

RHNA Cycle 5 (2015-2023): Building Permit Activity Report

MTC Planning Committee

Joint meeting with the
ABAG Administrative Committee

May 10, 2024



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION



Bay Area RHNA Cycle 5 Performance Summary:

Permitted 116% of total Regional
Housing Need Determination (RHND)

Disproportionately permitted above
moderate-income housing.

Acutely behind on permits for very
low-, low-, and moderate-income units.



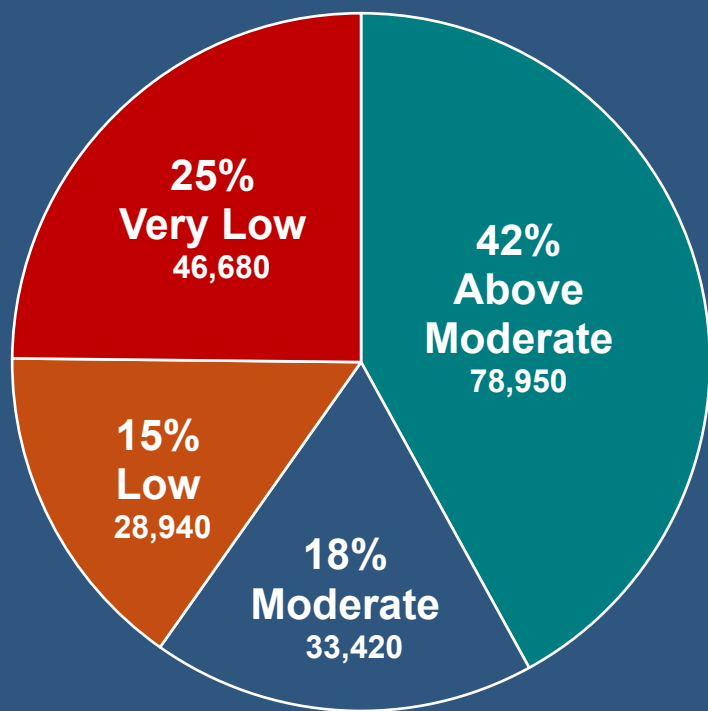
Bay Area RHNA Cycle 5 Performance

Income Targets	2015-2023 Cycle 5 RHND	2015-2023 Units Permitted	% RHNA Permitted
Very Low-Income (0-50% AMI)	48,680	18,751	40%
Low-Income (50-80% AMI)	28,940	16,025	55%
Moderate-Income (80-120% AMI)	33,420	20,071	60%
Above Moderate-Income (Above 120% AMI)	78,950	163,018	203%
Total Units	187,990	217,865	116%

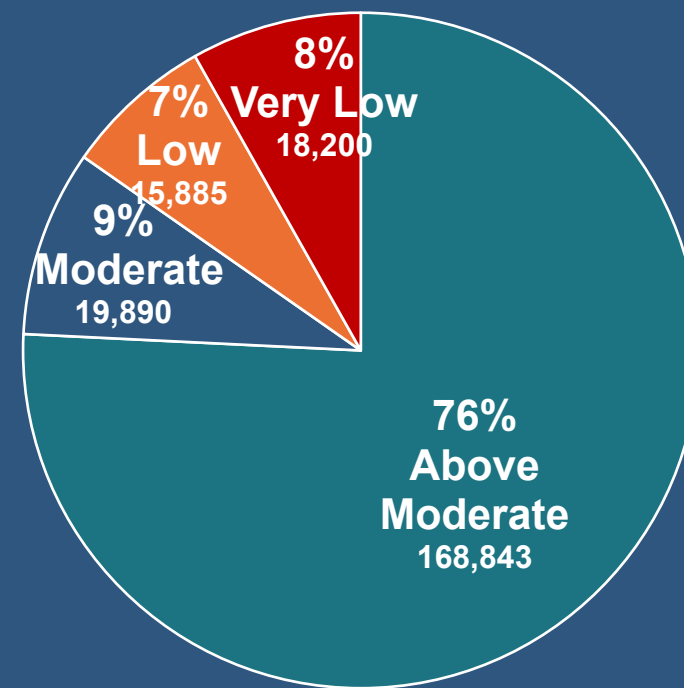


New Units Have Failed to Meet Affordability Targets

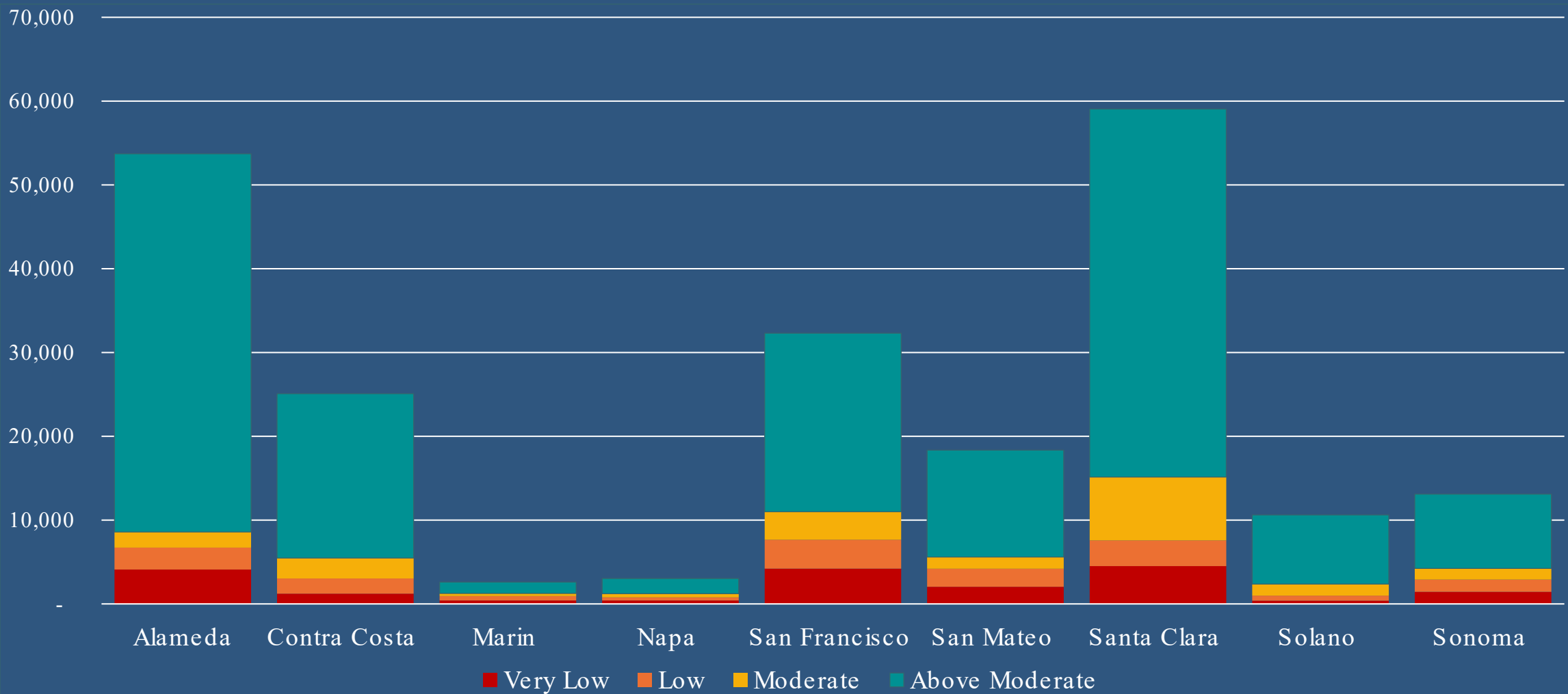
Regional Housing Needs Determination



Housing Units Permitted



Total RHNA Cycle 5 Units Permitted by County



Plan Bay Area 2050's Focused Growth Pattern

New construction between 2018-2023
was concentrated in PDAs

- 3% of land zoned for housing is in PDAs
- 66% of units built were in PDAs

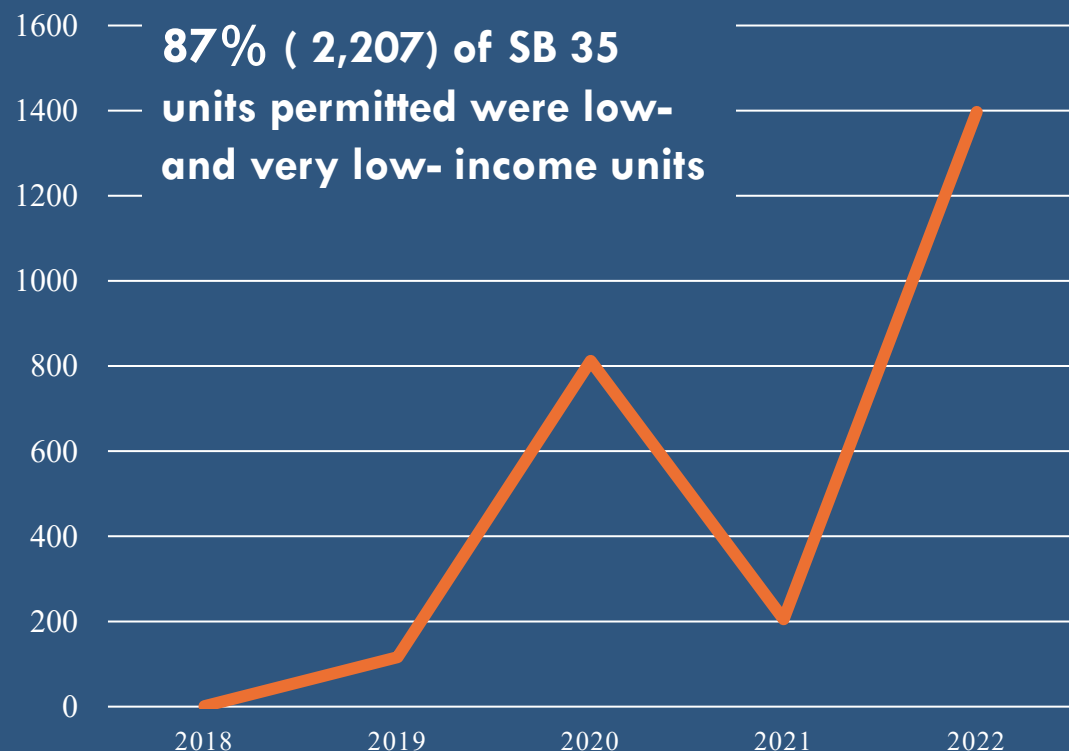
PDAs delivered affordability

- 78% of all new affordable, deed-restricted homes were built in PDAs
- 18% of new homes in PDAs are deed-restricted affordable, compared to 9% of units built outside PDAs

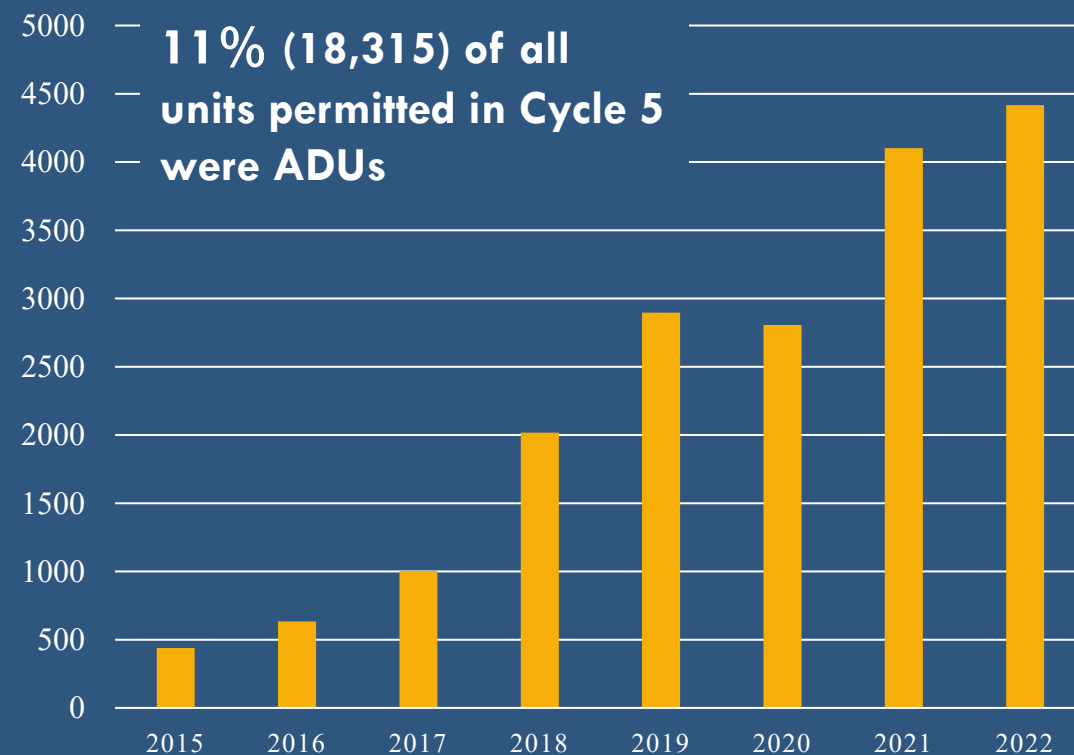


Recent State Legislation Has Increased Production

SB 35 Units Permitted



ADUs Permitted



The Challenge Ahead – Cycle 6 RHND

Income Targets	2015-2023 Cycle 5 RHND	2015-2023 Units Permitted	2023-2031 Cycle 6 RHND
Very Low–Income	46,680	18,751	114,442
Low–Income	29,940	16,025	65,892
Moderate -Income	33,420	20,071	72,712
Above Moderate Income	78,950	163,018	188,130
Total Units	187,990	217,865	441,176



6th Cycle RHND in Historical Context

Income Targets	1999-2006 RHND Cycle 3	2007-2014 RHND Cycle 4	2015 -2023 RHND Cycle 5	2023-2031 RHND Cycle 6
Very Low–Income	47,128	48,840	46,680	114,442
Low–Income	25,085	35,102	28,940	65,892
Moderate -Income	60,982	41,316	32,420	72,712
Above Moderate Income	97,548	89,242	78,950	188,130
Total	230,743	214,500	187,990	441,176



Challenges and Opportunities

Challenges

- Historically high RHNA targets at all income levels
- Shifting market conditions and economic uncertainty
- Limited local staff capacity

Opportunities

- \$10-20 billion regional housing bond that could yield up to 72,000 affordable units
- MTC-ABAG Regional Housing Technical Assistance program
- Ambitious local planning and housing policy efforts to satisfy Housing Element responsibilities



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