

Subject: RHNA Subregion
Date: Thursday, September 12, 2019 at 1:38:02 PM Pacific Daylight Time
From: Pilar Lorenzana
To: Andi Jordan, Mohsen, Raania
CC: Alix Bockelman, Ken Kirkey, Matt Maloney, Gillian Adams, Therese Trivedi, Pilar Lorenzana
Attachments: RHNA Subregion Process Overview.pdf

Hello Andi and Raania.

Thank you for your continued work to move conversations forward regarding the Santa Clara County subregion. As I understand it, there are really two main challenges to subregion formation – the need for more time and the need for funding to support this work. Given how hard folks in the South Bay have worked toward forming a RHNA subregion, we offer the following thoughts around ways we can support your goals.

Flexibility in schedule: We understand and share your desire to have as much time to develop the RHNA methodology and establish local criteria that will ultimately drive housing allocations at the local level.

We are unable to revise deadlines set by HCD and/or enacting legislation or provide an extension as suggested by some staff. However, we are more than happy to find ways to support local goals by being as flexible as possible on processes/steps that are within our control.

For example, we are able to share initial RHNA assumptions that are being developed as part of ABAG/MTC's Housing Methodology Committee (HMC) which kicks off next month (October 2019). While we will not have draft allocations ready until May 2020, sharing our initial/guiding assumptions about the next RHNA cycle will allow Santa Clara, and other subregions, to embark on developing their own methodology in parallel with the regional process being undertaken by the HMC.

A parallel process could bring many advantages – it will provide the subregions with a blueprint, it opens the door for similar conversations at the regional/county level, and it provides the opportunity to provide timely technical assistance to the subregional entities.

Subregion deadlines, ABAG. Please note that the current deadline to form a subregion is February 2020 and not December 2019. I hope the extra two months will allow the Cities Association and its member additional time to continue proactive conversations around subregion formation.

Funding: We have clearly heard the need for grant funding to support the required legal, technical, and outreach responsibilities associated with forming a subregion. As previously mentioned, AB101 (the budget trailer bill) allocates \$26m to ABAG as the regional Council of Governments (COG) and another \$26m directly to local jurisdictions in the Bay Area. These new revenues could potentially support the subregion formation and implementation.

We hope that the strategies above will allow the County to continue moving forward with discussions on RHNA subregion formation.

Last, but not the least, attached is a simple draft fact sheet that lays out the tasks/responsibilities of the subregions.

Please feel free to reach out to us with any questions. I hope this evening's conversation goes well.

Best,

Pilar Lorenzana

Principal Planner, South Bay

Pronouns: she / her

plorenzana@bayareametro.gov

o: (415) 778-5222 / m: (408) 215-8925

Metropolitan Transportation Commission

Bay Area Metro Center

375 Beale Street, Suite 800

San Francisco, CA 94105

Summary of Steps for Completing the RHNA Process

This is a summary of Government Code Section 65584.04. It is not intended to be legal advice. Each subregion should rely on the advice of its own legal counsel to interpret the requirements of RHNA law.

The table below outlines specific dates when the ABAG and subregion RHNA processes intersect. These dates are also noted in the summary of steps below. For many of the steps, the subregion has discretion to decide on the specific date by which they will be completed, as long as the timing is consistent with what is required by law.

1. Develop methodology (the statute is written so this occurs prior to knowing the need determination)
2. Receive total need number
 - Draft from ABAG to subregions in May 2020, final in July 2020
 - Public hearing on draft subregion share of total need in June 2020
3. Release proposed methodology for public comment; conduct public hearing on proposed methodology
 - Subregion determines timing for this
 - Subregion must explain in writing how the statutory factors were incorporated into the methodology and how it furthers the RHNA objectives
 - Make changes to proposed methodology based on public comment, as needed
4. Release draft methodology and send to HCD
 - No later than December 2020, but realistically needs to be earlier because of timing required for subsequent steps
5. HCD 60-day review period
 - Starts once HCD receives draft methodology
6. Adopt final methodology after revising the draft method based on HCD feedback or making findings as to why the subregion believes the draft methodology furthers the RHNA objectives without incorporating HCD comments
 - HCD has 90 days to review the adopted methodology and provide comment
7. Release draft allocations
 - The allocation shall include the underlying data and the methodology on which it is based and a statement as to how it furthers the RHNA objectives
8. Conduct appeals process
 - Jurisdictions/HCD have 45 days to file an appeal
 - Jurisdictions/HCD have 45 days to comment on appeals
 - Subregion conducts public hearing on appeals no later than 30 days after close of comment period on appeals
 - No later than 45 days after public hearing, subregion takes action on appeals
9. Issue final allocation
 - No later than 45 days after appeals public hearing
10. Adopt final allocation, including public hearing
 - Within 45 days after issuing the final allocation
 - By March 2021 so it can be incorporated into ABAG Final RHNA Plan

Subregion Intersections with ABAG RHNA Process

Deadline for subregions to form	February 2020
ABAG releases Draft Subregion Share of total housing need	May 2020
ABAG conducts public hearing on Draft Subregion Shares	June 2020
ABAG assigns Subregion Shares	July 2020
Statutory deadline for subregion to submit Draft Methodology to HCD	December 2020
Deadline for jurisdictions to opt out of subregion	March 2021
Deadline for subregions to submit Final Allocations to ABAG	March 2021