

# REGIONAL HOUSING NEEDS ALLOCATION



TO: Regional Planning Committee

DATE: May 6, 2020

FR: Executive Director

RE: Revised RHNA Subregion Share Methodology

## Overview

Housing Element Law allows two or more jurisdictions to form a "subregion" to conduct a parallel RHNA process to allocate the subregion's housing needs among its members.<sup>1</sup> The subregion process allows for greater collaboration among jurisdictions. Jurisdictions that form a subregion accept responsibility for meeting all statutory requirements for RHNA. For this RHNA cycle, subregions have formed in Napa County and Solano County.<sup>2</sup> ABAG will enter into a delegation agreement with each subregion formally assigning the authority for completing the RHNA process from ABAG to the subregion.

## Determining a Subregion's Share of Total Housing Needs

ABAG is responsible for assigning to each subregion a share of the Regional Housing Needs Determination (RHND) the Bay Area receives from the California Department of Housing and Community Development (HCD). Housing Element Law requires that ABAG allocate a subregion's share of the RHND "in a proportion consistent with the distribution of households assumed for the comparable time period of the applicable regional transportation plan."<sup>3</sup>

At the March RPC meeting, ABAG staff recommended that to meet this statutory requirement the subregion share be the sum of each member jurisdiction's share of the region's household growth between 2022-2030 from the Plan Bay Area 2050 Blueprint.

Several RPC members expressed concern that using the proposed methodology could result in subregion shares that are different than the sum of the allocations the subregion member jurisdictions would receive as an outcome of the ABAG RHNA methodology. This stems from the fact that the Plan's Blueprint is developed through a separate process than the RHNA methodology. The concern raised was that any differences between the subregion share and the sum of the jurisdictions' default allocations from the ABAG methodology would result in an unfair impact to the subregion (if the share based on the Blueprint was higher) or to the other jurisdictions in the region (if the share based on the Blueprint was lower).

## Revised Methodology for Determining Subregion Shares

Consultation with ABAG's RHNA legal team determined that ABAG has flexibility in how it defines the requirement for consistency with the distribution of households from Plan Bay Area

<sup>1</sup> See State of California [Government Code Section 65584.03](#).

<sup>2</sup> Napa Subregion includes City of American Canyon, City of Napa, Town of Yountville, and the County of Napa (does not include City of Calistoga or City of St. Helena); Solano Subregion includes City of Benicia, City of Dixon, City of Fairfield, City of Rio Vista, City of Suisun City, City of Vacaville, City of Vallejo, and County of Solano

<sup>3</sup> See State of California [Government Code Section 65584.03\(c\)](#).

2050. To respond to the concerns raised by the RPC in March, ABAG staff proposes to revise the subregion share methodology to be based on the sum of the default allocations, by income category, from the ABAG RHNA methodology for each jurisdiction who is a member of the subregion.

Using ABAG's RHNA methodology as the input into the subregion shares ensures that every jurisdiction that is a member of a subregion receives the same allocation it would have received if it were not part of a subregion. This approach ensures that formation of a subregion does not confer any harm or benefit to member jurisdictions or to other jurisdictions in the region.

Based on the current RHNA schedule, the draft and final subregion shares will be based on the allocations from the Proposed RHNA methodology. The draft subregion shares will be released in Fall 2020, followed by a public hearing, as required by Housing Element Law. The final subregion shares will be adopted in December 2020.

### **Recommendation**

Staff respectfully requests that the ABAG Regional Planning Committee recommend that the ABAG Executive Board approve the proposed methodology for allocating a share of total housing need to each subregion.