



# **Plan** BayArea

## **Regional Housing Need Allocation**

**ABAG Executive Board Meeting  
MTC Commission Meeting**

**July 19, 2012**

# Agenda

- I. Recommendation
- II. Draft RHNA Methodology | 2014-2022
- III. Changes to Draft RHNA Methodology
- IV. Key Highlights



# I. Recommendation

For the 5<sup>TH</sup> RHNA Cycle: 2014-2022

ABAG Executive Board is asked to authorize:

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**Action 1** | *Resolution 12-12*

**Adoption of the Final Draft RHNA Methodology**

**Action 2** | *Resolution 13-12*

**Approval Subregional Shares**

## II. Draft RHNA Methodology | 2014-2022

# HCD: Regional Housing Need Determination

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## Total Regional Housing Need

2007-2014 RHND	2014-2022 RHND
214,500	187,990

# Distribution by Income Categories

<b>Very Low</b> Up to 50% of Median Income	<b>24.8%</b>
<b>Low</b> Between 51% and 80% of Median Income	<b>15.4%</b>
<b>Moderate</b> Between 81% and 120% of Median Income	<b>17.8%</b>
<b>Above Moderate</b> Above 120% of Median Income	<b>42.0%</b>

# DRAFT RHNA Methodology

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Affordability in all jurisdictions

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Affordability in all jurisdictions
- **Sphere of Influence Adjustments**  
Divisions of responsibility

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Affordability in all jurisdictions
- **Sphere of Influence Adjustments**  
Divisions of responsibility
- **Subregional Shares of the RHNA**  
Alternative allocation options

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- **Fair Share**  
30% allocated based on transit, jobs and housing outside PDAs
- **Needs by Income**  
Affordability in all jurisdictions
- **Sphere of Influence Adjustments**  
Divisions of responsibility
- **Subregional Shares of the RHNA**  
Alternative allocation options
- **Feedback Relationship to SCS**  
2014-2022 RHNA

### **III. Changes to Draft RHNA Methodology May 2012 to July 2012**

# DRAFT RHNA Methodology

- **Sustainability Component**  
70% allocated based on PDA growth

**Growth  
Concentration**

- **Fair Share**  
30% allocated based on transit, jobs and housing outside PDAs

- **Needs by Income**  
Affordability in all jurisdictions

**Income  
Adjustment**

- **Sphere of Influence Adjustments**  
Divisions of responsibility
- **Subregional Shares of the RHNA**  
Alternative allocation options
- **Feedback Relationship to SCS**  
2014-2022 RHNA

# Growth Concentration

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- **No change to the RHNA Methodology**
  - **SCS (March-May): increase concentration to core cities results in higher RHNA to those jurisdictions**
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- **Proposal:**
  - Slight reduction in SCS to Oakland, San Jose, and Newark for 2014-2022
  - Slight RHNA increase for the commute-shed communities

# Income Adjustment

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- **Changes to the RHNA Methodology**
  - **Affordable housing allocation is based on each city's income distribution from census figures**
  - **Historically, the city's share of each income category was calculated based on its county's median household income**
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- **Proposal:**
    - Use the region's median household income instead of the county's median household income
    - This will address regional fairness by accounting for in-commuters and increase affordable housing in high income counties

## IV. Key Highlights

# Key Highlights

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**2014-2022 RHNA: 187,990 total units for Bay Area**

- **Over 109,000 units will be affordable in the region (58% of total)**
- **42% of all Bay Area RHNA will be in San Jose, San Francisco, and Oakland; 55% of units in those cities will be affordable**
- **28% of all Bay Area RHNA will be in the top 20 jurisdictions that have job growth and transit**
- **30% of all Bay Area RHNA will be spread amongst the remaining 86 jurisdictions**

For the 5<sup>TH</sup> RHNA Cycle: 2014-2022

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**Approval Subregional Shares**

# Next Steps

ABAG Release of Draft Allocation	July 20, 2012
Local Requests for Revisions Period	July 20, 2012 - September 18, 2012
ABAG Executive Board Meeting <i>Discussion of Requests for Revisions</i>	September 20, 2012
Deadline for Subregions to Submit: <i>Final Allocation &amp; Resolution of Consistency with SCS</i>	February 1, 2012
ABAG Adoption of Final Allocation at Public Hearing <i>Action to be taken by ABAG Executive Board</i>	April 13, 2013
Local Governments Adopt Housing Element Revision	October 2014