



Regional Housing Needs Allocation (RHNA), Housing Element Sites, and Regional Early Action Planning (REAP) Program

ABAG Executive Board
May 21, 2020



Regional Housing Need Allocation (RHNA) Update

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May 21, 2020

What is RHNA?

- Since 1969, State law requires that all jurisdictions must plan to meet the housing needs of everyone in the community.
- HCD identifies total number of units, across all income groups, for which the region must plan for the eight-year RHNA period (2023 to 2031).
- ABAG collaborates with local governments and stakeholders to develop a formula to assign each community a share of the Bay Area's housing need.
- Each local government must update Housing Element of General Plan and zoning to show how it plans to accommodate its share of the regional need.

What are the statutory objectives of RHNA?

Increase housing supply and mix of housing types, tenure, and affordability in all cities and counties in an equitable manner

Promote infill development and socioeconomic equity, protect environmental and agricultural resources, encourage efficient development patterns, and achieve GHG reduction targets

Promote improved intraregional jobs-housing relationship, including balance between low-wage jobs and affordable housing

Balance disproportionate household income distributions (more high-income RHNA to lower-income areas and vice-versa)

Affirmatively further fair housing

What's new for this RHNA cycle?

Greater emphasis on social equity

Higher expected total regional housing need

Expanded HCD oversight on methodology & allocations

More factors to consider in allocations (*overpayment, overcrowding, greenhouse gas target, jobs-housing fit*)

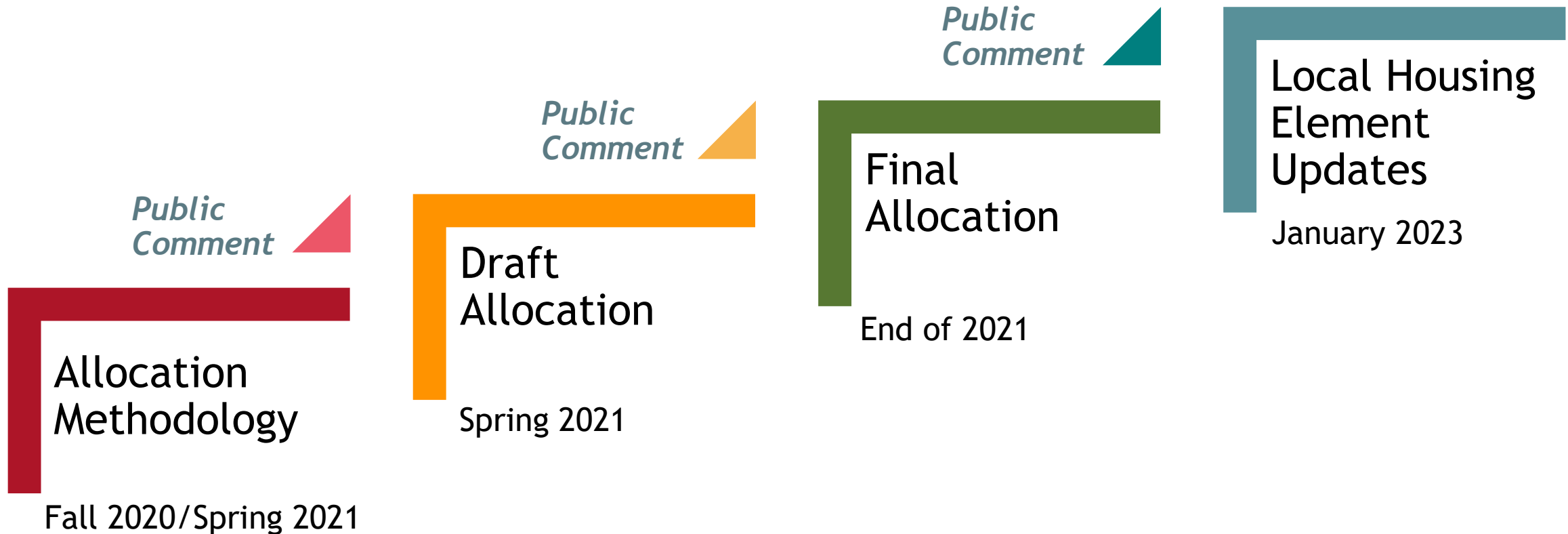
New requirements for identifying eligible sites for Housing Elements

Bay Area RHNA progress: 1999-2018

RHNA		Permits	Percent of RHNA Permitted				
Cycle	Total Need	Permits Issued	All	Very Low Income	Low Income	Moderate Income	Above Moderate Income
1999-2006	230,743	213,024	92%	44%	79%	38%	153%
2007-2014	214,500	123,098	57%	29%	26%	28%	99%
2015-2023*	187,994	121,973	65%	15%	15%	25%	126%

* Only includes permits issued in 2015-2018

What are the primary steps in the process?



PUBLIC COMMENT OPPORTUNITIES THROUGHOUT

Revised RHNA timeline

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

By statute, the Housing Element due date cannot be extended beyond January 2023

Dates are tentative and subject to change



Role of Housing Methodology Committee

- 37-member committee of local elected officials and staff from every county as well as stakeholders representing diverse perspectives
- Advises ABAG on numerical formula to assign a share of region's housing need to every Bay Area jurisdiction; Must fully allocate the total housing need by income

Working Group

Housing Methodology Committee (HMC)

Provides monthly input to staff.



Committee

ABAG Regional Planning Committee

Receives regular updates from HMC and makes recommendations to the Board, generally meets bi-monthly.



Board

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Takes action on RHNA at legally-required key points in the process.

Understanding a RHNA methodology

- **Region's total housing need:** HCD's determination of number of housing units, by income, for which Bay Area must plan
- **Methodology:** formula made up of factors and weights related to topics that must meet statutory requirements
- **Allocation:** result of applying methodology to region's total housing need
 - A share of the region's housing need to each jurisdiction
 - Jurisdiction receives total number of units by income

HMC discussions to date

- Understanding new equity framework
 - Panel of experts shared information on affirmatively furthering fair housing and jobs-housing fit
- Local Jurisdiction Survey: housing and land use/fair housing
- Consideration of potential factors to include in the methodology
- Discussion about using Plan Bay Area 2050 Blueprint in the methodology

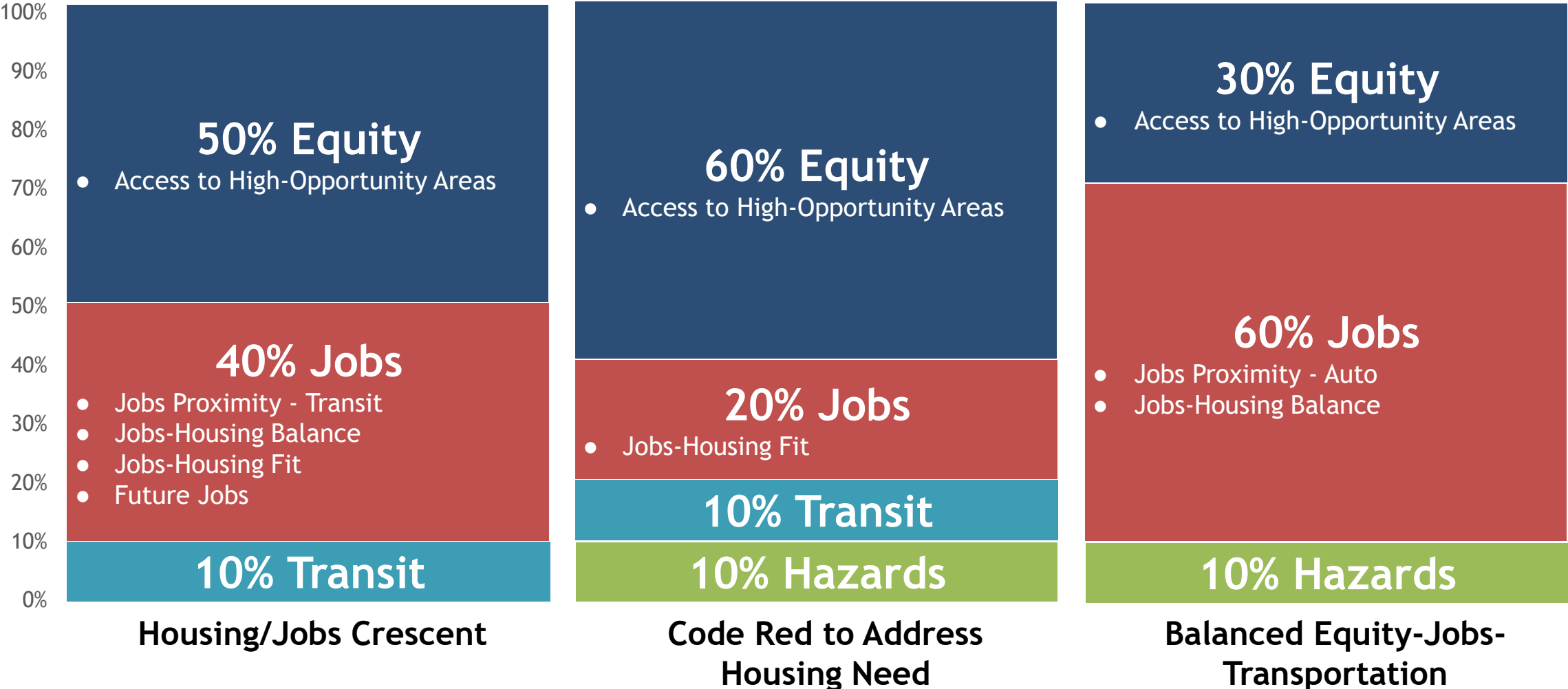


Methodology factors: overview

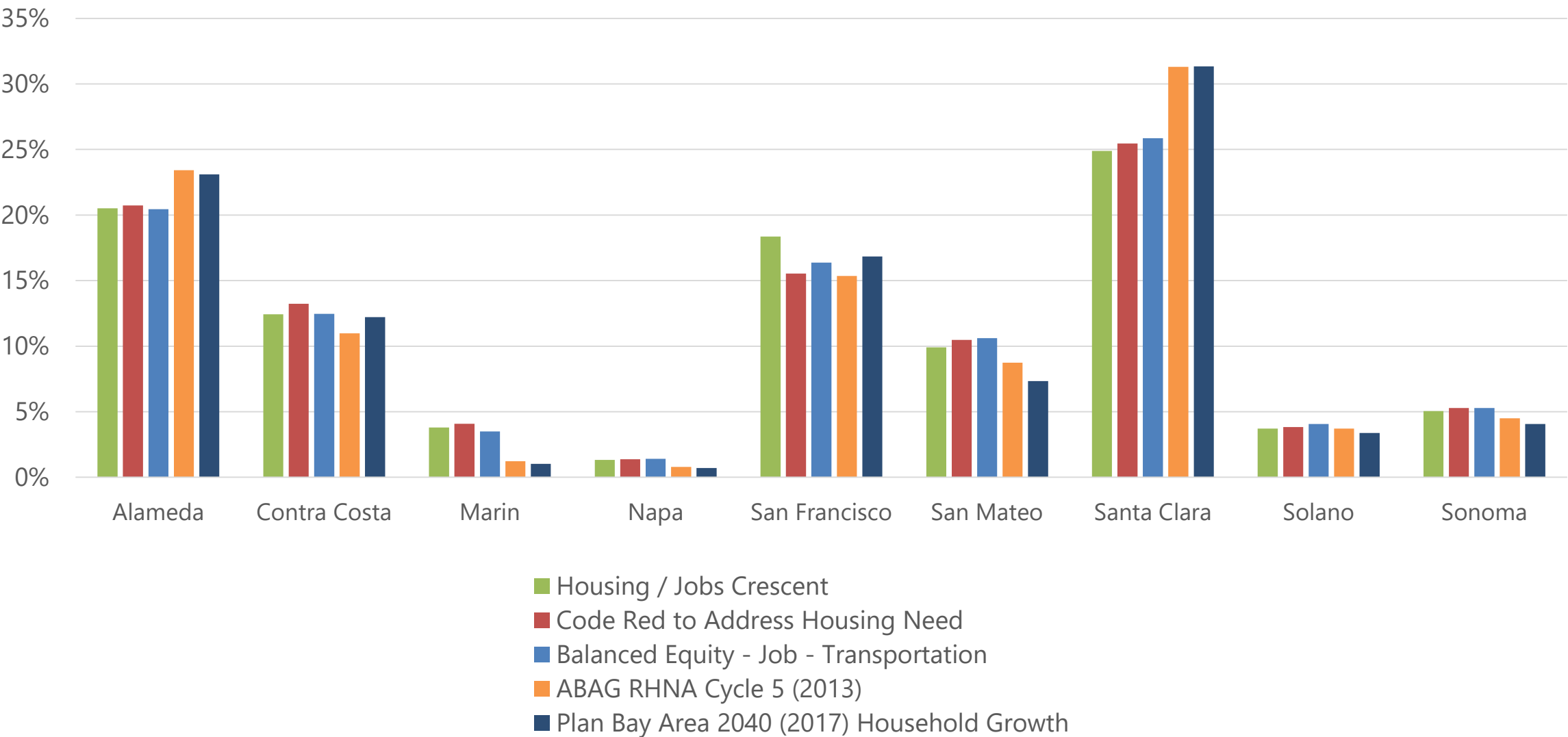
- Reviewed ABAG's most recent RHNA methodology and examples from other regions for this RHNA cycle
- Staff developed potential factors in response to HMC priorities:
 - Plan Bay Area 2050
 - Fair housing and equity
 - Jobs and jobs-housing fit
 - Transportation
 - Natural hazards
- Used online tool (<https://rhna-factors.mtcanalytics.org/>) to choose factors, assign weights to create methodology options

Total allocation methodologies from March

Comparison of three methodology options that received most votes



Summary: housing growth shares for top options



Summary: housing growth shares for top options



Using the Plan Bay Area 2050 Blueprint: Options Discussed by HMC

- **Option 1:** use forecasted development pattern from the Blueprint as a baseline input into the RHNA methodology
- **Option 2:** use a hybrid approach that uses the forecasted development pattern from the Blueprint along with additional factors to represent policy goals that are underrepresented in the Blueprint to direct RHNA allocations
- **Option 3:** do not use forecasted data from the Blueprint, but include factors that align with the policies and strategies in the Blueprint to direct RHNA allocations

Engaging with the Public & Stakeholders



**Stakeholder
Meetings**
(HMC, etc.)



**Meetings with Local
Officials & Staff +
Assistance with
Housing Elements**



**Summer 2020
Virtual Open
Houses**



**Media Outreach
+ Web**

RHNA outreach to local elected officials

General Assembly February 7th

- 90 local elected officials attended

Other presentations to elected officials



Contra Costa Mayors Conference	01/09	Done
Peninsula League of Cities	01/29	Done
Solano City County Coordinating Council	03/12	Done
Cities Association of Santa Clara County	04/09	Done
Lamorinda Tri-Cities Meeting	May or June	Rescheduling
East Bay League of Cities	May or June	Rescheduling
Marin County Council of Mayors & Councilmembers	May or June	Rescheduling
San Mateo County Council of Cities	May or June	Rescheduling
Mayors' & Councilmembers' Association of Sonoma County	June	In process
Alameda County Mayors' Conference	June or July	In process



New Rules for Identifying Housing Element Sites

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Changes to Housing Element Site Selection for Lower-Income Housing

- A few caveats:
 - This presentation does not cover all recent changes that affect Housing Elements—only those related to identifying affordable housing sites.
 - ABAG/MTC staff is providing a high-level overview *for informational purposes only*.
 - HCD staff is responsible for reviewing and approving Housing Elements and site inventories. **For more information, please contact HCD.**
 - HCD guidance on this topic is expected soon.

Changes to Housing Element Site Selection for Lower-Income Housing

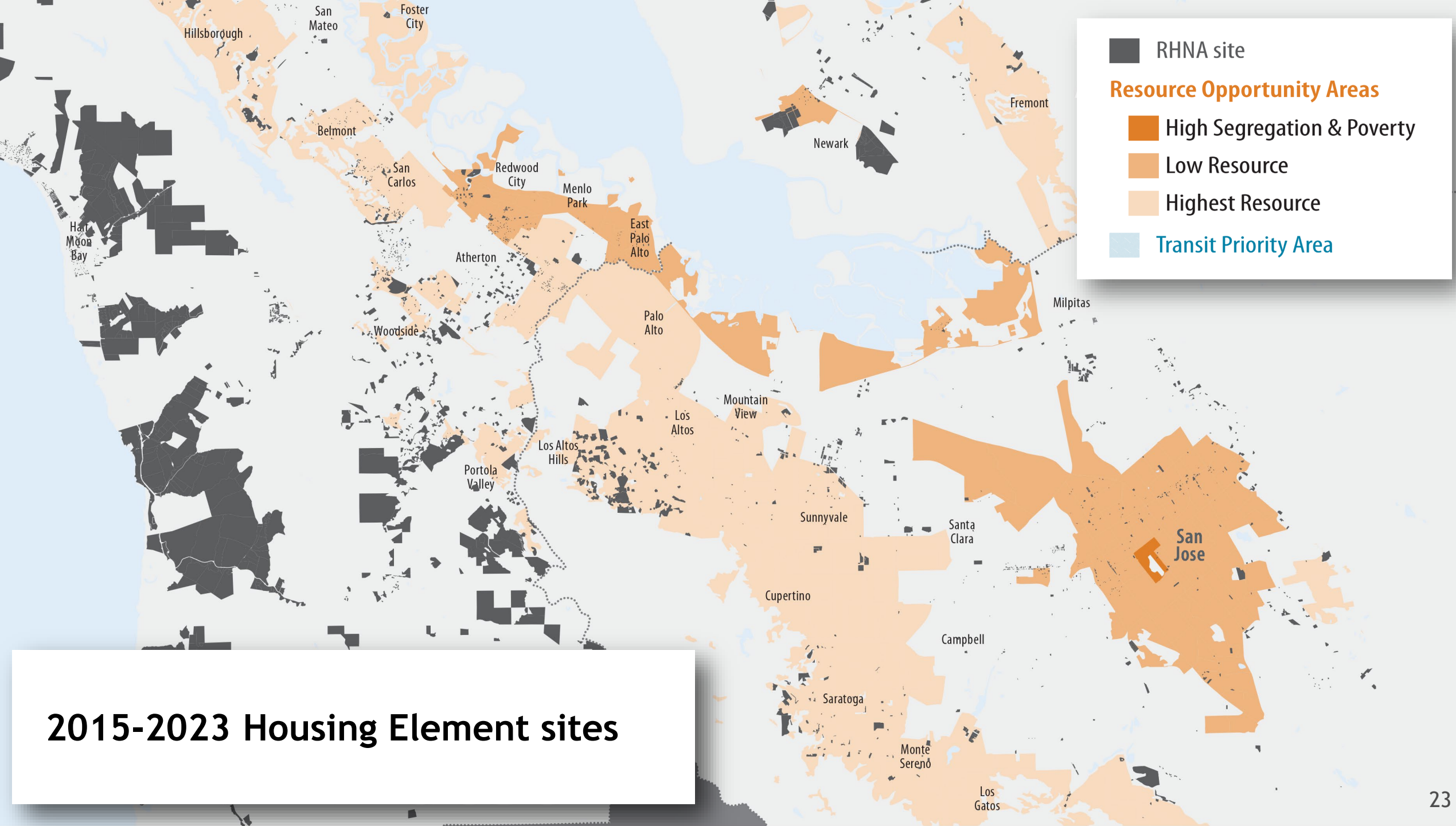
Cannot “re-use” site unless provide default density and “by right” zoning

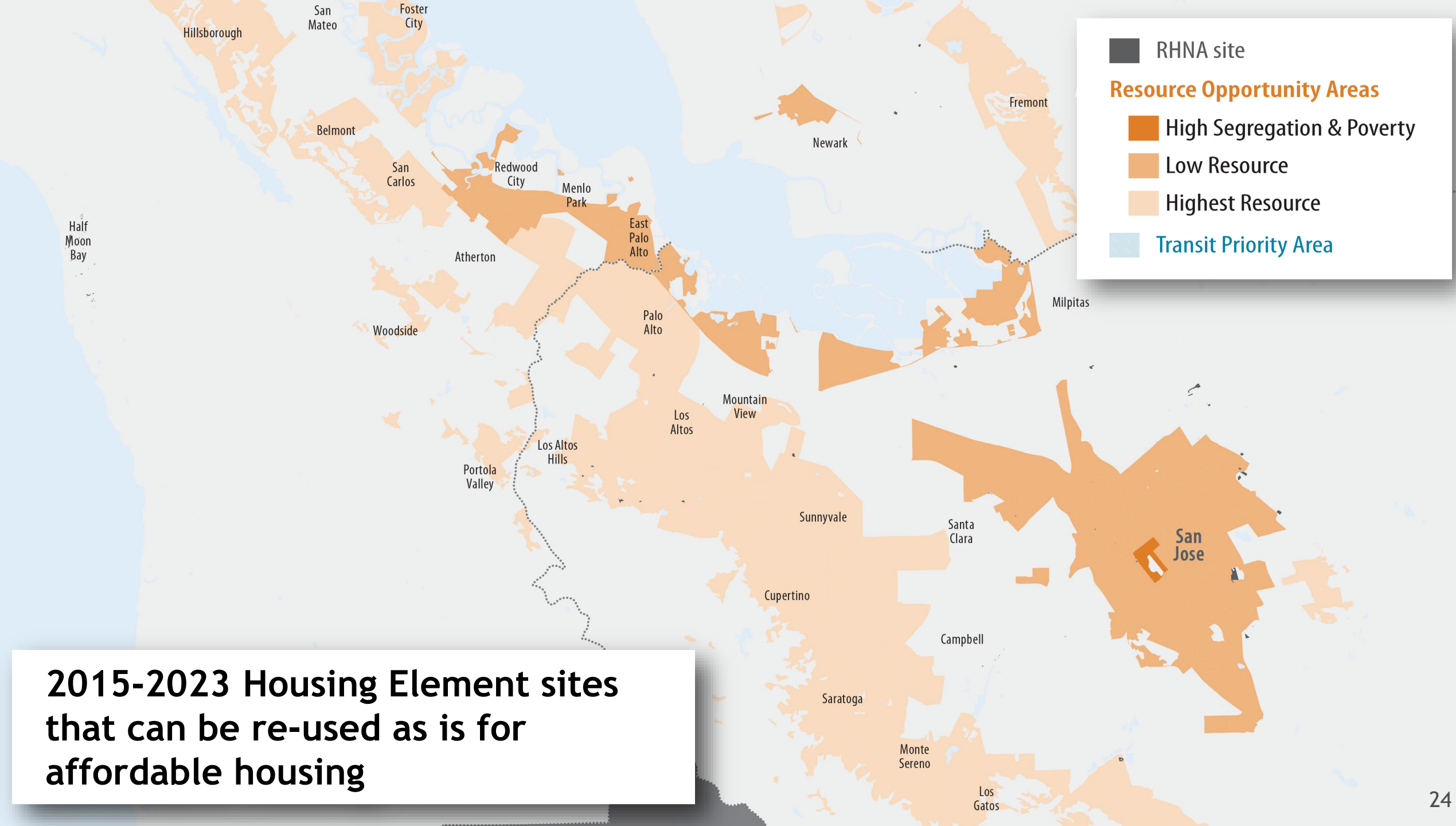
Narrow definition of vacant, and if non-vacant sites used for 50% or more of lower-income need, existing use presumed to impede development

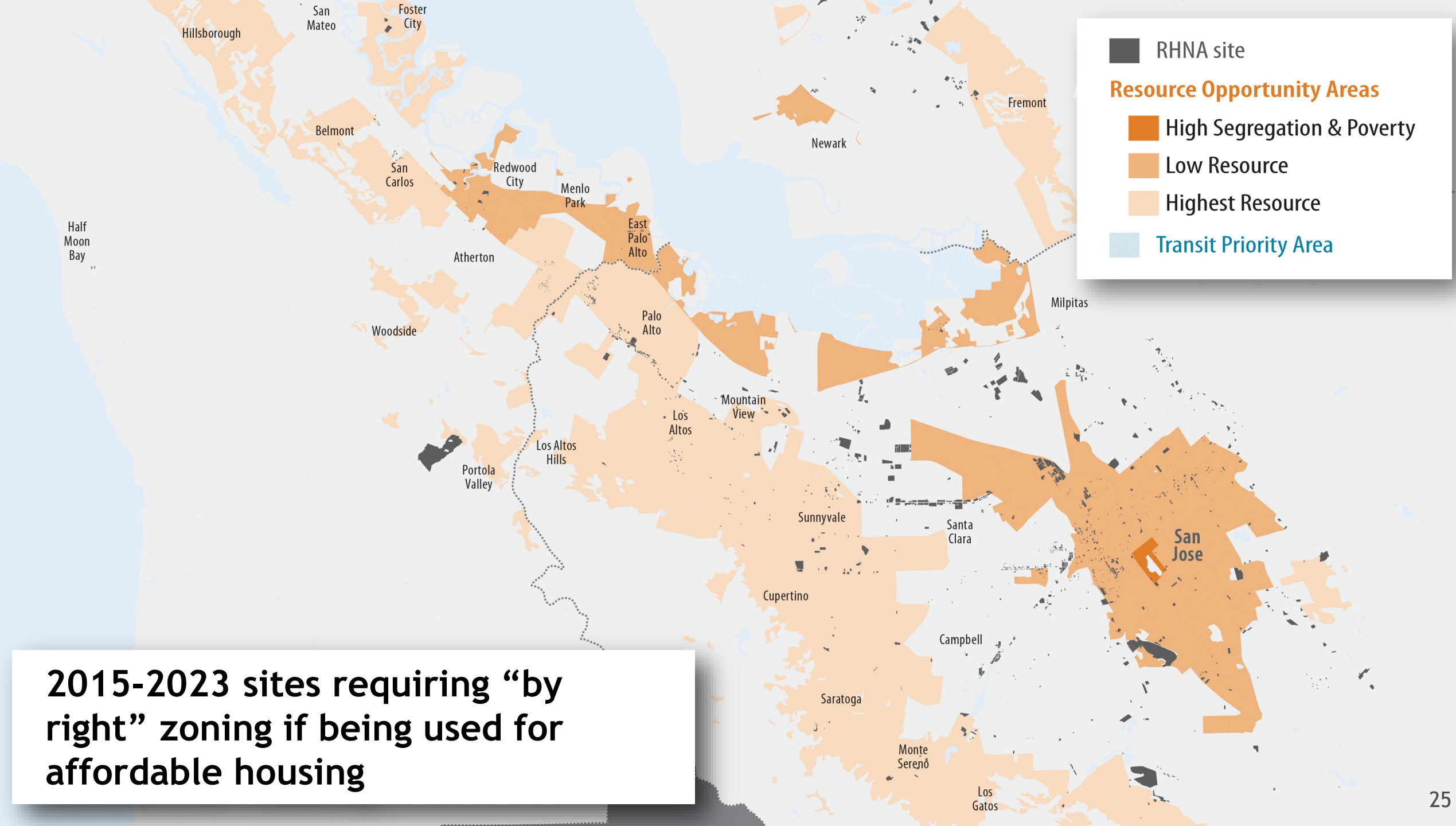
Cannot use sites smaller than 0.5 acre or larger than 10 acres without substantial evidence

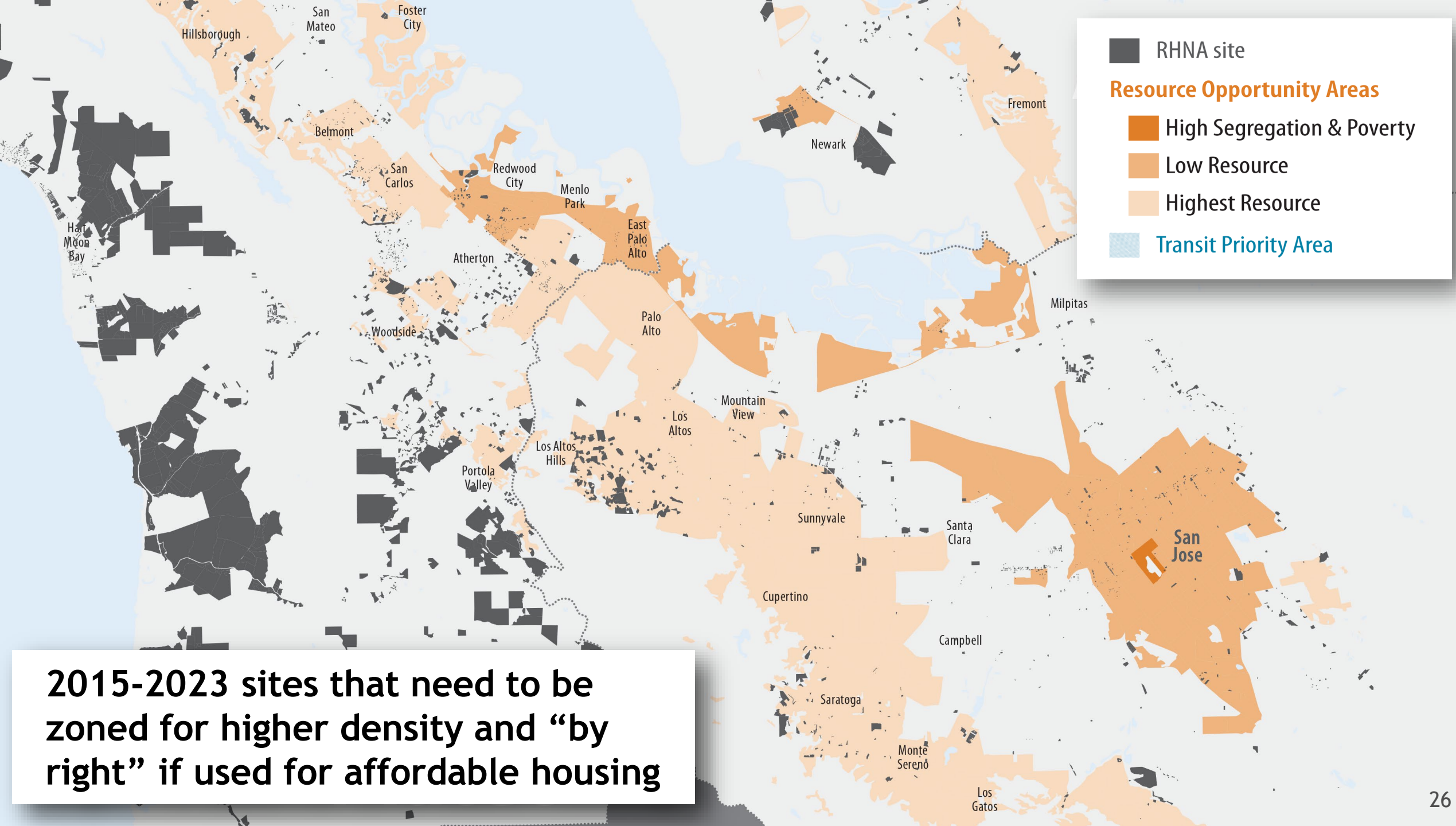
ABAG/MTC Housing Element Sites Analysis

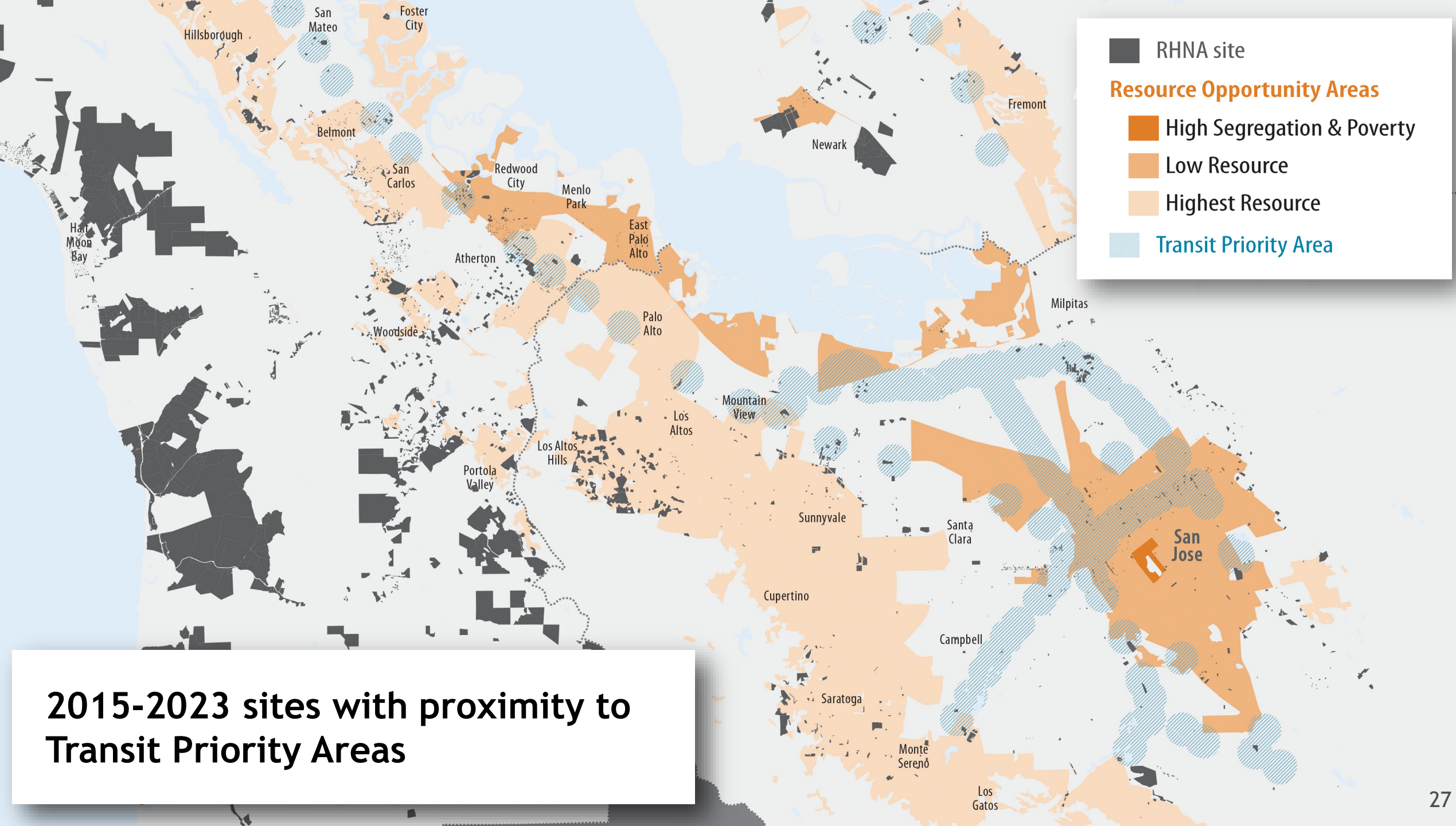
- Review of sites from 2007-2014 RHNA and 2015-2023 RHNA
- Analysis for entire region available from ABAG/MTC staff
- Based on data collected from local Housing Elements
 - Quality of data varies widely
 - Does not reflect development activity since Housing Element
- High-level analysis of impacts of new laws
 - Starting place for local staff to look more closely
- Goals:
 - Help jurisdictions prioritize use of State planning funds
 - Help jurisdictions understand & communicate paradigm shift for this RHNA











What can local governments do now?

- Access available planning funds and technical assistance, including via newly established LEAP and REAP grants programs.
- Review housing inventory from previous Housing Element
- Begin identifying sites
 - Sites that need to be rezoned to be reused
 - Prepare for larger RHNA allocation
- Start the rezoning process
- Consider objective design/development standards
- **Share this new housing context and related land use expectations with the community**

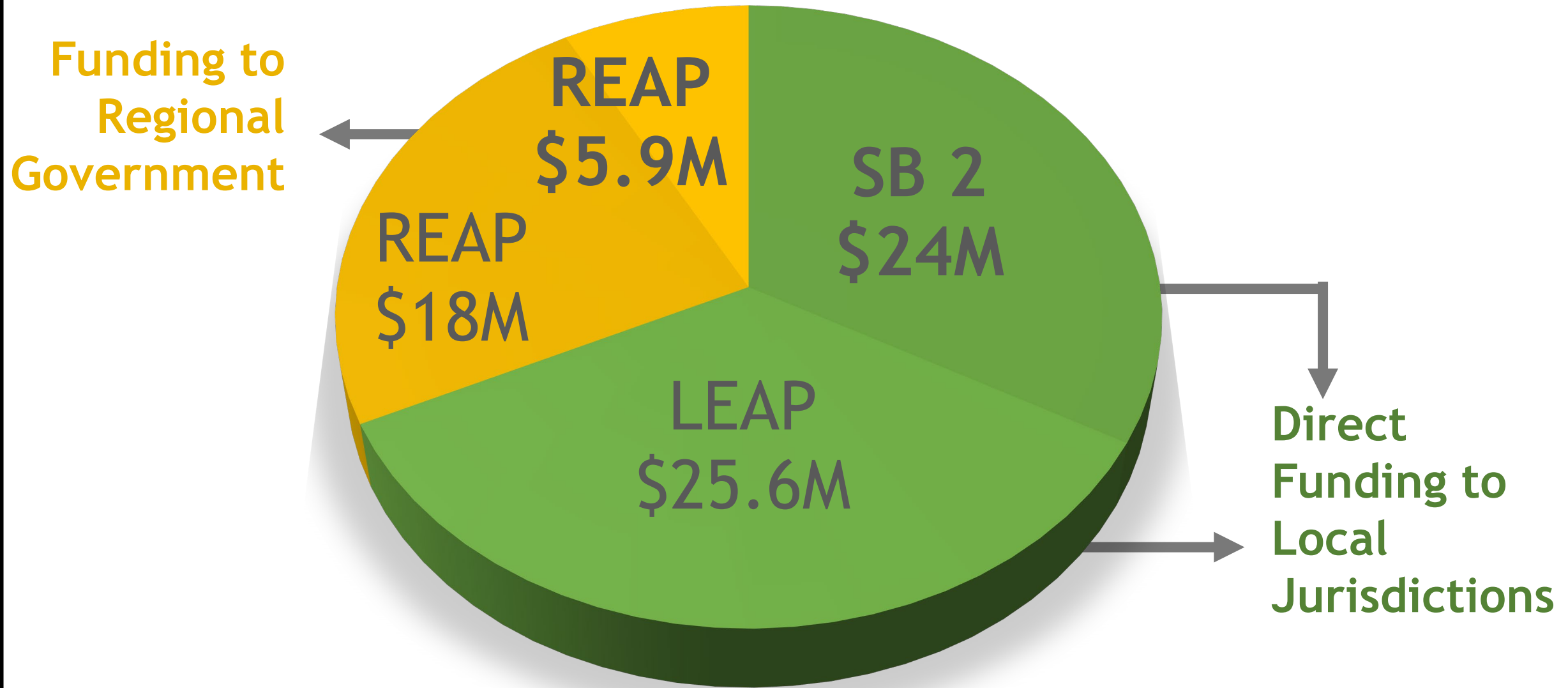


Regional Early Action Planning Grants (REAP) Update

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Committee

May 21, 2020

State Funding to the Bay Area to plan for housing



ABAG/MTC Committed to Using REAP:

- **To enhance the RHNA process** by supporting the Housing Methodology Committee and increasing engagement with local electeds, staff, and stakeholders
- **To develop a new regional housing technical assistance program**
 - Technical assistance to jurisdictions to develop compliant **housing elements**.
 - Technical assistance to support **community engagement** strategies related to “3 Ps” of housing: Protection, Preservation, and Production

REAP Advance: \$5.9M

- ABAG/MTC Staff is engaging with local officials to identify needs and evaluate program design options
- RFP issued for Master Consultant to assist with program design
- RFQ being drafted for deep consulting bench to assist local jurisdictions with Housing Elements updates

REAP Balance: \$18M

Next Steps:

- Apply to HCD for balance after “substantial progress” made on advance
- Deadline: January 31, 2021

Potential Framework for REAP Program

Collaborative & Cohort-Based Approach

- Knowledge sharing on policies and best practices, site analysis and strategies, funding, etc.
- Tailored for variety of contexts

Regional Consultant Pool

- Economies of scale
- Reduced administrative burden on local staff
- Flexibility to craft locally-appropriate policies and programs

Regional Coordination with HCD

- Template Documents
- Data Packets
- Pre-Approved Site Feasibility Analysis?

Housing Leadership Development & Community Engagement

- Data-Driven Messaging
- Outreach and Education
- Focus Groups and Listening Sessions

Thank You

For more information contact

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abag.ca.gov/our-work/rhna-regional-housing-needs-allocation