



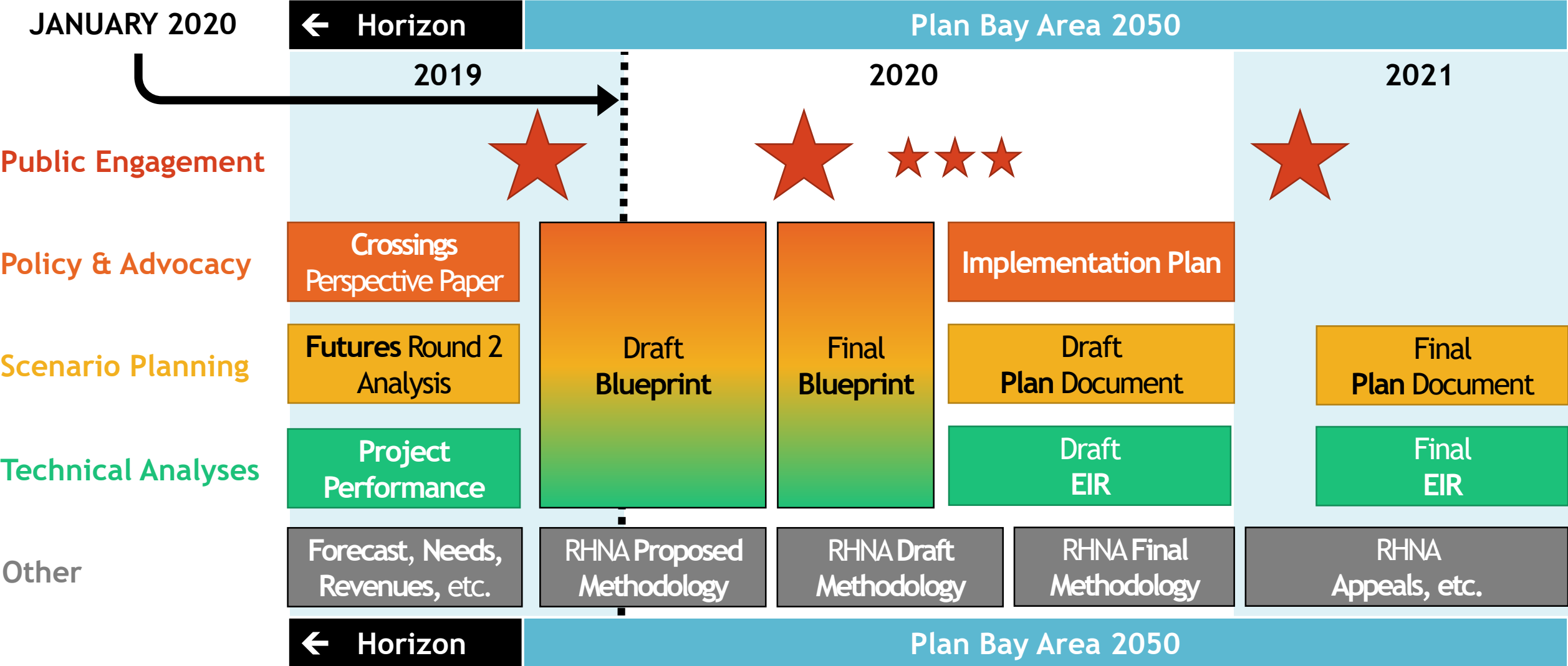
PLAN BAY AREA 2050

Connections between RHNA and Plan Bay Area 2050

MTC Planning Committee with ABAG Administrative
Committee

January 10, 2020 - Dave Vautin, MTC/ABAG

Plan Bay Area 2050 & RHNA Schedules



Plan Bay Area 2050 and RHNA: How are they similar?

- Both RHNA and Plan Bay Area 2050 must **integrate future housing growth at all income levels** (very-low, low, medium, high).
- Both efforts **focus on the same geography** - the nine-county San Francisco Bay Area.

Per California Government Code 65584.04(m)(1)
as amended by Senate Bill 375:

*“[RHNA] shall allocate housing units within the region consistent with the development pattern included in the sustainable communities strategy”
(i.e., Plan Bay Area 2050).*



Plan Bay Area 2050 and RHNA: How are they different? (1)

- Plan Bay Area 2050 is **driven by conceptual strategies to be advanced on the state, regional, or local levels** - e.g., inclusionary zoning or development subsidies - designed to influence the location and type of growth.
- RHNA is a **factor-driven allocation process**, where metrics and factors are typically used to craft a formula to allocate housing needs by income level.
- Unlike Plan Bay Area 2050, **RHNA is focused on the short-to-medium term housing needs through the year 2030**; RHNA has a stronger implementation lens as it is directly related to Housing Elements on the local level.



Plan Bay Area 2050 and RHNA: How are they different? (2)

- In a world of uncertainty, it is difficult to predict future growth trends and housing needs - as we explored in the Horizon process. However, **both processes rely on a singular forecast.**
- Plan Bay Area 2050's Regional Growth Forecast is **developed by MTC/ABAG** with input from regional stakeholders and a technical advisory group of economic experts.
- RHNA's Regional Housing Needs Determination (RHND) is **developed by the state Department of Housing and Community Development (HCD)** with select opportunities for input by ABAG.



Statutory Requirements

RHNA must be consistent with the development pattern from the Plan¹.

- **Housing Element Law does not provide a definition of consistency or specific guidance about how it should be achieved.** Historically, MTC/ABAG has interpreted the consistency requirement to mean that the eight-year RHNA housing allocation for a given jurisdiction should not exceed the 30-year Plan housing forecast for the same jurisdiction.

Subregional shares must be generated based on the Plan².

- **For any designated subregions, the share of the RHND allocated to that subregion must be generally based solely on the long-range plan, as opposed to other factors that may be integrated into the methodology.**

Key assumptions from the Plan's Regional Growth Forecast should be provided to the state during the RHND consultation process³.

- **However, the state is not required to integrate Council of Governments input on population growth estimates unless that total regional population forecast for the projection year is within ± 1.5 percent of the state's own forecast for the Bay Area.**

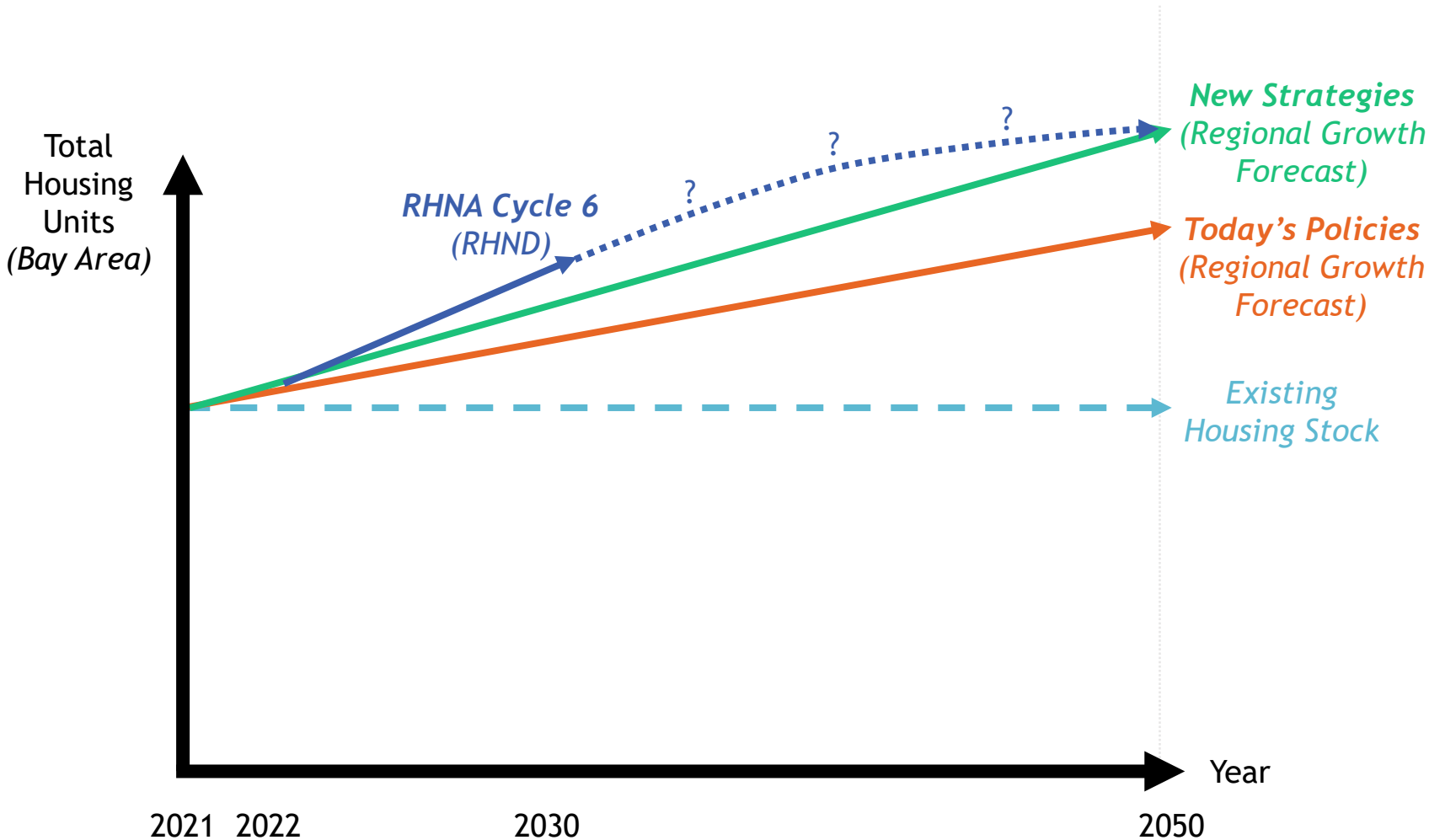
Plan Bay Area 2050 and RHNA:

What are some key definitions for both processes?

RHNA		Plan Bay Area 2050		
April 2020: Receipt of Final RHND from HCD	Regional Housing Need Determination (RHND). <i>Total housing need through <u>2030</u> determined by HCD.</i>	1 2 3	Regional Growth Forecast. <i>Projection of population, jobs, and housing through <u>2050</u>.</i>	January 2020: MTC/ABAG Workshop (Draft) April 2020: Joint Planning (Final)
April 2020: Housing Methodology Committee Spring 2020: ABAG Executive Board (Proposed)	Factors/Methodology. <i>Metrics & weights that must meet statutory requirements.</i>		Strategies. <i>Assumed policies and investments to influence the location of new homes and jobs.</i>	February 2020: Joint Planning (Draft) Summer 2020: Joint Planning (Final)
May 2020: ABAG Executive Board (Proposed) Fall 2020: ABAG Executive Board (Draft) Winter 2020-21: ABAG Executive Board (Final -- Action Item)	Allocation. <i>Result of applying methodology to total need to determine jurisdiction allocations.</i>		Blueprint. <i>Result of modeling how strategies influence the distribution of housing & jobs on the local level.</i>	May 2020: Joint Planning (Draft) September 2020: Joint Planning & Commission/Board (Final -- Action Item)

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RHNA: Regional Housing Need Determination Plan Bay Area 2050: Regional Growth Forecast



How has MTC/ABAG typically evaluated consistency between these two efforts?

Consistency Issue #1

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

Plan Bay Area 2050 Local forecasted housing growth through year 2050 (Blueprint)	\geq	RHNA Allocation of housing need to local jurisdiction through year 2030
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RHNA: Factors & Methodology (*under development*) Plan Bay Area 2050: Housing Strategies (*draft*)



Spur Housing Production

Allow a Greater Mix of Housing Densities and Types in Growth Areas. Expand the geographic footprint for focused growth beyond Priority Development Areas (PDAs) to Transit-Rich Areas and High-Resource Areas.

Streamline Development in Growth Areas. Apply a set of development streamlining measures, including faster development approvals and lower parking requirements.

Transform Aging Malls and Office Parks into Mixed-Income Neighborhoods. Enable new land uses at these locations and support multi-benefit development goals.

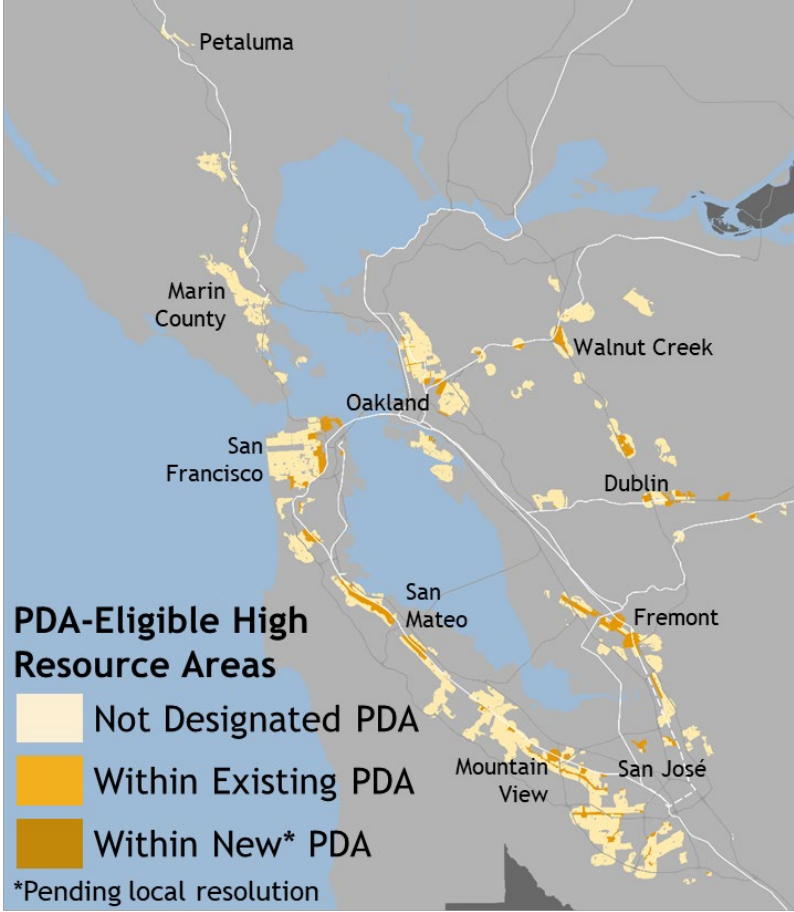
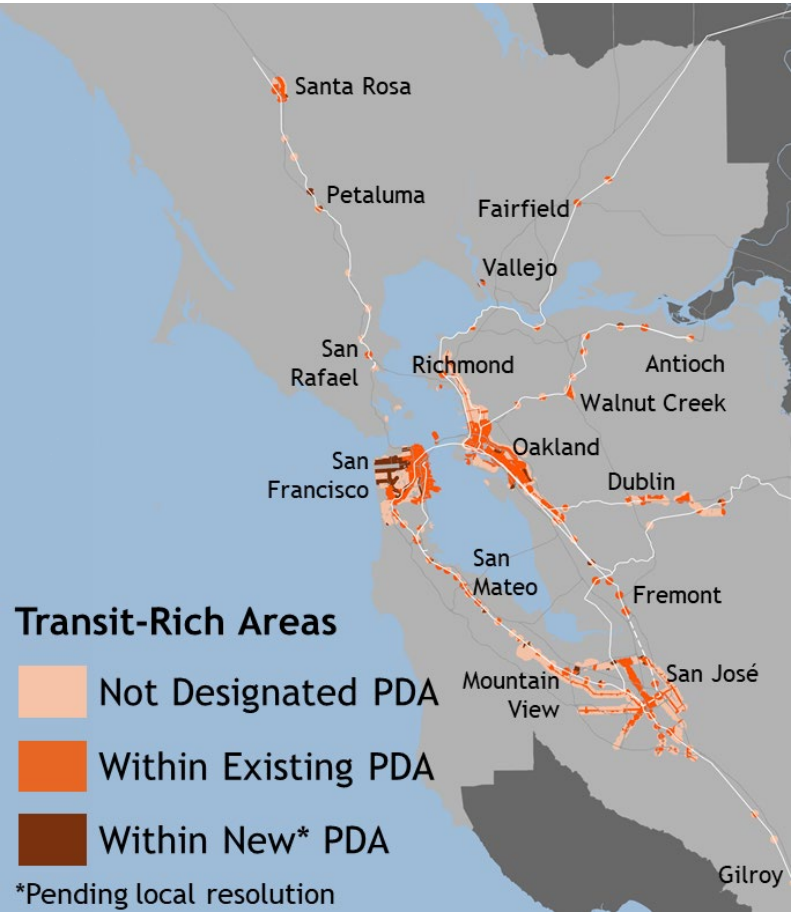
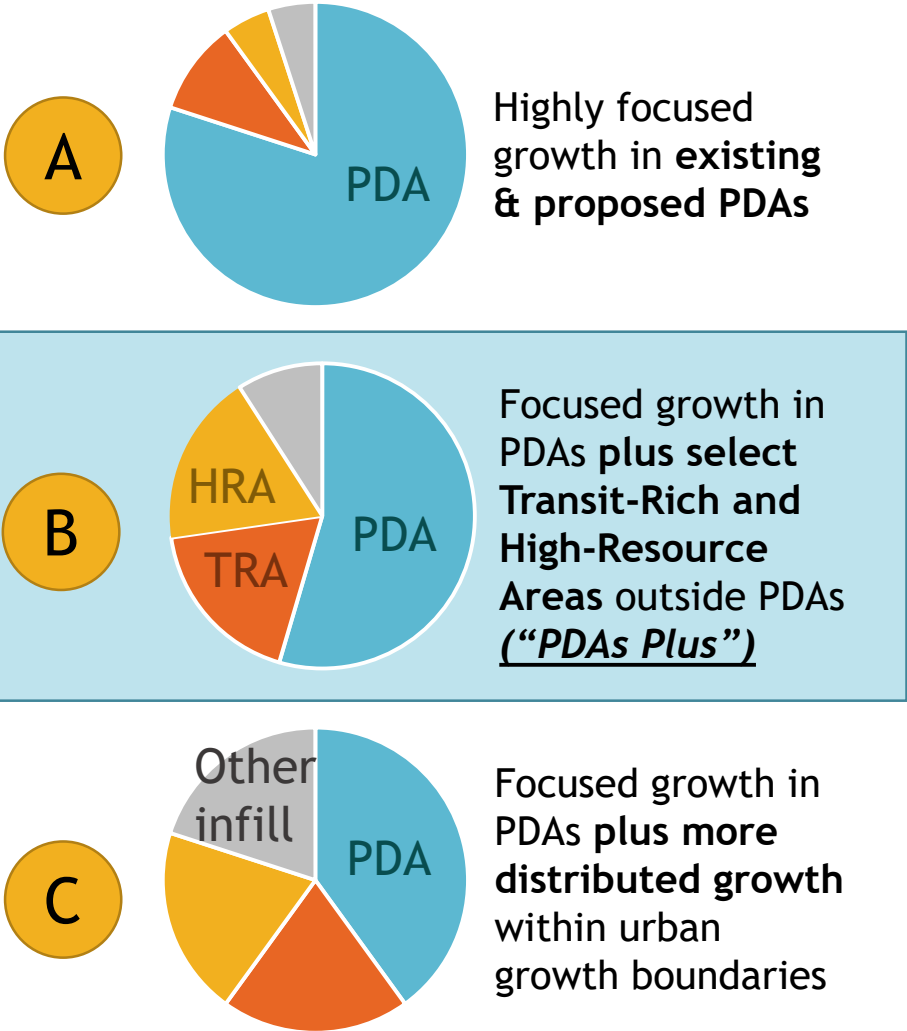


Retain & Expand Affordable Housing

Fund Affordable Housing Preservation and Production. Raise \$1.5 billion in new annual revenues to preserve existing affordable units and construct new affordable housing units at a more aggressive pace.

Require 10 to 20 Percent of New Housing to Be Affordable. Expand inclusionary zoning across the Bay Area with a variable rate, ranging between 10 percent in weaker-market communities and 20 percent in stronger-market communities.

Integrating New Geographies into PBA 2050 Blueprint: An Opportunity to Strengthen Consistency with RHNA

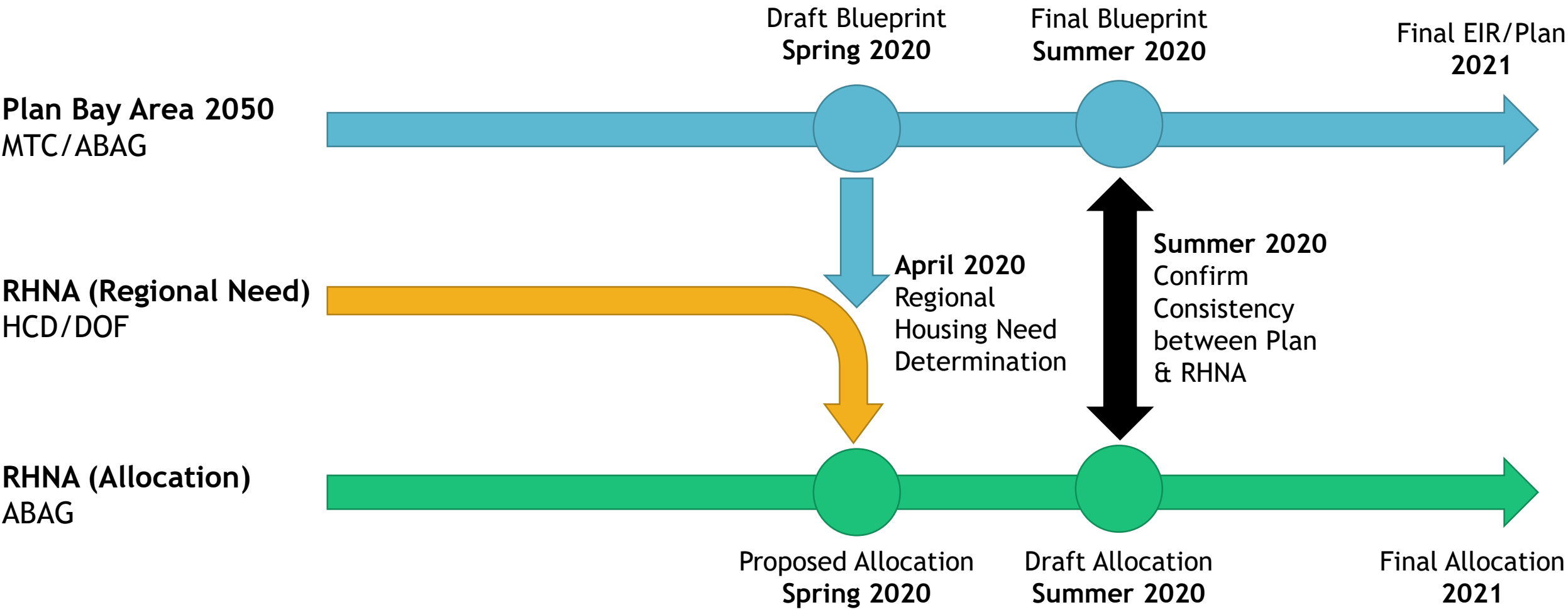


Sources: California HCD, 2019; MTC/ABAG, 2019

No TRAs or PDA-Eligible HRAs exist beyond the cropped areas of either map.

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RHNA: Allocation (coming this spring)
Plan Bay Area 2050: Blueprint (coming this spring)

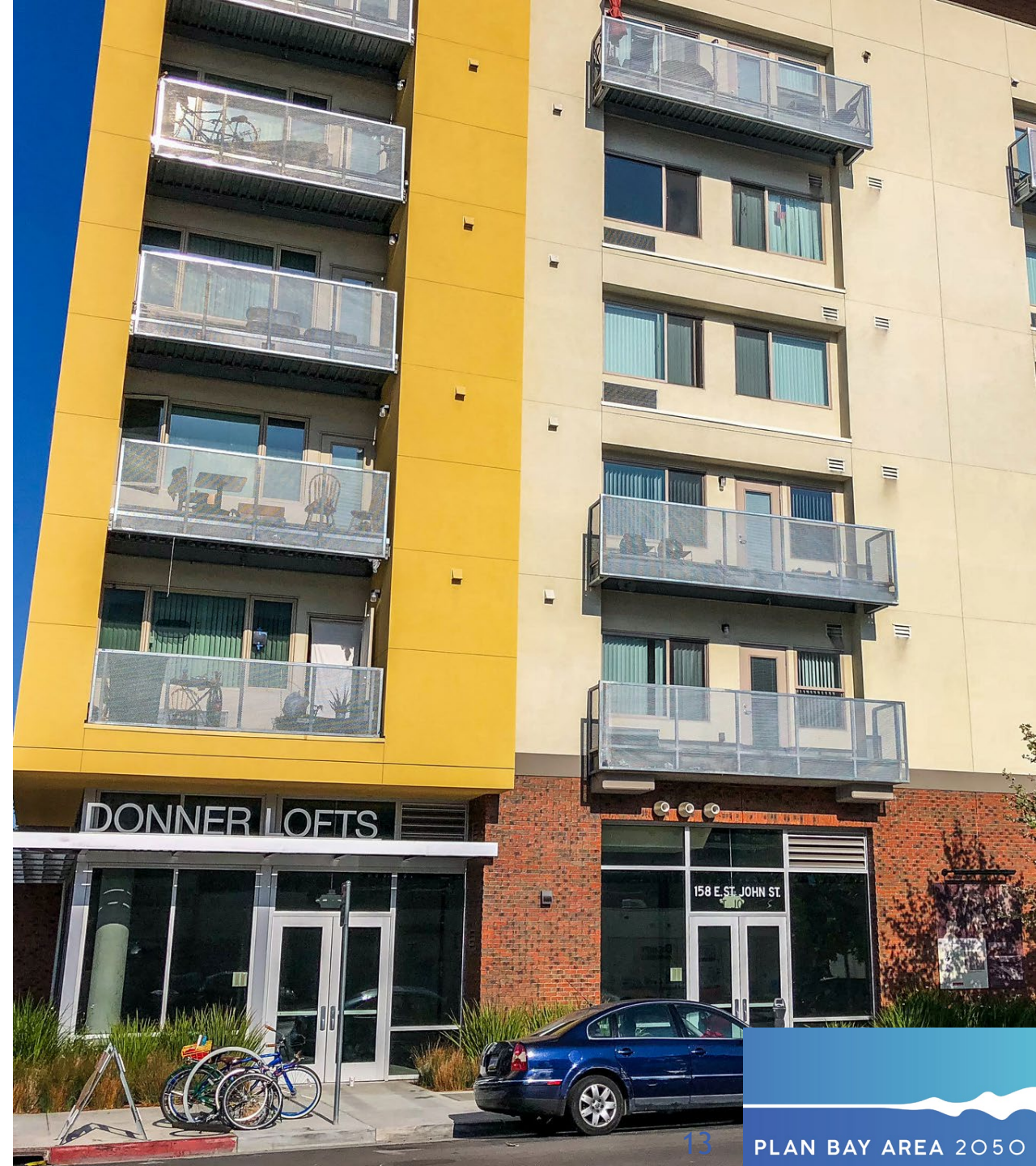


Opportunities for Closer Alignment

- **Using growth forecasts from the Plan Bay Area 2050 Draft Blueprint and/or Final Blueprint as a factor for RHNA can be an effective way to ensure consistency between the Plan and RHNA.** ABAG has used the Plan as a significant component of the RHNA allocations in the past, although it should be noted that this is not required under state law.
- **In general, staff recommend that the RHNA methodology integrate the Plan Bay Area 2050 Blueprint to some extent,** in part to maximize consistency between the two efforts and in part to address a suite of important RHNA objectives and factors.

Addressing RHNA Housing Methodology Committee (HMC) Feedback and Reflecting on Concerns

- Many HMC members felt it was premature to commit to integrating the Plan and RHNA, as we have not received final direction from the boards on strategies to be integrated into Plan Bay Area 2050 Blueprint.
- Action by MTC and ABAG later this winter could help provide clarity to the HMC on the specific strategies being integrated, particularly with regards to growth geographies and associated housing policies.



Next Steps

- Plan Bay Area 2050
 - January: Commission & Board Workshop Discussion on Housing Geographies & Strategies
 - February: Action Item on Draft Blueprint Strategies
 - May: Release of Draft Blueprint & Public Workshops
- RHNA
 - Winter: HMC Discussion on RHNA Methodology
 - Spring: Presentation of Proposed Methodology to Board

