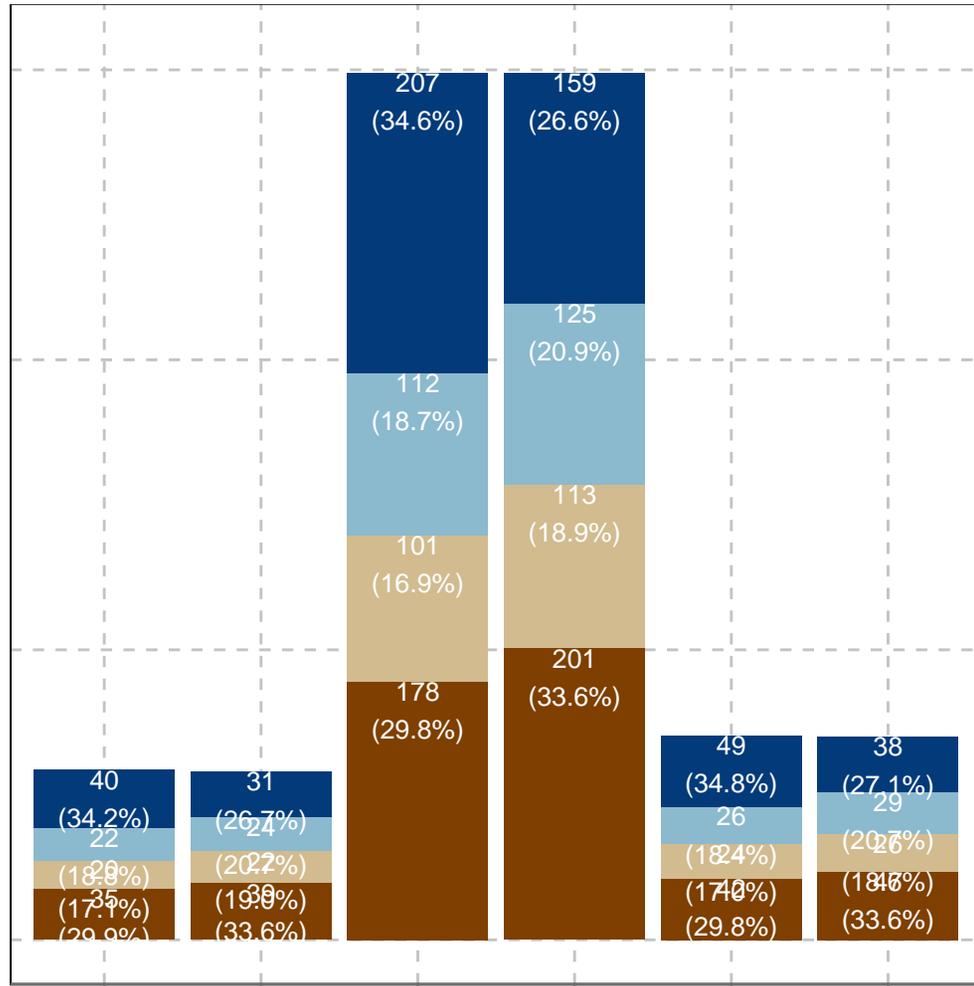
# Income Distribution, Los Altos Hills (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

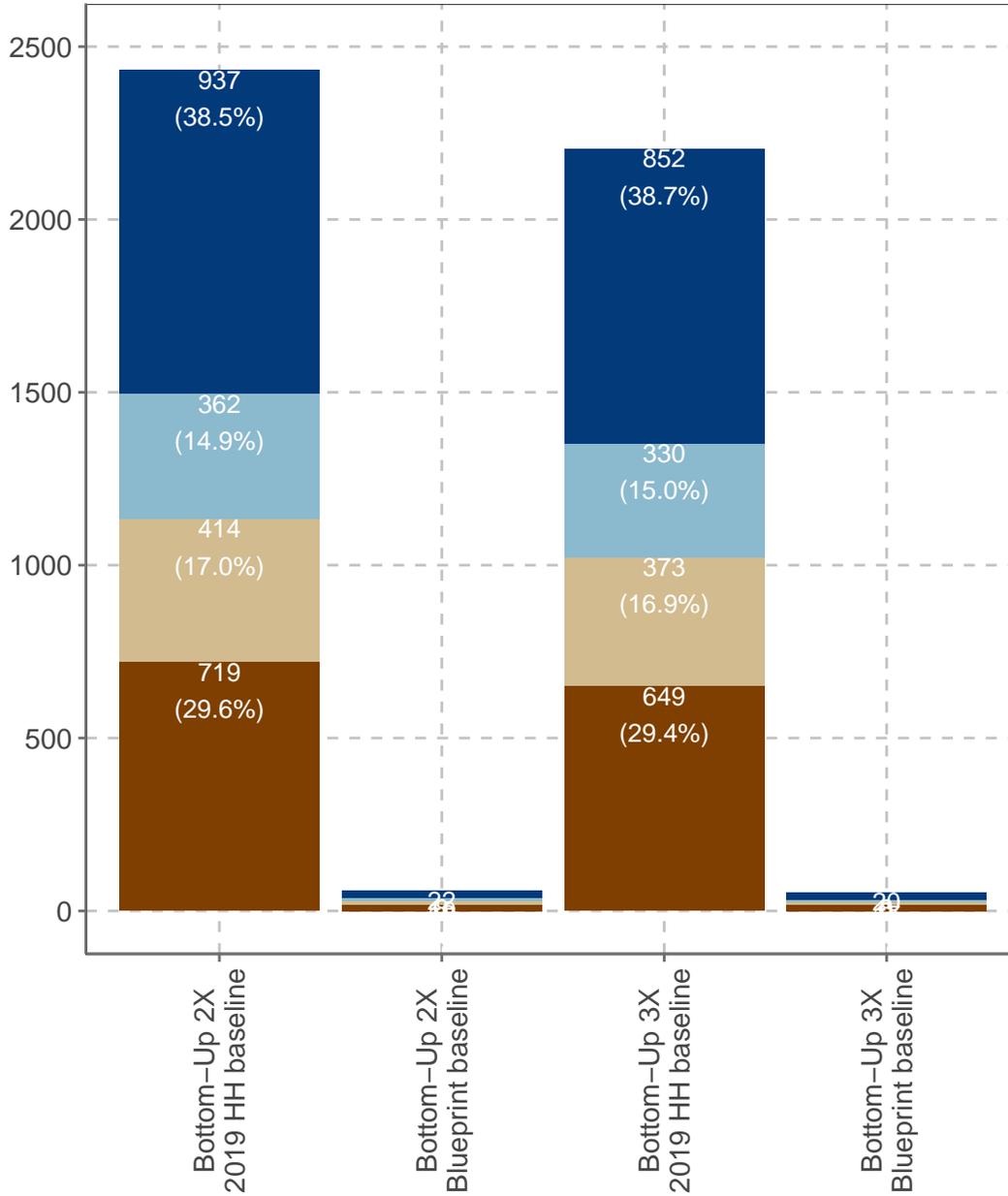


Very Low
  Low
  Moderate
  Above Moderate

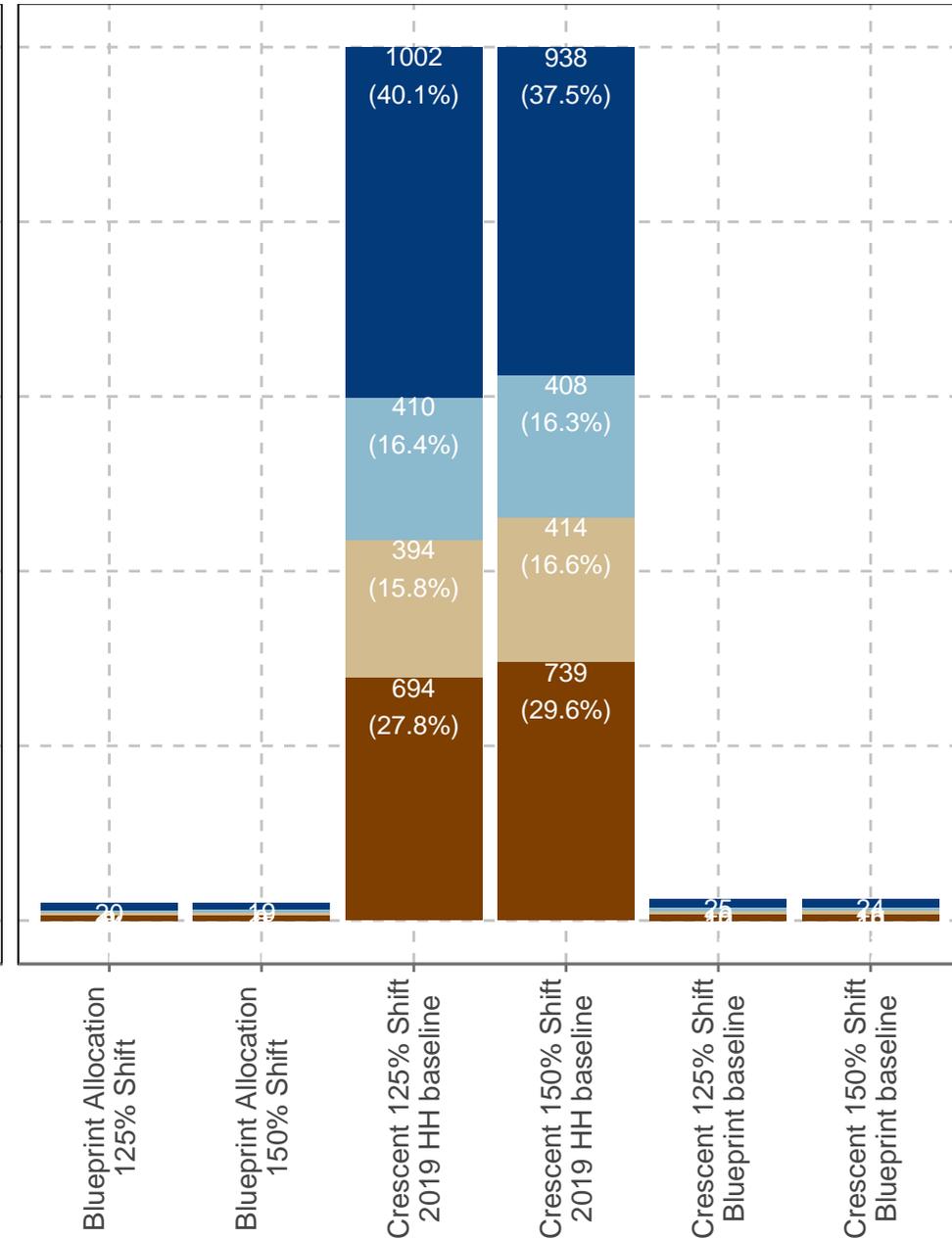
# Income Distribution, Los Gatos (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

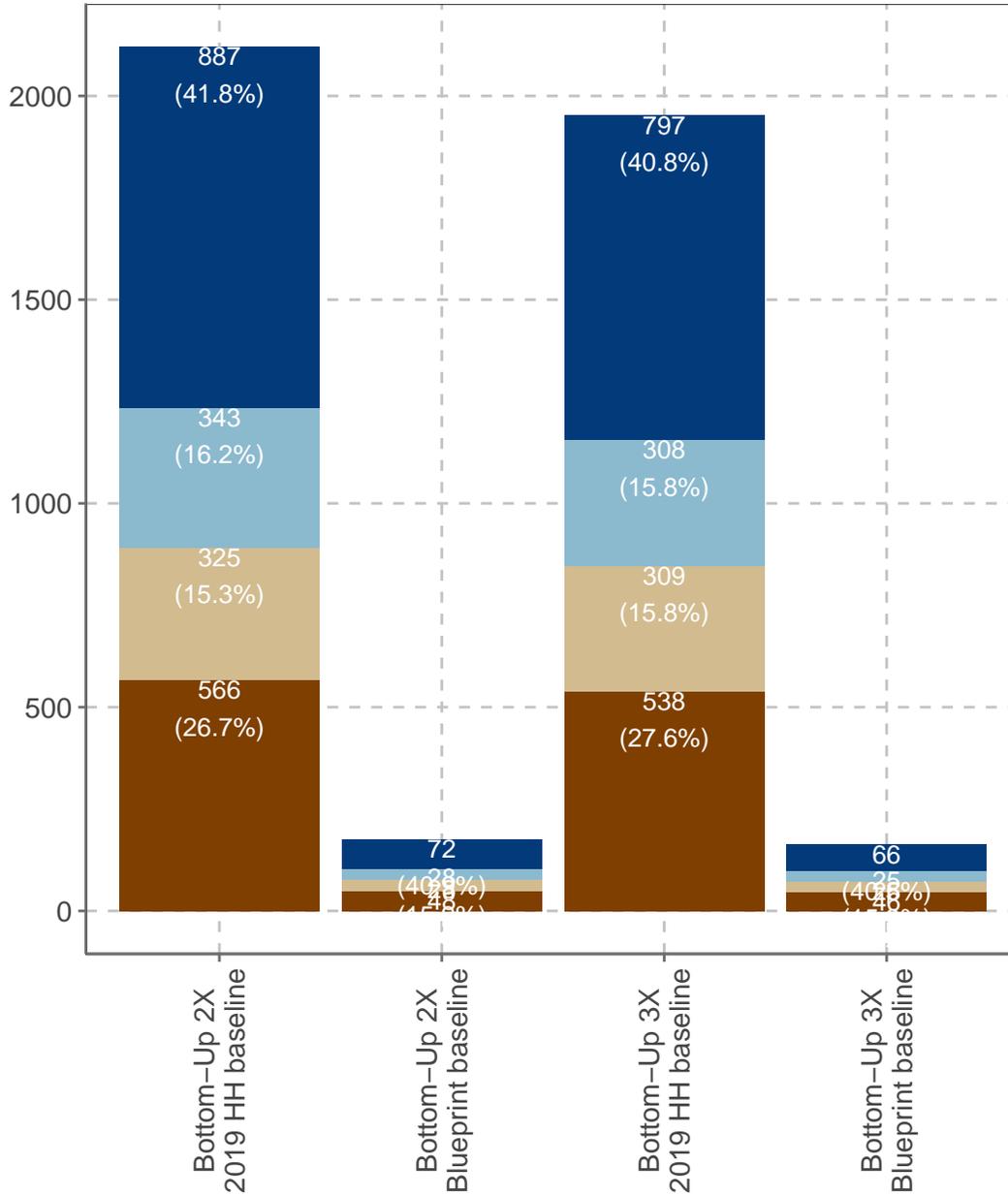


Very Low
  Low
  Moderate
  Above Moderate

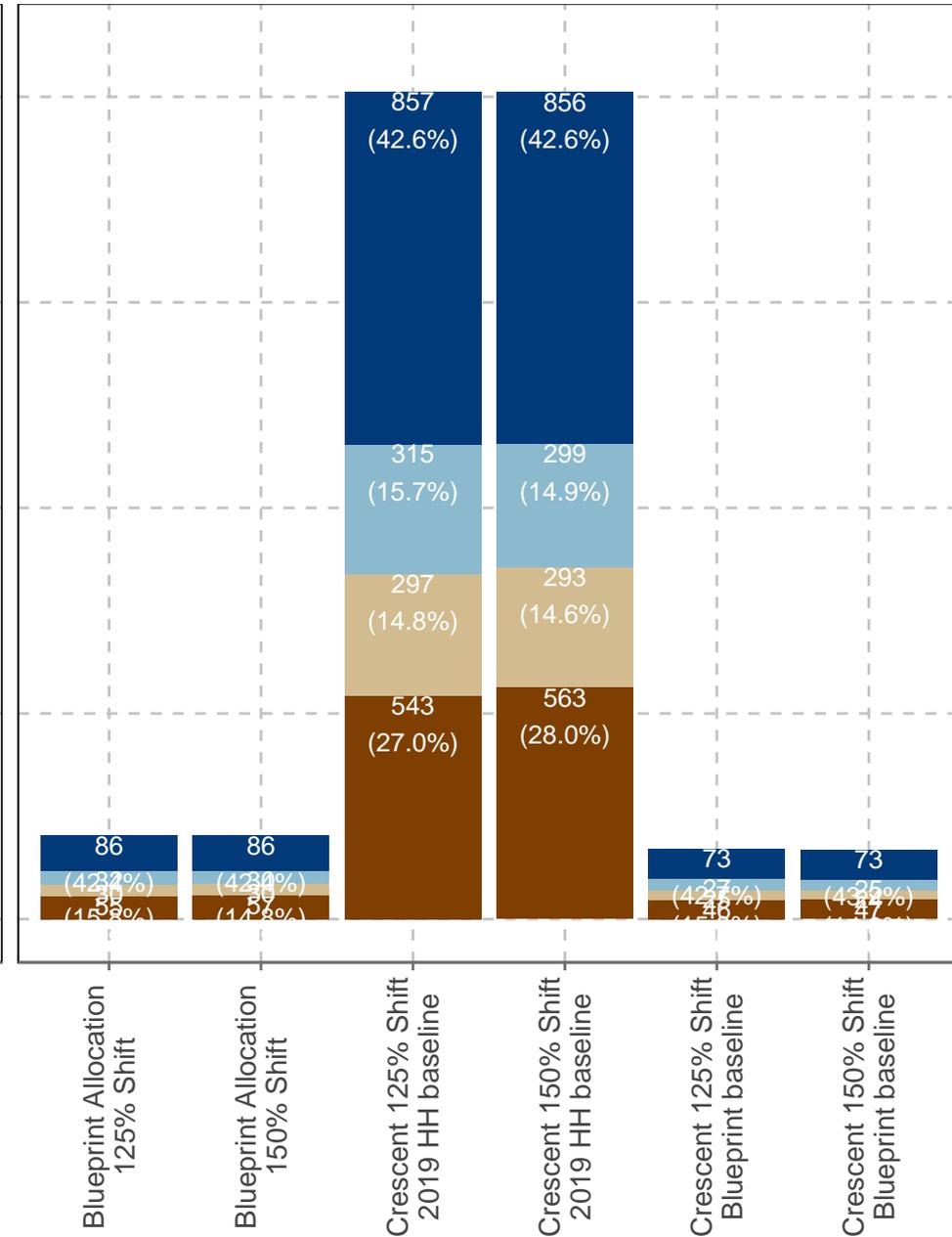
# Income Distribution, Martinez (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



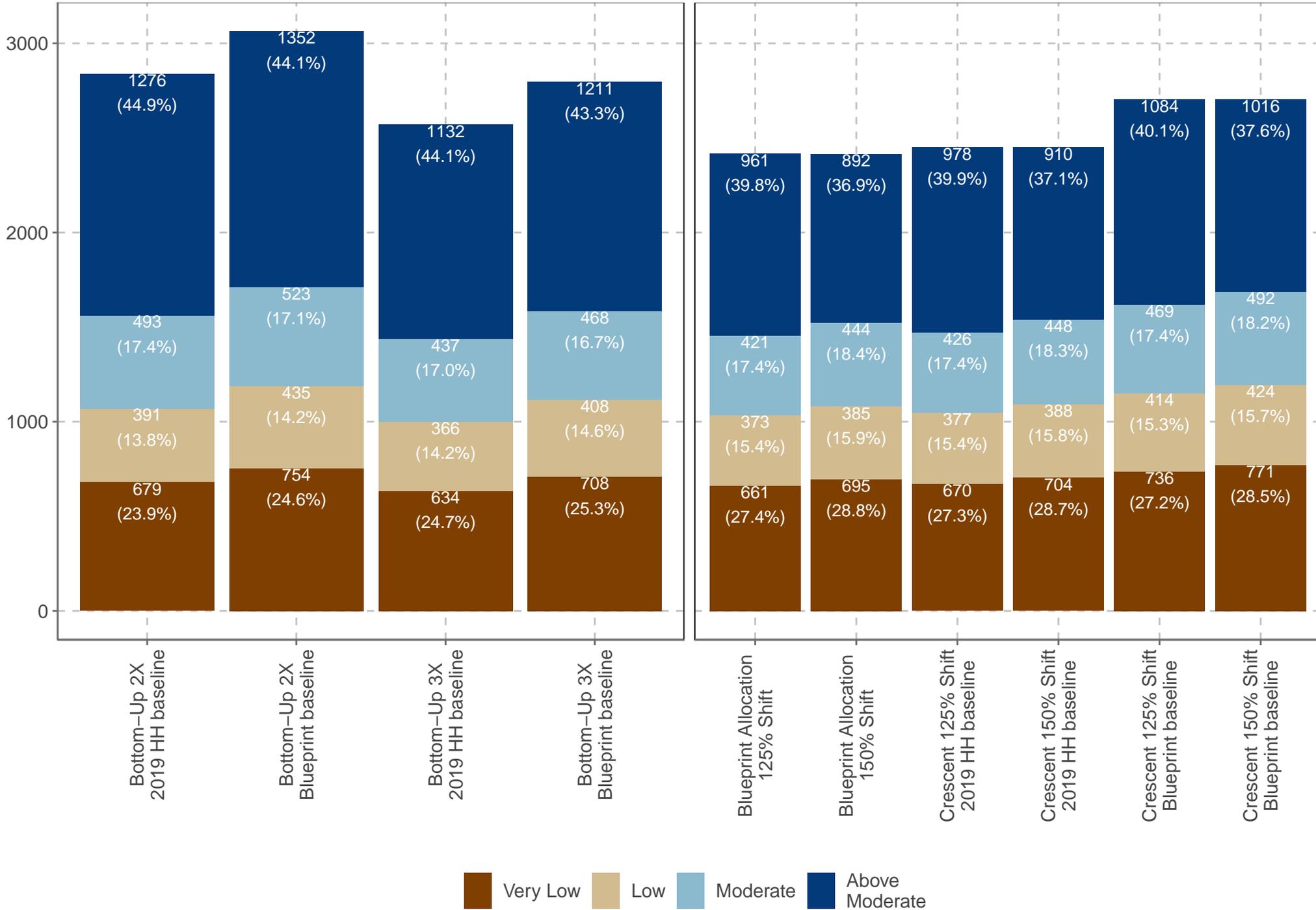
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Menlo Park (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach

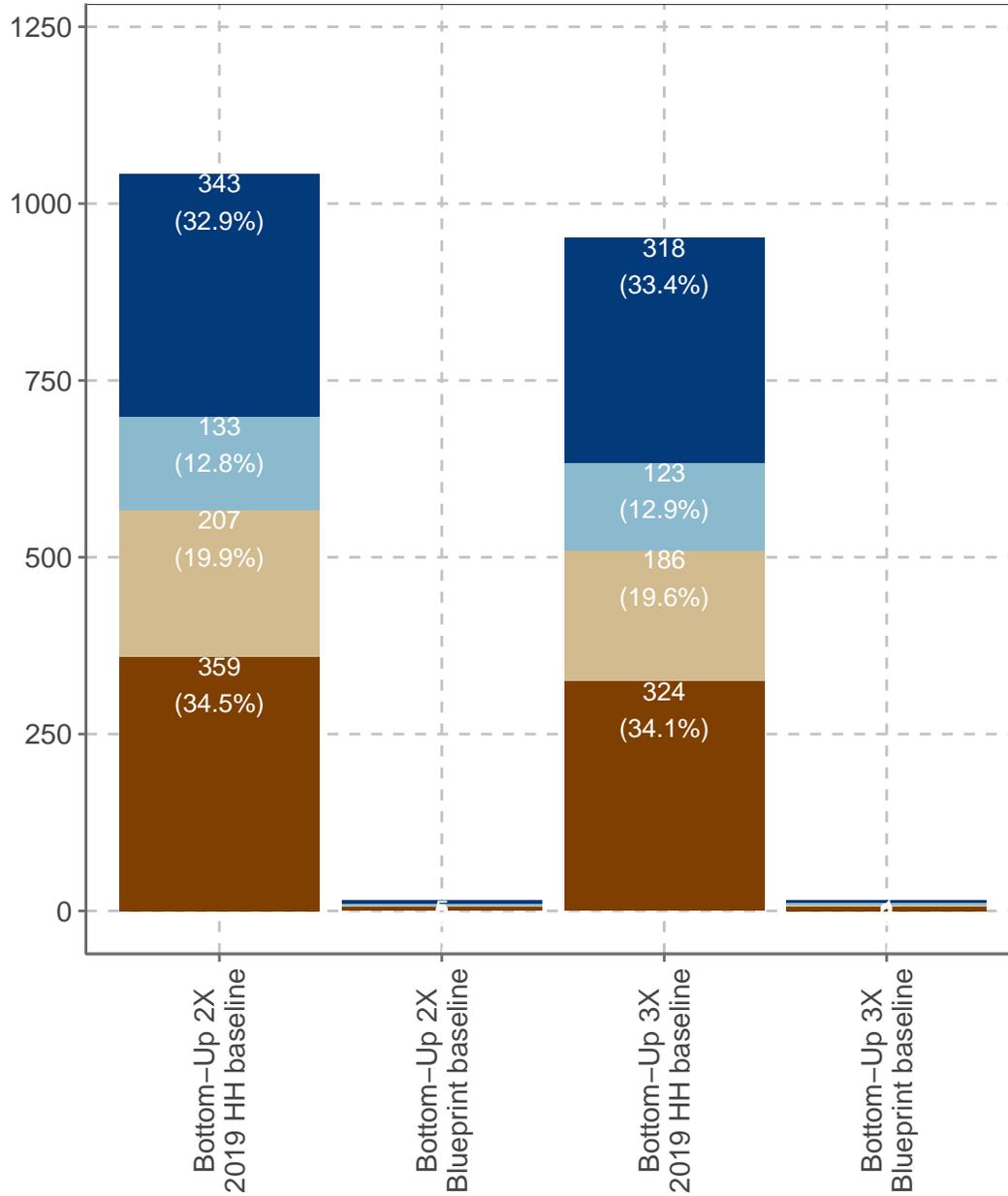
## Income Shift Approach



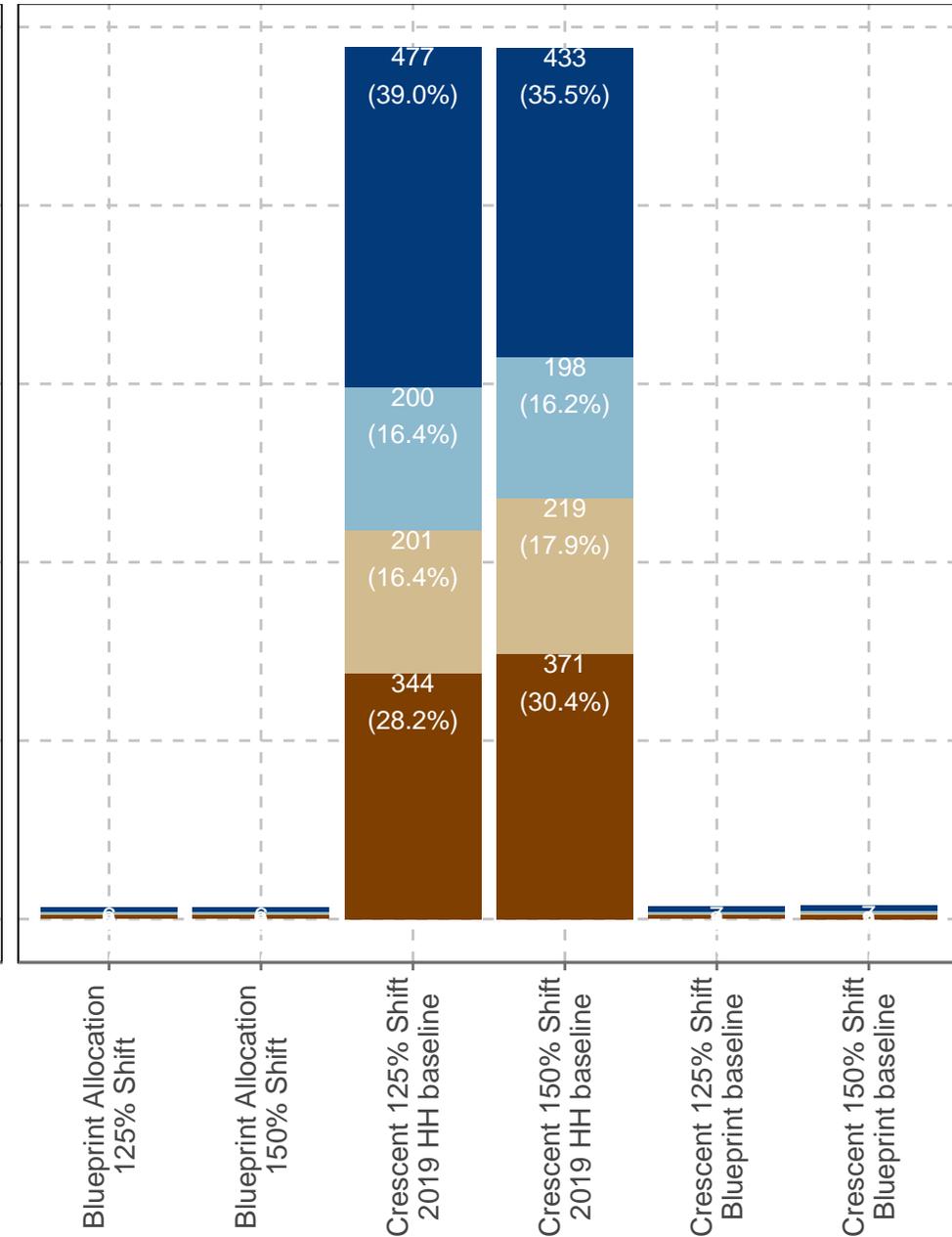
# Income Distribution, Mill Valley (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

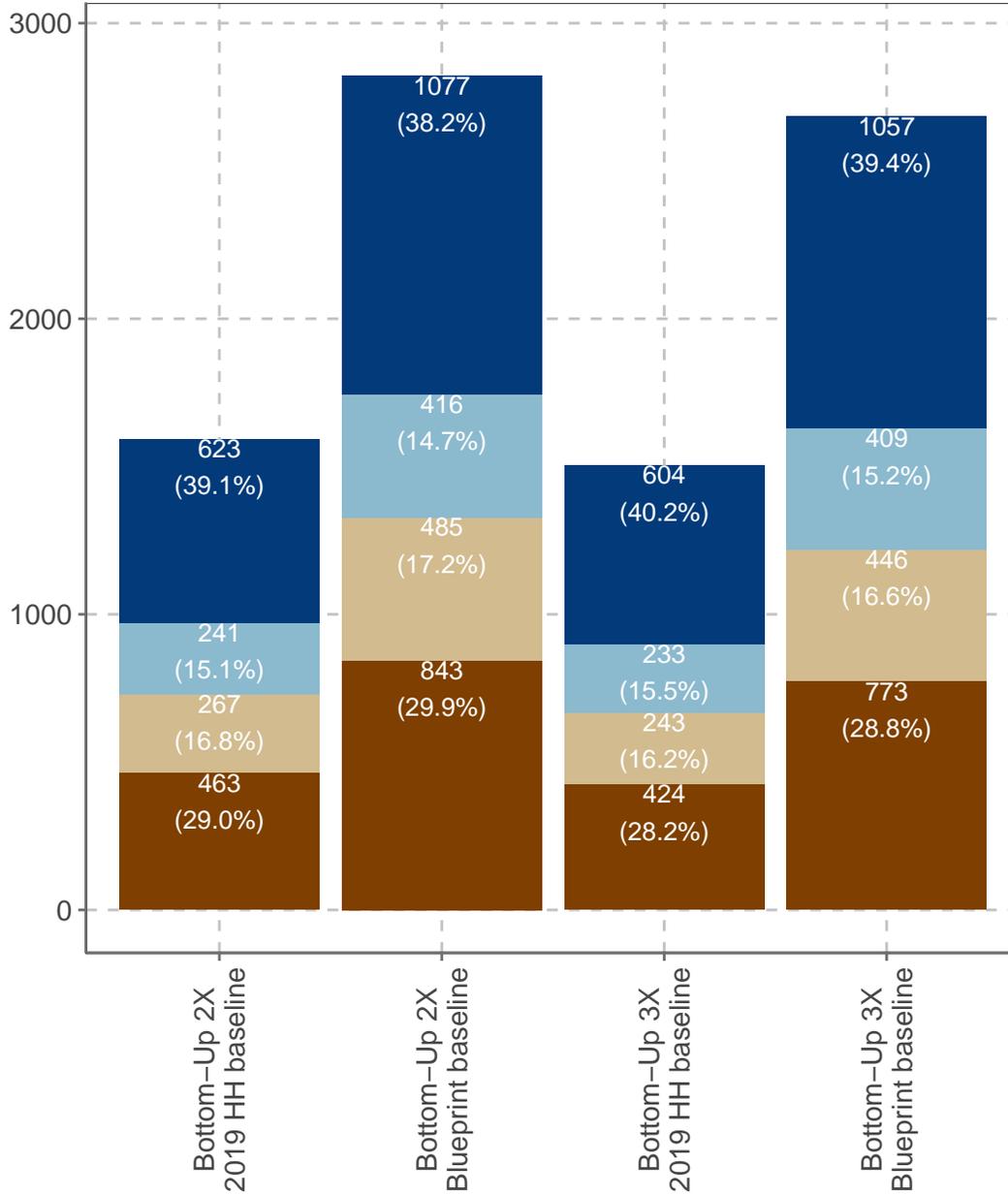


Very Low
  Low
  Moderate
  Above Moderate

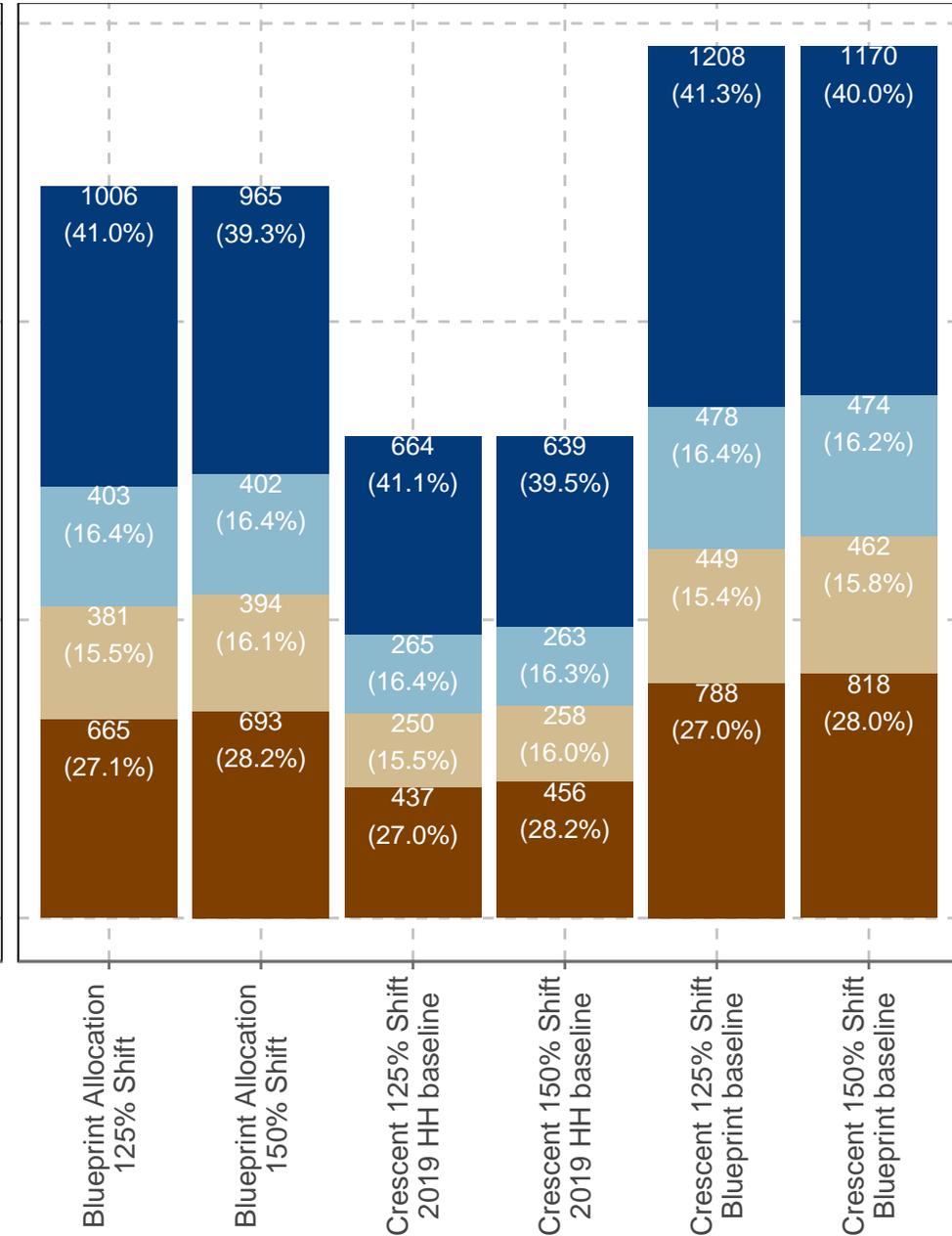
# Income Distribution, Millbrae (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



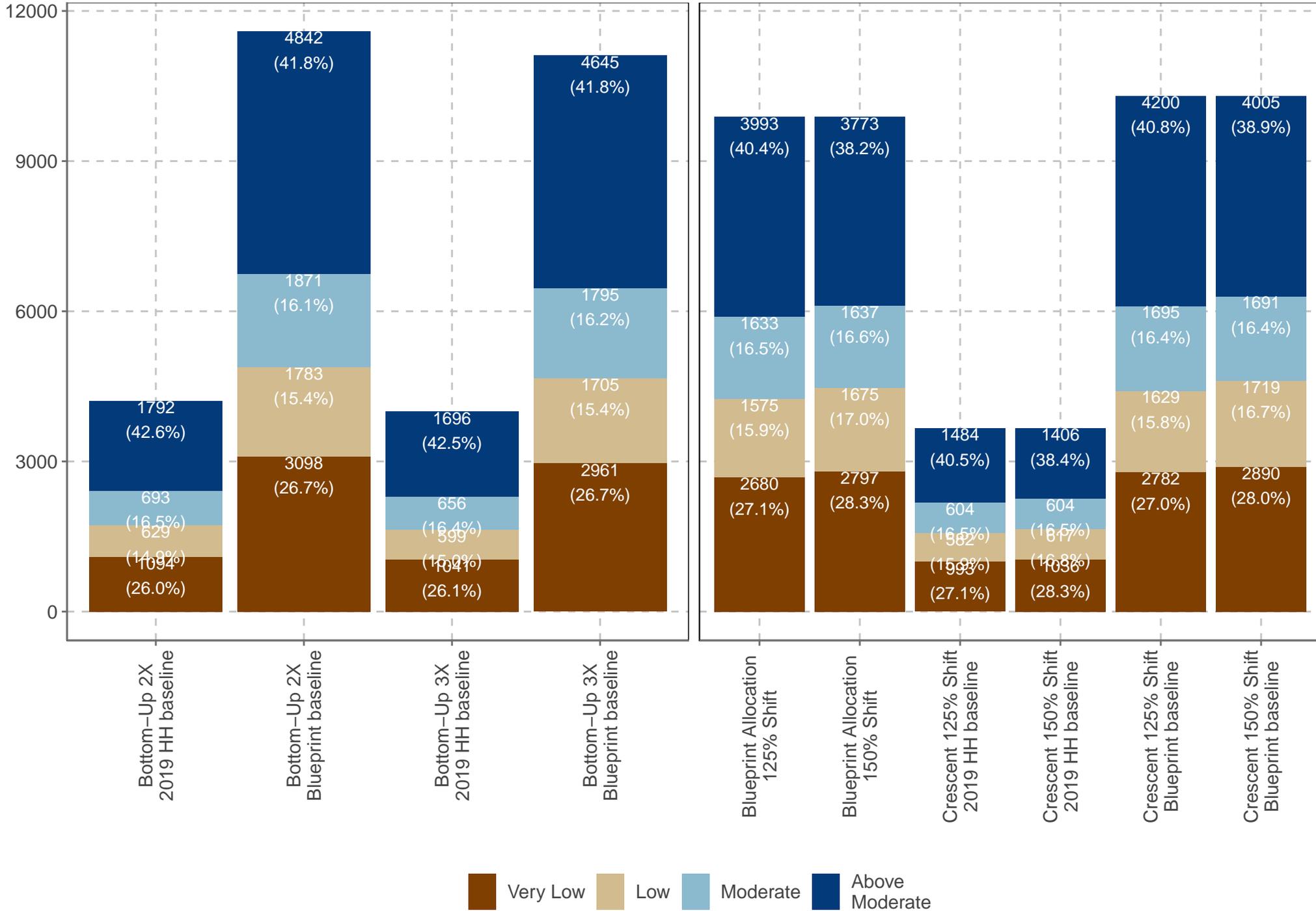
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Milpitas (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach

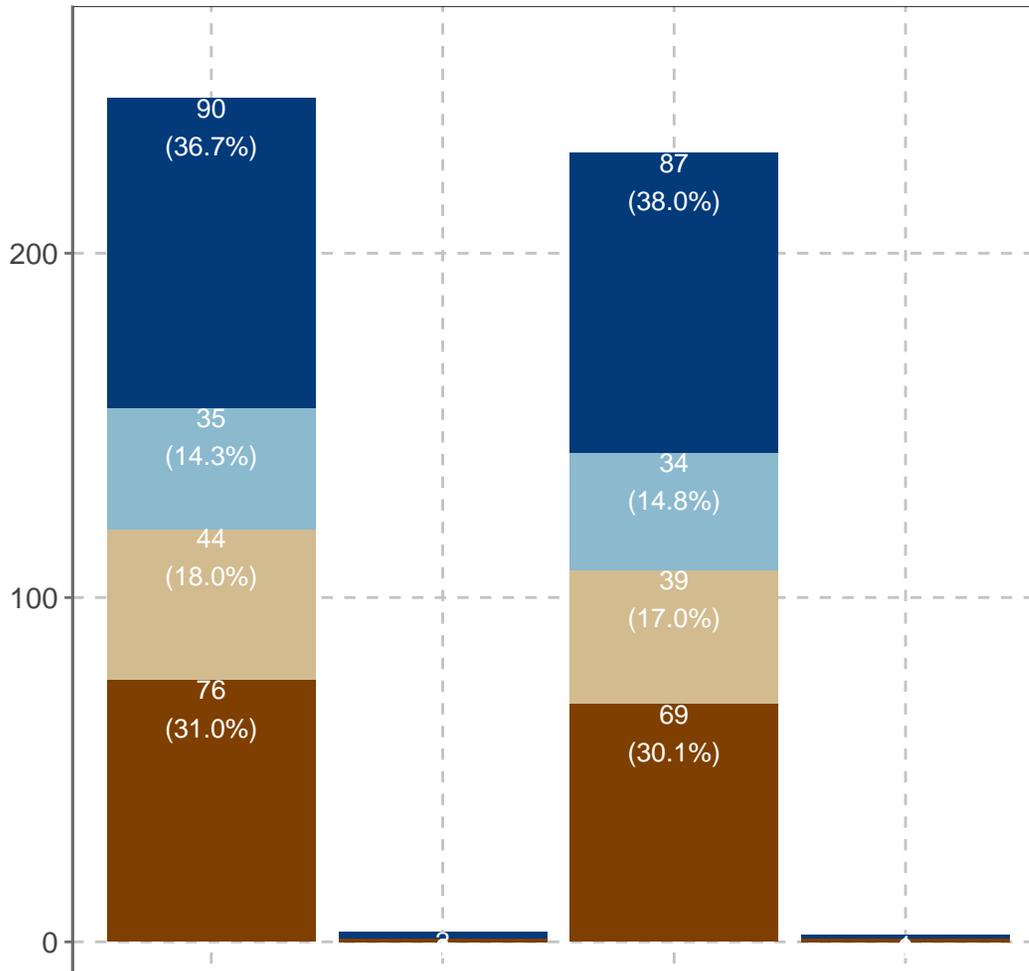
## Income Shift Approach



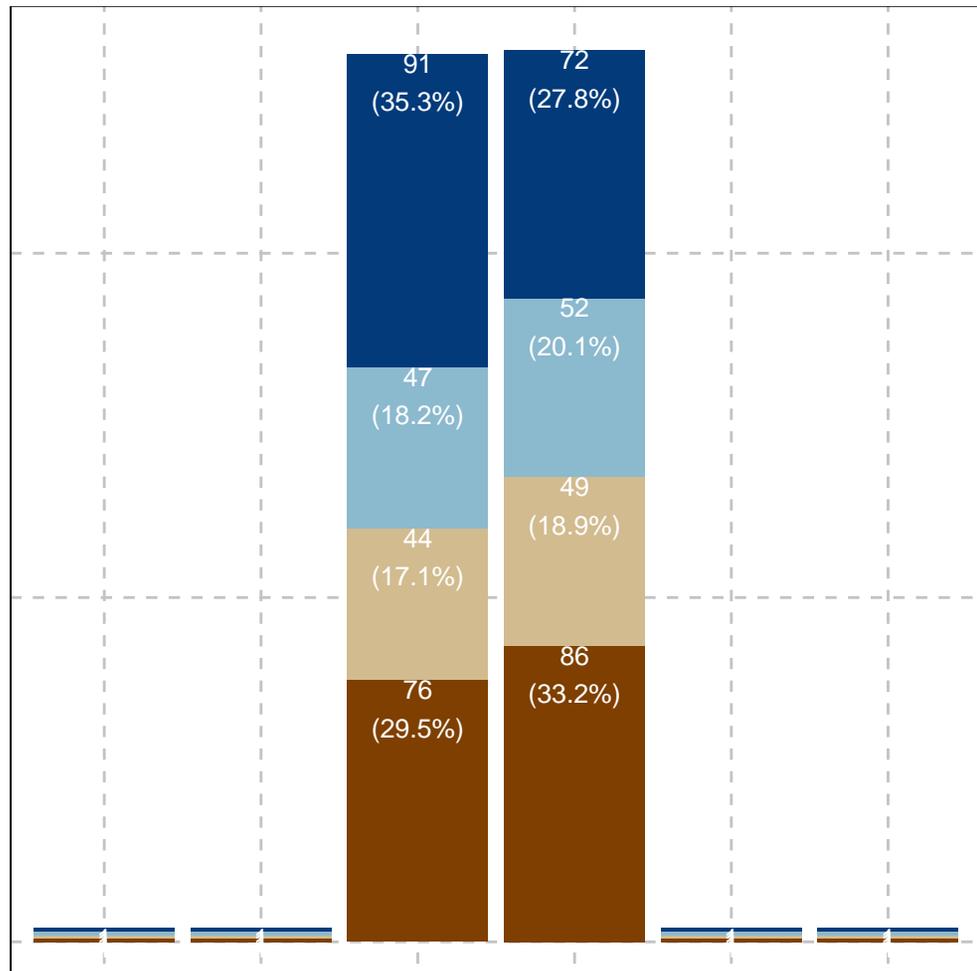
# Income Distribution, Monte Sereno (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

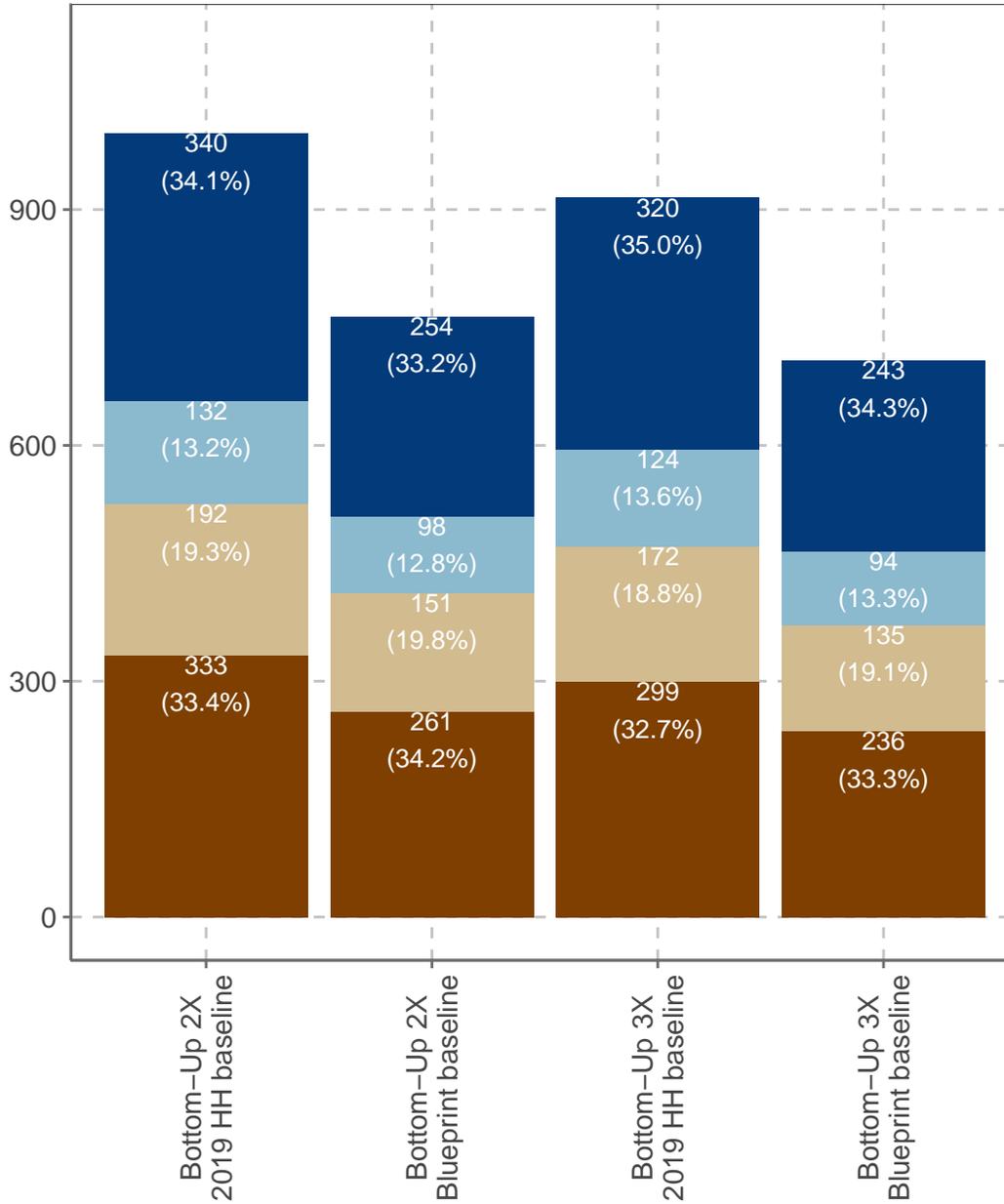


Very Low Low Moderate Above Moderate

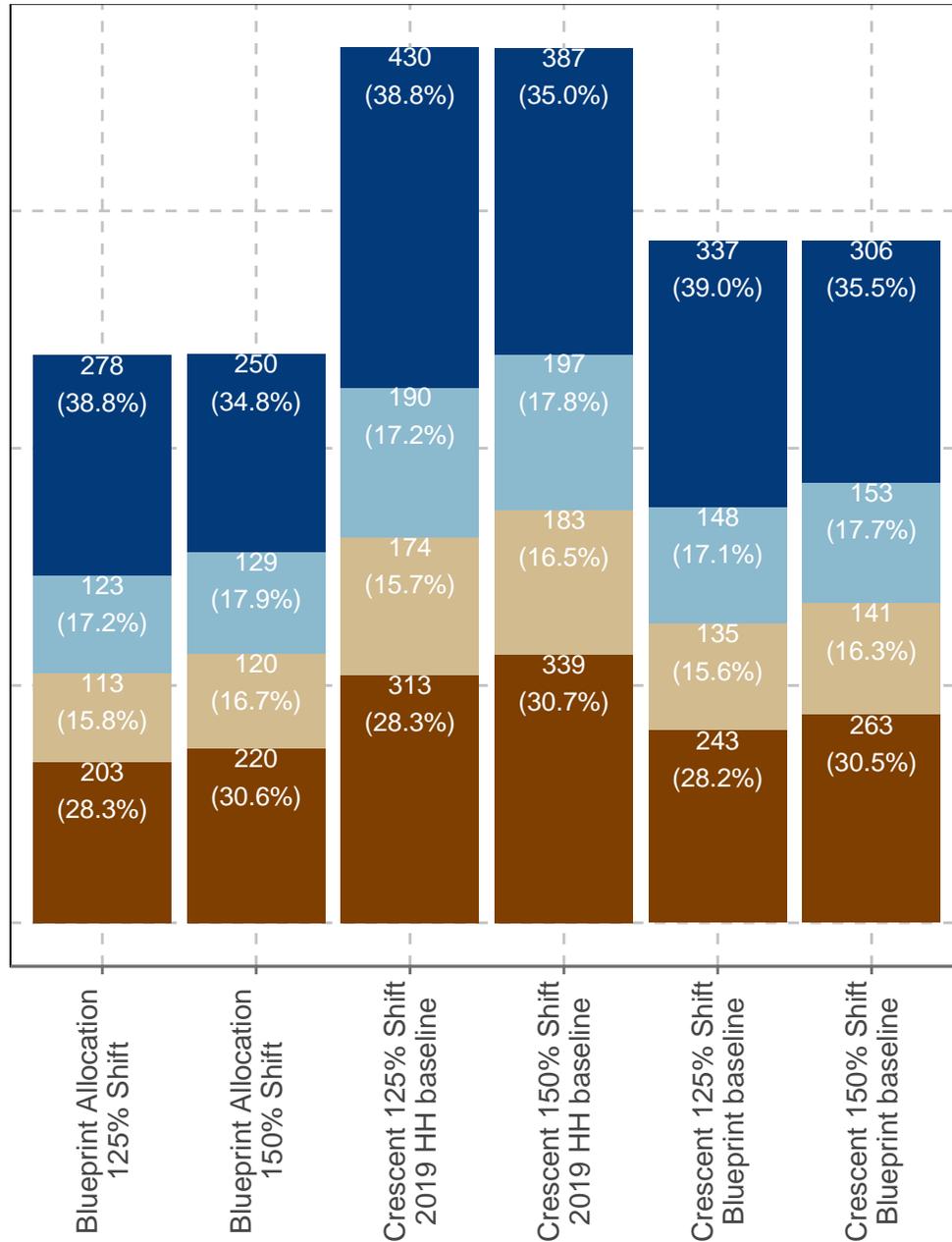
# Income Distribution, Moraga (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



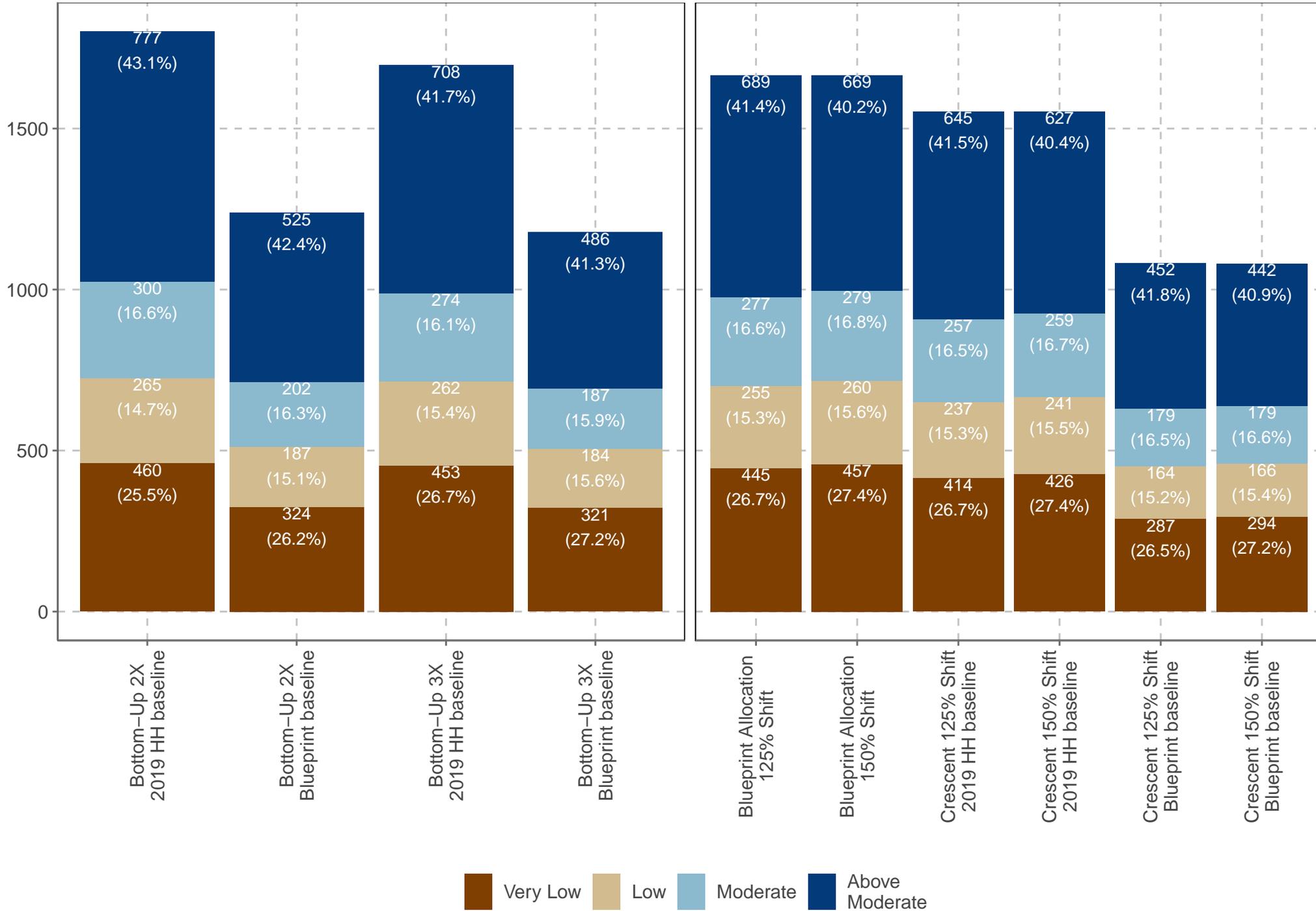
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Morgan Hill (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach

## Income Shift Approach

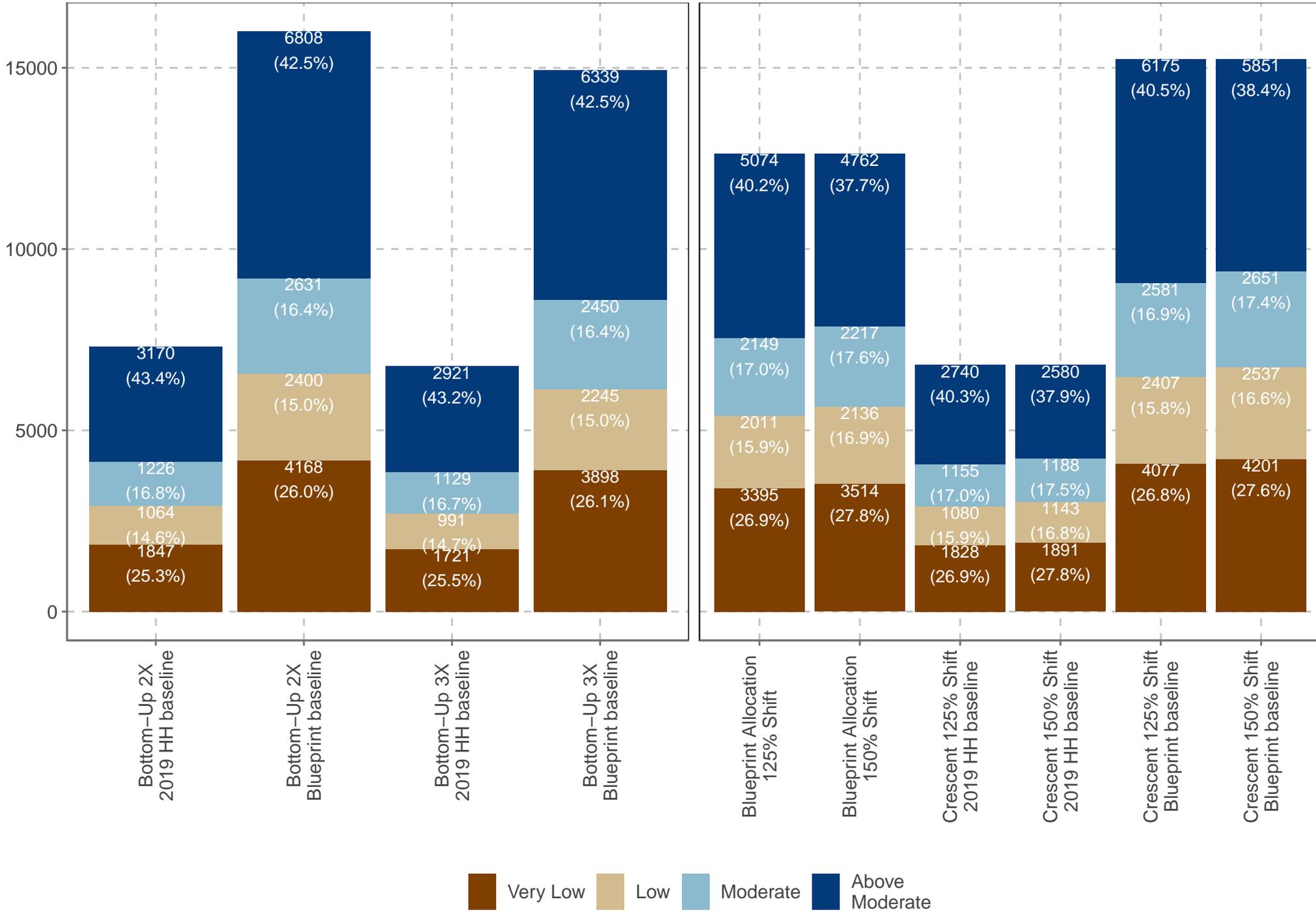


# Income Distribution, Mountain View (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach

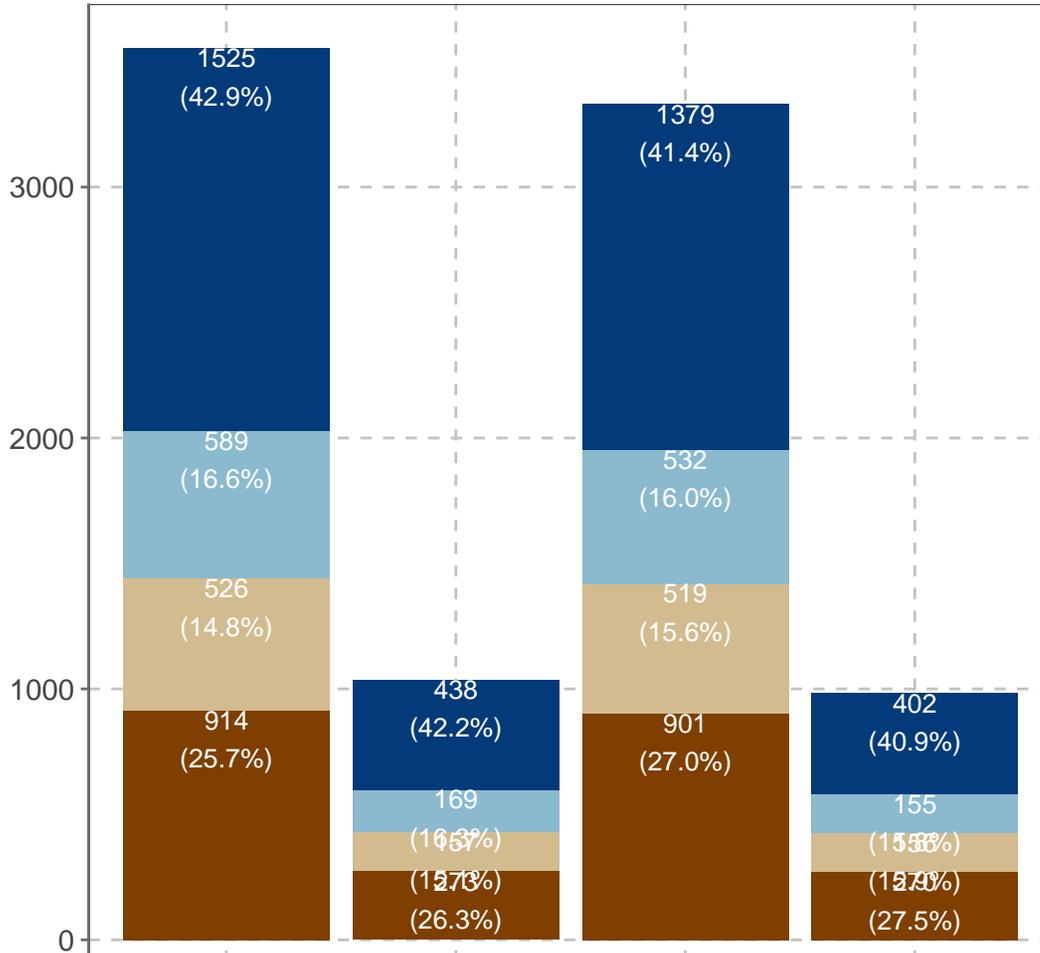
## Income Shift Approach



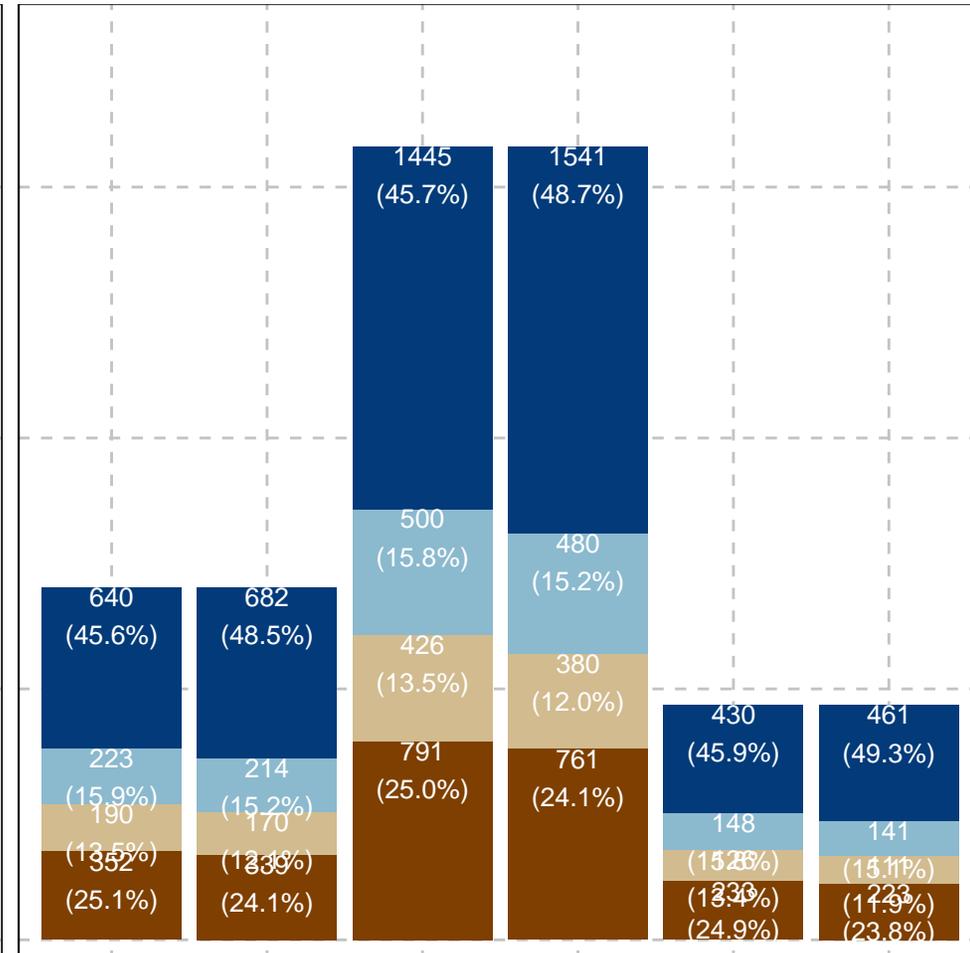
# Income Distribution, Napa (Napa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



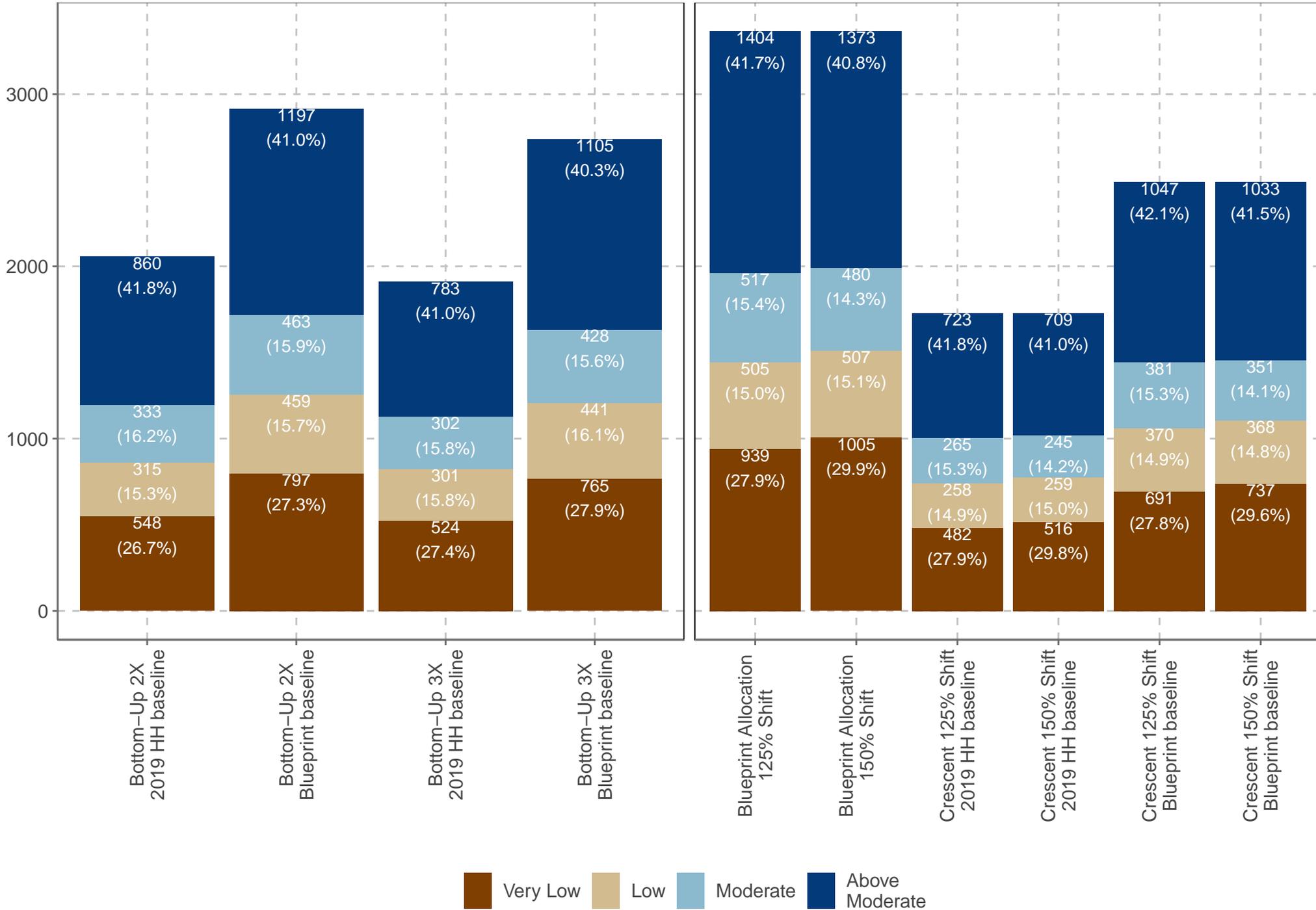
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Newark (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach

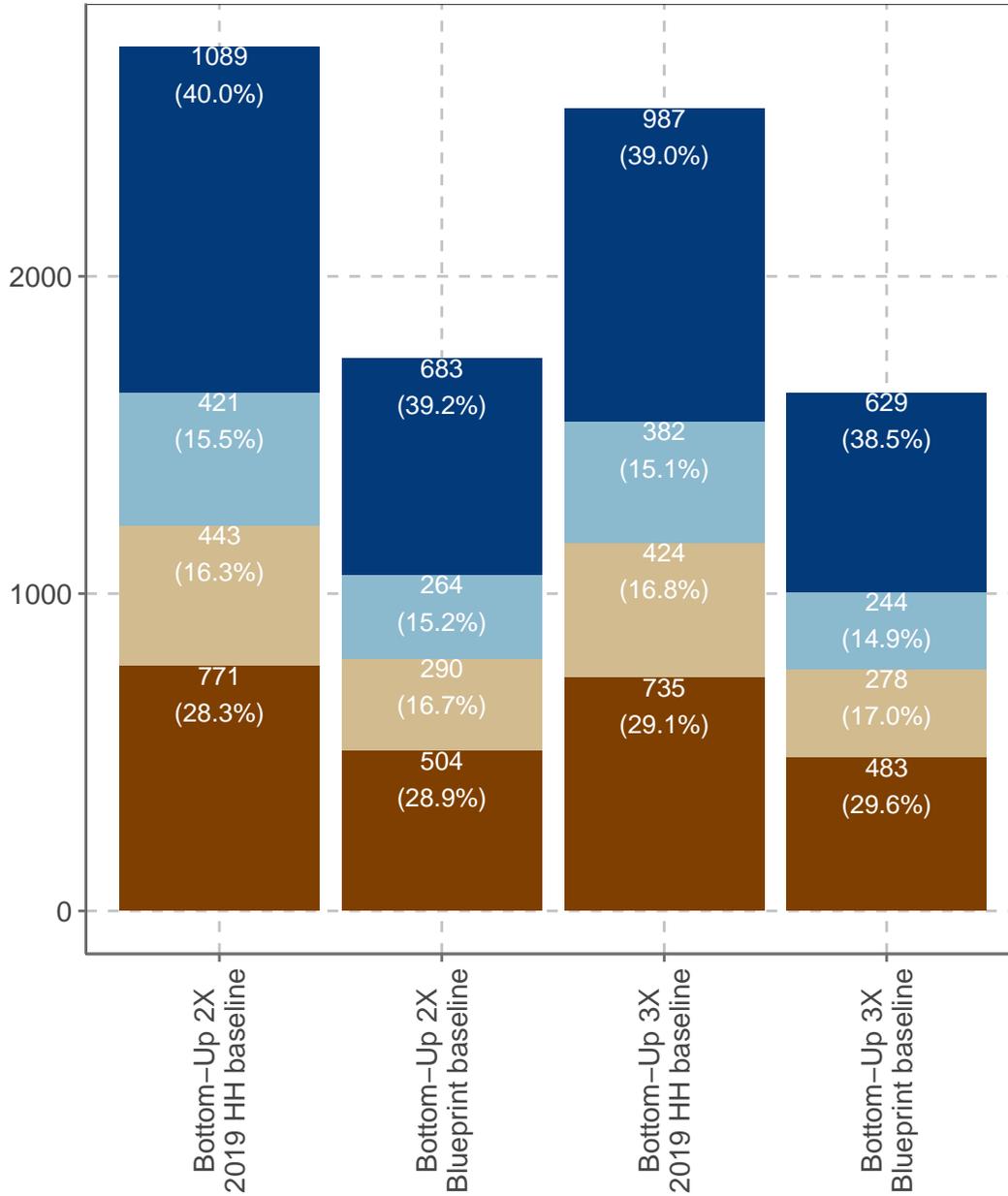
## Income Shift Approach



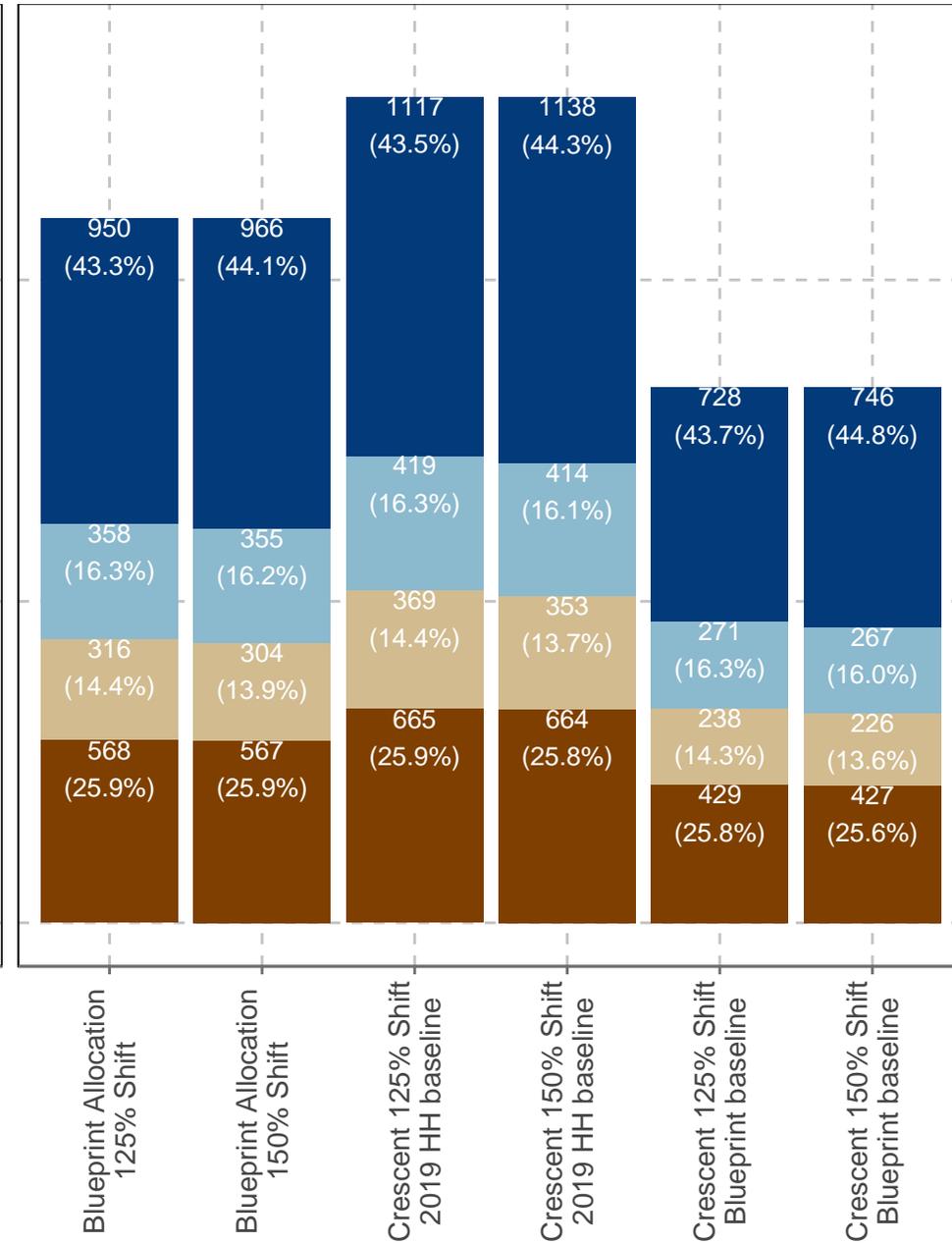
# Income Distribution, Novato (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



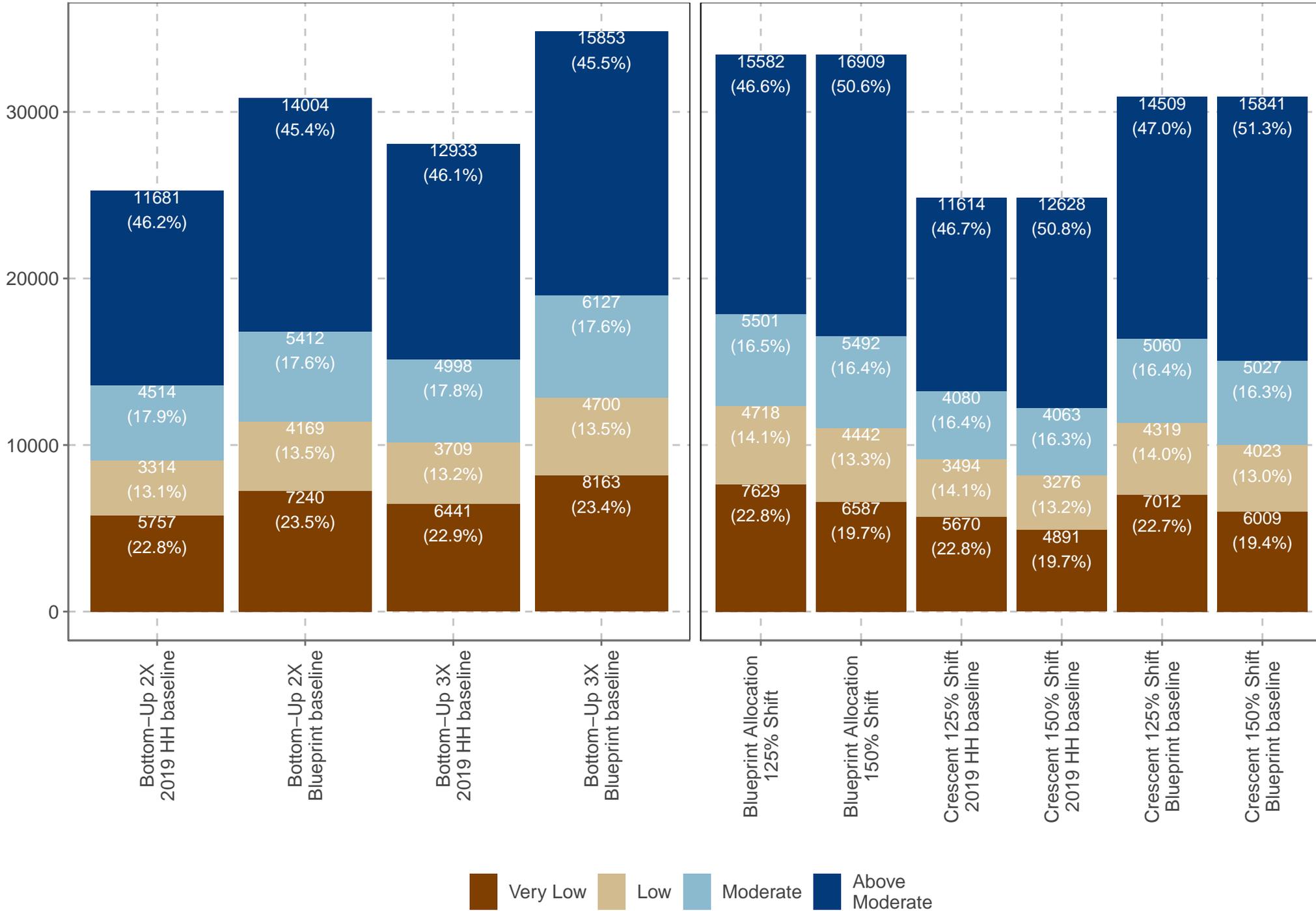
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Oakland (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach

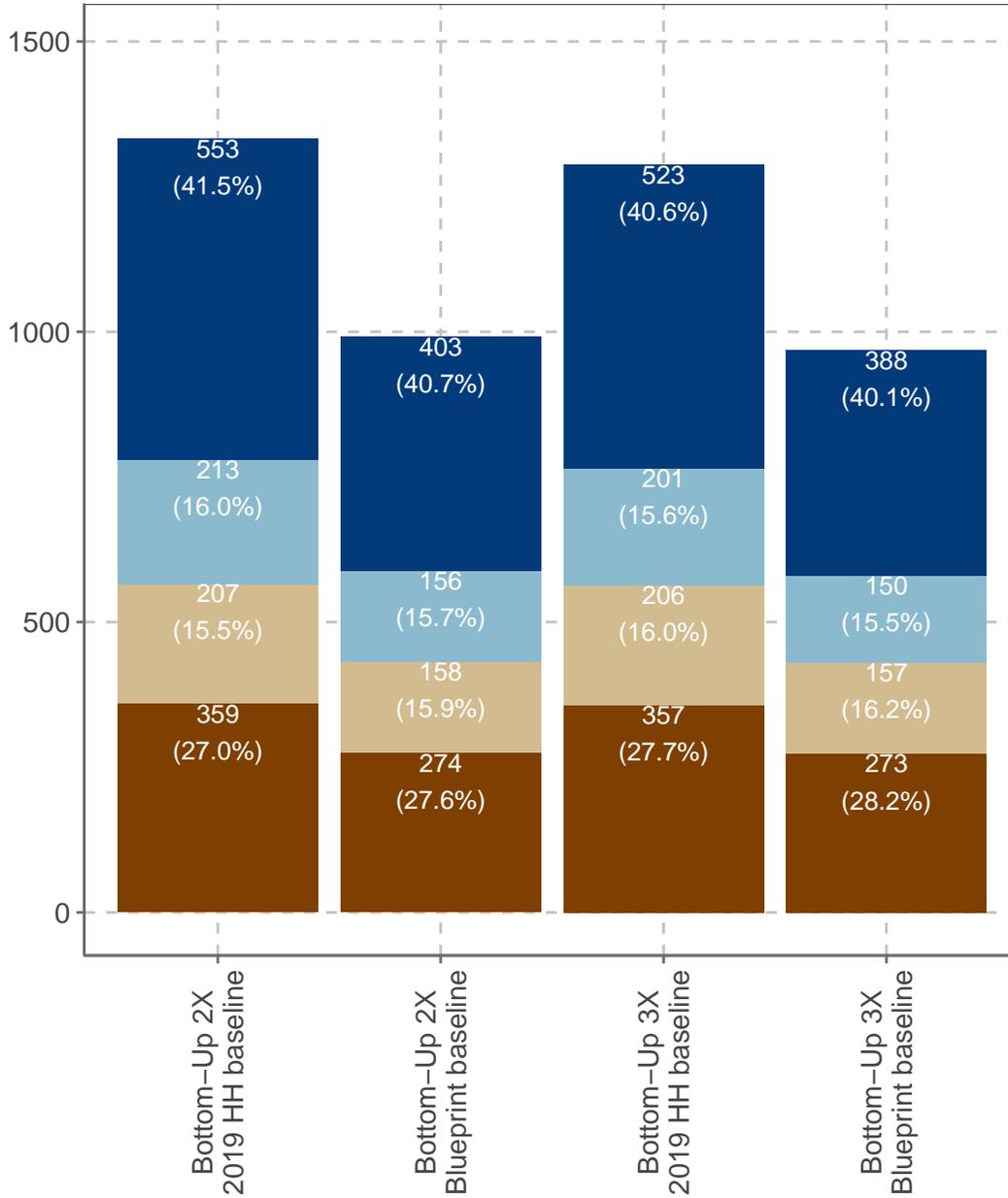
## Income Shift Approach



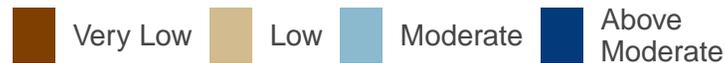
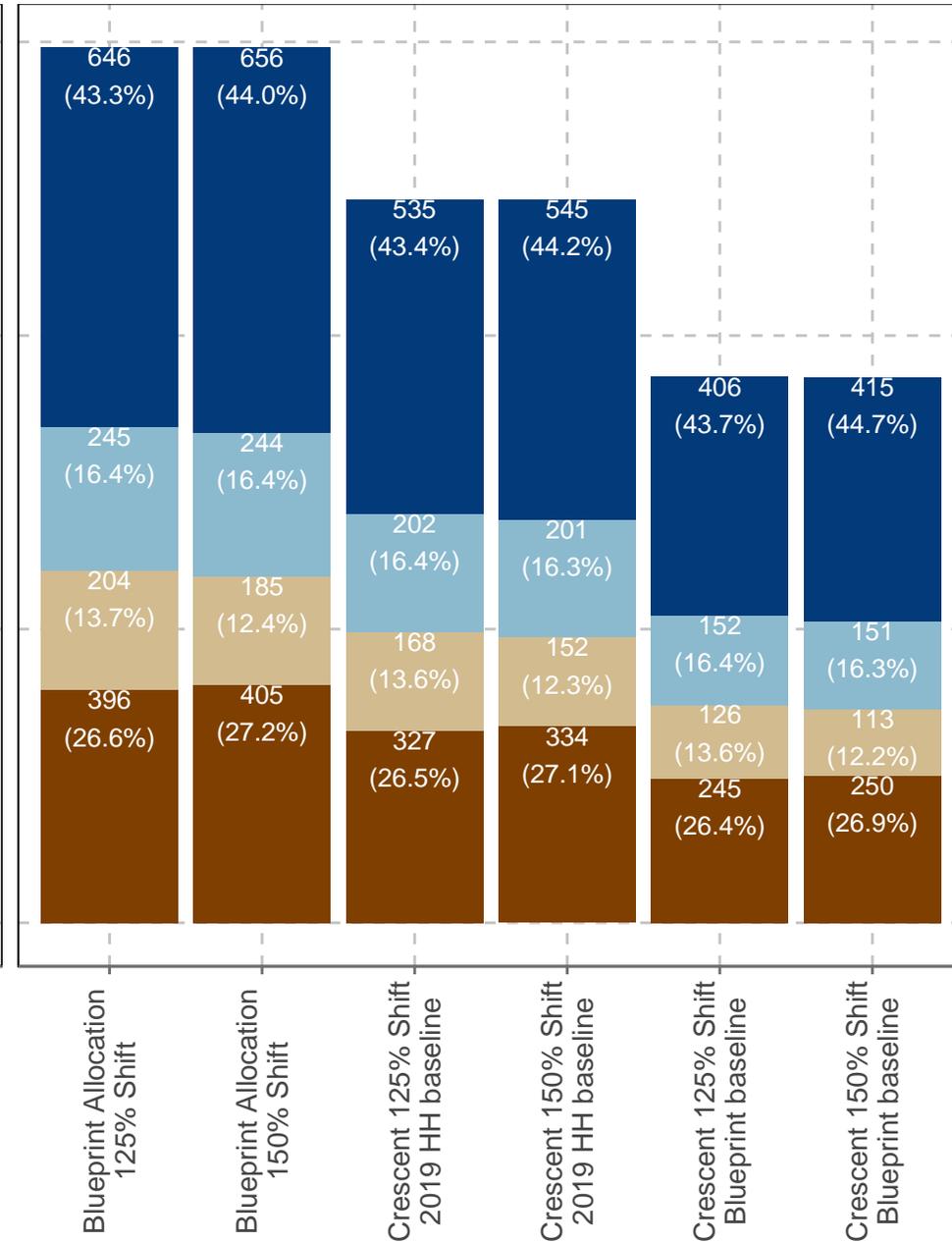
# Income Distribution, Oakley (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



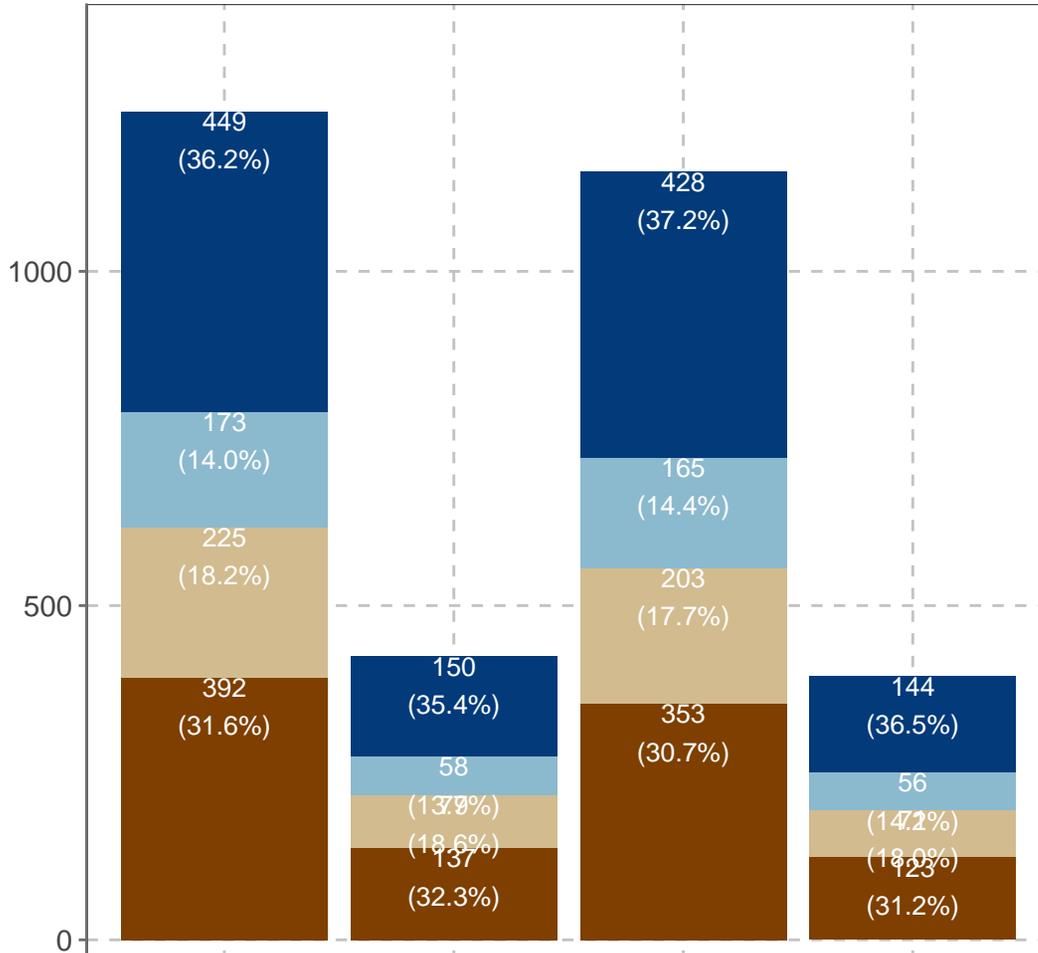
## Income Shift Approach



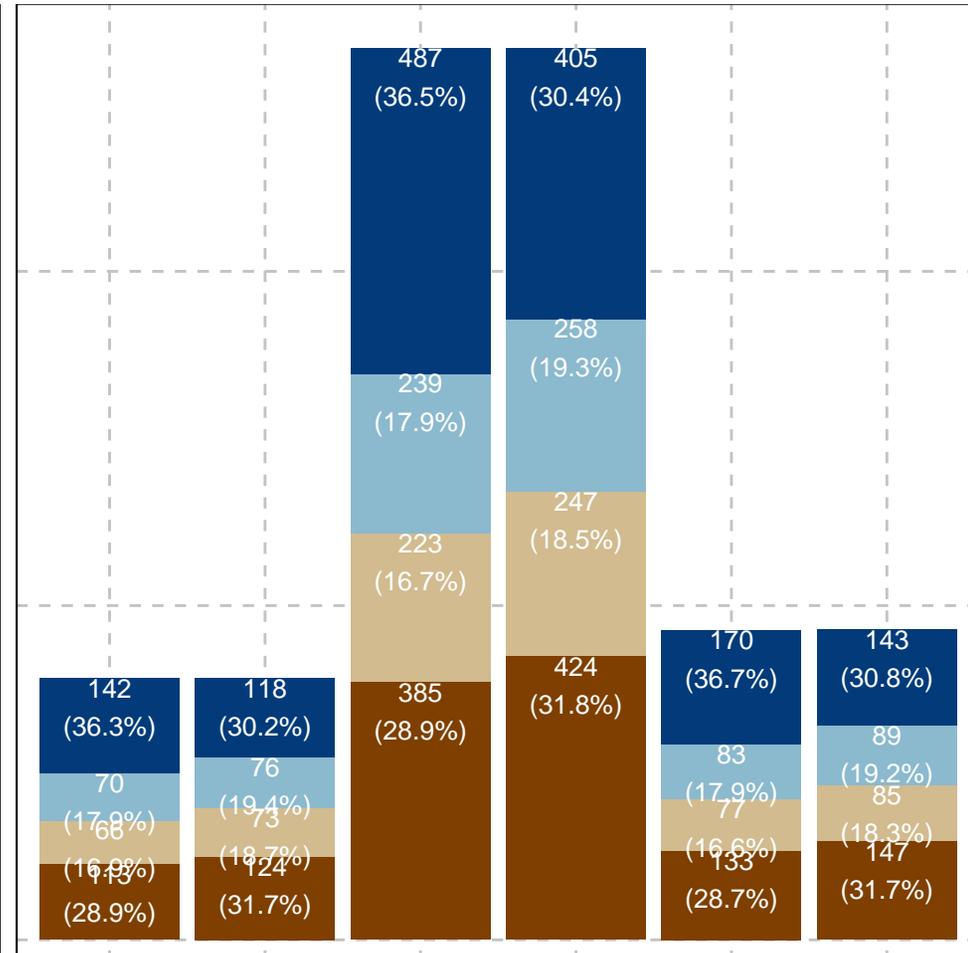
# Income Distribution, Orinda (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

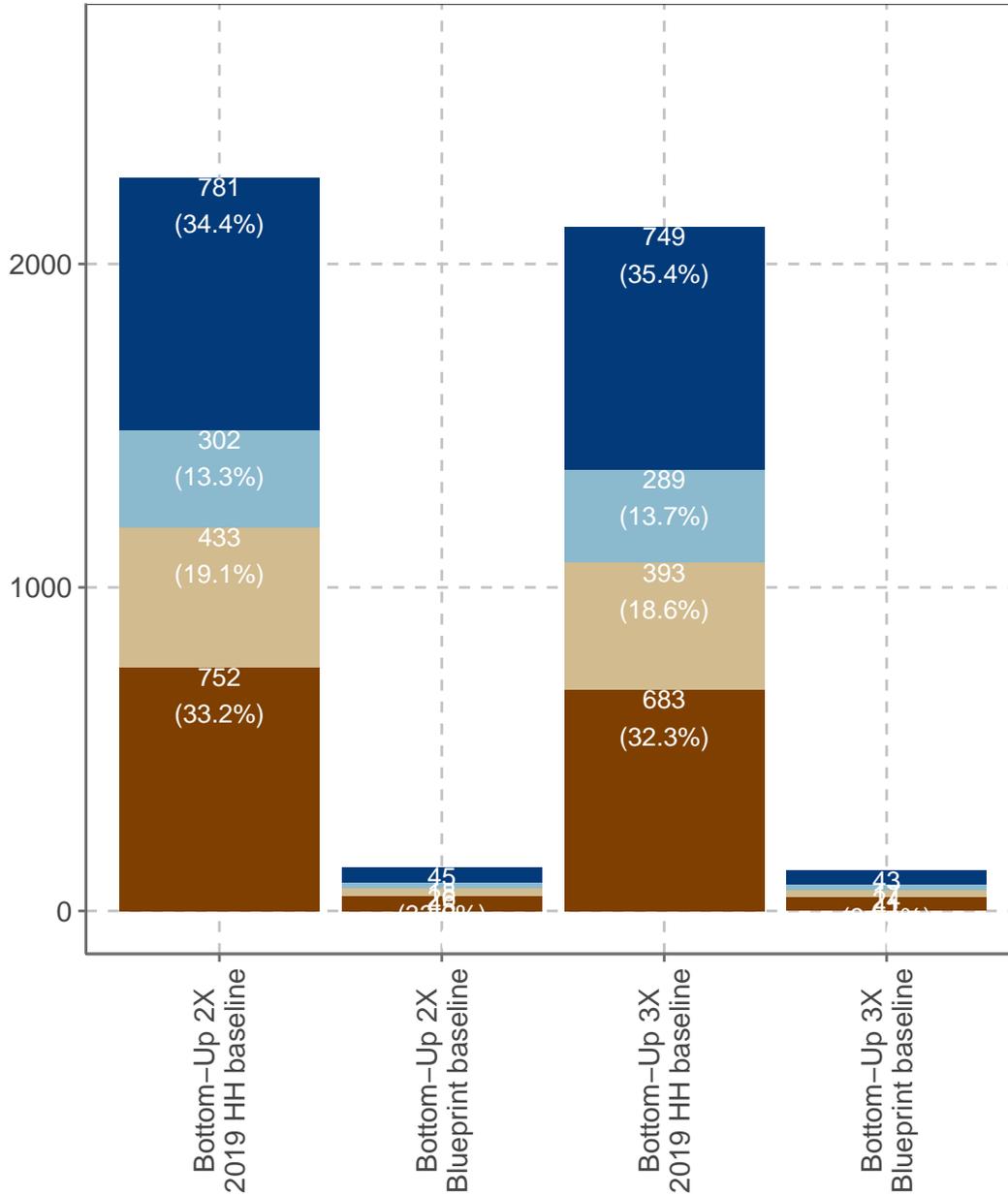


Very Low
  Low
  Moderate
  Above Moderate

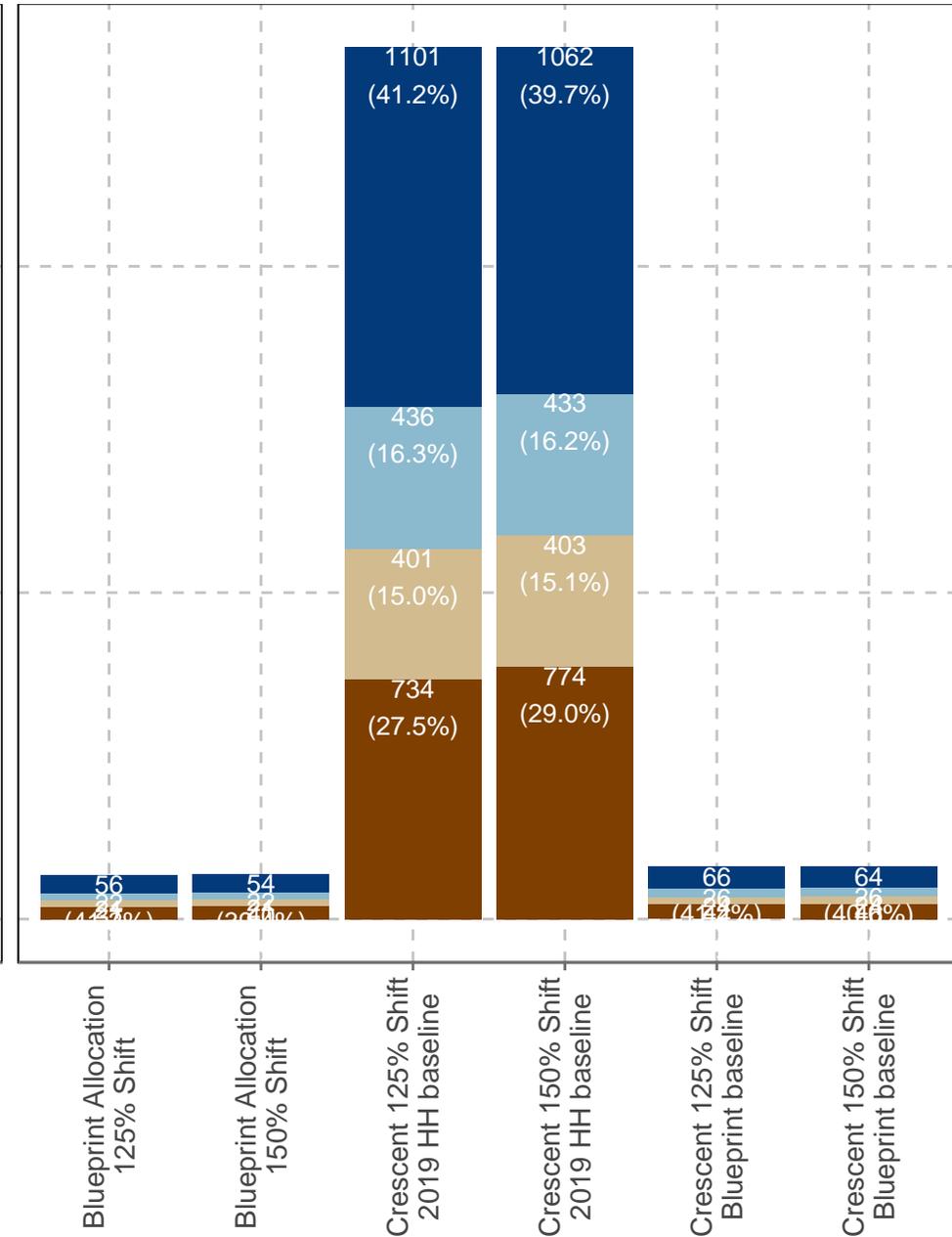
# Income Distribution, Pacifica (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

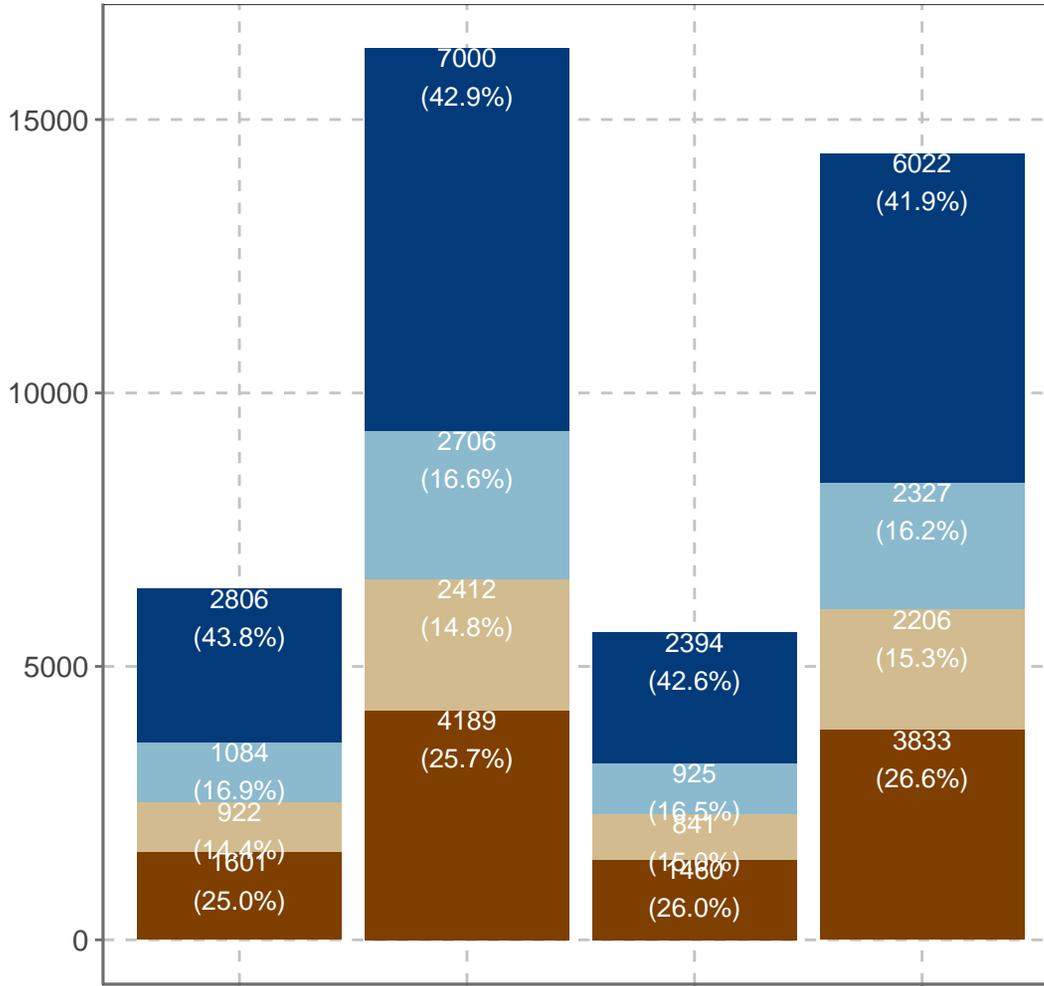


Very Low Low Moderate Above Moderate

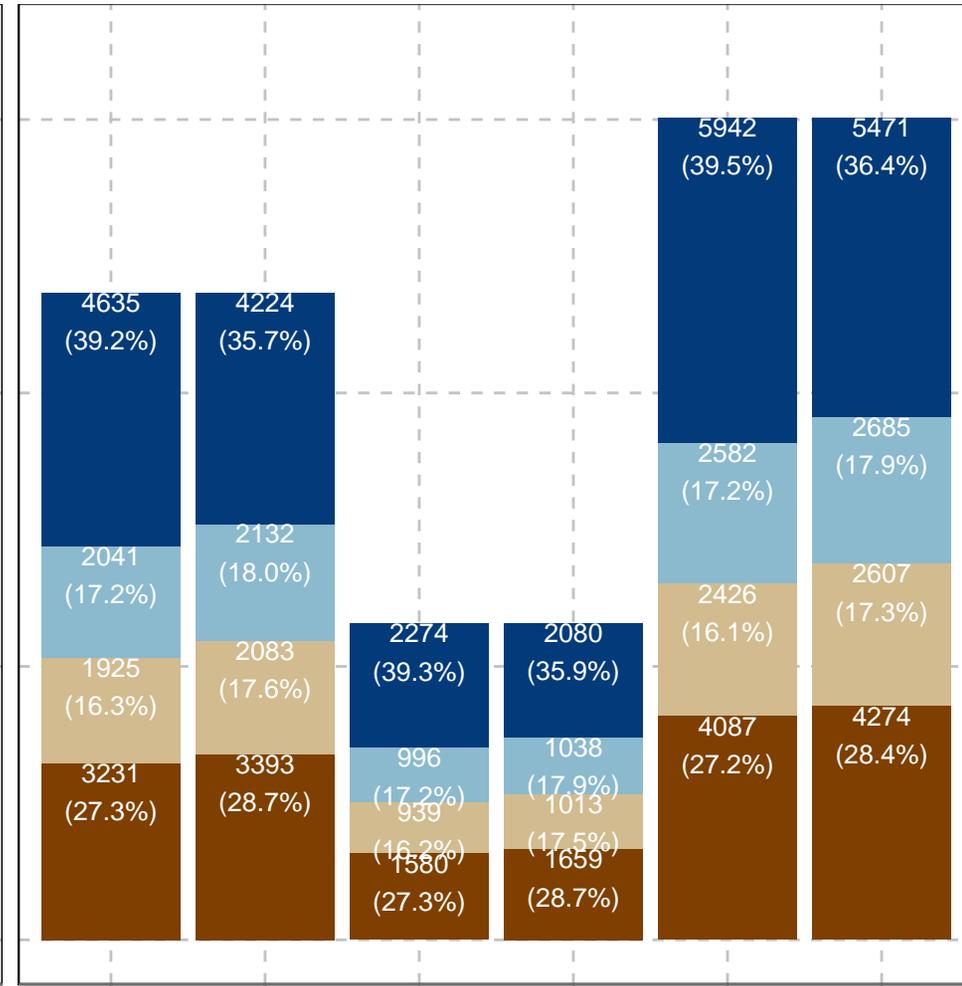
# Income Distribution, Palo Alto (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



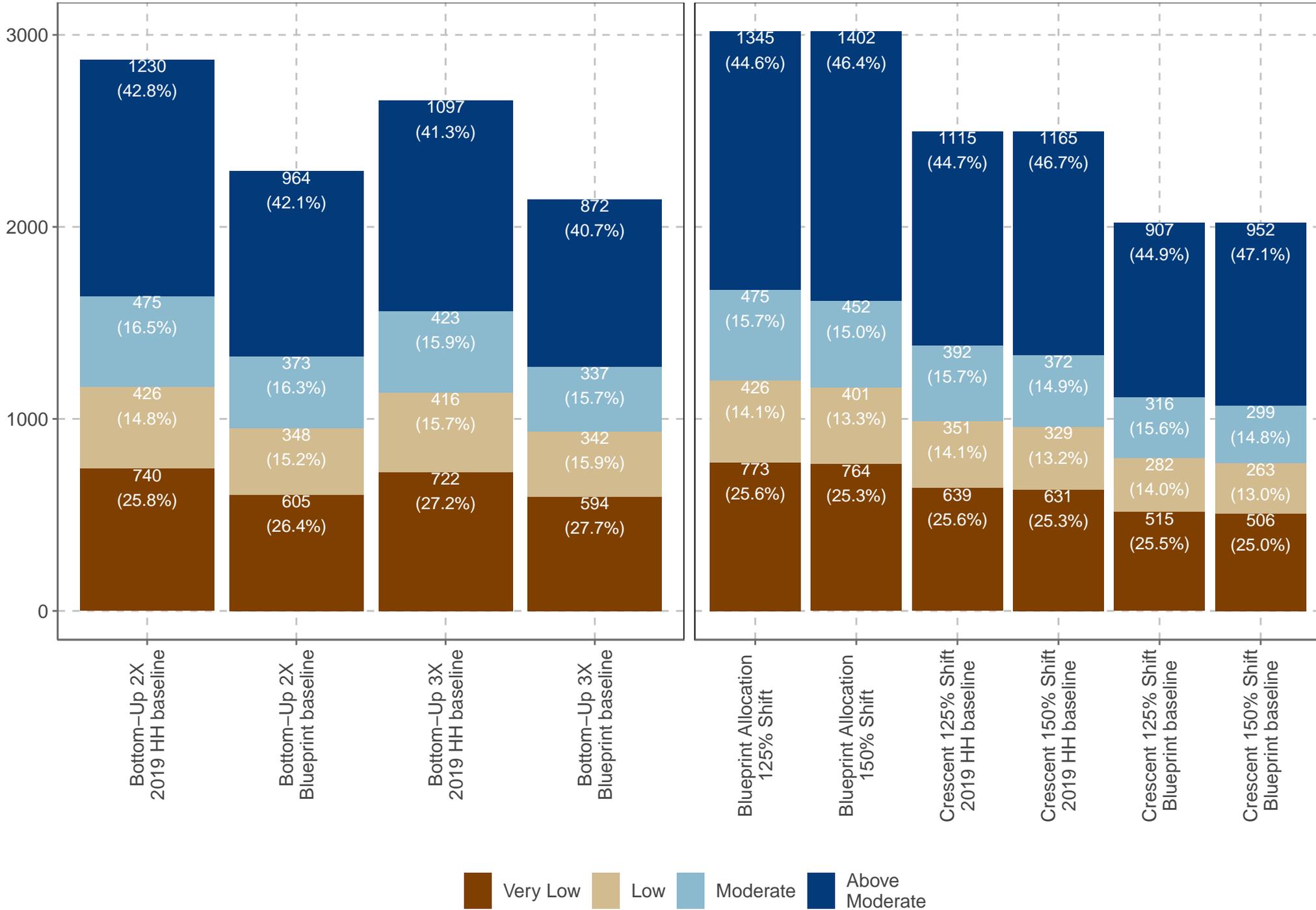
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Petaluma (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach

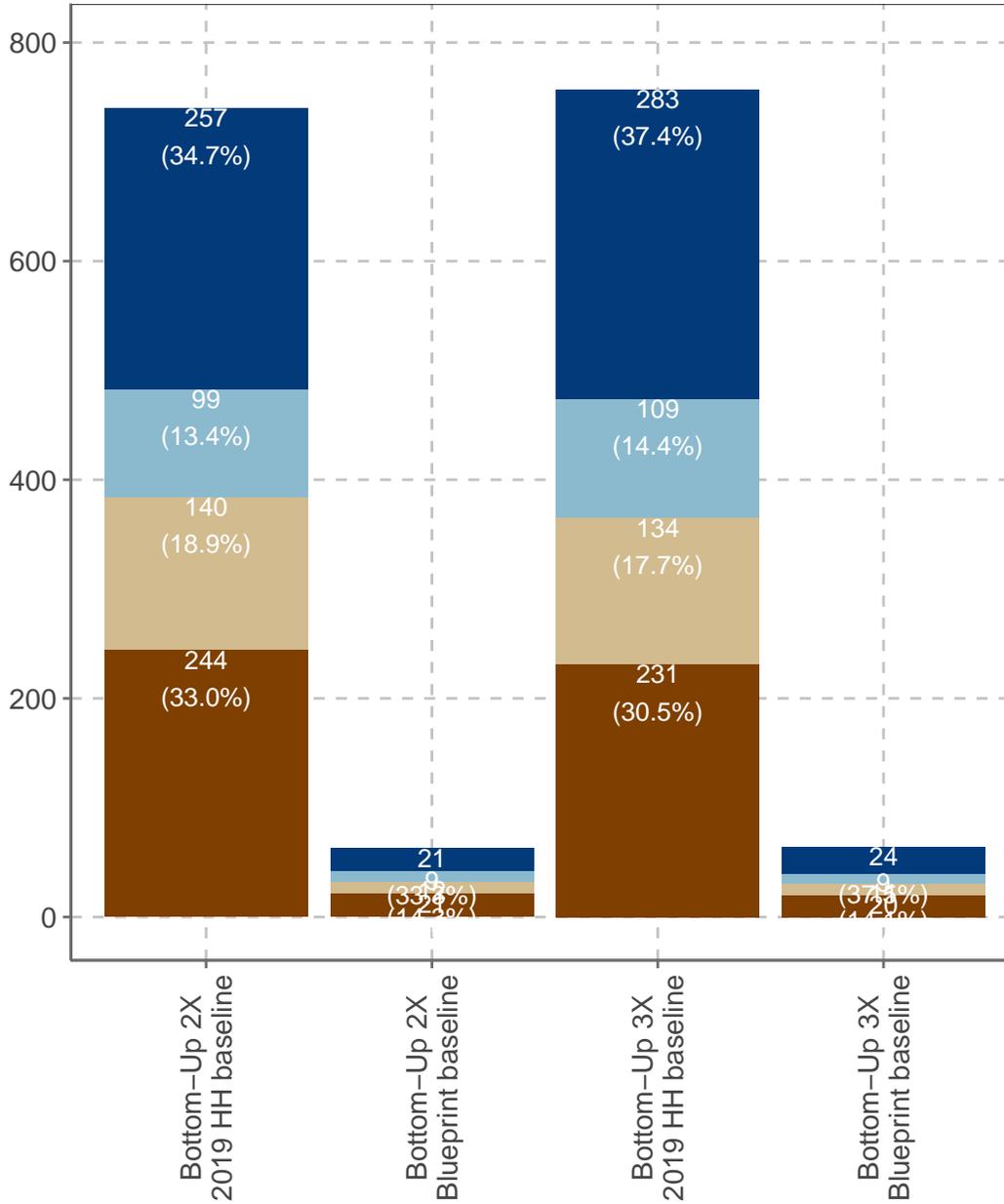
## Income Shift Approach



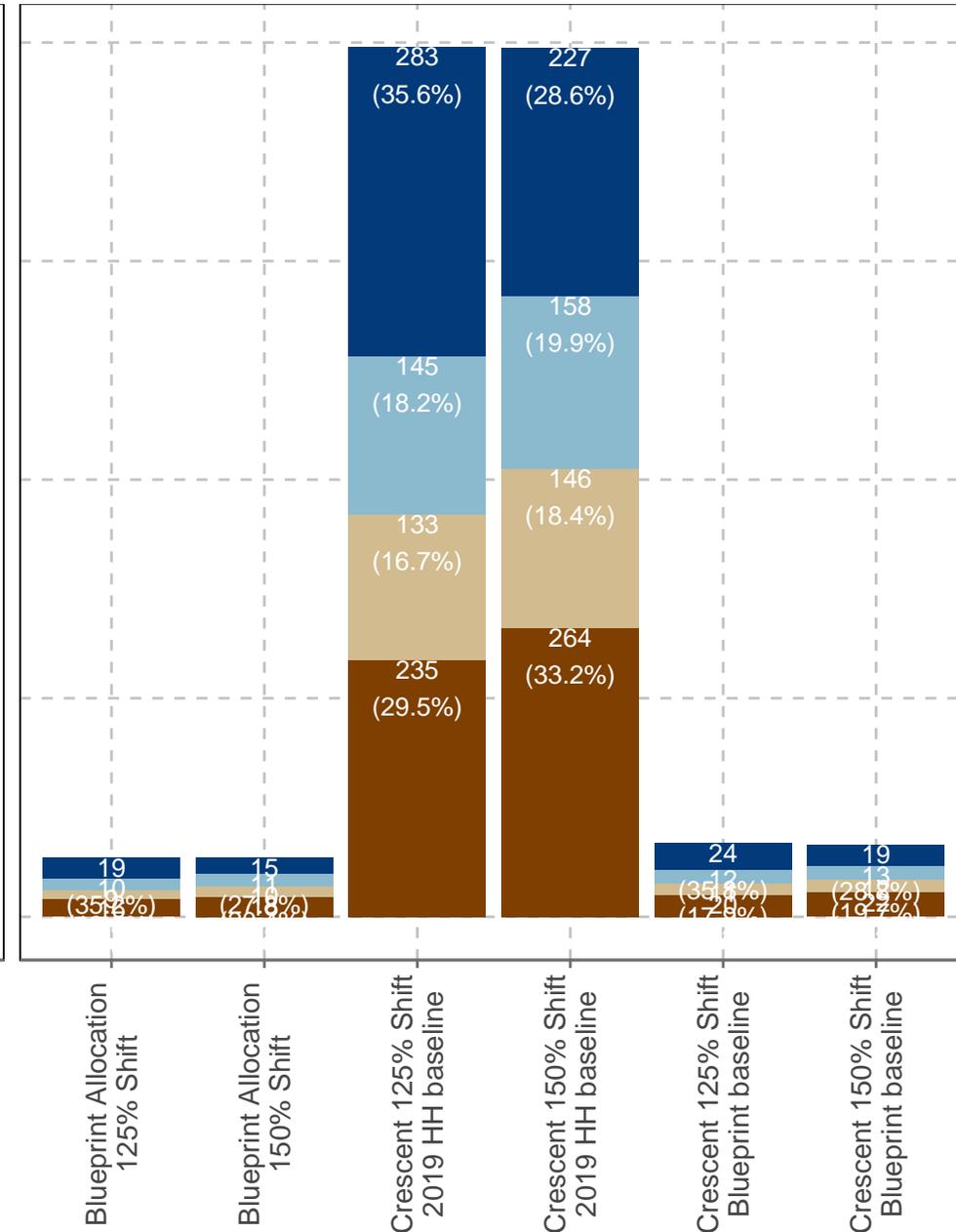
# Income Distribution, Piedmont (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

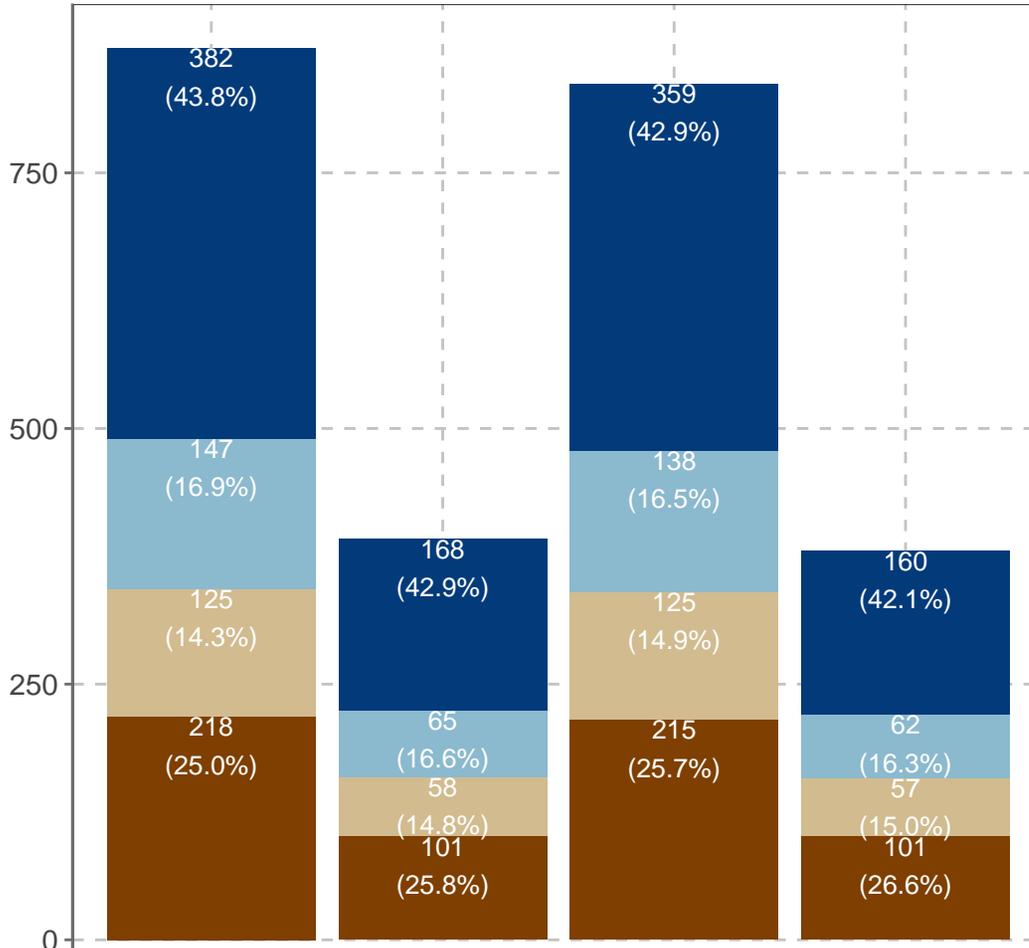


Very Low
  Low
  Moderate
  Above Moderate

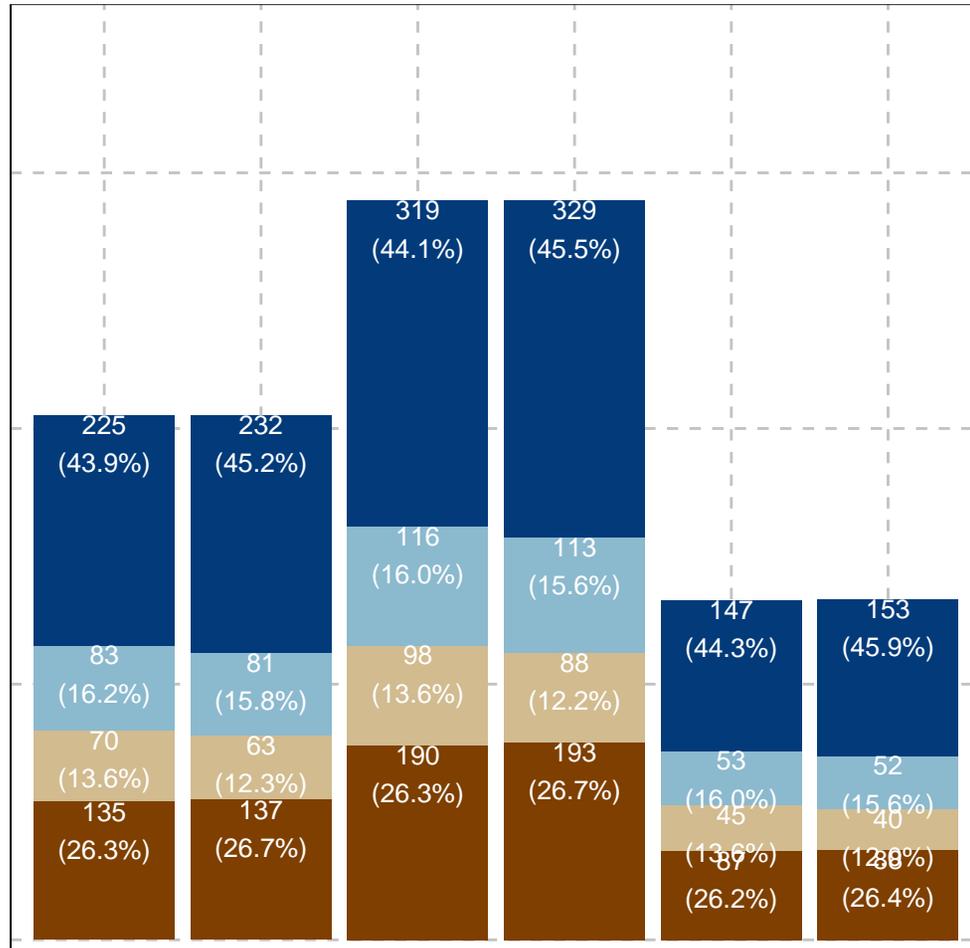
# Income Distribution, Pinole (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

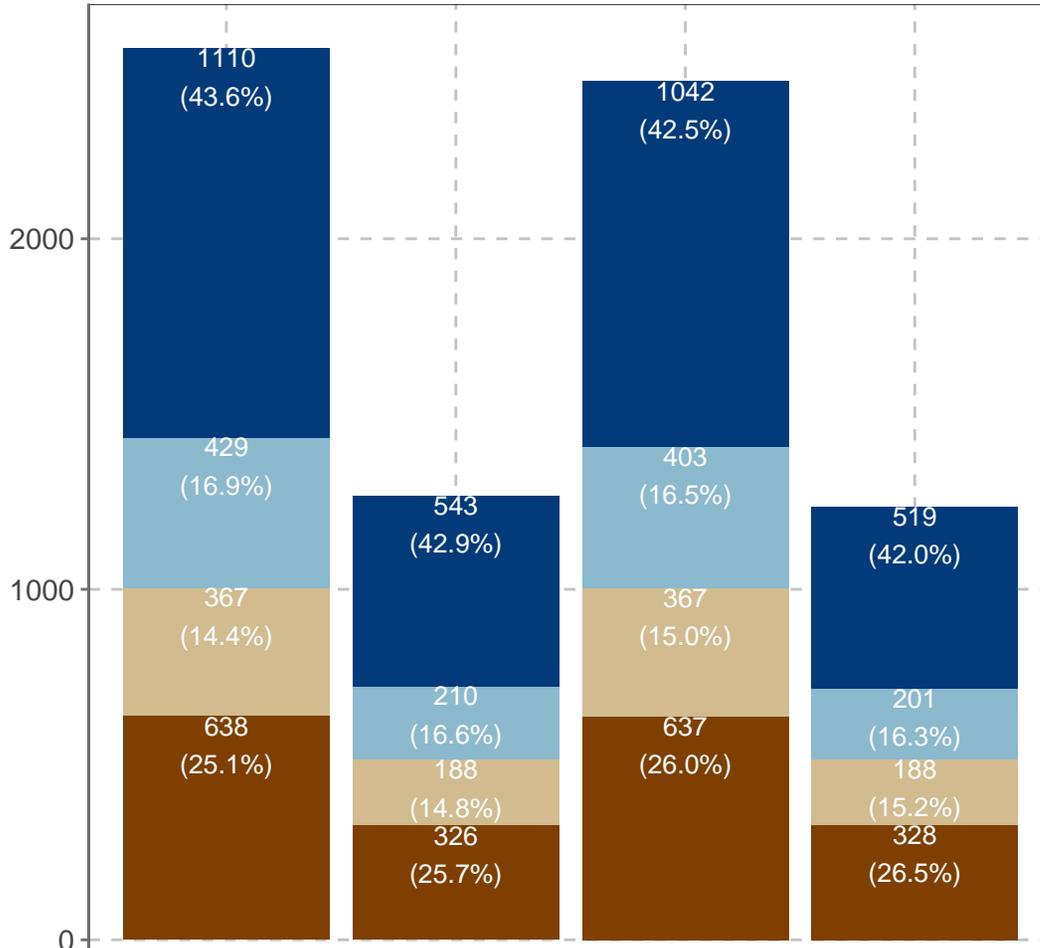


Very Low
  Low
  Moderate
  Above Moderate

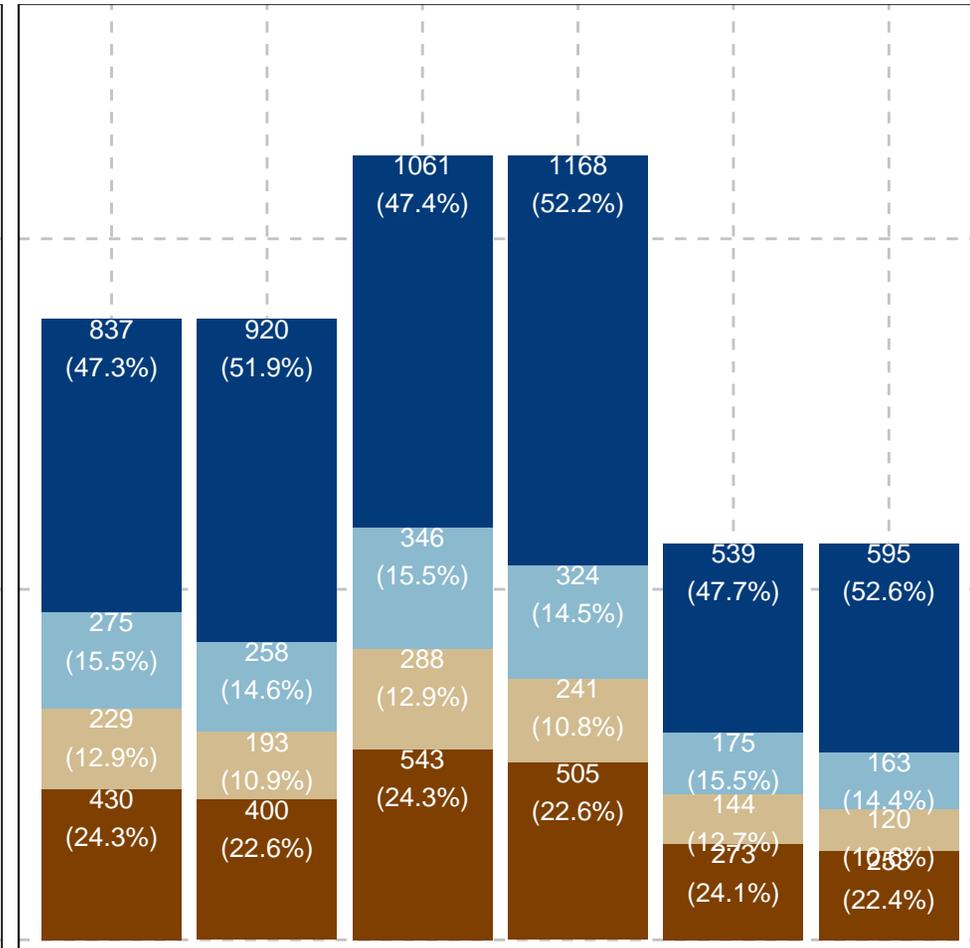
# Income Distribution, Pittsburg (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

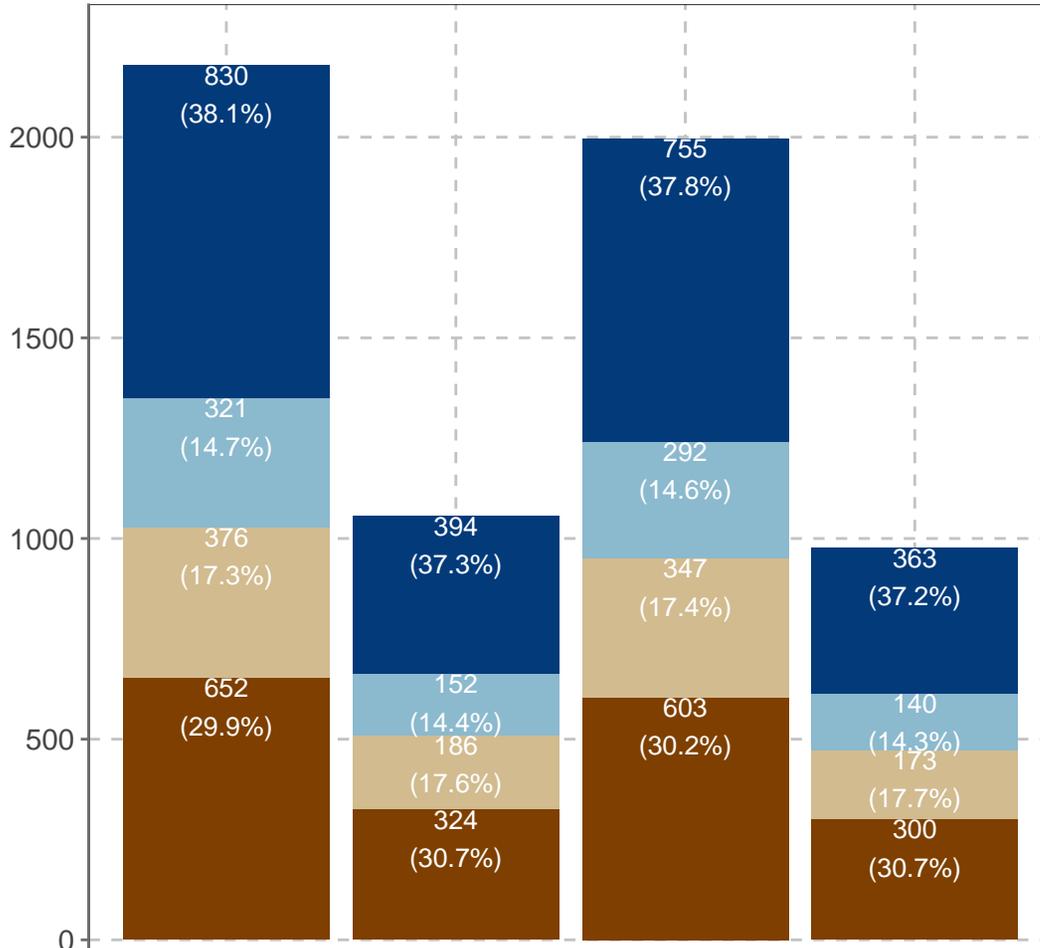


Very Low
  Low
  Moderate
  Above Moderate

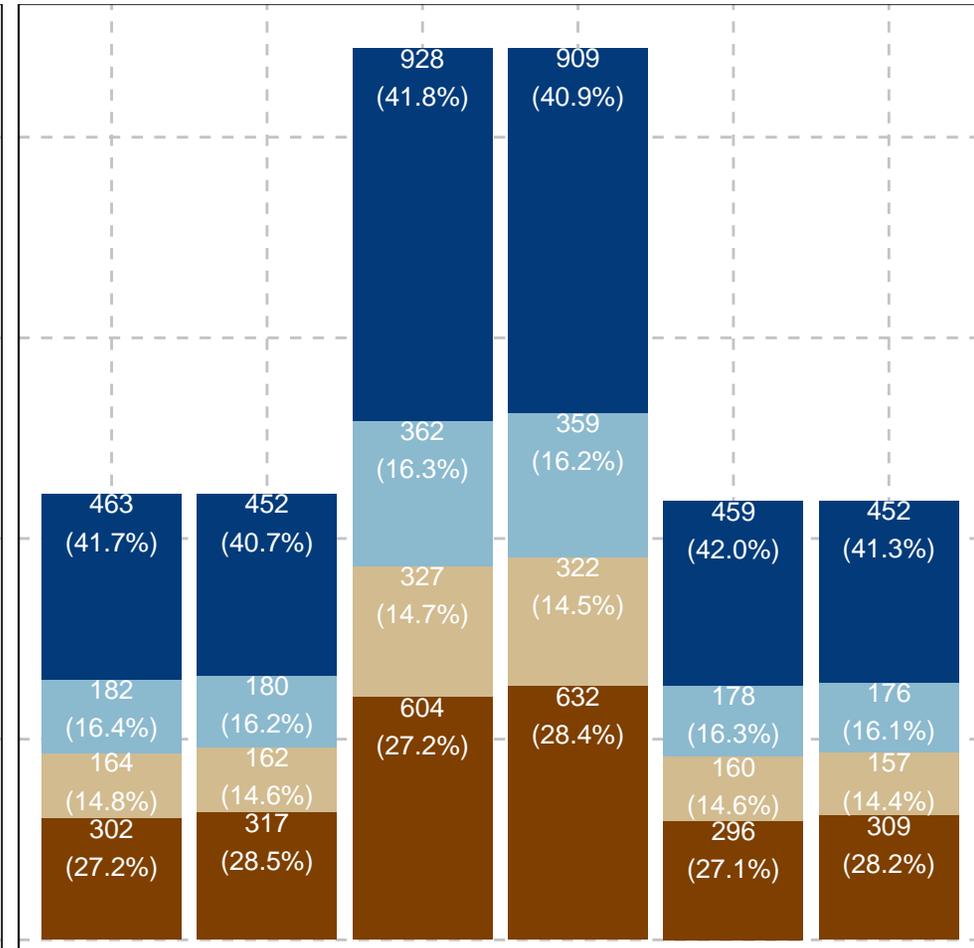
# Income Distribution, Pleasant Hill (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

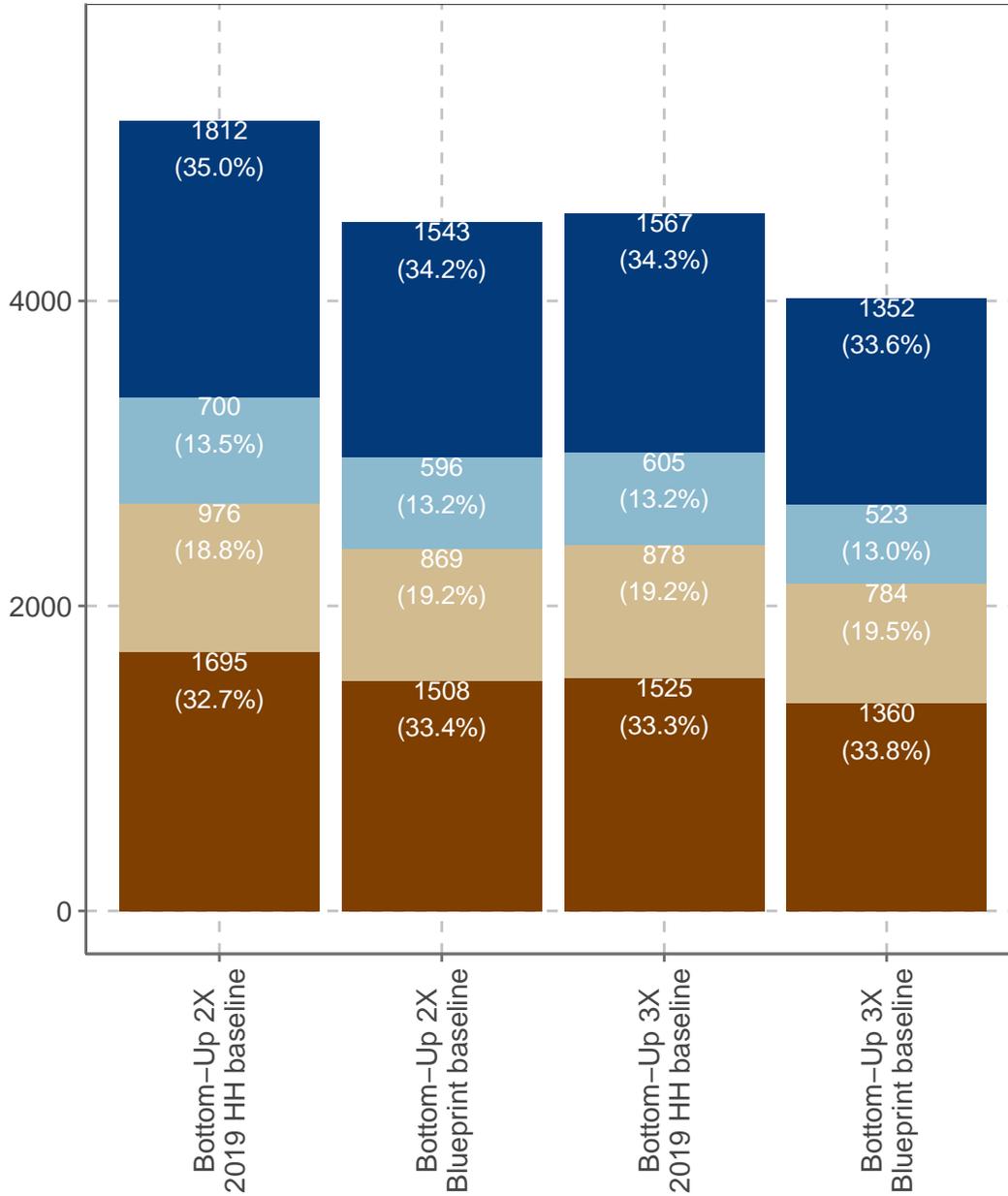


Very Low
  Low
  Moderate
  Above Moderate

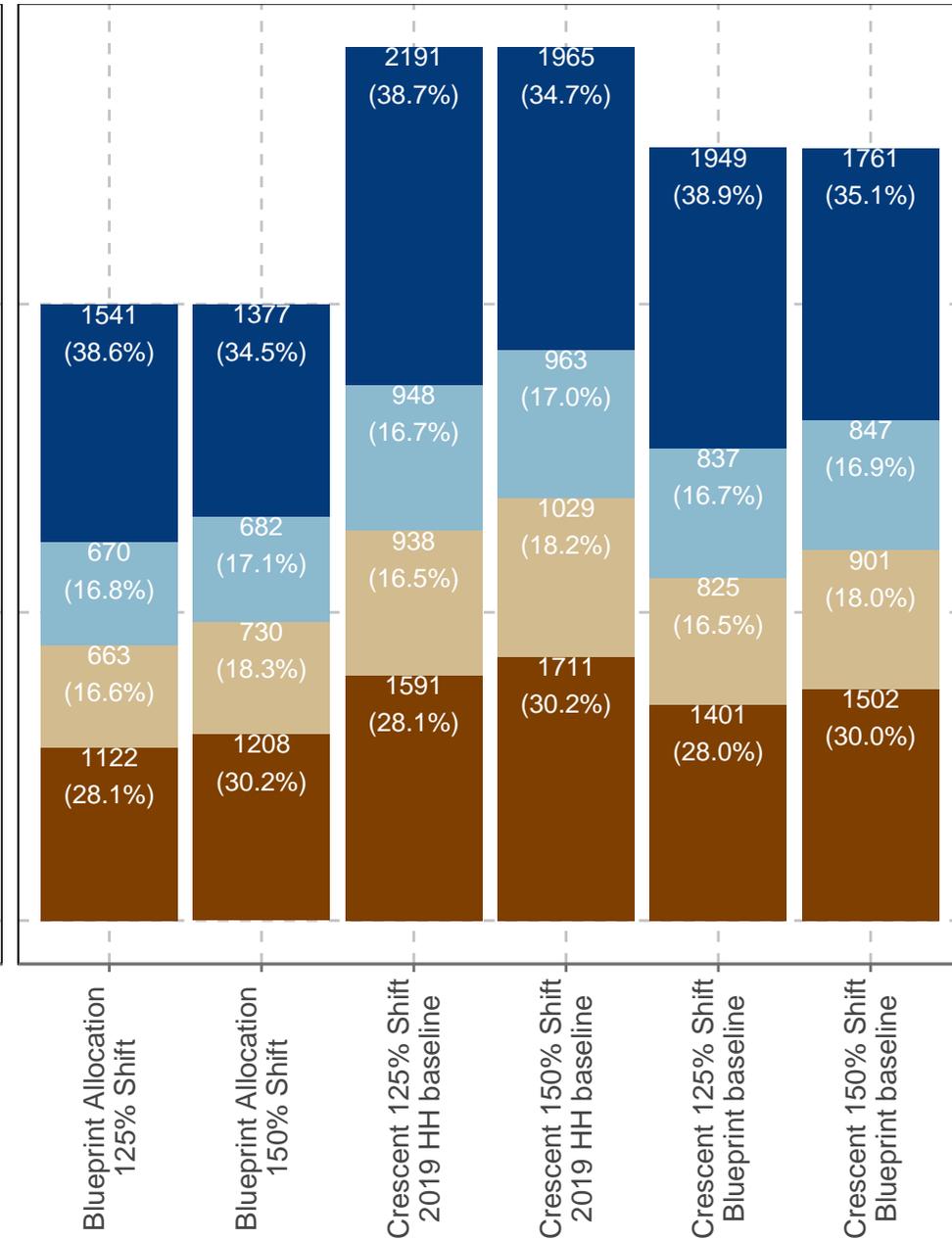
# Income Distribution, Pleasanton (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

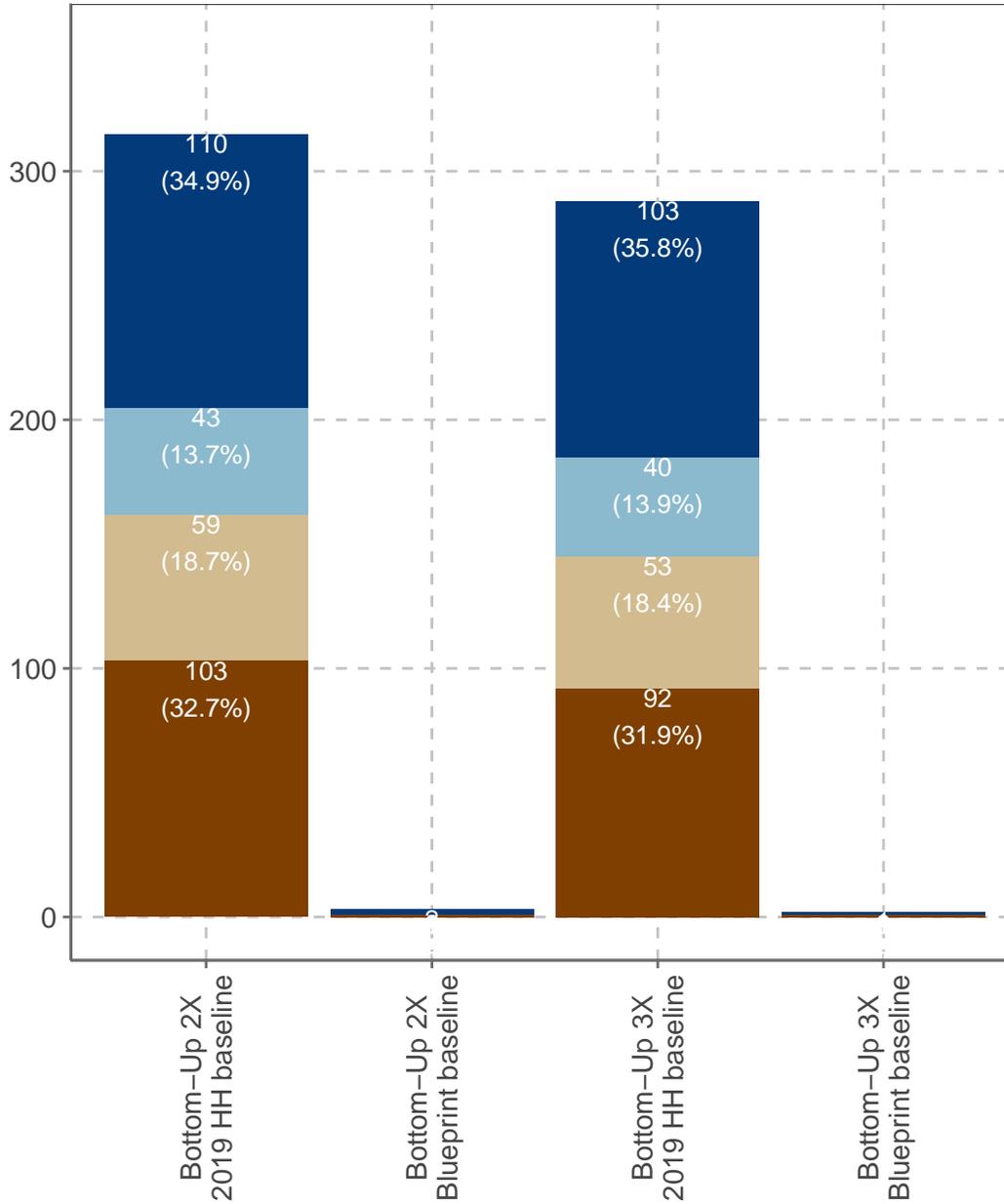


Very Low
  Low
  Moderate
  Above Moderate

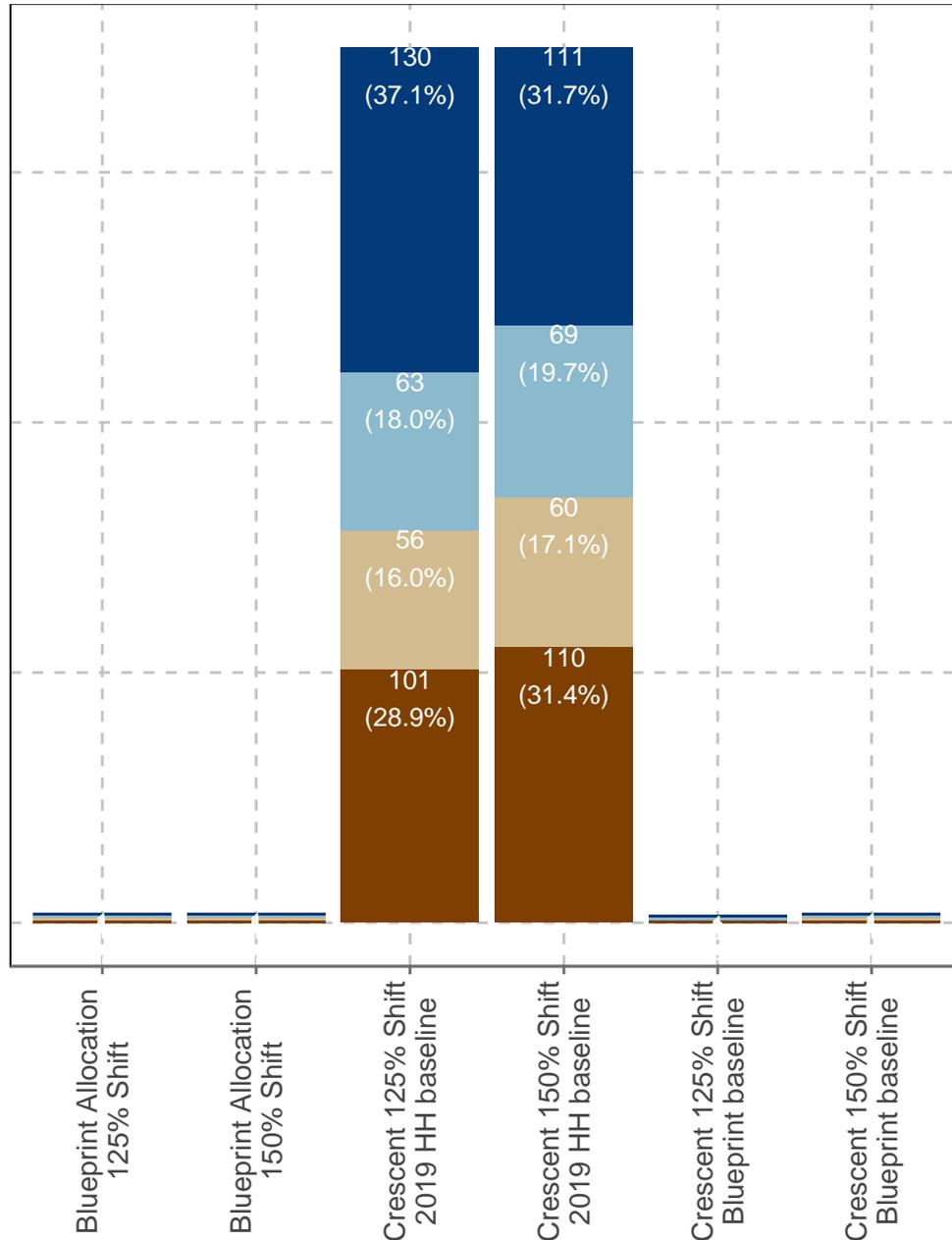
# Income Distribution, Portola Valley (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



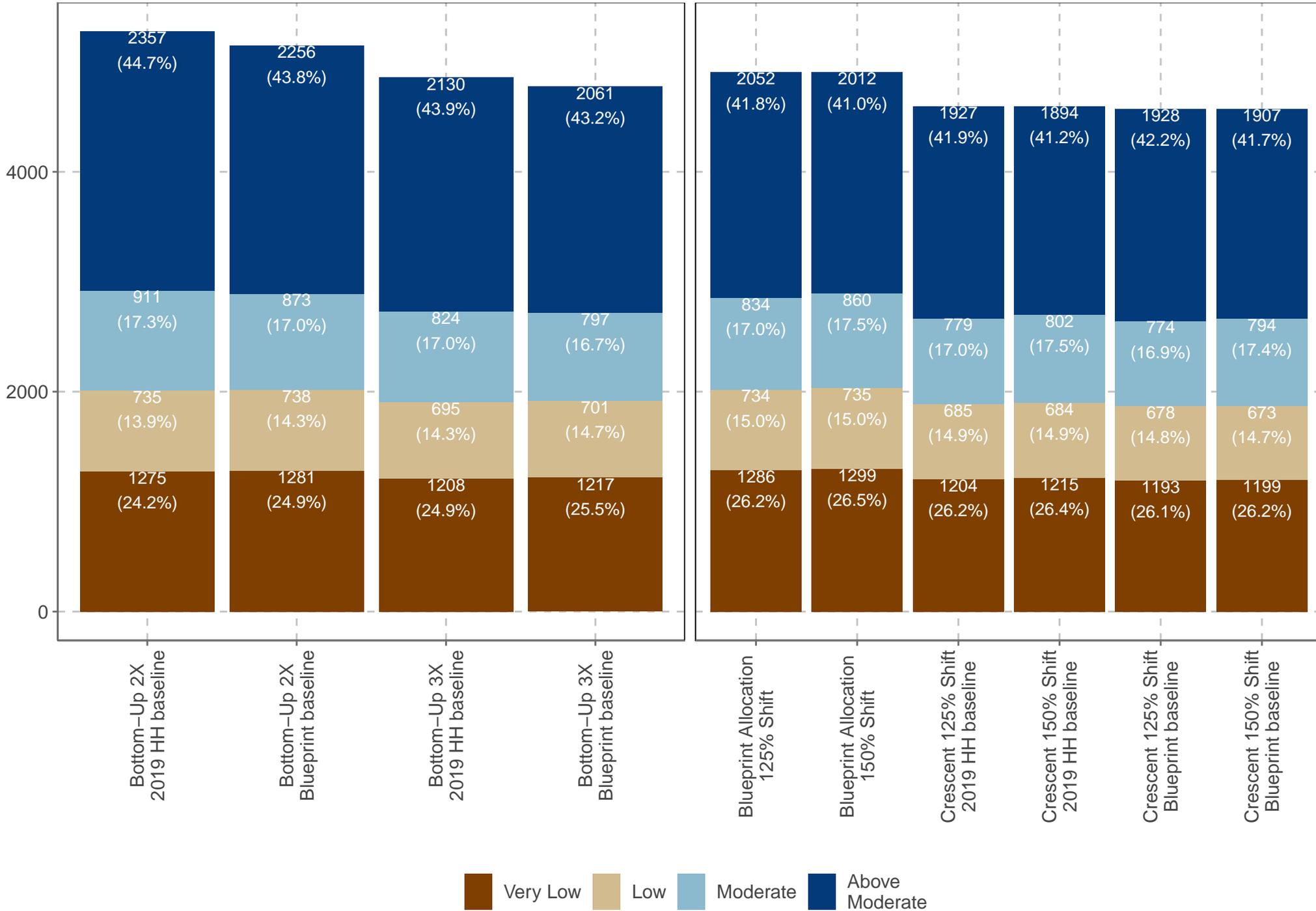
Very Low Low Moderate Above Moderate

# Income Distribution, Redwood City (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach

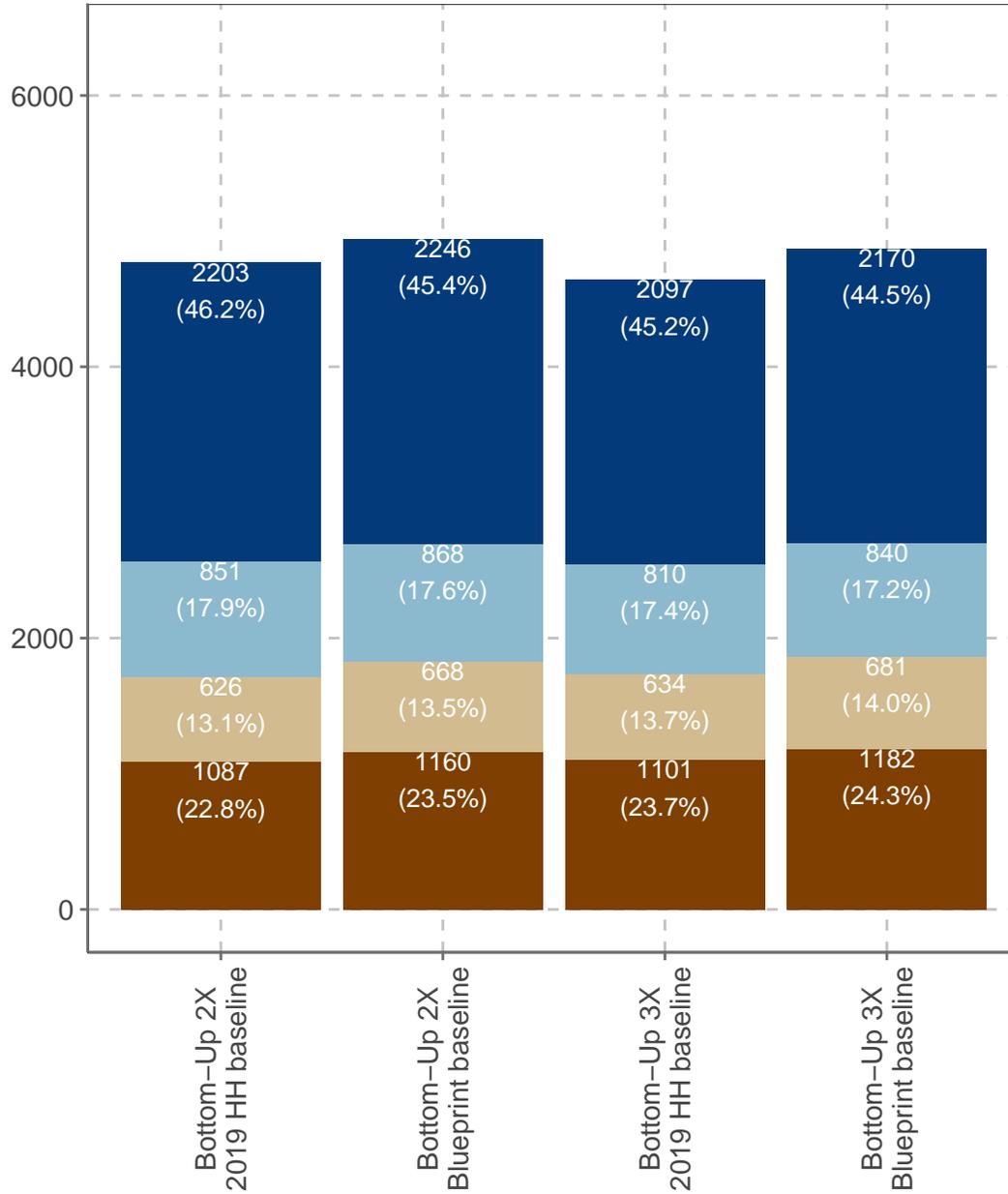
## Income Shift Approach



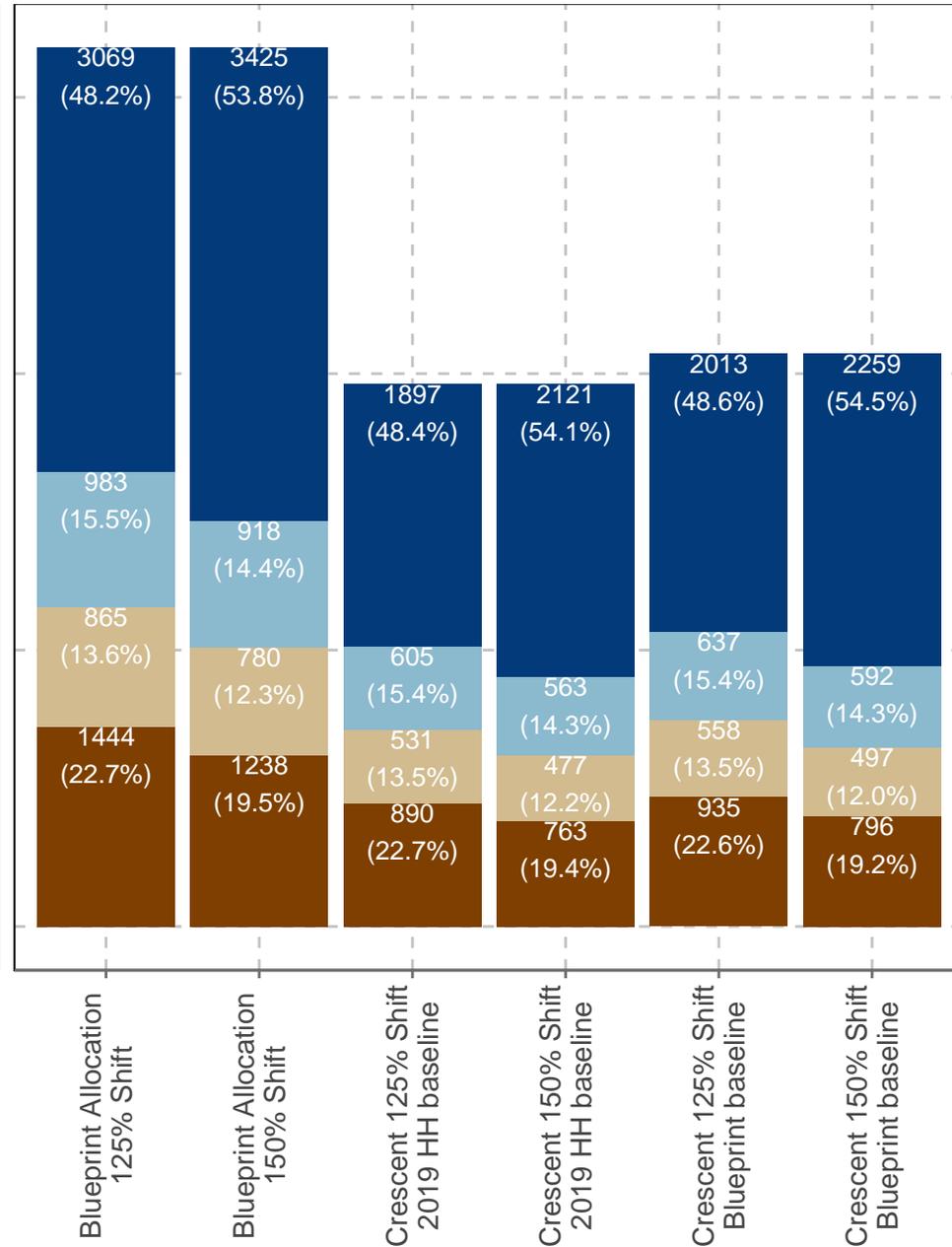
# Income Distribution, Richmond (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

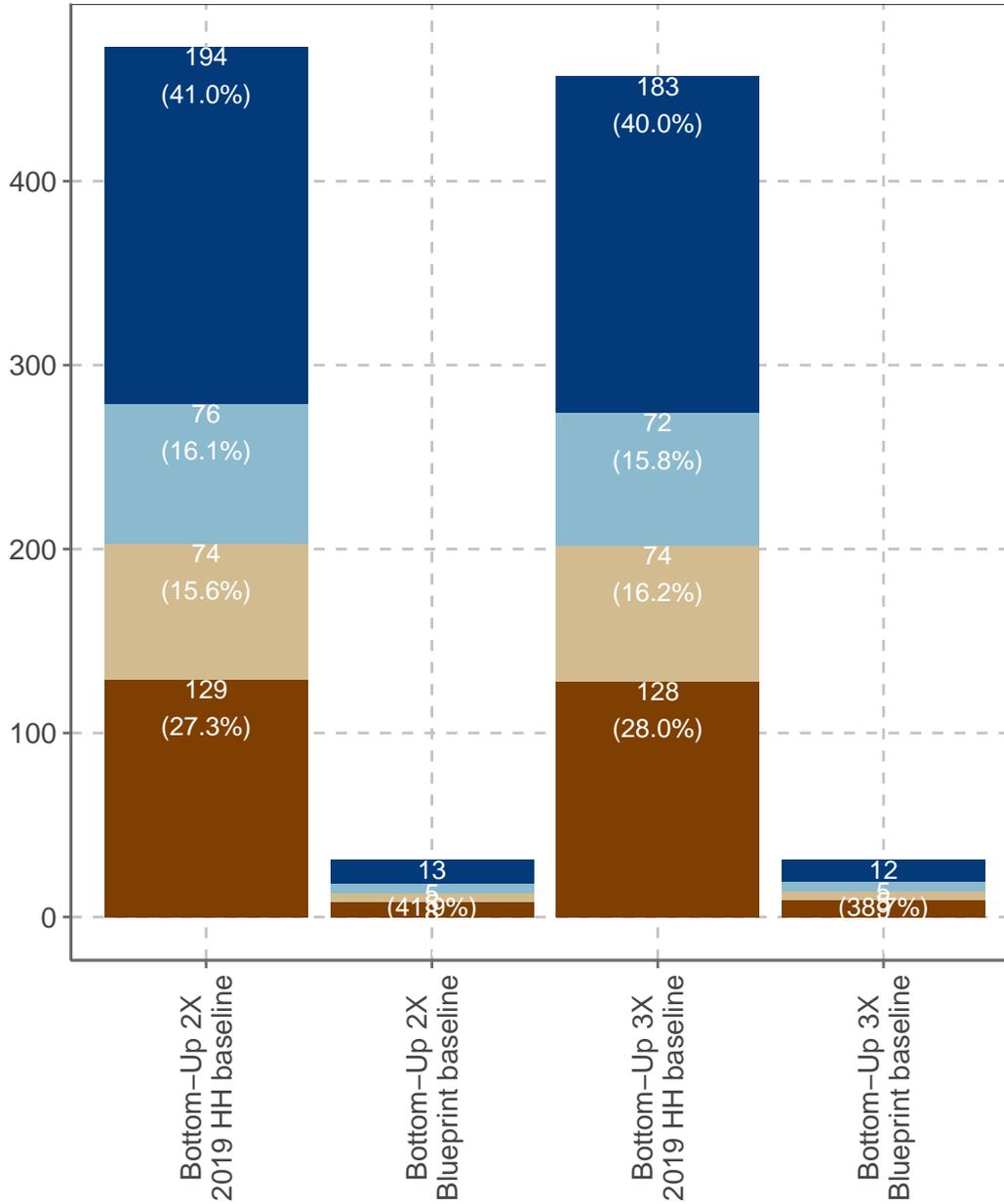


Very Low
  Low
  Moderate
  Above Moderate

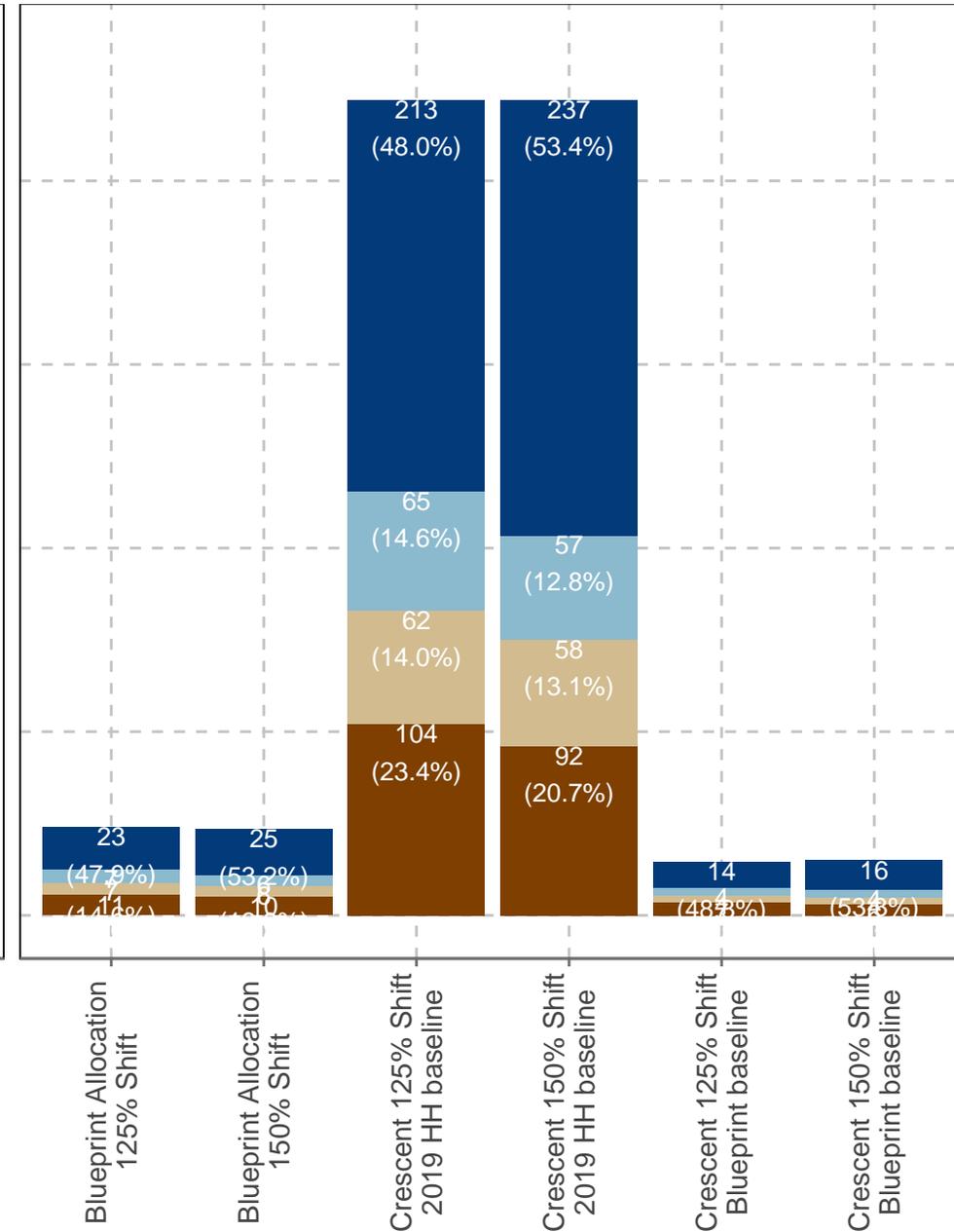
# Income Distribution, Rio Vista (Solano County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

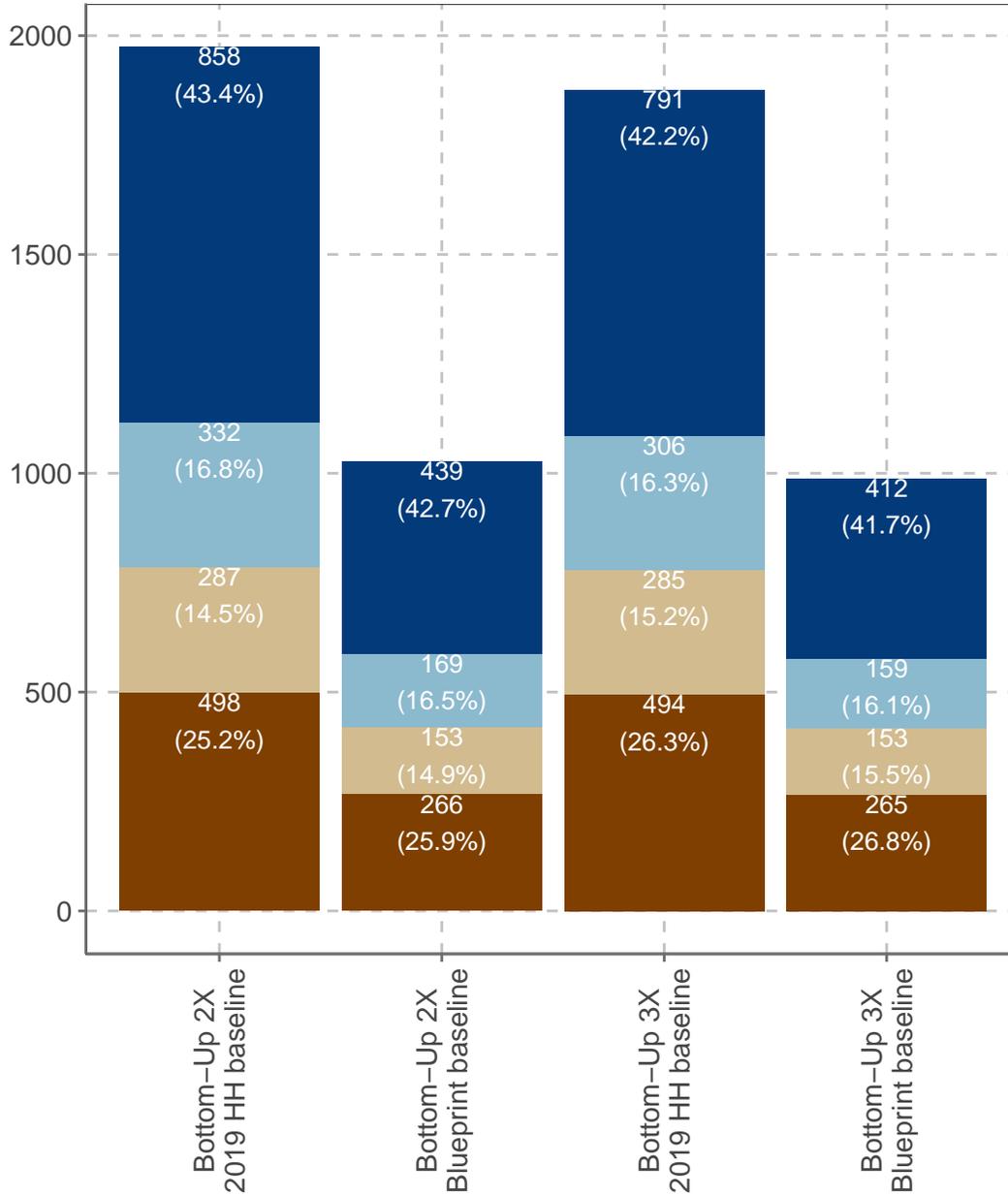


Very Low Low Moderate Above Moderate

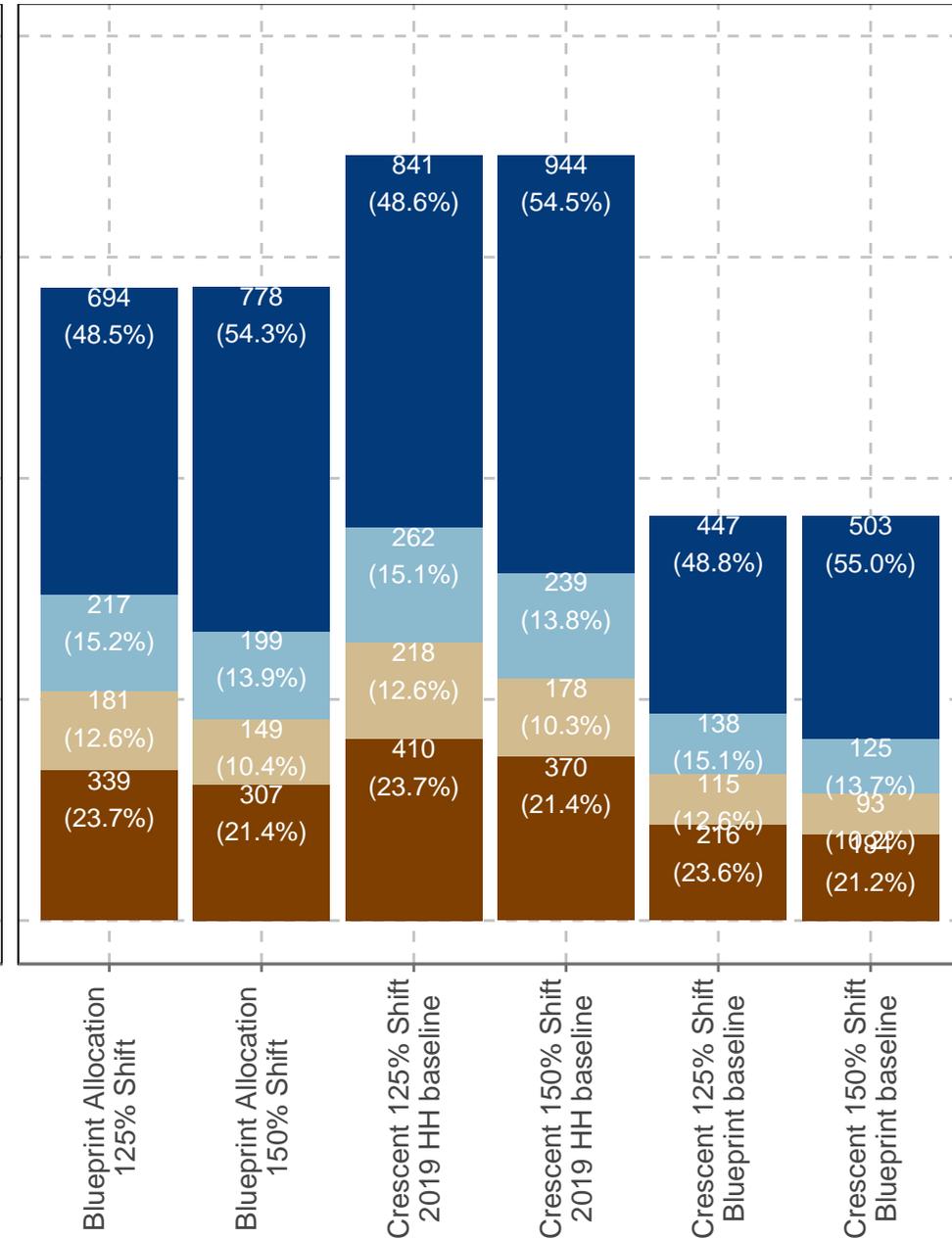
# Income Distribution, Rohnert Park (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

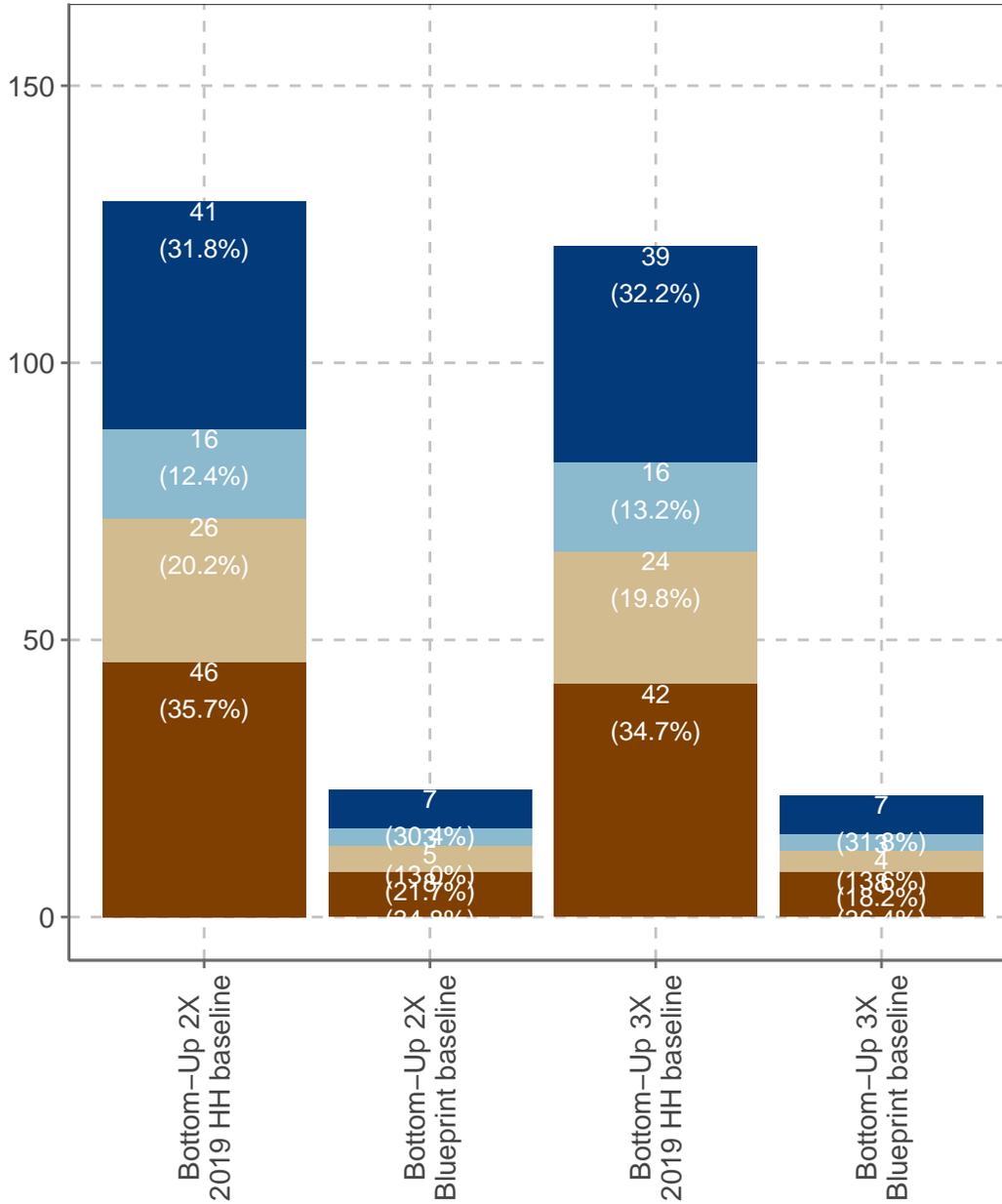


Very Low
  Low
  Moderate
  Above Moderate

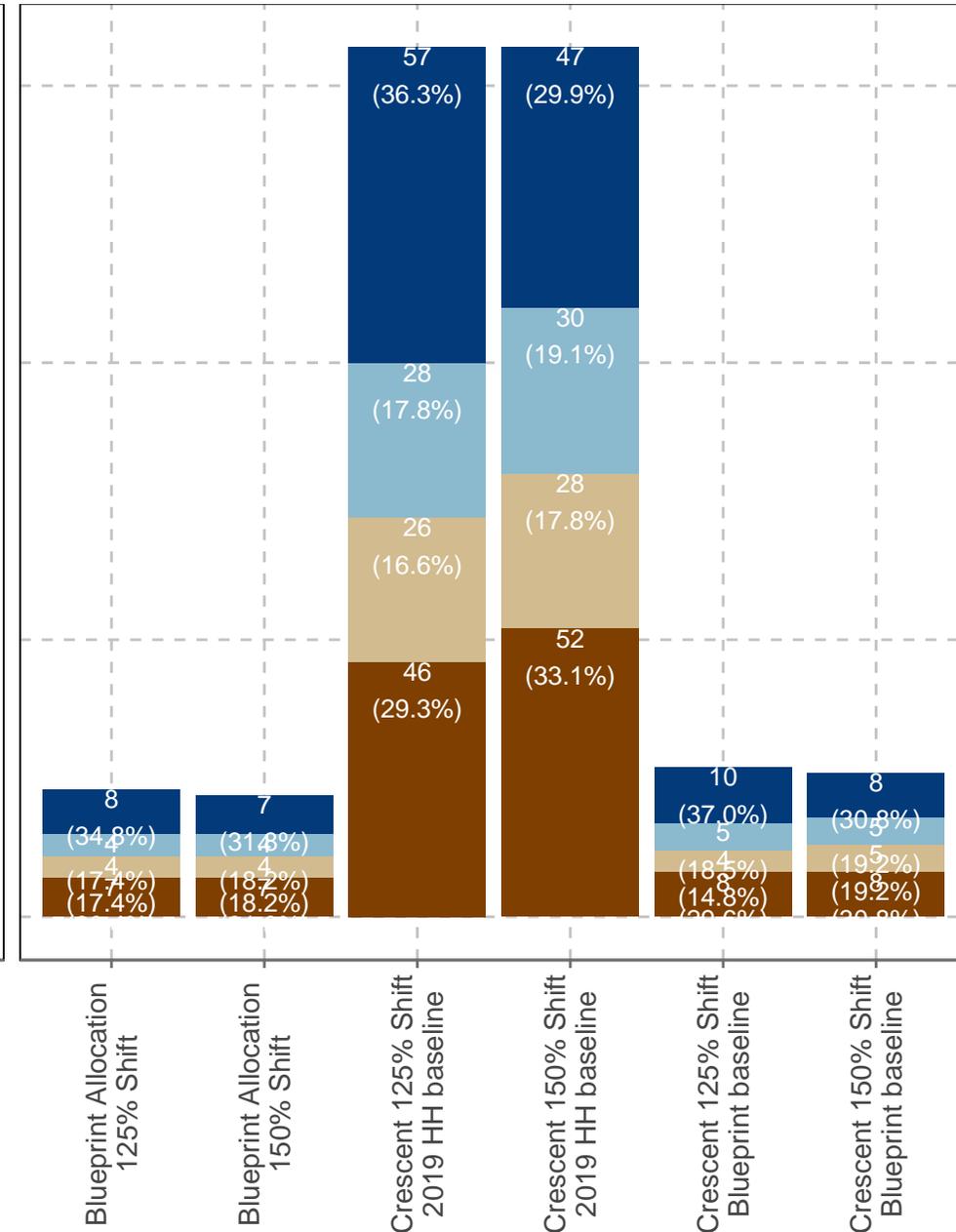
# Income Distribution, Ross (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

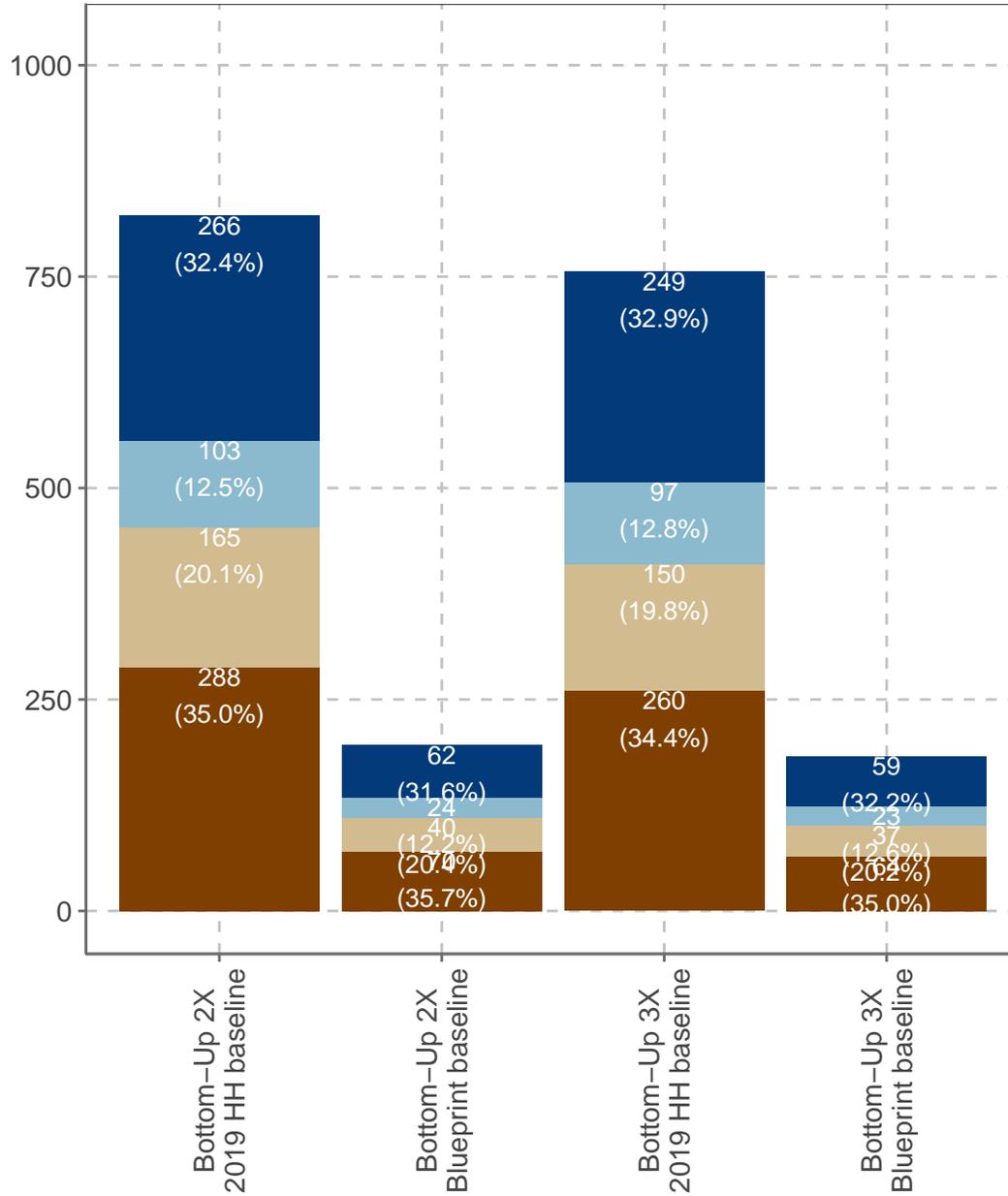


Very Low Low Moderate Above Moderate

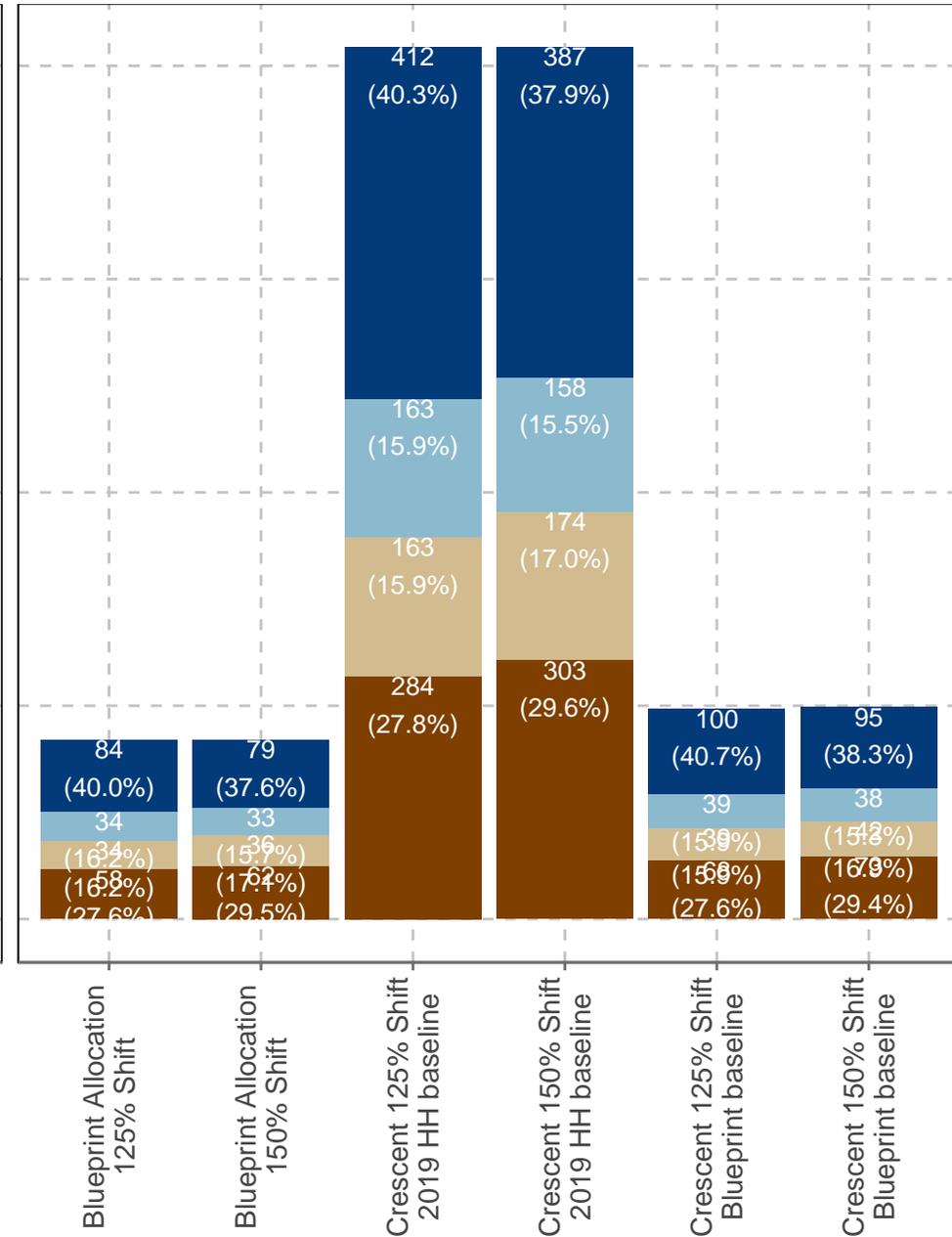
# Income Distribution, San Anselmo (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

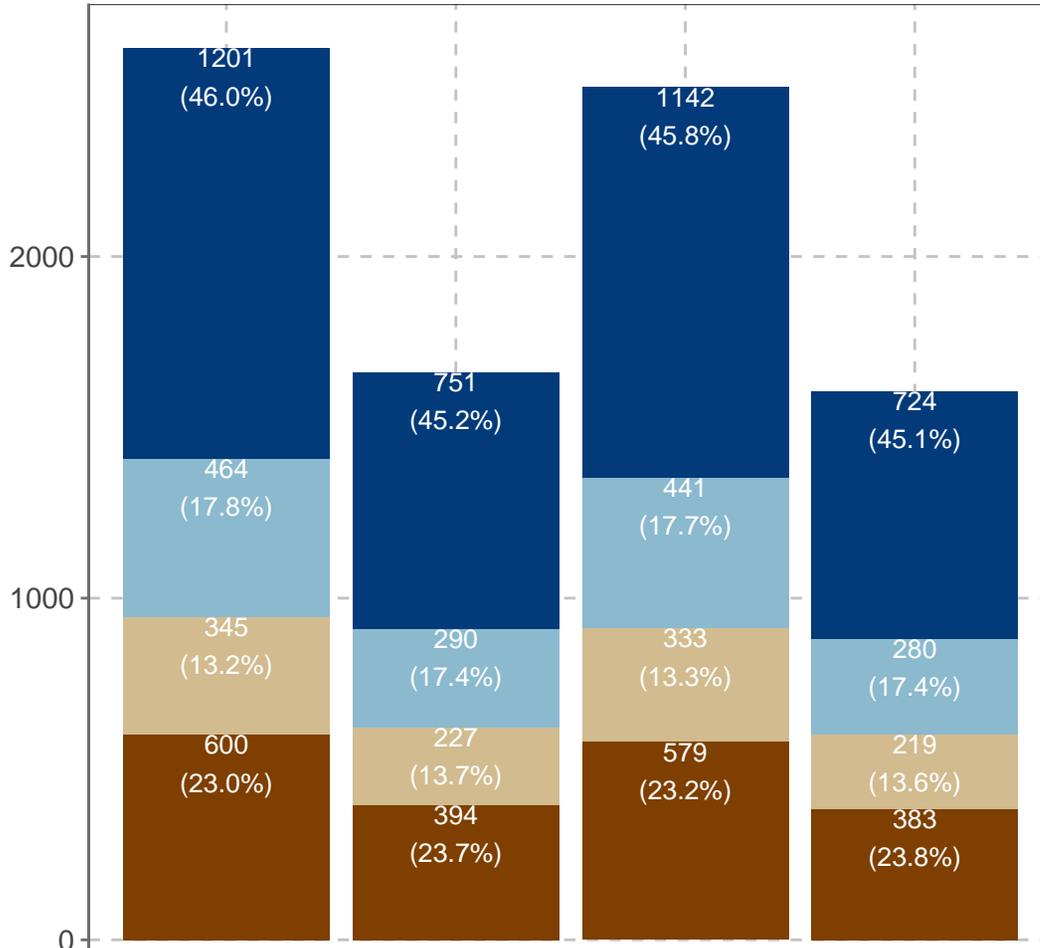


Very Low
  Low
  Moderate
  Above Moderate

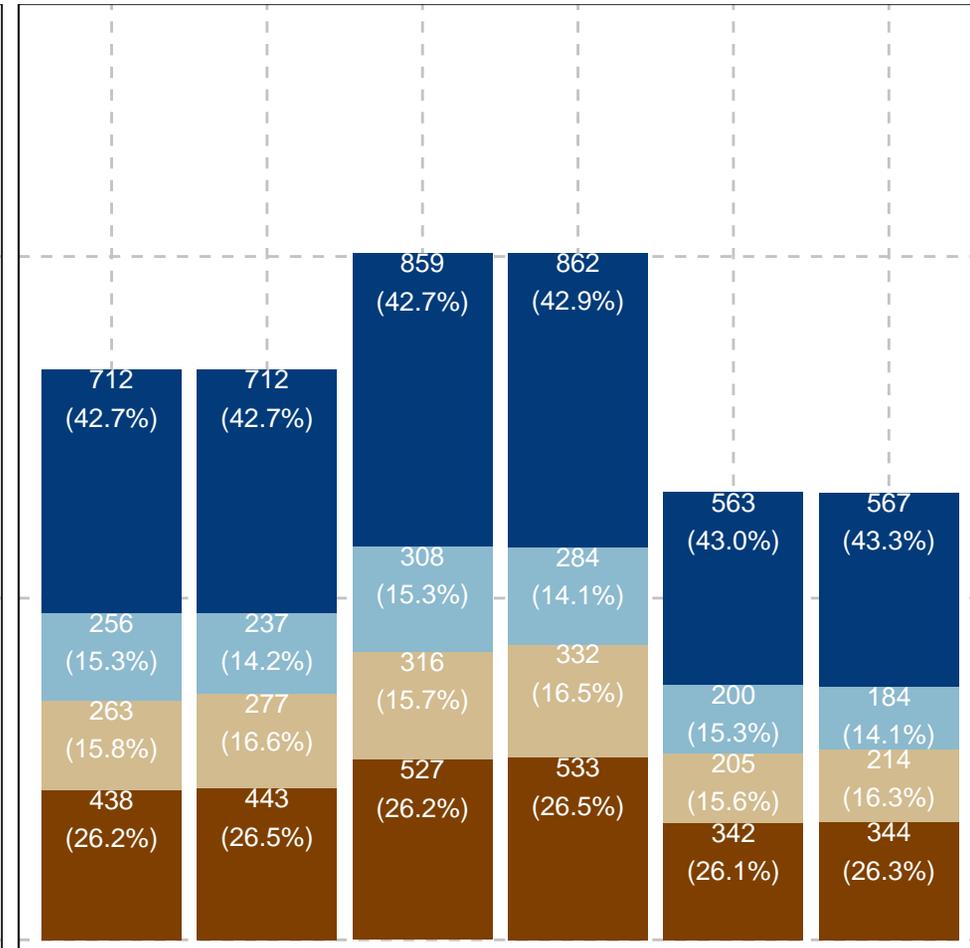
# Income Distribution, San Bruno (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



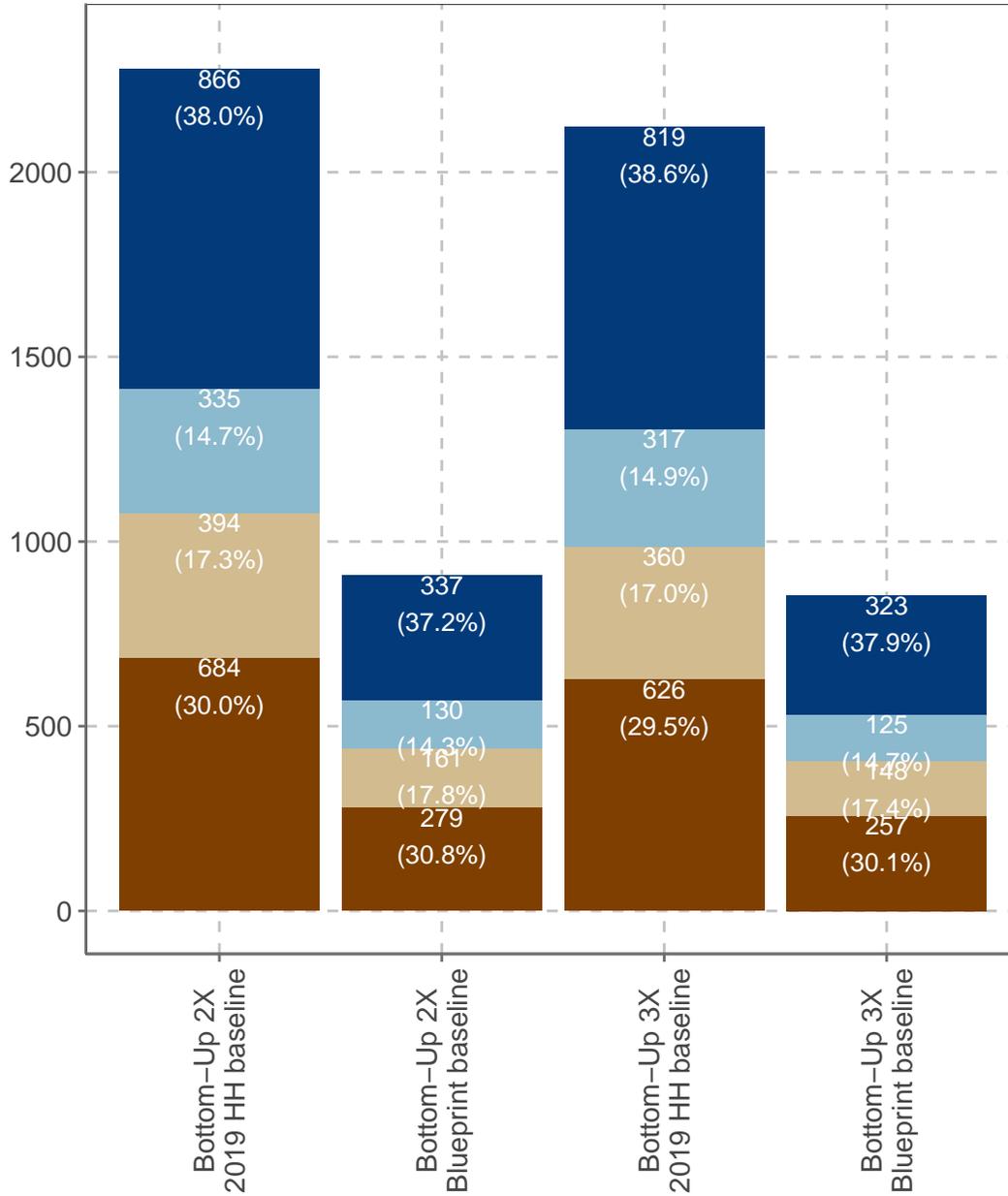
## Income Shift Approach



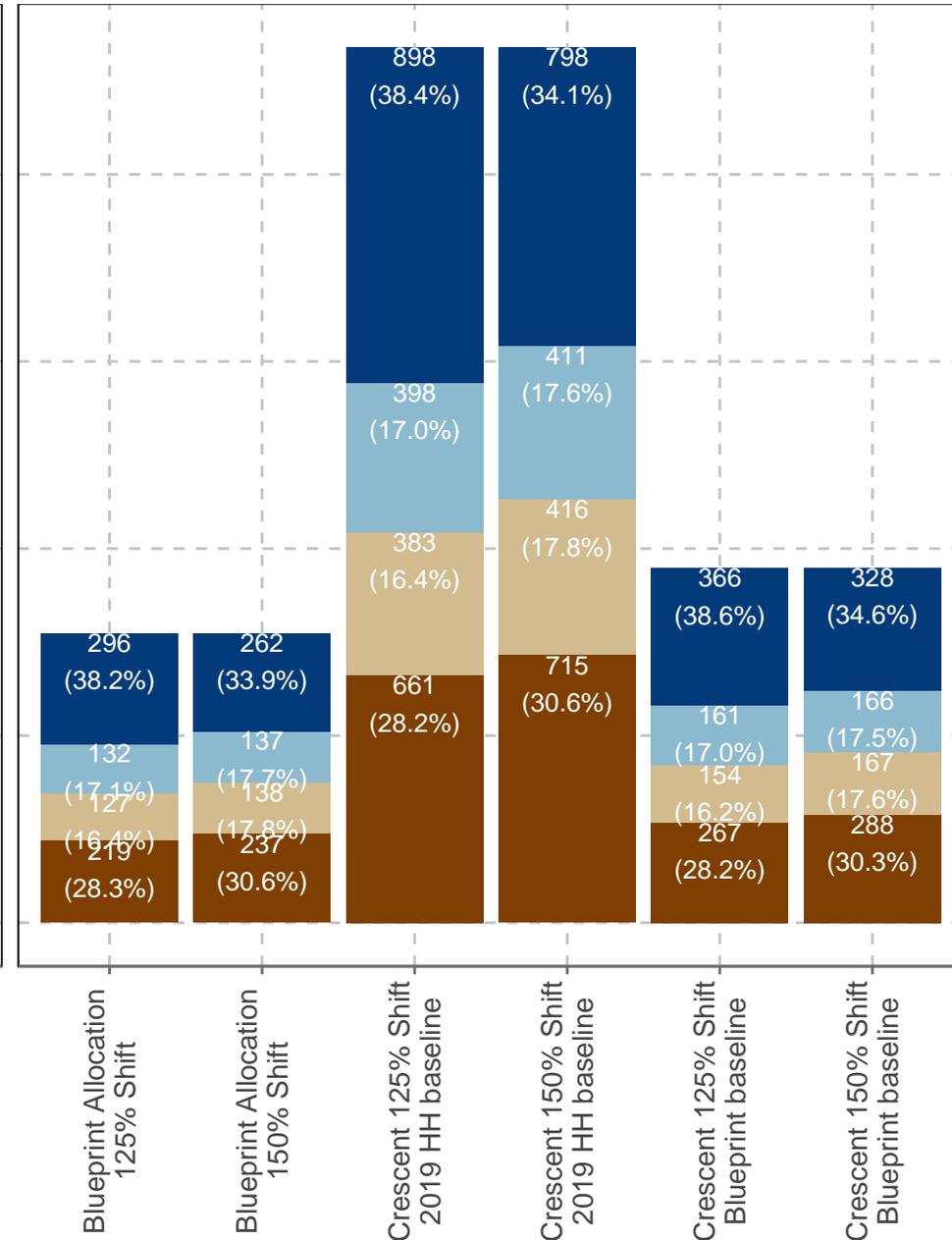
# Income Distribution, San Carlos (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

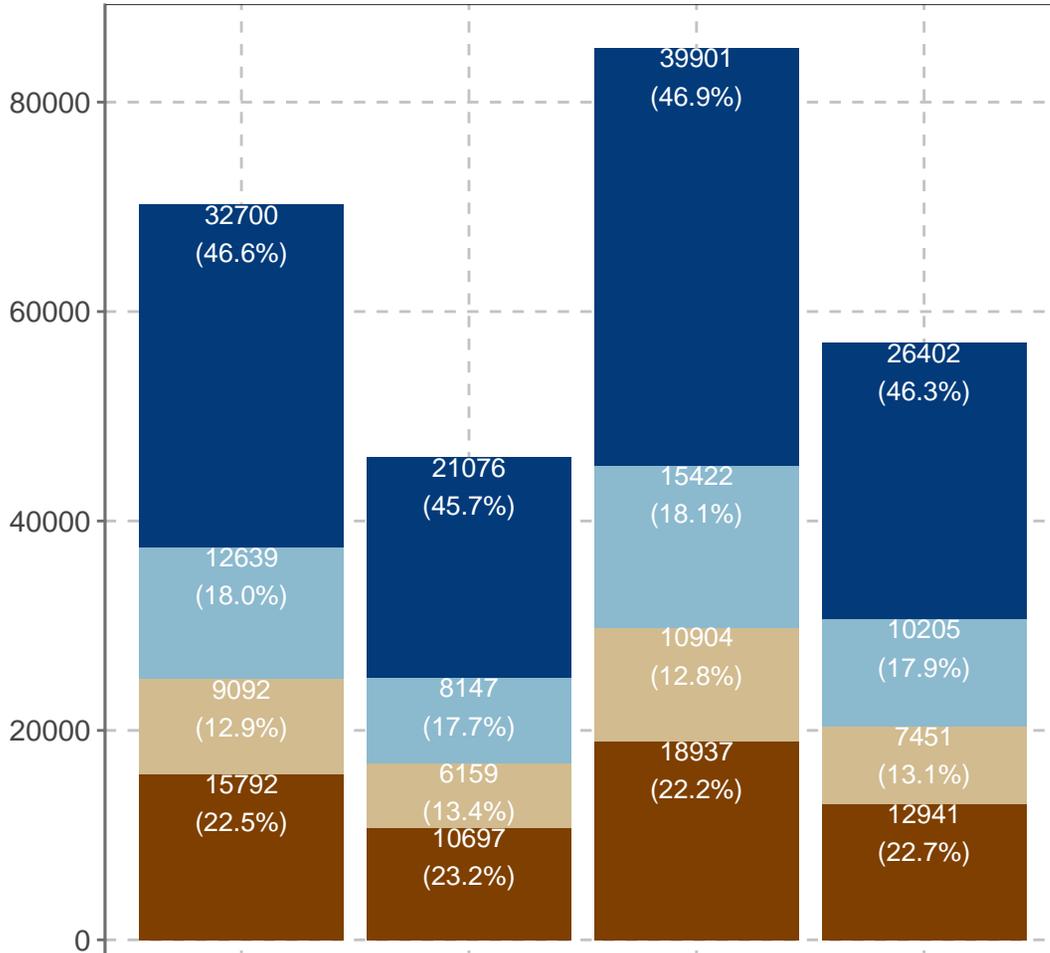


Very Low
  Low
  Moderate
  Above Moderate

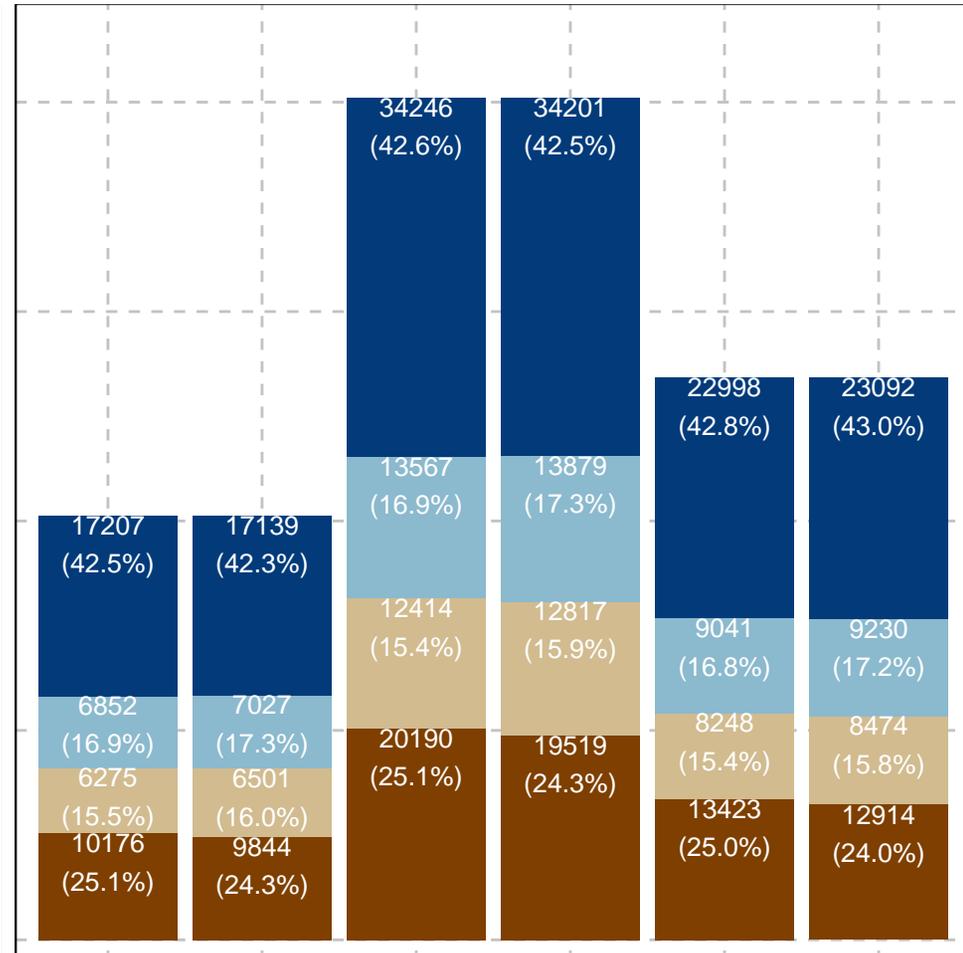
# Income Distribution, San Francisco (San Francisco County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



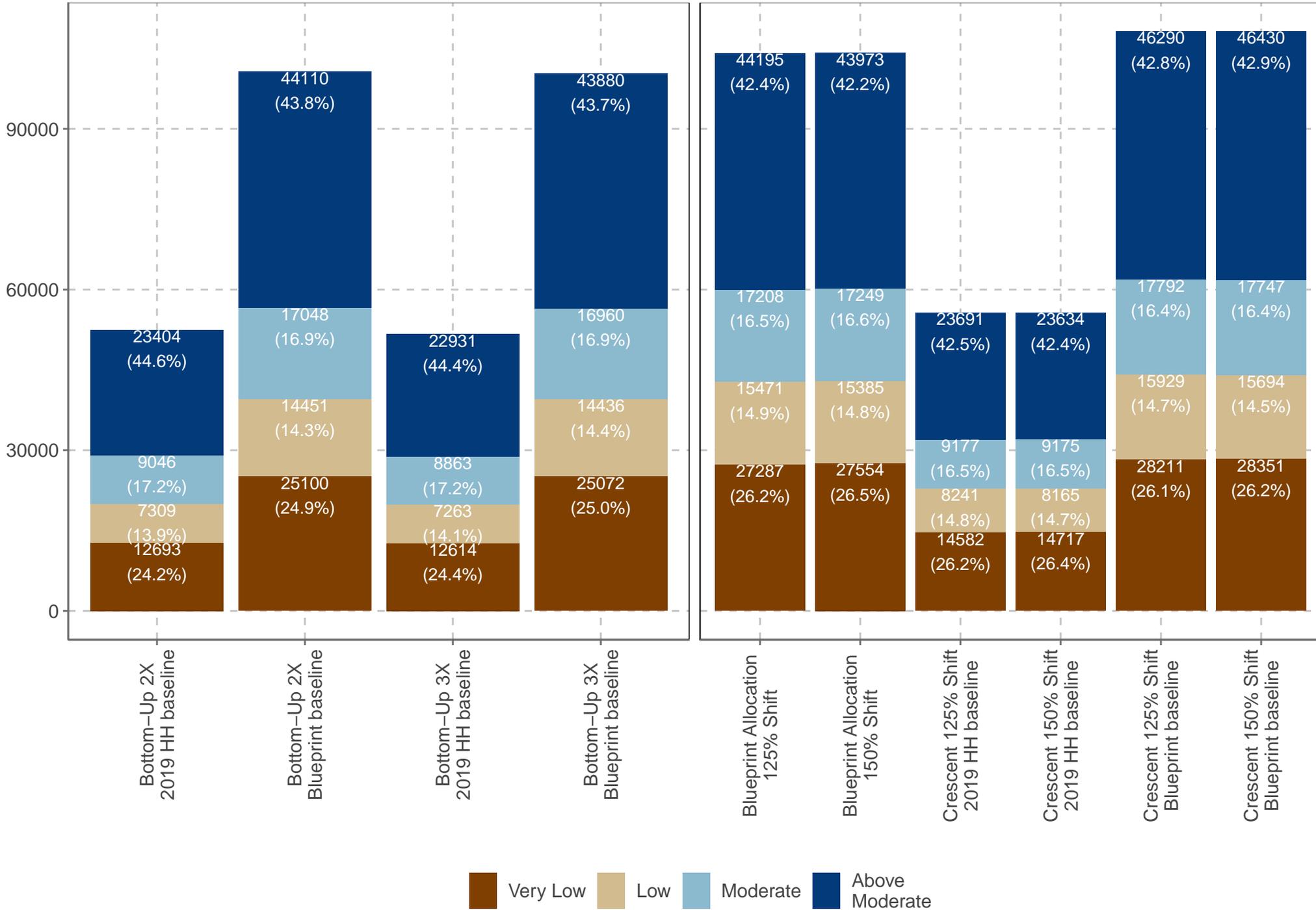
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, San Jose (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach

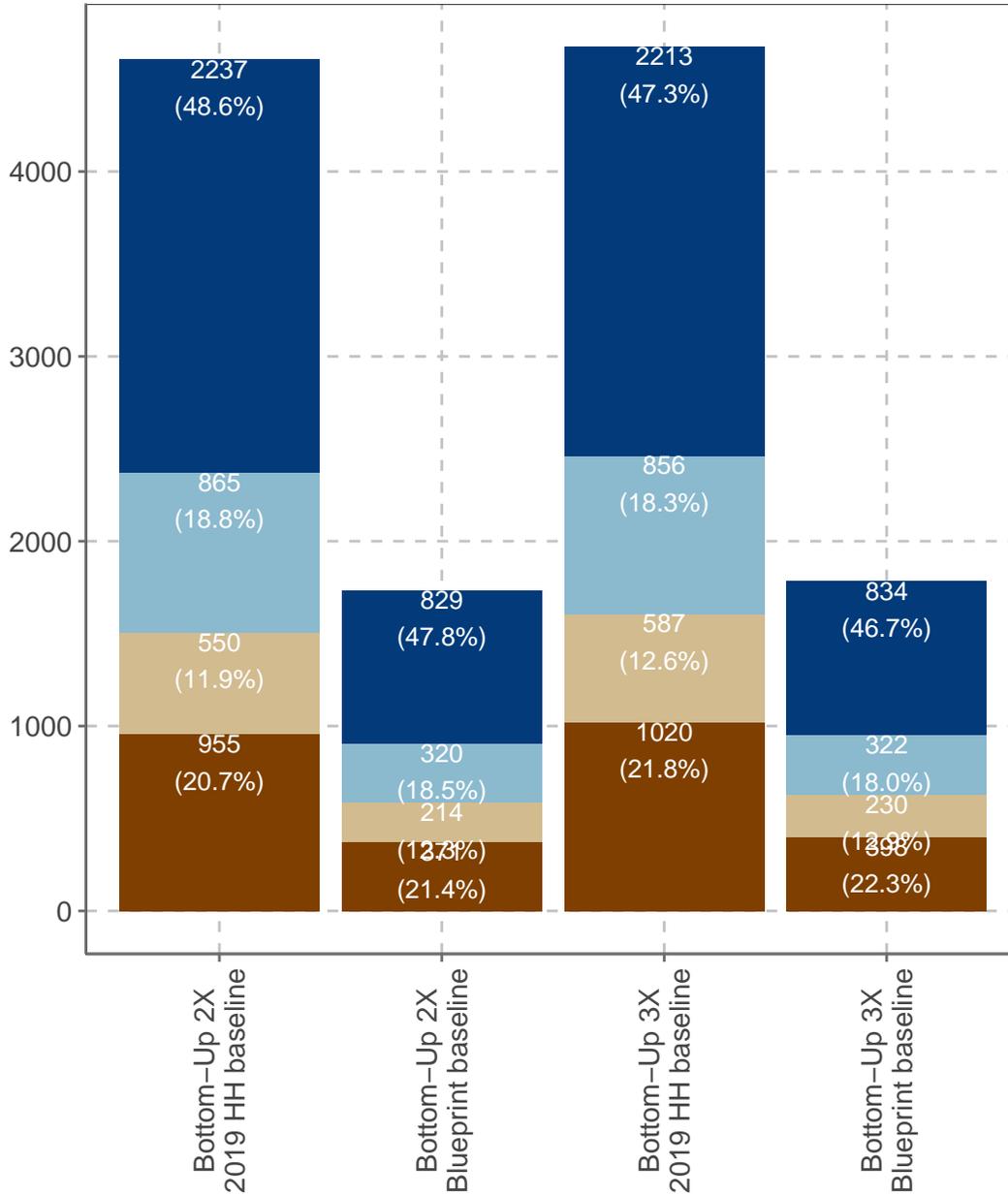
## Income Shift Approach



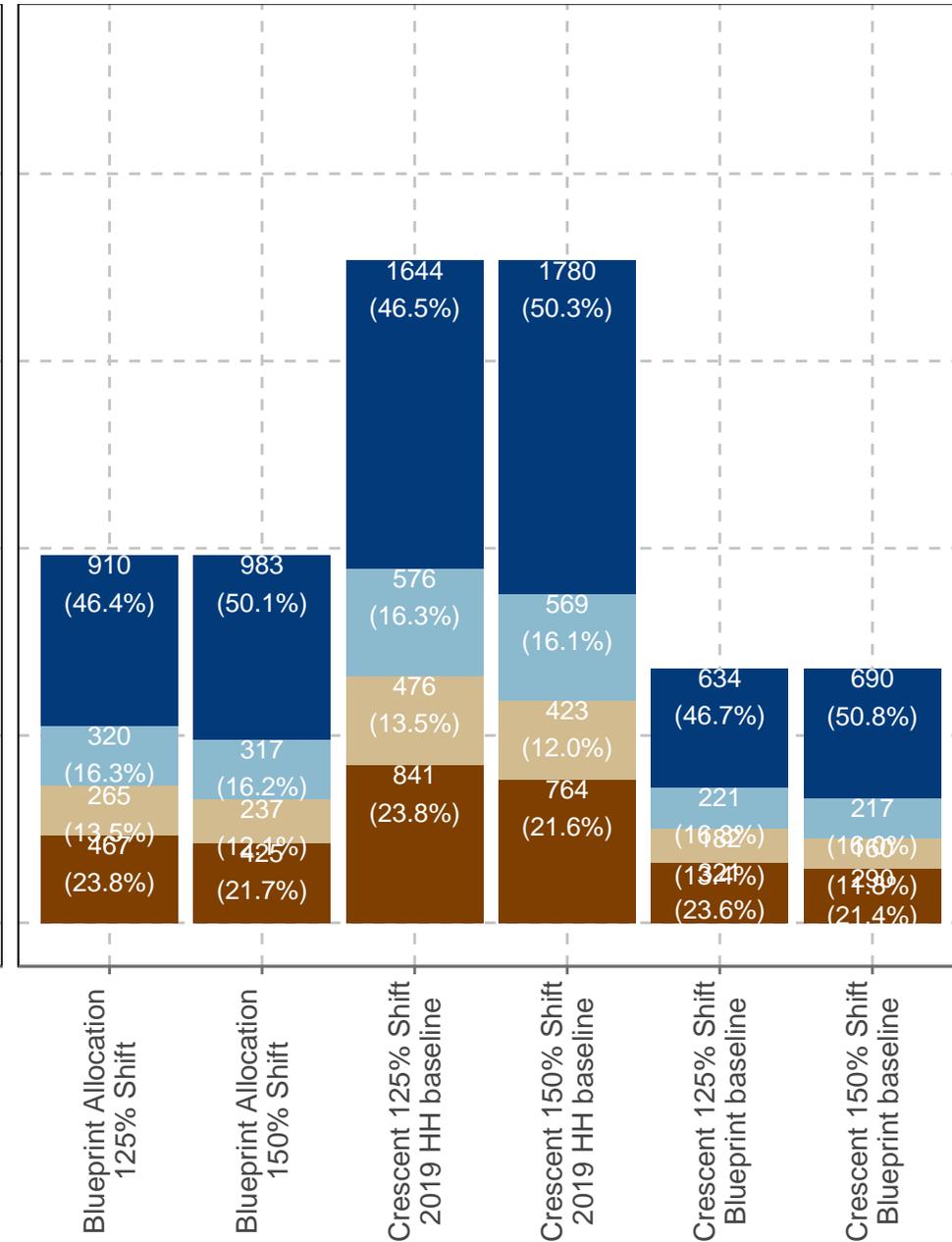
# Income Distribution, San Leandro (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

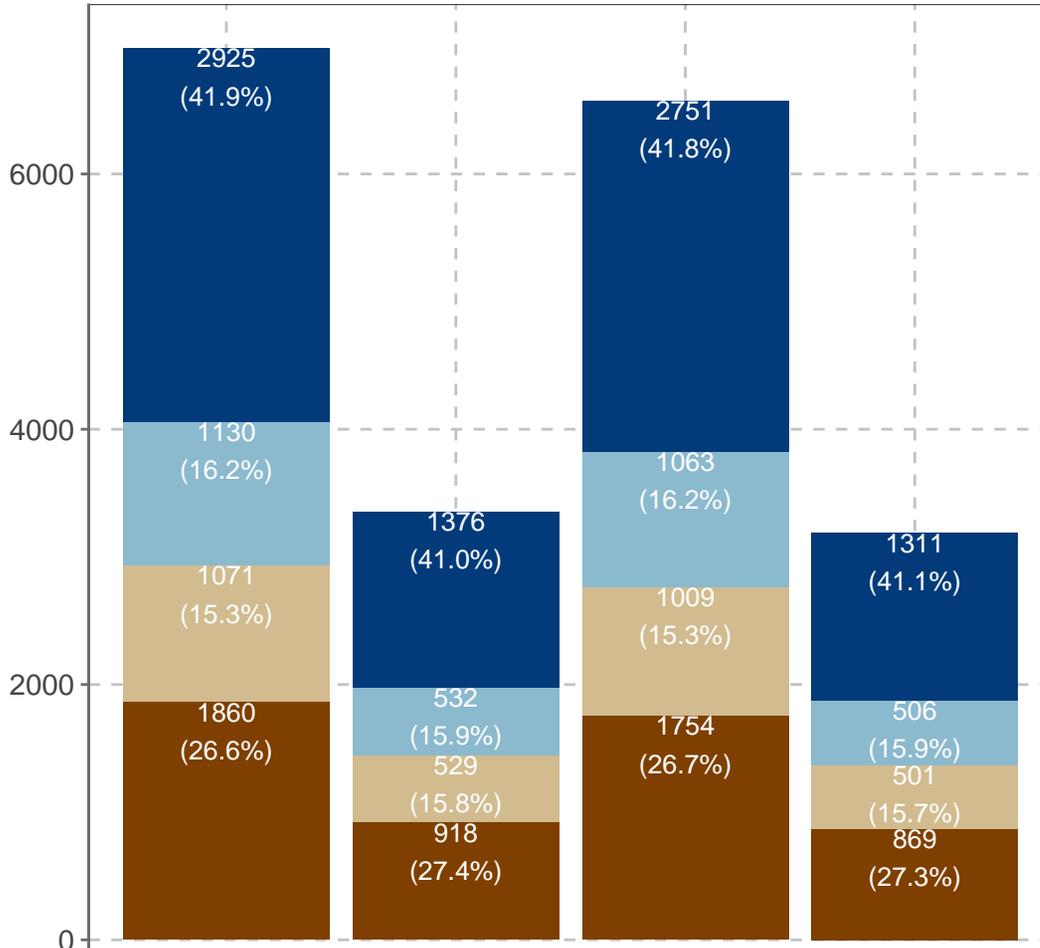


Very Low
  Low
  Moderate
  Above Moderate

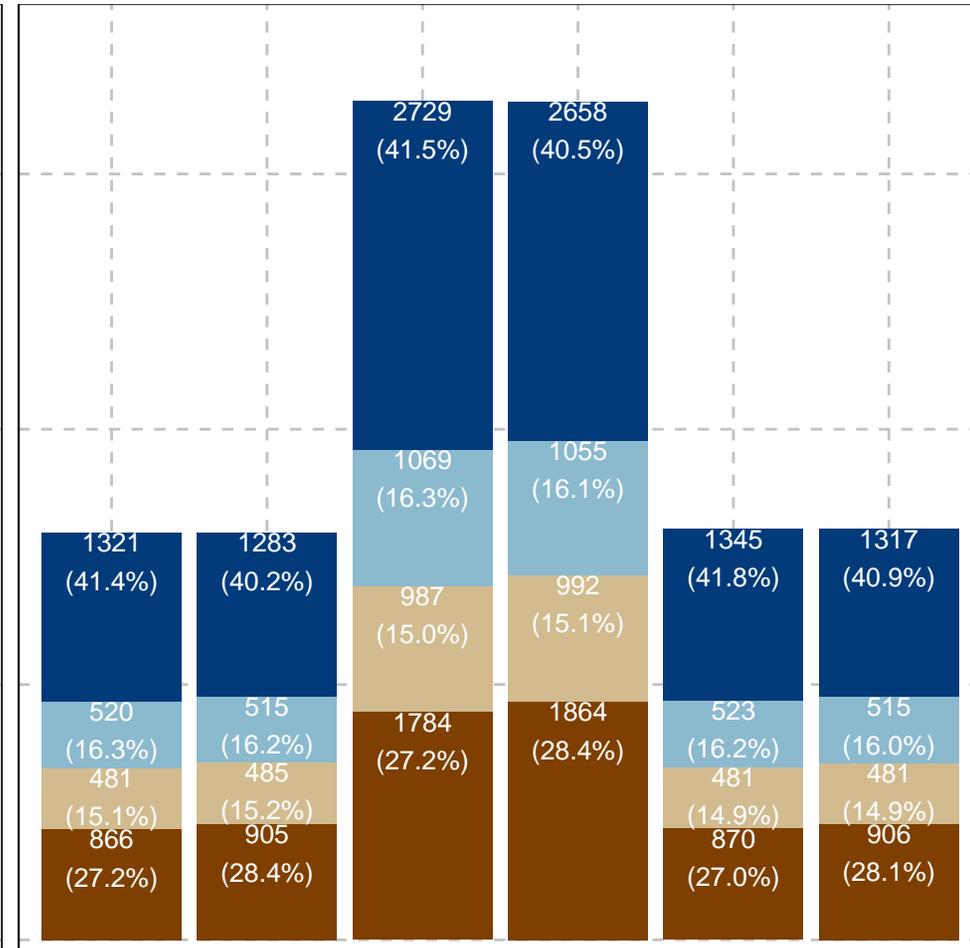
# Income Distribution, San Mateo (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

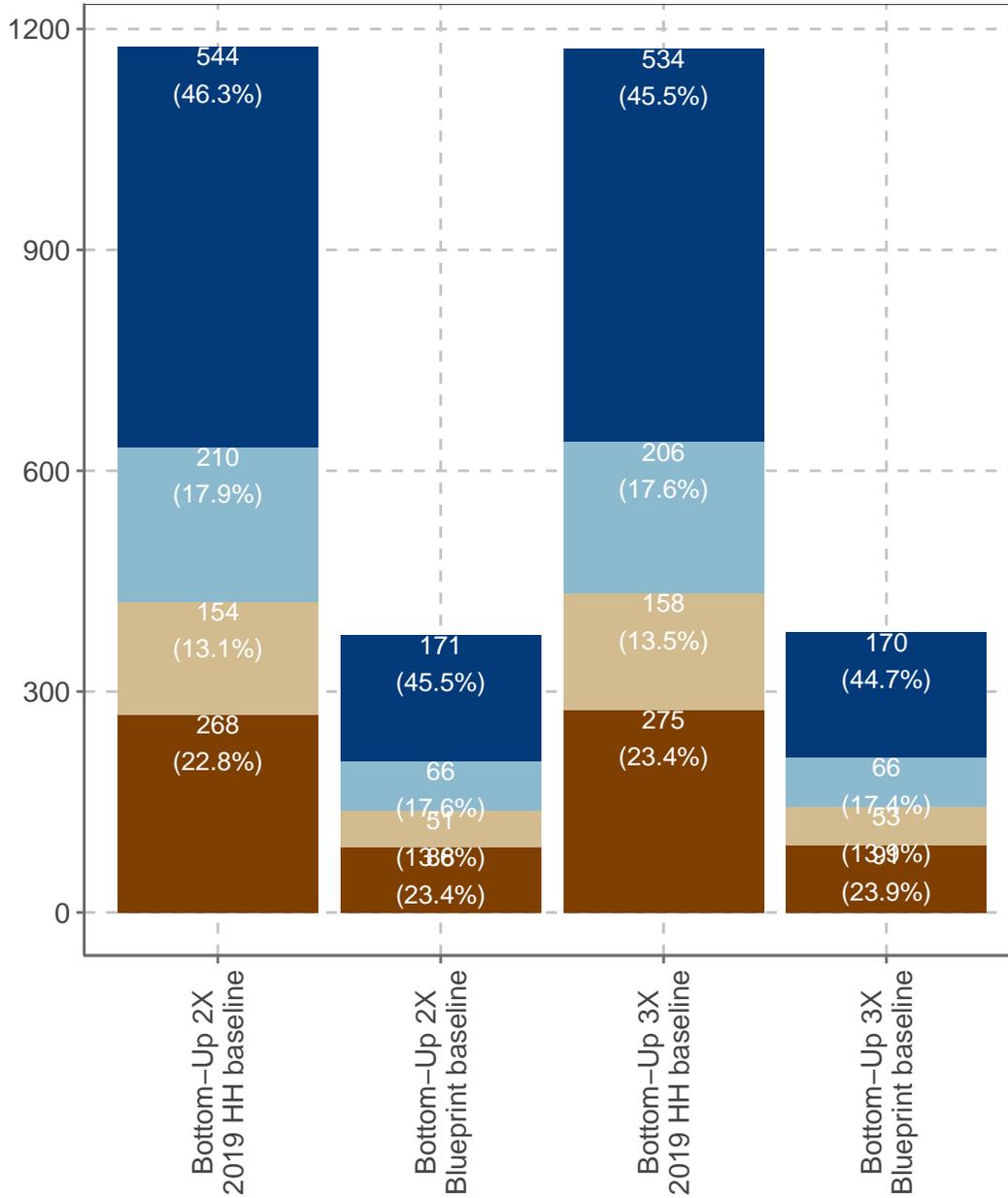


Very Low
  Low
  Moderate
  Above Moderate

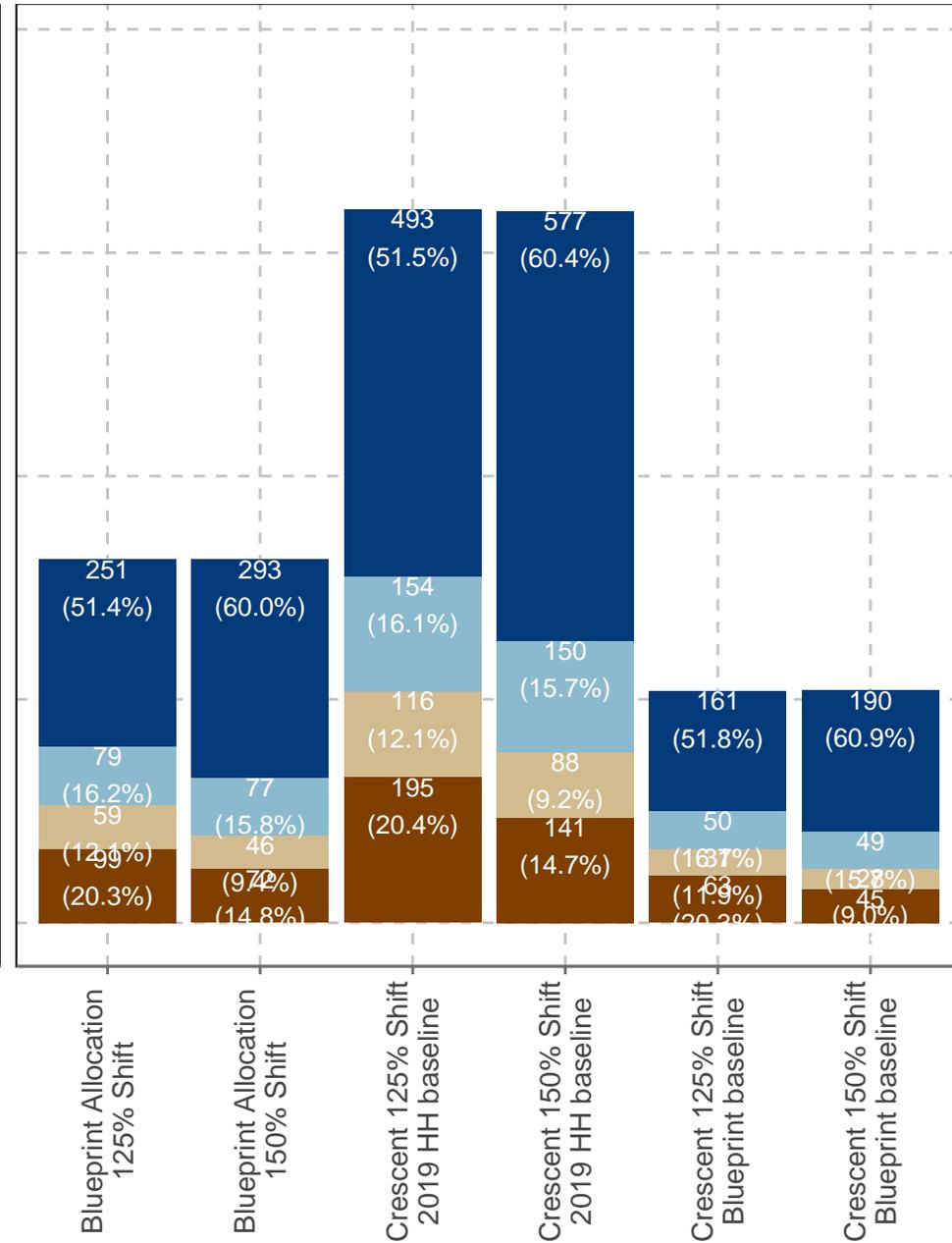
# Income Distribution, San Pablo (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



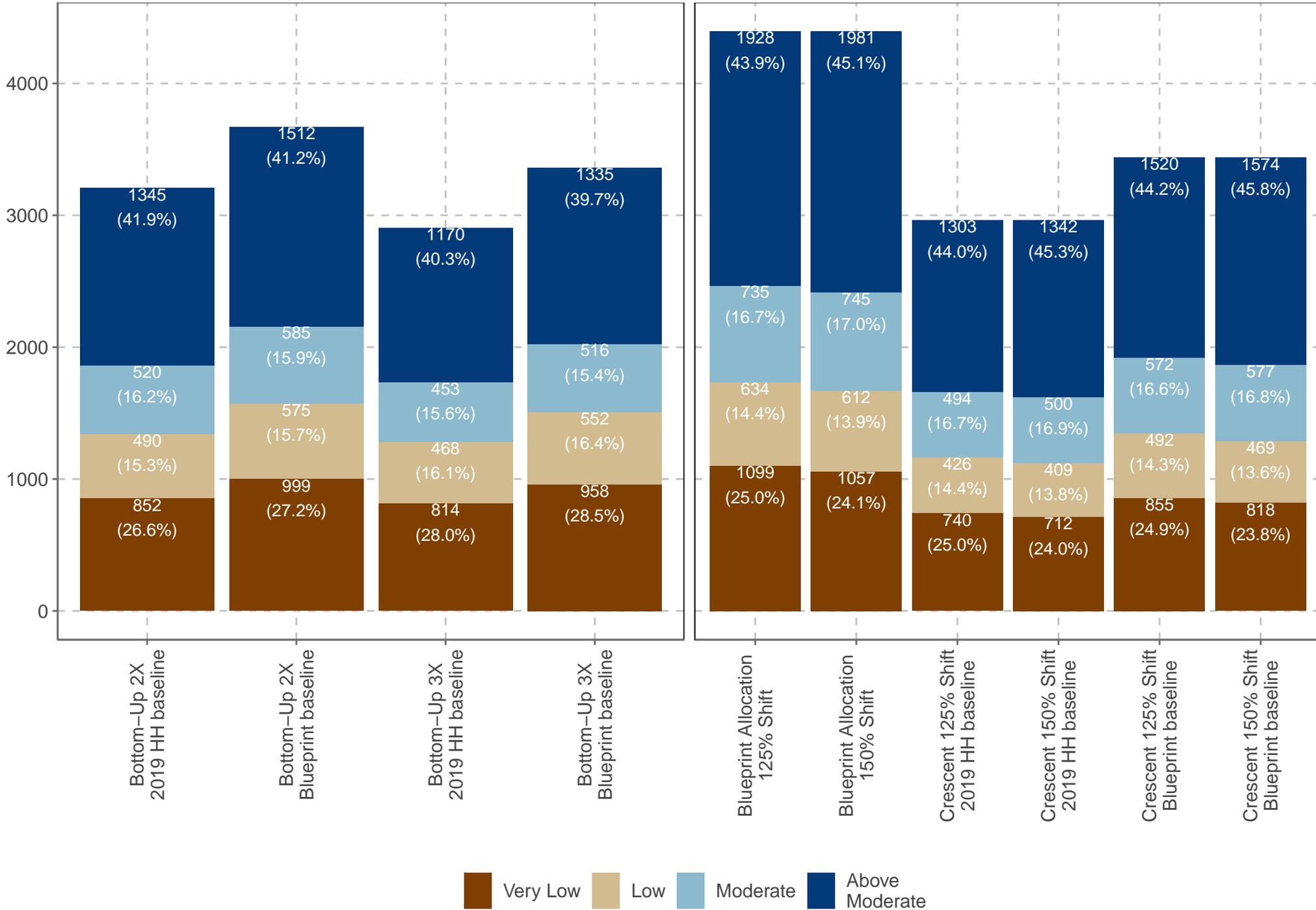
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, San Rafael (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach

## Income Shift Approach

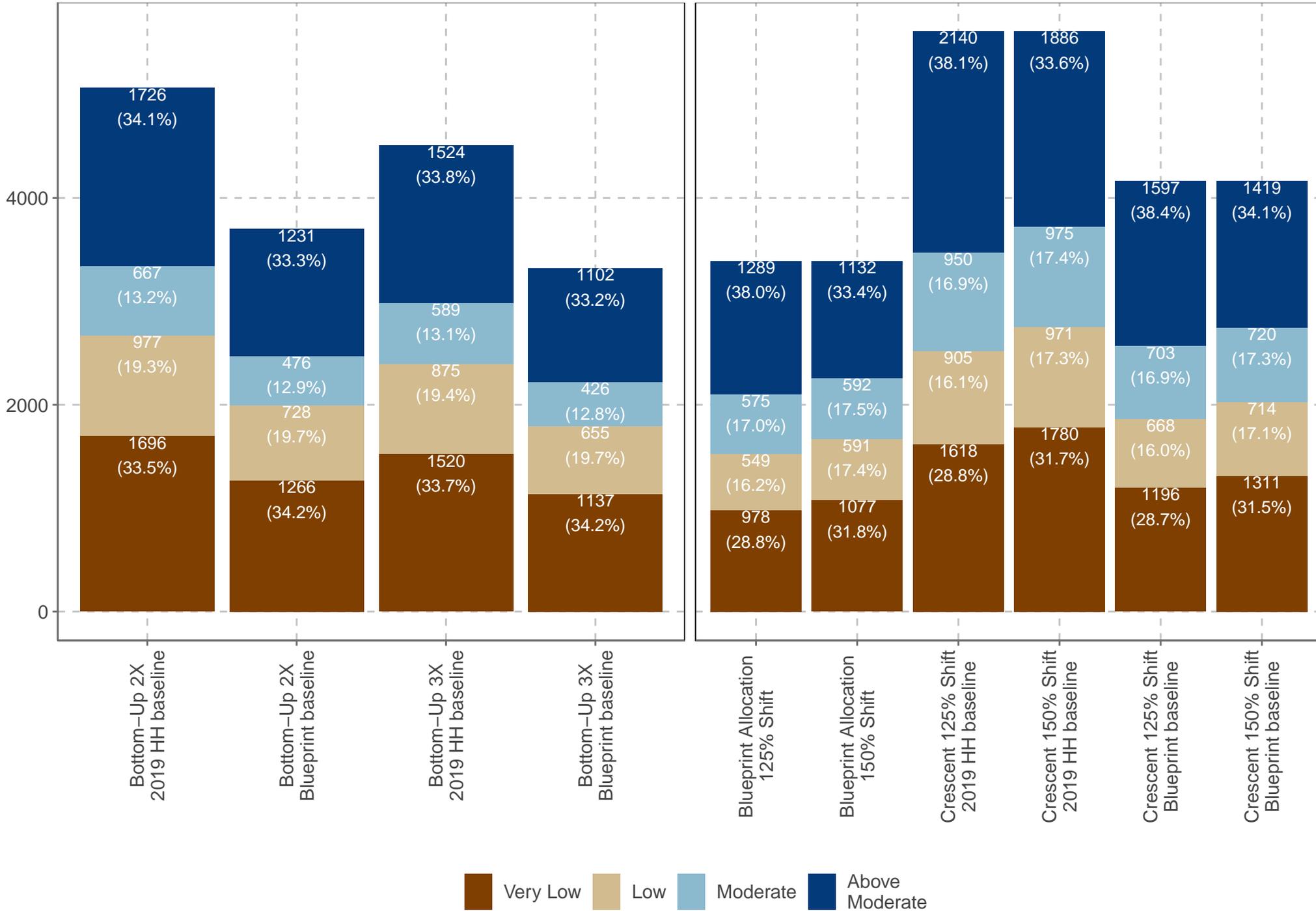


# Income Distribution, San Ramon (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach

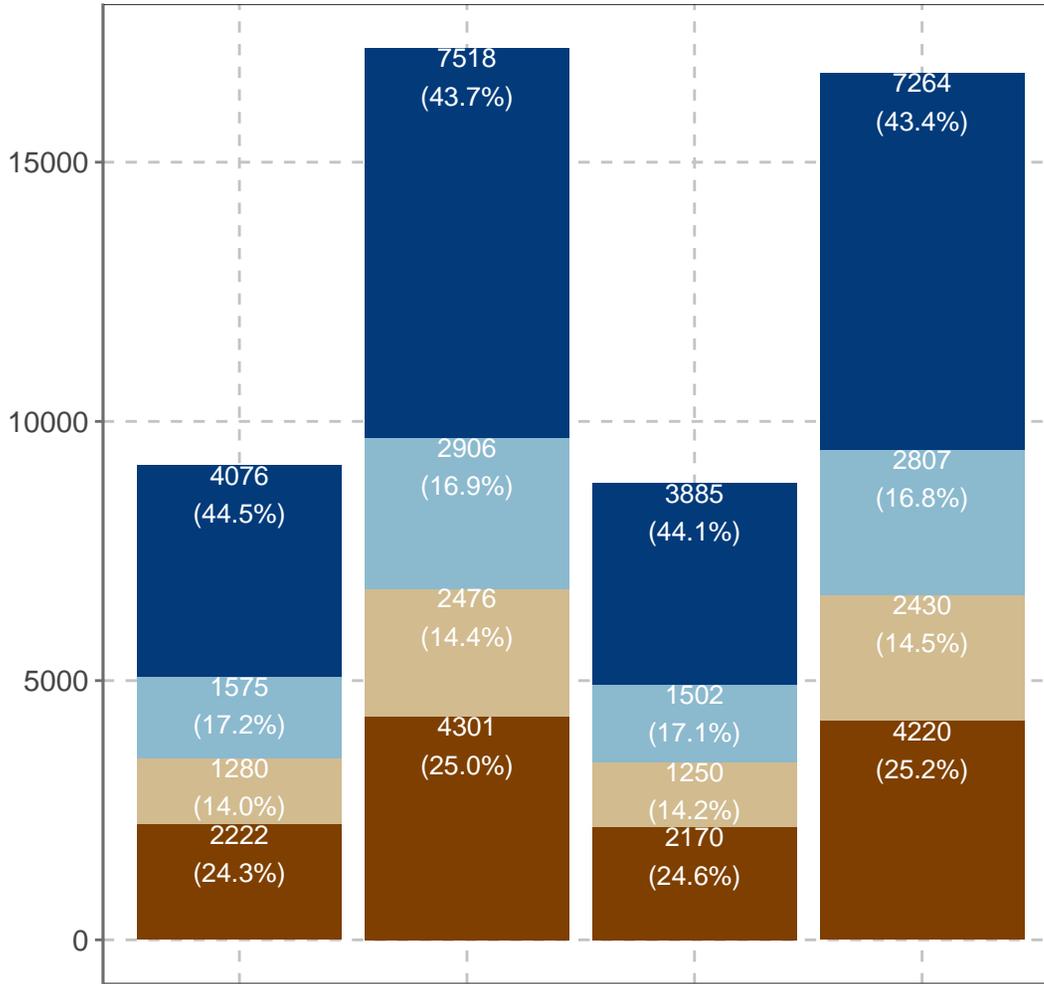
## Income Shift Approach



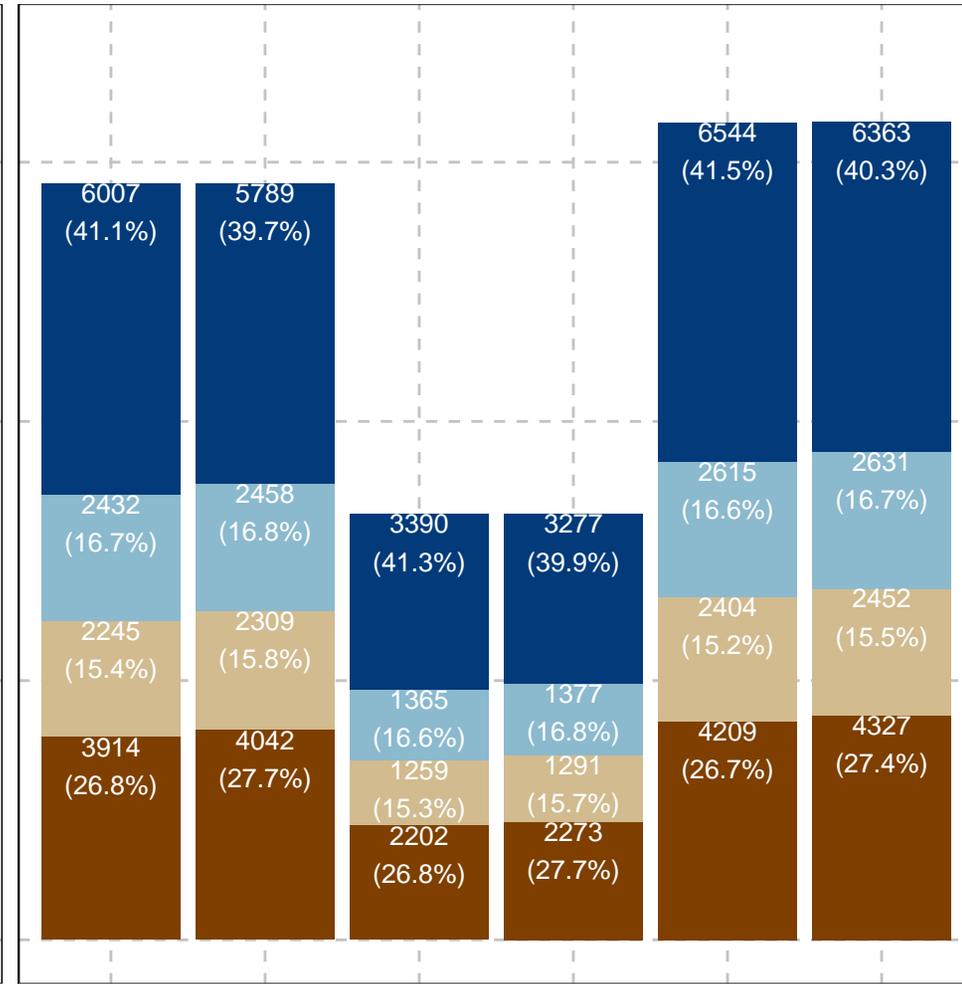
# Income Distribution, Santa Clara (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

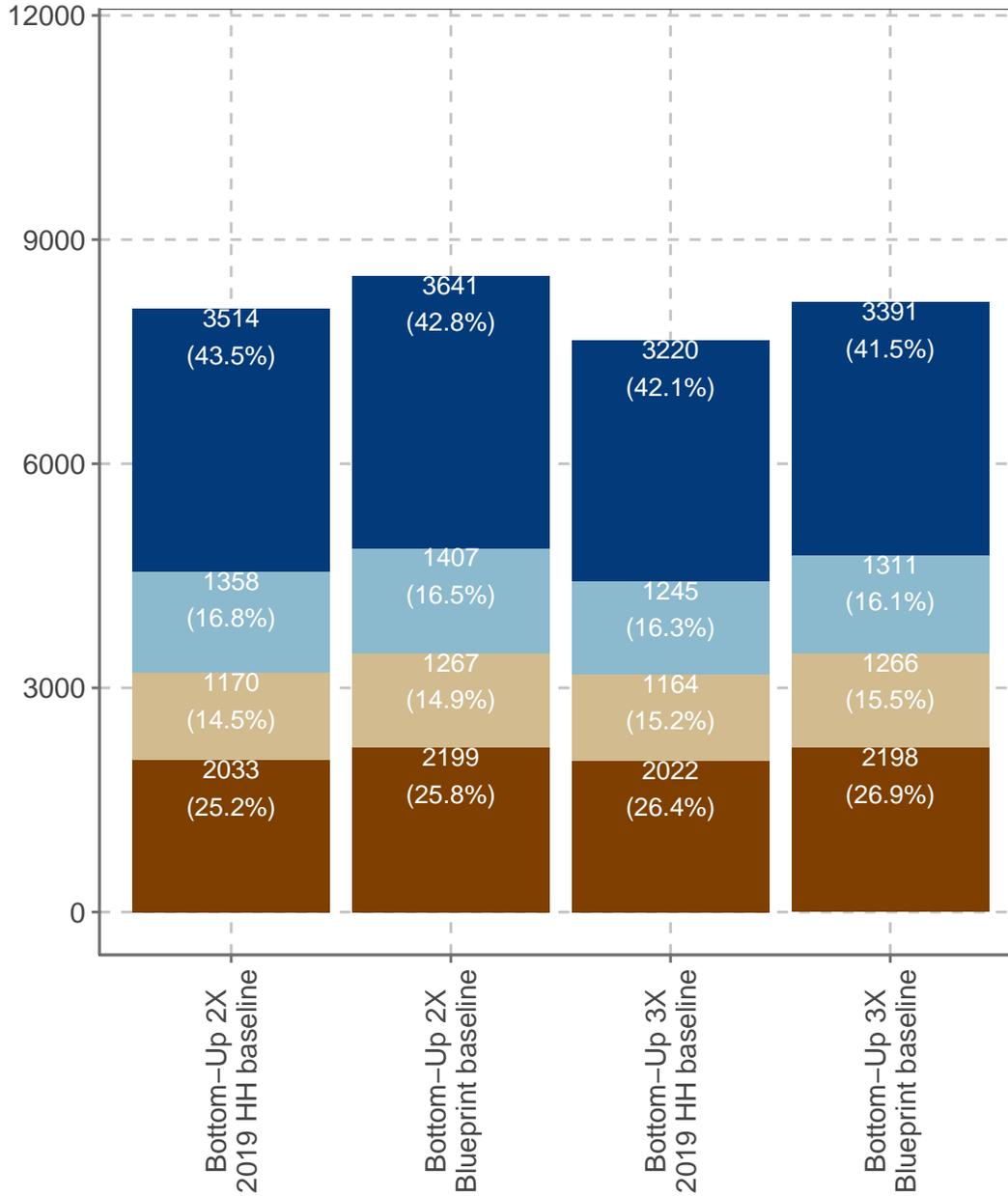


Very Low Low Moderate Above Moderate

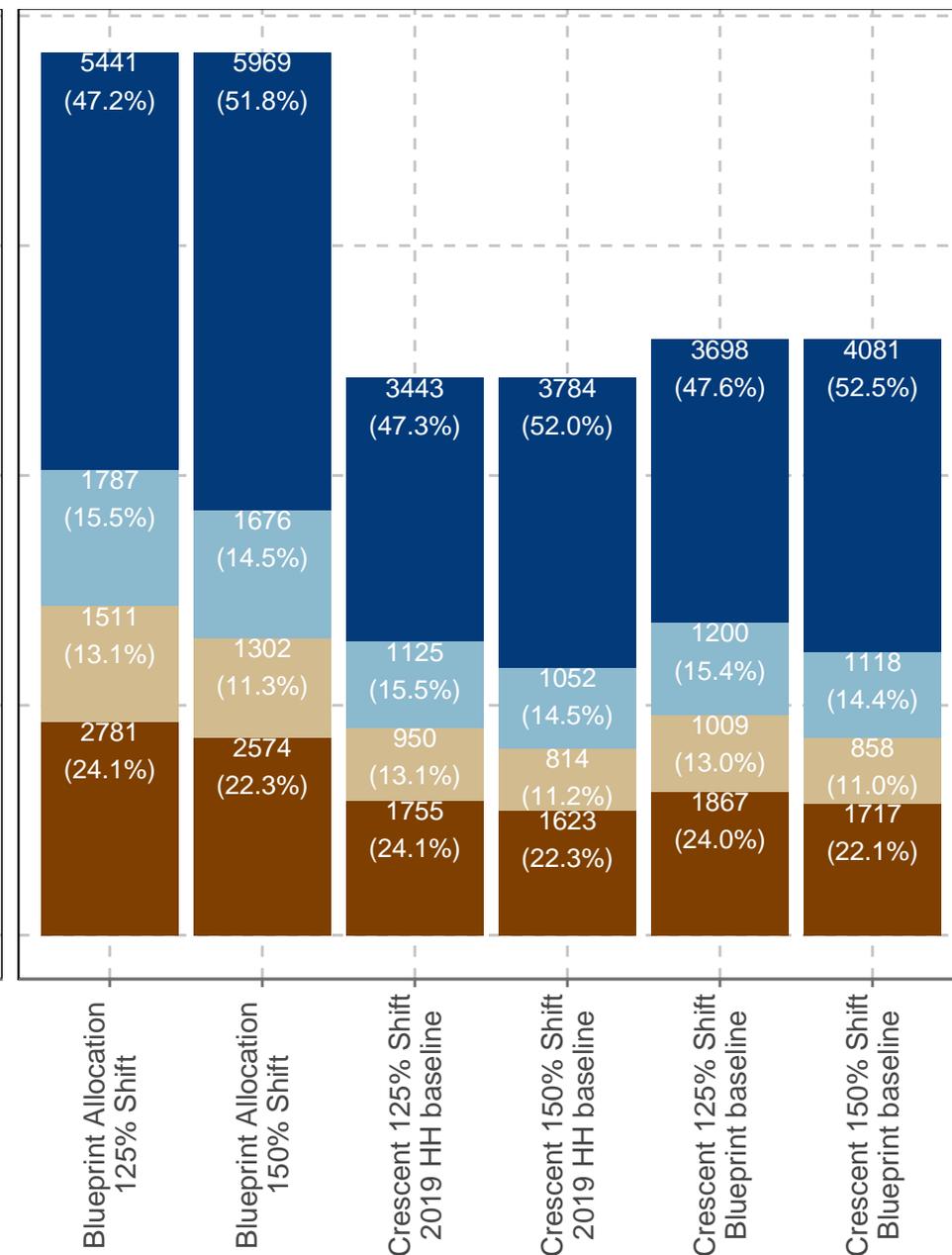
# Income Distribution, Santa Rosa (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

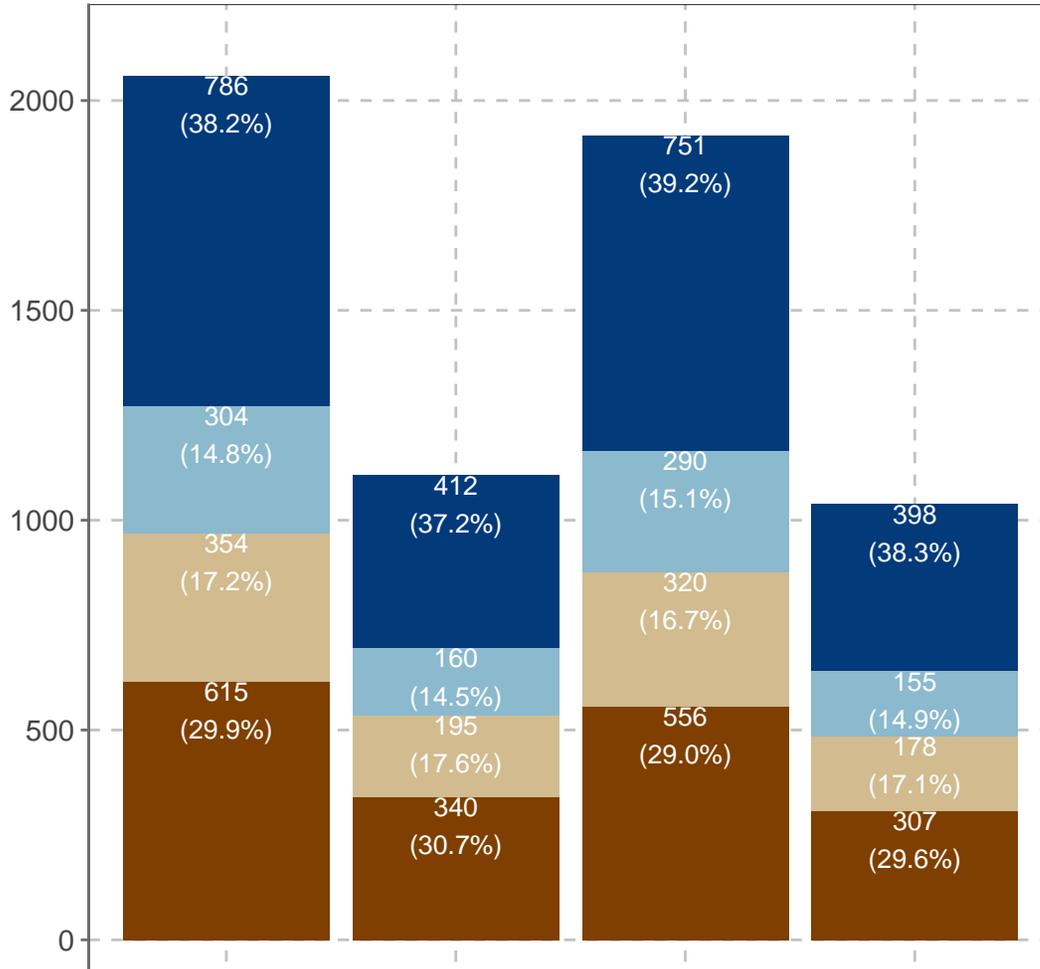


Very Low
  Low
  Moderate
  Above Moderate

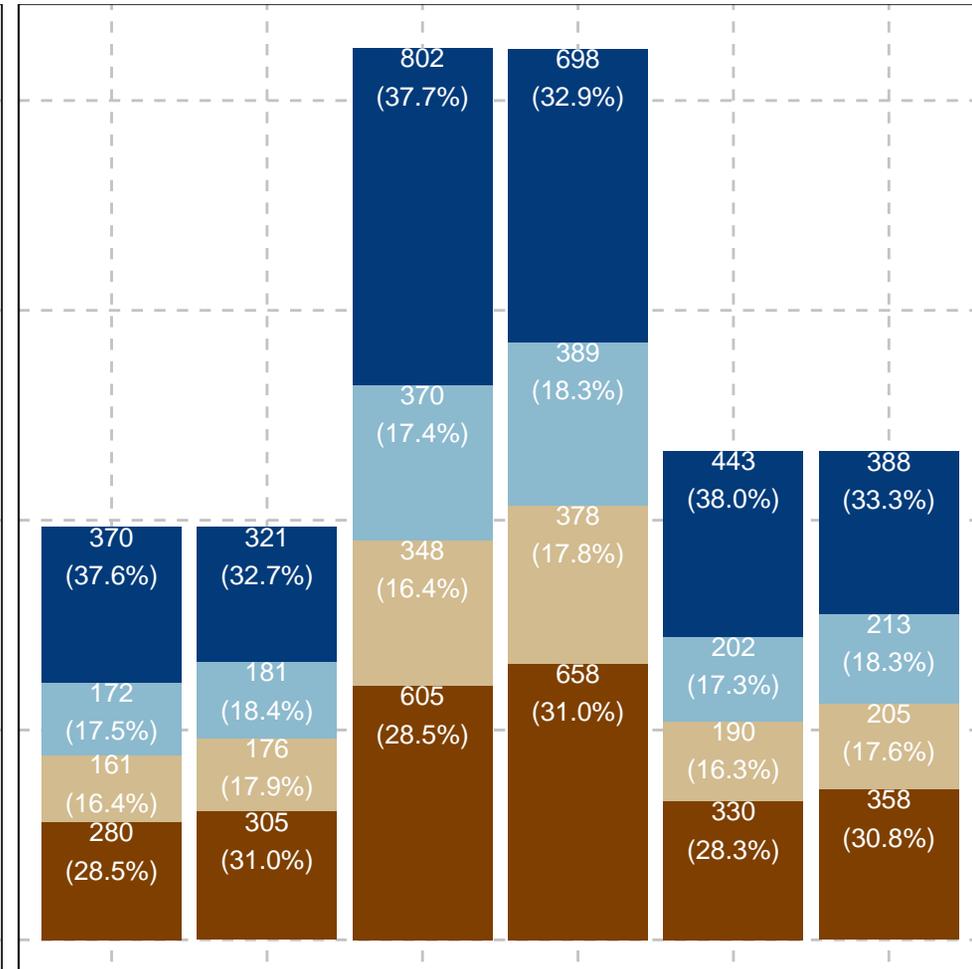
# Income Distribution, Saratoga (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

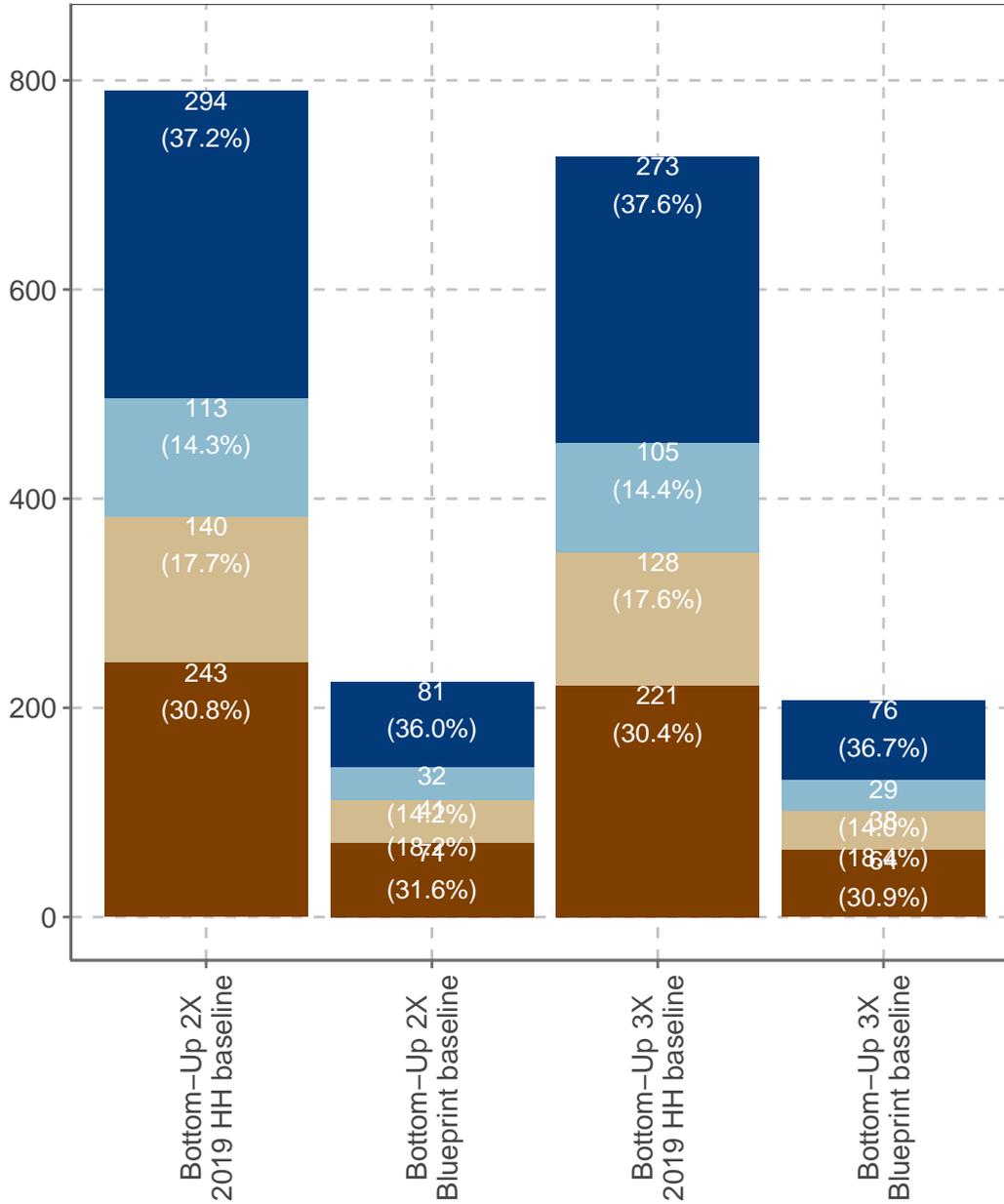


Very Low
  Low
  Moderate
  Above Moderate

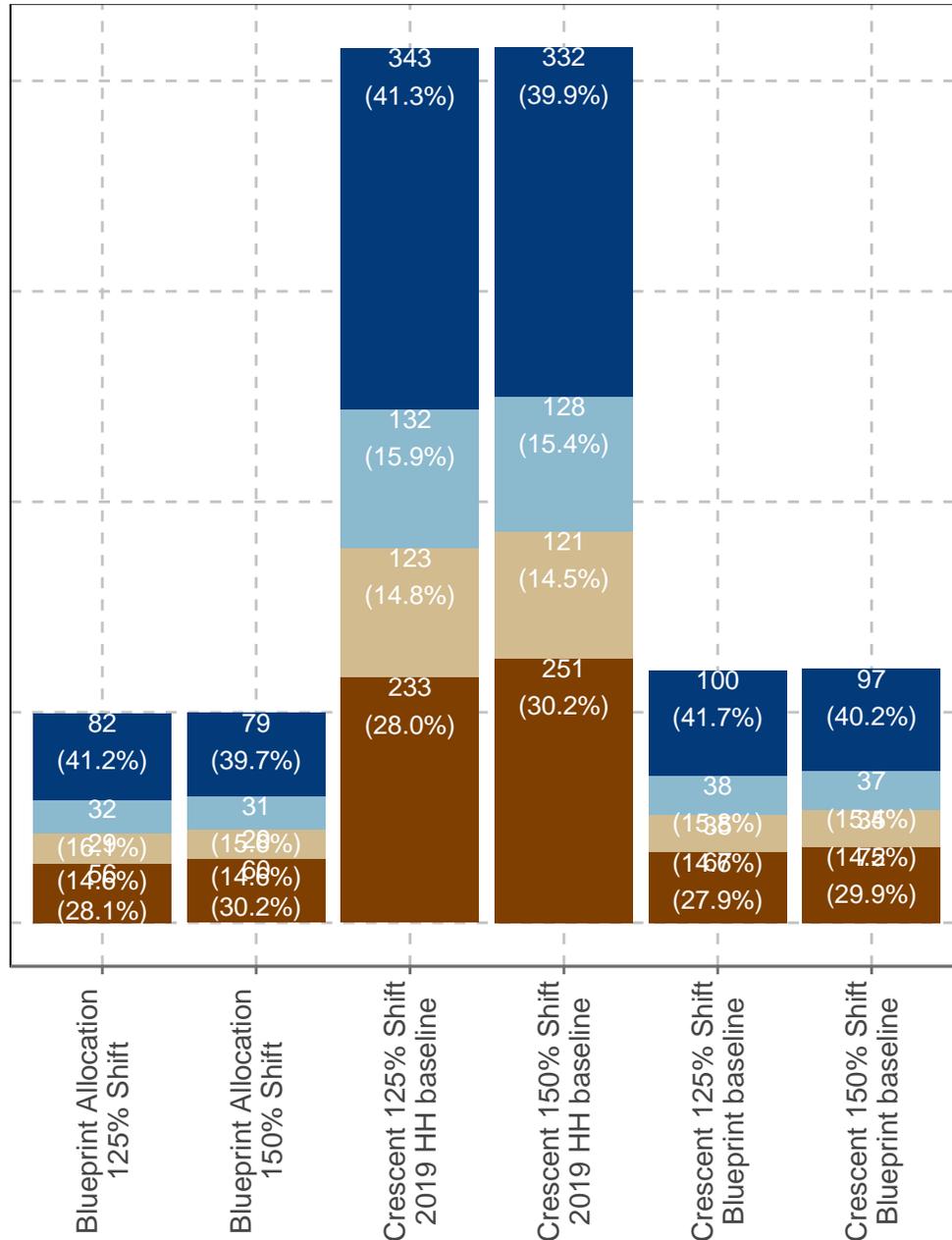
# Income Distribution, Sausalito (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

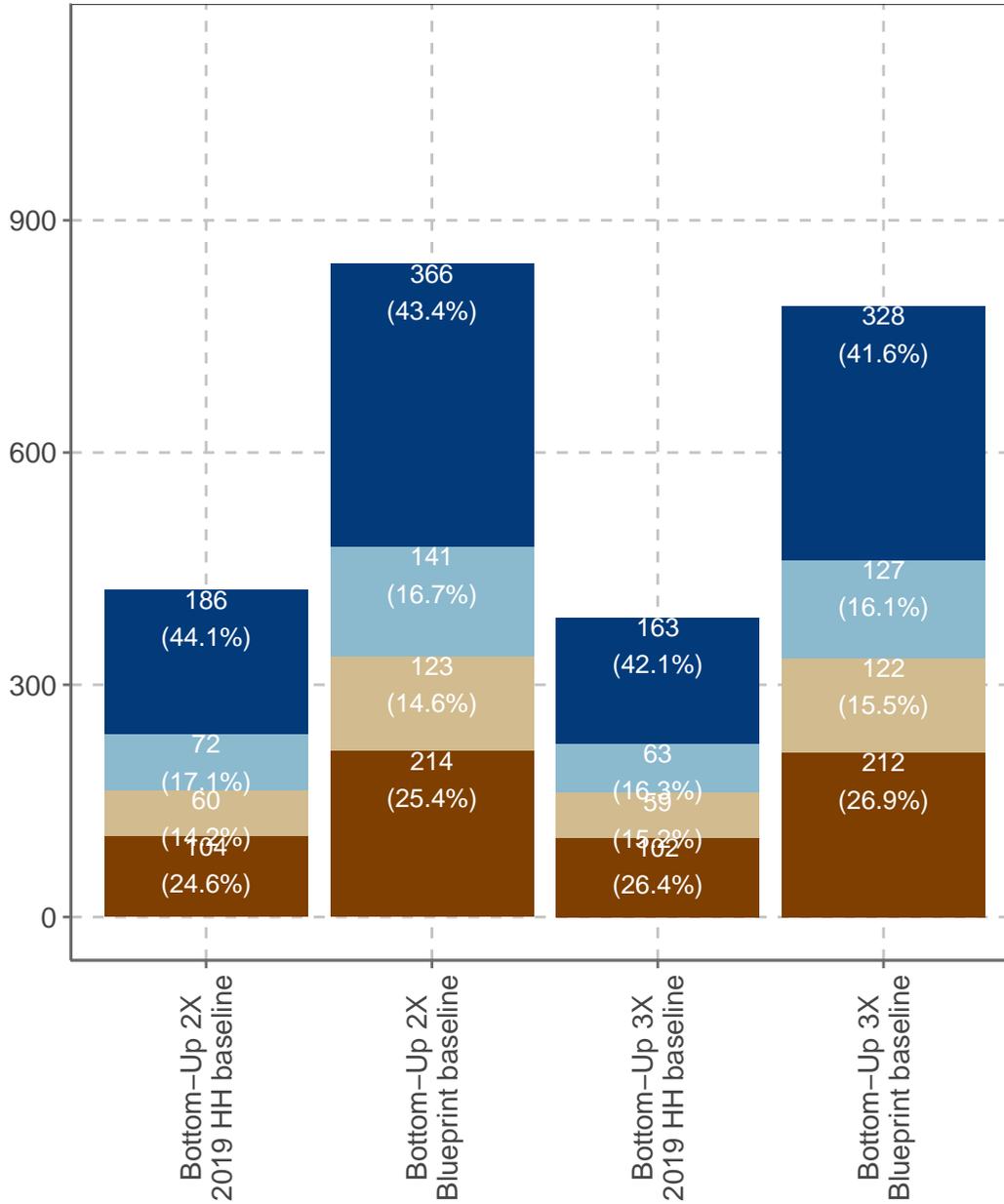


Very Low
  Low
  Moderate
  Above Moderate

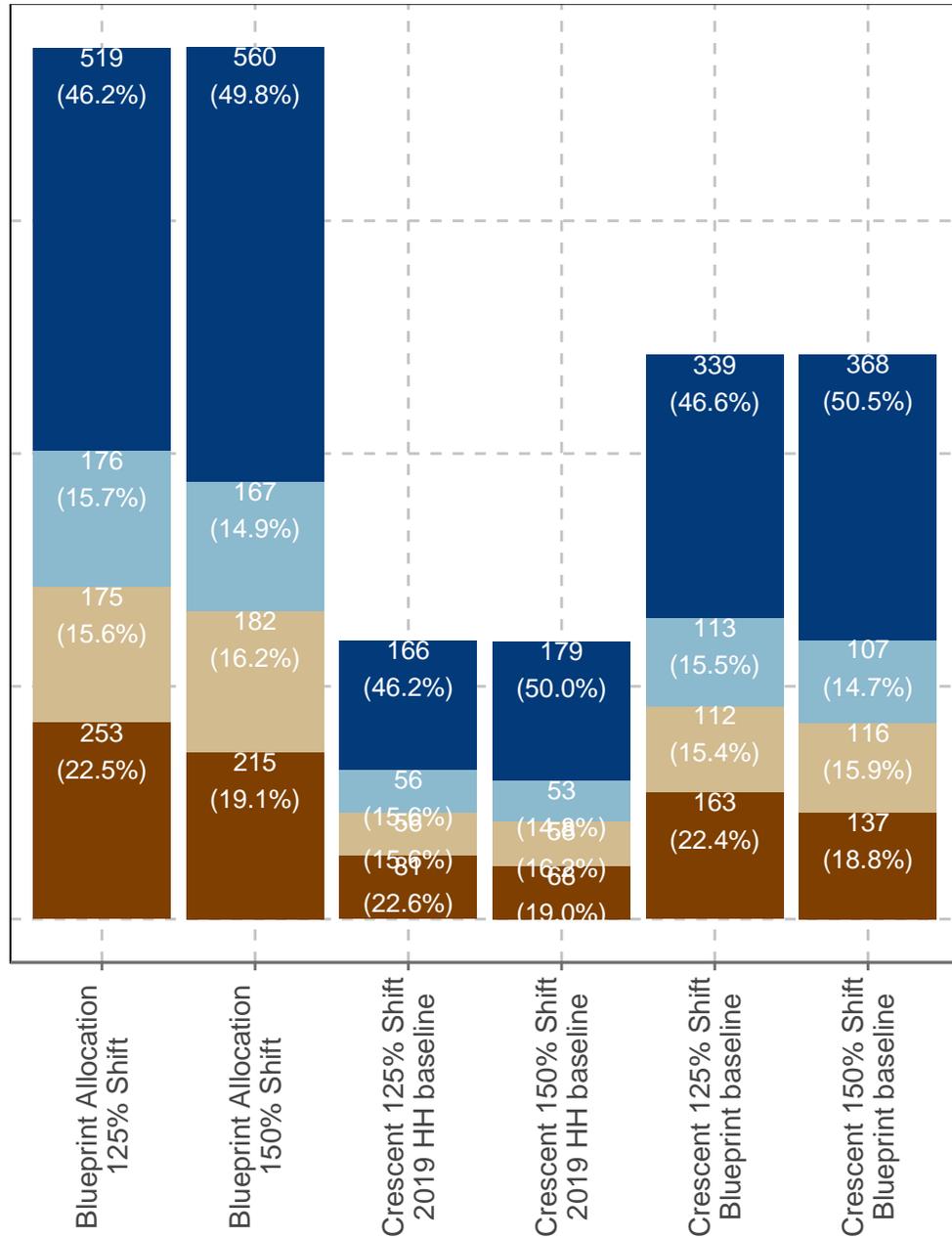
# Income Distribution, Sebastopol (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

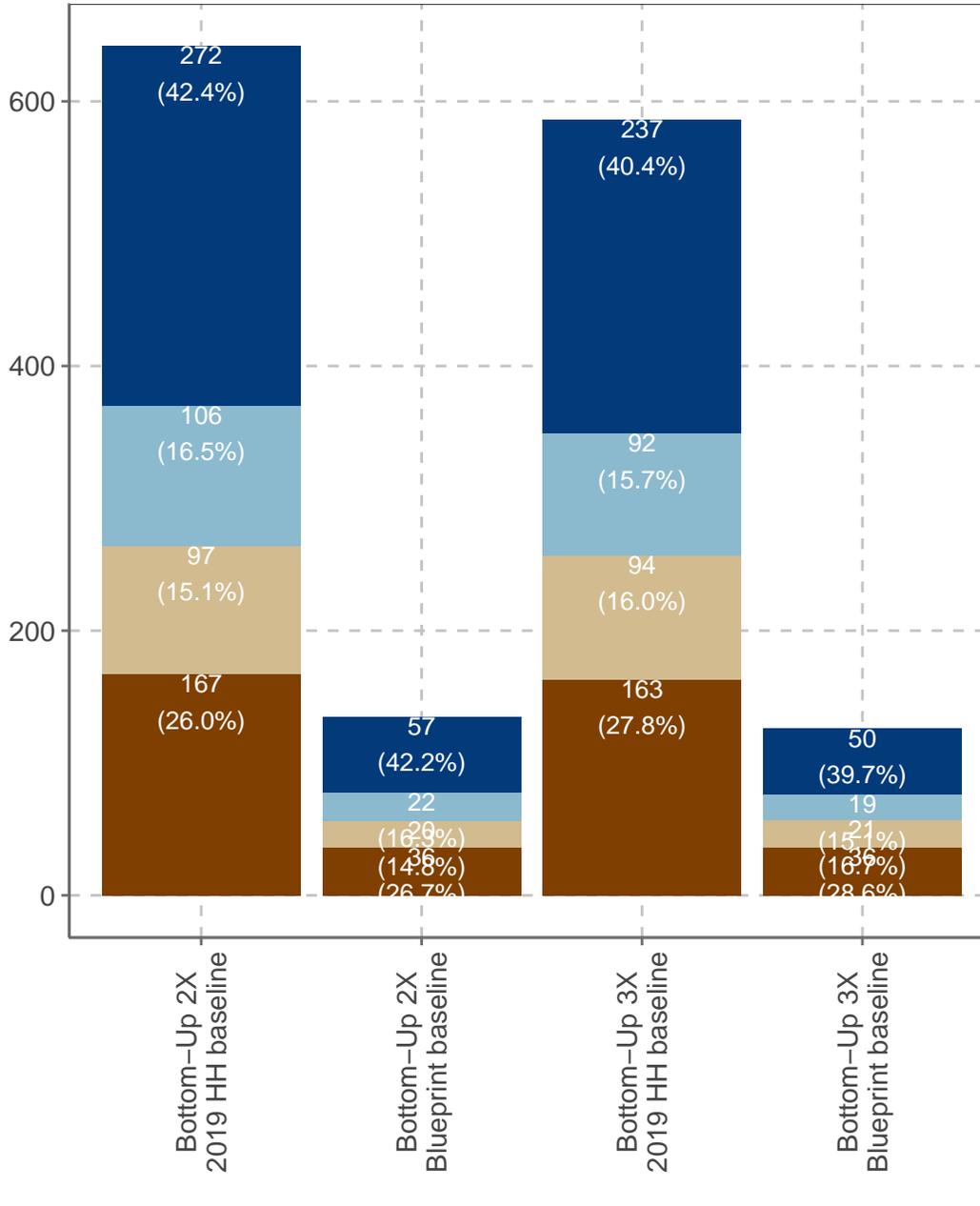


Very Low
  Low
  Moderate
  Above Moderate

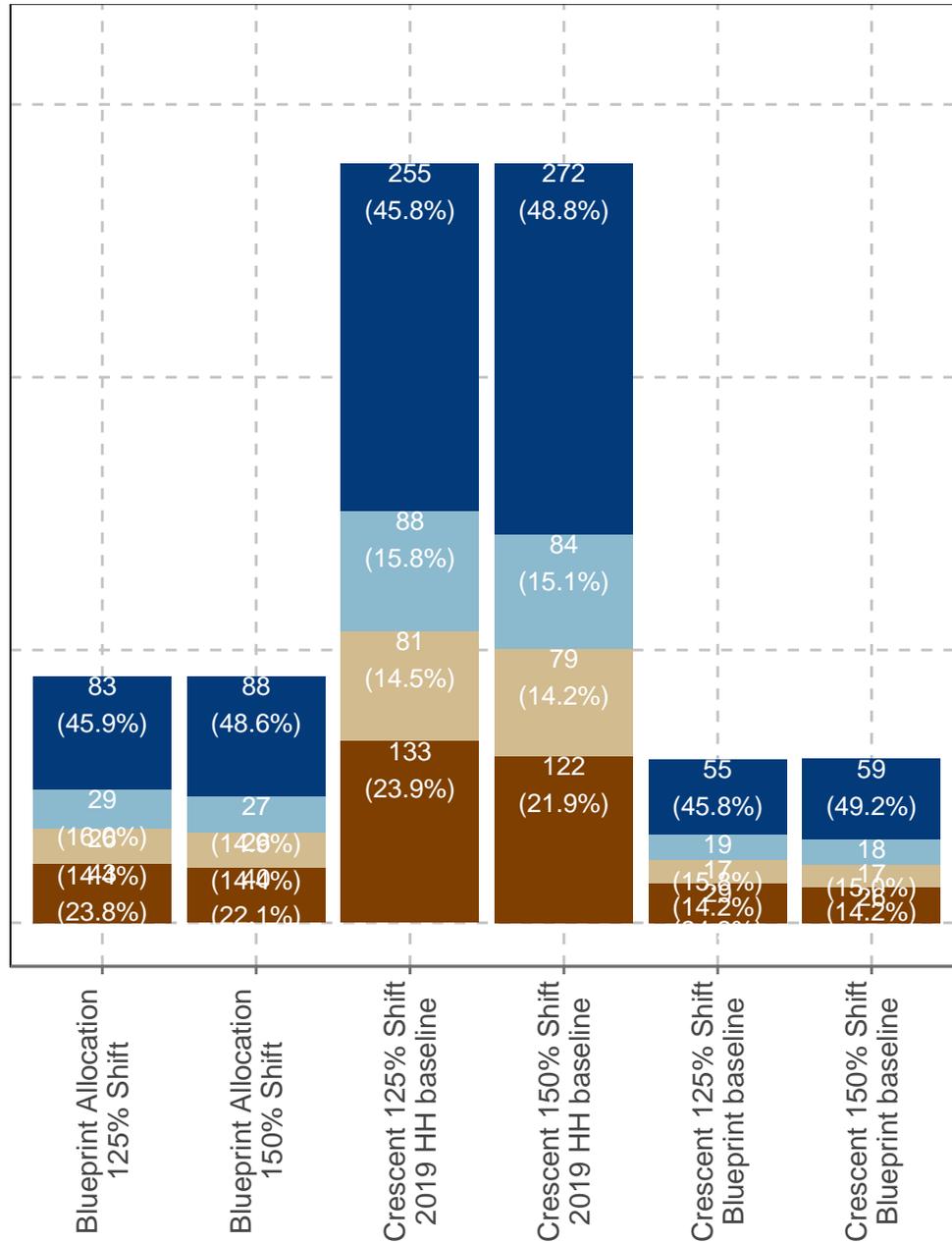
# Income Distribution, Sonoma (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



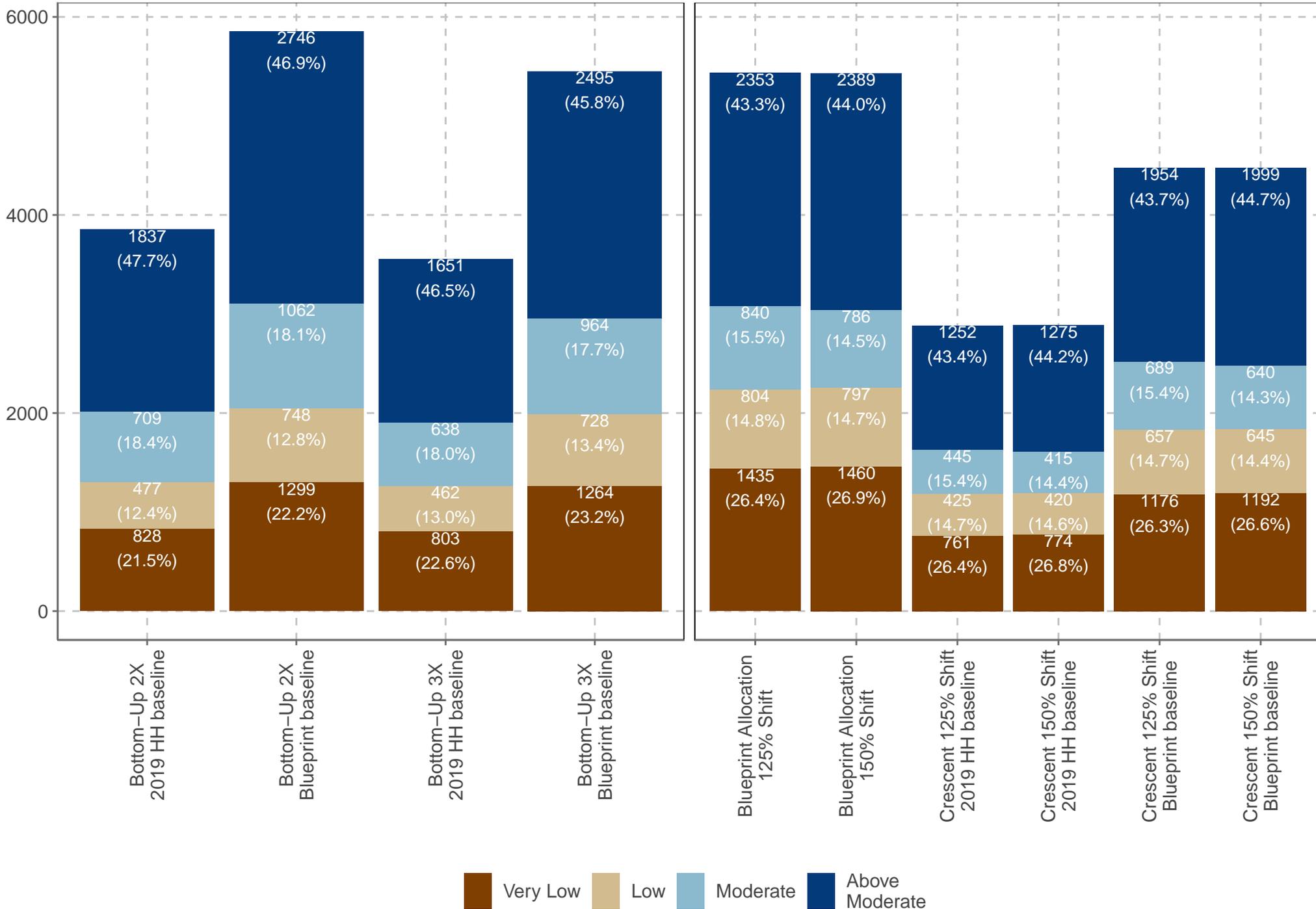
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, South San Francisco (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach

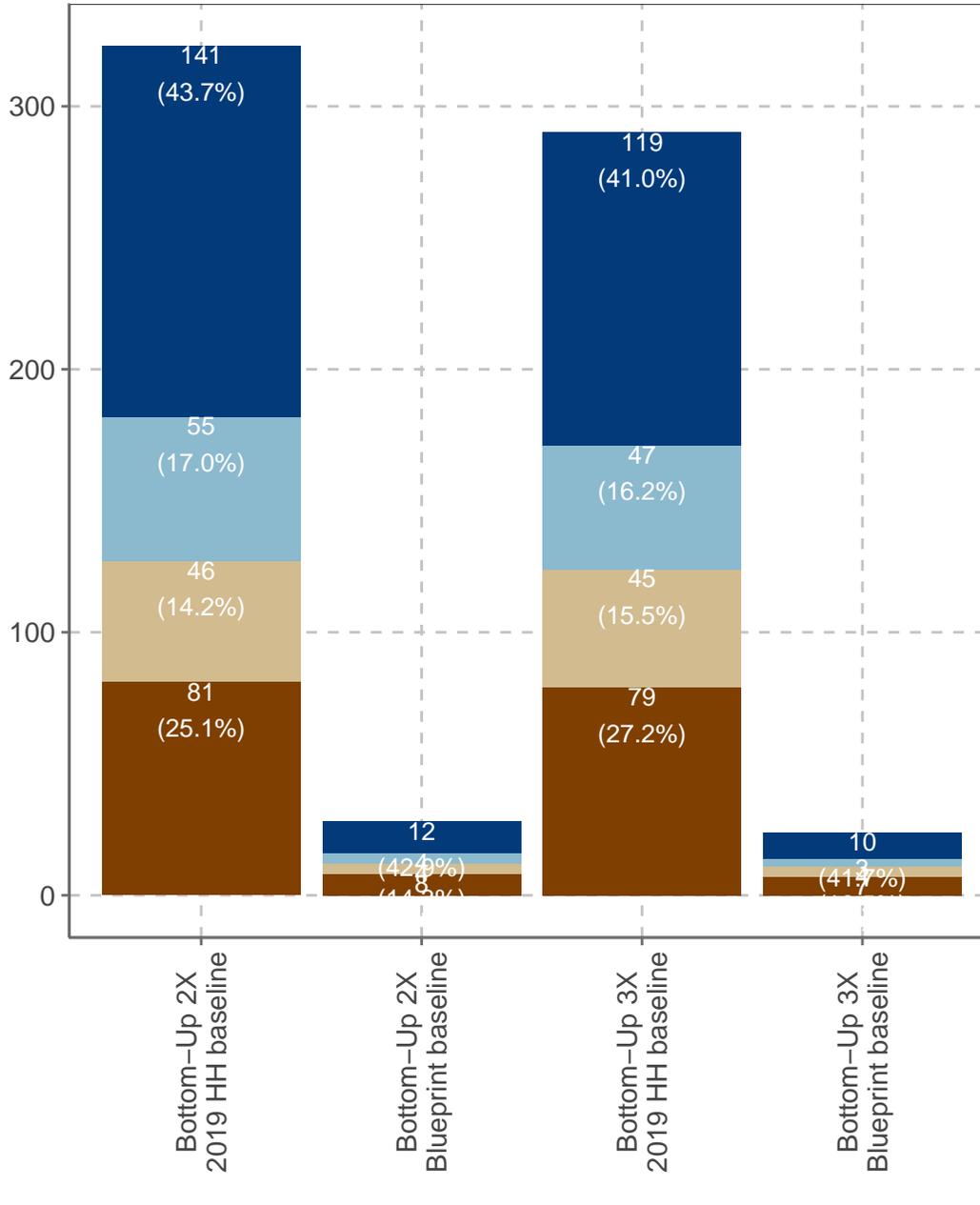
## Income Shift Approach



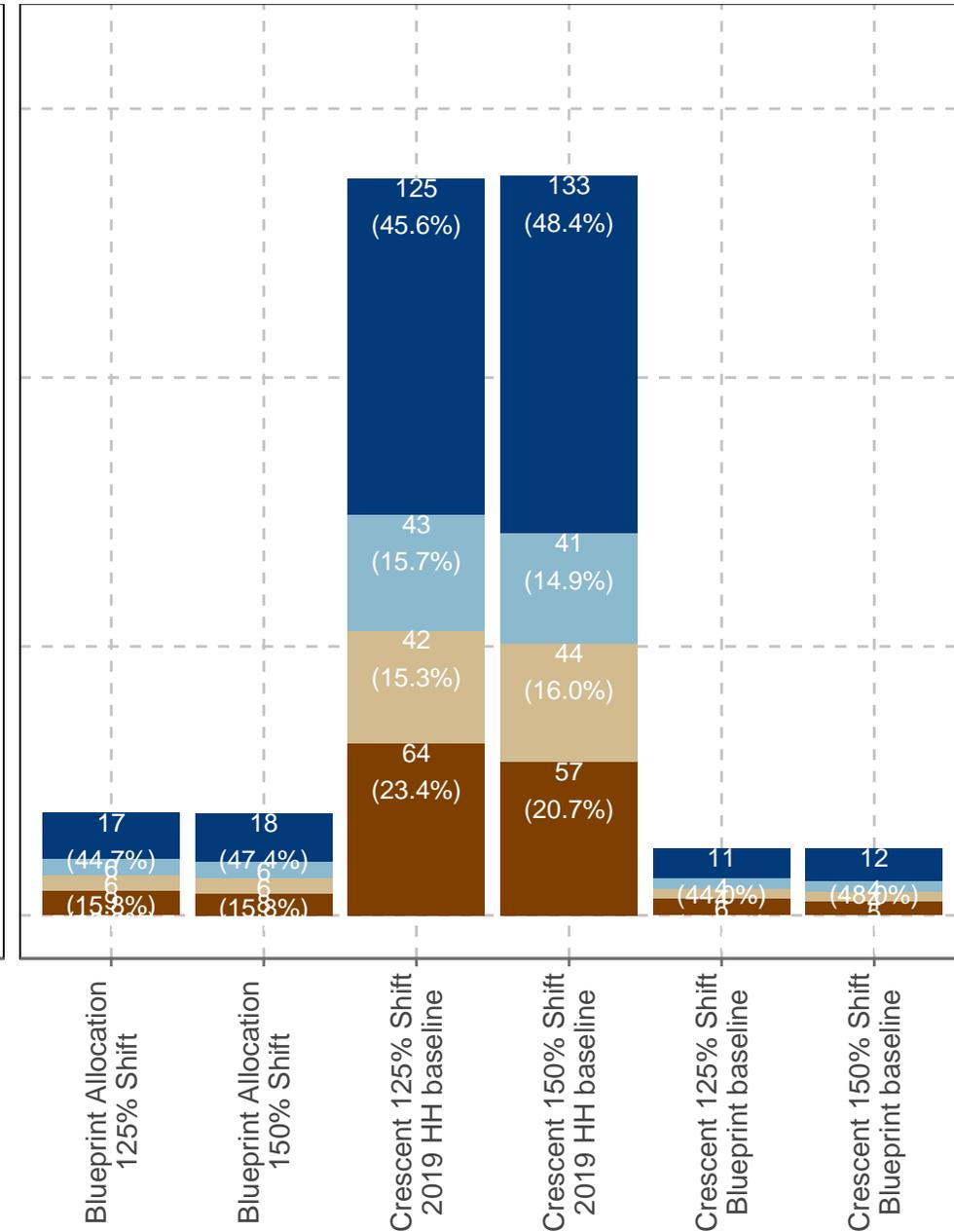
# Income Distribution, St. Helena (Napa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

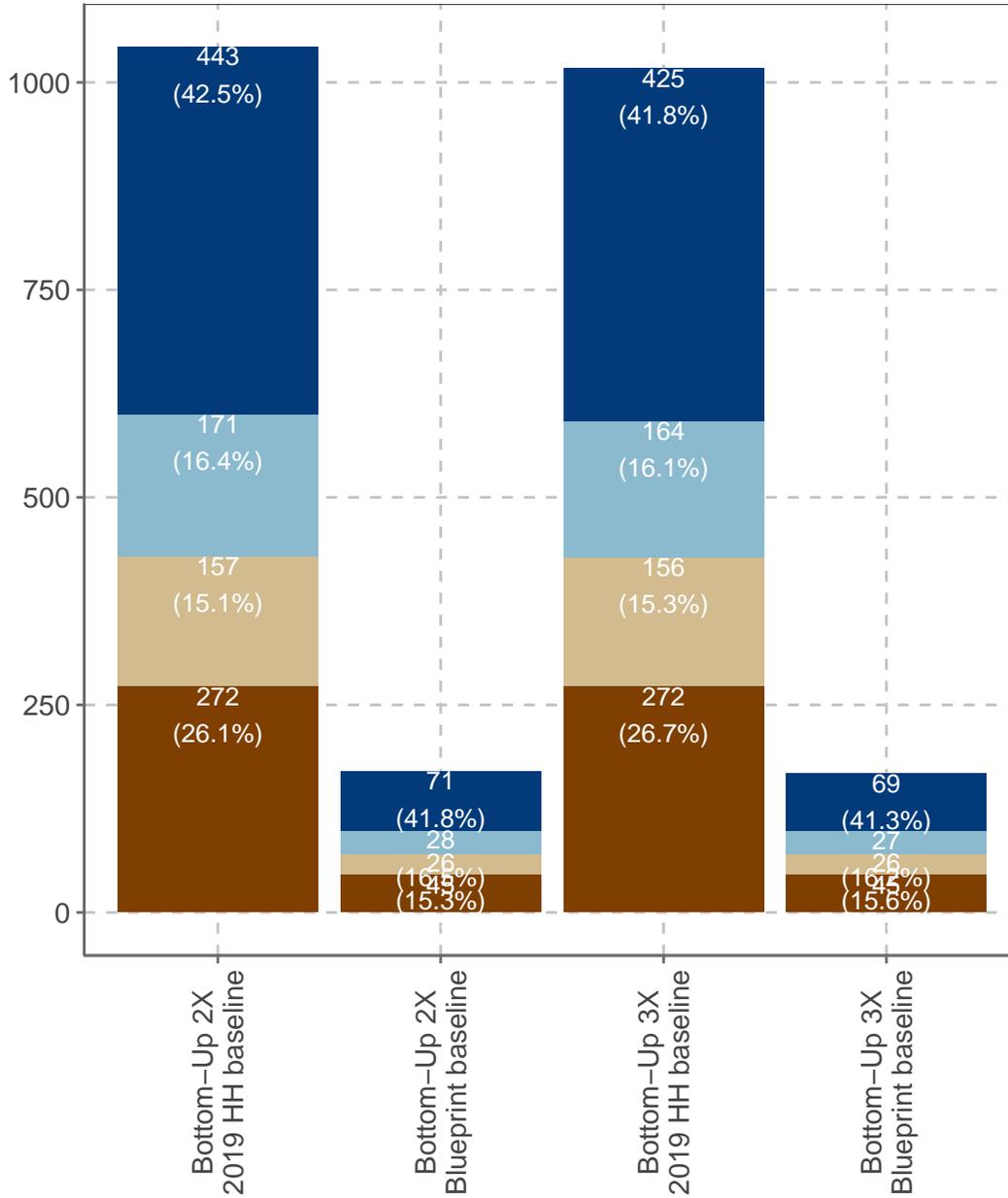


Very Low
  Low
  Moderate
  Above Moderate

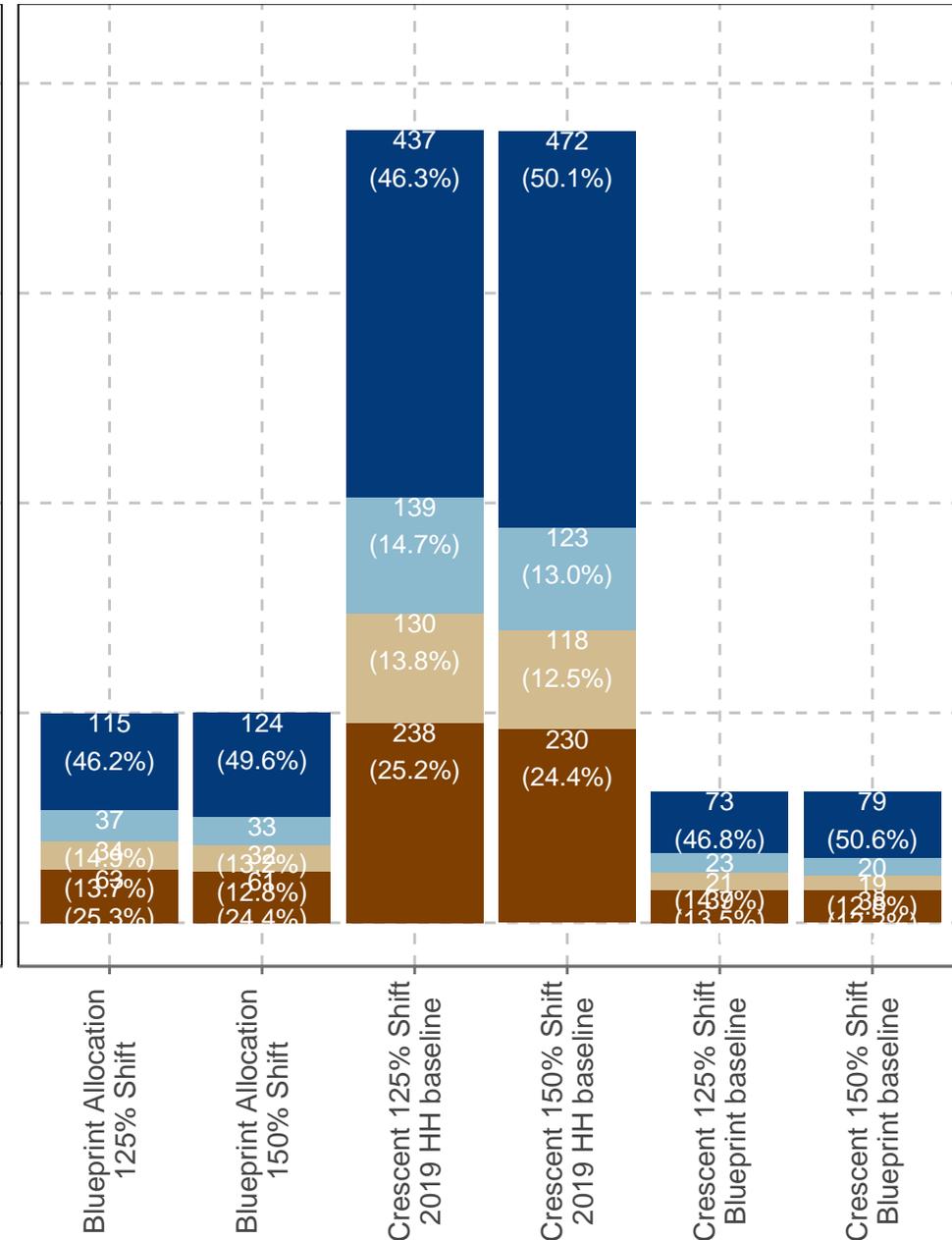
# Income Distribution, Suisun City (Solano County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



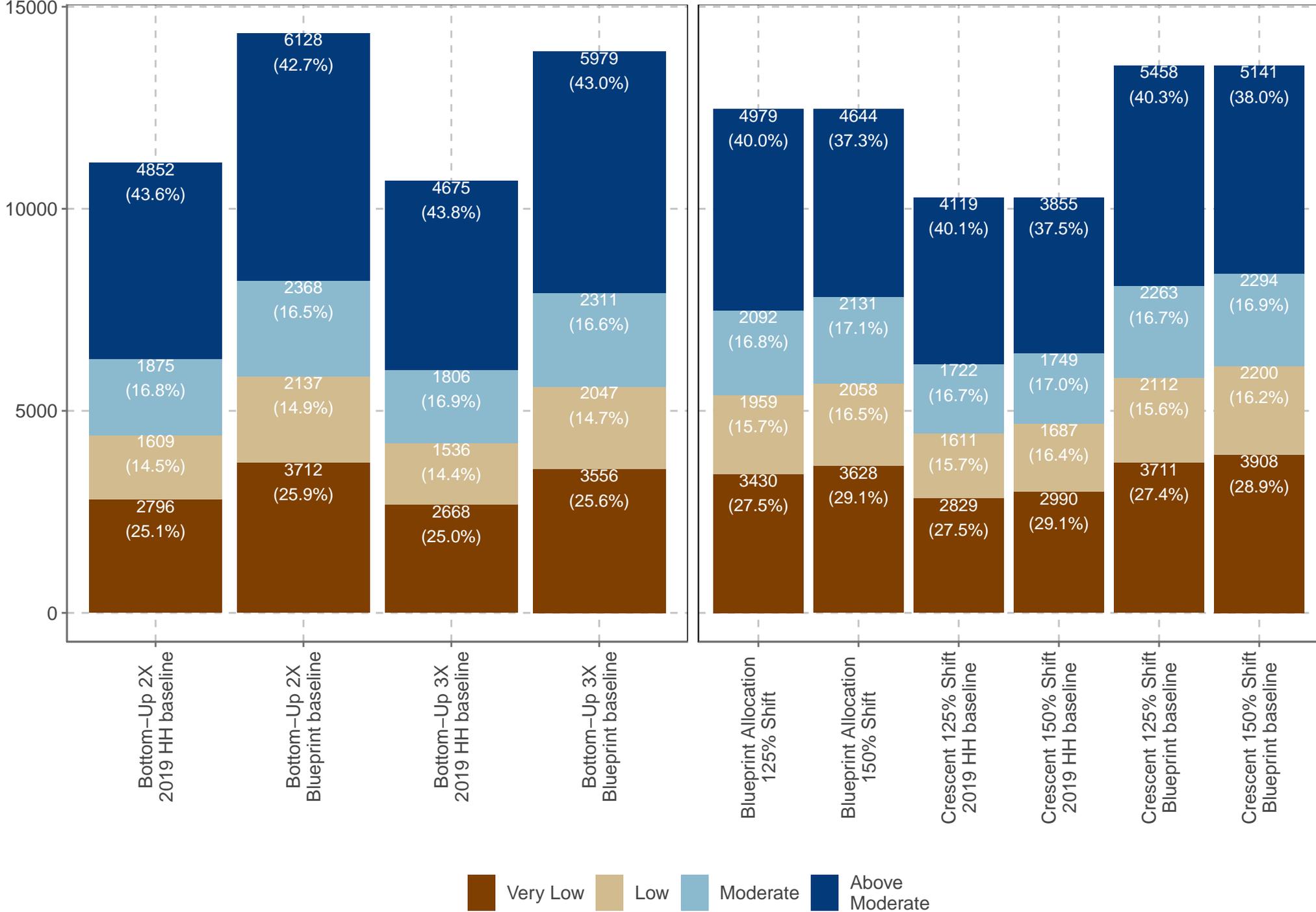
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Sunnyvale (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach

## Income Shift Approach

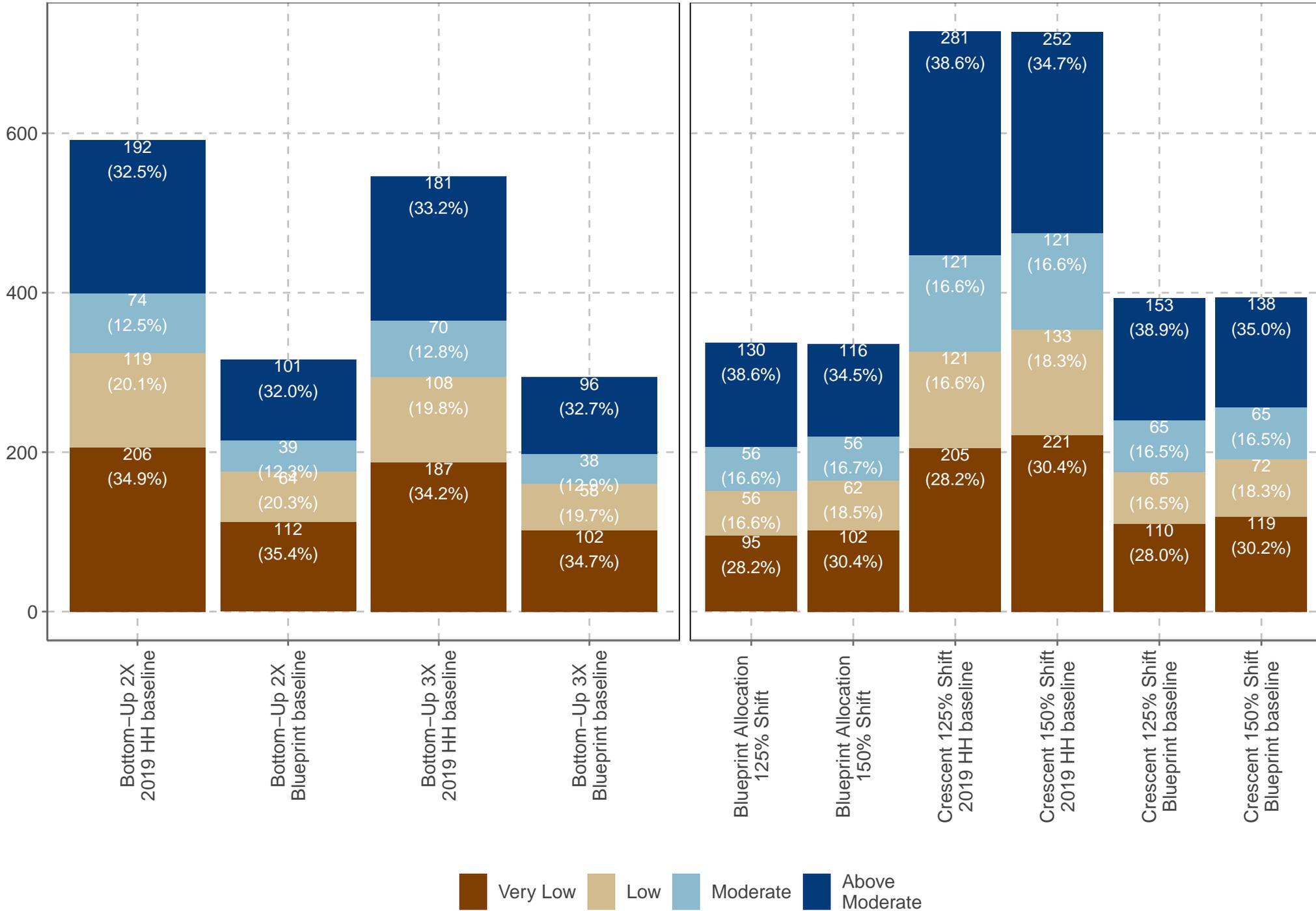


# Income Distribution, Tiburon (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach

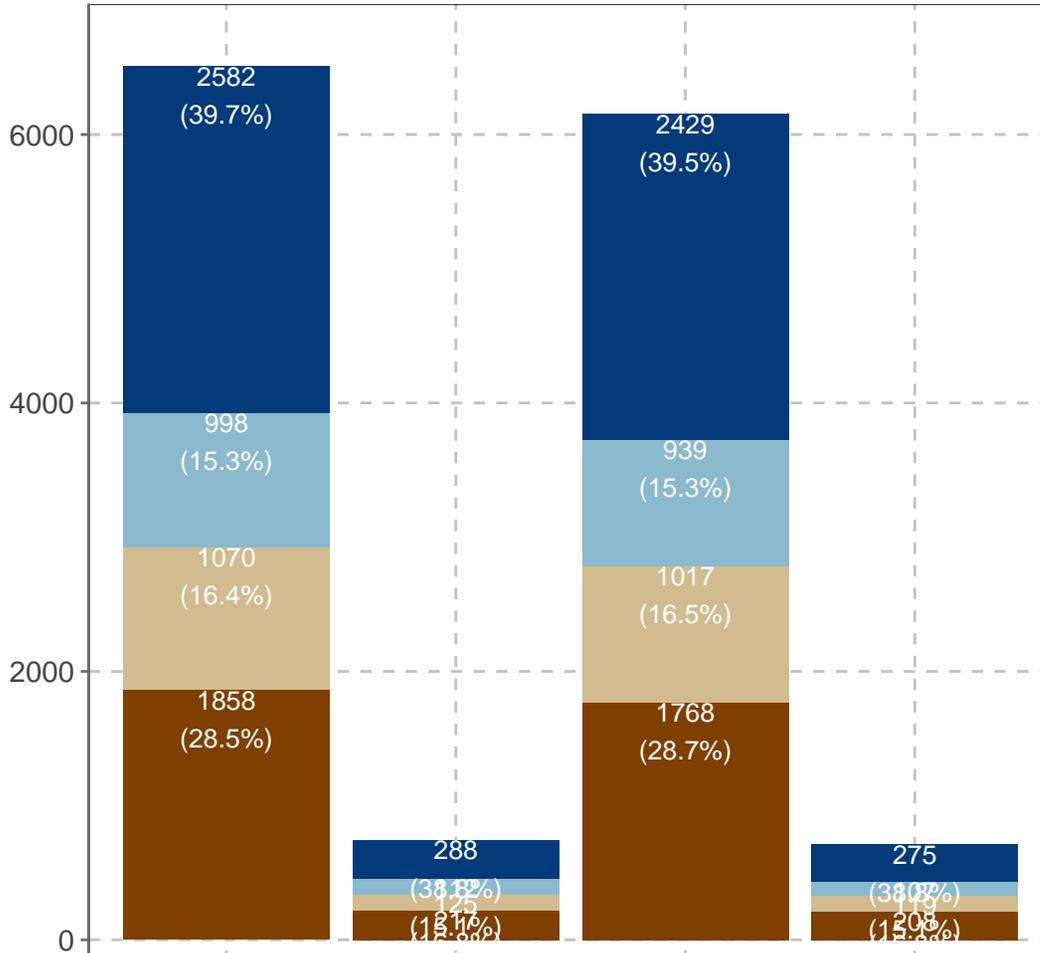
## Income Shift Approach



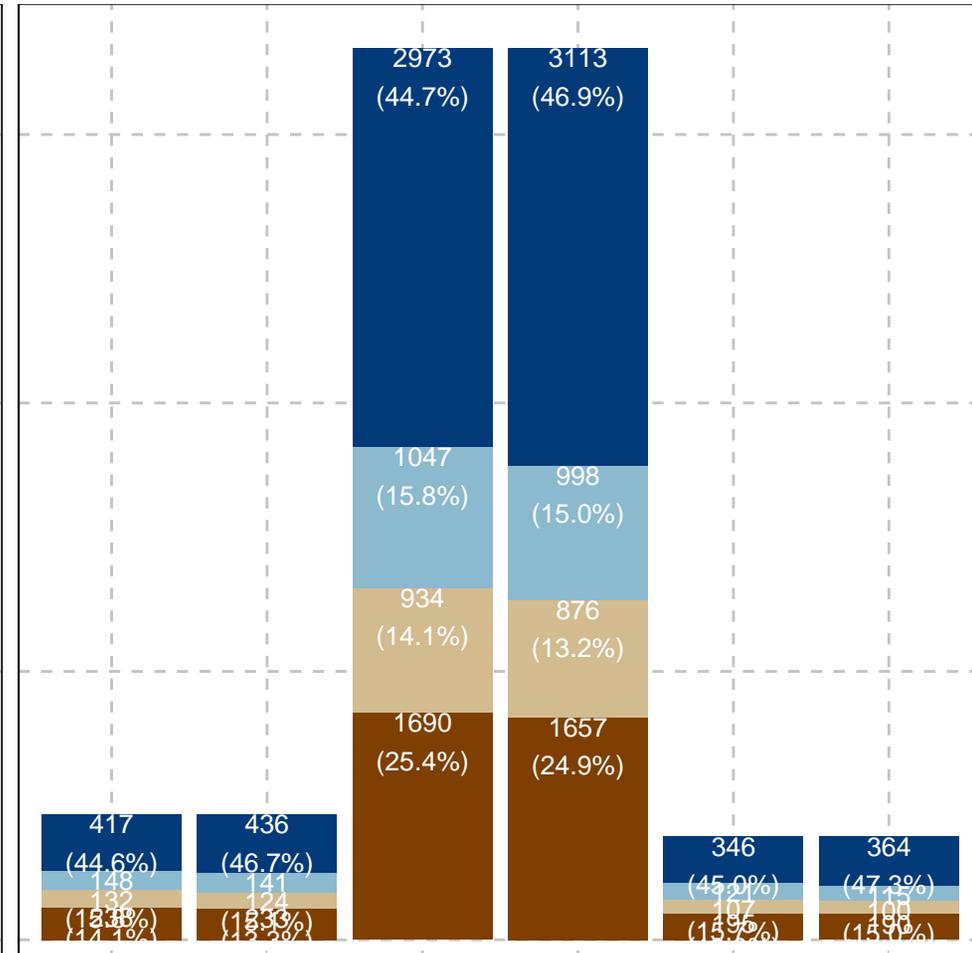
# Income Distribution, Unincorporated Alameda (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

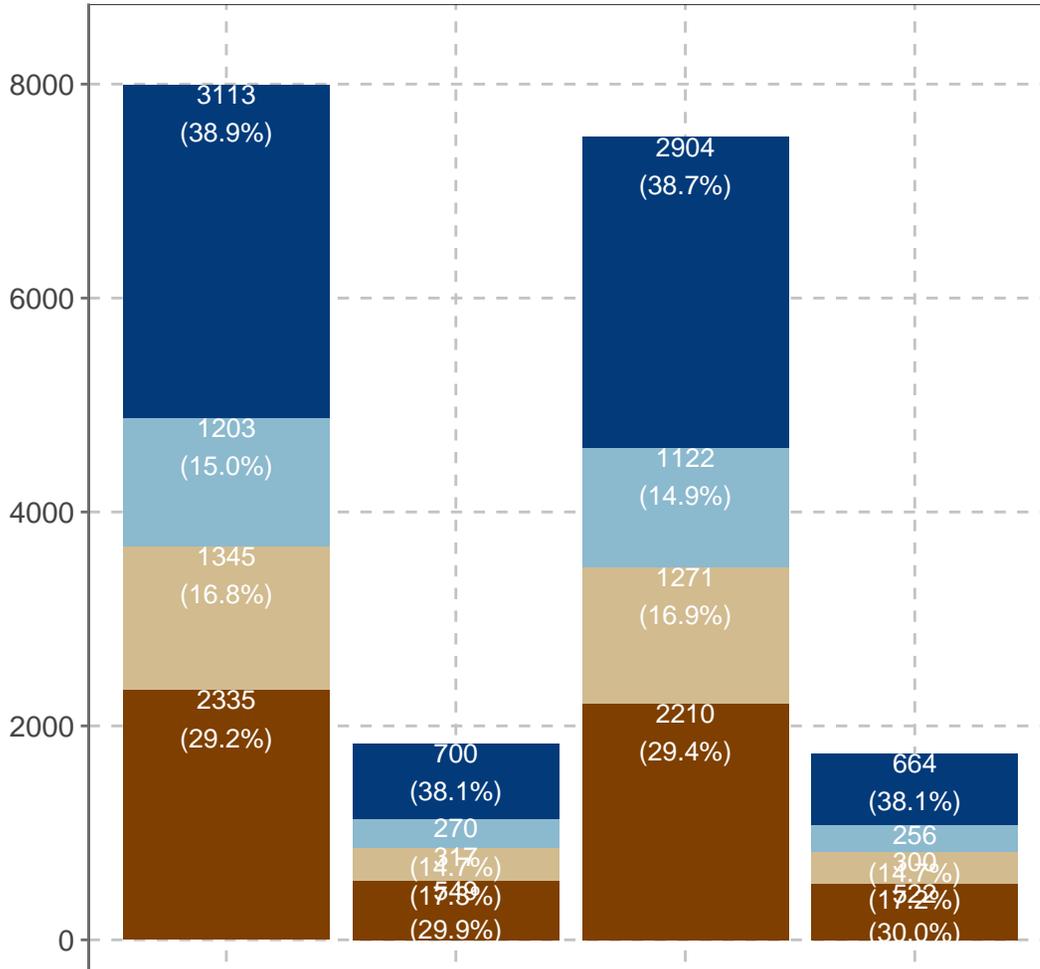


Very Low
  Low
  Moderate
  Above Moderate

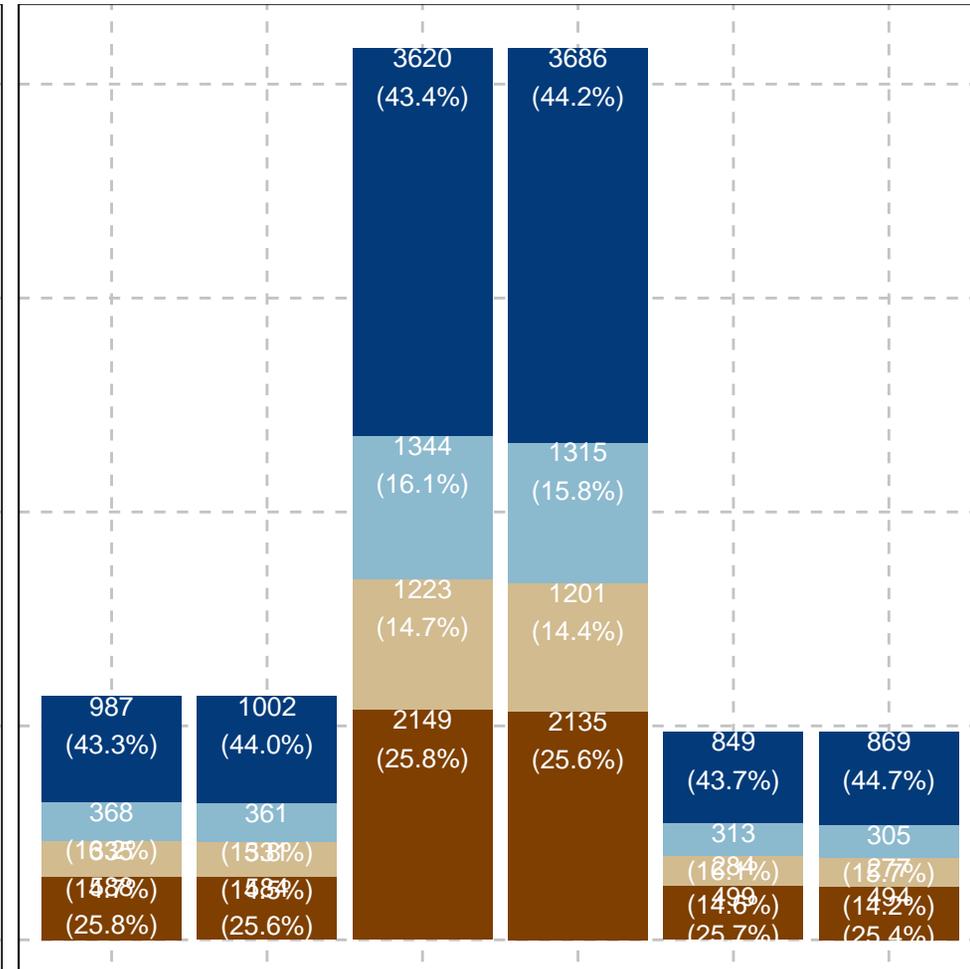
# Income Distribution, Unincorporated Contra Costa (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

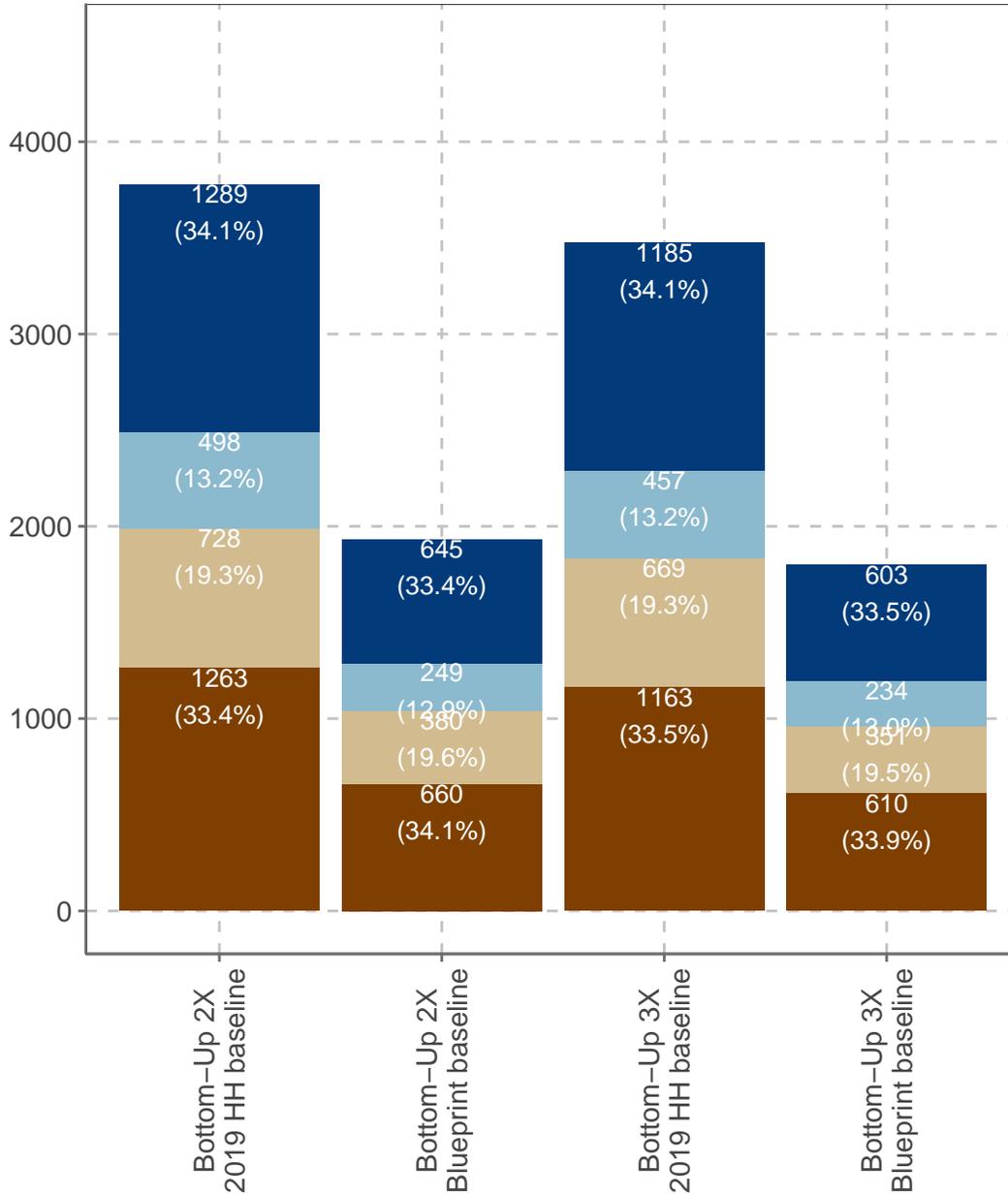


Very Low
  Low
  Moderate
  Above Moderate

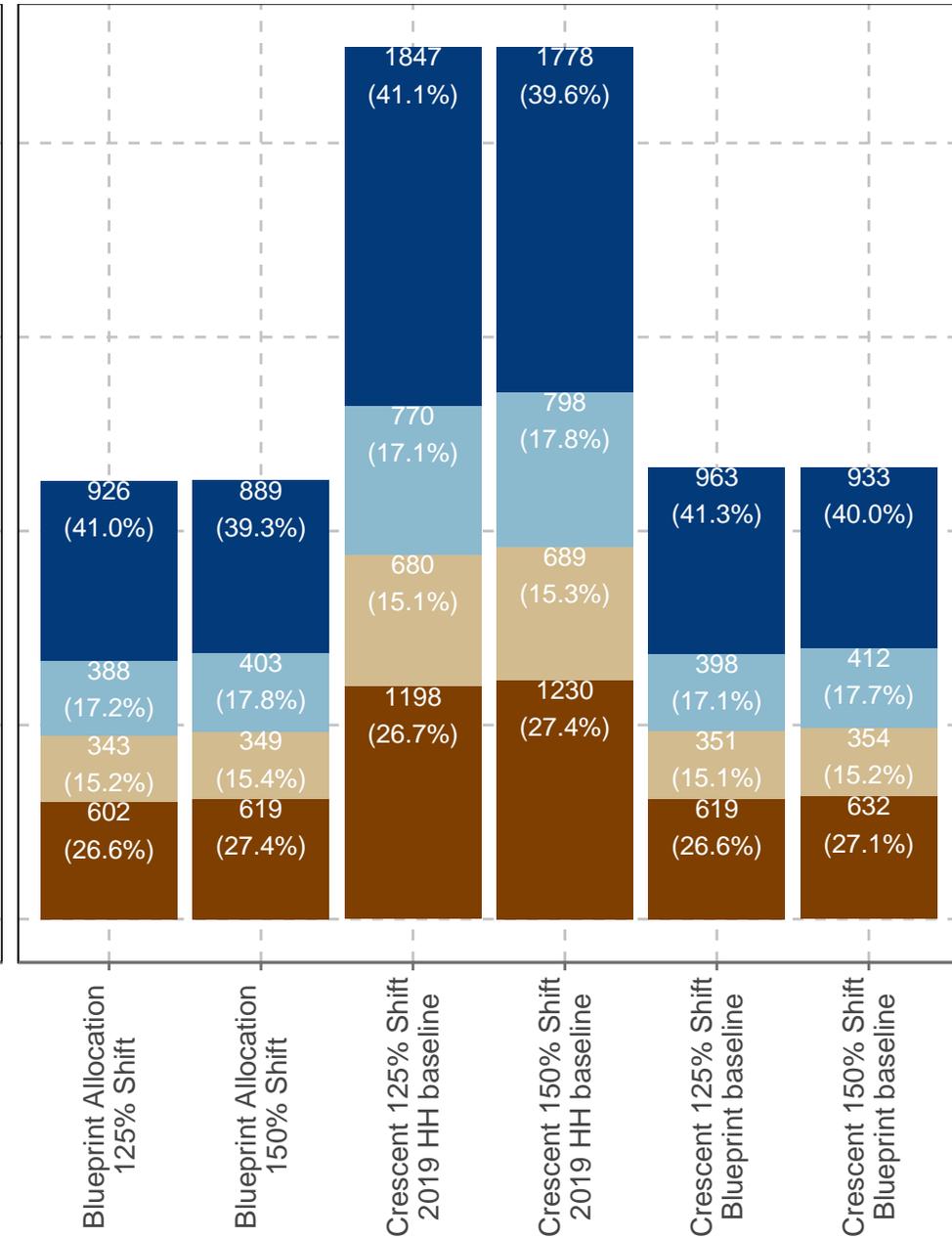
# Income Distribution, Unincorporated Marin (Marin County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

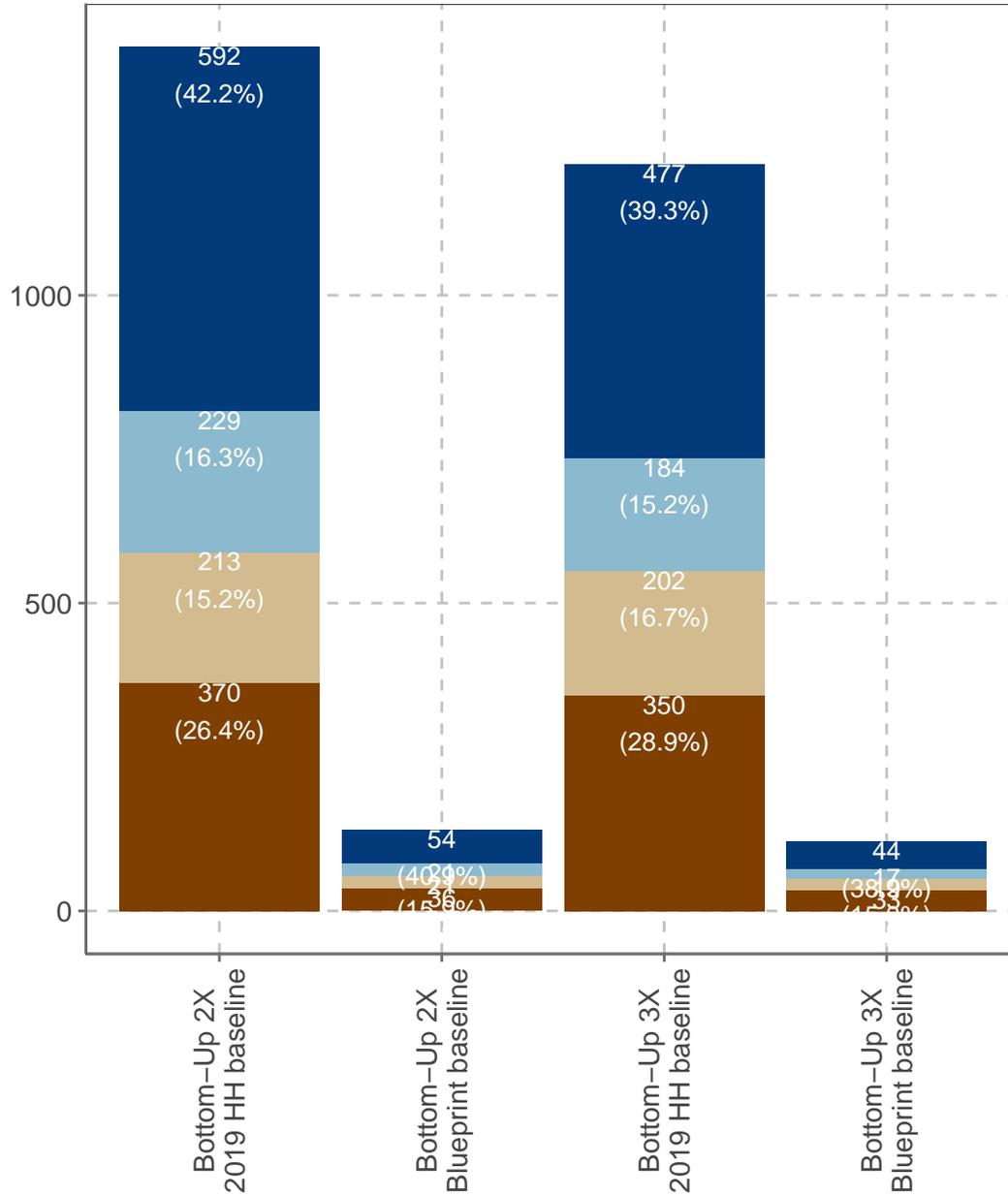


Very Low
  Low
  Moderate
  Above Moderate

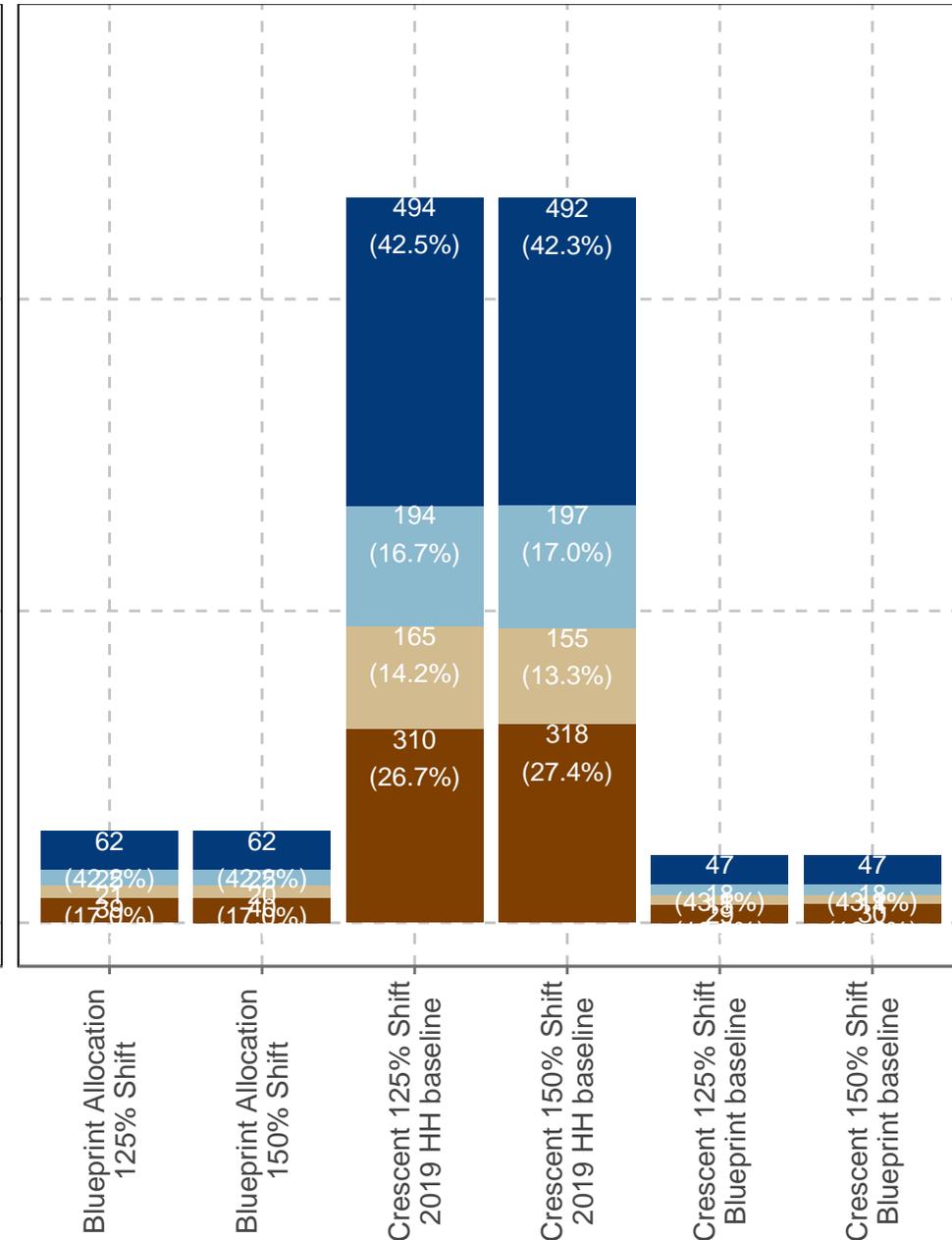
# Income Distribution, Unincorporated Napa (Napa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



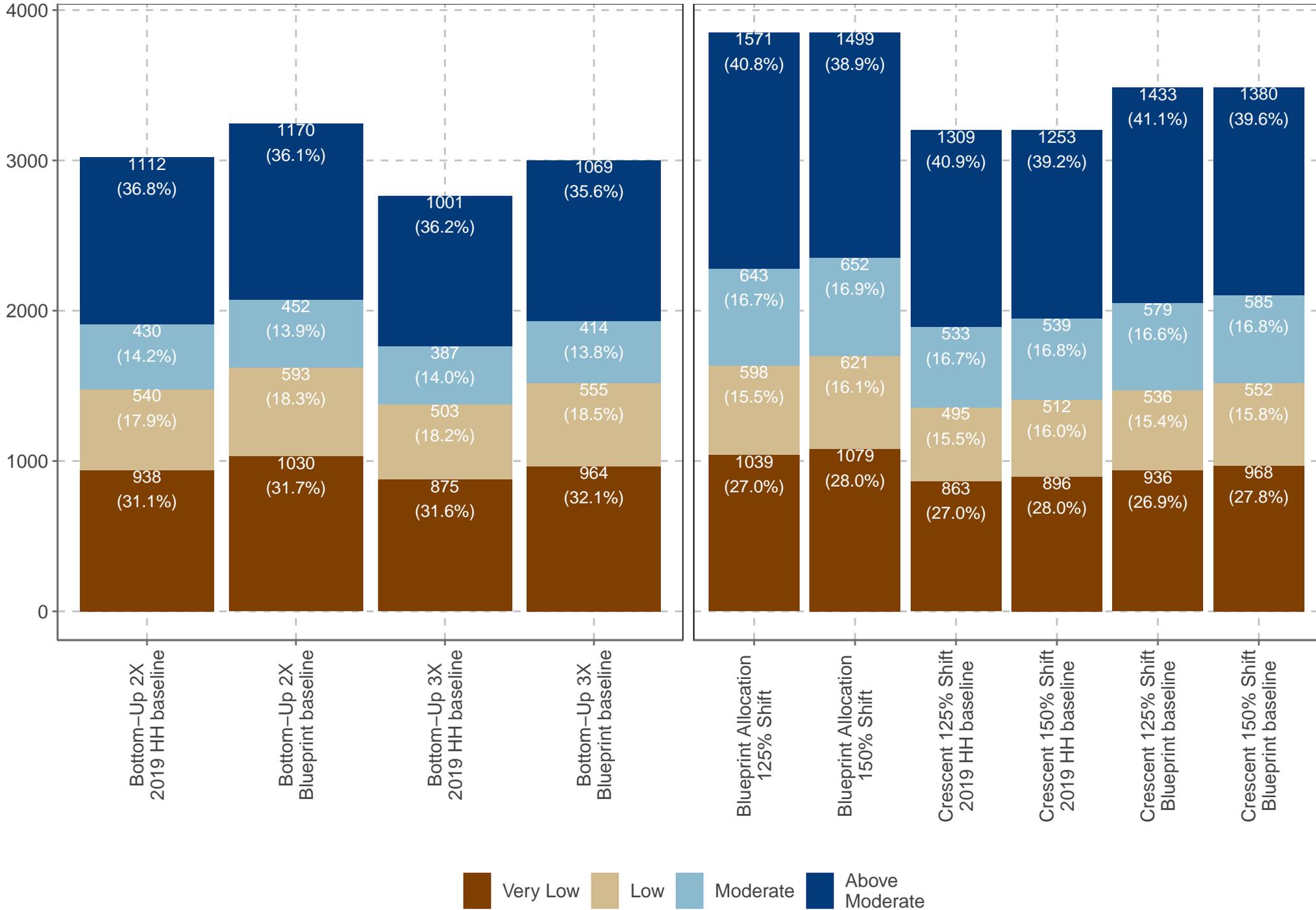
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Unincorporated San Mateo (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach

## Income Shift Approach

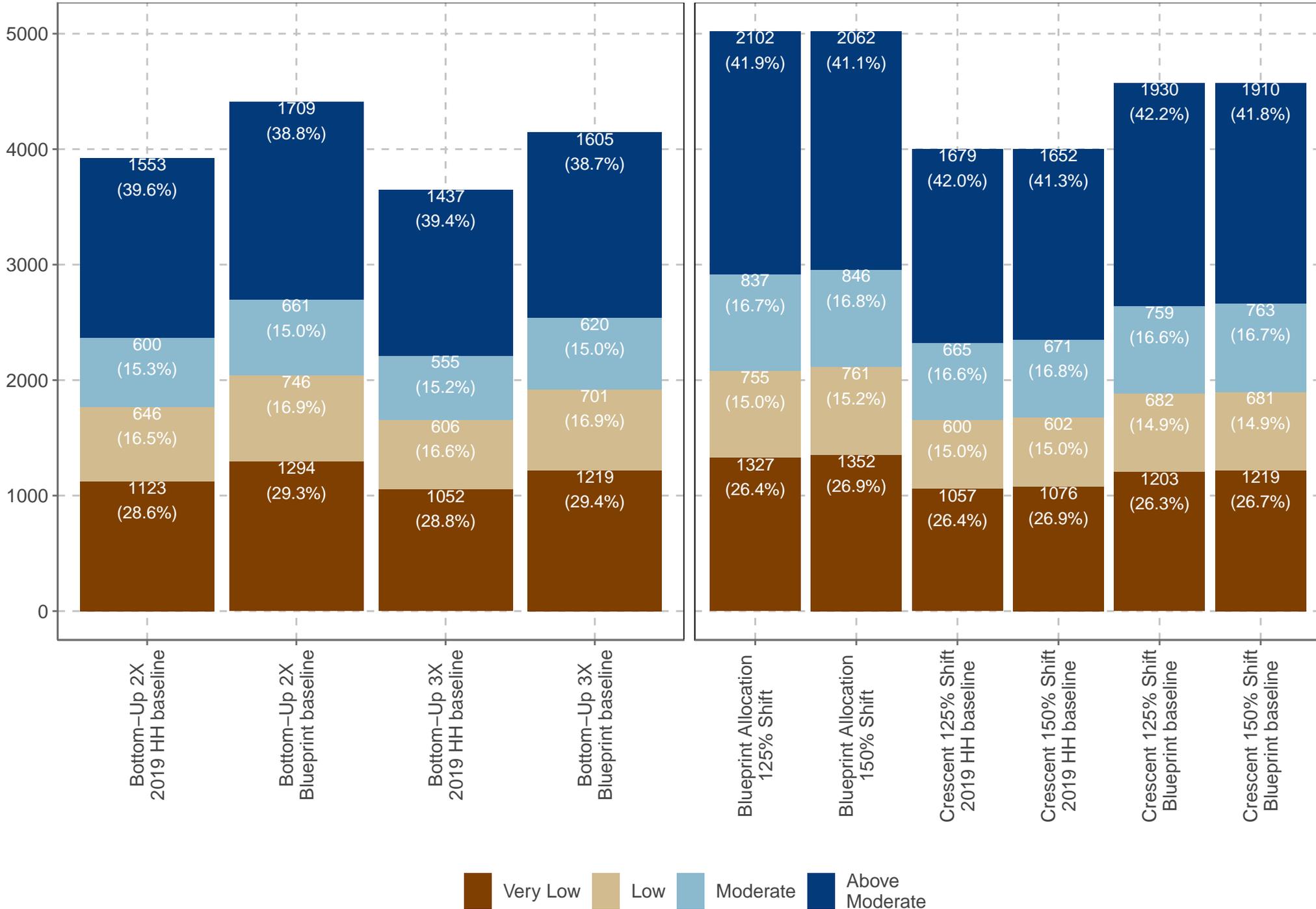


# Income Distribution, Unincorporated Santa Clara (Santa Clara County)

Various approaches and baselines shown

## Bottom-Up Approach

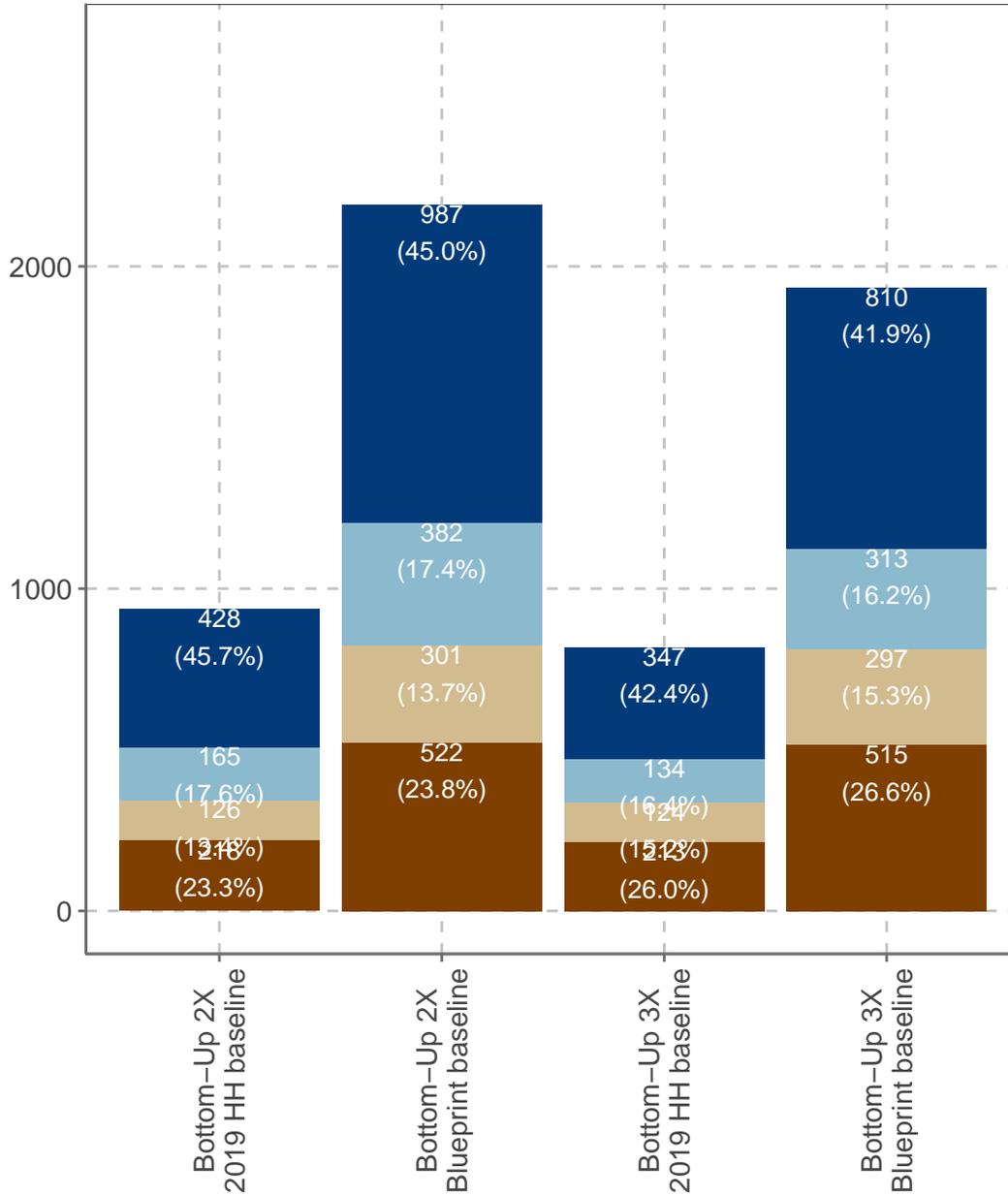
## Income Shift Approach



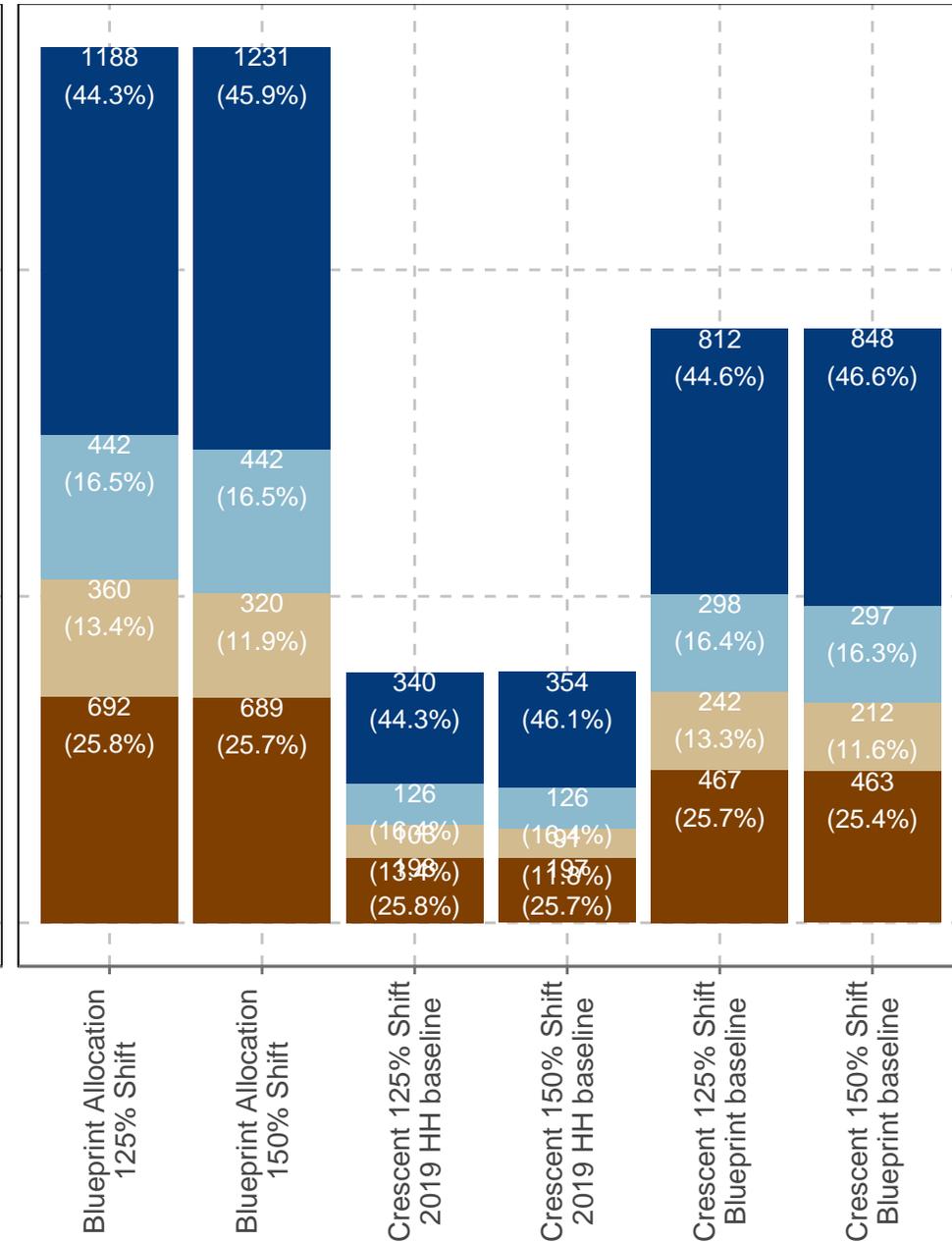
# Income Distribution, Unincorporated Solano (Solano County)

Various approaches and baselines shown

## Bottom-Up Approach



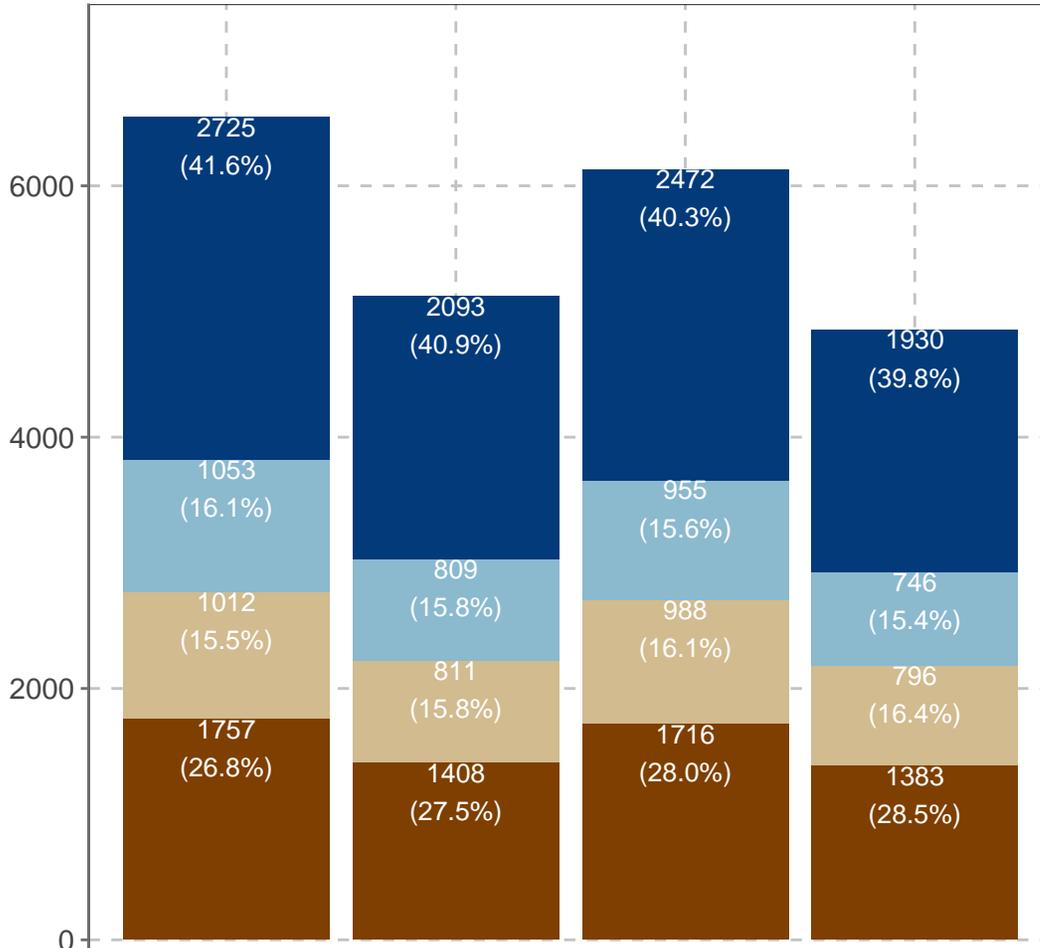
## Income Shift Approach



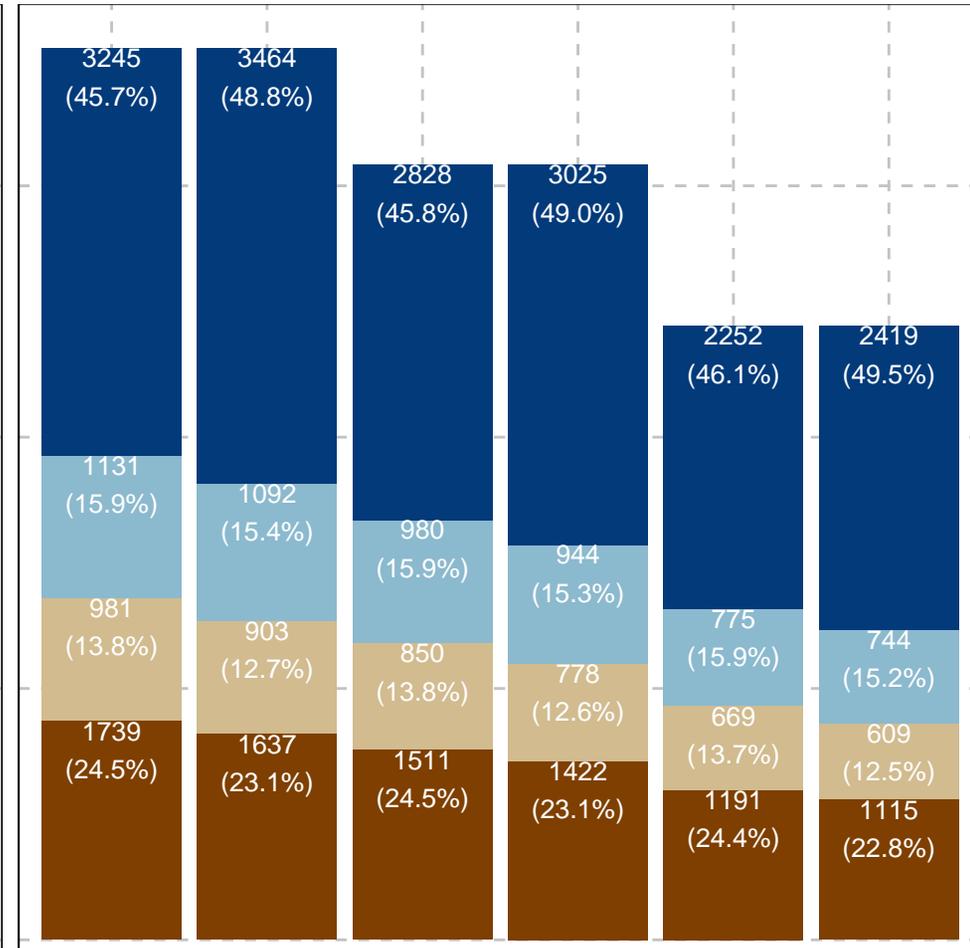
# Income Distribution, Unincorporated Sonoma (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

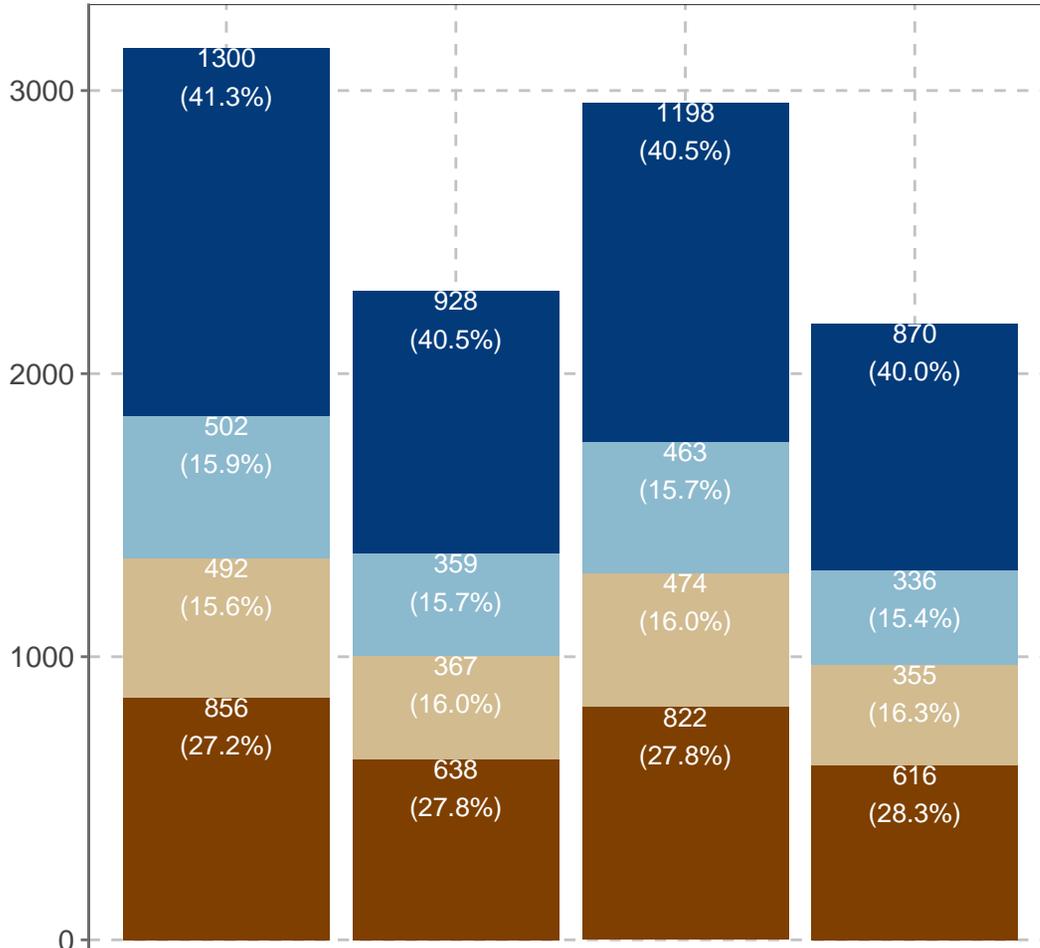


Very Low
  Low
  Moderate
  Above Moderate

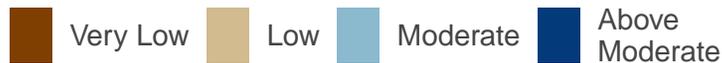
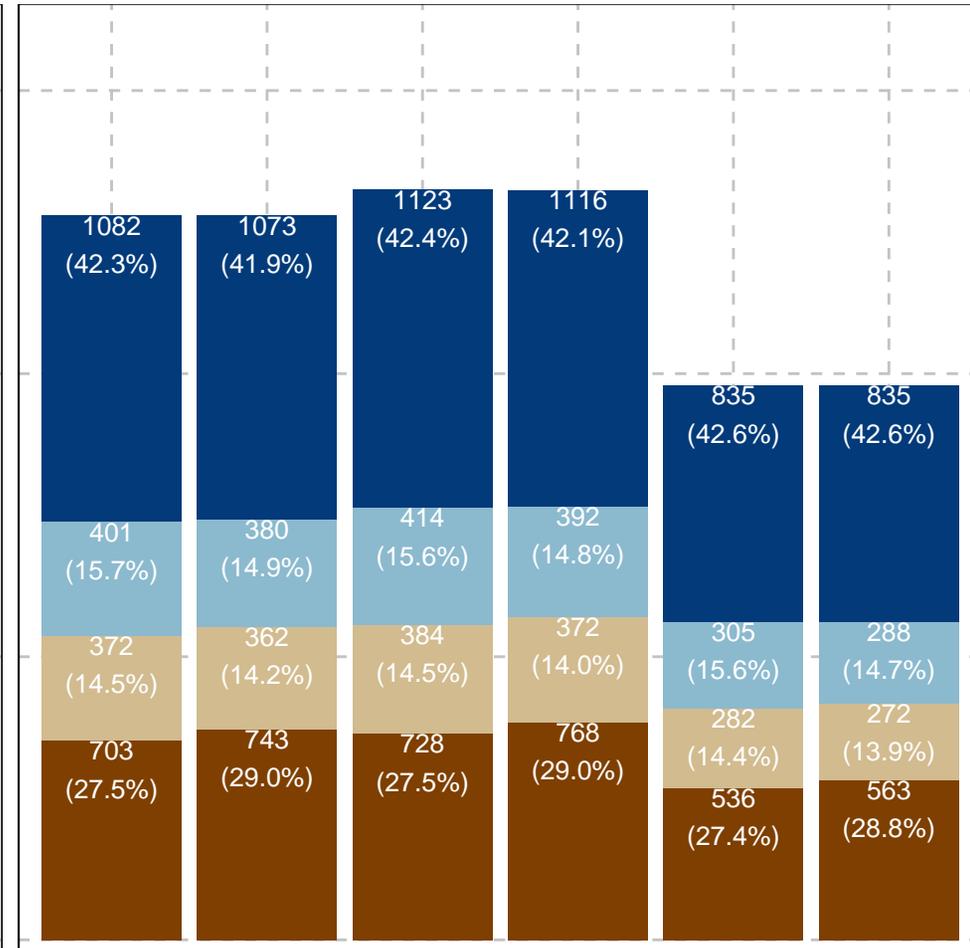
# Income Distribution, Union City (Alameda County)

Various approaches and baselines shown

## Bottom-Up Approach



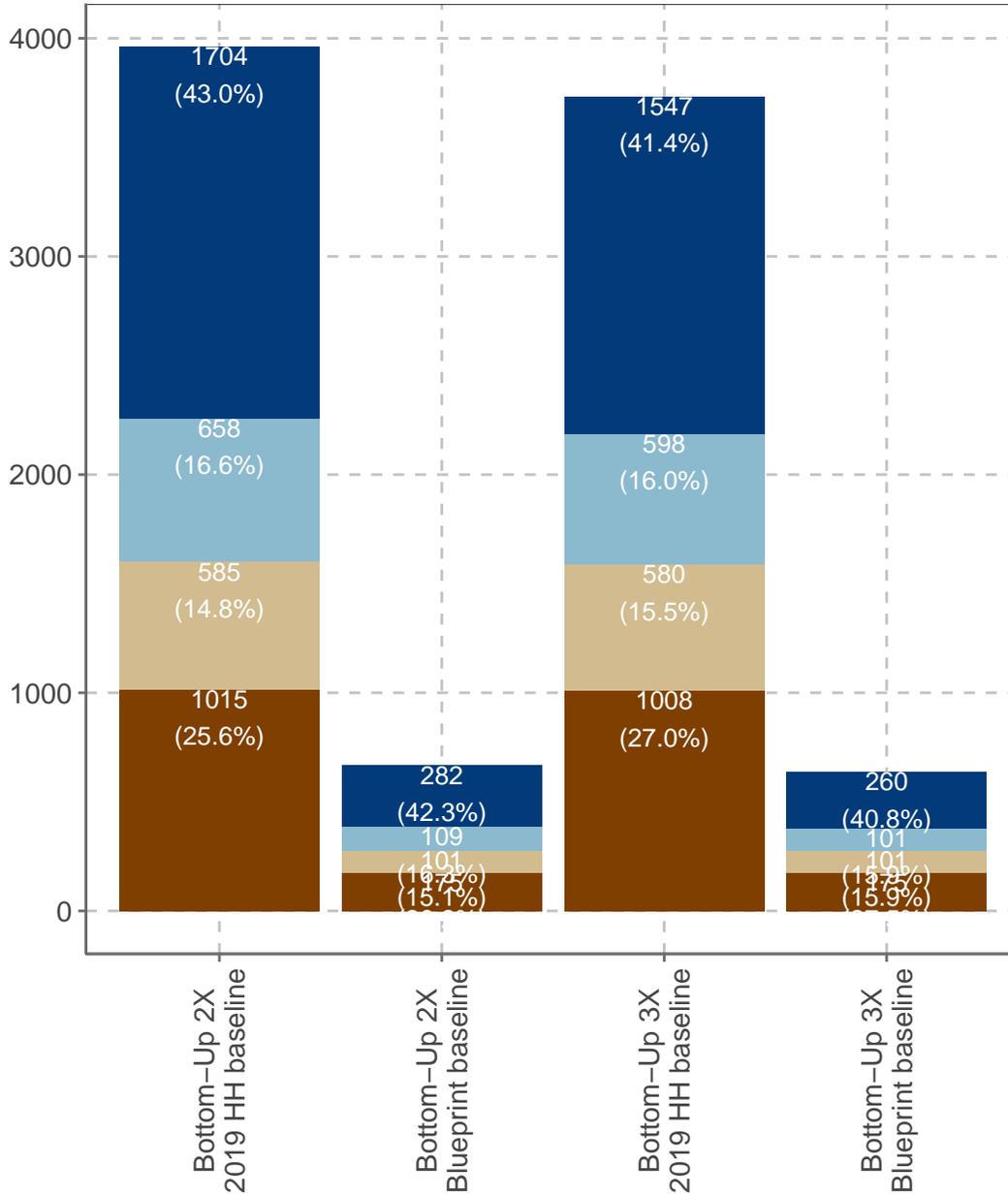
## Income Shift Approach



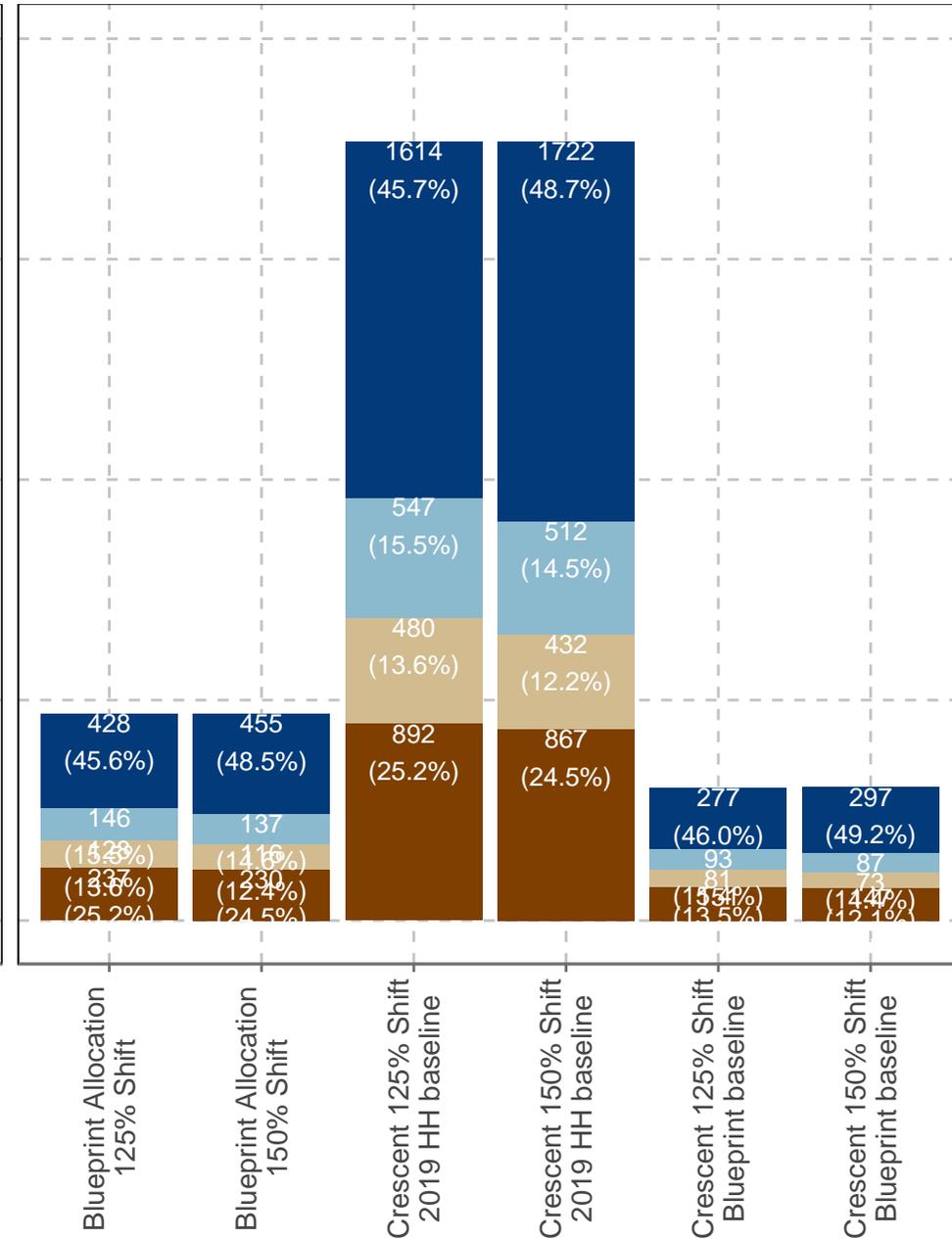
# Income Distribution, Vacaville (Solano County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

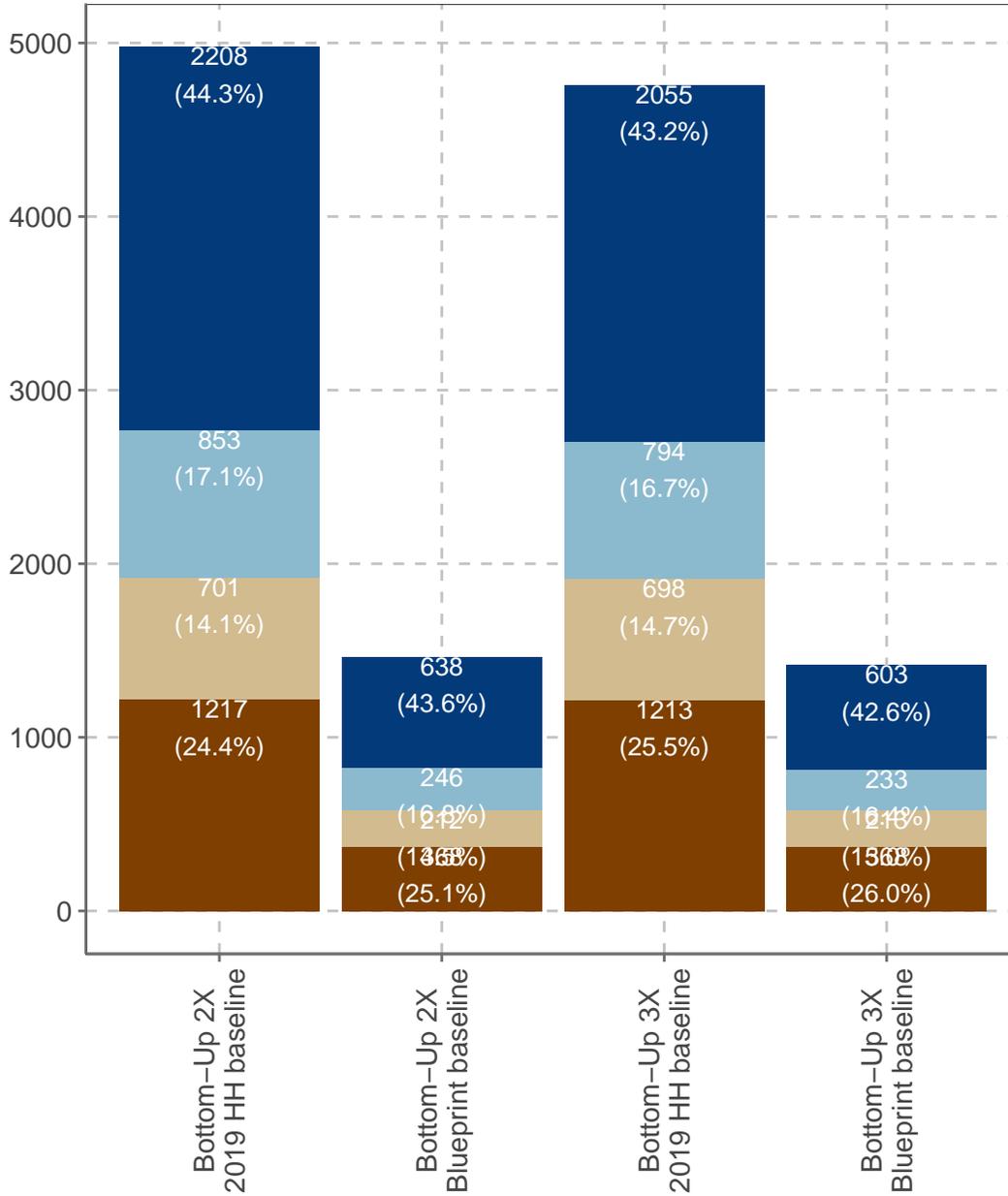


Very Low
  Low
  Moderate
  Above Moderate

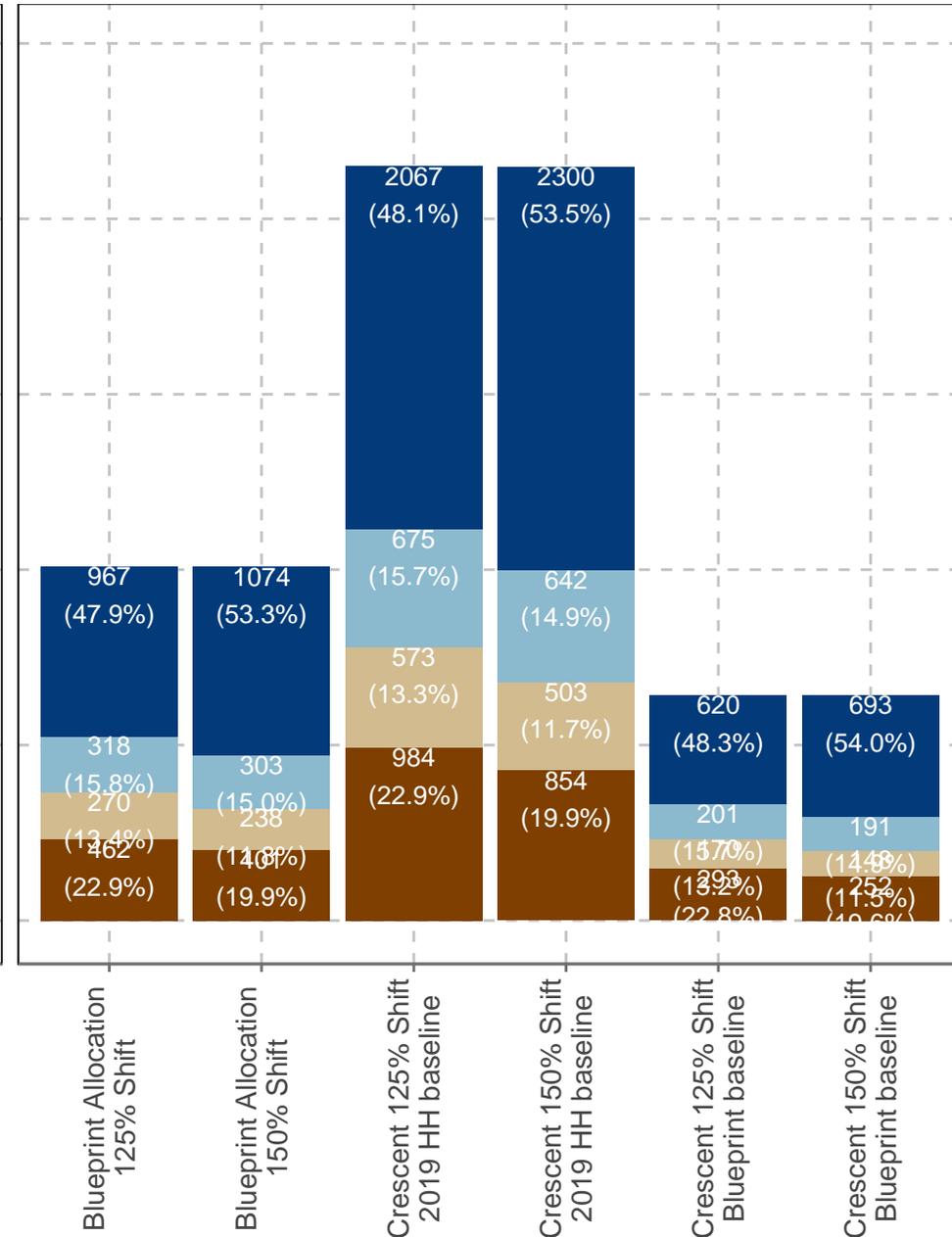
# Income Distribution, Vallejo (Solano County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



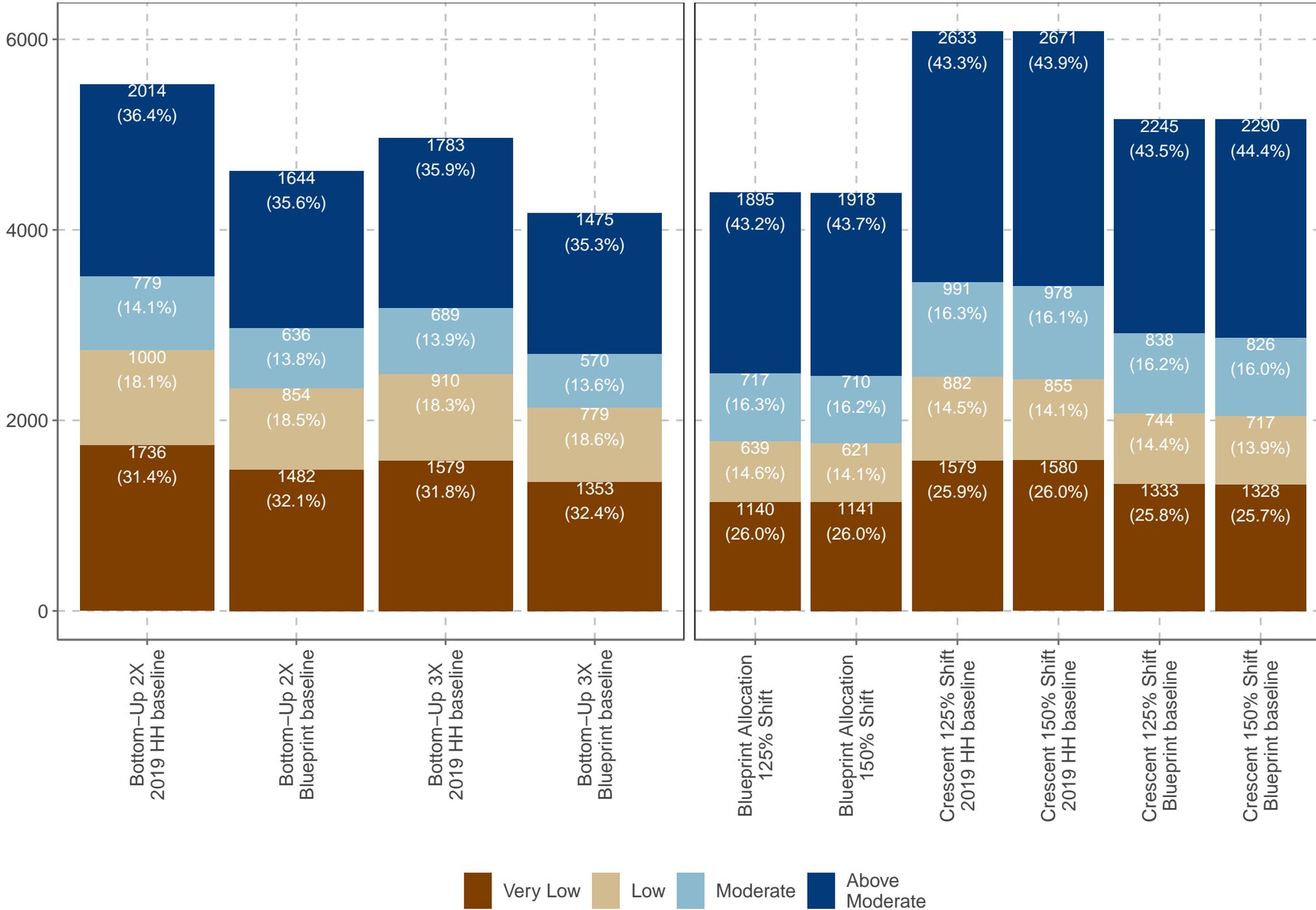
Very Low
  Low
  Moderate
  Above Moderate

# Income Distribution, Walnut Creek (Contra Costa County)

Various approaches and baselines shown

## Bottom-Up Approach

## Income Shift Approach

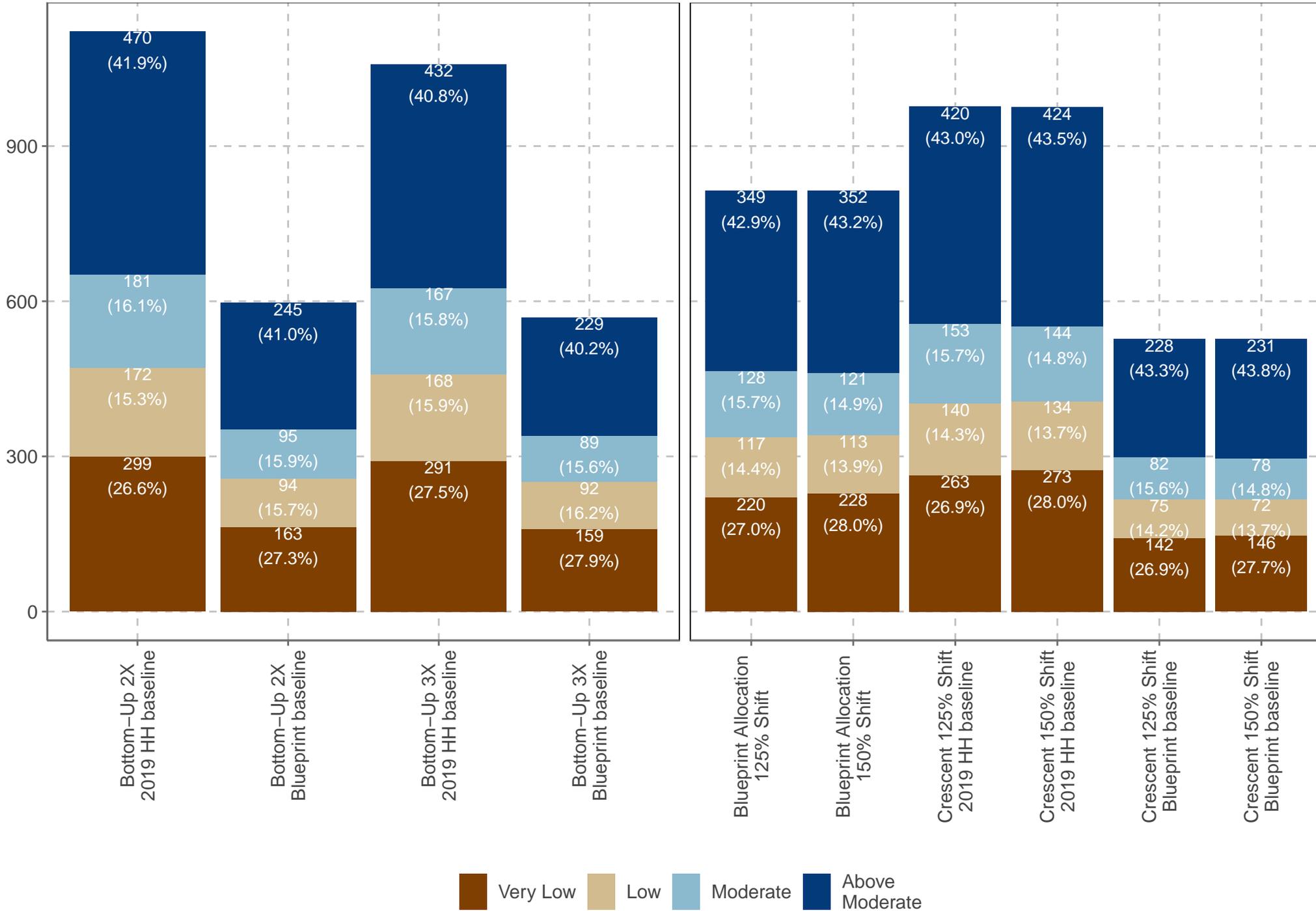


# Income Distribution, Windsor (Sonoma County)

Various approaches and baselines shown

## Bottom-Up Approach

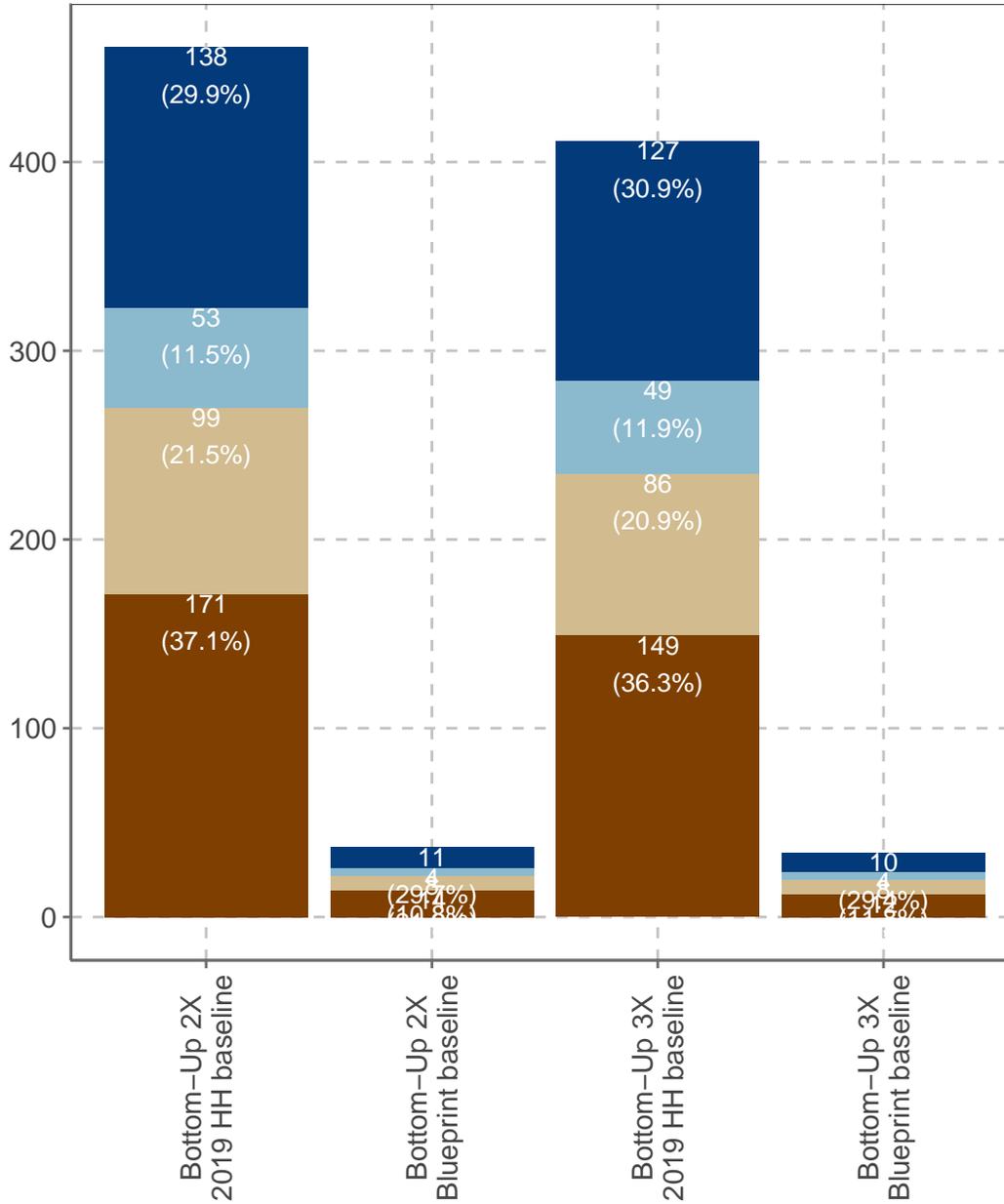
## Income Shift Approach



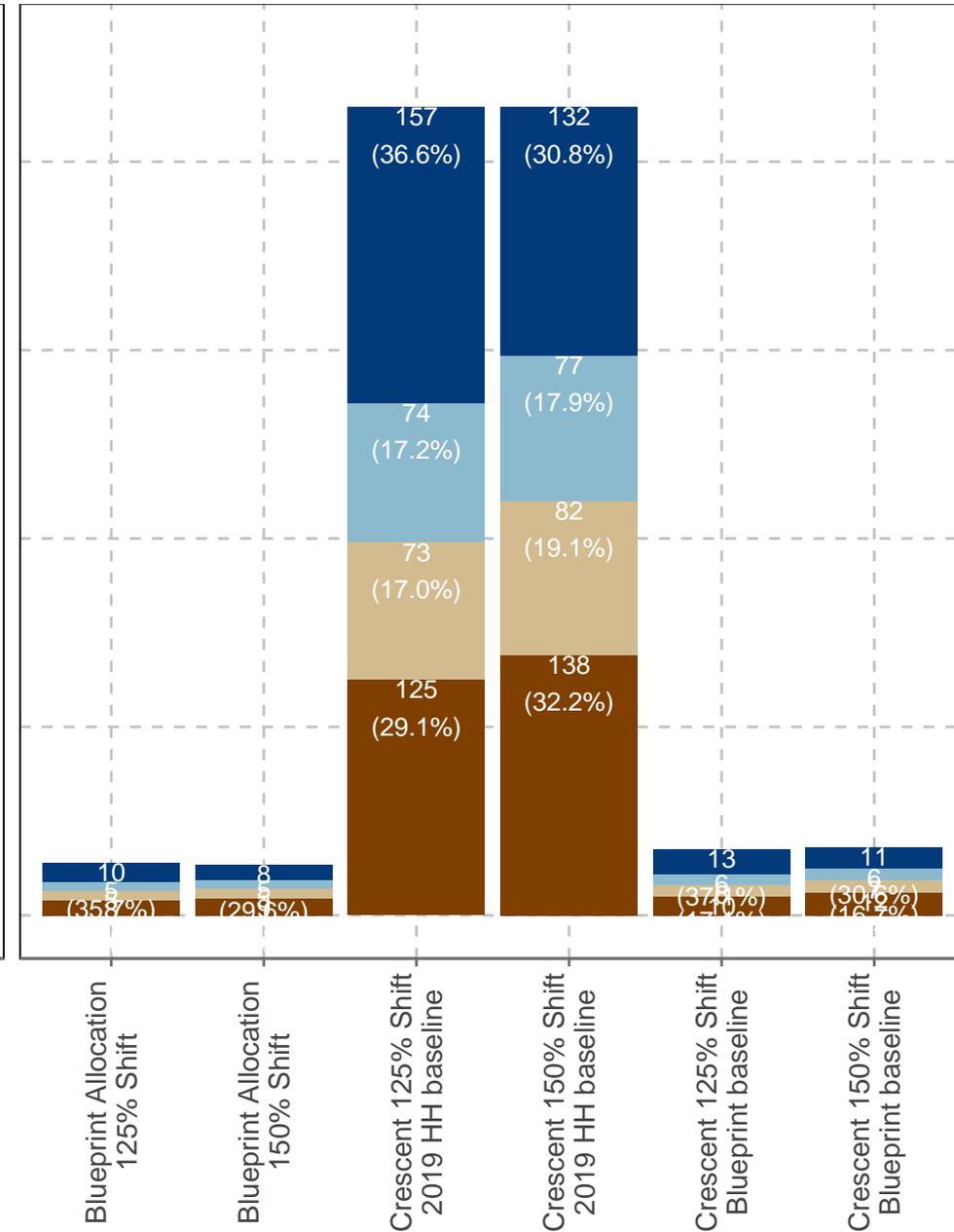
# Income Distribution, Woodside (San Mateo County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach

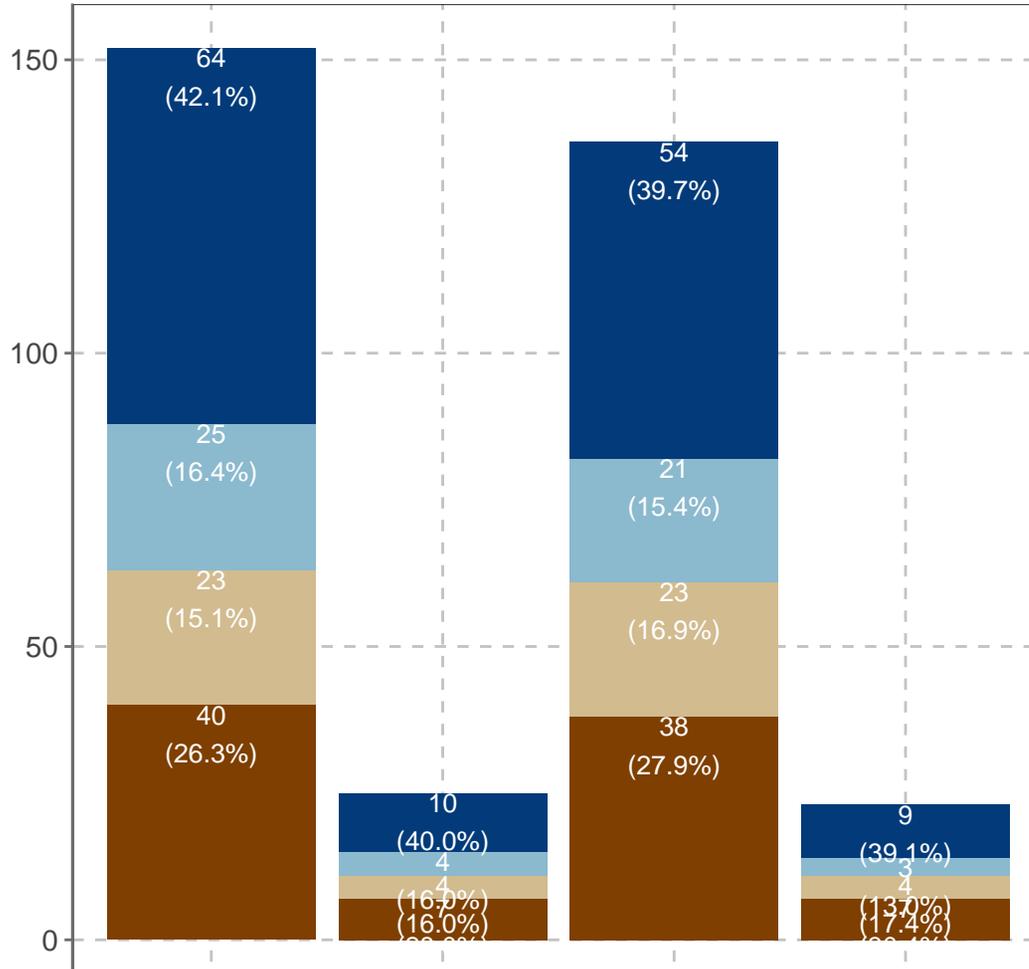


Very Low Low Moderate Above Moderate

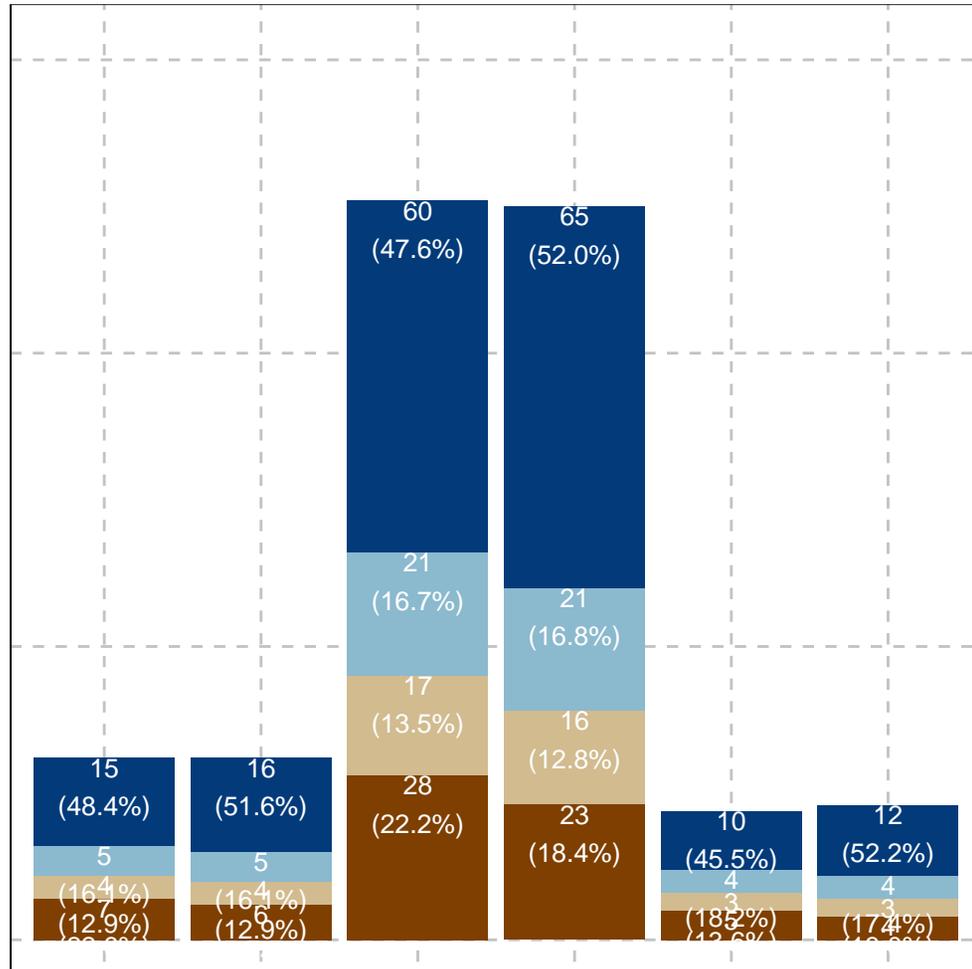
# Income Distribution, Yountville (Napa County)

Various approaches and baselines shown

## Bottom-Up Approach



## Income Shift Approach



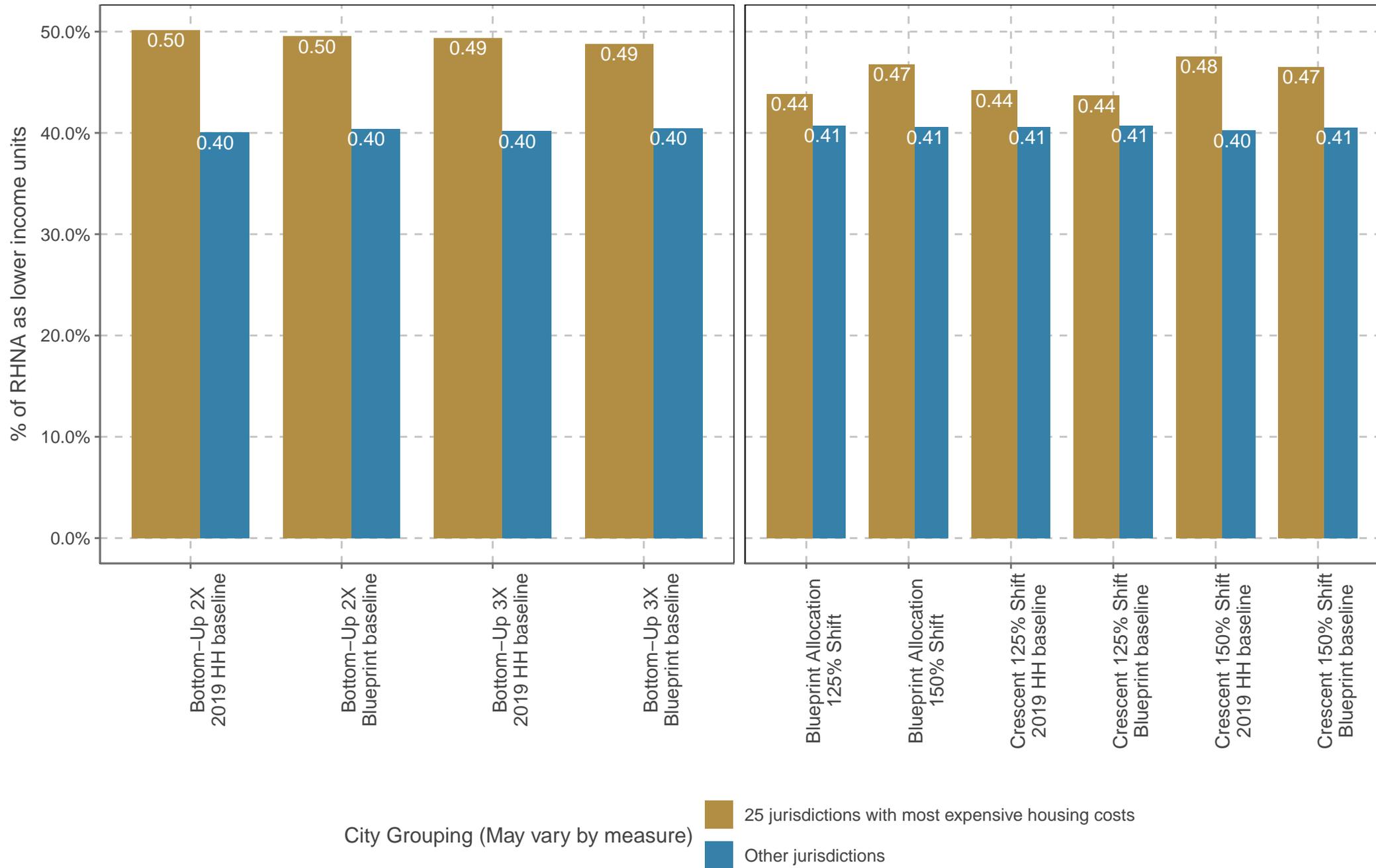
Very Low
  Low
  Moderate
  Above Moderate

**OBJECTIVE 1: Does the allocation increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner?**

*METRIC 1a: Do jurisdictions with the most expensive housing costs receive a significant percentage of their RHNA as lower-income units?*

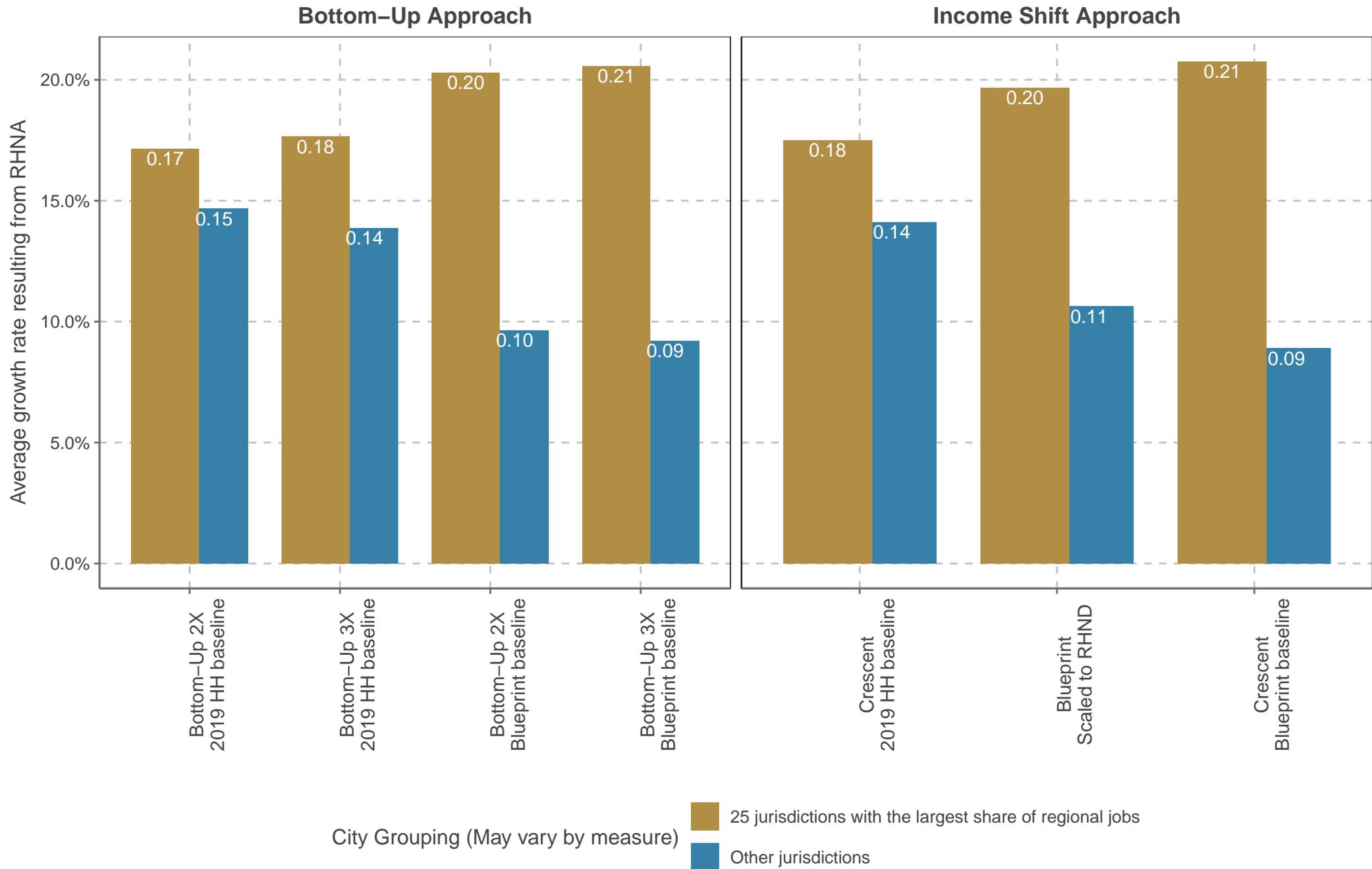
**Bottom-Up Approach**

**Income Shift Approach**



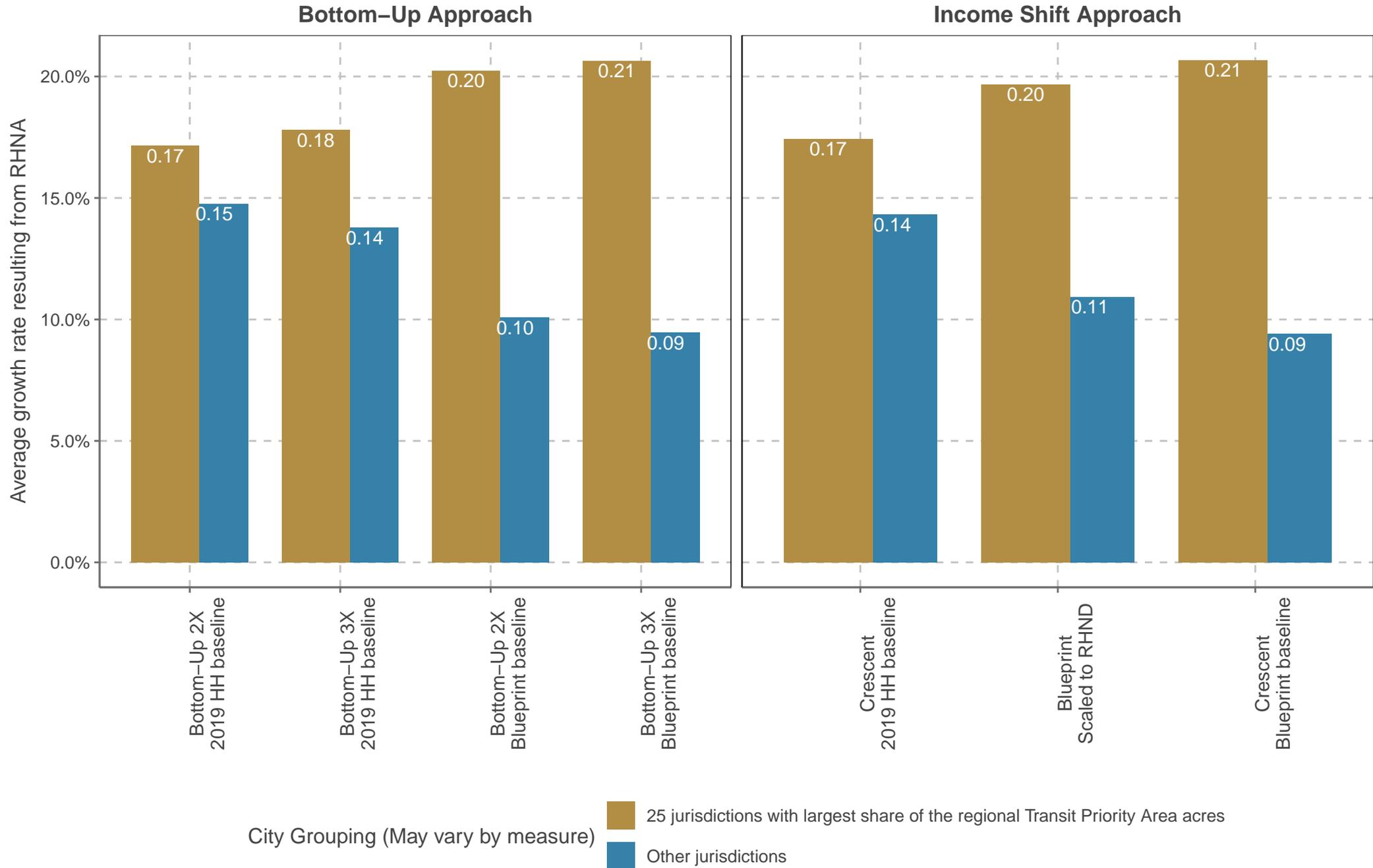
**OBJECTIVE 2: Does the allocation promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region...s greenhouse gas reductions targets?**

*METRIC 2a: Do jurisdictions with the largest share of the region's jobs have the highest growth rates resulting from RHNA?*



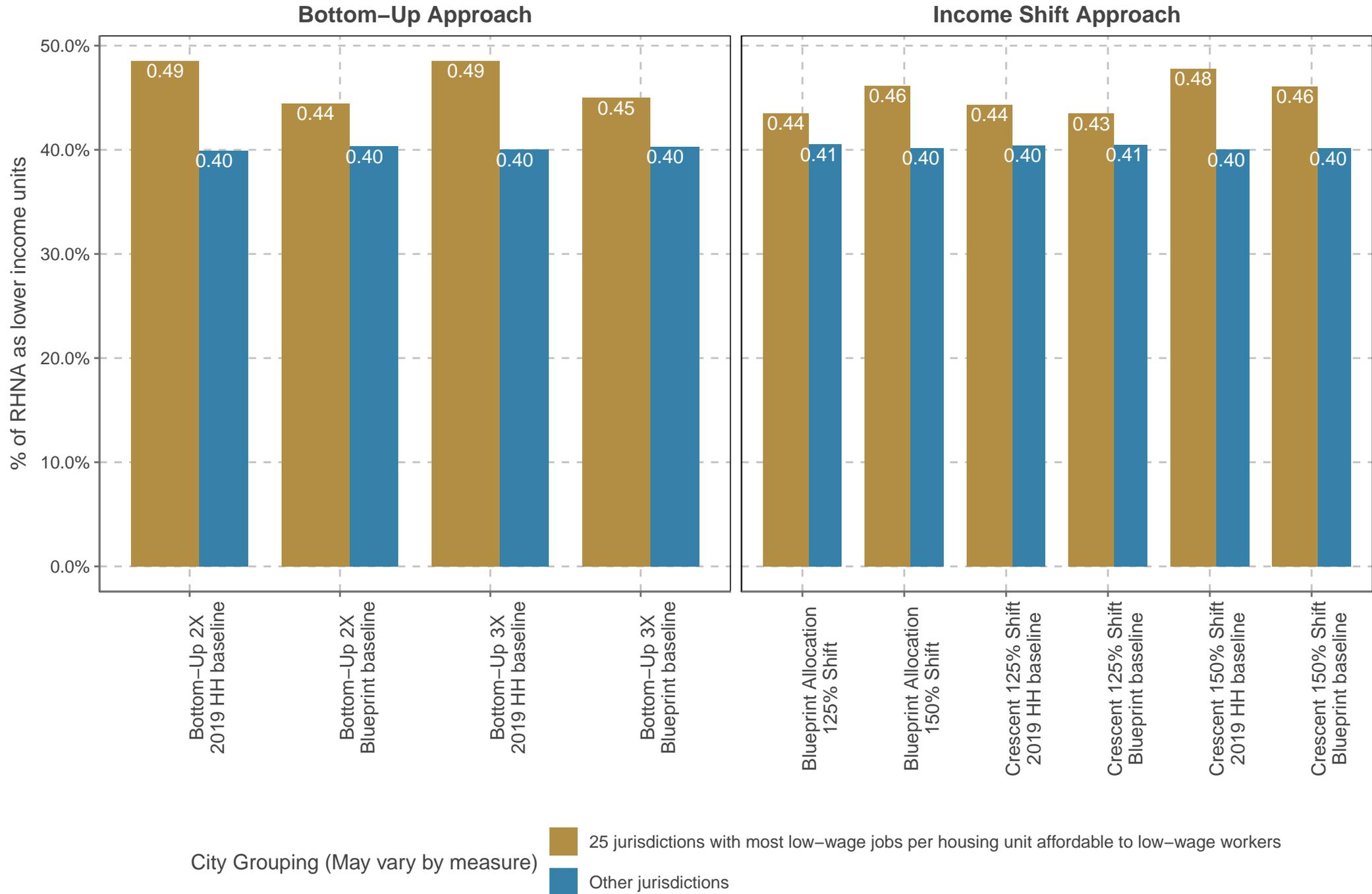
**OBJECTIVE 2: Does the allocation promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region...s greenhouse gas reductions targets?**

*METRIC 2b: Do jurisdictions with the largest share of the region's Transit Priority Area acres have the highest growth rates resulting from RHNA?*



**OBJECTIVE 3: Does the allocation increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner?**

*METRIC 3a: Do jurisdictions with the most low-wage workers per housing unit affordable to low-wage workers receive a significant percentage of their RHNA as lower-income units?*

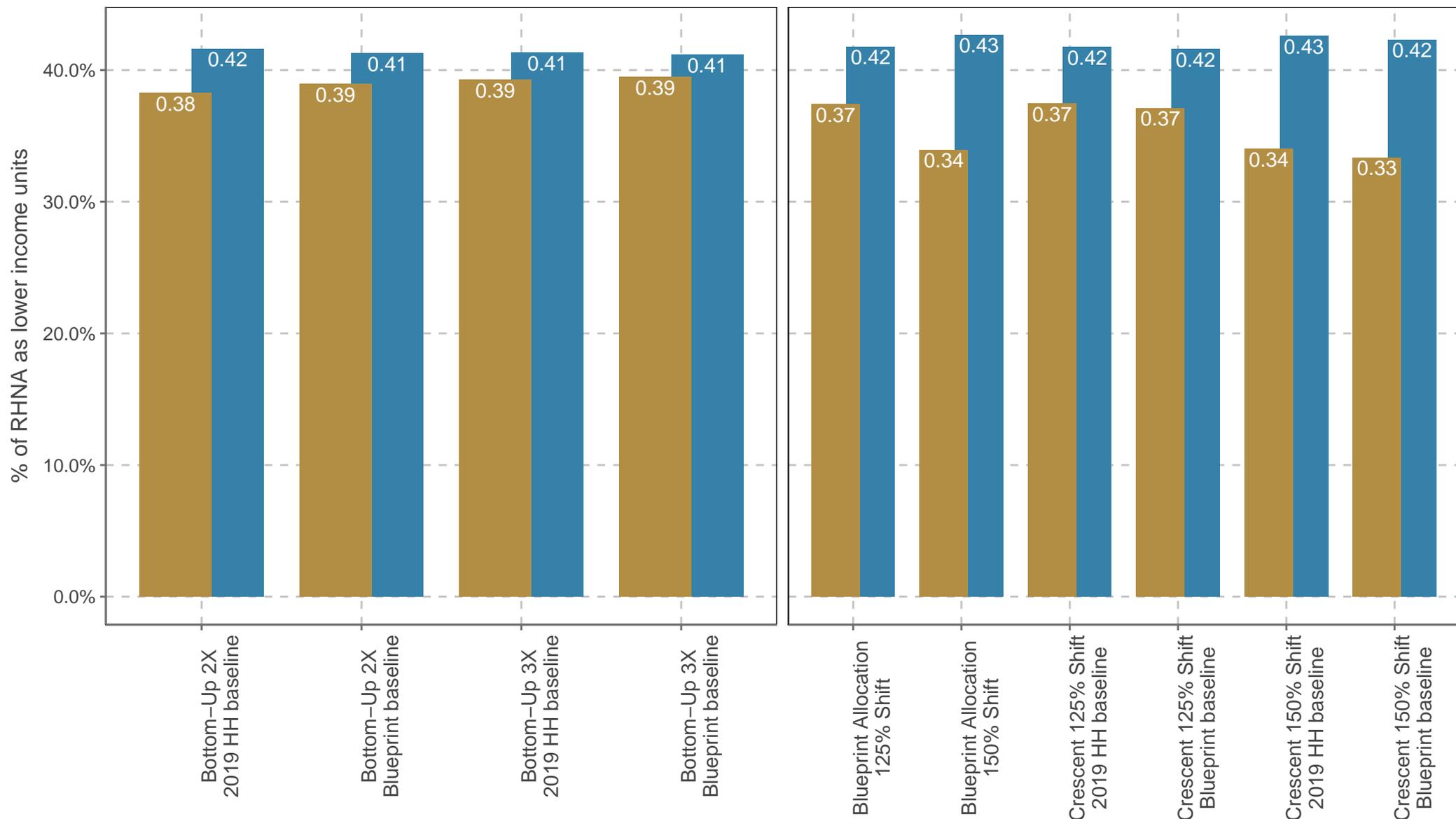


**OBJECTIVE 4: Does the allocation direct a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category?**

*METRIC 4a: Lower Income RHNA in Areas with High Share of Low-Income Households*

**Bottom-Up Approach**

**Income Shift Approach**



City Grouping (May vary by measure)

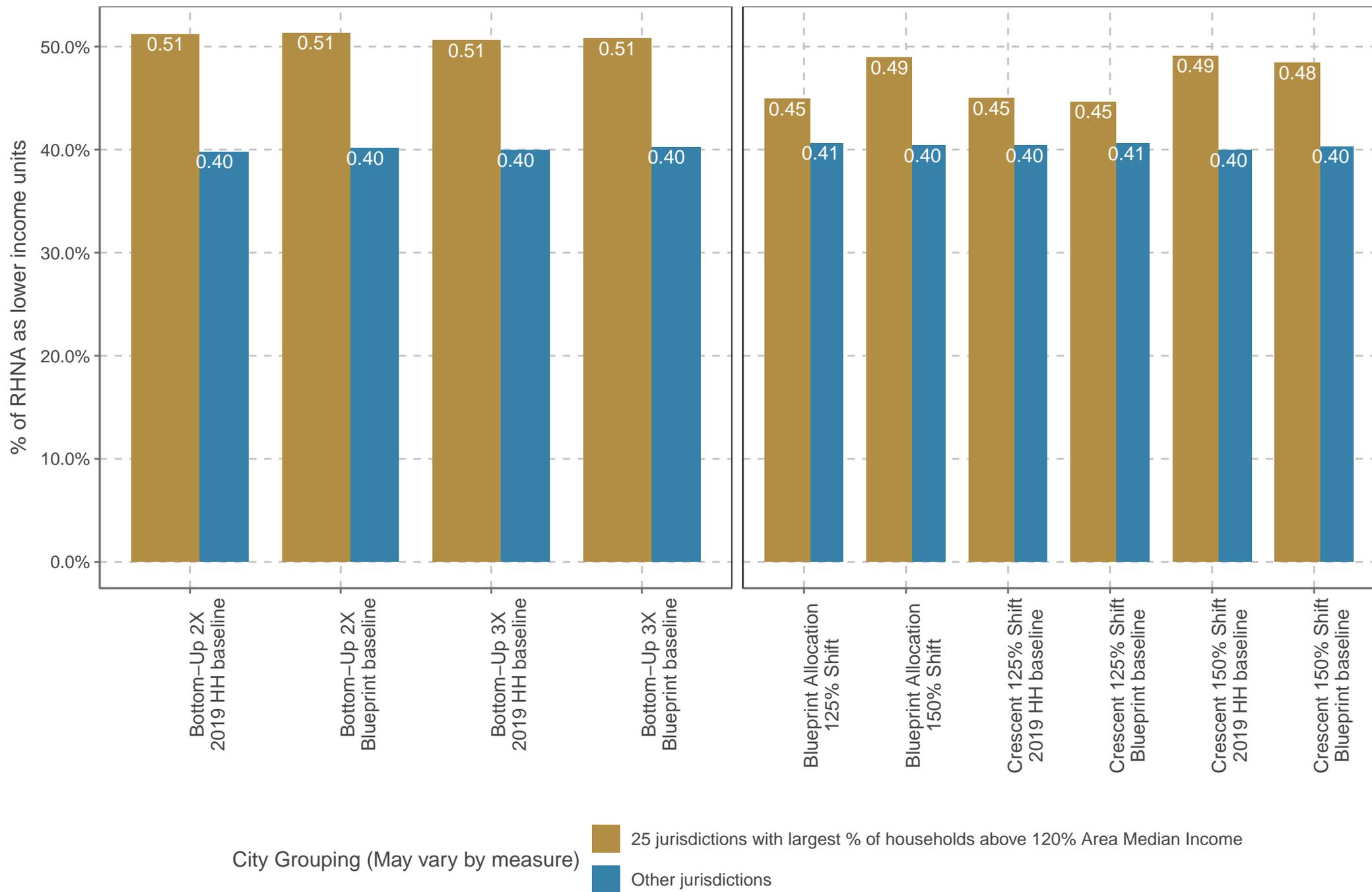
- 25 jurisdictions with largest % of households below 80% Area Median Income
- Other jurisdictions

**OBJECTIVE 4: Does the allocation direct a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category?**

*METRIC 4b: Lower Income RHNA in Areas with High Share of High-Income Households*

**Bottom-Up Approach**

**Income Shift Approach**

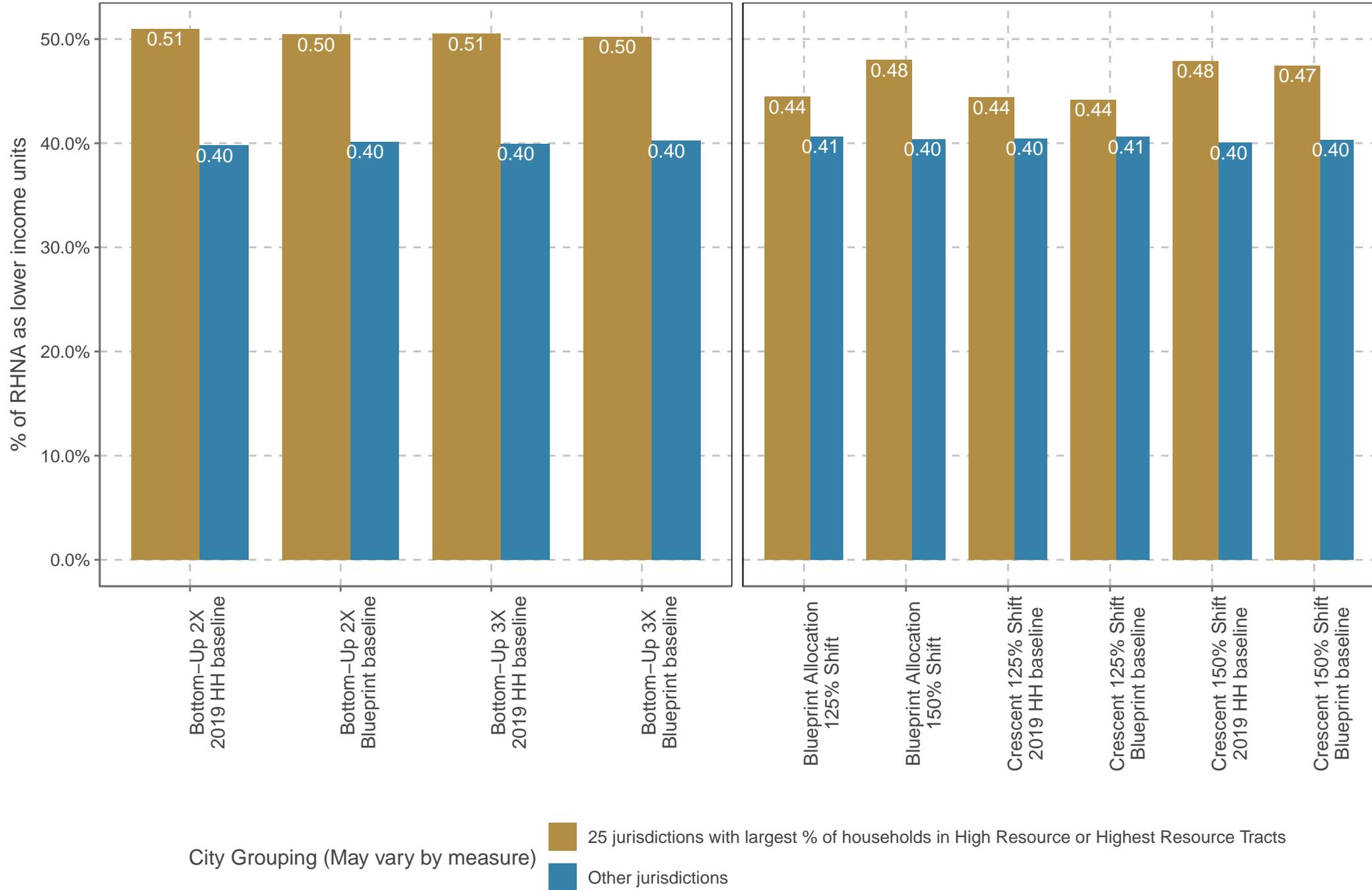


# OBJECTIVE 5: Does the allocation affirmatively further fair housing?

*METRIC 5a: Do jurisdictions with the largest percentage of households living in High or Highest Resource tracts receive a significant percentage of their RHNA as lower-income units?*

### Bottom-Up Approach

### Income Shift Approach



# OBJECTIVE 5: Does the allocation affirmatively further fair housing?

METRIC 5b: Do racially and economically exclusive jurisdictions receive allocations proportional to their share of the region's households?

Share of RHNA at least proportional to jurisdiction share of households

### Bottom-Up Approach

### Income Shift Approach

