

City of Piedmont  
COUNCIL AGENDA REPORT

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DATE: February 1, 2021  
TO: Mayor and Council  
FROM: Sara Lillevand, City Administrator  
SUBJECT: Update on RHNA and Planning for the 2023-2031 Housing Element

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RECOMMENDATION

Receive the attached housing report regarding the Regional Housing Needs Allocation (RHNA) and planning for the 2023-2031 Housing Element.

EXECUTIVE SUMMARY

Piedmont's current Housing Element is for the term 2015-2023. In December 2020, the Association of Bay Area Governments (ABAG) released the final Plan Bay Area 2050 Blueprint and the resulting draft RHNA requirements for member cities and counties for the next Housing Element cycle, for the term 2023-2031. The draft RHNA requirements for Piedmont are 587 new housing units. The purpose of this report is to update the City Council on the next Housing Element cycle and the RHNA process, as well as, to affirm the City's commitment to producing affordable housing and our aspiration to build a substantially larger number of housing units than Piedmont has in the past.

BACKGROUND

***Current Housing Element***

Piedmont's current Housing Element is for the term 2015-2023. The City's current RHNA is 60 housing units. This total is disaggregated by income, and includes 24 very low income units, 14 low income units, 15 moderate income units, and 7 above moderate income units.

On April 6, 2020, City staff presented the annual progress report for implementation of the current Housing Element to City Council. The annual progress report stated that in 2019, the City of Piedmont granted final approval to building permits for ten new market-rate accessory dwelling units (ADUs). The staff report also described changes in state housing law and City efforts to look for new incentives for rent-restricted ADUs, such as a possible program with Habitat for Humanity using Measure A1 funding.

In 2020, the City granted final approval to another five ADUs. No permit for the construction of a single-family house was granted final approval to. The building activity in 2020 brought the

total number of building permits for new housing units issued since 2015, up to 54. This brings Piedmont close to the RHNA target of 60 units for the 2015-2023 cycle, although construction of very low income units has lagged, while construction of above moderate income units has exceeded the target. City staff is scheduled to present a full report on 2020 housing activity as part of the annual Housing Element progress report in March 2021, as required by state law.

### ***RHNA and Housing Element Update Timeline***

At the August 17, 2020 City Council meeting, staff provided a briefing on the RHNA process. To recap, the process occurs every eight years and involves the assignment of housing quotas to each city and county in the Bay Area. Cities and counties must update their Housing Elements (part of their General Plans) to demonstrate that each jurisdiction has the capacity to meet its housing quota and is proactively facilitating housing production for all income groups. The RHNA process has been in place for five decades.

The City is nearing the end of the fifth RHNA cycle, covering 2015-2023. The sixth RHNA cycle will cover 2023-2031. The City is shifting its planning focus to this cycle, in order to submit an updated Housing Element to the State Department of Housing and Community Development (HCD) by January 2023 as required by State law. State certification of the Housing Element is required to confirm the document's compliance with the California Government Code and federal housing law. Cities without certified Housing Elements are ineligible for many State grants and housing funds and are vulnerable to lawsuits and fines.

The RHNA process starts at the state level. HCD calculates the projected housing need for the State of California as a whole and disaggregates this total to each region. The regional estimates are presented in four income categories (very low, low, moderate, and above moderate). It is then up to the Council of Governments in each region (ABAG, in the Bay Area) to assign RHNA shares to the cities and counties. For the upcoming sixth cycle, ABAG created a 37-member Housing Methodology Committee (HMC) comprised of staff, elected officials, and housing advocates to guide this process. The HMC completed its work in September 2020.

The total regional housing needs determination (RHND) for the Bay Area for 2023-2031 is 441,176 housing units. This is a 134 percent increase over the 2015-2023 figure (187,990 units). The increase is due to unmet housing needs from 2015-2020 being carried forward, as well as strong economic growth forecasts for the next decade. The assumptions underpinning the State's model for the region's RHND have been challenged by a variety of government and non-profit organizations.

This summer, ABAG presented several methodologies to the HMC, considering different weighting factors such as equity, transit proximity, and job growth. In the past, the key determinants for allocating the RHNA were a community's land capacity, physical constraints (steep slopes, narrow roads, etc.), and projected level of growth. In Piedmont's case, this prior methodology resulted in prior RHNA allocations (40 to 60 housing units) that reflected Piedmont's small size and development limitations.

### ***Draft RHNA Methodology for 2023-2031***

According to ABAG staff, unlike prior cycles, the methodology being used for the sixth cycle RHNA is not based on growth potential. Rather, it is based on what percentage of the region's population is expected by ABAG to reside in each jurisdiction by the Year 2050. This approach pro-rates the 441,176 units assigned to the region based on its projected population in 2050. ABAG has projected that Piedmont will have 0.098 percent of the region's households in 2050 (or roughly 1/1000<sup>th</sup> of the region's households). Thus, Piedmont is assigned .0098 percent of the region's 441,176 RHNA. This equates to 432 housing units as the base allocation.

This base allocation assignment is further adjusted and increased by weighting factors that shift the region's housing responsibilities to "high resource areas" (e.g., areas with strong public schools, available public services, low levels of pollution, amenities, etc.), place-based characteristics linked to critical life outcomes, such as educational attainment, earnings from employment, and economic mobility (cited from the HCD Opportunity Map Methodology, 2021). The base allocation of 432 housing units is increased to 587 housing units according to the HMC weighting factors.

The allocation for Piedmont published by ABAG in December 2020 is 587 units, as follows:

- 163 very low income units
- 94 low income units
- 92 moderate income units
- 238 above moderate income units
- 587 units

The proposed allocation is roughly 10 times higher than Piedmont's allocation for 2015-2023.

To date, the City of Piedmont has submitted five comment letters on the methodology and data used for the draft RHNA. Each of these letters has explicitly reiterated the City's commitment to producing affordable housing and aspiration to build a substantially larger number of units than it has in the past, in recognition of the region's housing crisis and the desire to do our part, while also asking questions and raising concerns.

The issues addressed in our comment letters include a lack of transparency in the process, conflicts between regional forecasts for Piedmont and the RHNA assignments that do not consider land capacity and infrastructure constraints, inconsistencies between the RHNA and regional climate goals, and the shifting of the RHNA from job-rich communities in the South Bay to residential communities in the East Bay and North Bay.

To date, these issues remain unresolved. There has been a lack of transparency in the process, particularly with respect to underlying data about growth. For decades, ABAG has prepared long-range forecasts for each city in the Bay Area and given cities an opportunity to comment on those forecasts. For the 2050 Blueprint (the update to Plan Bay Area 2040), city-level forecasts have been developed internally by ABAG, but these figures have not been published.

- The RHNA "baseline" (432 housing units) is the largest contributing factor to the outcomes of the RHNA methodology (587 housing units). The RHNA baseline is a product of the Plan Bay Area 2050 Blueprint. ABAG-MTC developed the baseline internally and did not provide

a public comment period on the methodology. There is a conflict between the RHNA baseline for Piedmont, which is 432 units over eight years (2023-2031), and the 2050 Blueprint forecast for Piedmont, which is 70 to 180 units over 35 years (2015 to 2050). In other words, the City is being asked to plan for much more housing in eight years than ABAG itself projects is needed under State of California plans for increased development in high resource areas and transit rich areas.

- ABAG’s methodology does not consider land capacity constraints, natural hazards (such as wildfire), infrastructure and emergency vehicle access constraints, or the reality of the real estate market and the City’s ability to absorb 600 units in eight years. Piedmont’s total land area minus roads (223 acres), parks (43.6 acres) and public schools (25.5 acres) is 641 acres. Of the remaining 641 acres, the Piedmont Fire Department has determined that approximately 220 acres are too steep to accommodate additional housing development and another 383 acres have inadequate narrow or winding roadways. The remaining area is 38 acres and is largely developed.
- ABAG’s RHNA methodology is inconsistent with State goals to reduce Vehicle Miles Traveled (VMT), greenhouse gas emissions (GHGs), development in wildland-urban interface (WUI) areas, and urban sprawl. Some of the largest increases in the RHNA are in unincorporated county areas.
- Santa Clara County’s share of the regional RHNA has decreased, although it is expected to lead the region in job growth. This is counterintuitive, and ABAG-MTC has not published an explanation of the methodology that resulted in the decrease. Some 4,000 units that were initially assigned to Santa Clara for the sixth cycle RHNA were shifted to the City of San Francisco and jurisdictions in the East Bay in December of 2020. Housing allocations for Palo Alto, Cupertino, Sunnyvale, and San Jose were likewise reduced in December 2020.
- Data recently provided to the City of Piedmont by ABAG indicates that ABAG’s growth forecasts presumed upzoning of certain parcels in the city to densities in excess of 100 units per acre. For example, the property at 34 Craig Avenue is presumed to be upzoned to 100 units per acre. However, no information has been provided about how the sites were selected.
- ABAG’s RHNA methodology appropriately aims to advance equity but Piedmont’s increase in “above moderate” housing assignment is the largest of any income category. In the prior cycle, low and very low-income housing represented 63 percent of Piedmont’s assignment. In the upcoming sixth cycle of the RHNA, this drops to 44 percent, and the RHNA emphasis shifts to development of above moderate and moderate-income housing. Given Piedmont’s land supply and costs, ABAG is essentially asking the City to “up-zone” for luxury multi-family development.

At this point, the formal comment period on the RHNA methodology has closed. Collectively, more than half of the cities in the Bay Area have registered formal objections to their draft RHNA assignments. No objections have been made by the cities of Oakland or San Jose. In fact, recent adjustments to the RHNA resulted in substantial reductions in Oakland and San Jose.

Many of the jurisdictions' objection letters to the RHNA share common themes, including problems with the data and underlying assumptions, and assignments that cannot realistically be achieved in an eight-year timeframe. The letters universally express support for the objectives of RHNA and acknowledge the urgent need for more housing. However, multiple cities have expressed that they are being "set up to fail" with assignments that do not align with market conditions, land costs, or their capacity to grow.

### ***RHNA Schedule***

On January 14, 2021, the ABAG Regional Planning Committee recommended adoption of the RHNA and forwarded the document to the ABAG Executive Board, which voted on January 21, 2021 to send the draft RHNA Methodology and final RHNA sub-regional shares to the State Department of Housing and Community Development (State HCD) for review. Following review by State HCD, a final RHNA methodology will be adopted by ABAG in Spring 2021.

An appeal period will occur in Summer of 2021. Based on prior experience, appeals are rarely granted but they are not unprecedented. Three appeals were granted during the last (2015-2023) cycle. During the sixth cycle, a jurisdiction may appeal its RHNA, other jurisdictions may appeal the RHNA assigned to another jurisdiction, and the State HCD may appeal any RHNA assignment.

It is worth noting that in Southern California, where the RHNA cycle is a year ahead of the Bay Area, 50 jurisdictions have filed formal appeals of the RHNA's assigned to them by the Southern California Association of Governments. These appeals are currently under consideration.

Following ABAG's appeal period, the RHNA numbers will be finalized. This is currently scheduled to occur by December 2021 by which time Piedmont's next Housing Element Update will be well underway.

Currently, Piedmont is meeting some of its goals from the fifth cycle RHNA to construct housing affordable to households earning below 80 percent of the Area Median Income (AMI) and meeting all of its RHNA to construct housing affordable to households earning more than 120 percent of the AMI.

### ***Implications of a 587-Unit RHNA***

In the event the draft RHNA is finalized, the City must plan for a 587-unit RHNA. In other words, the City must demonstrate that it has the capacity to accommodate the construction of 587 housing units between 2023 and 2031. It must also demonstrate that it is affirmatively supporting and advancing the production of these units in a fair and inclusive manner. The policy vehicles for doing this are the City's Housing Element and General Plan.

Senate Bill 35: The final RHNA sets goals that State HCD must use to establish eligibility for non-discretionary permit approvals under Senate Bill 35. Under SB 35, Piedmont currently must allow a residential development project providing a minimum of 50 percent total affordable housing units to be processed by staff ministerially (in other words, without design review, Planning Commission, or City Council approval). The City has not received any SB 35

development applications to date, but this may change in the future. If the RHNA for Piedmont increases substantially to 587 housing units, the State HCD threshold for SB 35 review would likely decrease to residential development projects offering only 10 percent affordability. The City has tasked Lisa Wise Consulting to assist staff in developing ministerial objective design standards that would apply to any project that invoked SB 35 eligibility.

General Plan Amendments: In staff’s assessment, accommodating 587 housing units in Piedmont would likely require amendments to the City of Piedmont General Plan, which was most recently approved in 2009, including revisions to the City’s Land Use Map. This would trigger requirement for an Environmental Impact Report (EIR) due to increases in allowable density and development capacity, with attendant significant impacts on air and water quality, biologic resources, historic resources, geology, greenhouse gas emissions, hydrology, City services (including Police Department and Fire Department facilities and staffing), public utilities, transportation, wildfire hazards, and others.

Zoning Regulations: Changes to the zoning regulations would also likely be required, which could trigger a citywide vote in accordance with Section 9.02 of the City Charter. Revisions to the charter itself may be required to be put before the voters, including a reconsideration of the requirement for a vote of the electorate to amend the zoning map.

Accessory Dwelling Units (ADUs): In the past, the City has relied on accessory dwelling units to meet its very low and low income RHNA obligations. The City’s rent-restricted ADU program has been recognized with an award of excellence by the American Planning Association as an innovative tool for producing context-sensitive affordable housing. Other cities followed Piedmont by adopting similar programs. Unfortunately, recent changes to State laws for ADUs have made Piedmont’s rent-restricted program much less effective, although these changes have been beneficial for the production of greater numbers of market-rate ADUs in Piedmont and throughout the state.

A RHNA allocation of 587 means that Piedmont would need to produce 74 housing units per year during the eight-year term. Over the last six years, Piedmont has produced an average of nine housing units a year, of which seven are ADUs. In 2015, the City issued building permits for five ADUs and seven above moderate-income townhouses. In 2016, the City issued building permits for two ADUs and three above moderate-income units, and in 2017, six ADUs and one above moderate-income unit. Production of ADUs increased to 14 ADUs in 2018 (with no above moderate-income units), and resulted in 10 ADUs and one above-moderate unit in 2019. In 2020, Piedmont granted final approval to building permits for five ADUs (and no permits for a single-family residence).

	Affordable ADUs	Other
2015	5	7
2016	2	3
2017	6	1
2018	14	0
2019	10	1
2020	5	0
Total	42	12

Even if the City ramped up production of ADUs by 500 percent in the next eight years (to 40 units per year), it would only be halfway to its new draft RHNA target. Moreover, Piedmont would need to demonstrate to State HCD that it can realistically produce 400 or so ADUs in eight years (more than half of which must be rent-restricted) and has the staff, incentives, and financial resources necessary to do this.

State HCD typically looks at a City's past track record in its review of the Housing Element, and would be unlikely to accept such an aggressive target. A realistic goal would be to double ADU production (for instance, up to 100 units over the eight years). This would still leave the City with roughly 450-500 units of housing to produce, most of which would need to be multi-family or mixed-use multi-family development.

Other Possible Solutions: Based on current General Plan designations and allowable uses and densities, the City could potentially produce about 100 additional housing units on vacant or redeveloped sites along Grand Avenue, in the Civic Center area, and in the Zone C multi-family district near Oakland Avenue and Linda Avenue. Increasing capacity beyond this level would require some combination of upzoning (allowing higher densities and taller buildings), allowing housing on public land (schools, parks, Corp Yard, EBMUD, etc.), incentivizing housing on church/synagogue properties, and creating allowances for single-family homes to be divided into multi-unit structures or replaced by new multi-unit structures. An inclusive, far-reaching community engagement program will be needed to navigate these significant challenges and opportunities.

Assembly Bill 686: Rezoning to allow new and more intense land uses is one part of the task. Under Assembly Bill 686, the City must adopt programs to affirmatively further fair housing and remove obstacles to development in Piedmont. The City has begun this effort by funding a portion of a regional study of impediments to fair housing, prepared by Michael Baker International (Attachment B). Under AB 686, the City must actively participate in the development of affordable housing through subsidies and other programs. In comparison, in prior cycles, the City was required to facilitate the development of affordable housing through policies and amendments to the municipal code. Now, the City must take an active role in meeting the State's RHNA quotas.

Housing Element Certification: Lastly, in the past, with a RHNA of less than 60 units, the City still faced multiple reviews and prolonged negotiations with State HCD to get its Housing Element certified and to convince regulators that the City's Housing Element policies and programs would result in 60 housing units. The process will be much more onerous with the bar set at almost 600 units. The State of California also requires that a local jurisdiction update its General Plan Safety Element when it updates its Housing Element. This can be accomplished at the same time as the Housing Element update or shortly thereafter. The Environmental Hazards Element in Piedmont's General Plan serves as its Safety Element.

### ***Housing Element Estimated Costs***

The process to update the Housing Element and General Plan can be expensive. According to local consultants, the average cost of a Housing Element Update that requires other General Plan amendments and a full EIR is \$600,000 to \$800,000 and can cost as much as \$1.5 million. By

contrast, Piedmont's budget for its last Housing Element was approximately \$30,000.

The City has received a total of \$225,000 in funding from state grants (SB 2 and LEAP) to assist with the preparation of the sixth cycle Housing Element, and the City is eligible for another \$20,000 in grants through the state's REAP program. The City has a General Plan maintenance fee established by the City Council in 2019, which is applied to each building permit. Since its implementation on July 1, 2019, the General Plan maintenance fee has generated approximately \$300,000 in revenue, which is required to be spent on updates and amendments to the General Plan and other auxiliary documents (e.g., Climate Action Plan, Zoning Ordinance, and Hazard Mitigation Plan). Grant funding from the state and the maintenance fee will only cover a fraction of the cost of preparing an extensive Housing Element Update and EIR for 587 housing units. General fund monies needed to cover the remaining costs of such a project could total upwards of \$400,000 or more.

Given the expanded scope and budget, the Housing Element will require issuance of a Request for Proposals (RFP). This entails drafting the RFP, publicizing the bid opportunity, reviewing and scoring proposals, interviewing prospective consulting teams, selecting a firm or team, negotiating a Professional Services Agreement (PSA), and bringing the PSA to Council approval. This process typically takes three to four months.

City staff are currently preparing a Request for Proposals (RFP) for the project to complete the following: a Housing Element update; a Safety Element update and other related General Plan amendments; amendments to the Zoning Ordinance (City Code Chapter 17); and all necessary environmental review required under state law in a manner consistent with the RHNA sixth cycle planning period. The intent is to release the RFP at the end of February so that an authorization of contract might be considered by the City Council in May 2021, with the launch of the project shortly thereafter.

#### NEXT STEPS

As a separate item on this agenda, the Council will consider the establishment of a Housing Advisory Committee in order to ensure sufficient community input on the development of the City's Housing Element for 2023-2031.

In addition, City staff recommends continuing to advocate for adjustments to the RHNA methodology that recognize land capacity constraints, align with ABAG's local growth forecasts, and emphasize affordable rather than market-rate housing. Public comment, including concerns about the current RHNA methodology, is a necessary check and oversight on the considerable power of ABAG and the Metropolitan Transportation Commission (MTC), which staffs ABAG.

City staff is cognizant that questioning the RHNA methodology may be perceived as "anti-housing." As noted above, over half of Bay Area cities have objected to the current RHNA numbers and/or methodology. The Council has expressed its desire for the City of Piedmont to be a good regional partner, and staff is very interested in the creative work ahead to further affordable housing in Piedmont. City staff wishes to engage in this work from a platform built for successful outcomes.



The City continues to support affordable housing and the RHNA process. The City's comments are intended to improve the RHNA methodology, increase the likelihood that its conclusions will be accepted by members of the public, and increase the production of affordable housing in all communities, including Piedmont. The City has committed to accepting an allocation that is significantly higher than the regional average. Furthermore, if the RHNA for Piedmont were to be reduced, the City could choose to plan for policies and programs that would result in a larger number of units and a greater proportion of affordable units. However, this would be a local decision and not a decision imposed on the City by the State of California and ABAG-MTC.

By: Kevin Jackson, Planning & Building Director  
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ATTACHMENTS:

Attachment A	Pages 10-39	ABAG RHNA Assignments, dated December 2020
Attachment B	Online	Analysis of Impediments to Fair Housing, Michael Baker International, at the following link: <a href="https://www.acgov.org/cda/hcd/docs-reports.htm">https://www.acgov.org/cda/hcd/docs-reports.htm</a>

# REGIONAL HOUSING NEEDS ALLOCATION



## RELEASE OF ABAG DRAFT RHNA METHODOLOGY AND FINAL SUBREGIONAL SHARES

December 18, 2020

### What is RHNA?

The Regional Housing Needs Allocation (RHNA) is the state-mandated<sup>1</sup> process to identify the share of the statewide housing need for which each community must plan. As the Council of Governments (COG) for the Bay Area, the Association of Bay Area Governments (ABAG) is responsible for developing a methodology for allocating a share of the Regional Housing Need Determination (RHND) the Bay Area received from the California Department of Housing and Community Development (HCD)<sup>2</sup> to every local government in the Bay Area.

The RHNA methodology is a formula that quantifies the number of housing units, separated into four income categories,<sup>3</sup> that will be assigned to each city, town, and county in the region. The allocation must meet the statutory objectives identified in Housing Element Law<sup>4</sup> and be consistent with the forecasted development pattern from Plan Bay Area 2050.<sup>5</sup> Each local government must then update the Housing Element of its General Plan and its zoning to show how it can accommodate its RHNA allocation.

### How was the Draft RHNA Methodology for the 2023-2031 RHNA Cycle Developed?

ABAG convened an ad hoc [Housing Methodology Committee](#) (HMC) from October 2019 to September 2020 to advise staff on the methodology for allocating a share of the region's total housing need to every local government in the Bay Area. The HMC included local elected officials and staff as well as regional stakeholders to facilitate sharing of diverse viewpoints across multiple sectors.<sup>6</sup> At its final meeting on September 18, the HMC voted to recommend **Option 8A: High Opportunity Areas Emphasis & Job Proximity** with the 2050 Households baseline allocation as the Proposed RHNA Methodology. On October 1, the ABAG Regional Planning Committee voted to recommend this methodology for approval by the Executive

<sup>1</sup> See California [Government Code Section 65584](#).

<sup>2</sup> In a [letter dated June 9, 2020](#), HCD provided ABAG with a total RHND of 441,176 units for the 2023-2031 RHNA.

<sup>3</sup> State law defines the following RHNA income categories:

- Very Low Income: households earning less than 50 percent of Area Median Income (AMI)
- Low Income: households earning 50 - 80 percent of AMI
- Moderate Income: households earning 80 - 120 percent of AMI
- Above Moderate Income: households earning 120 percent or more of AMI

<sup>4</sup> See [California Government Code Section 65584\(d\)](#).

<sup>5</sup> See [Government Code Section 65584.04\(m\)\(1\)](#).

<sup>6</sup> The HMC roster is available at [https://abag.ca.gov/sites/default/files/hmc\\_roster\\_06\\_16\\_2020\\_0.pdf](https://abag.ca.gov/sites/default/files/hmc_roster_06_16_2020_0.pdf).

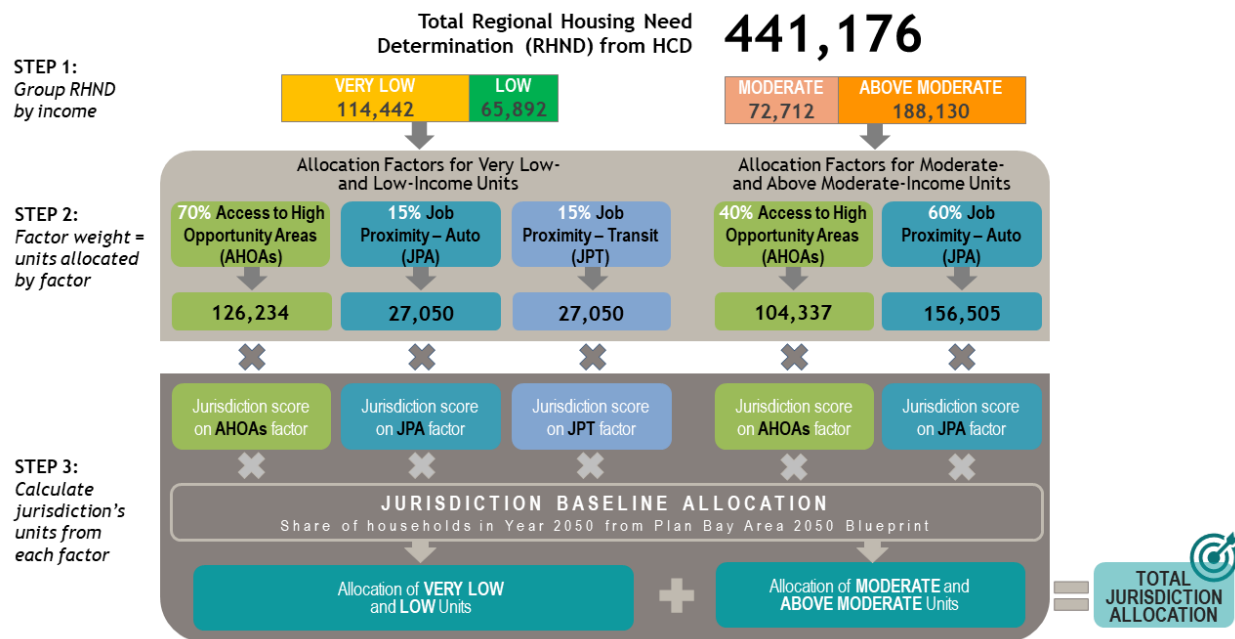
Board, and the Board approved its release as the Proposed RHNA Methodology for public comment on October 15, 2020. Materials related to the Proposed RHNA Methodology have been posted on ABAG's website since October 24 (<https://abag.ca.gov/our-work/housing/rhna-regional-housing-needs-allocation>).

As required by law, ABAG held a public comment period from October 25 to November 27 and conducted a public hearing at the November 12 meeting of the ABAG Regional Planning Committee. ABAG heard 29 oral comments and received 106 written comments on the Proposed Methodology during the public comment period. These comments provided perspectives from over 200 local government staff and elected officials, advocacy organizations, and members of the public, as some letters represented multiple signatories. **Appendix 1** summarizes the public comments received and initial staff responses.

### **What is the Draft RHNA Methodology for the 2023-2031 RHNA Cycle?**

ABAG-MTC staff considered the comments received during the public comment period and is not proposing to make any adjustments to the baseline allocation or factors and weights in the Draft RHNA Methodology. The components of the Draft RHNA Methodology are the same as the Proposed RHNA Methodology (**Figure 1**). However, the Draft RHNA Methodology incorporates future year 2050 households data generated from the Plan Bay Area 2050 Final Blueprint, which is being released concurrently with the Draft RHNA Methodology. As noted in the Proposed Methodology, the illustrative allocations reflected baseline data on 2050 households from the Plan Bay Area 2050 Draft Blueprint, with updates slated throughout fall 2020 to reflect the revised Strategies and Growth Geographies approved by the ABAG Executive Board and Commission in September 2020 for the Final Blueprint. Integrating the updated data about future year 2050 households from the Final Blueprint into the Draft RHNA Methodology results in changes to the illustrative allocations to local jurisdictions.

**Figure 1: Proposed RHNA Methodology Overview**<sup>7</sup>



There are two primary components to the Draft RHNA Methodology:

**1. Baseline allocation: 2050 Households (Blueprint)**

The baseline allocation is used to assign each jurisdiction a beginning share of the RHND. The baseline allocation is based on each jurisdiction’s share of the region’s total households in the year 2050 from the [Plan Bay Area 2050 Blueprint](#).<sup>8</sup> Using the 2050 Households baseline takes into consideration the number of households that are currently living in a jurisdiction as well as the number of households expected to be added over the next several decades.

**2. Factors and weights for allocating units by income category:**

Table 1: Factors and Weights for Proposed RHNA Methodology	
Very Low and Low Units	Moderate and Above Moderate Units
70% Access to High Opportunity Areas	40% Access to High Opportunity Areas
15% Job Proximity – Auto	60% Job Proximity – Auto
15% Job Proximity – Transit	

**Table 1** shows the factors and weights in the Draft RHNA Methodology. Each factor represents data related to the methodology’s policy priorities: access to high opportunity areas and proximity to jobs. The factors and weights adjust a jurisdiction’s baseline allocation

<sup>7</sup> The [RHNA Proposed Methodology Report](#) provides more details about the methodology.

<sup>8</sup> Plan Bay Area 2050 is the Regional Transportation Plan/Sustainable Communities Strategy for the Bay Area.

up or down, depending on how a jurisdiction scores on a factor compared to other jurisdictions in the region. The weight assigned to each factor (i.e., the percentages shown in Table 1) determines the share of the region's housing need that will be assigned by a factor.

### **How do the Results from the Draft RHNA Methodology Compare to those from the Proposed RHNA Methodology?**

As noted above, the Draft RHNA Methodology uses data from the Plan Bay Area 2050 Final Blueprint. Whereas the Plan Bay Area 2050 Draft Blueprint featured 25 strategies that influenced the location of future growth, the Final Blueprint features 35 revised strategies adopted by the ABAG Executive Board and Commission in fall 2020. These strategies shift the regional growth pattern, with generally small to moderate impacts on RHNA allocations. Additionally, the Final Blueprint features updated baseline data based on consultation with local jurisdictions in summer and fall 2020.

Therefore, incorporating the Final Blueprint into the Draft RHNA Methodology results in changes to the illustrative allocations to local jurisdictions. ABAG-MTC staff has developed several resources to help local jurisdictions, stakeholders, and members of the public better understand how the illustrative allocations from the Draft RHNA Methodology (which uses the Final Blueprint as the baseline allocation) compare to those from the Proposed RHNA Methodology (which used the Draft Blueprint as the baseline allocation). The maps in **Appendix 2** show each jurisdiction's growth rate and total allocation and **Appendix 3** shows illustrative allocations for each jurisdiction. *Note: the allocation results for jurisdictions are only illustrative. Local governments will receive their final allocations in late 2021.*

As noted previously, Housing Element Law requires that the RHNA methodology meet the five statutory objectives of RHNA and that it be consistent with the forecasted development pattern from Plan Bay Area 2050. ABAG-MTC staff developed a set of performance metrics to evaluate how well a methodology does in meeting the RHNA objectives. Evaluation of the Draft RHNA Methodology shows that it furthers all of the RHNA objectives. **Appendix 4** compares the results for the Draft RHNA Methodology and Proposed RHNA Methodology.

ABAG-MTC staff also developed a framework for evaluating consistency between RHNA and Plan Bay Area 2050. RHNA and Plan Bay Area 2050 are determined to be consistent if the 8-year growth level from RHNA does not exceed the 35-year growth level at the county and sub-county geographies used in the Plan. Staff evaluated the Draft RHNA Methodology using this approach and determined that RHNA and Plan Bay Area 2050 remain consistent.<sup>9</sup>

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<sup>9</sup> The Draft RHNA Methodology and Plan Bay Area 2050 are consistent for all nine counties and in 33 of 34 superdistricts (i.e., sub-county areas) using the methodology developed during the HMC process. In the one superdistrict flagged during the consistency check, the Final Blueprint reflects the loss of more than 1,000 homes in

## Final Subregional Shares

Housing Element Law allows two or more neighboring jurisdictions to form a “subregion” to conduct a parallel RHNA process to allocate the subregion’s housing need among its members.<sup>10</sup> ABAG must assign each subregion a share of the Bay Area’s RHND, which represents the total number of units, by income category, the subregion must allocate to its member jurisdictions. The ABAG Executive Board approved the release of Draft Subregional Shares for public comment on October 15, 2020. ABAG received no comments on the Draft Subregional Shares during the public comment period. The Final Subregional Shares have been updated based on the integration of the Final Blueprint into the Draft RHNA Methodology. **Appendix 5** provides more details about the Final Subregional Shares.

## Winter Office Hours

Local jurisdiction staff and partner organizations are invited to book office hours with MTC-ABAG planners to discuss the Final Blueprint outcomes and the Draft RHNA Methodology updates in more detail. Winter Office Hour appointments are available for booking from December 21, 2020 to January 15, 2021. Visit [bit.ly/2VpczrC](https://bit.ly/2VpczrC) to book your appointment.

Please note Winter Office Hour appointments are limited to local jurisdiction staff and partner organizations. Individual members of the public are encouraged to submit questions or comments via email to [rhna@bayareametro.gov](mailto:rhna@bayareametro.gov).

## RHNA Next Steps

The ABAG Regional Planning Committee will consider the Draft RHNA Methodology and make a recommendation to the ABAG Executive Board at its meeting on January 14, 2021. The ABAG Executive Board is slated to take action on the Draft RHNA Methodology at the January 21, 2021 meeting. After a Draft RHNA Methodology is adopted by the Executive Board, ABAG will submit the methodology to HCD for review and then use the state agency’s feedback to develop a final methodology and draft RHNA allocation in spring 2021. Release of the draft allocation will be followed by an appeals period in the summer of 2021, with the final RHNA allocation assigned to each of the Bay Area’s local governments in late 2021.

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wildfires since 2015. Anticipated reconstruction of these units during the RHNA period does not yield significant net growth in housing units, making these allocations consistent with the Final Blueprint long-range projections.

<sup>10</sup> [Government Code Section 65584.03](#).

## REGIONAL HOUSING NEEDS ALLOCATION



### Appendix 1: Summary of Public Comments Received and Preliminary Responses from ABAG-MTC Staff

#### Public Comment Period for the Proposed RHNA Methodology

Housing Element Law requires ABAG to hold a public comment period and conduct at least one public hearing to receive oral and written comments on the Proposed RHNA Methodology<sup>1</sup> and Draft Subregional Shares<sup>2</sup> prior to adoption of the Draft RHNA Methodology and Final Subregional Shares. The written public comment period began on October 25 and ended on November 27 per the Notice of Public Hearing published in newspapers and an ABAG press release. Additionally, ABAG held a public hearing at the November 12 meeting of the Regional Planning Committee, where 29 local government representatives, advocacy organizations, and members of the public provided oral comments on the proposed methodology.

#### Geographic Representation and Respondent Types for Comments Received

During the public comment period, ABAG received 106 written comments on the Proposed RHNA Methodology. These letters provided perspectives from over 200 local government staff and elected officials, advocacy organizations, and members of the public, as some letters represented multiple signatories. In total, 42 of ABAG's 109 jurisdictions were signatories on letters received during the public comment period. **Table 1** shows the number of written and oral comments received from advocacy organizations, members of the public, and various public agencies across the nine-county Bay Area.<sup>3</sup> ABAG received no comments on the Draft Subregional Shares.

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<sup>1</sup> [California Government Code 65584.04 \(d\)](#)

<sup>2</sup> [California Government Code 65584.03 \(c\)](#)

<sup>3</sup> The sum of the number of letters received in Table 1 exceeds 106, as two letters had signatories from public agencies across multiple counties. Similarly, the sum of the number of oral comments in Table 1 exceeds 29 because one of comments came from a special district that represents both San Mateo and Santa Clara Counties.

*Table 1. Share of public comments received from different types of respondents*

<b>Type of Respondent</b>	<b>Number of Letters Received</b>	<b>Number of Oral Comments from Public Hearing</b>
Public Agency – Alameda	5	0
Public Agency – Contra Costa	3	0
Public Agency – Marin	11	1
Public Agency – Napa	2	0
Public Agency – San Francisco	0	0
Public Agency – San Mateo	11	2
Public Agency – Santa Clara	8	2
Public Agency – Solano	1	0
Public Agency – Sonoma	1	0
Advocacy Organizations	9	8
Members of the Public	57	17

### **Most Common Themes from Comments Received**

**Table 2** below summarizes the key themes that are most prevalent across the comments received about the Proposed RHNA Methodology. The themes are ordered roughly in terms of how many letters and oral comments mentioned them, though it is worth noting that some letters represented comments from multiple jurisdictions, advocacy organizations, and/or individual members of the public. The table also includes a brief, preliminary response about the Draft RHNA Methodology (which incorporates data from the Plan Bay Area 2050 Final Blueprint) from ABAG staff responding to the different topics in the comment letters. Comment letters on the Proposed RHNA Methodology will receive a more specific response in the coming weeks, with responses to local jurisdictions slated prior to the January ABAG Executive Board meeting.

*Table 2. Most common themes from written comments received*

<p><b>1. Jurisdiction is built out and/or lacks infrastructure to accommodate its allocation:</b> Comments noted a lack of developable land and the inability to provide the services and infrastructure that would be needed as a result of growth from RHNA. Some residents objected to any new housing growth.</p>
<p><b>Preliminary ABAG Response:</b> Housing Element Law requires RHNA to increase the housing supply and mix of housing types for all jurisdictions. ABAG-MTC staff worked with local governments to gather information about local plans, zoning, physical characteristics and potential development opportunities and constraints. This information was used as an input into the Plan Bay Area 2050 Blueprint, which is used as the baseline allocation in the Draft RHNA Methodology. The Final Blueprint that was integrated into the Draft RHNA Methodology includes a number of updates based on corrections to local data provided by jurisdiction staff. The Blueprint allows additional feasible growth within the urban footprint by increasing allowable residential densities and expanding housing into select areas currently</p>



zoned for commercial and industrial uses. Ultimately, by law, ABAG cannot limit RHNA based on existing zoning or land use restrictions. The statute also requires ABAG to consider the potential for increased residential development under alternative zoning ordinances and land use restrictions.

**2. The methodology should focus more on transit and jobs to better align with Plan Bay Area 2050 and the statutory RHNA objective to promote infill development and achieve greenhouse gas emissions reduction targets:** Comments suggested that proposed methodology directs too much RHNA to jurisdictions without adequate transit and/or with few jobs. These comments also argued that changing the RHNA methodology's baseline allocation to household growth from the Blueprint would better align the methodology with Plan Bay Area 2050 and statutory goals related to greenhouse gas emission reductions and sustainability.

**Preliminary ABAG Response:** The Draft RHNA Methodology directly incorporates the forecasted development pattern from the Plan Bay Area 2050 Blueprint as the baseline allocation. The Blueprint emphasizes growth near job centers and in locations near transit, as well as in high-resource areas, with the intent of reducing greenhouse gas emissions. The strategies incorporated into the Blueprint help improve the region's jobs-housing balance, leading to shorter commutes—especially for low-income workers.

The inclusion of job proximity by both automobile and transit as factors in the Draft RHNA Methodology also furthers the RHNA objective related to efficient development patterns and greenhouse gas emission reductions by encouraging shorter commutes for all modes of travel. The job proximity factors allocate nearly half of the total number of housing units assigned to the Bay Area by the State. This includes allocating 15% of the region's lower-income units based on a jurisdiction's proximity to jobs that can be accessed by public transit.

Accordingly, the performance evaluation metrics indicate that the Draft RHNA Methodology performs well in meeting all five of the RHNA statutory objectives. This analysis shows that the draft methodology results in jurisdictions with the most access to jobs and transit as well as jurisdictions with the lowest vehicle miles traveled per resident experiencing higher growth rates from their RHNA allocations than other jurisdictions in the region. In contrast, the performance evaluation metrics also show that, while using Plan Bay Area 2050 household growth as the RHNA methodology's baseline performs marginally better on the RHNA objective related to reducing greenhouse gas emissions, it may fall short in achieving statutory requirements related to affirmatively furthering fair housing. Staff evaluated the 8-year allocations from the Draft RHNA Methodology and the 35-year housing growth from Plan Bay Area 2050 at the county and subcounty levels and determined that RHNA and the Plan are consistent.<sup>4</sup>

<sup>4</sup> The Draft RHNA Methodology and Plan Bay Area 2050 are consistent for all nine counties and in 33 of 34 superdistricts (i.e., sub-county areas), using the methodology approved during the HMC process. Relatively unique circumstances exist in the one superdistrict flagged during the consistency check (superdistrict 28). In this superdistrict, net housing growth between 2015 and 2050 is less than the eight-year RHNA for the associated jurisdictions. However, wildfires prior to the 2023 to 2031 RHNA cycle destroyed more than 1,000 homes. Because of the loss in housing units early in the 35-year analysis period, the eight-year allocations remain consistent with the

**3. Methodology needs to directly incorporate hazard risk:** Comments suggested the methodology allocated too much growth near areas with high wildfire risk and exposure to other natural hazards such as sea-level rise. Others felt the Blueprint needs to better incorporate hazard data, particularly related to wildland-urban interface (WUI) maps and FEMA floodways.

**Preliminary ABAG Response:** Including the Blueprint in the RHNA methodology addresses concerns about natural hazards, as the Blueprint excludes areas with unmitigated high hazard risk from Growth Geographies. The Blueprint Growth Geographies exclude CAL FIRE designated “Very High” fire severity areas as well as county-designated WUIs where applicable. The Blueprint strategies focus future growth away from the highest fire risk zones, support increased wildland management programs, and support residential building upgrades that reduce the likelihood for damage when fires occur in the wildland urban interface.

The Blueprint incorporates strategies to mitigate the impacts of sea level rise, protecting nearly all communities at risk from two feet of permanent inundation. Riverine flooding is not yet integrated into the Blueprint because existing research does not provide guidance on how to model impacts of temporary riverine flooding to buildings and land value. Communities can choose to take these risks into consideration with where and how they site future development, either limiting growth in areas of higher hazard or by increasing building standards to cope with the hazard.

**4. Support for proposed methodology:** Comments from residents, local jurisdictions, and a diverse range of advocacy organizations supporting the methodology emphasized its importance for furthering regional equity.

**Preliminary ABAG Response:** Staff’s analysis aligns with these comments and indicates the Draft RHNA Methodology successfully furthers all five of the statutory objectives of RHNA, including requirements related to affirmatively furthering fair housing.

**5. Need to account for impacts from COVID-19:** Comments generally focused on the effects of the pandemic and suggest either delaying RHNA or reconsidering the focus on proximity to jobs.

**Preliminary ABAG Response:** Staff appreciates concerns about the significant economic and societal changes resulting from COVID-19, and these concerns were relayed to the State in early summer. However, the Regional Housing Need Determination (RHND) from HCD has been finalized at this point in time. ABAG is obligated by state law to move forward with the RHNA process so jurisdictions can complete updates to their Housing Elements on time.

Additionally, the eight-year RHNA cycle (which starts in 2023) represents a longer-term outlook than the current impacts of the pandemic in 2020 and 2021. The potential impacts of the trend toward telecommuting in the longer term are incorporated into the RHNA methodology through the integration of the Plan Bay Area 2050 Blueprint, which includes

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long-range projections for this portion of the Bay Area, as the reconstruction of units during the RHNA period does not lead to significant net growth from 2015 levels.

strategies to expand commute trip reduction programs through telecommuting and other sustainable modes of travel.

**6. Concerns about allocation to unincorporated areas:** Comments argued that the methodology allocates too much growth to unincorporated areas that are rural and lack infrastructure to support development.

**Preliminary ABAG Response:** The Plan Bay Area 2050 Blueprint forecasts very little growth in unincorporated county areas, and that growth is focused inside urban growth boundaries. The RHNA allocations to these areas are driven, largely, by the number of existing households in unincorporated county areas, since the 2050 Households baseline in the Draft RHNA Methodology is the sum of existing households and forecasted household growth. Use of the Final Blueprint as the baseline allocation in the RHNA methodology resulted in smaller allocations for most of the counties in the region compared to the Proposed RHNA Methodology, which relied on the Draft Blueprint. ABAG-MTC will continue discussions with local jurisdictions about opportunities to direct additional RHNA units to incorporated areas, including the use of the provisions in Housing Element Law that allow a county to transfer a portion of its RHNA allocation to a city or town after it receives its RHNA allocation from ABAG.<sup>5</sup>

**7. Support for adding the “equity adjustment” proposed by some HMC members to the methodology:** Comments were generally supportive of the methodology but noted the HMC-proposed equity adjustment should be included to advance the statutory requirement to affirmatively further fair housing.

**Preliminary ABAG Response:** Staff notes the importance of meeting all statutory requirements, including the mandate to affirmatively further fair housing. However, staff’s analysis indicates the Draft RHNA Methodology does successfully achieve all five statutory objectives of RHNA. At the final HMC meeting, staff recommended that the HMC not move forward with the proposed equity adjustment as this change would increase the complexity of the methodology for minimal impact on RHNA allocations. The proposed equity adjustment would shift less than 2 percent of the region’s lower-income RHNA to the jurisdictions identified by an HMC-proposed composite score as exhibiting above-average racial and socioeconomic exclusion. However, the underlying methodology for the composite score and adjustment approach would make it more difficult for local policy makers and members of the public to understand the RHNA methodology. Ultimately, the HMC chose not to move forward with the proposed equity adjustment in its recommended RHNA methodology.

**8. Concern that HCD’s Regional RHND calculation was inaccurate and too high:** Comments from several members of the public and one local jurisdiction expressed the belief that HCD’s RHND calculations may have been flawed and resulted in ABAG receiving an allocation from the state that was too large.

**Preliminary ABAG Response:** The determination provided by HCD is based on a population forecast from the California Department of Finance (DOF), which is then modified by staff at DOF and HCD to tackle overcrowding and make other adjustments as specified in law. The

<sup>5</sup> [Government Code Section 65584.07](#).

procedures for calculating the RHND are clearly specified in state law and the grounds for an appeal were narrowly designed by the Legislature. ABAG staff have reviewed HCD's calculation methodology and believe it adheres to applicable legal requirements. The ABAG Board ultimately decided not to appeal the RHND in June 2020. At this time, the window of appeal of the RHND is now closed. Further feedback on this element of the process is most appropriately provided to HCD, rather than ABAG.

**9. Jurisdiction-specific issues with Plan Bay Area 2050 Blueprint:** Some jurisdictions had concerns about the accuracy of the Blueprint's underlying data. Others felt the Blueprint needs to better incorporate hazard data, particularly related to wildland-urban interface (WUI) maps and FEMA floodways.

**Preliminary ABAG Response:** Local jurisdiction staff were provided with several months to comment on the BASIS data used as the input for the Blueprint, as well as the additional public comment period on the Draft Blueprint during Summer 2020. ABAG-MTC staff appreciates jurisdictions' feedback on Blueprint data and has worked directly with local jurisdiction staff to address these concerns.

### Next Steps

Staff will consider comments and will recommend any necessary adjustments for integration into the Draft RHNA Methodology, which is scheduled for release in the next week. The ABAG Regional Planning Committee will consider the Draft RHNA Methodology and make a recommendation to the ABAG Executive Board the Draft RHNA Methodology at its meeting on January 14, 2021 and the ABAG Executive Board is slated to take action on the Draft RHNA Methodology at the January 21, 2021 meeting.

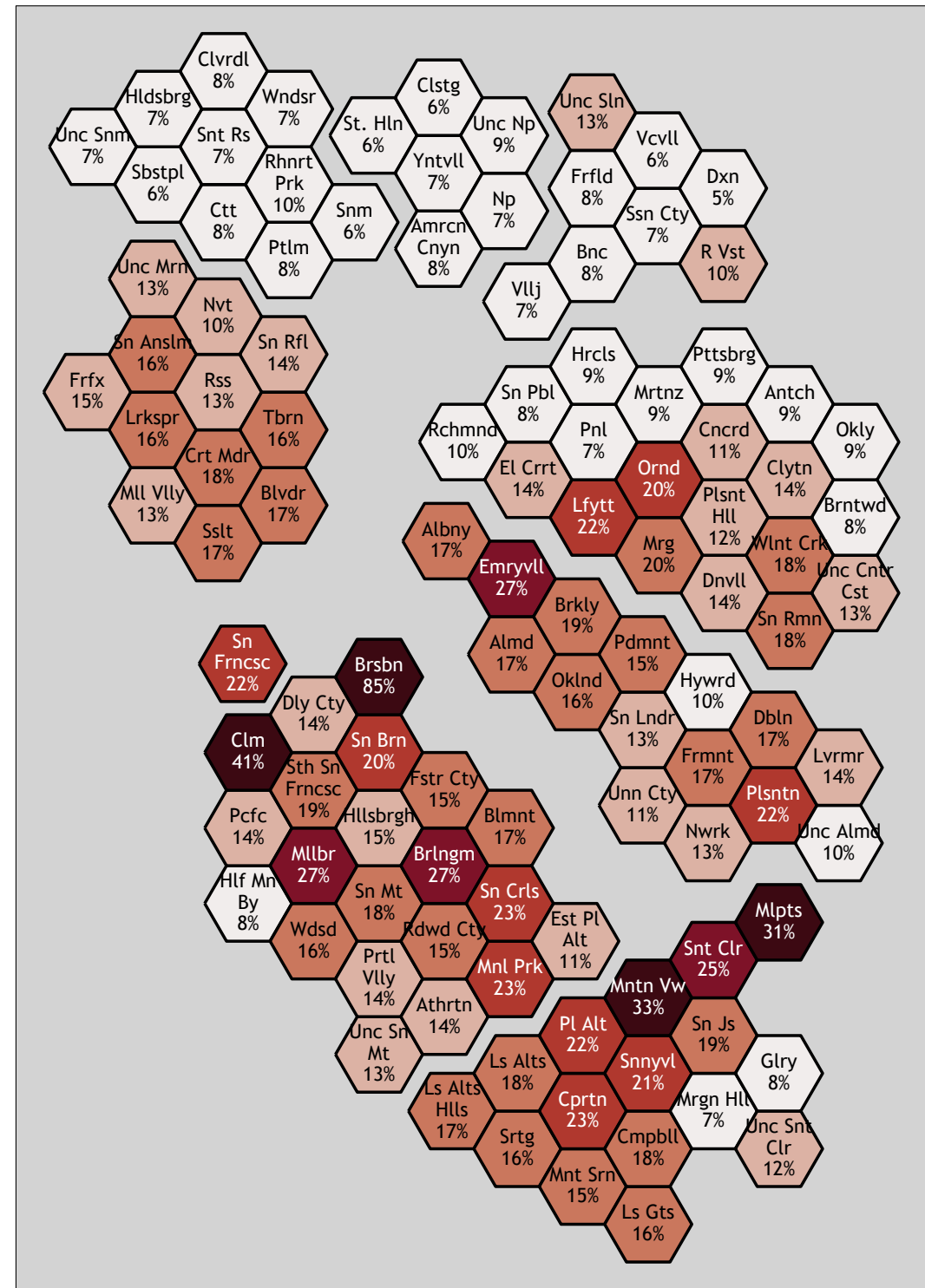
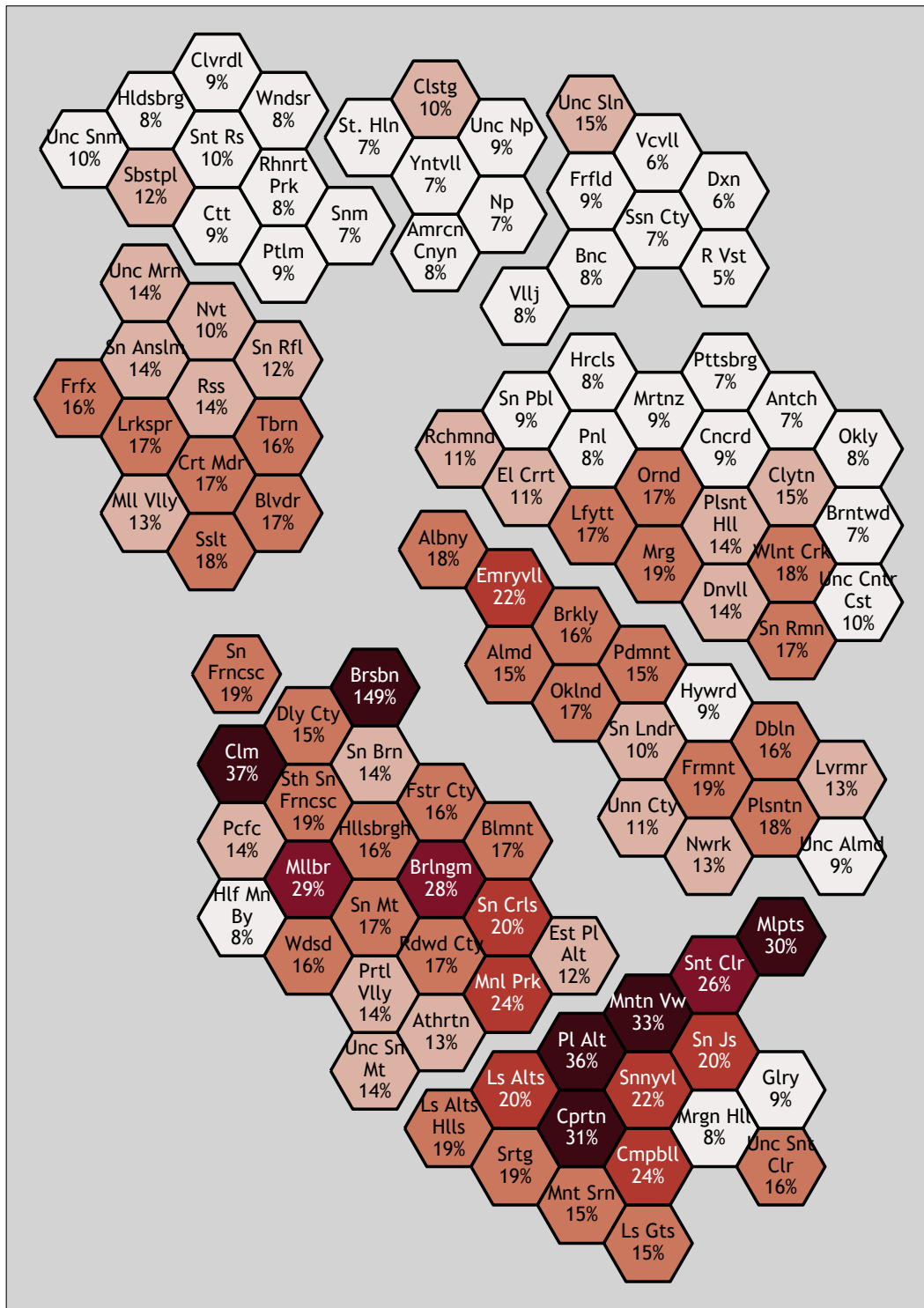
After a Draft RHNA Methodology is adopted by the Executive Board, ABAG will submit the methodology to HCD for review and then use the state agency's feedback to develop a final methodology and draft RHNA allocation in spring 2021. Release of the draft allocation will be followed by an appeals period in the summer of 2021, with the final RHNA allocation assigned to each of the Bay Area's local governments in late 2021.

# Appendix 2: Illustrative Results of Proposed RHNA Methodology (Draft Blueprint) and Draft RHNA Methodology (Final Blueprint)

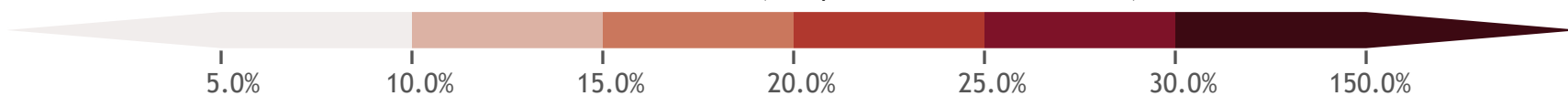
Note: the jurisdiction-specific allocations shown are for illustrative purposes only. ABAG will issue Final Allocations by the end of 2021.

### Proposed RHNA Methodology (Baseline: 2050 Households (Draft Blueprint))

### Draft RHNA Methodology (Baseline: 2050 Households (Final Blueprint))



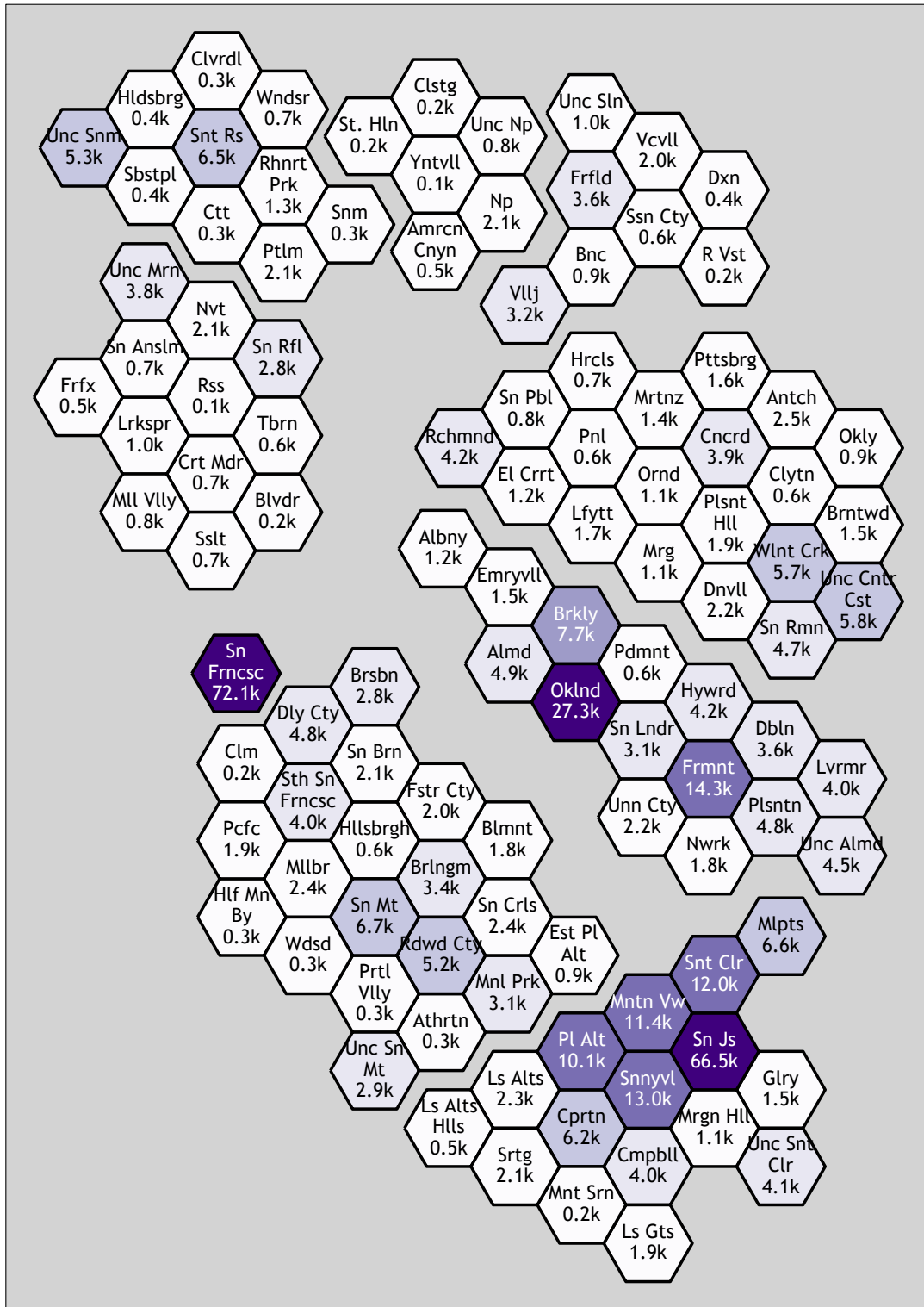
Jurisdiction Growth Rate (Compared to 2020 Households)



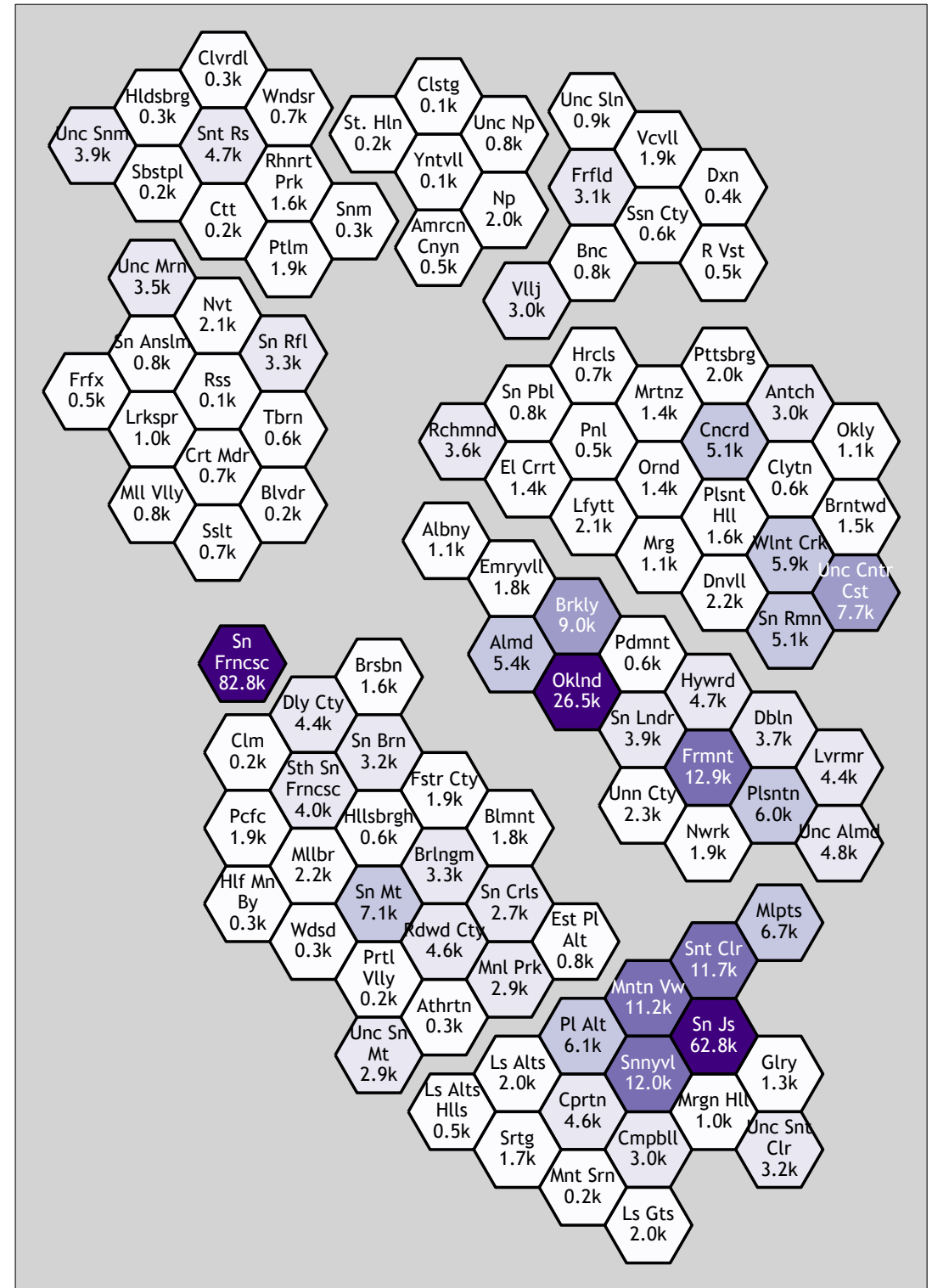
# Appendix 2: Illustrative Results of Proposed RHNA Methodology (Draft Blueprint) and Draft RHNA Methodology (Final Blueprint)

Note: the jurisdiction-specific allocations shown are for illustrative purposes only. ABAG will issue Final Allocations by the end of 2021.

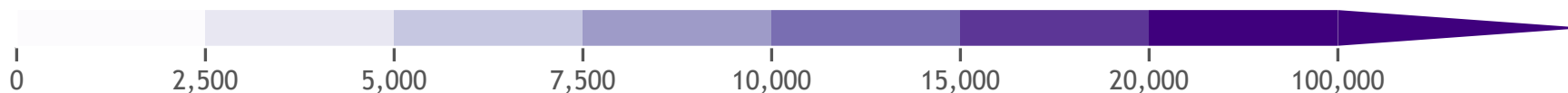
### Proposed RHNA Methodology (Baseline: 2050 Households (Draft Blueprint))



### Draft RHNA Methodology (Baseline: 2050 Households (Final Blueprint))



Jurisdiction Growth (Units)



### Appendix 3: Jurisdiction Illustrative Allocations

#### Illustrative Allocations by County

	Draft RHNA Methodology (Final Blueprint)	2015-2023 RHNA (Cycle 5)	Proposed RHNA Methodology (Draft Blueprint)	Draft RHNA Methodology (Final Blueprint)	Bay Area Households (2019)	Bay Area Jobs (2017)
Alameda	88,985	23%	19%	20%	21%	20%
Contra Costa	48,932	11%	10%	11%	14%	10%
Marin	14,380	1%	3%	3%	4%	3%
Napa	3,523	1%	1%	1%	2%	2%
San Francisco	82,840	15%	16%	19%	13%	19%
San Mateo	47,321	9%	11%	11%	10%	10%
Santa Clara	129,927	31%	33%	29%	24%	27%
Solano	11,097	4%	3%	3%	5%	4%
Sonoma	14,171	4%	4%	3%	7%	5%
<b>BAY AREA</b>	<b>441,176</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

**Jurisdiction Illustrative Allocations by Income Category**

Note: the jurisdiction-specific allocations shown are for illustrative purposes only. ABAG will issue Final Allocations by the end of 2021.

Jurisdiction	Jurisdiction Share of 2050 Households*		Proposed RHNA Methodology (Baseline: 2050 Households - Draft Blueprint)					Draft RHNA Methodology (Baseline: 2050 Households - Final Blueprint)					Comparison of Total RHNA	
	Draft Blueprint	Final Blueprint	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total	Unit Change from Proposed to Draft	Percent Change from Proposed to Draft
Alameda	0.994%	1.100%	1,318	759	786	2,033	4,896	1,455	837	868	2,246	5,406	510	10%
Albany	0.211%	0.206%	324	187	180	464	1,155	315	182	175	453	1,125	(30)	-3%
Berkeley	1.452%	1.701%	2,148	1,237	1,211	3,134	7,730	2,504	1,441	1,416	3,664	9,025	1,295	17%
Dublin	0.687%	0.705%	1,060	611	547	1,413	3,631	1,085	625	560	1,449	3,719	88	2%
Emeryville	0.399%	0.493%	377	217	249	646	1,489	462	265	308	797	1,832	343	23%
Fremont	2.694%	2.434%	4,040	2,326	2,214	5,728	14,308	3,640	2,096	1,996	5,165	12,897	(1,411)	-10%
Hayward	1.393%	1.571%	980	564	726	1,880	4,150	1,100	632	817	2,115	4,664	514	12%
Livermore	1.130%	1.269%	1,109	639	620	1,606	3,974	1,240	714	696	1,799	4,449	475	12%
Newark	0.578%	0.609%	453	260	303	784	1,800	475	274	318	824	1,891	91	5%
Oakland	6.503%	6.338%	6,880	3,962	4,584	11,860	27,286	6,665	3,838	4,457	11,533	26,493	(793)	-3%
Piedmont	0.099%	0.098%	166	96	94	243	599	163	94	92	238	587	(12)	-2%
Pleasanton	0.909%	1.135%	1,405	810	717	1,855	4,787	1,750	1,008	894	2,313	5,965	1,178	25%
San Leandro	0.913%	1.137%	713	411	561	1,451	3,136	882	507	696	1,802	3,887	751	24%
Unincorporated Alameda	1.347%	1.419%	1,221	704	726	1,879	4,530	1,281	738	763	1,976	4,758	228	5%
Union City	0.702%	0.727%	565	326	370	957	2,218	582	335	382	988	2,287	69	3%
<b>Alameda County</b>	<b>20.011%</b>	<b>20.942%</b>	<b>22,759</b>	<b>13,109</b>	<b>13,888</b>	<b>35,933</b>	<b>85,689</b>	<b>23,599</b>	<b>13,586</b>	<b>14,438</b>	<b>37,362</b>	<b>88,985</b>	<b>3,296</b>	<b>4%</b>
Antioch	1.032%	1.270%	661	380	402	1,038	2,481	811	467	493	1,275	3,046	565	23%
Brentwood	0.618%	0.647%	395	228	237	614	1,474	411	237	247	641	1,536	62	4%
Clayton	0.115%	0.111%	176	102	87	227	592	170	97	84	219	570	(22)	-4%
Concord	1.306%	1.725%	1,006	579	643	1,662	3,890	1,322	762	847	2,190	5,121	1,231	32%
Danville	0.410%	0.424%	632	365	328	848	2,173	652	376	338	875	2,241	68	3%
El Cerrito	0.339%	0.405%	289	166	203	524	1,182	342	197	241	624	1,404	222	19%
Hercules	0.240%	0.264%	164	95	115	297	671	179	104	126	327	736	65	10%
Lafayette	0.297%	0.382%	468	269	255	659	1,651	599	344	326	845	2,114	463	28%
Martinez	0.381%	0.383%	357	205	220	569	1,351	358	206	221	573	1,358	7	1%
Moraga	0.193%	0.204%	302	174	163	422	1,061	318	183	172	445	1,118	57	5%
Oakley	0.395%	0.450%	251	145	152	393	941	286	165	172	446	1,069	128	14%
Orinda	0.197%	0.235%	313	180	181	468	1,142	372	215	215	557	1,359	217	19%
Pinole	0.209%	0.183%	142	82	99	256	579	124	71	87	223	505	(74)	-13%
Pittsburg	0.630%	0.787%	419	242	273	707	1,641	518	298	340	880	2,036	395	24%
Pleasant Hill	0.423%	0.368%	522	300	293	758	1,873	451	261	254	657	1,623	(250)	-13%
Richmond	1.403%	1.227%	988	569	731	1,891	4,179	860	496	638	1,651	3,645	(534)	-13%
San Pablo	0.261%	0.248%	187	108	139	359	793	177	102	132	341	752	(41)	-5%
San Ramon	0.898%	0.975%	1,382	796	708	1,830	4,716	1,497	862	767	1,985	5,111	395	8%
Unincorporated Contra Costa	1.658%	2.203%	1,609	928	917	2,373	5,827	2,131	1,227	1,217	3,147	7,722	1,895	33%
Walnut Creek	1.118%	1.148%	1,655	954	869	2,247	5,725	1,696	976	890	2,304	5,866	141	2%
<b>Contra Costa County</b>	<b>12.124%</b>	<b>13.638%</b>	<b>11,918</b>	<b>6,867</b>	<b>7,015</b>	<b>18,142</b>	<b>43,942</b>	<b>13,274</b>	<b>7,646</b>	<b>7,807</b>	<b>20,205</b>	<b>48,932</b>	<b>4,990</b>	<b>11%</b>



## Jurisdiction Illustrative Allocations by Income Category

Note: the jurisdiction-specific allocations shown are for illustrative purposes only. ABAG will issue Final Allocations by the end of 2021.

Jurisdiction	Jurisdiction Share of 2050 Households*		Proposed RHNA Methodology (Baseline: 2050 Households - Draft Blueprint)					Draft RHNA Methodology (Baseline: 2050 Households - Final Blueprint)					Comparison of Total RHNA	
	Draft Blueprint	Final Blueprint	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total	Unit Change from Proposed to Draft	Percent Change from Proposed to Draft
Belvedere	0.033%	0.032%	49	28	23	61	161	49	28	23	60	160	(1)	-1%
Corte Madera	0.135%	0.138%	209	121	106	274	710	213	123	108	281	725	15	2%
Fairfax	0.104%	0.098%	158	91	75	195	519	149	86	71	184	490	(29)	-6%
Larkspur	0.197%	0.189%	303	175	150	390	1,018	291	168	145	375	979	(39)	-4%
Mill Valley	0.161%	0.164%	248	142	124	320	834	252	144	126	326	848	14	2%
Novato	0.669%	0.672%	582	335	332	858	2,107	583	336	332	860	2,111	4	0%
Ross	0.023%	0.022%	35	20	17	44	116	33	19	16	41	109	(7)	-6%
San Anselmo	0.149%	0.167%	226	130	108	280	744	253	145	121	314	833	89	12%
San Rafael	0.895%	1.048%	752	433	446	1,154	2,785	877	504	521	1,350	3,252	467	17%
Sausalito	0.125%	0.125%	200	115	115	296	726	200	115	114	295	724	(2)	0%
Tiburon	0.123%	0.126%	186	107	91	236	620	193	110	93	243	639	19	3%
Unincorporated Marin	0.893%	0.822%	1,157	666	557	1,440	3,820	1,063	611	512	1,324	3,510	(310)	-8%
<b>Marin County</b>	<b>3.507%</b>	<b>3.605%</b>	<b>4,105</b>	<b>2,363</b>	<b>2,144</b>	<b>5,548</b>	<b>14,160</b>	<b>4,156</b>	<b>2,389</b>	<b>2,182</b>	<b>5,653</b>	<b>14,380</b>	<b>220</b>	<b>2%</b>
American Canyon	0.190%	0.176%	124	72	81	209	486	115	67	75	194	451	(35)	-7%
Calistoga	0.090%	0.052%	58	32	33	86	209	32	19	19	50	120	(89)	-43%
Napa	0.815%	0.769%	550	317	339	876	2,082	516	298	319	825	1,958	(124)	-6%
St. Helena	0.073%	0.068%	46	27	27	71	171	43	24	26	66	159	(12)	-7%
Unincorporated Napa	0.288%	0.279%	218	126	125	323	792	210	121	120	312	763	(29)	-4%
Yountville	0.031%	0.029%	20	12	12	32	76	19	11	12	30	72	(4)	-5%
<b>Napa County</b>	<b>1.487%</b>	<b>1.373%</b>	<b>1,016</b>	<b>586</b>	<b>617</b>	<b>1,597</b>	<b>3,816</b>	<b>935</b>	<b>540</b>	<b>571</b>	<b>1,477</b>	<b>3,523</b>	<b>(293)</b>	<b>-8%</b>
<b>San Francisco</b>	<b>12.394%</b>	<b>14.304%</b>	<b>18,637</b>	<b>10,717</b>	<b>11,910</b>	<b>30,816</b>	<b>72,080</b>	<b>21,359</b>	<b>12,294</b>	<b>13,717</b>	<b>35,470</b>	<b>82,840</b>	<b>10,760</b>	<b>15%</b>
Atherton	0.065%	0.072%	74	43	51	130	298	81	47	56	144	328	30	10%
Belmont	0.302%	0.305%	485	280	282	728	1,775	488	281	283	733	1,785	10	1%
Brisbane	0.742%	0.423%	573	330	534	1,382	2,819	324	187	303	785	1,599	(1,220)	-43%
Burlingame	0.572%	0.546%	926	534	555	1,434	3,449	883	509	529	1,368	3,289	(160)	-5%
Colma	0.047%	0.052%	40	24	33	86	183	45	26	37	96	204	21	11%
Daly City	1.040%	0.945%	1,150	661	841	2,175	4,827	1,039	598	762	1,971	4,370	(457)	-9%
East Palo Alto	0.219%	0.206%	179	104	169	437	889	169	97	159	410	835	(54)	-6%
Foster City	0.349%	0.327%	556	320	321	831	2,028	520	299	300	777	1,896	(132)	-7%
Half Moon Bay	0.147%	0.149%	93	54	54	141	342	93	54	54	141	342	-	0%
Hillsborough	0.107%	0.097%	169	97	95	245	606	153	88	87	223	551	(55)	-9%
Menlo Park	0.500%	0.481%	773	445	517	1,340	3,075	740	426	496	1,284	2,946	(129)	-4%
Millbrae	0.375%	0.350%	618	356	386	999	2,359	575	331	361	932	2,199	(160)	-7%
Pacifica	0.359%	0.356%	557	321	294	761	1,933	551	317	291	753	1,912	(21)	-1%
Portola Valley	0.045%	0.045%	70	41	39	101	251	70	40	39	99	248	(3)	-1%
Redwood City	1.102%	0.984%	1,284	739	885	2,291	5,199	1,141	658	789	2,041	4,629	(570)	-11%
San Bruno	0.486%	0.730%	481	278	382	989	2,130	721	415	573	1,483	3,192	1,062	50%
San Carlos	0.398%	0.455%	647	372	383	991	2,393	739	425	438	1,133	2,735	342	14%
San Mateo	1.338%	1.419%	1,722	991	1,111	2,873	6,697	1,819	1,047	1,175	3,040	7,081	384	6%
South San Francisco	0.923%	0.929%	892	513	717	1,856	3,978	892	514	720	1,863	3,989	11	0%
Unincorporated San Mateo	0.827%	0.809%	852	490	443	1,148	2,933	830	479	433	1,121	2,863	(70)	-2%
Woodside	0.057%	0.058%	90	52	51	133	326	90	52	52	134	328	2	1%
<b>San Mateo County</b>	<b>10.002%</b>	<b>9.740%</b>	<b>12,231</b>	<b>7,045</b>	<b>8,143</b>	<b>21,071</b>	<b>48,490</b>	<b>11,963</b>	<b>6,890</b>	<b>7,937</b>	<b>20,531</b>	<b>47,321</b>	<b>(1,169)</b>	<b>-2%</b>

**Jurisdiction Illustrative Allocations by Income Category**

Note: the jurisdiction-specific allocations shown are for illustrative purposes only. ABAG will issue Final Allocations by the end of 2021.

Jurisdiction	Jurisdiction Share of 2050 Households*		Proposed RHNA Methodology (Baseline: 2050 Households - Draft Blueprint)					Draft RHNA Methodology (Baseline: 2050 Households - Final Blueprint)					Comparison of Total RHNA	
	Draft Blueprint	Final Blueprint	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total	Unit Change from Proposed to Draft	Percent Change from Proposed to Draft
Campbell	0.741%	0.563%	1,017	585	659	1,703	3,964	770	444	499	1,292	3,005	(959)	-24%
Cupertino	0.980%	0.724%	1,619	932	1,023	2,648	6,222	1,193	687	755	1,953	4,588	(1,634)	-26%
Gilroy	0.523%	0.461%	410	236	228	590	1,464	359	207	200	519	1,285	(179)	-12%
Los Altos	0.348%	0.301%	580	333	377	977	2,267	501	288	326	843	1,958	(309)	-14%
Los Altos Hills	0.084%	0.076%	139	81	91	234	545	125	72	82	210	489	(56)	-10%
Los Gatos	0.326%	0.335%	523	301	311	804	1,939	537	310	320	826	1,993	54	3%
Milpitas	1.228%	1.257%	1,653	952	1,108	2,866	6,579	1,685	970	1,131	2,927	6,713	134	2%
Monte Sereno	0.032%	0.032%	51	30	31	80	192	51	30	31	79	191	(1)	-1%
Morgan Hill	0.444%	0.410%	291	168	189	488	1,136	268	155	174	450	1,047	(89)	-8%
Mountain View	1.772%	1.754%	2,876	1,656	1,909	4,939	11,380	2,838	1,635	1,885	4,880	11,238	(142)	-1%
Palo Alto	1.541%	0.935%	2,573	1,482	1,673	4,330	10,058	1,556	896	1,013	2,621	6,086	(3,972)	-39%
San Jose	15.242%	14.426%	16,391	9,437	11,344	29,350	66,522	15,444	8,892	10,711	27,714	62,761	(3,761)	-6%
Santa Clara	2.184%	2.135%	3,020	1,739	2,031	5,257	12,047	2,940	1,692	1,981	5,126	11,739	(308)	-3%
Saratoga	0.343%	0.280%	556	321	341	882	2,100	454	261	278	719	1,712	(388)	-18%
Sunnyvale	2.262%	2.088%	3,227	1,858	2,206	5,707	12,998	2,968	1,709	2,032	5,257	11,966	(1,032)	-8%
Unincorporated Santa Clara	1.065%	0.815%	1,113	641	664	1,719	4,137	848	488	508	1,312	3,156	(981)	-24%
<b>Santa Clara County</b>	<b>29.114%</b>	<b>26.591%</b>	<b>36,039</b>	<b>20,752</b>	<b>24,185</b>	<b>62,574</b>	<b>143,550</b>	<b>32,537</b>	<b>18,736</b>	<b>21,926</b>	<b>56,728</b>	<b>129,927</b>	<b>(13,623)</b>	<b>-9%</b>
Benicia	0.286%	0.271%	222	127	143	370	862	208	120	135	351	814	(48)	-6%
Dixon	0.159%	0.146%	103	58	62	159	382	93	54	57	146	350	(32)	-8%
Fairfield	1.438%	1.226%	938	540	596	1,544	3,618	796	458	508	1,314	3,076	(542)	-15%
Rio Vista	0.098%	0.207%	62	36	36	94	228	130	75	76	197	478	250	110%
Suisun City	0.242%	0.246%	158	91	101	260	610	160	92	101	264	617	7	1%
Unincorporated Solano	0.420%	0.381%	270	155	165	426	1,016	243	140	149	385	917	(99)	-10%
Vacaville	0.828%	0.775%	535	308	328	848	2,019	498	286	305	791	1,880	(139)	-7%
Vallejo	1.190%	1.117%	794	457	535	1,385	3,171	741	426	501	1,297	2,965	(206)	-6%
<b>Solano County</b>	<b>4.662%</b>	<b>4.368%</b>	<b>3,082</b>	<b>1,772</b>	<b>1,966</b>	<b>5,086</b>	<b>11,906</b>	<b>2,869</b>	<b>1,651</b>	<b>1,832</b>	<b>4,745</b>	<b>11,097</b>	<b>(809)</b>	<b>-7%</b>
Cloverdale	0.126%	0.120%	80	46	47	121	294	76	44	45	116	281	(13)	-4%
Cotati	0.105%	0.092%	68	39	44	116	267	61	35	39	101	236	(31)	-12%
Healdsburg	0.145%	0.121%	93	54	59	153	359	78	45	49	128	300	(59)	-16%
Petaluma	0.781%	0.716%	560	323	342	885	2,110	511	295	313	810	1,929	(181)	-9%
Rohnert Park	0.492%	0.625%	322	186	209	541	1,258	408	235	265	686	1,594	336	27%
Santa Rosa	2.404%	1.745%	1,727	993	1,064	2,754	6,538	1,247	718	771	1,995	4,731	(1,807)	-28%
Sebastopol	0.163%	0.086%	106	61	67	175	409	56	32	35	92	215	(194)	-47%
Sonoma	0.143%	0.133%	91	53	54	140	338	85	49	50	130	314	(24)	-7%
Unincorporated Sonoma	2.058%	1.540%	1,424	820	840	2,173	5,257	1,060	610	627	1,622	3,919	(1,338)	-25%
Windsor	0.283%	0.260%	184	106	118	305	713	168	97	108	279	652	(61)	-9%
<b>Sonoma County</b>	<b>6.700%</b>	<b>5.440%</b>	<b>4,655</b>	<b>2,681</b>	<b>2,844</b>	<b>7,363</b>	<b>17,543</b>	<b>3,750</b>	<b>2,160</b>	<b>2,302</b>	<b>5,959</b>	<b>14,171</b>	<b>(3,372)</b>	<b>-19%</b>
<b>TOTAL</b>	<b>100.000%</b>	<b>100.000%</b>	<b>114,442</b>	<b>65,892</b>	<b>72,712</b>	<b>188,130</b>	<b>441,176</b>	<b>114,442</b>	<b>65,892</b>	<b>72,712</b>	<b>188,130</b>	<b>441,176</b>		

\* Jurisdiction-level forecasts from Plan Bay Area 2050 Final Blueprint are intended solely for use in crafting the RHNA baseline allocation; official Plan Bay Area 2050 growth pattern focuses on county- and subcounty-level forecasts.

# REGIONAL HOUSING NEEDS ALLOCATION



## Appendix 4: Performance Evaluation Metrics

The RHNA allocation methodology must meet five objectives identified in Housing Element Law.<sup>1</sup> To help ensure that any proposed methodology will meet the statutory RHNA objectives and receive approval from the California Department of Housing and Community Development (HCD), ABAG-MTC staff developed a set of evaluation metrics to assess different methodology options. These metrics are based largely on the analytical framework used by HCD in evaluating the draft methodologies completed by other regions in California, as evidenced by the approval letters HCD provided to the Sacramento Area Council of Governments (SACOG), San Diego Association of Governments (SANDAG), and Southern California Association of Governments (SCAG).<sup>2</sup> Other metrics reflect input from members of the [Housing Methodology Committee](#) (HMC).

In the evaluation metrics, each statutory objective has been reframed as a question that reflects the language Housing Element Law uses to define the objectives. Each statutory objective is accompanied by quantitative metrics for evaluating the allocation produced by a methodology. The metrics are structured as a comparison between the allocations to the top jurisdictions in the region for a particular characteristic – such as jurisdictions with the most expensive housing costs – and the allocations to the rest of the jurisdictions in the region.

### Metrics Based on Lower-Income Unit Percentage vs. Metrics Based on Total Allocation

Several of the metrics focus on whether jurisdictions with certain characteristics receive a significant share of their RHNA as *lower-income units*. These metrics reflect HCD's analysis in its letters evaluating RHNA methodologies from other regions. However, HMC members advocated for metrics that also examine *the total number of units* assigned to a jurisdiction. These HMC members asserted that it is ultimately less impactful if a jurisdiction receives a high share of its RHNA as lower-income units if that same jurisdiction receives few units overall. Accordingly, each metric that focuses on the share of lower-income units assigned to jurisdictions with certain characteristics is paired with a complementary metric that examines whether those jurisdictions also receive a share of the regional housing need that is at least proportional to their share of the region's households. A value of 1.0 for these complementary metrics means that the group of jurisdictions' overall share of RHNA is proportional relative to its overall share of households in 2019, while a value below 1.0 is less than proportional.

### Evaluation of Draft RHNA Methodology Compared to Proposed RHNA Methodology

The graphs below compare the performance of the Draft RHNA Methodology and Proposed RHNA Methodology in achieving the five statutory RHNA objectives based on the evaluation metrics. Although there are some variations on individual metrics, the results indicate that both the Proposed RHNA Methodology and the Draft RHNA Methodology perform well in advancing all of the statutory objectives.

<sup>1</sup> See [California Government Code Section 65584\(d\)](#).

<sup>2</sup> For copies of letters HCD sent to other regions, see [this document](#) from the January 2020 HMC meeting agenda packet.

**OBJECTIVE 1: Does the allocation increase the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner?**

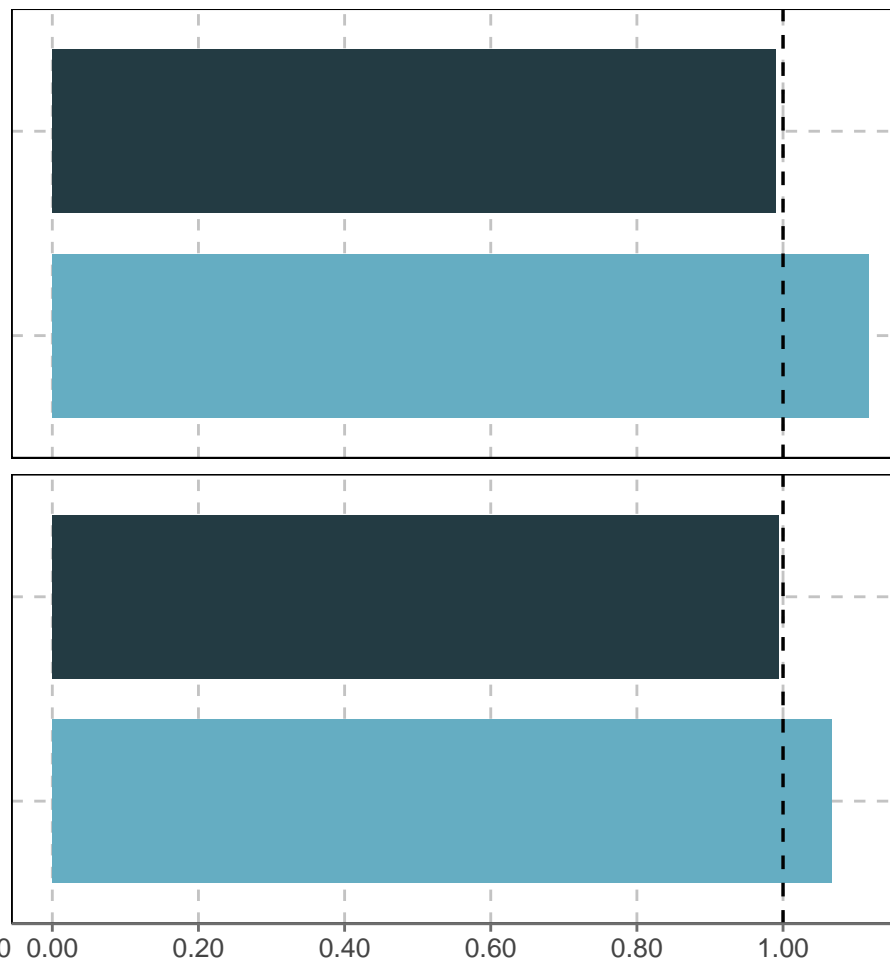
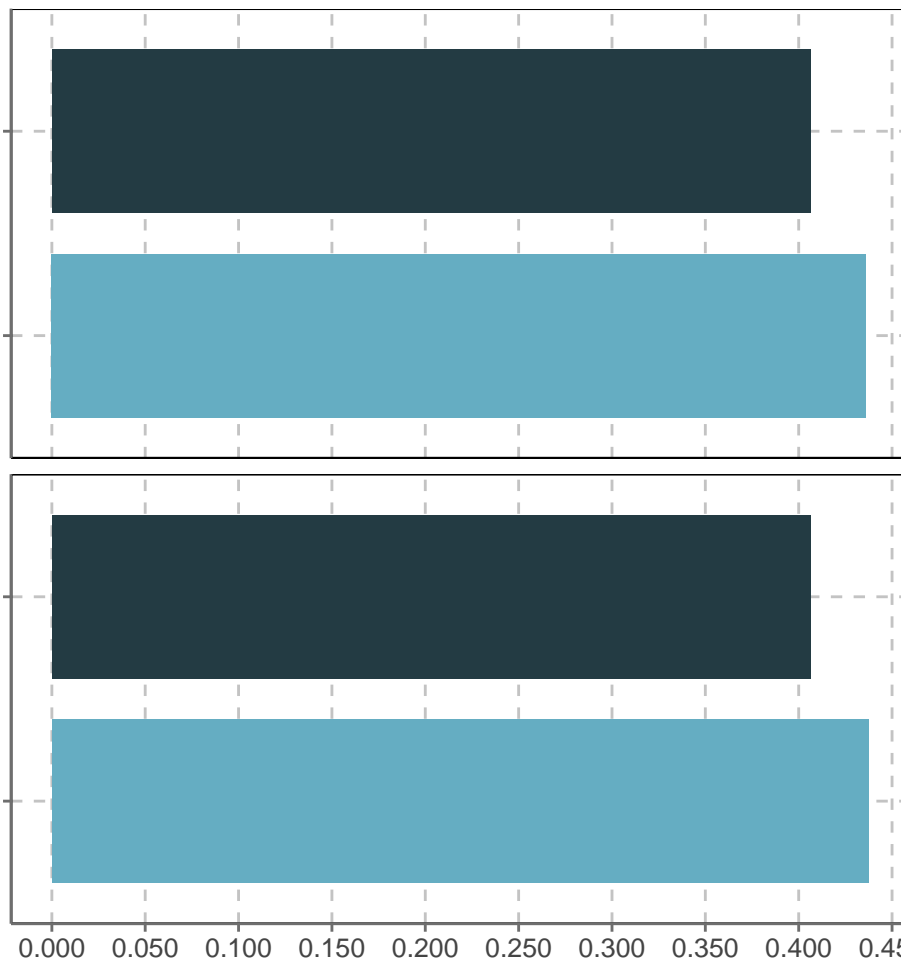
*Comparison between the top 25 jurisdictions with the most expensive housing costs and the rest of the region*

**METRIC 1a.1: Do jurisdictions with the most expensive housing costs receive a significant percentage of their RHNA as lower-income units?**

**METRIC 1a.2: Do jurisdictions with the most expensive housing costs receive a share of the region's housing need that is at least proportional to their share of the region's households?**

**Percent of RHNA as lower income units**

**Ratio of share of total RHNA to share of region's households**



**Proposed RHNA Methodology (2050 Households - Draft Blueprint)**

**Draft RHNA Methodology (2050 Households - Final Blueprint)**

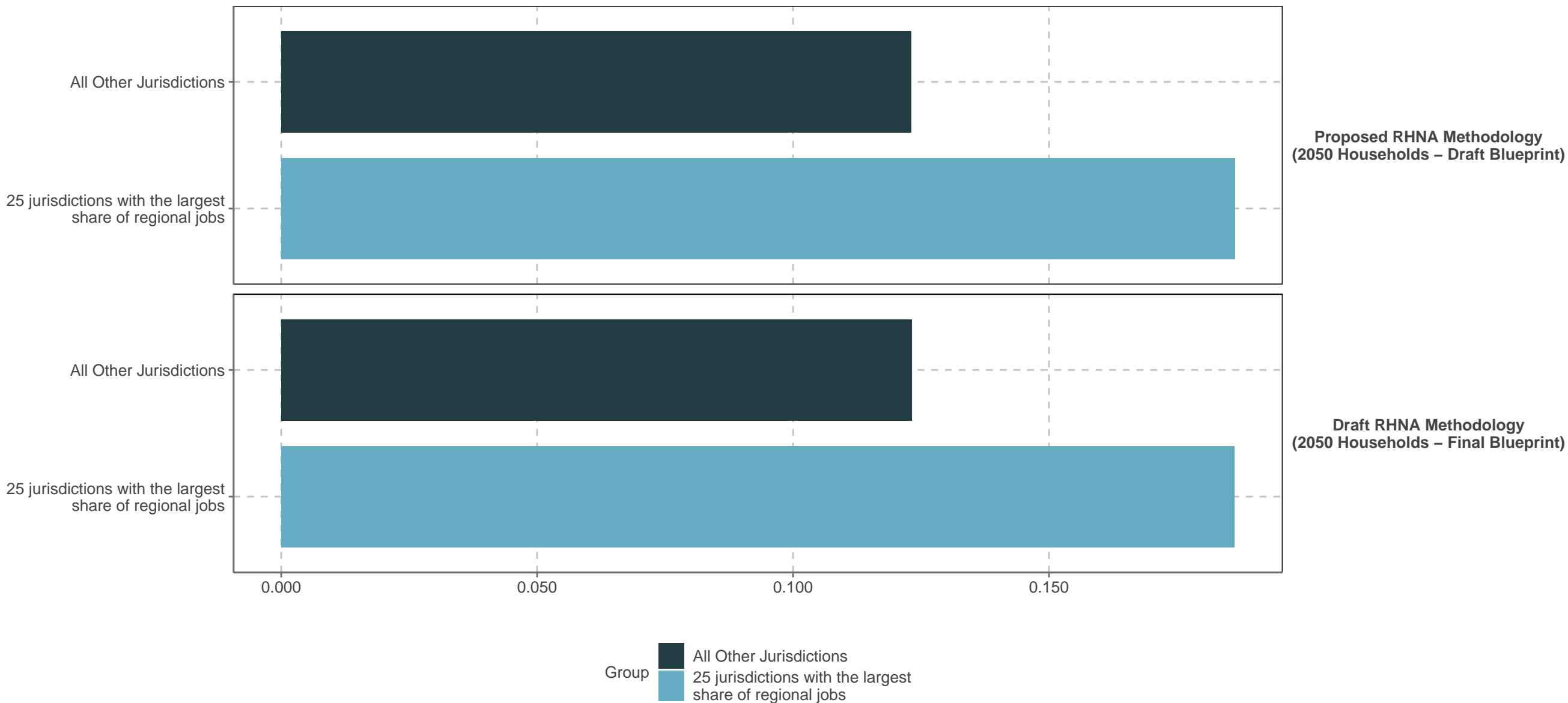
Group  
 All Other Jurisdictions  
 25 jurisdictions with most expensive housing costs

**OBJECTIVE 2: Does the allocation promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets?**

*Comparison between the top 25 jurisdictions with the most jobs and the rest of the region*

**METRIC 2a: Do jurisdictions with the largest share of the region's jobs have the highest growth rates resulting from RHNA?**

**Average growth rate resulting from RHNA**

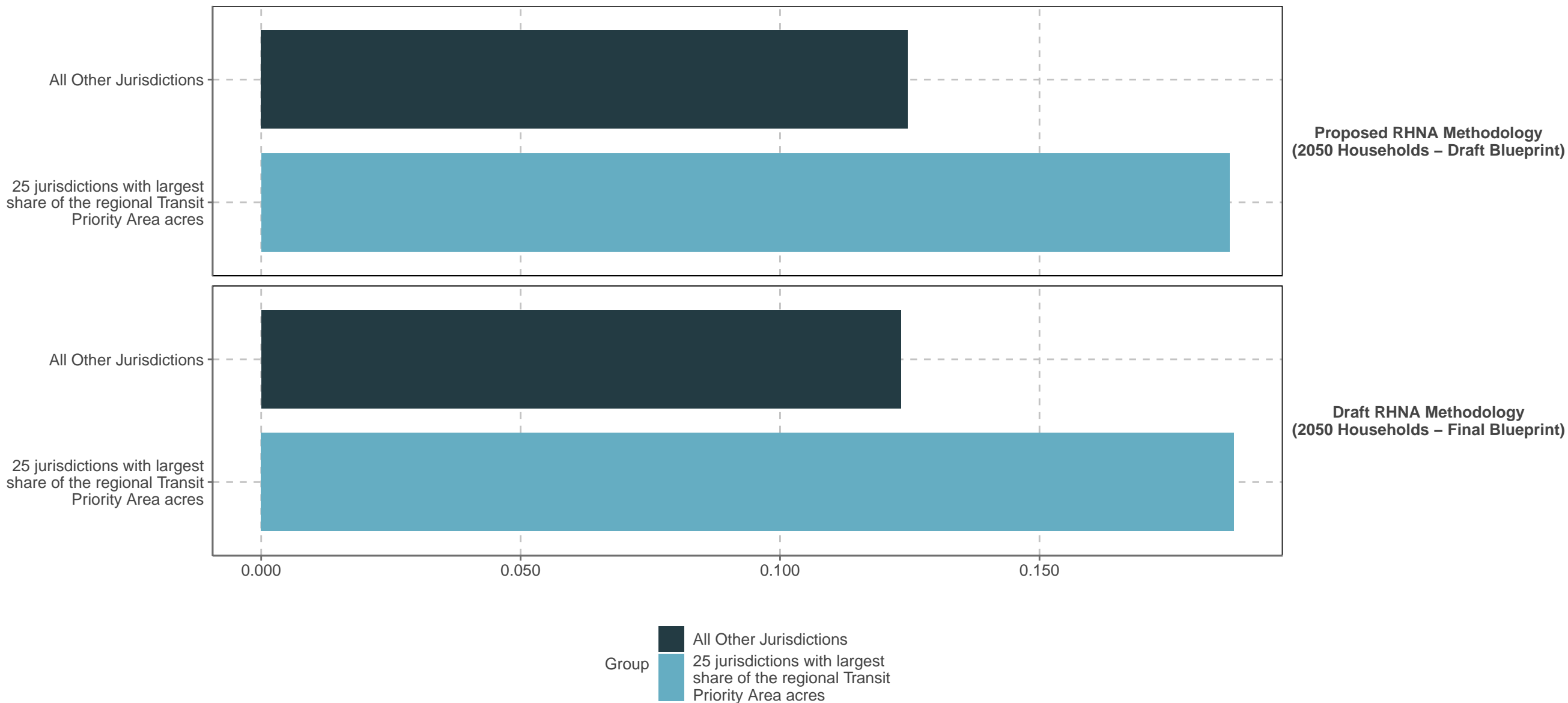


**OBJECTIVE 2: Does the allocation promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets?**

*Comparison between the top 25 jurisdictions with the most transit access and the rest of the region*

**METRIC 2b: Do jurisdictions with the largest share of the region's Transit Priority Area acres have the highest growth rates resulting from RHNA?**

**Average growth rate resulting from RHNA**

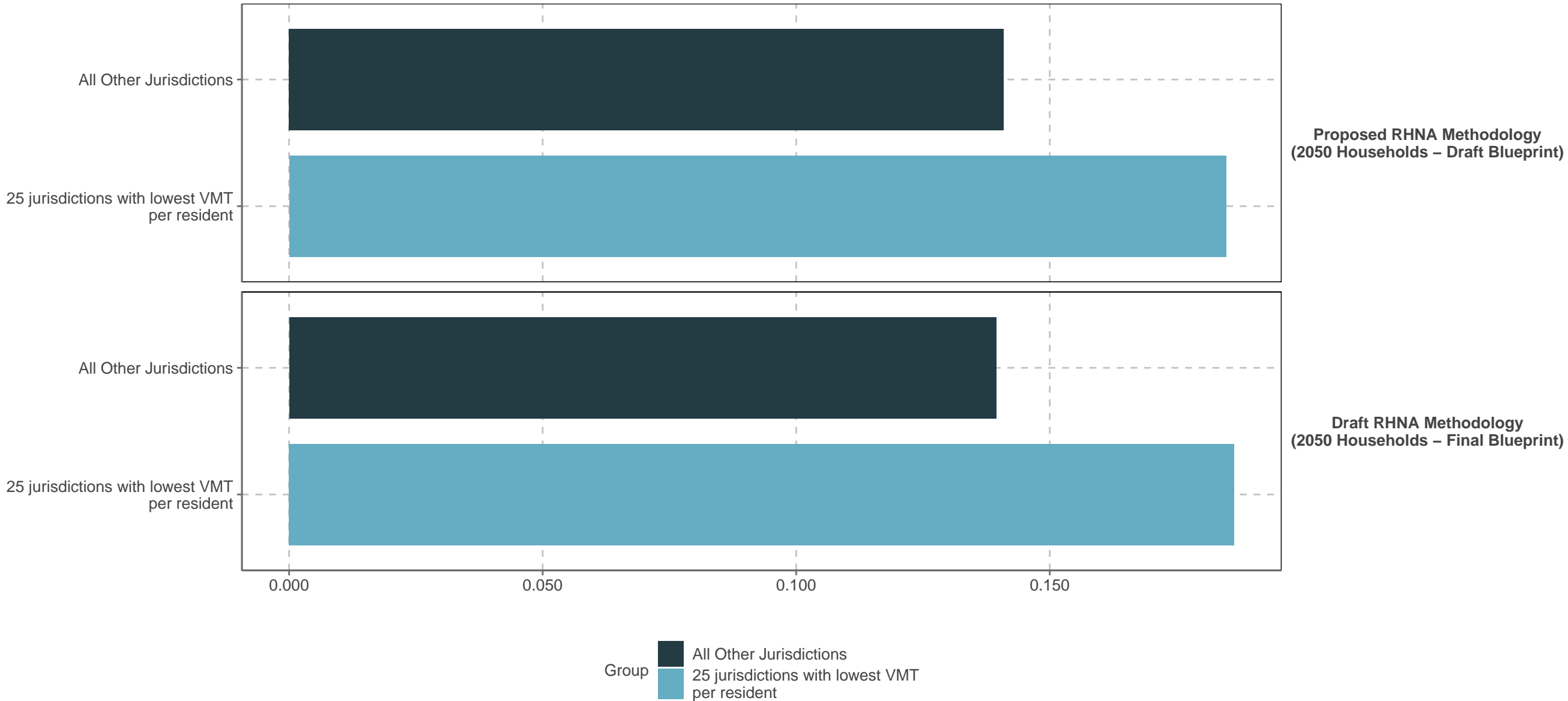


**OBJECTIVE 2: Does the allocation promote infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets?**

*Comparison between the top 25 jurisdictions with the lowest VMT per resident the rest of the region*

**METRIC 2c: Do jurisdictions whose residents drive the least have the highest growth rates resulting from RHNA?**

**Average growth rate resulting from RHNA**



**OBJECTIVE 3: Does the allocation promote an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction?**

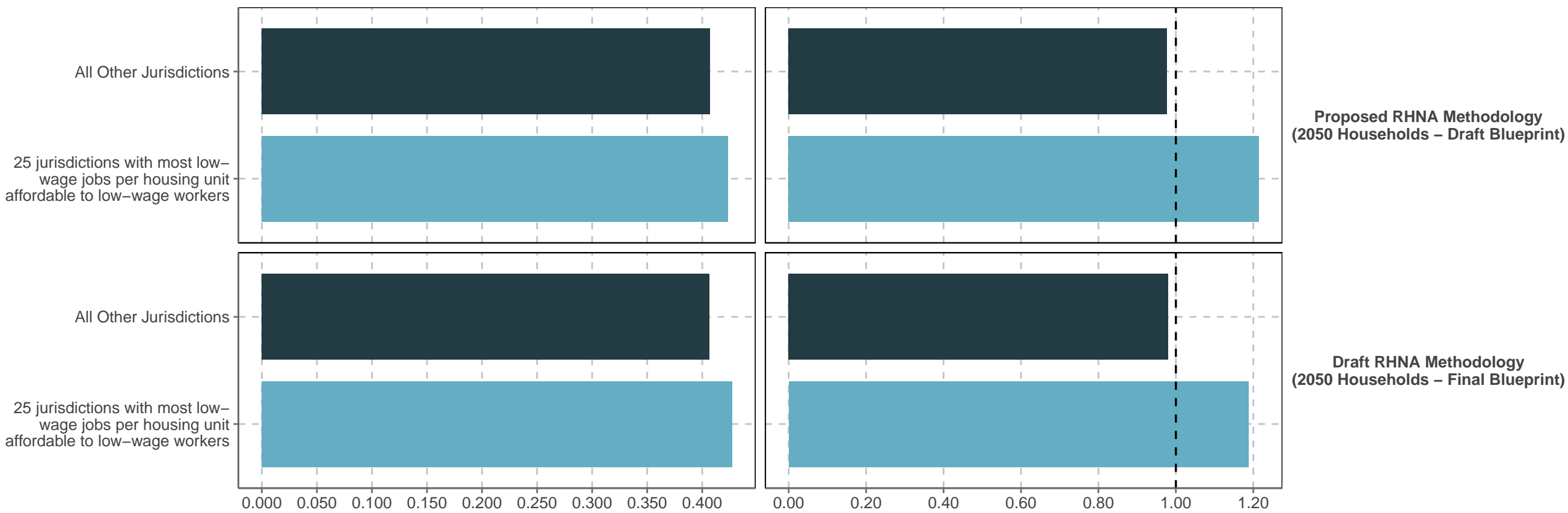
*Comparison between the top 25 jurisdictions with the most unbalanced jobs-housing fit and the rest of the region*

**METRIC 3a.1: Do jurisdictions with the most low-wage workers per housing unit affordable to low-wage workers receive a significant percentage of their RHNA as lower-income units?**

**METRIC 3a.2: Do jurisdictions with the most low-wage workers per housing unit affordable to low-wage workers receive a share of the region's housing need that is at least proportional to their share of the region's households?**

**Percent of RHNA as lower income units**

**Ratio of share of total RHNA to share of region's households**



Group

- All Other Jurisdictions
- 25 jurisdictions with most low-wage jobs per housing unit affordable to low-wage workers

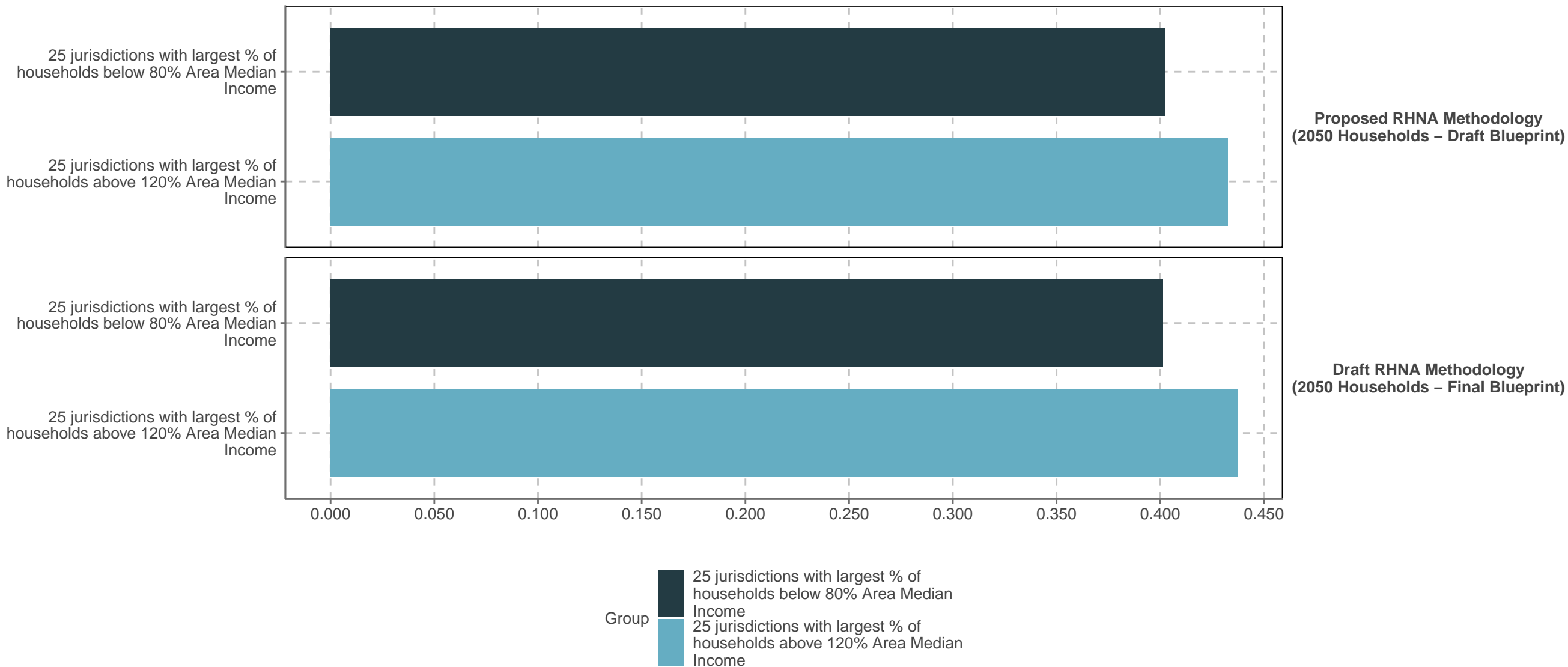


### OBJECTIVE 4: Does the allocation direct a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category?

*Comparison between the top 25 most disproportionately high-income jurisdictions and top 25 most disproportionately low-income jurisdictions*

**METRIC 4: Do jurisdictions with the largest percentage of high-income residents receive a larger share of their RHNA as lower-income units than jurisdictions with the largest percentage of low-income residents?**

**Percent of RHNA as lower income units**



**OBJECTIVE 5: Does the allocation affirmatively further fair housing?**

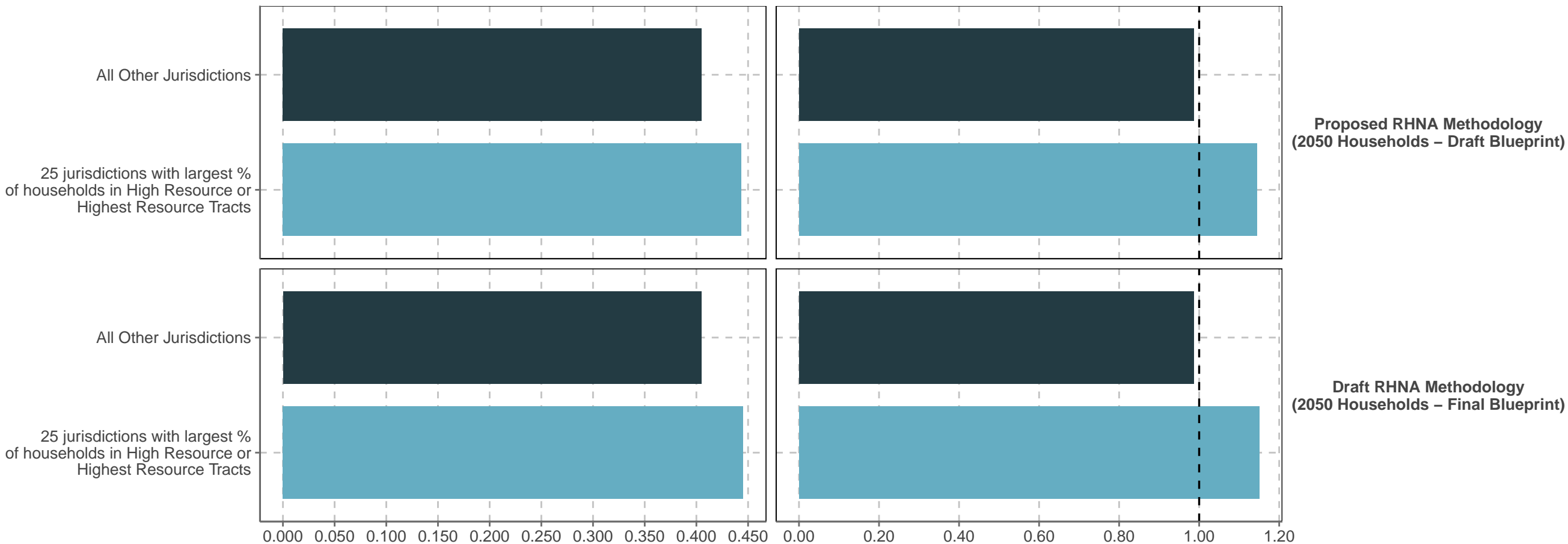
*Comparison between the top 25 jurisdictions with the most access to resources and the rest of the region*

**METRIC 5a.1: Do jurisdictions with the largest percentage of households living in High or Highest Resource tracts receive a significant percentage of their RHNA as lower-income units?**

**METRIC 5a.2: Do jurisdictions with the largest percentage of households living in High or Highest Resource tracts receive a share of the region's housing need that is at least proportional to their share of the region's households?**

**Percent of RHNA as lower income units**

**Ratio of share of total RHNA to share of region's households**



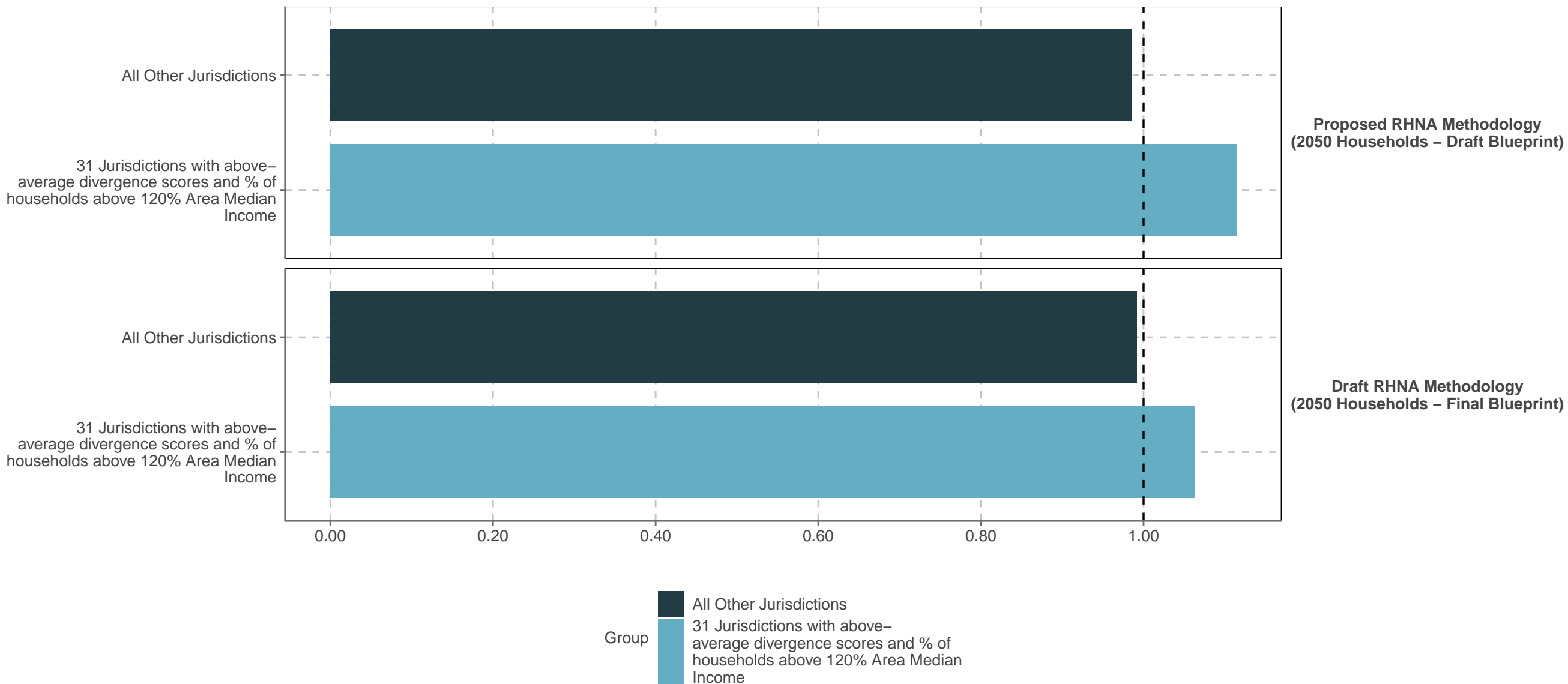
Group

- All Other Jurisdictions
- 25 jurisdictions with largest % of households in High Resource or Highest Resource Tracts

**OBJECTIVE 5: Does the allocation affirmatively further fair housing?**  
*Comparison between jurisdictions that have both above-average divergence scores and disproportionately large shares of high-income residents and the rest of the region*

**METRIC 5b: Do jurisdictions exhibiting racial and economic exclusion receive a share of the region's housing need that is at least proportional to their share of the region's households?**

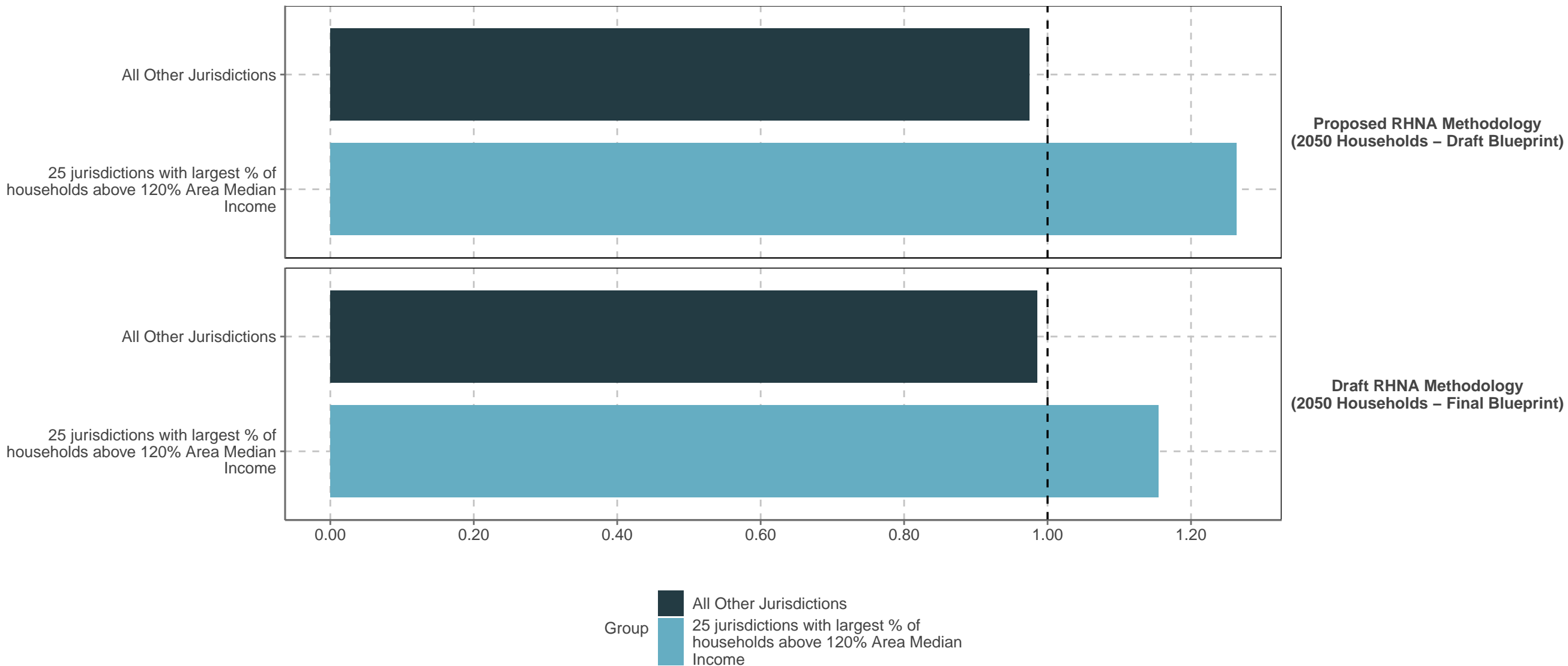
**Ratio of share of total RHNA to share of region's households**



**OBJECTIVE 5: Does the allocation affirmatively further fair housing?**  
*Comparison between the top 25 most disproportionately high-income jurisdictions and the rest of the region*

**METRIC 5c: Do jurisdictions with the largest percentage of high-income residents receive a share of the region's housing need that is at least proportional to their share of the region's households?**

**Ratio of share of total RHNA to share of region's households**



**OBJECTIVE 5: Does the allocation affirmatively further fair housing?**

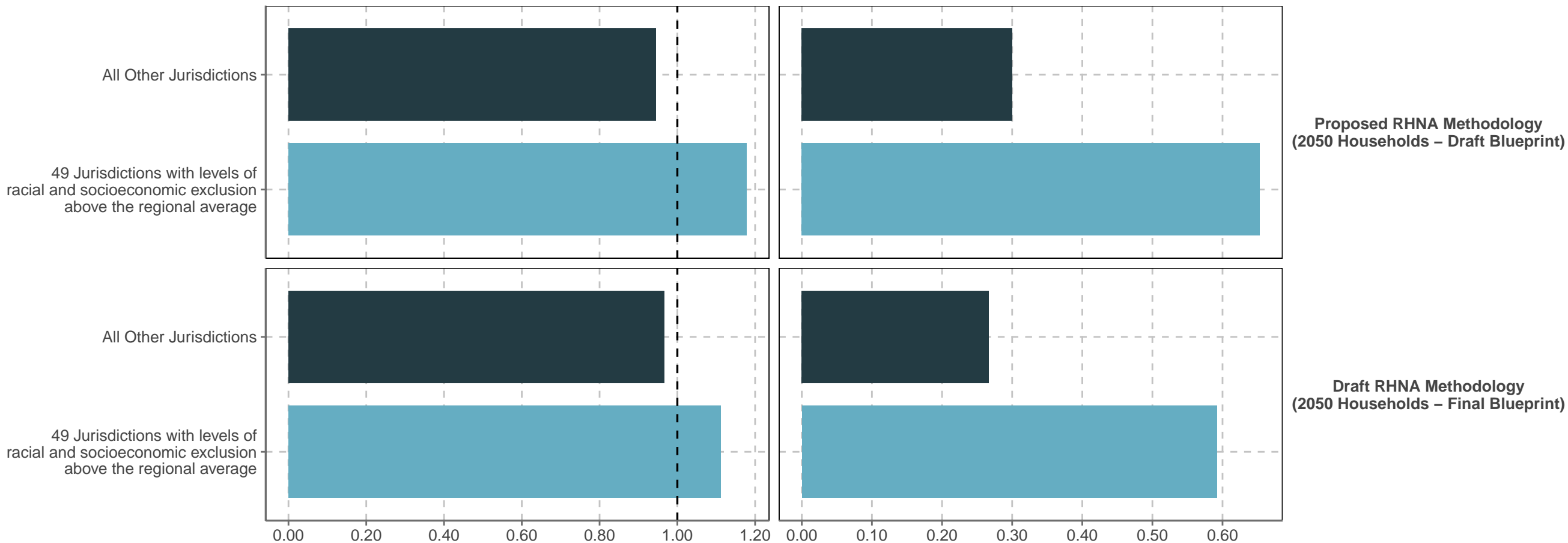
*Comparison between the top 49 jurisdictions exhibiting above average racial and socioeconomic exclusion and the rest of the region*

**METRIC 5d.1: Do jurisdictions with levels of racial and socioeconomic exclusion above the regional average receive a total share of the region's very low- and low-income housing need that is at least proportional to their total share of the region's households?**

**METRIC 5d.2: Does each jurisdiction exhibiting racial and socioeconomic exclusion above the regional average receive a share of the region's very low- and low-income housing need that is at least proportional to its total share of the region's households?**

**Ratio of share of lower-income RHNA to share of region's households**

**Jurisdictions receiving at least a proportional lower-income allocation**



Group

- All Other Jurisdictions
- 49 Jurisdictions with levels of racial and socioeconomic exclusion above the regional average

## REGIONAL HOUSING NEEDS ALLOCATION



### Appendix 5: Final Subregional Shares

State Housing Element Law allows two or more neighboring jurisdictions to form a “subregion” to conduct a parallel RHNA process to allocate the subregion’s housing need among its members.<sup>1</sup> A subregion is responsible for conducting its own RHNA process that meets all of the statutory requirements related to process and outcomes, including developing its own RHNA methodology, allocating a share of need to each member jurisdiction, and conducting its own appeals process.

For the 2023–31 RHNA, subregions were formed in:

1. **Napa County:** includes City of American Canyon, City of Napa, Town of Yountville, and the County of Napa (*does not include City of Calistoga or City of St. Helena*)
2. **Solano County:** includes City of Benicia, City of Dixon, City of Fairfield, City of Rio Vista, City of Suisun City, City of Vacaville, City of Vallejo, and County of Solano

ABAG must assign each subregion a share of the Bay Area’s Regional Housing Need Determination (RHND), which represents the total number of units, by income category, the subregion must allocate to its member jurisdictions. Each subregion’s portion of the RHND has been removed from the units allocated by ABAG’s process for the rest of the region’s jurisdictions.

On May 21, 2020, the ABAG Executive Board adopted the methodology for assigning a subregion its share of the RHND. The adopted methodology stipulates that the share of the RHND for each subregion will be based on the sum of the default allocations, by income category, from the ABAG RHNA methodology for each jurisdiction in the subregion. Using ABAG’s RHNA methodology as the input into the subregion shares ensures every jurisdiction that is a member of a subregion receives the same allocation it would have received if it were not part of a subregion. This approach ensures that formation of a subregion does not confer any harm or benefit to member jurisdictions or to other jurisdictions in the region.

On October 15, 2020, the ABAG Executive Board approved release of the Draft Subregional Shares.<sup>2</sup> The Draft Subregional Shares were based on the Proposed RHNA Methodology, which reflected baseline data on 2050 households from the Plan Bay Area 2050 Draft Blueprint. Applying the subregional share methodology to the Bay Area’s RHND of 441,176, the Draft Subregional Share for the Napa County subregion is 0.78 percent of the region’s housing needs and the Draft Subregional Share for the Solano County subregion is 2.7 percent of the region’s housing needs. **Table 1** shows each subregion’s draft share by income category.

<sup>1</sup> [Government Code Section 65584.03.](#)

<sup>2</sup> For more information, see <https://mtc.legistar.com/LegislationDetail.aspx?ID=4665721&GUID=6B565EC3-A706-4695-8A87-277F6791A1DB&Options=&Search=>

**Table 1: Draft Subregional Shares, Total Units by Income Category**

Subregion	Very Low	Low	Moderate	Above Moderate	TOTAL
Napa County	912	527	557	1,440	3,436
Solano County	3,082	1,772	1,966	5,086	11,906

Housing Element Law requires ABAG to hold a public comment period and conduct at least one public hearing to receive comments on the Draft Subregional Shares<sup>3</sup> prior to adoption of the Final Subregional Shares. The written public comment period began on October 25 and ended on November 27 per the Notice of Public Hearing published in newspapers and an ABAG press release. Additionally, ABAG held a public hearing at the November 12 meeting of the Regional Planning Committee. ABAG received no comments on the Draft Subregional Shares.

The Final Subregional Shares are based on the Draft RHNA Methodology, which incorporates updates made throughout fall 2020 to reflect the revised Strategies and Growth Geographies approved by the ABAG Executive Board and Commission in September 2020 for the Final Blueprint. Integrating the updated data about future year 2050 households from the Final Blueprint into the Draft RHNA Methodology results in changes to the allocations to local jurisdictions, and thus the subregional shares.

In December 2020, the jurisdictions who were members of the Napa Subregion decided to dissolve their subregion. As a result, these jurisdictions will participate in the RHNA process ABAG is conducting and will receive allocations based on the RHNA methodology adopted by ABAG. Accordingly, ABAG-MTC staff has only identified a Final Subregional Share for the Solano County subregion. Applying the subregional share methodology to the Bay Area's RHND of 441,176, the Final Subregional Share for the Solano County subregion is 2.52 percent of the region's housing needs. **Table 2** shows the subregion's final share by income category.

**Table 2: Final Subregional Shares, Total Units by Income Category**

Subregion	Very Low	Low	Moderate	Above Moderate	TOTAL
Solano County	2,869	1,651	1,832	4,745	11,097

<sup>3</sup> [California Government Code 65584.03 \(c\)](#)