



MEMO

To: Housing Methodology Committee (HMC)
From: Ken Kirkey, ABAG Principal Planner
Date: August 18, 2006
Re: Applying potential RHNA Methodology Factors

Proposal for Discussion of RHNA Factors

HMC members have identified Factors for inclusion as part of the 2007-2014 RHNA Housing Methodology (below). ABAG staff proposes that individual HMC members lead the committee in discussions along the following lines:

- identify factor(s) that should be included as part of the methodology,
- describe why a particular factor should be included in the overall Housing Methodology, and
- lead the discussion in how the factor would work in practice.

Hopefully, this facilitates a dialog among HMC members on how the Housing Methodology might reflect local and regional concerns.

While there is much flexibility in how to construct a methodology, there are several important legal limitations. The provisions of the Housing Element law that might affect the substance of the discussion are:

- “Any ordinance, policy, voter-approved measure, or standard of a city or county that directly limits the number of residential building permits issued by a city or county shall not be justification for a determination or a reduction in the share of a city or county of the regional housing need.” Govt. C. Sec. 65584.04(f)
- The regional need number cannot be reduced. Govt. C. Sec. 65584.05(g)
- Each jurisdiction must receive an allocation of units for low and very low income households. Govt. C. Sec. 65584(d)(1)

Staff has given considerable thought to how some Factors might be applied as part of the Housing Methodology as well as the manner in which the underlying issues might be addressed as part of *Projections*. We will be prepared to assist you in this discussion.

Factor Example

As an example, county-level Urban Growth Boundaries (UGBs) exist in several Bay Area counties. It might be possible to recognize UGBs in a way that does not reduce the overall housing need number for the entire county but does allocate the housing need numbers in a way that recognizes the existence of the UGB. Inclusion of this type of Factor might result in a reduced allocation to the unincorporated areas of a county and an increased allocation to jurisdictions within a UGB.

Potential Factors

Land Protection

- Vacant Land
- Williamson Act lands (non-prime agricultural lands)
- County policies to protect Prime agricultural land*
- Protected Open Space – lands protected by state and federal government*
- Protected Open Space – lands protected by regional, county, local, non-profit entities
- Land suitable for urban development or conversion to residential use*

Employment

- Existing and Projected Jobs-Housing balance *
- Home-based businesses

Housing

- Household income
- Recent Housing Construction
- Loss of affordable units contained in assisted housing (affordable designation expires)*
- High housing cost burdens*
- Housing needs of Farmworkers*
- Impact of universities and colleges on housing needs in a community
- Penalties - failure to meet last allocation
- Penalties - failure to certify Housing Element in last cycle

Growth Policies

- Distribution of Household Growth*
- Market Demand for Housing*
- City-centered growth policies*
- Urban Growth Boundaries
- Historic preservation districts

Physical Constraints

- Water and sewer capacity*
- Geologic constraints

* Factors identified in statute