



SCS HOUSING METHODOLOGY COMMITTEE

San Francisco Bay Conservation and Development Commission
McAteer Petris Conference Room
50 California Street, Suite 3600, San Francisco, CA 94111

January 27, 2011 | 10:00 a.m.

1. Convene Meeting

Doug Johnson, MTC Senior Planner called the meeting to order at 10:00 a.m. Mr. Johnson reiterated that the primary goal of this committee is to advise staff in developing the methodology for Regional Housing Needs Allocation (RHNA) by June.

2. Relationship of SCS-RHNA-RTP

Ezra Rapport, ABAG Executive Director, gave a slide presentation that discussed how RHNA and the RTP relate to the SCS.

Mr. Rapport noted that, at some point, the region will have resources for planning and implementation, and we need to have a plan ready. In addition to funds from the RTP, implementation of SB 375 is supported by SB 732, which creates the Sustainable Communities Council to coordinate state programs and allocate Proposition 84 monies to fund sustainable community planning.

Mr. Rapport then commented that one of the major questions for this committee is how to develop an understanding of what consistency between RHNA and the SCS means. As a starting place, Mr. Rapport provided an overview of the Initial Vision Scenario of the SCS:

The Initial Vision Scenario will identify a network of neighborhoods to accommodate housing over 25 years, and will show how much growth is expected to occur in each jurisdiction, and in sub-jurisdictional areas such as the Priority Development Areas (PDAs). It will also identify the strategies and resources needed to support the region's long-term growth.

The Initial Vision Scenario starts with local estimates of growth, but additional households beyond local plans are included in order to meet the goal of housing all of the region's population in 2035. The Initial Vision Scenario is unconstrained, and assumes that the money and policies needed to implement the vision are in place. The PDAs will be a major component of the Initial Vision Scenario, but the scenario is also based on Projections 2009, so it includes growth throughout the region.

The Initial Vision Scenario will articulate the policies that will guide development of the SCS. Staff may present a draft of the policies at the February HMC meeting.

The Initial Vision Scenario will be released by ABAG and MTC on March 11, 2011. This release will be followed by presentations to City Councils and Boards of Supervisors by local staff. The Initial Vision Scenario is the starting place for the regional dialogue that will continue throughout the rest of the year as we

develop the final preferred land use scenario for the SCS. Staff will provide an update about the Initial Vision Scenario at the March 24 meeting of the HMC.

In response to the presentation, members of the committee raised numerous questions about the relationship between RHNA and the SCS. It was noted that there is a lack of a clear understanding about the SCS/RHNA relationship statewide, so there is an opportunity for this committee to influence how consistency is defined.

Committee members expressed a desire to ensure that the SCS Performance Targets and other regional sustainability principles be used to guide the RHNA process. At the same time, it is important that the RTP/SCS is responsive to RHNA, especially the state-mandated objectives. It was noted that during the discussion about the SCS Performance Targets, there were some metrics that were explicitly excluded because they would be addressed in the RHNA methodology. It was also noted that to meet all of the region's housing needs, we need to consider the needs of different population groups, and the housing products that meet those needs, not just the housing types that get counted by HCD.

Many committee members commented that the Initial Vision Scenario will be a start on the RHNA allocations, but that there were important differences between the two that need to be resolved.

In response to questions posed by the committee, Mr. Rapport highlighted the fact that one of the differences between RHNA and the SCS is that RHNA refers to 8-year zoning capacity, not specifically market realism, while the SCS encompasses a 25-year timeframe and must take development feasibility into account.

In addition, the need determination for the 8-year RHNA period will not necessarily be proportional to the need determination for the 25-year SCS period. The regional need determination for RHNA comes from the California Department of Housing and Community Development (HCD) and is not based solely on the numbers forecasted by the region. Committee members also commented that the RHNA need determination can take in-commuting into account, so there are different rules for forecasting the amount of growth.

The committee also discussed the role of the PDAs in RHNA. There was a question about whether the PDAs should be identified as the primary locations for RHNA allocations. However, it was noted that jurisdictions' self-identified PDAs will not be enough to achieve RHNA objectives, since there are areas outside of PDAs where housing is needed. Mr. Rapport responded that, while the PDAs will be an anchor for the SCS and RHNA, they are not the only areas to be included. Other places, such as town centers in more rural counties, will also be considered as areas for sustainable growth.

Committee members also had questions about how RHNA will relate specifically to the RTP. Mr. Rapport responded that the development of the SCS will be an iterative process that takes the relationship of land use and transportation into account. Specifically, complementary land uses can help support transit, and through the RTP process there is an opportunity to get resources for sustainable development. Members of the committee commented that, to be successful, it will be important for staff and advocacy groups from land use, transportation, and housing to bridge existing silos between these areas of expertise.

3. Requirements of the RHNA Process

Paul Fassinger, ABAG Research Director, led the discussion of the staff memo describing the RHNA process and recent changes in the law. Mr. Fassinger noted that RHNA is often described as “fair share” because every jurisdiction is asked to do its part to meeting the region’s housing need. The methodology must decide how to share responsibility in an equitable way. The State has outlined objectives for the RHNA, as well as a number of specific factors that must be considered in the methodology. The new wrinkle for this RHNA is that it must be consistent with the SCS.

As a starting place in developing the methodology, the committee was asked to identify additional factors that they would like to see considered in the RHNA methodology. The factors mentioned are:

- Existing housing stock
- Vacancy rates
- Housing types
- Jobs/housing balance at the local and regional levels
- Priority Development Areas (PDAs)
- Protected open space (including land protected by cities and counties)
- Priority Conservation Areas (PCAs)
- Local Climate Action Plans
- Wildlife habitat
- Sea level rise
- Senior populations
- Social justice
- Existing income
- Schools / Education
- Unemployment
- Walk/bike access to housing and employment
- Transit linked to capacity and quality
- Transportation corridors (access between housing and job centers)
- Relationship to transit

During this discussion, committee members highlighted the importance of discussing these factors in relation to the SCS, and to use the SCS policies as a filter on the methodology to ensure that there are no unintended consequences. The methodology also needs to be consistent with the data that is used for determining income levels.

The committee wanted to know if ABAG is planning to request changes from the state about counting senior units and group homes. Members also requested that staff provide more information about the planning work that the regional agencies are doing related to employment centers. There was also a suggestion that staff work on materials describing sustainability to engage the public before releasing the methodology.

Finally, it was noted that, while the methodology must consider (at a minimum) the statutory factors, there is nothing in the statute that requires the use of a mathematical formula.

4. Review of the Last Cycle of the RHNA

Paul Fassinger, ABAG Research Director, led the discussion of the staff memo describing the last RHNA cycle.

The discussion focused on the subregional process, and what resources the regional agencies can offer to help subregions complete the RHNA process. Mr. Rapport noted that ABAG would do what it can to support the subregions with the limited resources it has. The level of support that ABAG can provide will depend on how many subregions form. Mr. Fassinger noted that the HMC is a good venue for receiving support and guidance, and that there is the possibility that staff would attend meetings to support the process and share information.

Mr. Fassinger reminded committee members that each jurisdiction that wants to be a part of a subregion must submit a resolution to ABAG by March 16.

With regard to subregions, the committee asked for additional details and examples of how the subregion receives its share of the regional need, and how other portions of the methodology, such as the income allocation or rules about trades between jurisdictions, apply to members of a subregion.

The committee requested background information about how ABAG receives the total regional need number from HCD. However, there was also a suggestion that we not spend too much time on the regional number, since there is little that can be done to influence the number that HCD assigns to the region.

The committee also asked for a review of what worked and did not work with the last RHNA and how it compares to the SCS policies and performance targets.

Finally, members would also like to see examples of non-formula methodology options, with a suggestion of looking at what SANDAG is doing.

5. Subregional Area Formation

Local staff members from San Mateo County, Napa County, Solano County and Santa Clara County led the discussion on the current status of their efforts to form subregions. San Mateo County will form a subregion, and local jurisdictions are in the process of adopting resolutions. Jurisdictions in Napa County have adopted resolutions to form a subregion, and the Napa County Transportation Planning Agency is taking the lead. Solano County intends to form a subregion, and several jurisdictions have adopted resolutions. Santa Clara is still considering whether to form a subregion, depending on the staff and funding resources available. A decision is expected in mid-February.