

# MEMO

**To: ABAG Executive Board**  
**From: Alex Amoroso, Senior Planner**  
**Date: 1/20/00**  
**Subject: Regional Housing Needs Determination Update and Key Policy Issues**

The Regional Housing Needs Determination (RHND) has proceeded since the November Executive Board meeting and release of numbers. During the weeks of January 3rd and 10th, ABAG staff held regional meetings in five locations to describe the process and take feedback from jurisdictions. Numerous questions and responses were collected and are being responded to.

Additionally, questions have been raised specifically about county numbers and their relationship to city spheres of influence. Staff has prepared, as Attachment 1 of this report, a possible strategy for shifting RHND shares between jurisdictions at the time of annexations.

Attachment 2 of this report is suggested policy and committee make-up for the State mandated appeal process that is a part of the RHND process. The appeal process is required, but not defined in State law, so ABAG has devised a process and requests Executive Board guidance, and action, on the subject.

The following Schedule information clarifies what will be happening in the RHND process. It is also highlights the opportunities each jurisdiction has to provide input and ask questions about assigned RHND shares.

## Schedule

As of December 1, 1999, each jurisdiction received their share of the RHND numbers. The numbers were forwarded to elected officials of each jurisdiction as well as staff. This initiated a 90 day revision and response period for each jurisdiction to review and comment on their share of the RHND numbers. As of February 29, all should submit written responses or questions to ABAG. Once all comments have been received, ABAG has 60 days to respond in writing to all jurisdictional comments and questions. Once adjustments have been made to the jurisdictional numbers (if any), ABAG staff will bring “final numbers” to the Executive Board for approval in May. Should the Executive Board approve the final numbers in May, an appeal period begins, and runs for approximately 60-90 days. The appeal process, addressed in Attachment 2, allows for jurisdictions to appeal the adopted ABAG numbers, in writing, within 30 days. This written appeal would initiate a public hearing, requiring 30 days notice of a hearing date. Once all appeals have been heard and decided, the entire packet of RHND numbers will be returned to the Executive Board for approval.

## **Attachment 1: Proposed Policy and Procedure for Allocating Housing Units on Unincorporated Lands within City Spheres of Influence**

### **Summary**

The ABAG Regional Housing Needs Distribution (RHND), released at the Executive Board meeting of November 18, shows a preliminary assignment of housing need for each jurisdiction in the Bay Area. The distribution of housing unit needs between cities and counties has raised a particular issue of concern to both ABAG and Bay Area jurisdictions (particularly the counties). Staff is alerting the Board to this issue and presenting a possible mitigation strategy.

### **Discussion**

The methodology uses existing city boundaries for defining RHND shares. This means that all RHND responsibilities (housing units) that are assigned to unincorporated land within a city's Sphere of Influence (SOI) are actually assigned to the county. This method assigns large numbers of housing units from the cities' SOIs to the counties' RHND responsibility. The counties are then responsible to plan for the additional units, based on the State Housing Element Law.

During the 1989 ABAG RHND process, each city was given responsibility to plan for housing units within their SOI. This created significant burdens on the cities by making them plan for units and lands that were not under their direct control. The reverse is now true, in that the 1999 RHND requires counties to plan for units that cannot be supported under current county policies of urban oriented growth.

Planning for large numbers of units in unincorporated areas of the region could encourage sprawl type development. This goes against both ABAG and many counties' policies of directing growth within existing cities and urbanized areas.

To address this issue, staff suggests a strategy under which counties and cities would exchange RHND responsibilities at the time of annexations. Staff is working with the State Dept. of Housing and Community Development (HCD) to determine the appropriate way to implement such a process.

To protect the cities and counties interests, staff is developing a method and policy framework for redistributing housing need responsibilities between the cities and counties at times of annexation. It appears that no process presently exists for redistribution of need, so staff suggests a program that would include the following:

- Identifying and quantifying housing units within unincorporated areas. Those that are within the sphere of influence (SOI) of each city and those units outside of the SOIs (within county lands) would be divided into groups for use in any redistribution.
- A method for redistributing those units in the SOIs between the city and county, upon annexation of land between jurisdictions. Such a calculation of the housing need within a given geographical area could be used for identifying that area's percentage of the actual SOI lands. This would lead to negotiations between the jurisdictions, but would not allow for loss of overall RHND units.

Such a process would require greater collaboration between county and city jurisdictions for planning unincorporated land within city spheres of influence. Eventually, the process would require agreements between the jurisdictions as to the number and density of units to be accommodated within certain unincorporated lands.

**Action**

No action is needed at this time. Staff will report back to the Board once an implementation strategy with the State is refined.

**Attachment 2: Process for Handling Appeals to the Regional Housing Needs Determination (RHND)**

**Summary**

The purpose of this item is to provide information about the RHND appeals process and seek direction from the Board about how it will be managed. Additionally, staff will request that the Executive Board appoint two members to serve on a committee that is being recommended to handle appeals.

**Discussion**

Under state law, government code 65584, subdivision (a), jurisdictions are given the opportunity to comment and propose revisions to their share of the RHND. According to the government code, any revision must meet the test of accepted methodology, readily available data, and be consistent with state identified criteria for the RHND.

Under state law, (govt. code 65584 subdivision (c) para. 2 subpara. (A)), a jurisdiction shall have the right to at least one appeal following the final approval of the housing need determinations for the region by the ABAG Executive Board. Any appeal made shall be based upon the same state identified criteria as used in the revision and response process.

Staff recommends that the following principles be used to guide the appeal process:

- Each jurisdiction in the ABAG region will be given one opportunity to appeal the decision by the Executive Board.
- The jurisdiction that is appealing shall identify another recipient (other jurisdiction(s)) willing to incorporate any proposed reduction in housing need.
- Any revision of housing need will remain within the same county as the appealing jurisdiction.
- Any jurisdiction that has not commented during the 90-day Review and Revision period shall not have an opportunity to appeal.
- No new information can be presented during the appeals process, that was not raised during the 90-day Review and Revision period.

In order to ensure that appeals to the revised housing need are handled within the State mandated 60-day time frame, staff is recommending that the appeals be handled by a committee established by the Board. Staff suggests that this Appeals Committee be made up of two Executive Board members two elected officials from the Regional Planning Committee Members, and one housing/planning professional from the Housing Methodology Committee. **Staff is recommending that the Appeal Committee be given final decision making authority.**

The final RHND numbers will be brought back to the Executive Board for approval and inclusion of the results of the appeals process.

## **Action**

Staff requests that the Executive Board take the following actions:

- **Create** an Appeal Committee composed of the membership recommended by staff.
- **Approve** staff recommended principles to guide appeals.
- **Appoint** two members from the Executive Board to serve on the Appeals Committee.