

TO: Housing Methodology Committee
 FR: Deputy Executive Director, Policy
 RE: Initial RHNA Methodology Options

DATE: April 27, 2020

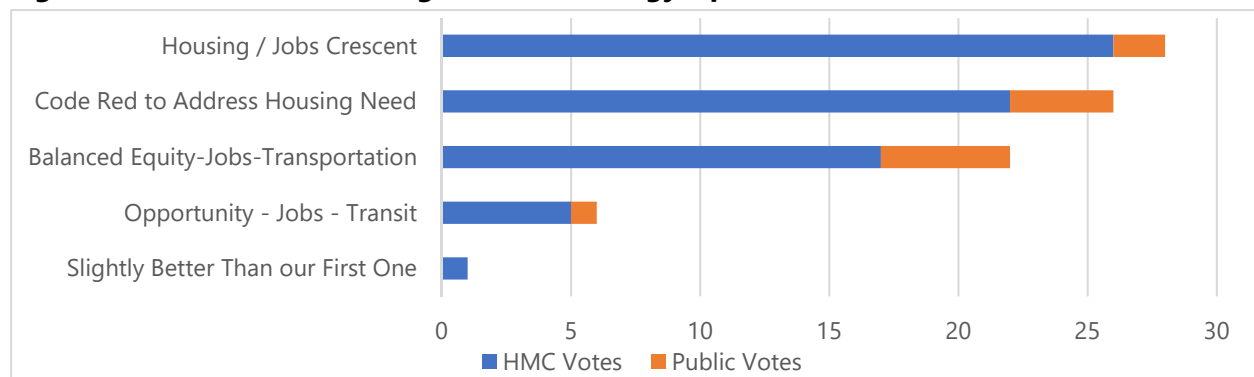
Overview

The Housing Methodology Committee’s (HMC) objective is to recommend an allocation methodology for dividing up the Bay Area’s Regional Housing Need Determination among the region’s jurisdictions. This Regional Housing Needs Allocation (RHNA) methodology is a formula that calculates the number of housing units assigned to each city and county, and the formula also distributes each jurisdiction’s housing unit allocation among four affordability levels. At the last several meetings, the HMC has identified and prioritized potential factors to include in the methodology for determining a jurisdiction’s total housing need. The HMC will have an opportunity to consider factors for the income allocation at its meeting in May.

Initial Methodology Options

At the January HMC meeting, ABAG staff presented maps showing the regional distribution among jurisdictions for potential factor topics (e.g., jobs-housing fit, transit proximity, etc.).¹ For the March HMC meeting, staff translated the priority factor topics identified at the January meeting into allocation factors and made adjustments to the factors based on HMC feedback. The revised set of factors was incorporated into an online visualization tool² that allowed HMC members, working in small groups, to continue to prioritize factors and to explore sample RHNA methodologies by applying a weight to each factor used. Each group used the tool to create several methodology options, chose a name for the methodology it favored, and presented it to the rest of the committee. HMC members and audience members then voted for the methodologies they liked best. **Figure 1** shows the results of the voting.

Figure 1: Results of Dot Voting for Methodology Options³



¹ The maps from the January HMC meeting can be viewed at <https://abag.ca.gov/rhna-maps>

² The visualization tool is available at: <https://rhna-factors.mtcanalytics.org/>

³ Maps for each group’s methodology are available at: <https://abag.ca.gov/our-work/housing/rhna-regional-housing-needs-allocation/housing-methodology-committee>

Figure 2 compares the factors and weights for the three methodology options that received the most votes.⁴ The choices made by the HMC members in developing these options demonstrate that equity is a top priority for most participants. The methodology options also emphasize the importance of linking housing and jobs. Some of the methodologies recognized the importance of encouraging growth near transit and considering natural hazards, but these received less emphasis than equity and jobs-housing relationships.

Figure 2: Summary of Factors and Weights for Top Three Methodology Options

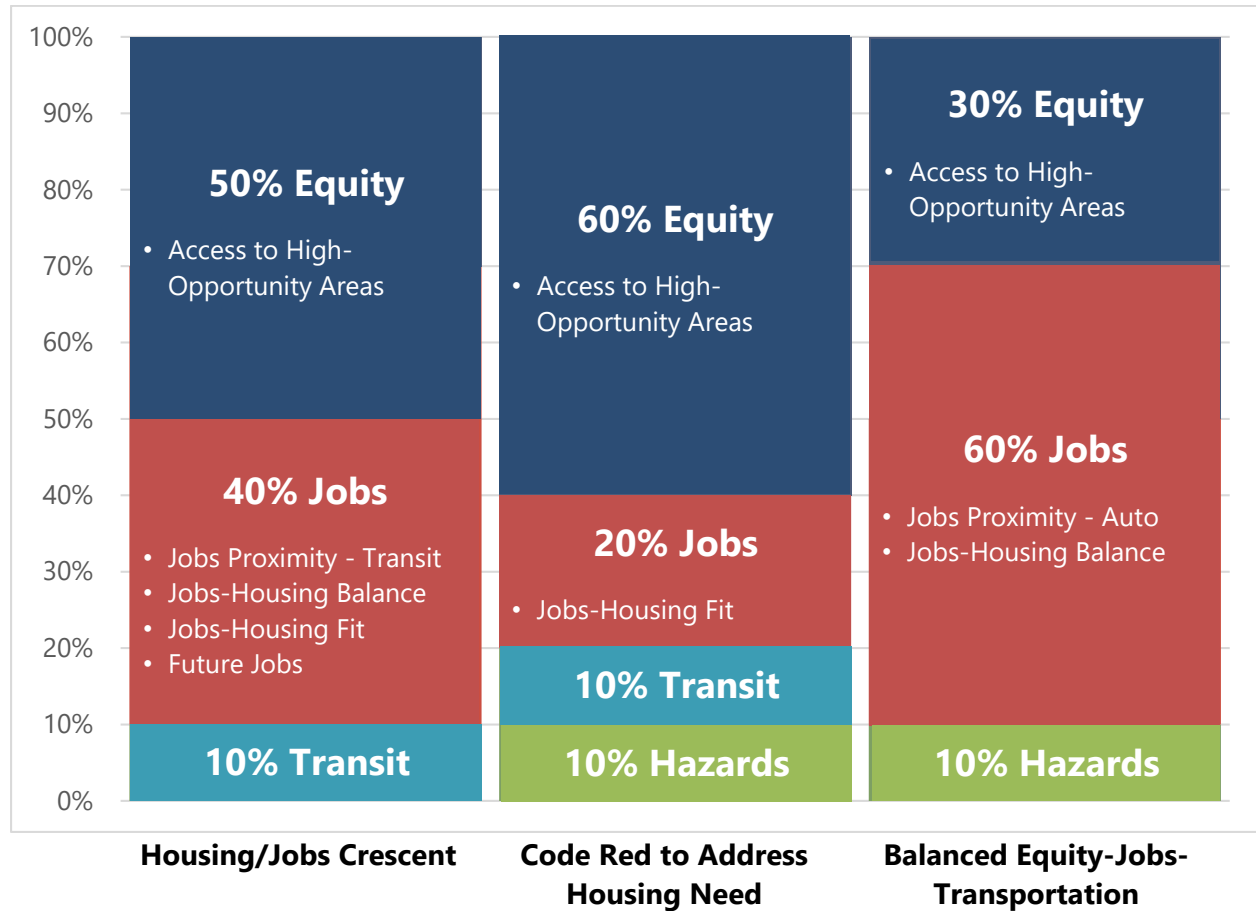
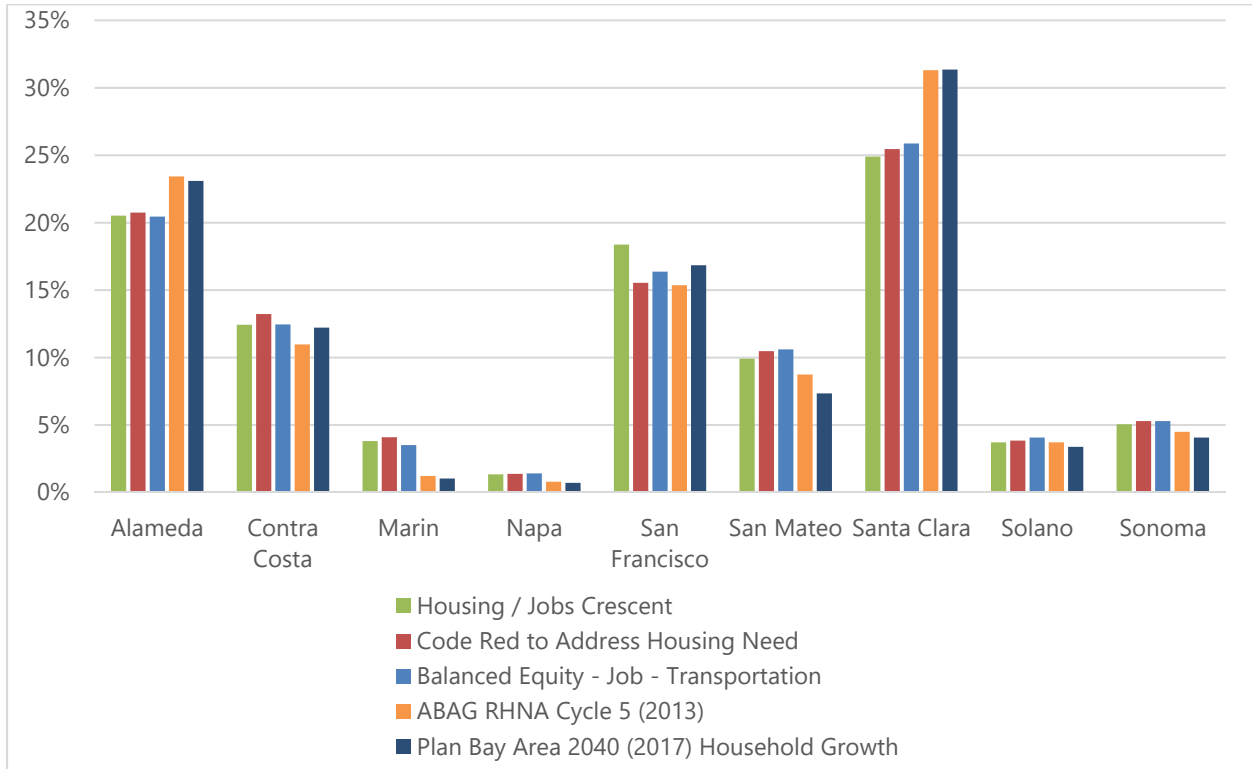


Figure 3 compares the share of units allocated to the jurisdictions in each county for the three methodology options that received the most votes. The chart indicates that there were minimal differences in how units were distributed at the county level among the three methodology options. Figure 3 also shows each county’s share of housing unit growth from ABAG’s 5th Cycle RHNA methodology and Plan Bay Area 2040 as points of reference. In general, the three methodology options would direct more units to jurisdictions in the North Bay and San Mateo

⁴ For more information on the factors included in the methodology visualization tool, see pages 5-9 of [this memo](#) from the March 2020 HMC agenda packet.

County and fewer units to jurisdictions in Alameda and Santa Clara counties relative to ABAG's 5th Cycle RHNA and Plan Bay Area 2040.

Figure 3: Allocations by County for Top Three Methodology Options



Output by Jurisdiction Geography

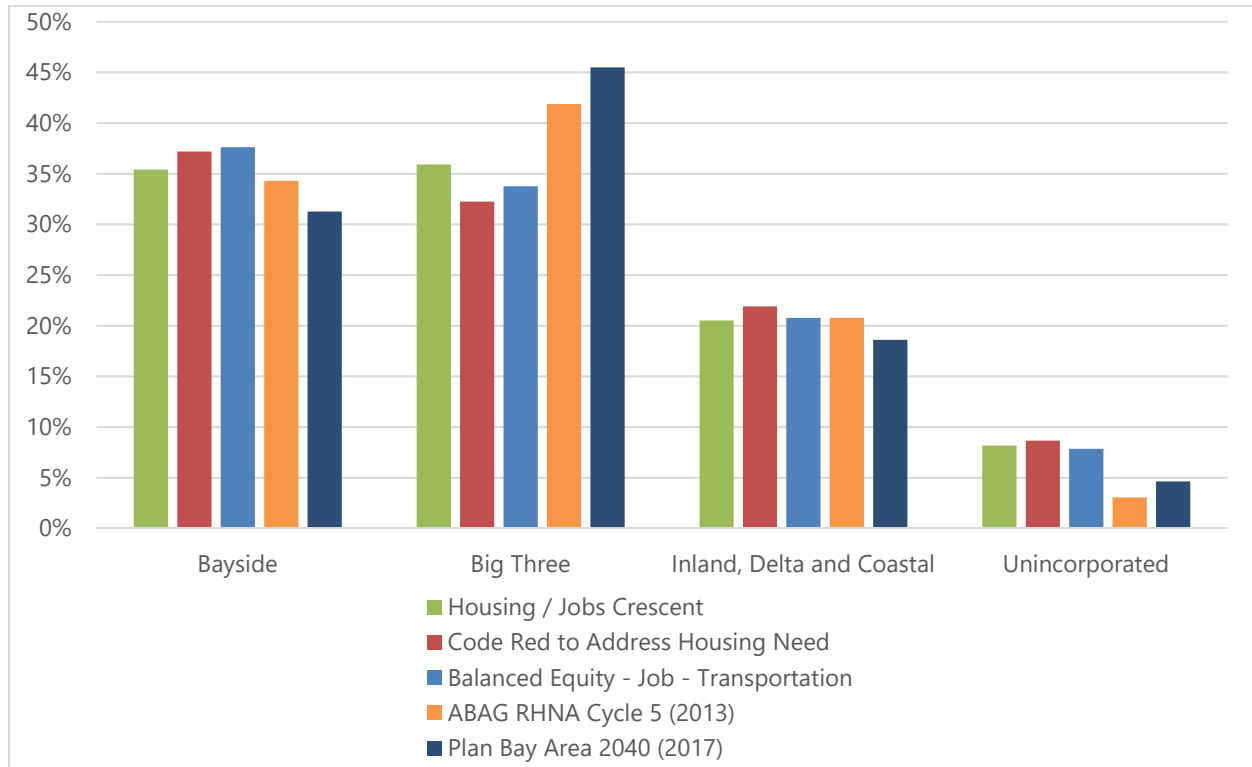
ABAG staff also analyzed the output of the top three methodologies by jurisdiction geography using a framework developed as part of prior Plan Bay Area processes, simply to understand the general distribution across different typologies of places. This framework assigns each jurisdiction to one of four geographies that reflect its role and spatial location within the region. The four categories are: Big Three; Bayside; Inland, Delta and Coastal; and Unincorporated.⁵

Figure 4 shows the share of units that would be allocated to each of these four areas from the

⁵ The following is a list of cities and towns by geographical area: **Big Three:** San Jose, San Francisco, Oakland; **Bayside:** Alameda, Albany, Atherton, Belmont, Belvedere, Berkeley, Brisbane, Burlingame, Campbell, Colma, Corte Madera, Cupertino, Daly City, East Palo Alto, El Cerrito, Emeryville, Fairfax, Foster City, Fremont, Hayward, Hercules, Hillsborough, Larkspur, Los Altos, Los Altos Hills, Los Gatos, Menlo Park, Mill Valley, Millbrae, Milpitas, Monte Sereno, Mountain View, Newark, Pacifica, Palo Alto, Piedmont, Pinole, Portola Valley, Redwood City, Richmond, Ross, San Anselmo, San Bruno, San Carlos, San Leandro, San Mateo, San Pablo, San Rafael, Santa Clara, Saratoga, Sausalito, South San Francisco, Sunnyvale, Tiburon, Union City, Vallejo, Woodside; **Inland, Delta and Coastal:** American Canyon, Antioch, Benicia, Brentwood, Calistoga, Clayton, Cloverdale, Concord, Cotati, Danville, Dixon, Dublin, Fairfield, Gilroy, Half Moon Bay, Healdsburg, Lafayette, Livermore, Martinez, Moraga, Morgan Hill, Napa, Novato, Oakley, Orinda, Petaluma, Pittsburg, Pleasant Hill, Pleasanton, Rio Vista, Rohnert Park, San Ramon, Santa Rosa, Sebastopol, Sonoma, St. Helena, Suisun City, Vacaville, Walnut Creek, Windsor, Yountville; **Unincorporated:** all unincorporated areas

three methodology options. Figure 4 also shows each county's share of household growth from ABAG's 5th Cycle RHNA methodology and Plan Bay Area 2040 as points of reference. Compared to ABAG's 5th Cycle RHNA methodology and Plan Bay Area 2040, the three methodology options would direct more housing growth to jurisdictions in the Bayside and Unincorporated areas, less household growth to the Big Three cities, and similar amounts of housing growth to jurisdictions in the Inland, Delta, and Coastal area.

Figure 4: Allocations by Jurisdiction Type for Top Three Methodology Options



Next Steps

Now that the HMC has identified several options for determining a jurisdiction's total allocation, for the May HMC meeting, ABAG staff will introduce ideas for how to determine the income distribution of those units. Staff will also revisit the discussion around potential criteria for evaluating the methodology outputs to ensure that the RHNA meets statutory objectives. An understanding of these topics among HMC members will set the stage for a discussion in Summer 2020 about how to achieve consistency between RHNA and Plan Bay Area 2050, including potential use of the Plan's Blueprint as the baseline input for the RHNA methodology and/or modification of the RHNA methodology factors and weights.