

11/16/2020

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Regional Housing Needs Allocation (RHNA) Methodology Discussion

November 16, 2020

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Objectives for Tonight

Staff Presentation

- Proposed Regional Housing Needs Allocation (RHNA) Methodology
- Questions & Answers

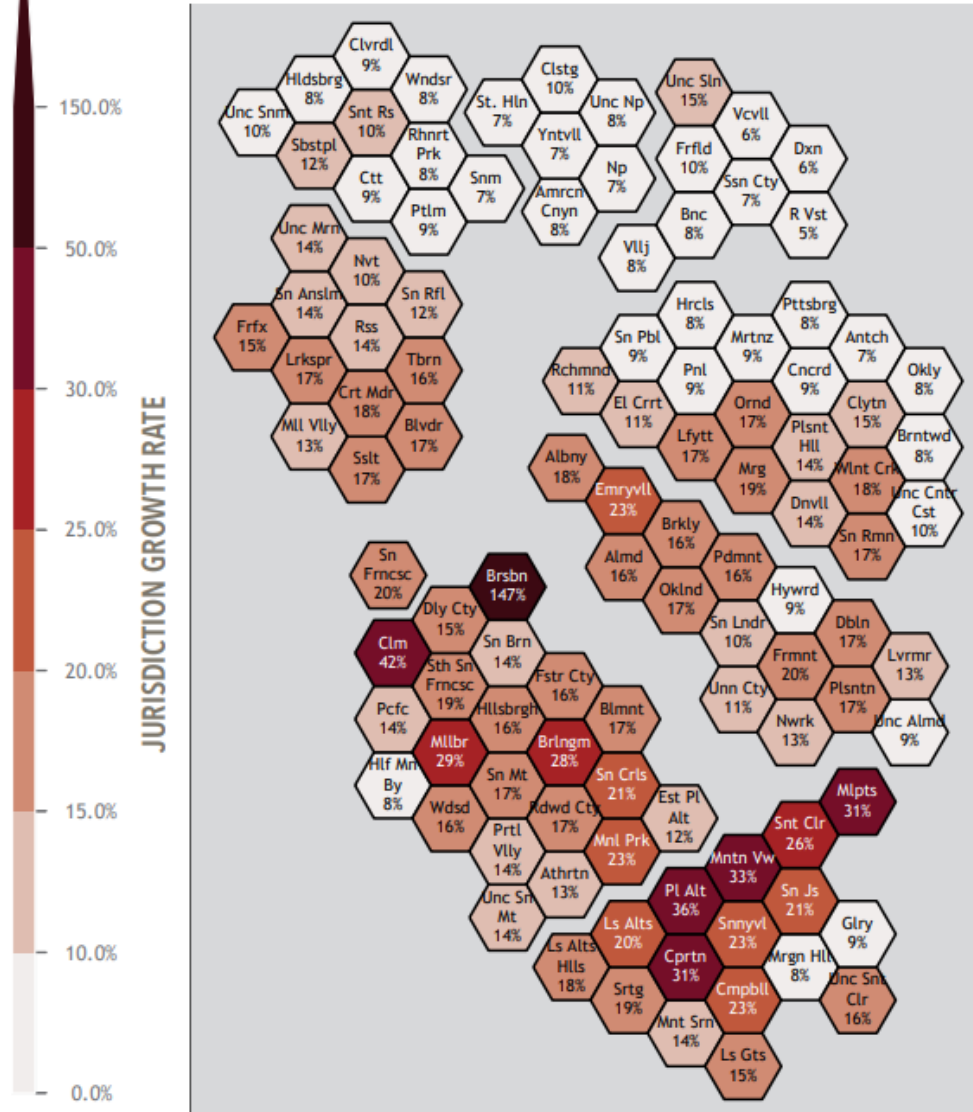
Discussion & Action

- Direction to Staff
- Motion on Draft Letter
- Discussion of Advocacy
- Discussion of Appeal Process

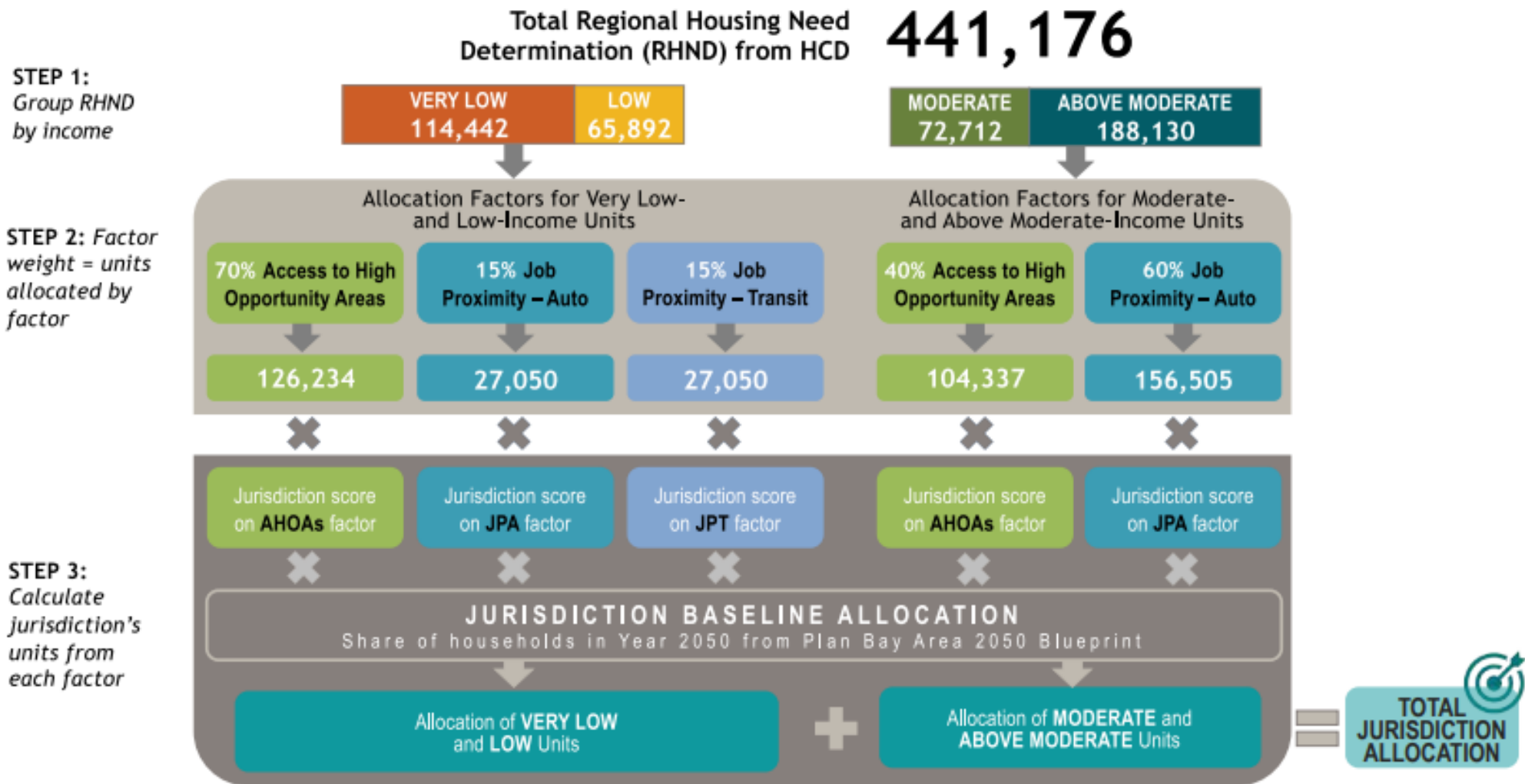
Proposed RHNA Methodology – Baseline Allocation

- Households 2050 from the Plan Bay Area 2050 Final Blueprint selected as the RHNA baseline allocation
- Jurisdictions projected to have more housing growth between now and 2050 receive a larger RHNA baseline allocation than jurisdictions projected to have less housing growth in Plan Bay Area 2050 modeling

Jurisdiction growth rate from 2019 households as a result of 2023-2031 RHNA



Proposed RHNA Methodology – Bottom-Up Approach



Proposed RHNA Methodology – Potential Palo Alto Allocation

Potential 6th Cycle RHNA Allocation for Palo Alto Using Option 8A High Opportunity Areas Emphasis & Job Proximity*

Income Category	Potential RHNA Allocation (New Housing Units)	Percent of Housing Units in Income Category
Very Low	2,573	25.6%
Low	1,482	14.7%
Moderate	1,673	16.6%
Above-Moderate	4,330	43.1%%
Total	10,058	100%

ABAG calculated that Palo Alto had 27,629 households in 2019.

The City's 5th Cycle RHNA Allocation is 1,988 housing units.

*This table reflects the housing units shown for Palo Alto in the materials released by ABAG on October 25, 2020.

Proposed RHNA Methodology – Staff Analysis & Comment Letter

- Policy Areas of Concern
- Procedural Areas of Concern
- Data Areas of Concern

Proposed RHNA Methodology – Staff Analysis & Comment Letter

- Policy Areas of Concern
 - 2050 Baseline Allocation Inappropriate for Eight-Year RHNA Cycle
 - Methodology Should Include a Cap to Address Development Feasibility
 - Methodology Promotes Urban Sprawl in Unincorporated Areas

Proposed RHNA Methodology – Staff Analysis & Comment Letter

- Procedural Areas of Concern
 - COVID-19 Pandemic and Recession
 - Embarcadero Institute September 2020 Report

Proposed RHNA Methodology – Staff Analysis & Comment Letter

- Data Areas of Concern
 - Regional Growth Strategies Mapping and Modeling Accuracy

Proposed RHNA Methodology – Advocacy

- 5 City comment letters submitted on RHNA methodology
 - August 11, 2020
 - August 26, 2020
 - September 17, 2020
 - September 30, 2020
 - October 14, 2020
- Encourage discussion of additional Council engagement with local and regional officials to provide input into the RHNA process

Proposed RHNA Methodology – Appeals Process

- Process and criteria set forth in Government Code Section 65584.05
- Appeals are filed within 45 days of the release of draft RHNA allocations
 - Jurisdictions can appeal another jurisdiction’s draft RHNA allocation
 - Jurisdictions can appeal their own draft RHNA allocation
- Recent 6th Cycle RHNA appeal example:
 - Southern California Association of Governments (SCAG) received 52 appeals

RHNA/Plan Bay Area 2050 Key Milestones

RHNA and Plan Bay Area 2050 Key Milestones	
Plan Bay Area 2050 Final Blueprint	December 2020
Draft RHNA Methodology to HCD for Review	January 2021
Final RHNA Methodology, Draft Allocation	Spring 2021
RHNA Appeals	Summer 2021
Final Plan Bay Area 2050	September 2021
Final RHNA Allocation (Post-Appeals Process)	Winter 2021
Housing Element Due Date	January 2023
<i>Dates are tentative and subject to change</i>	



Staff Recommendation

1. Discuss and provide direction to staff as appropriate on the Regional Housing Needs Allocation (RHNA) process
2. Direct staff to submit a comment letter to the ABAG Regional Planning Committee on the proposed RHNA methodology (Attachment A)
3. Discuss possible City Councilmember engagement with other elected officials or representatives
4. Provide initial direction to staff on preparation for a possible appeal of the RHNA methodology



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