

MEMO

**To: Housing Methodology Committee**  
**From: Paul Fassinger, ABAG Research Director**  
**Date: July 21, 2006**  
**Re: Illustrative Allocations**

At the July meeting, the HMC began identifying possible RHNA allocation factors, e.g., local growth limits, restrictions on available lands (urban growth limits, open space and agricultural preserves), and geopolitical boundary and related land status issues (LAFCO policies, spheres of influence and annexations).

This memo provides two illustrative allocations at the county level based on household and job growth from Projections 2005. The first example assumes that only household growth from the Projections 2005 forecast is used to allocate the housing need. The second example assumes that household growth and employment growth are weighted equally. In each allocation, a regional need number of 230,000 housing units is assumed, which is consistent with the last RHNA.

**Allocation Based Solely on Household Growth**

This sample allocation is based on information from Projections 2005 on household growth between 2007 and 2014. Any actual allocation will use updated information. For allocation purposes, the important element is the proportion of regional growth. For example, Alameda County is expected to account for 20% of regional household growth for this time period.

**100% Household Allocation**

	Share of Household Growth 2007-14	Housing Unit Allocation
<b>ALAMEDA COUNTY</b>	20%	47,140
<b>CONTRA COSTA COUNTY</b>	11%	25,979
<b>MARIN COUNTY</b>	2%	5,563
<b>NAPA COUNTY</b>	2%	3,487
<b>SAN FRANCISCO COUNTY</b>	8%	17,646
<b>SAN MATEO COUNTY</b>	9%	20,787
<b>SANTA CLARA COUNTY</b>	29%	66,104
<b>SOLANO COUNTY</b>	11%	24,722
<b>SONOMA COUNTY</b>	8%	18,571
<b>REGION</b>	100%	230,000

### Allocation Based On Household and Job Growth

This sample allocation is based on household growth and employment growth from Projections 2005.

#### 50% Housing and 50% Jobs

	Share Household Growth 2007-14	Share Job Growth 2007-14	Housing Unit Allocation
<b>ALAMEDA COUNTY</b>	20%	22%	48,567
<b>CONTRA COSTA COUNTY</b>	11%	10%	25,059
<b>MARIN COUNTY</b>	2%	2%	5,151
<b>NAPA COUNTY</b>	2%	2%	3,690
<b>SAN FRANCISCO COUNTY</b>	8%	16%	26,793
<b>SAN MATEO COUNTY</b>	9%	10%	22,002
<b>SANTA CLARA COUNTY</b>	29%	27%	64,616
<b>SOLANO COUNTY</b>	11%	4%	17,339
<b>SONOMA COUNTY</b>	8%	7%	16,783
<b>REGION</b>	100%	100%	230,000

Household shares are the same as in the previous example, but now the share of forecasted job growth is included. When a county's share of regional job growth is higher than its share of regional housing growth, it is allocated a larger number of housing units compared to the first allocation set at 100% household. Where the share of job growth is less than the regional share of housing growth the county is allocated fewer housing units.

In this particular example, Alameda, Napa, San Francisco, and San Mateo counties receive a higher allocation under the second example. Contra Costa, Marin, Santa Clara, Solano and Sonoma counties receive fewer housing units. The most significant changes numerically are in San Francisco and Solano counties.

#### Other Allocation Factors

While the actual regional need number and the projections of housing and job growth will be updated, we can use this information, along with other factors the committee would like to consider, to understand how illustrative allocations will work.