

MEMO

Date: January 10, 2012

To: ABAG Executive Board

From: Ken Kirkey, ABAG Planning Director

Subject: Regional Housing Need Allocation (RHNA) - Spheres of Influence in Marin County

Overview

This memo provides a proposal for addressing the Spheres of Influence (SOI) in Marin County. The SOI is a component of the Regional Housing Need Allocation (RHNA) methodology.

Spheres of Influence in Marin County

RHNA is a state mandate that requires each community to plan for its share of the state's housing need, for people at all income levels. The California Department of Housing and Community Development (HCD) determines the total housing need for each region in the state and, as the Council of Governments for the San Francisco Bay Area, it is ABAG's responsibility to distribute this need to local governments. Spheres of influence (SOI) must be considered in the RHNA methodology if there is projected growth within a city's SOI. Most SOI areas within the Bay Area are anticipated to experience growth.

At the September 2011 Executive Board meeting, staff proposed to use the same approach regarding SOI for the 2014-2022 RHNA that was included in the 2007-2014 RHNA. This resulted in the allocation of housing need generated by the unincorporated SOI assigned to the cities in Napa, San Mateo, Santa Clara, Solano, and Sonoma counties. In Alameda and Contra Costa counties, the allocation of housing need generated by the unincorporated SOI was assigned to the county.

In Marin County, based on the factors discussed below, staff has developed a proposal for Board consideration. Staff proposes that 75 percent of the allocation of housing need generated by the unincorporated SOI be assigned to the respective city; with 25 percent being assigned to the county.

Factors under consideration:

- SOI rules are based on the premise that each local jurisdiction with land use permitting authority over its SOI should plan for the housing need generated within that area.
- The Bay Area's first Sustainable Communities Strategy will build upon momentum in the region in support of a focused growth land use pattern where new residents have access to services and transit rather than the expansion or formation of new greenfield subdivisions.
- Cities in Marin County provide appropriate services and amenities for the existing population.

- In the upcoming RHNA 2014-2022 cycle, most Marin cities and towns are likely to have a smaller housing allocation when compared to RHNA 2007-2014. This is related to a smaller regional allocation (214,500 for 2007-2014 vs. 197,000 for 2014-2022) and the likely land pattern for the SCS that will inform the RHNA and direct more growth to urban, transit-served locations.
- For the 2007-2014 RHNA cycle there were staff errors regarding the Executive Board's recommendation for the Marin County SOI. Resolution 02-07 adopted by the ABAG Executive Board on January 17, 2007 encompasses what appear to be track change errors resulting in a recommendation for a 50/50 sphere of influence (SOI) split between cities in Marin and the County of Marin, instead of the 75 city/25 county split recommended by the Board.
- Data analysis of the Marin County SOI split for the 2007-2014 period indicates that HCD utilized a 50/50 split in its allocation distribution for Marin County.
- The difference between a 50-50 split and a 75-25 split in sphere allocation showed that the County received an extra 101 units while eight of the eleven Marin cities received fewer units through the 50/50 split utilized by HCD in comparison to a 75 city/25 county split. For three cities the split does not impact allocations at all. See attached table.

Regional Housing Need Allocation – Marin

Example to illustrate differential between Spheres of Influence (SOI) scenarios

	DRAFT RHNA 2014 -2022			RHNA 2007-2014			Difference between RHNA 2007-14 and 2014-22
	50/50	75/25 (*)	Difference	50/50(**)	75/25	Difference	75/25
Belvedere	16	16	0	17	17	0	-1
Corte Madera	183	185	2	244	246	2	-61
Fairfax	73	76	3	108	112	-4	-36
Larkspur	168	173	5	382	395	-13	-122
Mill Valley	131	132	1	292	301	-9	-69
Novato	412	412	0	1,241	1,267	-26	-855
Ross	18	18	0	27	27	0	-9
San Anselmo	128	130	2	113	117	-4	-13
San Rafael	763	786	23	1,403	1,444	-41	-658
Sausalito	89	89	0	165	165	0	-76
Tiburon	148	181	33	117	119	-2	62
Unincorporated	818	750	-68	773	672	101	78
	2,948	2,948		4,882	4,882		

(*) staff recommendation for 2014-2022; (**) split utilized by HCD for 2007-2014

Staff Recommendation

In the DRAFT RHNA methodology discussed by the Housing Methodology Committee (HMC) since January 2011 and slated for adoption by the Executive Board in March 2012, Marin County will likely see a significant reduction in its RHNA numbers for 2014-2022 (an eight year period) in comparison to 2007-2014 (a seven period). This is related to the fact that as proposed the DRAFT RHNA methodology will be closely linked to the household distribution of the Sustainable Communities Strategy.

The SCS will likely encompass a focused growth, transit- and infill-oriented land development pattern resulting in a lower RHNA for less urban counties. This is in addition to the impact of a lower Regional Housing Need Determination (RHND) for the upcoming period relative to the last period for the nine-county Bay Area. Although the draft allocation numbers will change based upon the details of the DRAFT RHNA methodology and the DRAFT SCS that will be adopted in Spring 2012, it is likely that many Marin jurisdictions will see a reduction in their Regional Housing Need Allocations for the upcoming 2014-2022 period relative to 2007-2014.

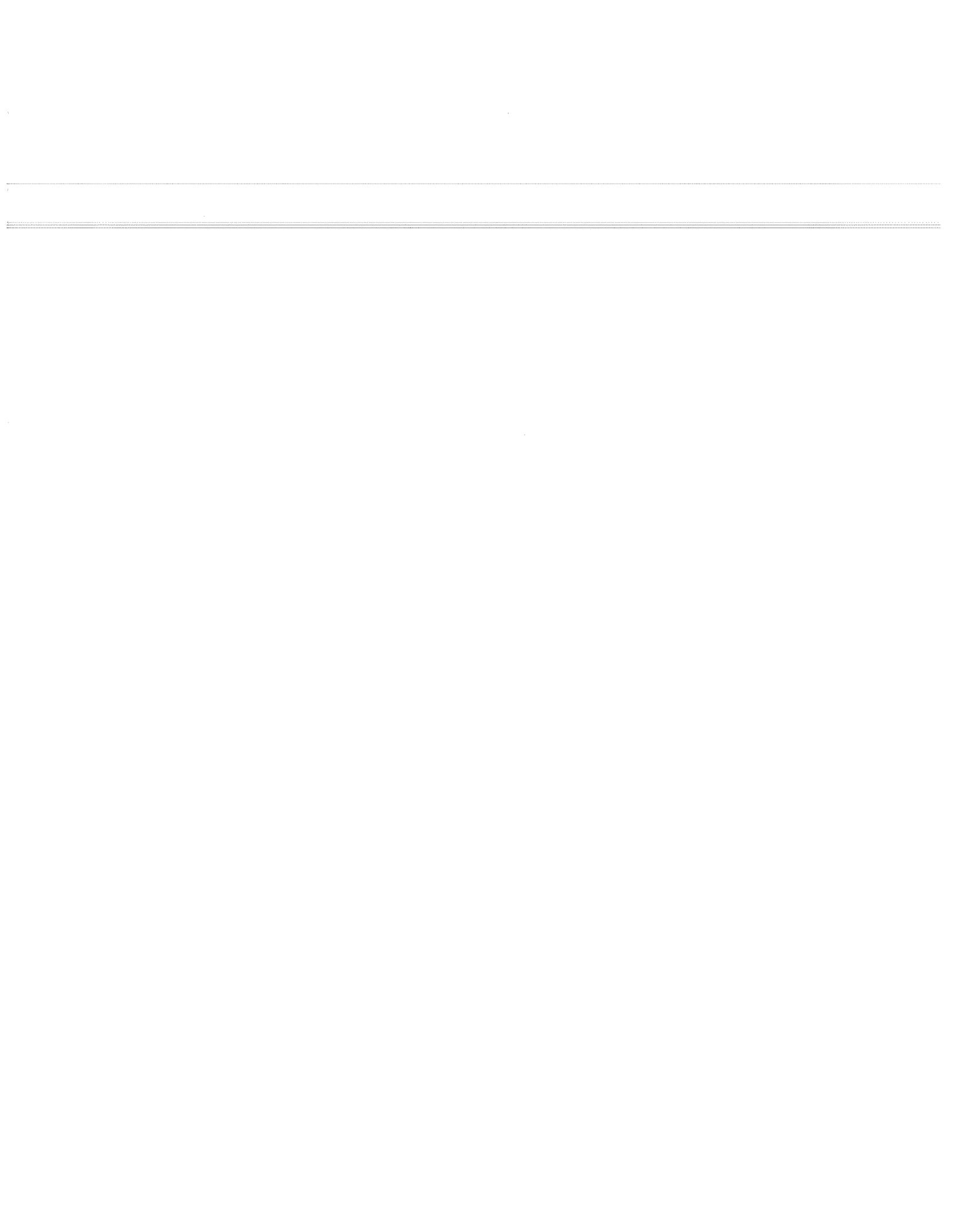
The County of Marin's growth policies directing most growth to the Highway 101 Corridor, the more urbanized portion of unincorporated Marin that is home to a Priority Development Area and toward incorporated cities is consistent with the objectives of SB 375. The draft RHNA methodology under development combined with staff's recommendation for application of a 75 city/25 county SOI split for the 2014-2022 period would result in reductions in the allocations for ten of the eleven cities in Marin County relative to the 2007-2014 period. Conversely the County of Marin would still see a modest increase in its allocation.

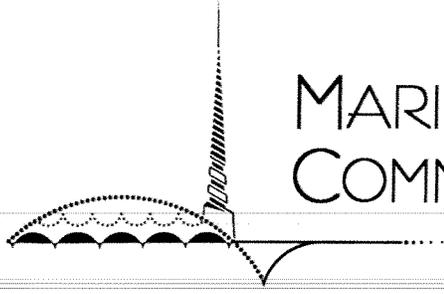
Recommended Action

Staff is requesting Executive Board approval for the SOI rules for the 2014-2022 RHNA for Marin County that direct 75 percent of the SOI allocation to the cities and 25 percent to the county.

Attachments

June 21, 2011 letter from the Marin County Council of Mayors and Councilmembers supporting a 50/50 SOI split; December 8, 2011 letter from the Marin County Community Development Agency supporting a 75 city/25 county SOI split





MARIN COUNTY COMMUNITY DEVELOPMENT AGENCY

BRIAN C. CRAWFORD, DIRECTOR

December 8, 2011

Mr. Ken Kirkey
Association of Bay Area Governments
101 Eighth Street
Oakland, CA 94607

RE: Distribution of Regional Housing Needs Allocation in the Spheres of Influence of Marin Cities and Towns

Dear Mr. Kirkey:

On December 6, 2011, the Marin County Board of Supervisors adopted the enclosed resolution recommending that the Executive Board of the Association of Bay Area Governments continue the prior Regional Housing Needs Allocation methodology for Marin County. This methodology places planning responsibility for 75% of the projected future housing need attributable to Spheres of Influence with cities and towns of Marin, and assigns the remaining 25% of the planning responsibility to the County.

Please contact me with any questions or if you would like to discuss the Board action.

Very truly yours,


Brian C. Crawford
Director

Enclosure: Board of Supervisors Staff Report and Resolution, December 6, 2011

MARIN COUNTY
COMMUNITY DEVELOPMENT AGENCY
BRIAN C. CRAWFORD, DIRECTOR

December 6, 2011

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903



SUBJECT: Distribution of Regional Housing Needs Allocation (RHNA) in the Spheres of Influence (SOI) of Marin cities and towns.

Dear Supervisors:

RECOMMENDATION: Consider adopting resolution endorsing a 75% City, 25% County distribution of housing need in the SOIs for the 2014-2022 RHNA methodology.

SUMMARY: In May 2011, the Board of Supervisors authorized staff to send a letter to the Association of Bay Area Governments (ABAG) recommending that ABAG adopt a RHNA methodology that places planning responsibility for 75% of the projected future housing need attributable to SOIs with cities and towns in Marin, and assigns the remaining 25% of the planning responsibility to the County. (See Attachment 2.)

At the request of Supervisor Adams, staff has prepared the attached resolution reaffirming the County's position on this matter. (See Attachment 1.) The attached resolution is intended to be transmitted to ABAG staff and the Executive Board of ABAG for consideration prior to ABAG's adoption of the methodology for the next RHNA cycle (2014-2022). A decision on the Draft RHNA methodology is scheduled for March 2012.

FISCAL IMPACT: Impact unknown at this time.

REVIEWED BY:

<input type="checkbox"/>	Auditor Controller	<input checked="" type="checkbox"/>	N/A
<input type="checkbox"/>	County Counsel	<input checked="" type="checkbox"/>	N/A
<input type="checkbox"/>	Human Resources	<input checked="" type="checkbox"/>	N/A

Respectfully submitted,

A handwritten signature in cursive script that reads "Brian C. Crawford".

Brian C. Crawford
Director

- Attachments: 1. Draft resolution
2. Letter to Ezra Rapport, Executive Director, ABAG, July 12, 2011

CA-26

RESOLUTION NO. 2011-139

RESOLUTION OF THE MARIN COUNTY BOARD OF SUPERVISORS
PERTAINING TO THE DISTRIBUTION OF REGIONAL HOUSING NEEDS
ALLOCATION (RHNA) IN THE SPHERES OF INFLUENCE OF MARIN CITIES AND
TOWNS

WHEREAS, the Association of Bay Area Governments (ABAG) is the council of governments statutorily responsible for establishing the Regional Housing Need Allocation (RHNA) methodology in the San Francisco Bay Area pursuant to Government Code Section 65584; and

WHEREAS, pursuant to Government Code Section 65584.04.d.5, the methodology for developing the RHNA should include consideration of county-city agreements to *direct growth toward incorporated areas* of the county; and

WHEREAS, the County of Marin promotes city-oriented growth policies that are consistent with smart growth principles, the objectives of Senate Bill 375 and the Sustainable Communities Strategy, and has adopted County policies that discourage housing from being pushed into rural areas; and

WHEREAS, by requiring densities to be maintained at the lowest end of the density range for land within Spheres of Influence (SOI), the Marin Countywide Plan (general plan) discourages housing from being pushed into unincorporated communities intended to be rural or serve as transitional areas between unincorporated rural communities and more urbanized cities and towns; and

WHEREAS, by allowing less intensive development than neighboring cities and towns, the above policy serves to encourage annexation of lands proposed for urban level development within SOIs; and

WHEREAS, Marin Local Agency Formation Commission's (LAFCO) Dual Annexation Policy similarly states that lands annexed to special districts for services must also concurrently or subsequently annex to a city if the land is located within a city's sphere of influence; and

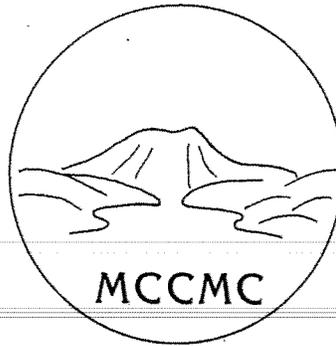
WHEREAS, the Marin Countywide Plan growth management policies are similar to policies in other counties where ABAG has previously determined that cities should be responsible for 100% of the RHNA generated by the unincorporated SOI; and

WHEREAS, ABAG previously adopted methodologies for the third and fourth RHNA cycles that placed 75% of the planning responsibility for units attributable to Marin's SOIs with cities and towns, and assigned the remaining 25% of the responsibility to unincorporated Marin County; and

WHEREAS, in 2004, the contraction of SOIs for several cities in Marin contributed to the County of Marin's RHNA increasing substantially by 50% while allowing some cities to reduce their RHNA allocation; and

WHEREAS, the County of Marin has elected to participate in the FOCUS Priority Development Area (PDA) program by identifying areas of potential growth opportunity in

BELVEDERE · CORTE MADERA · FAIRFAX
SAN ANSELMO · SAN RAFAEL



LARKSPUR · MILL VALLEY · NOVATO
ROSS · SAUSALITO · TIBURON

June 23, 2011

Ezra Rapport, Executive Director
Association of Bay Area Governments
101 Eighth Street
P.O. Box 2050
Oakland, CA 94604-2050

Dear Mr. Rapport:

We understand that the Housing Methodology Committee will be recommending a new allocation formula for the Regional Housing Needs Allocation (RHNA) for 2014 to 2022.

After considerable thought and discussion, the Marin County Council of Mayors and Councilmembers voted on June 22, 2011 to support a 50/50 split of the housing and jobs within the sphere of influence between the cities and county.

We recognize that the County of Marin supports a 75/25 (city/county) split of the housing and jobs within the sphere of influence. However, the 11 cities in Marin believe it is only fair and reasonable to have a 50/50 split. The cities do not have control over the SOI and only provide input to the County when feedback is requested. It is very unlikely that the existing SOI will be annexed to the adjacent cities especially in the City of Novato with their voter adopted Urban Growth Boundary. The County of Marin has opportunities for increasing residential development within the unincorporated areas of the city centered corridor.

If you have any questions, please call me at 415-786-9118, or Pat Eklund, City of Novato Councilmember, at 415-883-9116.

Thank you.

Regards,

A handwritten signature in cursive script that reads "Shawn Marshall s/". The signature is written in black ink and is positioned above the typed name and title.

Shawn Marshall, President
Marin County Mayors and Councilmembers
Councilmember, City of Mill Valley

CC: Ken Kirby, AGAG
City Clerks