Association of Bay Area Governments

Regional Planning Committee

January 14, 2021   Agenda Item 7.a.

Regional Housing Needs Allocation (RHNA):
Draft RHNA Methodology and Final Subregional Shares

Subject: Draft RHNA Methodology and Final Subregional Shares

Background: RHNA is the state-mandated[1] process for allocating a share of the
                    Regional Housing Need Determination (RHND) the Bay Area
                    received from the California Department of Housing and
                    Community Development (HCD)[2] to every local government in the
                    Bay Area. ABAG convened the Housing Methodology Committee
                    (HMC) to advise staff on the methodology for allocating a share of
                    the region's total housing need to every local government in the
                    Bay Area.[3] At its final meeting on September 18, the HMC voted
                    to recommend *Option 8A: High Opportunity Areas Emphasis &*
                    Job Proximity with the 2050 Households baseline allocation as
                    the Proposed RHNA Methodology. On October 1, the ABAG
                    Regional Planning Committee (RPC) voted to recommend this
                    methodology for approval by the Executive Board, and the Board
                    approved its release as the Proposed RHNA Methodology for
                    public comment on October 15, 2020.

                    Housing Element Law allows two or more neighboring jurisdictions
                    to form a "subregion" to conduct a parallel RHNA process to
                    allocate the subregion's housing need among its members.[4] ABAG
                    must assign each subregion a share of the RHND to allocate to its
                    member jurisdictions. The Executive Board released the Draft
                    Subregional Shares for public comment on October 15, 2020.

                    As required by law, ABAG held a public comment period about the
                    Proposed RHNA Methodology and Draft Subregional Shares from
                    October 25 to November 27 with a public hearing at the November
                    12 meeting of the RPC. ABAG received 106 written comments
                    and 29 oral comments about the Proposed RHNA Methodology.
                    No comments were received about the Draft Subregional Shares.

Issues: **Draft RHNA Methodology and Final Subregional Shares**

                    ABAG-MTC staff considered the comments received during the
                    public comment period and is not proposing to make any
                    adjustments to the baseline allocation or factors and weights in the
                    Draft RHNA Methodology. The components of the Draft RHNA
                    Methodology are the same as the Proposed RHNA Methodology.

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[1] See California Government Code Section 65584.
[2] In a letter dated June 9, 2020, HCD provided ABAG with a total RHND of 441,176 units for the 2023-2031 RHNA.
[3] The HMC roster is available at https://abag.ca.gov/sites/default/files/hmc_roster_06_16_2020_0.pdf.
[4] Government Code Section 65584.03.

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However, the Draft RHNA Methodology incorporates future year 2050 households data from the Plan Bay Area 2050 Final Blueprint, which results in changes to the illustrative allocations to local jurisdictions. The Final Blueprint incorporates the revised Strategies and Growth Geographies approved by the ABAG Executive Board and Commission in September 2020. Integrating the updated data about future year 2050 households from the Final Blueprint into the Draft RHNA Methodology addresses many of the comments received, as the strategies support increased greenhouse gas emission reductions by directing more household growth to transit-rich places and updated baseline data from local jurisdictions helps to reduce allocations to some unincorporated areas.

The Draft RHNA Methodology was also used to update the Final Subregional Shares. **Attachment A** provides more information about the results from the Draft RHNA Methodology and the Final Subregional Shares. A detailed description of the Draft RHNA Methodology is available in **Attachment B**, Draft RHNA Methodology Report.

Next Steps: The ABAG Executive Board is slated to take action on the Draft RHNA Methodology and Final Subregional Shares at the January 21, 2021 meeting.

Recommended Action: Staff requests that the RPC recommend approval of the Draft RHNA Methodology and Final Subregional Shares by the ABAG Executive Board later this month.

Attachments: A. Memo – Proposed RHNA Methodology

Appendix 1 – Summary of Comments Received
Appendix 2 – Allocation Maps
Appendix 3 – Illustrative Allocations
Appendix 4 – Evaluation Metrics
Appendix 5 – Final Subregional Shares

B. Draft RHNA Methodology Report

C. Presentation

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