Association of Bay Area Governments

Housing Methodology Committee

January 24, 2020 Agenda Item 6.a.

RHNA Methodology

Subject: Report on Draft Proposal of Criteria for Evaluating Allocation Methodology Options

Background:

The RHNA allocation methodology must meet five objectives identified in Housing Element Law. Developing the methodology is a complex process, and staff proposes to identify a set of criteria that can be used to evaluate different methodology options as they are developed by the Housing Methodology Committee. The purpose for developing these criteria is to provide feedback during the methodology development process to ensure that any proposed methodology will meet the statutory RHNA objectives.

Staff's initial proposal for evaluation criteria is based on the analytical framework used by the Department of Housing and Community Development (HCD) in evaluating the draft methodologies completed by other regions in California, as evidenced by the approval letters HCD provided to the Sacramento Area Council of Governments (SACOG), San Diego Association of Governments (SANDAG), and Southern California Association of Governments (SCAG) (Attachment A).

The criteria are organized around the five RHNA objectives:

- Objective 1: Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner.
 - Does the allocation direct more lower-income RHNA to jurisdictions with more single-family homes or to jurisdictions with higher housing costs?
- Objective 2: Promoting 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.
 - Does the methodology focus on where housing is needed to encourage transit ridership and reduce commutes?
 - Does the allocation incorporate long-range planning focused on infill development and job centers?

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- Objective 3: Promoting 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.
 - Does the allocation direct more lower income RHNA to jurisdictions with a higher overall number of low-wage jobs?
 - Does the allocation direct more lower income RHNA to jurisdictions with a higher number of low-wage jobs compared to units affordable to low-wage workers?
- Objective 4: Allocating 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.
 - Does the allocation direct a larger share of RHNA units in an income category to jurisdictions with a smaller share of existing households in that income category?
- Objective 5: Affirmatively furthering fair housing.
 - Does the allocation direct more lower income RHNA to jurisdictions with no areas of high segregation/poverty or low resource areas and the most areas in high or highest resource census tracts, as defined in the HCD/TCAC Opportunity Maps?
 - Do jurisdictions with large low resource areas or areas of high segregation/poverty receive less lower income RHNA than the regional average?

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Issues:	None

Recommended Action: Information

Attachment: A. Summary of HCD Review of Draft Methodologies

B. Letters from HCD to SACOG and SANDAG

Reviewed:

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