# **AMBAG**

## **Board of Directors Agenda**

Association of Monterey Bay Area Governments P.O. Box 2453, Seaside, California 93955-2453

Phone: (831) 883-3750 Fax: (831) 883-3755 Email: info@ambag.org



Meeting Via GoToWebinar DATE: September 8, 2021 TIME: 6:00 PM

Please register for the AMBAG Board of Directors meeting at

https://attendee.gotowebinar.com/register/6291751198067790349

The AMBAG Board of Directors The meeting will be conducted via GoToWebinar in light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 and the shelter in place directive. The AMBAG Board of Directors will participate in the meeting from individual remote locations. We apologize in advance for any technical difficulties.

Members of the public will need to attend the meeting remotely via GoToWebinar.

Persons who wish to address the AMBAG Board of Directors on an item to be considered at this meeting are asked to submit comments in writing at info@ambag.org by 5:00 PM, Tuesday, September 7, 2021. The subject line should read "Public Comment for the September 8, 2021 Board of Directors Meeting". The agency clerk will read up to 3 minutes of any public comment submitted.

To participate via GoToWebinar, please register for the September 8, 2021 AMBAG Board of Directors meeting using the following link: <a href="https://attendee.gotowebinar.com/register/6291751198067790349">https://attendee.gotowebinar.com/register/6291751198067790349</a>

You will be provided dial-in information and instructions to join the meeting.

If you have any questions, please contact Ana Flores, Senior Executive Assistant at aflores@ambag.org or at 831-883-3750.

- 1. CALL TO ORDER
- 2. ROLL CALL
- 3. ORAL COMMUNICATIONS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA (A maximum of three minutes on any subject not on the agenda)

#### 4. ORAL COMMUNICATIONS FROM THE BOARD ON ITEMS NOT ON THE AGENDA

#### 5. PRESENTATION

A. 6<sup>th</sup> Cycle Regional Housing Needs Allocation Process Recommended Action: INFORMATION

• Heather Adamson, Director of Planning

Receive a presentation from Tom Brinkhuis from the California Department of Housing and Community Development (HCD) on the 6<sup>th</sup> Cycle Regional Housing Needs Allocation Process. (Page 5)

#### 6. COMMITTEE REPORTS

A. Executive/Finance Committee

**Recommended Action: INFORMATION** 

• President McShane

Receive oral report.

- B. Monterey Bay National Marine Sanctuary (MBNMS) Advisory Council (SAC) Meeting Recommended Action: DIRECT
  - President McShane

Receive a report on the August 20, 2021 SAC meeting.

#### 7. EXECUTIVE DIRECTOR'S REPORT

Recommended Action: INFORMATION

• Maura Twomey, Executive Director

Receive oral report.

#### 8. CONSENT AGENDA

**Recommended Action: APPROVE** 

**Note:** Actions listed for each item represents staff recommendation. The Board of Directors may, at its discretion, take any action on the items listed in the consent agenda.

- A. Draft Minutes of the August 11, 2021 AMBAG Board of Directors Meeting
  - Ana Flores, Senior Executive Assistant

Approve the draft minutes of the August 11, 2021 AMBAG Board of Directors meeting. (Page 21)

#### B. AMBAG Regional Clearinghouse Monthly Newsletter

• Miranda Taylor, Planner

Accept the clearinghouse monthly newsletter. (Page 27)

#### C. AMBAG Sustainability Program Update

• Amaury Berteaud, Special Projects Manager

Accept the AMBAG Sustainability Program update. (Page 33)

#### D. Financial Update Report

• Errol Osteraa, Director of Finance & Administration

Accept the financial update report which provides an update on AMBAG's current financial position and accompanying financial statements. (Page 37)

# 9. ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION AND POSSIBLE ACTION

#### 10. PLANNING

- A. 6<sup>th</sup> Cycle Regional Housing Needs Allocation Methodology Recommended Action: INFORMATION
  - Heather Adamson, Director of Planning

The Board of Directors is asked to discuss potential methodology options for the 6<sup>th</sup> Cycle Regional Housing Needs Allocation. (Page 43)

#### 11. ADJOURNMENT

#### **REFERENCE ITEMS:**

- A. 2021 Calendar of Meetings (Page 65)
- B. Acronym Guide (Page 67)

#### **NEXT MEETING:**

The 2021 AMBAG Board of Directors meeting locations are subject to change and may be held remotely in light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 and the shelter in place directives.

**Date:** October 13, 2021

Location: TBD

**Executive/Finance Committee Meeting: 5:00 PM** 

**Board of Directors Meeting: 6:00 PM** 

If requested, the agenda shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC Sec. 12132), and the federal rules and regulations adopted in implementation thereof. If you have a request for disability-related modification or accommodation, including auxiliary aids or services, contact Ana Flores, AMBAG, 831-883-3750, or email aflores@ambag.org at least 48 hours prior to the meeting date.

#### **MEMORANDUM**

TO: AMBAG Board of Directors

FROM: Maura F. Twomey, Executive Director

RECOMMENDED BY: Heather Adamson, Director of Planning

SUBJECT: 6<sup>th</sup> Cycle Regional Housing Needs Allocation Process

MEETING DATE: September 8, 2021

#### **RECOMMENDATION:**

Receive a presentation from Tom Brinkhuis from the California Department of Housing and Community Development (HCD) on the  $6^{th}$  Cycle Regional Housing Needs Allocation process.

#### **BACKGROUND**

The California Department of Housing and Community Development (HCD) is responsible for identifying the total number of homes for which each region in California must plan in order to meet the housing need of people across the full spectrum of income levels, from housing for very low-income households all the way to market rate housing. This allocation is known as the Regional Housing Need Determination (RHND).

Tom Brinkhuis, HCD staff, will provide an overview on the  $6^{\rm th}$  Cycle RHND for the AMBAG region.

#### **ATTACHMENTS:**

- 1. 6<sup>th</sup> Cycle Regional Housing Needs Determination for AMBAG
- 2. RHNA Frequently Asked Questions

APPROVED BY:

Maura F. Twomey, Executive Director

# DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

2020 W. El Camino Avenue, Suite 500 Sacramento, CA 95833 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



August 31, 2021

Maura F. Twomey, Executive Director Association of Monterey Bay Area Governments 24580 Silver Cloud Court Monterey, CA 93940

Dear Maura F. Twomey:

#### **RE: Final Regional Housing Need Determination**

This letter provides the Association of Monterey Bay Area Governments (AMBAG) with a Final Regional Housing Need Determination. Pursuant to state housing element law (Government Code section 65584, et seq.), the Department of Housing and Community Development (HCD) is required to provide the determination of AMBAG's existing and projected housing need. In assessing AMBAG's regional housing need, HCD and AMBAG staff completed a consultation process from March 2019 through August 2021 that included the methodology, data sources, and timeline for HCD's determination of the regional housing need. To inform this process, HCD also consulted with Walter Schwarm and Doug Kuczynski of the California Department of Finance (DOF) Demographic Research Unit.

Attachment 1 displays the minimum regional housing need determination of **33,274** total units across four income categories. AMBAG is to distribute amongst the region's local governments. Attachment 2 explains the methodology applied pursuant to Government Code section 65584.01. In determining AMBAG's housing need, HCD considered all the information specified in state housing law (Government Code section 65584.01(c)).

AMBAG is responsible for adopting a methodology for RHNA and RHNA Plan for the projection period beginning June 30, 2023 and ending December 15, 2031. Pursuant to Government Code section 65584(d), the methodology to prepare AMBAG's RHNA plan must further the following objectives:

- Increasing the housing supply and mix of housing types, tenure, and affordability.
- (2) Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patters
- (3) Promoting an improved intraregional relationship between jobs and housing
- (4) Balancing disproportionate household income distributions
- (5) Affirmatively furthering fair housing

Pursuant to Government Code section 65584.04(d), to the extent data is available, AMBAG shall include the factors listed in Government Code section 65584.04(d)(1-13) to develop its RHNA plan. Also, pursuant to Government Code section 65584.04(f), AMBAG must explain in writing how each of these factors was incorporated into the RHNA plan methodology and how the methodology furthers the statutory objectives described above.

HCD encourages all of AMBAG's jurisdictions to consider the many other affordable housing and community development resources available to local governments. HCD's programs can be found at <a href="https://www.hcd.ca.gov/grants-funding/nofas.shtml">https://www.hcd.ca.gov/grants-funding/nofas.shtml</a>.

HCD commends AMBAG leadership in fulfilling their important role in advancing the state's housing, transportation, and environmental goals. HCD looks forward to continued partnership with AMBAG and member jurisdictions and assisting AMBAG in planning efforts to accommodate the region's share of housing need.

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Tom Brinkhuis, Senior Housing Policy Specialist at (916) 263-6651 or <a href="mailto:tom.brinkhuis@hcd.ca.gov">tom.brinkhuis@hcd.ca.gov</a>.

Sincerely,

Tyrone Buckley

Tyma Butter

Assistant Deputy Director of Fair Housing

Enclosures

#### **ATTACHMENT 1**

# HCD REGIONAL HOUSING NEED DETERMINATION AMBAG: June 30, 2023 through December 15, 2031

Income Category	<u>Percent</u>	Housing Unit Need
Very-Low*	23.6%	7,868
Low	15.5%	5,146
Moderate	18.5%	6,167
Above-Moderate	42.4%	14,093
Total	100.0%	33,274
* Extremely-Low	13.1%	Included in Very-Low Category

#### Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et. seq.). Percents are derived based on Census/ACS reported household income brackets and county median income.

#### ATTACHMENT 2

#### HCD REGIONAL HOUSING NEED DETERMINATION FOR AMBAG: June 30, 2023 through December 15, 2031

#### **Methodology**

	AMBAG: PROJECTION PERIOD (8.5 years)				
I	HCD Determined Population, Households, & Housing Unit Need				
Reference	Step Taken to Calculate Regional Housing Need	Amount			
No.					
1.	Population: December 31 (DOF June 30 2031 projection	753,540			
1.	adjusted + 5.5 months to December 15, 2031)				
2.	- Group Quarters Population: December 31 (DOF June 30 2031	-42,975			
۷.	projection adjusted + 5.5 months to December 15, 2031)				
3.	Household (HH) Population	710,570			
4.	Projected Households	240,325			
5.	+ Vacancy Adjustment (2.83%)	+6,792			
6.	+ Overcrowding Adjustment (4.75%)	+11,410			
7.	+ Replacement Adjustment (.5%)	+1,202			
0	Occupied Unite (UHa) actimated June 20, 2022	-			
8.	- Occupied Units (HHs) estimated June 30, 2023				
9.	+ Cost-burden Adjustment	+1,335			
Total	6 <sup>th</sup> Cycle Regional Housing Need Assessment (RHNA)	33,274			

Detailed background data for this chart available upon request.

#### **Explanation and Data Sources**

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Gov. Code Section 65584.01, projections were extrapolated from DOF projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institute, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons within the Household Population to form households at different rates based on American Community Survey (ACS) trends.
- 5. Vacancy Adjustment: HCD applies a vacancy adjustment based on the difference between a standard 5% vacancy rate and the region's current "for rent and sale" vacancy percentage to determine healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between the standard 5% vacancy rate and the region's current vacancy rate (2.17%), based on the 2015-2019 ACS data. For AMBAG, that difference is 2.83%.
- 6. Overcrowding Adjustment: In regions where overcrowding is greater than the comparable region's overcrowding rate, provided by AMBAG, HCD applies an adjustment based on the amount the region's overcrowding rate exceeds the comparable region's overcrowding rate. Data is from the 2015-2019 ACS. For AMBAG, the region's overcrowding rate (10.49%) is higher than the comparable region's average rate (5.74%), resulting in a 4.75% adjustment.
- 7. Replacement Adjustment: HCD applies a replacement adjustment from between .5% and 5% to the total housing stock based on the current 10-year average of

demolitions in the region's local government annual reports to Department of Finance (DOF). For AMBAG, the 10-year average is **.34%**, therefore a minimum **.5%** adjustment was applied.

- 8. Occupied Units: This figure reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2023).
- 9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the comparable region's provided by AMBAG. The cost burden rate for lower income households is 1.82% higher than the cost burden rate for the comparable region's average, resulting in a 232 unit increase to the lower income RHNA. The cost burden rate for moderate and above moderate-income households is 5.76% higher than the cost burden rate for the comparable region's average, resulting in a 1,103 unit increase to the moderate and above moderate RHNA.



#### **Attachment 2**

#### FREQUENTLY ASKED QUESTIONS ABOUT RHNA

#### REGIONAL HOUSING NEEDS ALLOCATION (RHNA) OVERVIEW

#### What is RHNA?

Local housing is enshrined in state law as a matter of "vital statewide importance" and, since 1969, the State of California has required that all local governments (cities, towns and counties, also known as local jurisdictions) adequately plan to meet the housing needs of everyone in our communities. To meet this requirement, each city or county must develop a Housing Element as part of its General Plan (the local government's long-range blueprint for growth) that shows how it will meet its community's housing needs. There are many laws that govern this process, and collectively they are known as Housing Element Law.

The Regional Housing Need Allocation (RHNA) process is the part of Housing Element Law used to determine how many new homes, and the affordability of those homes, each local government must plan for in its Housing Element. This process is repeated every eight years, and for this cycle the Monterey Bay Area is planning for the period from 2023 to 2031.

#### How does RHNA assist in addressing the Monterey Bay Area's housing crisis?

State law is designed to match housing supply with demand—particularly for affordable homes. Each new RHNA cycle presents new requirements to address dynamic housing markets, which in recent years have seen demand dramatically outstrip supply across all affordability levels. RHNA provides a local government with a minimum number of new homes across all income levels for which it must plan in its Housing Element. The Housing Element must include sites zoned for enough capacity to meet the RHNA goals as well as policies and strategies to expand housing choices and increase housing affordability.

#### Who is responsible for RHNA?

Responsibility for completing RHNA is shared among state, regional, and local governments:

- The role of the State is to identify the total number of homes for which each region in California
  must plan in order to meet the housing needs of people across the full spectrum of income
  levels, from housing for very low-income households all the way to market rate housing. This is
  developed by the <u>California Department of Housing and Community Development (HCD)</u> and is
  known as the Regional Housing Need Determination (RHND).
- The role of the region is to allocate a share of the RHND to each local government in the region.
   As the Council of Governments (COG) for Monterey and Santa Cruz Counties, the Association of Monterey Bay Area Governments (AMBAG) is responsible for developing the methodology for

sharing the RHND among the cities and two counties in the region. AMBAG does this in conjunction city and county staff and the AMBAG Board of Directors. The Council of San Benito County Governments performs this same function for the three local jurisdictions in San Benito County.

 The role of local governments is to participate in the development of the allocation methodology and to update their Housing Elements and local zoning to show how they will accommodate their share of the RHND, following the adoption of the RHNA methodology.

#### What are the steps in the RHNA process?

Conceptually, RHNA starts with the Regional Housing Needs Determination (RHND) provided by HCD, which is the total number of housing units the AMBAG region needs over the eight-year period, by income group. The heart of AMBAG's work on RHNA is developing the methodology to allocate a portion of housing needs to each city and county in the region. AMBAG is working with the Planning Directors Forum which to develop RHNA methodology options. The AMBAG Board of Directors is schedule to approve the proposed methodology in November 2021.

Following HCD's findings that the draft RHNA methodology furthers the RHNA objectives, AMBAG is scheduled to adopt a final methodology and draft allocations for every local government in the AMBAG region in January 2022. The Draft 2023-2031 RHNA Plan is scheduled to be released in January/February 2022.

A local government or HCD can appeal any local government's draft allocation. After AMBAG takes action on any appeals, it will issue the final allocations by the summer 2022. Local governments must update Housing Elements by December 2023, including identifying sites that are zoned with enough capacity to meet the RHNA allocation. AMBAG's role in the RHNA process ends once it has allocated a share of the Regional Housing Needs Determination (RHND) to each local government in the AMBAG region; HCD then reviews and approves local Housing Elements.

#### What's the timeline for completing RHNA?

The RHNA process is currently underway and will be complete by the summer 2022. Local governments will then have until December 2023 to update their Housing Elements.

#### This is the 6th cycle for RHNA. What's different this time?

Recent legislation resulted in the following key changes for this RHNA cycle:

- There is a higher total regional housing need. HCD's identification of the region's total housing needs has changed to account for unmet existing need, rather than only projected housing need. HCD now must consider overcrowded households, cost burdened households (those paying more than 30% of their income for housing), and a target vacancy rate for a healthy housing market (with a minimum of 5%).
- RHNA and local Housing Elements must affirmatively further fair housing. According to HCD,
  achieving this objective includes preventing segregation and poverty concentration as well as
  increasing access to areas of opportunity. HCD has mapped <a href="Opportunity Areas">Opportunity Areas</a> and has
  developed guidance for jurisdictions about <a href="how to address affirmatively furthering fair housing">how to address affirmatively furthering fair housing</a>

- <u>in Housing Elements</u>. As required by Housing Element Law, AMBAG has surveyed local governments to understand fair housing issues, strategies, and actions across the region.
- There will be greater HCD oversight of RHNA. AMBAG must now submit the draft allocation methodology to HCD for review and comment. HCD can also appeal a jurisdiction's draft allocation
- Identifying Housing Element sites for affordable units will be more challenging. There are new
  limits on the extent to which jurisdictions can reuse sites included in previous Housing Elements
  and increased scrutiny of small, large, and non-vacant sites when these sites are proposed to
  accommodate units for very low- and low-income households.

#### How can I be more involved in the RHNA process?

Public participation is encouraged throughout the RHNA process especially at public meetings and during official public comment periods following the release of discussion documents and board decisions. Visit the AMBAG website to view upcoming meetings.

#### Is AMBAG's prior RHNA available to review?

Yes, you can find more information about the 2014-2023 RHNA Plan on the AMBAG website.

#### REGIONAL HOUSING NEEDS DETERMINATION (RHND) FROM HCD

#### What is the Regional Housing Needs Determination?

The California Department of Housing and Community Development (HCD) identifies the total number of homes for which each region in California must plan in order to meet the housing needs of people at all income levels. The total number of housing units from HCD is separated into four income categories that cover everything from housing for very low-income households all the way to market rate housing. AMBAG is responsible for developing a methodology to allocate a portion of this housing need to every local government in the Bay Area.

The four income categories included in the RHND are:

- Very Low Income: 0-50% of Area Median Income
- Low Income: 50-80% of Area Median Income
- Moderate Income: 80-120% of Area Median Income
- Above Moderate Income: 120% or more of Area Median Income

#### What are the objectives and factors that must be considered in the RHNA methodology?

The RHNA objectives provide the guiding framework for how AMBAG must develop the methodology. AMBAG is required to demonstrate how its methodology furthers each of the objectives. The RHNA factors include a longer list of considerations that must be incorporated into the methodology to the extent that sufficient data is available.

Summary of RHNA objectives [from Government Code §65584(d)]:

1. Increase housing supply and mix of housing types, with the goal of improving housing affordability and equity in all cities and counties within the region.

- Promote infill development and socioeconomic equity; protect environmental and agricultural resources; encourage efficient development patterns; and achieve greenhouse gas reduction targets.
- 3. Improve intra-regional jobs-to-housing relationship, including the balance between low-wage jobs and affordable housing units for low-wage workers in each jurisdiction.
- 4. Balance disproportionate household income distributions (more high-income allocation to lower-income areas, and vice-versa)
- 5. Affirmatively further fair housing

#### Summary of RHNA factors [from Government Code §65584.04(d)]:

- 1. Jobs and housing relationship
- Opportunities and constraints to development of additional housing, including capacity for sewer and water service, availability of land suitable for development, lands preserved or protected from development, and county policies to preserve prime agricultural land.
- 3. Opportunities to maximize transit and existing transportation infrastructure
- 4. Policies directing growth toward incorporated areas
- 5. Loss of units contained in assisted housing developments
- 6. High housing cost burdens
- 7. Rate of overcrowding
- 8. Housing needs of farmworkers
- 9. Housing needs of UC and Cal State students
- 10. The housing needs of individuals and families experiencing homelessness
- 11. Loss of units during an emergency
- 12. SB 375 Greenhouse Gas Reduction Targets
- 13. Other factors adopted by Council of Governments (COGs)

#### What does it mean to "affirmatively further fair housing?"

For the 2023-2031 RHNA (6<sup>th</sup> Cycle), recent legislation added a new objective that requires the RHNA plan to "affirmatively further fair housing." According to <u>Government Code Section 65584(e)</u>, this means:

"Taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws."

In addition to this requirement for promoting fair housing as an outcome for RHNA, statutes required AMBAG to collect information about fair housing issues, strategies, and actions in its survey of local jurisdictions about data to inform the development of the RHNA allocation methodology.

Lastly, a local jurisdiction's Housing Element must also affirmatively further fair housing and includes a program that establishes goals and actions to do so. HCD has developed guidance for jurisdictions about how to address affirmatively furthering fair housing in Housing Elements.

## Does RHNA dictate how local governments meet their communities' housing needs or where new housing goes within a given city or county?

It is important to note the primary role of the RHNA methodology is to encourage a pattern of housing growth for the Monterey Bay Area. The final result of the RHNA process is the allocation of housing units by income category to each jurisdiction as a whole. It is in the local Housing Element that local governments will select the specific sites that will be zoned for housing and the policies and strategies for addressing a community's specific housing needs, such as addressing homelessness, meeting the needs of specific populations, affirmatively furthering fair housing, or minimizing displacement.

# CONNECTIONS BETWEEN RHNA AND 2045 METROPOLITAN TRANSPORTATION PLAN/SUSTAINABLE COMMUNITIES STRATGEGY

### How are RHNA and 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy related?

The 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) is the Monterey Bay region's next long-range regional plan for transportation, housing, the economy, and the environment, focused on resilient and equitable strategies for the next 25 years. Anticipated to be adopted in June 2022, the 2045 MTP/SCS will establish a blueprint for future growth and infrastructure. The 2045 MTP/SCS must meet or exceed a wide range of federal and state requirements, including a per-capita greenhouse gas reduction target of 6 percent by 2035. Upon adoption by AMBAG, it will serve as the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) for the Monterey Bay Area.

By law, the RHNA Plan is required to be consistent with the development pattern from the 2045 MTP/SCS. These two planning processes seek to address the Monterey Bay area's housing needs over different time horizons: 2045 MTP/SCS has a planning horizon of 2045, while the 6th cycle of RHNA addresses the need to address short-term housing needs, from 2023 to 2031. To achieve the required consistency, both the overall housing growth for the region, as well as housing growth on a more localized level, must be greater in the long-range plan than over the eight-year RHNA cycle.

#### How is the 2045 MTP/SCS used as part of the RHNA methodology?

Data from the 2022 Regional Growth Forecast, which was accepted for planning purposes by the AMBAG Board of Directors in November 2020, is proposed to be incorporated into the draft RHNA methodology as the baseline allocation. The baseline allocation is used to assign each jurisdiction an initial share of the RHND. A jurisdiction's baseline share is then adjusted up or down based on how the jurisdiction scores relative to the rest of the region on the factors included in the draft RHNA methodology.

#### THE RHNA APPEALS PROCESS

#### What is the RHNA appeals process?

The release of draft RHNA Plan including the local jurisdiction's allocations initiates the appeals phase of RHNA. <u>Government Code Section 65584.05</u> allows a <u>jurisdiction or HCD</u> to appeal the draft RHNA allocation for *any* jurisdiction.

#### Where can I find my jurisdiction's draft RHNA allocation?

Following adoption of the final RHNA methodology by the AMBAG Board, AMBAG will issued the draft RHNA Plan including allocations. This is scheduled for January/February 2022.

#### What was the filing deadline for appeals? When will AMBAG review appeals?

The deadline for a local jurisdiction or HCD to file an appeal will be 45-days after the release of the draft RHNA Plan/allocations which is scheduled for January/February 2022. If appeals are received, there is a then be a 45-day comment period on any appeals filed. AMBAG will conduct a public hearing to consider the appeals and comments received in May/June 2022.

#### Who could file an appeal?

Any jurisdiction in the AMBAG region, as well as HCD, could file an appeal of any jurisdiction's draft RHNA allocation within the AMBAG region. A jurisdiction could file an appeal of its own draft RHNA allocation and/or one or more appeals of the draft allocations of other jurisdictions.

#### Was there a limit to the number of appeals one jurisdiction could file?

Every jurisdiction could file multiple appeals and there was no limit on the number of appeals filed by each jurisdiction. The filed appeals could request increases or decreases to draft RHNA allocations.

#### What are the reasons a jurisdiction or HCD could submit an appeal?

State Housing Element law allows an appeal to be filed *only* for the following three reasons:

- AMBAG failed to adequately consider the information submitted as part of the local jurisdiction survey (see <u>Government Code Section 65584.04(b)</u> for more details about the survey). AMBAG conducted this survey in summer 2021 and received responses from every local jurisdiction.
- 2. AMBAG did not determine the jurisdiction's allocation in accordance with its adopted methodology and in a manner that furthers, and does not undermine, the RHNA objectives identified in Government Code Section 65584(d).
- 3. A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted as part of the local jurisdiction survey. Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.

<u>Government Code Section 65584.04(g)</u>) also specifies criteria that *cannot* be used a basis for reducing a jurisdiction's allocation:

- Any local ordinance, policy, voter-approved measure or standard limiting residential development.
- Underproduction of housing from the last RHNA cycle.
- Stable population numbers in a jurisdiction.

#### How will AMBAG conduct the public hearing to consider RHNA appeals?

Housing Element Law requires AMBAG to hold a public hearing to consider RHNA appeals. Depending on the number of appeals AMBAG receives, the hearing may occur over several days. RHNA appeals will

be heard by the AMBAG Board of Directors, which will have final authority for decisions on appeals. A Board member must recuse him/herself on an appeal affecting his/her jurisdiction.

### Will there be an opportunity to challenge an appeal of my jurisdiction's allocation filed by another jurisdiction?

A jurisdiction that is the subject of an appeal filed by another jurisdiction will have the opportunity to challenge the appeal and present their case at the appeal public hearing.

#### What happens to the units if the appeal of a jurisdiction's draft RHNA allocation is successful?

<u>Housing Element Law</u> requires AMBAG to allocate all of the housing units assigned to the Monterey Bay Area by HCD. If the appeal of a jurisdiction's draft RHNA allocation is successful, AMBAG must redistribute the units to other local governments in the region.

AMBAG will redistribute units to all local governments in the region in proportion to a jurisdiction's share of the RHND after appeals are determined and prior to the required distribution. Applicants whose appeals are upheld are not excluded from redistribution.

#### RHNA AND LOCAL JURISDICTIONS

#### How are local jurisdictions involved in RHNA? Do they help create the housing methodology?

Planning staff from each local jurisdiction are on the Planning Directors Forum. The Planning Directors Forum provides technical input into the development of allocation methodology which was provided to the AMBAG Board of Directors. The AMBAG Board of Directors includes one elected official from each city in the region and two elected supervisors from each county. The AMBAG Board of Directors has the authority to make final decisions. Local governments can provide feedback on the proposed methodology during the public comment period, and have the opportunity to provide public comment at meetings throughout the RHNA process. In 2022, local governments will have an opportunity to file appeals on the draft RHNA Plan and allocations.

#### How does RHNA impact local jurisdictions' general plans? What is a Housing Element?

California's Housing Element Law states that "designating and maintaining a supply of land and adequate sites suitable, feasible, and available for the development of housing sufficient to meet the locality's housing need for all income levels is essential to achieving the state's housing goals." Once a city, town or county receives its RHNA allocation, it must then update the Housing Element of its general plan and zoning to demonstrate how it will accommodate all of the units assigned for each income category. General plans serve as a local government's blueprint for how the city, town or county will grow and develop. There are seven elements that all jurisdictions are required to include in the General Plan: land use, transportation, conservation, noise, open space, safety, and housing.

#### What agency is responsible for the certification of Housing Elements?

AMBAG's role in the RHNA process ends once it has allocated a share of the Regional Housing Needs Determination (RHND) to each local government in the Bay Area. The <u>California Department of Housing and Community Development (HCD)</u> reviews and approves Housing Elements and is responsible for all other aspects of <u>enforcing Housing Element Law</u>.

### Is there any funding and technical assistance available to assist local jurisdictions in creating their Housing Elements?

In the 2019-20 Budget Act, Governor Gavin Newsom allocated \$250 million for all regions, cities, and counties to do their part by prioritizing planning activities that accelerate housing production to meet identified needs of every community. With this allocation, HCD established the <a href="Local Early Action">Local Early Action</a> Planning Grant Program (LEAP) to provide funding directly to local jurisdictions for housing planning activities. In addition, a <a href="Regional Early Action Program">Regional Early Action Program (REAP)</a> was also created to provide funding to regional COGs. AMBAG allocated nearly its entire REAP funding allocation to local jurisdictions to assist with housing planning activities, including the preparation of local housing elements. See the document <a href="HCD Housing Element Compliance Incentives and Consequences">HCD Housing Element Compliance Incentives and Consequences</a> for more information.

#### Will my jurisdiction be penalized if we do not plan for enough housing?

State <u>Housing Element Law</u> requires that jurisdictions plan for all types of housing based on the allocations they receive from the RHNA process. The state requires this planning, in the form of having a compliant housing element, and submitting housing element annual progress reports, as a threshold or points-related requirement for certain funding programs (SB 1 Sustainable Community Planning Grants, SB 2 Planning Grants and Permanent Local Housing Allocation, etc.). Late submittal of a housing element can result in a jurisdiction being required to submit a four-year update to their housing element.

HCD <u>may refer jurisdictions to the Attorney General</u> if they do not have a compliant housing element, fail to comply with their HCD-approved housing element, or violate housing element law, the housing accountability act, density bonus law, no net loss law, or land use discrimination law. The consequences of those cases brought by the Attorney General are up to the courts, but can include financial penalties. In addition, as the housing element is one of the required components of the general plan, a jurisdiction without a compliant housing element, may risk legal challenges to their general plan from interested parties outside of HCD.

Local governments must also implement their commitments from the housing element, and the statute has several consequences for the lack of implementation. For example, failure to rezone in a timely manner may impact a local government's land use authority and result in a carryover of RHNA to the next cycle. Failure to implement programs can also influence future housing element updates and requirements, such as program timing. HCD may investigate any action or lack of action in the housing element.

#### Will my jurisdiction be penalized if we do not build enough housing?

For <u>jurisdictions that did not issue permits for enough housing</u> to keep pace consistent with RHNA building goals, a developer can elect to use a ministerial process to get project approval for residential projects that meet certain conditions. This, in effect, makes it easier to build housing in places that are not on target to meet their building goals. See the document <u>HCD Housing Element Compliance</u> <u>Incentives and Consequences</u> for more information.

#### **GLOSSARY OF ACRONYMS**

AMBAG - Association of Bay Area Governments

AMI – Area Median Income

DOF - California Department of Finance

HCD - California Department of Housing and Community Development

RHNA - Regional Housing Need Allocation

RHND - Regional Housing Need Determination

MTP/SCS – Metropolitan Transportation Plan/Sustainable Communities Strategy

TCAC - California Tax Credit Allocation Committee

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#### DRAFT

# MINUTES OF THE PROCEEDINGS OF THE BOARD OF DIRECTORS OF THE ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

#### August 11, 2021

#### 1. CALL TO ORDER

The Board of Directors of the Association of Monterey Bay Area Governments, President, Steve McShane presiding, convened at 6:02 p.m. Wednesday, August 11, 2021 via GoToWebinar.

#### 2. ROLL CALL

AMBAG Board of Directors PRESENT:					
Agency	Representative	Agency	Representative		
Capitola	Kristen Petersen	County of Monterey	John Phillips		
Carmel-by-the-Sea	Karen Ferlito	County of Santa Cruz	Greg Caput		
Del Rey Oaks	Kim Shirley	County of Santa Cruz	Manu Koenig		
Gonzales	Scott Funk	County of San Benito	Bea Gonzales		
Greenfield	Lance Walker	County of San Benito	Bob Tiffany		
Hollister	Rick Perez				
King City	Carlos Victoria	Ex-Officio Members:			
Marina	Lisa Berkley	Caltrans, District 5	Scott Eades		
Monterey	Ed Smith	MBARD	Richard Stedman		
Pacific Grove	Jenny McAdams	SBtCOG	Mary Gilbert		
Salinas	Steve McShane	TAMC	Mike Zeller		
San Juan Bautista	John Freeman				
Sand City	Mary Ann Carbone				
Santa Cruz	Justin Cummings				
Scotts Valley	Derek Timm				
Seaside	Jon Wizard				
Soledad	Carla Strobridge				
Watsonville	Eduardo Montesino				
ABSENT:					
County of Monterey	Mary Adams	3CE	JR Killigrew		
		MPAD	Michael La Pier		
		MST	Lisa Rheinheimer		
		SCCRTC	Guy Preston		
		SC METRO	Alex Clifford		

<u>Others Present</u>: John Baker, CPUC; Dawn Hayes, Superintendent, MBNMS; Beth Jarosz, PRB Consultant; Patrick Pittenger; Kyle Kelley; Colleen Courtney, County of Monterey; John Guertin, City of Del Rey Oaks; Heather Adamson, Director of Planning; Bhupendra Patel, Director of Modeling; Paul Hierling, Senior Planner; Miranda Taylor, Planner; Will Condon, Planner; Gina Schmidt, GIS Coordinator; Amaury Berteaud, Special Projects Manager; Sasha Tepedelenova, Associate Planner

Diane Eidam; Maura Twomey, Executive Director; and Ana Flores, Senior Executive Assistant.

#### 3. ORAL COMMUNICATIONS FROM THE PUBLIC ON ITEMS NOT ON THE AGENDA

There were no oral or written communications from the public.

#### 4. ORAL COMMUNICATIONS FROM THE BOARD ON ITEMS NOT ON THE AGENDA

Director Smith reported that Debbie Hale, TAMC has announced her retirement. TAMC hired RAPS, Inc. to help with the recruitment process. Director Smith thanked Diane Eidam, Eidam & Associates and Maura Twomey, AMBAG Executive Director for their help. Director Smith reported that TAMC hired Todd Muck as the new TAMC Executive Director.

Director Caput reported that over 60 homeless people that were staying in the Veteran's Building in Watsonville were given vouchers and are currently living in a hotel. Director Caput also reported that the County of Santa Cruz is in the process of purchasing 38 acres near the Santa Cruz Fairgrounds and will be converted into a public park. It will be a great asset for the public.

#### 5. COMMITTEE REPORTS

#### A. Executive/Finance Committee

President McShane reported that the Executive/Finance Committee approved the consent agenda that included 1) the minutes of the June 9, 2021 meeting; 2) list of warrants as of May 31, 2021; and 3) accounts receivable as of May 31, 2021. The Executive/Finance Committee also received 1) financial update report from Maura Twomey, Executive Director; and 2) a report from Heather Adamson, Director of Planning on the 6<sup>th</sup> Cycle Regional Housing Needs Allocation Methodology.

#### B. Monterey Bay National Marine Sanctuary (MBNMS) Advisory Council (SAC)

President McShane reported that the next SAC meeting is on August 20, 2021. The SAC will be discussing recreational fishing in the sanctuary, constituent outreach, whale ship strikes, and a recommendation to the Administration regarding term limits for alternates on the SAC.

#### 6. EXECUTIVE DIRECTOR'S REPORT

Maura Twomey, Executive Director reported that AMBAG was awarded a Sustainable Communities Competitive Technical Planning grant for the development of the Integrated Land Use Model and Development Monitoring Framework tool in collaboration with four other metropolitan planning organizations in the amount of \$550,000. In addition, AMBAG, in partnership with SBCAG and SLOCOG, was awarded a Caltrans Planning Grant in the amount of \$200,000, to develop a Central Coast Zero Emissions Vehicle Strategy. The Strategy will identify gaps and opportunities to implement ZEV infrastructure on the Central Coast, from Santa Cruz County all the way through Ventura County. Ms. Twomey also noted that Governor Newsome signed Assembly Bill 140, which includes \$600 million for a new early action planning. This program will be administered by the California Department of Housing and Community Development in collaboration with other state agencies, including the California Air Resources Board, the

Office of Planning and Research, and the Strategic Growth Council. Roughly 5% of the \$600 million in funding will go directly to the Metropolitan planning organization in the state to allocate two transformative planning and implementation activities. An estimated \$10 million in funding is expected to be allocated to AMBAG based on our population. Guidelines for this program will be developed later this fall and are expected to be finalized in early 2022.

#### 7. CONSENT AGENDA

#### A. Draft Minutes of the June 9, 2021 AMBAG Board of Directors Meeting

The draft minutes of the June 9, 2021 AMBAG Board of Directors meeting were approved.

#### B. AMBAG Regional Clearinghouse Monthly Newsletter

The AMBAG Regional Clearinghouse Monthly Newsletter was accepted.

#### C. AMBAG Sustainability Program Update

The AMBAG Sustainability Program Update was accepted.

# D. Draft Amendment No. 1 to the FY 2021-22 Monterey Bay Region Overall Work Program (OWP) and Budget

The draft Amendment No. 1 to the FY 2021-22 Monterey Bay Region OWP and budget was approved.

E. Formal Amendment No. 3 to the Monterey Bay Metropolitan Transportation Improvement Program (MTIP): FFY 2020-21 to FFY 2023-24

The Formal Amendment No. 3 to the Monterey Bay MTIP: FFY 2020-21 to FFY 2023-24 was approved.

F. 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy Update

The 2045 MTP/SCS update was accepted.

#### G. Financial Update Report

The financial update report was accepted.

Motion made by Director Phillips seconded by Director Caput to approve the consent agenda. The motion passed unanimously.

8. ITEMS REMOVED FROM CONSENT CALENDAR FOR DISCUSSION AND POSSIBLE ACTION

None.

#### 9. PLANNING

#### A. 2021 Title VI Plan

Miranda Taylor, Planner, gave a presentation of the 2021 Title VI Plan. The draft 2021 Title VI Plan is 1) a Federal and State planning requirement; 2) AMBAG is required to prepare and adopt a Title VI Plan every three years; 3) this is AMBAG's third Title VI Plan for the Monterey Bay region and includes a Limited English Proficiency (LEP) Plan; and 4) covers a three-year period from 2021-2024. Ms. Taylor added that the Title VI notice, Title VI Compliant Procedures and Title VI compliant forms are in English, Spanish, Tagalog, Chinese, Vietnamese and Korean. The draft Title VI Plan was released for a 30-day public review period. AMBAG staff presented the draft plan to various committees and working groups in the region. Ms. Taylor reported that no comments were received on the draft Title VI Plan.

Motion made by Director Cummings, seconded by Director Perez to approve the 2021 Title VI Plan. Motion passed unanimously.

#### B. 6<sup>th</sup> Cycle Regional Housing Needs Allocation Methodology

Heather Adamson, Director of Planning gave a report on the 6<sup>th</sup> Cycle Regional Housing Needs Allocation (RHNA) methodology. Ms. Adamson reported that with the passage of SB 375, RHNA is updated every eight years or every two MTP/SCS cycles. AMBAG is responsible for the RHNA allocation for Monterey and Santa Cruz county jurisdictions only. SBtCOG is responsible for the RHNA allocation for the San Benito County jurisdictions. The RHNA process consists of 1) The RHNA determination and assessment. AMBAG consults with the California Department of Housing and Community Development (HCD) and the Department of Finance (DOF) regarding the total regional housing need. AMBAG is scheduled to receive a 2023-2031 regional housing need needs determination from HCD in August 2021; 2) RHNA Distribution/Allocation. AMBAG is responsible for developing a method to allocate the housing need amongst all of the jurisdictions within the COG region and the 2023-2031 RHNA methodology and plan are developed. HCD will then review the plan; and 3) RHNA Planning. The local jurisdictions must update their housing elements as necessary to accommodate the regional housing allocations. The RHNA schedule consists of 1) Spring/Summer 2021: AMBAG early consultation with HCD on 6<sup>th</sup> Cycle RHNA; 2) Spring/Summer 2021: discussions with PDF on methodology options and factors; 3) July 1, 2021: Jurisdictions receive RHNA survey on local planning factors; 4) August 16, 2021: RHNA survey due from jurisdictions; 5) August 2021: Regional Housing Needs Determination expected from HCD; 6) September 2021: HCD presents at AMBAG Board meeting; 7) Summer – Winter 2021: RHNA methodology options discussed by AMBAG Board; 8) November 2021: selection of proposed methodology by AMBAG Board; 9) November 2021 - January 2022: HCD reviews draft methodology; 10) January/February 2022: approval of final RHNA methodology by AMBAG Board; 11) January/February 2022: release draft RHNA plan with RHNA allocations by jurisdiction for public comment; 12) May 2022: AMBAG releases final MTP/SCS accommodating RHNA; 13) June 2022: Adoption of final RHNA plan and allocations by AMBAG Board; and 14) December 2023: Jurisdiction's 6<sup>th</sup> Cycle Housing Elements are due to HCD. The five RHNA objectives are 1) increase housing supply and mix of housing types; 2) promote infill, equity, and environment; 3) ensure jobs housing balance and fit; 4) promote regional income parity; and 5) affirmatively further fair housing. The twelve RHNA factors are 1) jobs and housing relationship; 2) infrastructure availability of land, preserved land; 3) maximizing transit and transportation infrastructure; 4) directing growth toward incorporated areas; 5) loss of assisted housing units; 6) loss of units during emergency; 7) high housing cost burdens: 8) rate of overcrowding; 9) homeless housing needs; 10) farmworkers housing needs; 11) housing needs of college students; 12) SB 375 GHG reduction targets; and 13) other factors. Ms. Adamson reported that staff reviewed six other COG's RHNA methodologies. The COG's included 1) South California (SCAG); 2) Sacramento (SACOG); 3) San Diego (SANDAG); 4) SF Bay Area (ABAG); 5) Santa Barbara County (SBCAG); and 6) Butte County (BCAG). There was a significant RHNA increase from the 5<sup>th</sup> cycle and the methodology complexity increased. HCD review methodology to ensure it meets RHNA objectives. The priority methodology factors are 1) while all factors are considered while developing RHNA, most COGs focus on a few priority factors for allocation methodology; 2) priority factors identified that AMBAG should include in their methodology is growth forecast/growth rate, employment, transit, and AFFH; 3) potentially explore a wildfire risk factor; and 4) the Board of Directors is asked to provide input and direction on factors to be included in a methodology. AMBAG staff will continue to 1) collect input and begin assessing data for associated allocation methods; 2) consult with the Planning Directors and Board of Directors on RHNA methodology development; 3) HCD is scheduled to issue RHNA Determination to AMBAG in August; and 4) selection of a preferred RHNA methodology is scheduled for November 2021. Lengthy discussion followed.

#### 11. ADJOURNMENT

The Board of Directors meeting adjourned at 7:03 PM	
Steve McShane, President	
Maura F. Twomey. Executive Director	

# DRAFT AMBAG BOARD OF DIRECTORS MEETING ATTENDANCE & VOTING RECORD BOARD MEETING DATE: August 11, 2021

Attendance (X= Present; AB= Absent)
Voting (Y= Yes; N=No; A=Abstain)

	<u> </u>					
MEMBER	AMBAG REP	Attendance	Item# 7	Item# 10.A		
Capitola	Kristen Petersen	Х	Υ	Υ		
Carmel-by-the-Sea	Karen Ferlito	Х	Υ	Υ		
Del Rey Oaks	Kim Shirley	X	Υ	Υ		
Gonzales	Scott Funk	X	Υ	Υ		
Greenfield	Lance Walker	Х	Υ	Υ		
Hollister	Rick Perez	Х	Υ	Υ		
King City	Carlos Victoria	X	Υ	Υ		
Marina	Lisa Berkley	X	Υ	Υ		
Monterey	Ed Smith	X	Υ	Υ		
Pacific Grove	Jenny McAdams	Х	Υ	Υ		
Salinas	Steve McShane	Х	Υ	Υ		
San Juan Bautista	John Freeman	Х	Υ	Υ		
Sand City	Mary Ann Carbone	X	Υ	Υ		
Santa Cruz	Renee Golder	X	Υ	Υ		
Scotts Valley	Derek Timm	Υ	Υ	Υ		
Seaside	Jon Wizard	X	Υ	Υ		
Soledad	Carla Strobridge	Х	Υ	Υ		
Watsonville	Eduardo Montesino	X	Υ	Υ		
County-Monterey	Mary Adams	AB	n/a	n/a		
County-Monterey	John Phillips	Х	Υ	Υ		
County-Santa Cruz	Manu Koenig	Х	Υ	Υ		
County-Santa Cruz	Greg Caput	Х	Υ	Υ		
County-San Benito	Bob Tiffany	Х	Υ	Υ		
County-San Benito	Mark Medina	Х	Υ	Υ		

<sup>(\* =</sup> Board Member(s) arrived late or left early, therefore, did not vote on the item. Please refer the minutes)

#### ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

#### **MEMORANDUM**

TO: AMBAG Board of Directors

FROM: Maura F. Twomey, Executive Director

RECOMMENDED BY: Miranda Taylor, Planner

SUBJECT: AMBAG Regional Clearinghouse Monthly Newsletter

MEETING DATE: September 8, 2021

#### **RECOMMENDATION:**

It is recommended that the Board of Directors accept the August 2021 Clearinghouse monthly newsletter.

#### **BACKGROUND/DISCUSSION:**

Since March 12, 1984, under adopted State Clearinghouse Procedures, the Association of Monterey Bay Area Governments (AMBAG) was designated the regional agency responsible for clearinghouse operations in Monterey, San Benito and Santa Cruz Counties. These procedures implement Presidential Executive Order 12372 as interpreted by the "State of California Procedures for Intergovernmental Review of Federal Financial Assistance and Direct Development Activities." They also implement the California Environmental Quality Act of 1970 as interpreted by CEQA Guidelines.

The purpose of the Clearinghouse is to provide all interested parties within the Counties of Monterey, San Benito and Santa Cruz notification of projects for federal financial assistance, direct federal development activities, local plans and development projects and state plans that are proposed within the region. These areawide procedures are intended to be coordinated with procedures adopted by the State of California.

#### **FINANCIAL IMPACT:**

There is no direct financial impact. Staff time for monitoring clearinghouse activities is incorporated into the current AMBAG Overall Work Program and budget.

#### **COORDINATION:**

Notices for the Clearinghouse are sent by lead agencies to AMBAG. Interested parties are sent email notifications twice a month with the newsletter attached.

#### **ATTACHMENT:**

1. Monthly Newsletter - Clearinghouse items August 1– August 31, 2021.

#### **APPROVED BY:**

Maura F. Twomey, Executive Director

#### Attachment 1

#### AMBAG REGIONAL CLEARINGHOUSE

#### The AMBAG Board of Directors will review these items on 9/8/2021

Association of Monterey Bay Area Governments P.O. Box 2453, Seaside, CA 93955 / 831.883.3750

#### **ENVIRONMENTAL DOCUMENTS**

#### 20210801 – Carmel High School Stadium Lights

Carmel Unified School District

Dan Paul

831-624-6311

Notice of Availability / Draft Environmental Impact Report (DEIR)

The Carmel Unified School District (school district) is proposing to install new lighting at the existing stadium at Carmel High School. No additional improvements are proposed. The addition of the stadium lights is intended to allow for Friday night football games and other nighttime games and practices in anticipation of the state's "late start law," which will go into effect starting in the fall of 2022 and will affect the ability of various sports teams from practicing later in the day without lights. The school district plans to install the stadium lighting by the start of the 2022-2023 school year.

Project is located in Monterey County

Parcel: 015081001

Public hearing information: CUSD Board Meeting Youtube Channel

Date: 9/8/2021 / Time 5:30 PM

Public review period ends: Monday, September 27, 2021

#### 20210802 – Downtown Parking Lot and Intermodal Transportation Center Rezone Project

City of Salinas Lisa Brinton

(831) 755-4239

Mitigated Negative Declaration (MND)

The project would involve rezoning (through a Zoning Code amendment) six sites fromPublic/Semipublic (PS) and/or Commercial Retail (CR) to Mixed Use (MX) and expanding the Downtown Core (DC) Overlay to include the Intermodal Transportation Center (ITC) site, to allow for greater housing density and more flexible development standards. The project also involves a General Plan amendment for the ITC, Lot 8, Lot 12, and Permit Center and Parking Garage land use designation changes from PS to MX. The project does not involve construction or other physical changes; however, reasonable assumptions for demolition (of paved parking areas and extant buildings), buildout (500 residential units and 125,000 square feet of commercial), building height and massing, and other features at each site. This project is being fully funded by Senate Bill 2 grant funding for the purpose of increasing housing production in the city. The six rezone sites are: (1) Parking Lot 1, Salinas Street between West Alisal Street and West Gabilan Street, mid-block; (2) Parking Lot 5, southwest corner of Monterey Street and East Alisal Street; (3) Parking Lot 8, southeast corner of Lincoln Avenue and West Gabilan Street; (5) ITC,

northwest corner of North Main Street and West Market Street; and (6) Permit Center and Parking Garage, 65 West Alisal Street between Lincoln Avenue and Salinas Street.

The project is located in Monterey County

Parcel: 002242029000

Public Hearing Information: n/a

Public review period ends: Wednesday, August 18, 2021

#### 20210803 - Tobias Farms Agricultural Storage Structure

San Benito County Resource Ma

Arielle Goodspeed

(831) 902-2547

Notice of Availability

Mitigated Negative Declaration (MND)

The proposed project consists of development and construction of a new produce and bin storage warehouse of 25,000 square feet (sq. ft). The project requires approval from the County of San Benito. The proposed reengineered metal storage building would be 18-foot tall (22-foot maximum height), measuring approximately 250 feet by 100 feet. A portion of the building would be used for the farm shop which takes care of maintenance, repair, and fabrication of the agricultural equipment on the ranch. Maintenance of the equipment would include servicing and repairing tractors, farming implements, and irrigation pipe as well as fabrication of new implements to use in the agricultural operation. The other portion of the facility would be used for bin storage to support the company's winter squash program, which lasts from September through December of each year. The proposed project would also include access improvements, including a new crushed gravel driveway leading to the storage structure, as well as drainage improvements. The total area of disturbance associated with the proposed project is 30,992 sq. ft.

The project is located in San Benito County

Parcel: 013050010

Public Hearing Information: Online September 15, 2021 @ 6:00 PM

Public review period ends: Monday, September 2, 2021

#### 20210804- Farina William and Susan P

Monterey County Housing and Community Development Joseph Sidor

(831) 755-5262

Notice of Intent (NOI)

Mitigated Negative Declaration (MND)

Combined Development Permit consisting of a Coastal Development Permit and Design Approval to allow repairs and alterations to an existing two-story single-family dwelling inclusive of an attached garage while maintaining the existing legal non-conforming structure height, a Variance to allow a reduction of the existing legal nonconforming site coverage that exceeds the maximum allowed site coverage of 35 percent, and a Coastal Development Permit to allow development within 750 feet of known archaeological resources.

The project is located in Monterey County

Parcel: 009431026000

Public Hearing Information: Online

Public review period ends: Monday, September 27, 2021

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#### ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

#### **MEMORANDUM**

TO: AMBAG Board of Directors

FROM: Maura F. Twomey, Executive Director

RECOMMENDED BY: Amaury Berteaud, Special Projects Manager

SUBJECT: AMBAG Sustainability Program Update

MEETING DATE: September 8, 2021

**RECOMMENDATION:** 

It is recommended the Board of Directors accept this report.

**BACKGROUND/ DISCUSSION:** 

**AMBAG Sustainability Program Elements** 

#### **Energy Efficiency Program Development**

AMBAG is a founding member of the Rural and Hard to Reach (RHTR) working group, which was created in 2015 to promote the deployment of energy efficiency resources to California's rural communities. In the past year AMBAG staff has been working with other RHTR members to create a Regional Energy Network (REN). Regional Energy Networks are entities which submit business plans to the California Public Utilities Commission (CPUC) to obtain ratepayer funds and implement energy efficiency programs. The RHTR working group is developing such a business plan in order to implement programs as a new Regional Energy Network, the RuralREN. If approved by the CPUC, the RuralREN would bring resources to the region, assisting residents, businesses, and public agencies in completing energy efficiency projects and sustainability initiatives.

RHTR partners executed a Memorandum of Understanding (MOU) for the development of the Rural Regional Energy Network (RuralREN). RHTR partners are now working to organize a workshop of the California Energy Efficiency Coordinating Council (CAEECC) in order to present the concept of a RuralREN. This will allow for feedback to be gathered before the RuralREN business plan is submitted to the CPUC in February 2022. If the business plan is approved, RHTR partners will then create detailed program design documents and implementation plans which are necessary before programs are allowed to move forward. It is projected that RuralREN programs will begin to operate on January 1, 2023.

#### Central California Energy Watch Program implementation in Monterey County

The AMBAG Sustainability Program is acting as a sub consultant to the San Joaquin Valley Clean Energy Organization (SJVCEO) to implement the Central California Energy Watch (CCEW) program in Monterey County. AMBAG staff is conducting outreach to public sector agencies and school districts to inform them about this new program, drive program enrollment, and provide energy efficiency technical assistance services. Current efforts are focused on working with jurisdictions and school districts to support energy benchmarking. AMBAG staff is also providing the County of Monterey with energy efficiency technical assistance.

#### **School Districts**

The State of California, over five years, has been releasing funding through the Proposition 39: California Clean Energy Jobs Act to help schools implement energy efficiency and conservation. To receive this funding, the school districts must comply with the Proposition 39: California Clean Energy Jobs Act – 2013 Program Implementation Guidelines. These guidelines include requirements such as completing energy benchmarks of school facilities, identifying potential energy projects, creating efficiency metrics related to the projects, submitting a funding application to the California Energy Commission called an Energy Expenditure Plan, completing annual reports, and submitting a final project completion report. On May 13, 2020, the California Energy Commission extended the Proposition 39 program by one year as a result of the ongoing COVID-19 pandemic. The deadline to complete projects was extended to June 30, 2021, and the deadline to complete the final project completion reports was extended to June 30, 2022.

AMBAG staff has been working with fifteen school districts to complete their final project completion reports. As part of this process AMBAG staff is gathering benchmarking data and creating the necessary reports to obtain California Energy Commission staff approval.

#### **Greenhouse Gas Inventories and Climate Action Planning**

AMBAG staff works to complete Greenhouse Gas (GHG) Inventories for all AMBAG Jurisdictions. Staff completed Community-wide GHG Inventories for all jurisdictions in 2005, 2009, 2010, 2015, and 2018 as well as a baseline Municipal GHG Inventories for all AMBAG jurisdictions in 2005. AMBAG staff has also been able to use the inventories to create a regional roll-up inventory and assist jurisdictions with climate action planning activities.

As part of an MOU with AMBAG, Central Coast Community Energy has allocated funding for AMBAG to develop 2018, 2019, and 2020 Community-wide GHG Inventories for all of its member jurisdictions over the next three years. This will allow AMBAG to continue providing GHG inventories to our jurisdictions and enable continued climate action on the central coast.

In the past month AMBAG staff has been working to create the 2019 Community-wide GHG inventory reports for all 3CE member jurisdictions in Monterey, San Benito, Santa Cruz, and San Luis Obispo Counties.

#### **ALTERNATIVES:**

There are no alternatives to discuss as this is an informational report.

#### **FINANCIAL IMPACT:**

The budget is fully funded under the AMBAG-3CE MOU, a sub consultant agreement with the SJVCEO, and SB1 Planning Funds. All funding is programmed in the FY 2021-22 Overall Work Program and Budget.

#### **COORDINATION:**

AMBAG staff is coordinating with 3CE, the SJVCEO, as well as local jurisdictions and local community stakeholders.

#### **APPROVED BY:**

Maura F. Twomey, Executive Director

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## ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

#### **MEMORANDUM**

TO: AMBAG Board of Directors

FROM: Maura F. Twomey, Executive Director

RECOMMENDED BY: Errol Osteraa, Director of Finance and Administration

SUBJECT: Financial Update Report

MEETING DATE: September 8, 2021

#### **RECOMMENDATION:**

Staff recommends that the Board of Directors accept the Financial Update Report.

#### **BACKGROUND/DISCUSSION:**

The enclosed financial reports are for the 2020-2021 Fiscal Year (FY) and are presented as a consent item. The attached reports contain the cumulative effect of operations through June 30, 2021 as well as a budget-to-actual comparison. Amounts in the Financial Update Report are unaudited.

#### **FINANCIAL IMPACT:**

The Balance Sheet for June 30, 2021 reflects a cash balance of \$4,140,366.44. The accounts receivable balance is \$483,974.81, while the current liabilities balance is \$484,424.56. AMBAG has sufficient current assets on hand to pay all known current obligations.

Due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68 in FY 2014-2015 and a restatement to Net Position for GASB Statement No. 82, AMBAG has a deficit Net Position in the amount of \$154,683.91. Although AMBAG's Balance Sheet as of June 30, 2021 reflects a deficit Net Position, AMBAG's Profit and Loss Statement reflects an excess of revenue over expense of \$46,302.67.

#### Planning Excellence!

The following table highlights key Budget to Actual financial data:

# Budget to Actual Financial Highlights For Period July 1, 2020 through June 30, 2021

Expenditures	Budg	et Through June 2021	Act	ual Through June 2021		Difference
Salaries & Fringe Benefits	\$	2,749,506.00	\$	2,202,176.22	\$	547,329.78
Professional Services	\$	7,951,745.00	\$	1,042,624.99	\$	6,909,120.01
Lease/Rentals	\$	91,000.00	\$	80,042.54	\$	10,957.46
Communications	\$	24,800.00	\$	19,277.62	\$	5,522.38
Supplies	\$	123,400.00	\$	15,751.85	\$	107,648.15
Printing	\$	11,550.00	\$	871.65	\$	10,678.35
Travel	\$	75,500.00	\$	502.79	\$	74,997.21
Other Charges	\$	345,572.00	\$	314,268.06	\$	31,303.94
Total	\$	11,373,073.00	\$	3,675,515.72	\$	7,697,557.28
Revenue						
Federal/State/Local Revenue	\$	11,397,751.00	\$	3,721,818.39	\$	7,675,932.61
Note: AMBAG is projecting a surplus, therefore budgeted revenues do not equal expenses.						

#### Revenues/Expenses (Budget to Actual Comparison):

The budget reflects a linear programming of funds while actual work is contingent on various factors. Therefore, during the fiscal year there will be fluctuations from budget-to-actual.

Professional Services are under budget primarily due to the timing of work on projects performed by contractors. Work is progressing on the 2045 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS). This work is not performed in a linear fashion while the budget reflects linear programming. In addition, the Regional Early Action Planning Housing Program (REAP) provides \$7,931,311 in funding of which a large portion will pass through to partner agencies. It is in its early stages.

Since AMBAG funding is primarily on a reimbursement basis, any deviation in expenditure also results in a corresponding deviation in revenue. Budget-to-actual revenue and expenditures are monitored regularly to analyze fiscal operations and propose amendments to the budget if needed.

#### **COORDINATION:**

N/A

## **ATTACHMENTS:**

- 1. Balance Sheet as of June 30, 2021
- 2. Profit and Loss: July 1, 2020 June 30, 2021

# **APPROVED BY:**

Maura F. Twomey, Executive Director

#### AMBAG

#### Balance Sheet - Attachment 1

As of June 30, 2021

	June 30, 2021		June 30, 2021
Assets		Liabilities & Net Position	
Current Assets		Liabilities	
Cash and Cash Equivalents		Current Liabilities	
Mechanics Bank - Special Reserve	300,562.83	Accounts Payable	350,500.41
Mechanics Bank - Checking	392,996.59	Employee Benefits	133,924.15
Mechanics Bank - REAP Checking	3,442,624.29	Mechanics Bank - Line of Credit	0.00
Petty Cash	500.00	Total Current Liabilities	484,424.56
LAIF Account	3,682.73	•	
Total Cash and Cash Equivalents	4,140,366.44		
Accounts Receivable	· · ·	Long-Term Liabilities	
Accounts Receivable	483,974.81	Deferred Inflows - Actuarial	258,986.95
Total Accounts Receivable	483,974.81	Net Pension Liability (GASB 68)	1,888,153.69
•		OPEB Liability	0.00
Other Current Assets		Deferred Revenue	3,179,115.06
Due from PRWFPA/RAPS	45.76	Total Long-Term Liabilities	5,326,255.70
Prepaid Items	0.00		
Total Other Current Assets	45.76	Total Liabilities	5,810,680.26
Total Current Assets	4,624,387.01		
Long-Term Assets			
Net OPEB Asset	96,473.00		
FY 2002-2003 Housing Mandate Receivable	82,186.00		
Allowance for Doubtful Accounts	(16,437.20)		
Deferred Outflows - Actuarial	533,833.49		
Deferred Outflows - PERS Contribution	272,963.59		
Total Long-Term Assets	969,018.88		
Capital Assets		Net Position	
Capital Assets	231,515.49	Beginning Net Position	(200,986.58)
Accumulated Depreciation	(168,925.03)	Net Income/(Loss)	46,302.67
Total Capital Assets	62,590.46	Total Ending Net Position	(154,683.91)
Total Assets	5,655,996.35	Total Liabilities & Net Position	5,655,996.35

Accrual Basis Unaudited

# AMBAG Profit & Loss - Attachment 2

July 2020 - June 2021

		July - June 2021
Income		474.504.00
AMBAG Revenue		174,524.03
Cash Contributions		313,447.34
Grant Revenue		3,032,279.84
Non-Federal Local Match		201,567.18
Total Income		3,721,818.39
Expense		4 456 007 04
Salaries		1,456,897.24
Fringe Benefits		745,278.98
Professional Services		1,042,624.99
Lease/Rentals		80,042.54
Communications		19,277.62
Supplies		15,751.85
Printing		871.65
Travel Other Charges:		502.79
BOD Allowances	10,300.00	
BOD Refreshments/Travel/Nameplates/Dinner/Other	24.76	
Workshops/Training	4,650.24	
GIS Licensing/CCJDC Support	10,247.28	
Energy Watch Travel/Classes/Events/Recruitment/Other	142.50	
REAP Travel/Classes/Events	525.00	
SB1/MTIP/MTP/SCS/OWP/Public Participation Expenses	16,549.52	
Recruiting	159.90	
Dues & Subscriptions	22,887.78	
Depreciation Expense	11,163.00	
Maintenance/Utilities	1,019.08	
Insurance	34,026.43	
Interest/Fees/Tax Expense	1,005.39	
Total Other Charges	1,005.55	112,700.88
Non-Federal Local Match		201,567.18
Total Expense		3,675,515.72
Net Income/(Loss)		46,302.67

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# ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

#### **MEMORANDUM**

TO: AMBAG Board of Directors

FROM: Maura F. Twomey, Executive Director

RECOMMENDED BY: Heather Adamson, Director of Planning

SUBJECT: 6<sup>th</sup> Cycle Regional Housing Needs Allocation Methodology

MEETING DATE: September 8, 2021

**RECOMMENDATION:** 

The Board of Directors is asked to discuss potential methodology options for the 6<sup>th</sup> Cycle Regional Housing Needs Allocation and provide feedback and direction to staff.

#### **BACKGROUND/DISCUSSION:**

California State Housing Element Law enacted in 1980 requires AMBAG, acting in the capacity of Council of Governments (COG), to develop a methodology for distributing existing and projected housing need to local jurisdictions in Monterey and Santa Cruz Counties. Housing law also sets forth a process, schedule, objectives and factors to use in the RHNA methodology. The methodology must address allocation of housing units by jurisdiction, housing units by income group, and must address 13 housing-related factors and five statutory objectives. The Council of San Benito County Governments performs this same function for San Benito County.

AMBAG is in the planning phase for the 2023-2031 RHNA period. As there have been five previous housing element update cycles, this round is also known as the 6<sup>th</sup> Cycle RHNA. The 6<sup>th</sup> Cycle of RHNA is different from previous rounds in that it significantly increases the amount of housing a region must plan for due to recent legislative changes found in SB 828 (2018), AB 1771 (2018), and AB 686 (2018) which altered HCD RHNA determinations as follows:

- Adjusts RHNA up by setting a target "healthy" vacancy rate of no less than 5% for rental housing;
- Adjusts RHNA up by redistributing overcrowding into housing units;

#### Planning Excellence!

- Allows HCD to adjust RHNA upwards based on comparing the difference in costburden by income group for the region to the cost burden by income group for comparable regions, and adjusting the very-low and low income housing need upwards accordingly;
- Prohibits the use of previous underproduction of housing or stable population growth to reduce housing development goals;
- Requires RHNA methodologies to promote fair housing, and reduce income and racial segregation when allocating housing of various income types.

As this cycle of RHNA has changed significantly from previous rounds, this item does not include a summary of AMBAG's 5<sup>th</sup> Cycle RHNA Plan. For information on AMBAG's previous 5<sup>th</sup> Cycle 2014-2023 RHNA plan, see this <u>link</u>.

RHNA is a projection of additional housing units needed to accommodate projected household growth of all income levels from the start until the end date of the projection period. RHNA is not a prediction of building permits, construction, or housing activity, nor is it limited due to existing land use capacity or growth. A community is not obligated to provide housing to all in need. RHNA is a distribution of housing development capacity that each city and county must zone for in a planning period and is not a construction need allocation.

#### **RHNA Process and Schedule**

As part of the RHNA process, State law (Government Code 65584 et seq.) requires AMBAG to determine each local jurisdiction's share of the region's future housing need. The RHNA produces regional, subregional and local targets for the amount and type of housing needed over the planning period. In spring 2021, AMBAG began consulting with the California Department of Housing and Community Development (HCD) and the Department of Finance (DOF) regarding the total regional housing need. AMBAG received its 6<sup>th</sup> Cycle regional housing need determination (RHND) from HCD in late August 2021. HCD is responsible for determining the regional housing needs total, segmented by income levels, for each of the state's COGs.

Once HCD has provided AMBAG its two-county total housing determination, AMBAG is responsible for developing a methodology to allocate the housing need amongst all of the jurisdictions within the COG region. Throughout this process, the Planning Directors Forum (PDF) representatives from member jurisdictions in Monterey and Santa Cruz Counties serves as a technical working group to assist in the development of the 2023-2031 RHNA methodology and plan, similar to what was established for the 2014-2023 RHNA Plan.

Following adoption of the RHNA plan and approval of that plan by HCD, the local jurisdictions must update their housing elements as necessary to accommodate the regional housing allocations by assuring that adequate sites and zoning capacity are available to accommodate at least the number of units allocated. The housing elements

are reviewed for approval by HCD. In some cases, funding from state/federal housing programs can only be accessed if the jurisdiction has a compliant housing element. Other fiscal penalties can be applied by the state for having a non-compliant housing element.

Additional detail on the proposed RHNA schedule is listed in Figure 1 below. These dates are based on the MTP/SCS adoption date, and statutory requirements and deadlines provided by HCD.

Figure 1: Revised RHNA Schedule

TARGET SCHEDULE	TASK
Spring - Fall 2021	Discussions with Planning Directors Forum on potential RHNA methodology options and factors
Summer – Fall 2021	Potential RHNA methodology options discussed by AMBAG Board
September 8, 2021	HCD presents at AMBAG Board Meeting
November 2021	Selection of preferred RHNA methodology by AMBAG Board
November 2021 - January 2022	HCD Reviews Draft Methodology
January/February 2022	Approval of final RHNA methodology by AMBAG Board
January/February 2022	Release draft RHNA plan with RHNA allocations by jurisdiction
February/March 2022	Local jurisdictions may appeal RHNA allocation within 45 days of release of the draft RHNA plan/allocations
April/May 2022	Local jurisdictions and HCD may comment on appeals within 45 days of the close of the appeal period (if needed)
May 2022	AMBAG to hold public hearing on appeals (if needed)
May 2022	AMBAG releases final 2045 MTP/SCS accommodating RHNA
June 2022	Adoption of Final 2023-31 RHNA Plan with RHNA allocations by AMBAG Board
December 2023	Jurisdiction's 6th Cycle Housing Elements are due to HCD

#### **Statutory Objectives and Factors for RHNA Methodology**

State statute requires AMBAG to consider or further a series of five objectives and 13 factors, many of which have been newly amended by state legislation since 2018 (see Attachment 1). The following five objectives must be considered during the development of the methodology to allocate housing needs in the region:

- 1. Increase Housing Supply and Mix of Housing Types
- 2. Promote Infill, Equity, and Environment
- 3. Ensure Jobs Housing Balance and Fit
- 4. Promote Regional Income Parity
- 5. Affirmatively Further Fair Housing

The RHNA objectives provide the guiding framework for how AMBAG must develop the methodology. AMBAG is required to demonstrate how its methodology furthers each of

the objectives. This requires proactive inclusion of each objective into the analysis and represents a higher standard than in previous cycles, which required allocation methodologies only to be generally consistent with state objectives.

In order for the RHNA methodology to be approved, HCD must make a determination on whether it meets these five objectives and is consistent with RHNA statutes. If any objective is not adequately addressed, the methodology must be revised and resubmitted until HCD determines the methodology meets all RHNA objectives. The AMBAG Board cannot approve a methodology and the draft RHNA allocation cannot be produced until HCD has approved the RHNA methodology.

In addition, there are 13 RHNA factors that AMBAG must consider when distributing each jurisdiction's overall and income category allocations. State law mandates that the RHNA factors be incorporated into the methodology to the extent that sufficient data is available. A summary of the factors is listed below. State statute references and definitions are provided in Attachment 1.

- 1. Jobs and housing relationship
- Opportunities and constraints to development of additional housing, including capacity for sewer and water service, availability of land suitable for development, lands preserved or protected from development, and county policies to preserve prime agricultural land.
- 3. Opportunities to maximize transit and existing transportation infrastructure
- 4. Policies directing growth toward incorporated areas
- 5. Loss of units contained in assisted housing developments
- 6. High housing cost burdens
- 7. Rate of overcrowding
- 8. Housing needs of farmworkers
- 9. Housing needs of UC and Cal State students
- 10. The housing needs of individuals and families experiencing homelessness
- 11. Loss of units during an emergency
- 12. SB 375 Greenhouse Gas Reduction Targets
- 13. Other factors adopted by Council of Governments (COGs)

#### **RHNA Methodology Options**

For the past few months, AMBAG has been working with the PDF on reviewing potential options for developing a RHNA methodology. Staff also presented methodologies used by other COGs during the 6th Cycle. A summary of those options can be found in Attachment 2. This information was presented to the AMBAG Board at its meeting on August 11, 2021.

#### **RHNA Methodology Priority Factors and Data Sources**

While all the factors are considered while developing RHNA, in order to develop a streamlined RHNA methodology, most COGs focus on a few priority factors. Based on recent discussions with the PDF on various RHNA methodology approaches and input from the Board at its August 11, 2021 meeting priority factors were identified:

- Regional Growth Forecast
- Employment
- Transit
- Resiliency (wildfire and sea level rise)
- Affirmatively Furthering Fair Housing (AFFH)

AMBAG staff discussed RHNA methodology options, priority factors, as well as potential data sources with the PDF at its August 23, 2021 meeting.

#### Regional Growth Forecast

The RGF is the initial allocation step in the RHNA allocation. This helps assure the RHNA is distributed according to regionally recognized housing growth rates and helps fulfill the statutory requirement that RHNA be consistent with the MTP/SCS, which is also based on the RGF. The RGF housing growth over the RHNA period is normally applied as a base RHNA allocation to each jurisdiction. Since the RHND is higher than the RGF due to statutory adjustments upwards by HCD to account for more ideal housing conditions, the remainder of RHNA units will be allocated to each jurisdiction based on the preferred allocation methodology factors chosen in the region.

 Data Source: housing growth from the 2025-2035 period from the 2022 RGF (which was accepted for planning purposes by AMBAG Board in November 2020)

#### *Employment*

Allocating RHNA by employment encourages jurisdictions to build additional housing near employment centers, helping to resolve jobs/housing imbalances. Improving jobs/housing balance is also a key statutory RHNA allocation requirement. Locating more planned housing near employment centers results in a number of benefits including reducing congestion, reducing vehicle miles traveled (VMT), encouraging more active transportation, and reducing greenhouse gas emission.

Data source: 2020 total jobs from the 2022 RGF

#### Transit

Transit is normally incorporated into RHNA by identifying the proportion of major transit stops in a jurisdiction with 15 minute headways or 30 minute headways. For this analysis,

major transit stops would be locations containing a rail transit station or the intersection of two or more major bus routes with a frequency of service interval of 15-30 minutes or less during the morning and afternoon peak commute periods.

• Data source: transit with 15-30 minute headways from the transit operators

## Resiliency (wildfire and sea level rise)

With recent catastrophic fires threatening homes throughout the state, wildfire risk is becoming more of a concern for many jurisdictions. Both the PDF and AMBAG Board expressed interest in considering a wildfire risk RHNA allocation factor to recognize that these areas are high risk locations for housing. This allocation factor would reduce a jurisdiction's unit allocation based on the percent of the jurisdiction's acreage in a risk area.

The most recent Fire Hazard Severity Zones Maps from the Office of the State Fire Marshal are more than a decade old (2007-2008) and may not account for recent changes to fire frequency and severity. The California Public Utilities Commission (CPUC) also produces "fire threat" maps called the CPUC Fire-Threat maps. These maps identity fire threats as Elevated (Tier 2) or Extreme (Tier 3) and were originally created in 2017 and more recently updated. The maps can be viewed at: <a href="https://ia.cpuc.ca.gov/firemap/">https://ia.cpuc.ca.gov/firemap/</a>.

 Data source (wildfire) – use both CALFIRE and California Public Utilities (CPUC) data

Both the AMBAG Board and the PDF indicated that sea level rise may be an allocation factor of interest. Conceptually, this factor would reduce housing allocation by sea level rise impact. AMBAG staff could not identify any precedent or guidance for using sea level rise in the RHNA allocation methodologies of other COGs. A review of available data found that some AMBAG jurisdictions produced detailed projections of future sea level rise, while some have no officially accepted data available. Staff will continue to explore potential data sources for sea level rise for use in the RHNA methodology.

 Data source (sea level rise) – staff is still exploring potential data sources for this factor

#### Affirmatively Furthering Fair Housing (AFFH)

The AFFH allocation factor shifts the proportion of low income category housing each jurisdiction receives according to each jurisdiction's opportunity levels. The purpose of the AFFH factor is to allocate lower income households to jurisdictions to avoid further concentrating racial and ethnic segregation and concentrations of poverty, providing

these households with improved access to opportunities such as better employment, better schools, and access to areas of lower crime. The AFFH allocation approach does not increase or decrease the number of housing units a jurisdiction is assigned.

The HCD/California Tax Credit Allocation Committee (TCAC) Opportunity Map Index (Attachment 3) is the key data set used to meet the AFFH requirement since it is the data set HCD uses to judge compliance with statutory AFFH RHNA methodology requirements. While one data challenge with the HCD/TCAC data is that it identifies some opportunity areas in remote low-population rural sub-zones, AMBAG staff can generate averages for these scores to normalize the data within jurisdictions.

• Data source: HCD/TCAC Opportunity Areas

At the August 23, 2021 PDF meeting, the Planning Directors expressed support for RHNA allocation methodology options shown in Table 1. They also agreed that the suggested data sources for the priority factors were reasonable.

Table 1: Potential AMBAG RHNA Allocation Methodology Options for Discussion\*

	RHNA Methodology Option A	RHNA Methodology Option B
Regional Growth Forecast	Base allocation	Base allocation
Employment	High (85%)	High (85%)
Transit	Low (10%)	Low (5%)
Resiliency (Wildfire & SLR)	Low (5%)	Low (10%)

AFFH**	High	Medium

<sup>\*</sup> Base RHNA allocation is derived from RGF housing growth with remaining RHND allocated by RHNA methodology.

The AMBAG Board of Directors is asked to provide feedback on RHNA methodology options.

<sup>\*\*</sup>AFFH only affects the proportion of very low/low/moderate/above moderate. It does not affect the absolute number of housing units a jurisdiction is allocated.

#### **Next Steps**

AMBAG will continue to work with the PDF on RHNA methodology development and evaluation. Staff will share Board comments and direction on RHNA methodology options at its next meeting scheduled for September 20, 2021. Staff will return to the Board with more information on RHNA methodology options for discussion and direction. The Board will be asked to select a RHNA methodology in November 2021 to submit to HCD for review.

#### **ALTERNATIVES:**

N/A

#### **FINANCIAL IMPACT:**

Planning activities for RHNA are funded with REAP and SB 1 planning funds and are programmed in the FY 2021-22 Overall Work Program and Budget.

#### **COORDINATION:**

All RHNA planning activities are coordinated with the HCD, SBtCOG, and the Planning Directors Forum which includes all the local jurisdictions.

#### **ATTACHMENTS:**

- 1. Regional Housing Needs Allocation Objectives and Factors
- 2. 6<sup>th</sup> Cycle RHNA Methodologies Used by Other Councils of Governments
- 3. HCD/TCAC Opportunity Map Index Indicators

#### **APPROVED BY:**

Maura F. Twomey, Executive Director

#### ATTACHMENT 1

#### REGIONAL HOUSING NEEDS ALLOCATION OBJECTIVES AND FACTORS (§65584.04.E)

This section describes the Regional Housing Needs Allocation (RHNA) objectives and factors identified in state statute which AMBAG must consider. Objectives must be met in all RHNA methodologies. Factors must be considered to the extent sufficient data is available when developing its RHNA methodology.

#### RHNA Plan Objectives, Government Code 65584(d)

The regional housing needs allocation plan shall further all of the following objectives:

- Increasing the housing supply and the mix of housing types, tenure, and affordability
  in all cities and counties within the region in an equitable manner, which shall result
  in each jurisdiction receiving an allocation of units for low- and very-low-income
  households.
- 2. Promoting 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 provided by the State Air Resources Board pursuant to Section 65080.
- 3. Promoting 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.
- 4. Allocating 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, as compared to the countywide distribution of households in that category from the most recent American Community Survey.
- 5. Affirmatively furthering fair housing.

#### RHNA Plan Factors, Government Code 65584(e)

#### 1. Jobs and housing relationship

"Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period." - §65584.04(e)

#### 2. Opportunities and constraints to development of additional housing (see below)

#### 2a. Capacity for sewer and water service

"Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period." - §65584.04(e)

#### 2b. Availability of land suitable for urban development

"The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding." - §65584.04(e)

#### 2c. Lands preserved or protected from urban development

"Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to non-agricultural uses." - \$65584.04(e)

#### 2d. County policies to preserve prime agricultural land

"County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to non-agricultural uses." - §65584.04(e)

#### 3. Opportunities to maximize transit and existing transportation infrastructure

"The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure." - §65584.04(e)

#### 4. Policies directing growth toward incorporated areas

"Agreements between a county and cities in a county to direct growth toward incorporated areas of the county and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to non-agricultural uses." - §65584.04(e)

#### 5. Loss of units contained in assisted housing developments

"The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions." - §65584.04(e)

#### 6. High housing cost burdens

"The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent."

#### 7. Rate of Overcrowding

Factor undefined. - §65584.04(e)

#### 8. Housing needs of farmworkers

Factor undefined. - §65584.04(e)

#### 9. Housing needs of UC and Cal State students

"The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction." - §65584.04(e)

### 10. Individuals and families experiencing homelessness

Factor undefined. - §65584.04(e)

#### 11. Loss of units during an emergency

"The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis." - §65584.04(e)

#### 12. SB 375 Greenhouse Gas Reduction Targets

"The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080." - §65584.04(e)

#### 13. Other factors adopted by Council of Governments

"Any other factors adopted by the council of governments, that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions." - §65584.04(e)

#### **ATTACHMENT 2**

## 6<sup>th</sup> Cycle RHNA Methodologies Used by Other Councils of Governments

#### Introduction

To inform AMBAG's methodology, AMBAG staff has reviewed 6<sup>th</sup> Cycle RHNA allocation methodologies used by other COGs. These other allocation methodologies give a sense of the variety of possible approaches to allocating the RHNA. The RHNA allocation methodologies reviewed include a range of approaches, from simplified allocations using only the household or population growth in adopted growth forecasts to more involved allocations incorporating existing or forecasted jobs, and adjustments for very low and low income levels. In most cases, the COG's adopted growth forecasts are used as a starting point in the RHNA process, with additional adjustments made as necessary. Starting the RHNA allocation process with a base determined by the regional growth forecast establishes a foundational allocation that recognizes the significant capacity differences between jurisdictions and provides for an allocation that is suitable for each jurisdiction's existing size.

The following RHNA allocation processes are summarized below:

- Southern California Association of Governments
- Sacramento Area Council of Governments
- Association of Bay Area Governments
- Santa Barbara County Association of Governments
- Butte County Association of Governments
- San Diego Association of Governments (SANDAG)

#### Southern California Association of Governments (SCAG)

SCAG's 5th Cycle of RHNA determined a need for 412,137 units for the 6.8-year period of 2014 through 2021. For the current 6<sup>th</sup> Cycle, the determination of 1,341,827 housing units for the SCAG region has been proposed and adopted for the 8.25-year projection period of 2021 through 2029. SCGA's allocation increased by 225 percent between the 5<sup>th</sup> and 6<sup>th</sup> RHNA cycle. Compared to the prior 5<sup>th</sup> Cycle, SCAG's large increase is primarily attributed to the growth that the region has projected for 2020-2030.

The SCAG 6<sup>th</sup> Cycle methodology includes the following steps:

- Assumed expected housing growth according to the regional growth forecast accommodates a portion of the RHNA housing need
- Increase projected housing need based on a healthier vacancy rate, redistributing overcrowding to housing units, and replacement of any lost units due to events such as disasters
- Allocate remaining housing need based on HCD RHNA determination: 50% in high quality transit area, 50% in high jobs accessibility zones
- Redistribute a portion of housing assigned to extremely disadvantaged communities (per HCD Opportunity Indices) to non-disadvantaged areas with proximity to high quality transit and high jobs accessability zones (50/50).
- Apply a social equity adjustment to assure that housing for the different income categories (very low, low, moderate, above moderate) is distributed more evenly, assigning more lower and moderate income housing to jursidictions with less of those income category housing types.
- Applied an AFFH allocation method to place more affordable housing in high resource zones per HCD Opportunity Indices.

#### Sacramento Area Council of Governments (SACOG)

SACOG's 5th Cycle of RHNA determined a need for 104,970 units for the 7.6-year period of 2013 through 2021. For the current 6<sup>th</sup> Cycle, the determination of 153,512 housing units for the SACOG region has been proposed and adopted for the 8.2-year projection period of June 2021 through August 2029. SACOG's allocation increased by 46 percent between the 5th and 6th RHNA Cycle. Compared to the prior 5th Cycle, SACOG's increase is primarily attributed to the different housing climate in 2019, and the inclusion of two new existing need considerations (overcrowding and cost-burden). For the 5th Cycle, SACOG received a downward RHNA adjustment to account for the high vacancy rates as a result of the recession. The upward adjustment for the 6th Cycle is to help bring the SACOG's vacancy rate back to a healthy rate of 5 percent. The change in vacancy rates alone is the result of over 35,000 units being allocated to SACOG for the 6th Cycle of RHNA.

The methodology used by SACOG for its 2021-2029 Regional Housing Needs Plan (RHNP) starts by assigning projected and needed housing units according to the regional growth forecast.

SACOG then assigns the proportion of four housing income-categories (very low, low, moderate, above moderate) that each jurisdiction must plan for based on adjustment factors. The adjustment factors address accommodating regional income parity, affirmatively furthering fair housing and achieving a better jobs/housing balance.

The SACOG 6<sup>th</sup> Cycle RHNA methodology uses the following process:

- Assumed expected housing growth according to the regional growth forecast accommodates a portion of the RHNA housing need for each jurisdiction
- Assign remaining RHNA need to jurisdictions proportionally based on their regional growth forecast housing proportions
- Apply Regional Income Parity adjustment: Jurisdictions with a lower proportion
  of lower income households receive a higher portion of lower income units;
  Jurisdictions with a higher proportion of lower income households receive a
  lower portion of lower income units.
- Apply an Affirmatively Further Fair Housing adjustment: Jurisdictions with a
  higher proportion of units in high opportunity areas receive a higher proportion
  of lower income units; Jurisdictions with a lower proportion of units in high
  opportunity areas receive a lower proportion of lower income units.
- Apply a Jobs/Housing Balance allocation method: Jurisdictions with a higher proportion of low-wage workers per affordable unit receive a higher proportion of lower income units; Jurisdictions with a lower proportion of low-wage workers per affordable unit receive a lower proportion of lower income units.
- Weighting and balancing the three adjustment factors to assure that one adjustment factor is not disproportionately affecting the housing assignment.

#### Association of Bay Area Governments (ABAG)

ABAG's 5th Cycle of RHNA determined a need for 187,900 units for the 8.5-year period of 2014 through 2022. For the current 6th Cycle, the determination of 441,176 housing units for the ABAG region has been proposed and adopted for the 8.5-year projection period of June 2021 through December 2030. ABAG's allocation increased by 135 percent between the 5<sup>th</sup> and 6<sup>th</sup> RHNA Cycle. Compared to the prior 5<sup>th</sup> Cycle, ABAG's large increase is primarily attributed to the projected economic growth that will attract more homeowners and renters into the area. This growth will additionally address the housing crisis in the Bay Area and promote more equity. ABAG housing units are distributed to ABAG's nine counties: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Solano, and Sonoma, along with its 101 cities and towns.

The ABAG approach applied two different methodologies for Very Low/Low units and Moderate/Above Moderate units. The methodology for low income units was more heavily weighted towards AFFH when allocating Very Low and Low Income units. The other methodology for Moderate and Above Moderate units was more heavily weighted on vehicle commutes (see below).

TWO-PART ABAG ALLOCATION				
Very Low & Low Income Allocation	Moderate & Above Moderate Allocation			
70% AHOA (AFFH allocation method)	40% AHOA (AFFH allocation method)			
15% Short Drive to Jobs (JPA)	60% Short Drive to Jobs (JPA)			
15% Short Transit Ride to Jobs (JPT)				

Very Low and Low Income units were allocated with more emphasis on AFFH compliance. Moderate and Above Moderate populations were placed closer to job clusters to show consistency with the MTP where more mid-high income housing is structured around job centers, and higher income employees use less transit.

The ultimate split using this approach allocated the total RHNA as follows:

- 52% AFFH based (AHOA)
- 41% short drive to work (JPA)
- 7% short transit ride to work (JPT)

The ABAG 6<sup>th</sup> Cycle RHNA methodology uses the following process:

- 1. Comparable regions analysis was performed to calculate average overcrowing and cost-burden issues and make appropriate adjustments to housing need.
- 2. Housing growth proportions per jurisdiction according to the regional growth was used to assign RHNA housing need for each jurisdiction.
  - a. 70% access to high job opportunity areas. Opportunity areas are determined using the HCD and the California Tax Credit Allocation Committee (TCAC) 2020 Opportunity maps. This approach assigns lower income housing to higher income more affluent areas and achieves state goals of affirmatively furthering fair housing.
  - b. 15% short drive to work (within 30 minutes)
  - c. 15% short transit ride to work (within 45 minutes)
- 3. The proportion of moderate and above moderate units was assigned based on two allocation methods.
  - a. 40% access to high job opportunity areas. Opportunity areas are determined using the HCD and the California Tax Credit Allocation Committee (TCAC) 2020 Opportunity maps. This approach assigns lower income housing to higher income more affluent areas and achieves state goals of affirmatively furthering fair housing.
  - b. 60% short drive to work (within 30 minutes)

#### Santa Barbara County Association of Governments

SBCAG's 5<sup>th</sup> Cycle of RHNA determined a need for 11,030 units for the 7.5-year period of 2008 through 2022. Santa Barbara County has only met 35 percent of the overall

housing need for its 5<sup>th</sup> Cycle, which ends in 2022. For the upcoming 6<sup>th</sup> Cycle, SBCAG has released a draft housing need determination of 29,297 units for the 8.6-year projection period of June 2021 through February 2030. SBCAG's allocation will potentially increase by 165 percent between the 5<sup>th</sup> and 6<sup>th</sup> RHNA Cycle, depending on the approval of the 6<sup>th</sup> Cycle draft. SBCAG's 5<sup>th</sup> Cycle was the lowest allocation received of any cycle. This was the result of a downward adjustment by the HCD due to the high vacancy rates during the recession. If approved, the 6<sup>th</sup> Cycle will be the highest allocation SBCAG has ever received.

The 6<sup>th</sup> Cycle RHNA methodology adopted by the SBCAG Board for its Regional Housing Needs Allocation Plan allocates regional housing need to local jurisdictions in four steps:

- Divide the RHNA allocation between the North County area and South Coast areas of Santa Barbara County.
- Apply a jobs-balance allocation method: using the SBCAG regional growth forecast as the base housing growth data, assign RHNA housing need to jurisdictions based on 60% of housing was weighted near existing jobs, and 40% near forecasted jobs.
- Assign adjustment factors to the housing unit assignments based on overcrowding and cost-burden allocation methods.
- Apply an income parity adjustment to better address housing income group disparities. This approach addressed the assignment of the four housing incomecategories (very low, low, moderate, and above moderate) that each jurisdiction must plan for. Jurisdictions with a lower than average proportion of any income category of housing receive a higher portion of that category of housing. For example, jurisdictions with a lower proportion of lower income households receive a higher portion of lower income units.

#### **Butte County Association of Governments**

BCAG's 5<sup>th</sup> Cycle of RHNA determined a need for 2,974 units for the 7.5-year period of 2014 through 2022. For the current 6th cycle, the determination of 15,506 housing units for the BCAG region has been proposed and adopted for the 8.5-year projection period of 2021 through 2030. BCGA's allocation increased by 421 percent between the 5<sup>th</sup> and 6<sup>th</sup> RHNA cycle. Compared to the prior 5th cycle, BCAG's large increase is primarily attributed to the fire damage that this region has endured.

The unit allocation methodology applies five weighted allocation methods to distribute the regular growth allocation across BCAG's six-member jurisdictions. The fire rebuild allocation is separately assigned to the jurisdictions that lost units in the Camp Fire (the Town of Paradise and unincorporated Butte County) based on the total rebuild units assigned and each jurisdiction's proportionate loss of units in the fire.

The BCAG 6<sup>th</sup> Cycle RHNA methodology uses the following process:

- The methodology starts with assigning a base allocation, which is the product of the jurisdictions' forecasted share of regular growth in the 2018–2040 BCAG Growth Forecast
- BCAG used five allocation methods for their RHNA methodology: Transit Connectivity, Jobs, Wildfire Risk, Agriculture and Forest Land Preserves, and an opportunity score as the allocation methods to adjust the base allocation.
  - a. Transit Connectivity The higher the proportion of transit access a jurisdiction has, the more housing assigned to the jurisdiction.
  - Jobs The higher proportion of jobs in a jurisdiction, the more housing was assigned. BCAG used California Employment Development Department (EDD) and (2017) Longitudinal Employer-Household Dynamics (LEHD) OnTheMap estimates for this approach.
  - c. Wildfire Risk The lower the proportion of high-fire risk area, the more housing was assigned to an area. The Wildfire Risk allocation method uses 2020 CalFire measures of high- and very high-wildfire risk and geographic information system (GIS) analysis to determine what percentage of each jurisdiction's land is not at a high- or very-high risk of wildfire. The intent of this allocation method is to prioritize the construction of homes in jurisdictions with a lower risk of wildfire.
  - d. Agriculture and Forest Land Preserves The larger the proportion of forest and agricultural land preserves in a jurisdiction, the less housing was assigned.
  - e. Opportunity The lower the relative proportion of opportunity, the more housing was assigned. BCAG used both HCD/TCAC Opportunity Maps and Percent of Children Living Above the Poverty Level as an opportunity adjustment factor.
- Factor Normalization: BCAG then balanced the five adjustment factors to assure that one adjustment factor is not disproportionately affecting the housing assignment.

- Factor Weighting: BCAG then assigned weights to each allocation method. These
  weights establish what percentage of the total allocation will be distributed
  based on that factor.
  - a. Combined TCAC/HCD Opportunity and Childhood Poverty Status allocation method: 10-percent weight
  - b. Transit Connectivity: 10-percent weight
  - c. Number of Jobs: 10-percent weight
  - d. Wildfire Risk: 10-percent weight
  - e. Agriculture and Forest Land Preserves: 10-percent weight
  - f. Base Allocation: 50-percent weight
- Final distribution: The five normalized and weighted factor adjustments were used to distribute the RHNA to each jurisdiction.

#### San Diego Association of Governments (SANDAG)

SANDAG's 6<sup>th</sup> Cycle, the determination of 171,685 housing units for the SANDAG region has been proposed and adopted for the 8.8-year projection period of June 2020 through April 2029. SANDAG's allocation increased by only 6 percent between the 5<sup>th</sup> and 6<sup>th</sup> RHNA Cycle.

Using their regional growth forecast as base data, the SANDAG's RHNA Plan methodology allocates RHNA units based primarily on transit proximity, secondly based on jurisdictions with a higher proportion of jobs, and third it more equally disburses very low, low, moderate, and above moderate income units among jurisdictions to better balance the proportion of housing income types in various jurisdictions.

This approach is geared towards the urban framework of the SANDAG region and urban levels of transit and employment. As a result, this approach would not likely work for the AMBAG area as the region does not have urban levels of transit service and jobs.

The SANDAG 6<sup>th</sup> Cycle RHNA methodology uses the following process:

- Assign 65% of housing units to jurisdictions with access to transit, rail stations, rapid bus stations, and major transit stops with the following split:
  - 75% of units allocated to jurisdictions with rails stations and rapid bus
  - 25% of units allocated to jurisdictions with major transit stops

- Using base data from the regional growth forecast, assign the remaining 35% of housing units to jurisdictions based on the proportion of jobs in their jurisdiction
- Apply an equity adjustment to assign the proportion of the four housing incomecategories (very low, low, moderate, above moderate) that each jurisdiction
  must plan for. Jurisdictions with a lower proportion of lower income households
  receive a higher portion of lower income units; Jurisdictions with a higher
  proportion of lower income households receive a lower portion of lower income
  units. This applies similarly to assigning the proportion of moderate and above
  moderate units. SANDAG used this measure to also meet AFFH requirements.

Figure 1: Comparison of RHNA Methodology Factors by COG

Factor	SCAG	SACOG	ABAG	SBCAG	BCAG	SANDAG
RGF Base Allocation and/or Growth	Х	Х	Х	Х	Х	Х
Rate						
Employment Access	Х	Χ	Χ	Χ	X	Х
Affirmatively Furthering Fair	Х	Х	Х	Х	Х	Х
Housing (AFFH): HCD/TCAC						
Opportunity Indices						
Transit Access	Х		Х		Х	Х
Housing Income Parity Adjustment	Х	Х		Х		Х
Other: Overcrowding, Cost Burden,				X	Х	
Wildfire, Preserved Land						
Adjustments						

# Attachment 3 HCD/TCAC OPPORTUNITY MAP INDEX INDICATORS

Domain	Indicator	Measure	Data Source	Table
	Poverty	Percent of	2014-2018 ACS	Table C17002
		population with income above		
		200% of federal		
		poverty line		
	Adult Education	Percent of adults	2014-2018 ACS	Table B15003
		with a bachelor's		
		degree or above		
	Employment	Percent of adults aged 20-64 who	2014-2018 ACS	Table B23004
		are employed in		
		the civilian labor		
		force or in the		
Economic		armed forces		
	Job Proximity	Number of jobs	2017 LEHD	Origin-
		filled by workers	LODES	Destination and
		with less than a BA that fall within a		Workplace Area Characteristics
		given radius		Tables
		(determined by		
		the typical		
		commute distance		
		of low-wage		
		workers in each		
		region) of each census tract		
		population-		
		weighted centroid		
	Median Home	Value of owner-	2014-2018 ACS	Table B25077
	Value	occupied units		
	CalEnviroScreen	CalEnviroScreen	CalEnviroScreen3.0	Variables: Ozone,
	3.0 indicators	3.0 Pollution		PM2.5, Diesel PM,
		indicators (Exposures and		Drinking Water, Pesticides, Tox.
		Environmental		Release,
		Effect indicators)		Traffic,
Fm.::		and processed		Cleanup Sites,
Environmental <sup>5</sup>		values		Groundwater
				Threats,
				Hazardous
				Waste, Impaired Water
				Bodies, Solid
				Waste Sites

	Nacth	Percentage of 4 <sup>th</sup>	2018-2019	
	Math	_	California	
	proficiency	graders who meet		
		or exceed math	Department of	
		proficiency	Education	
		standards	(DOE)	
	Reading	Percentage of 4 <sup>th</sup>	2018-2019 CA	
	proficiency	graders who meet	DOE	
		or exceed literacy		
Education		standards		
Education	High school	Percentage of high	2018-2019 CA	
	graduation rates	school cohort that	DOE	
		graduated on time		
	Student poverty	Percent of	2019-2020 CA	
	rate	students not	DOE	
		receiving free or		
		reduced-price		
		lunch		
		Measure	Data Source	
	Poverty and	Poverty: Tracts	2014-2018 ACS	ACS Table
	Poverty and Racial	Poverty: Tracts with at least 30%	2014-2018 ACS Estimate	ACS Table B17020
	Racial	· · · · · · · · · · · · · · · · · · ·		
	_	with at least 30%		
	Racial	with at least 30% of the population		
<b>5:14.</b> 6	Racial	with at least 30% of the population falling under the	Estimate	B17020
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty	Estimate 2010 Decennial	B17020 Census Table
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty line	Estimate 2010 Decennial	B17020 Census Table
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty	Estimate 2010 Decennial	B17020 Census Table
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty line  Racial Segregation:	Estimate 2010 Decennial	B17020 Census Table
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty line  Racial Segregation: Tracts with a racial	Estimate 2010 Decennial	B17020 Census Table
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty line  Racial Segregation: Tracts with a racial Location Quotient of higher than	Estimate 2010 Decennial	B17020 Census Table
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty line  Racial Segregation: Tracts with a racial Location Quotient of higher than 1.25 for Black,	Estimate 2010 Decennial	B17020 Census Table
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty line  Racial Segregation: Tracts with a racial Location Quotient of higher than 1.25 for Black, Hispanic, Asian, or	Estimate 2010 Decennial	B17020 Census Table
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty line  Racial Segregation: Tracts with a racial Location Quotient of higher than 1.25 for Black,	Estimate 2010 Decennial	B17020 Census Table
Filter <sup>6</sup>	Racial	with at least 30% of the population falling under the federal poverty line  Racial Segregation: Tracts with a racial Location Quotient of higher than 1.25 for Black, Hispanic, Asian, or all people of color	Estimate 2010 Decennial	B17020 Census Table



# ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

The 2021 AMBAG Board of Director meeting locations are subject to change in light of Governor Newsom's State of Emergency declaration regarding the COVID-19 outbreak and in accordance with Executive Order N-29-20 and the shelter in place directive.

# **2021 AMBAG Calendar of Meetings**

October 13, 2021 TBD

Meeting Time: 6 pm

November 10, 2021 TBD

Meeting Time: 6 pm

December 2021 No Meeting Scheduled

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# ASSOCIATION OF MONTEREY BAY AREA GOVERNMENTS

	AMBAG Acronym Guide
ABM	Activity Based Model
ADA	Americans Disabilities Act
ALUC	Airport Land Use Commission
AMBAG	Association of Monterey Bay Area Governments
ARRA	American Reinvestment and Recovery Act
3CE	Central Coast Community Energy
CAAA	Clean Air Act Amendments of 1990 (Federal Legislation)
Caltrans	California Department of Transportation
CAFR	Comprehensive Annual Financial Report
CalVans	California Vanpool Authority
CARB	California Air Resources Board
CCJDC	Central Coast Joint Data Committee
CEQA	California Environmental Quality Act
CHTS	California Households Travel Survey
CMAQ	Congestion Mitigation and Air Quality Improvement
CPUC	California Public Utilities Commission
СТС	California Transportation Commission
DEIR	Draft Environmental Impact Report
DEM	Digital Elevation Model
DOF	Department of Finance (State of California)
EAC	Energy Advisory Committee
EIR	Environmental Impact Report
FAST Act	Fixing America's Surface Transportation Act
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GHG	Greenhouse Gas Emissions
GIS	Geographic Information System
ICAP	Indirect Cost Allocation Plan
ITS	Intelligent Transportation Systems
JPA	Joint Powers Agreement
	1

## Planning Excellence!

LTA	San Benito County Local Transportation Authority
LTC	Local Transportation Commission
MAP-21	Moving Ahead for Progress in the 21 <sup>st</sup> Century Act
MBARD	Monterey Bay Air Resources District
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPAD	Monterey Peninsula Airport District
MPO	Metropolitan Planning Organization
MST	Monterey-Salinas Transit
MTP	Metropolitan Transportation Plan
MTIP	Metropolitan Transportation Improvement Program
OWP	Overall Work Program
PG&E	Pacific Gas & Electric Company
PPP	Public Participation Plan
RAPS, Inc.	Regional Analysis & Planning Services, Inc.
RFP	Request for Proposal
RHNA	Regional Housing Needs Allocation
RTDM	Regional Travel Demand Model
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agency
SAFETEA-LU	Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users
SB 375	Senate Bill 375
SBtCOG	Council of San Benito County Governments
SCCRTC	Santa Cruz County Regional Transportation Commission
SCMTD	Santa Cruz Metropolitan Transit District
SCS	Sustainable Communities Strategy
SRTP	Short-Range Transit Plan
STIP	State Transportation Improvement Program
TAMC	Transportation Agency for Monterey County
TAZ	Traffic Analysis Zone
USGS	United States Geological Survey
VMT	Vehicle Miles Traveled
VT	Vehicle Trips