

OneBayArea

SCS HOUSING METHODOLOGY COMMITTEE

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

June 23, 2011 | 10:00 a.m.

Summary of Small Group Discussion

Notes from Table #1

Participants

Moderator: Doug Johnson

- Duane Bay
- Diane Dillon
- Jean Hasser
- Sasha Hauswald
- Linda Jackson
- Katie Lamont

Question 1: Sustainability Split

- 66-70%
 - Concern about planned versus future PDAs & GOAs, over and above what jurisdictions identified
 - Distribution of balance should follow fair share requirements

Question 2: Upper Threshold

- 110%
 - Should tie to local plans—development of a preferred scenario must have city/county buy-in
 - 125% alright on a voluntary basis

Question 3: Minimum Floor

- 40% floor generally OK
 - Too high for the counties?
 - What about leftover sites?

Question 4: Regional or County Distribution

- Regional redistribution

Question 5: Fair Share Factors

- Option 2 – but needs work?
 - Jobs and transit are OK
 - RHNA performance is challenging – can we do two cycles? Different jurisdictions with different levels of resources?
 - TBD – equity measurement/access to quality communities

Question 6: Income Allocation

- 175% shift is OK

Notes from Table #2

Participants

- Hillary Gitelman
- Julie Pierce
- Stephanie Reyes
- Greg Scharff
- Andrew Smith

Moderator: JoAnna Bullock

Question 1: Sustainability Split

- 70% seems fine but . . .
 - Concern about growth tied to self-selected PDAs
 - Growth doesn't go to places that want to develop transit in the future

Question 2: Upper Threshold

- 110% - all agree

Question 3: Minimum Floor

- 40% - all agree
 - This is a fair minimum for jurisdictions

Question 4: Regional or County Distribution

- Regional – all agree

Question 5: Fair Share Factors

- Factors – no factors vs. factors but different factors
 - Concerns that additional factors result in double counting growth with PDAs
 - Add transit factor for jurisdictions with transit but without PDAs
 - Its great to give credit for past RHNA performance but it borders on penalizing jurisdictions with high cost of land that wanted to construct more affordable housing but could not find the subsidies or developers to do so
 - Factors should be more opportunity focused
 - Concern about HH growth formation number

Question 6: Income Allocation

- 175% - all agree
 - May be impossible but have to allocate responsibility fairly

Notes from Table #3

Participants

- Sarah Karlinsky
- Val Menotti
- Laurel Prevetti
- Christy Riviere
- Evelyn Stivers
- Egon Terplan
- Rick Tooker

Moderator: Justin Fried

Question 1: Sustainability Split

- Put in writing the distribution method for individual PDA/GOA shares of RHNA. Hearing different explanations, need to spell this out.
- Need transparency on preferred scenario, how you deal with non-PDA jurisdictions, levels of growth in different PDAs, need confidence in sustainability methodology going in to the distribution.
- Want to call out places that didn't self-identify. Needs to happen in scenario, not really addressed by 70/30 cap. Places that should be PDAs as well as PDAs that should have more growth.
- No need for 70%, just match preferred scenario.
- Like 70% framework.
- Need to ensure access of RHNA to suburban locations.
- Comfortable with 70%.
- No one talking lower than 70%. 70% should be a minimum.

Question 2: Upper Threshold

- Should be 100%.
- Household formation accounts for things beyond housing growth.
- You are throwing away units if you put them in places where they won't be produced.
- Don't want pressure on cities not throwing obstacles to MF housing. Want pressure on the areas where it is hard to build.
- 100% of preferred scenario. 110% of hh formation ok.

Question 3: Minimum Floor

- Should be at least 40%.

Question 4: Regional or County Distribution

- San Jose – county, not region. Loads a lot on to SMC, AC, and SCC – only ones that go up, SF doesn't.
- Napa County – doesn't help anyone to load more here in Napa County, regional better

Question 5: Fair Share Factors

- Option 2 – 3 factors
- Past performance – the self-reported current data could be refined, should look at past RHNA with a finer grain. Some get credit when they shouldn't. Maybe look at certified housing element this round as well.
- Positive and negative opinions on a schools measure.

Question 6: Income Allocation

- 175% a good level, very important to keep this in.

Notes from Table #4

Participants

- Paul Campos
- Parisa Fatehi-Weeks
- Bill Shoe
- Curtis Williams
- Cindy Yee

Moderator: Amit Ghosh

Question 1: Sustainability Split

- 70% to the PDAs as an upper maximum is OK
 - Increasing more to 'reality'

Question 2: Upper Threshold

- Mid point of 110% and 125%?
 - When have jurisdictions been given more than 110% of their household growth rate? Who got more than this?
 - Where does overflow go?
 - Is there a rule for this?

Question 3: Minimum Floor

- OK with concept of a floor
 - 'Household formation' – ABAG definition?
 - Increasing 40% to 50% constrains expectations?
 - More equity?
 - Increases smaller jurisdictions, results in appropriate balance

Question 4: Regional or County Distribution

- Regional distribution of overflow is good, but should be in logical, reasoned steps through a well-developed methodology.
 - Check access to transit?

Question 5: Fair Share Factors

- Favor the use of the three suggested factors
 - Factors represent 'housing policy'?

Question 6: Income Allocation

- Basically ok with the 175% shift
 - Is there a way to refine the method to adjust for 'really rural' counties where placing low income housing makes little sense?

Notes from Table #5

Participants

- Pat Ekland
- Steve Piasecki
- Sam Tepperman-Gelfant
- Matt Walsh

Moderator: Jackie Reinhart

Question 1: Sustainability Split

- Most agreed with staff recommendation of 70%, but concerns that some PDAs are not near city cores, which is against the sustainability concept
- One vote for consideration of a 60% PDA, GOA and 40% outside PDAs split because more weight would be given to the fair share component.

Question 2: Upper Threshold

- 110% is fine

Question 3: Minimum Floor

- Most agreed that 40% was fine.
- One thought 40% was too high and thought 30% should be considered, but that overall, staff needs to define what the minimum threshold for fair share is before setting a percentage.

Question 4: Regional or County Distribution

- Regional distribution makes sense

Question 5: Fair Share Factors

- Option 2 is supported although the RHNA performance is not. RHNA performance should not be based on permitted units. If staff wants to consider past RHNA performance, can use housing element or zoning
- Only looking at household formation growth is not enough.
- Need to consider employment, which drives need for different housing incomes. Housing type should correlate with employment type.
- Weigh employment and transit factors equally
- One vote for including schools or another measure of opportunity in communities. Rest of group did not support school inclusion as a factor.

Question 6: Income Allocation

- All but one group member thought 175% is high. It builds in failure, since unrealistic and units don't actually get built.
- 150% can be considered but HMC members want to see resulting numbers. This would be the lowest percentage to consider.

Notes from Table #6

Participants

- Shiloh Ballard
- Patrick Lynch
- Jake Mackenzie
- Pete Parkinson

Moderator: Marisa Raya

Question 1: Sustainability Split

- Share the understanding that the PDAs are the best places to grow
- Recognize PDAs are each drawn differently; some TOD areas may not be covered. How many are missing? Some areas should have stepped up but have chosen to opt out
- Ok with 70/30 split

Question 2: Upper Threshold

- General uncertainty about the recommended thresholds
- There may be additional capacity outside of PDAs (Ex: Rohnert Park – 2000 units outside of PDA)
- Not every area met PDA criteria
- Want better understanding of growth potential outside of PDAs
- Consider incentives to PDAs for taking on more growth
- Must be something in place to continually motivate jurisdictions to re-evaluate growth areas

Question 3: Minimum Floor

- Yes, new housing should be near transit and jobs, but equity is important
- Some jurisdictions just won't build; cities that take their growth should get \$\$

Question 4: Regional or County Distribution

- Redistribution to the entire region ok
 - Will go to cities more likely to build
 - More aligned with SCS
- ***Alternative: pool units and attach \$\$ to them; ask for takers***

Question 5: Fair Share Factors

- Past RHNA only would get at cities that don't build; adding jobs and transit might give those places a pass
- Like the three factors: want to keep jurisdictions with good records performing well
- Factors don't make a huge # difference; they are more for principle
- ***Consider 50% past performance or 1/3-1/3-1/3***

Question 6: Income Allocation

- 175% ok
- Good to have number on paper but it must be achievable
- Facilitate cost-sharing amongst jurisdictions

Notes from Table #7

Participants

- Susan Adams
- Kara Douglas
- Jeff Levin
- Vu-Bang Nguyen
- Scott Zengel

Moderator: Sailaja Kurella

Question 1: Sustainability Split

- 70/30 split is hard to judge without more information. **Would like to know what number of units (total and %) that PDAs were planning for before additional growth adjustments from the Initial Vision Scenario**

Question 2: Upper Threshold

- 110% might be high; a lower threshold would be a way to address the somewhat punitive nature of being a PDA, as seemed to be the case with the IVS
- Becoming a PDA is voluntary; there might be some sustainable growth places that have chosen to opt out of being a PDA. As such, the methodology should address these areas, potentially by identifying these areas and applying the threshold to these places as well as the PDAs (?)

Question 3: Minimum Floor

- The 40% threshold seems a bit low, but on the other hand, we probably wouldn't want a lot of growth in the jurisdictions that are below the 40% threshold
- B/c jurisdictional household formation rates are demographic (primarily), jurisdictions that want a lower threshold are essentially saying that they don't want their kids to live there

Question 4: Regional or County Distribution

- Redistribution to the entire region

Question 5: Fair Share Factors

- Perhaps weight transit more heavily, but concerned that transit is double-counted in the methodology for jurisdictions that have PDAs
- Concerned that school quality was removed as a proposed factor for fair share; the purpose of fair share is to help provide "Communities of Opportunity" by taking into account quality of life. If it is not used as a factor, some places with good schools may not have to take on as much growth
- On the other hand, schools quality may be a non-starter politically
- Air Quality and Crime are missing as factors
- Perhaps develop a "Quality of Life"/"Healthy Communities" factor that accounts for schools, air quality, crime, or use an existing metric for quality of life
- Too many factors will dilute the fair share methodology, however
- **Apply the Fair Share methodology to PDAs as well, because not all PDAs are the same – some are better than others!**

Question 6: Income Allocation

- 175% for income distribution is good

Follow-up Questions/Issues

- Transparency on Preferred Scenarios
- Assumptions on in-commuting
- Timing re. July 21 Exec. Board
- Areas w/high income, good transit, etc
- More realism with SCS – 70% then ok
- Something between 110-125%?
- Challenge of dense growth in unincorporated areas – 175% too high
- Sub-regional allocation?
- Underlying issue: how growth assigned to PDAs?
- Potential for lower minimum – 30%
- RHNA Performance: use Housing Element zoning – jurisdictions don't control what gets built
- Link employment type to housing type
- If not schools, some other measure of opportunity
- 175% - choose something more realistic (150%?)
- Does 110% undermine efforts at sustainability outside of PDAs?
- Uncertainly about 110% - impacts
- RHNA scenario for SCS: consistency
- How far are we pushing PDAs? (split)
- Weight transit more heavily
- Quality of life factor – defining “right” places for growth
- PDA numbers – voluntary: affects split and upper threshold
- 40% different for cities and counties
- Growth to places with future transit: consistency with other policies
- More details about HH growth
- Transit: double counting for those with PDAs