

M E M O

December 8, 2006

TO: City Managers and County Executives
FR: Paul Fassinger, ABAG Research Director
RE: *Draft Regional Housing Needs Allocation Comments & Student Population Survey*

On November 16, 2006 the ABAG Executive Board authorized the release of the draft **Regional Housing Needs Allocation** methodology. The release of the draft method opened the 60-day public comment period; it ends on January 18, 2007. On that date, staff will bring to the Executive Board recommendations for the final methodology. The final methodology will include responses to all comments received on the draft RHNA methodology and reasons for any significant changes.

The purposes of this letter are: 1) to encourage your comments on the draft allocation methodology and 2) to request additional input on local student populations.

Background

The Regional Housing Needs (RHN) process is a state mandate on planning for housing in California. The State of California requires that all jurisdictions regularly update the housing elements in their general plans - housing elements serve as the local plan for how a jurisdiction will meet its share of the region's housing need.

The State of California, via the Housing and Community Development Department (HCD), determines each region's need for housing, primarily based on estimated population growth. Council's of Governments then allocate that need, for all income groups, amongst jurisdictions. As the region's Council of Governments, ABAG is responsible for allocating the state-determined regional housing need to all jurisdictions in the Bay Area. Once allocated, jurisdictions then plan for that need in their housing elements, which are state-certified by HCD.

Draft Methodology

The regional housing needs allocation methodology is the tool used to assign each jurisdiction in the Bay Area its share of the region's total housing need. The actual tool is a mathematical equation that consists of weighted factors. There are also a set of "rules" that dictate how units will be allocated by income, within spheres of influence, voluntary transfer of units, and subregions. The draft method encompasses all of these distinct components.

The mathematical component of the allocation method is to consider local land use plans and policies, regional growth policies and the state's housing polices, as expressed in the state mandated RHNA objectives. The draft allocation method, therefore, assigns local housing responsibility based 40% on household growth, 20% on existing employment, 20% on employment growth, 10% on job growth near transit and 10% on housing growth near transit.

(See www.abag.ca.gov/planning/housingneeds/docs2.htm for complete description of allocation methodology.)

Please review the draft allocation method in detail and submit any comments within the comment period. To ensure your comments are incorporated into staff recommendations to the Executive Board on the final method, you may wish to have your comments to us by early January.

Survey on Local Student Populations

On September 29, 2006 AB2572 went into effect. This legislation requires the consideration of student populations in the regional housing needs allocation methodology, i.e. in jurisdictions with a private university or a campus of the California State University or the University of California.

In using household population statistics in the methodology, we believe that the appropriate student populations are included in the draft methodology. Household population estimates are inclusive of the entire household population and would therefore account for all people living in homes - whether they are students or not is of no consequence.

Only the “group quarters” population - those living in college dormitories - are not included in household population counts. Group quarters population is taken into account in the “total population” estimates. Therefore, the allocation methodology does not propose a specific factor to represent the impact of student populations.

Jurisdictions with student populations may believe that student populations should be accounted for directly in the allocation methodology, rather than through the household population factor. Therefore, if your city has a student population base, and especially if you believe there is an alternative way to address this population, please respond to the survey questions listed below.

Responses should be returned within the comment period on the draft allocation methodology – before January 18, 2007. Responses may be included in your comments regarding the draft methodology. All survey responses and draft allocation comments can be sent to Paul Fassinger at paulf@abag.ca.gov. Thank you for your attention and timely response.

----- tear here -----

Jurisdiction: _____

Survey Taker: _____

Student Populations Survey

- 1) Is a private university or a campus of the California State University or the University of California located in your jurisdiction?
 Yes No I don't know.

- 2) If yes, how many students do you estimate live in regular housing, i.e. not college dormitories in your community?
 Local student population estimate No local estimate available.

- 3) How do you think student populations should be accounted for in the regional housing needs allocation methodology? (Please use separate sheet for a detailed response, if necessary.)
 Using Household Population Other (Please describe on separate sheet or on back)