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Meeting Notice and Agenda

Regional Housing Needs Assessment Subcommittee

The Regional Housing Needs Assessment Subcommittee may take action on any item appearing on this agenda.

Friday, June 14, 2019

10:15 to 11:30 a.m.

SANDAG, Conference Room 7
401 B Street, Suite 800
San Diego, CA 92101

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Agenda Highlights

- **Draft Regional Housing Needs Assessment Methodology and Allocation**

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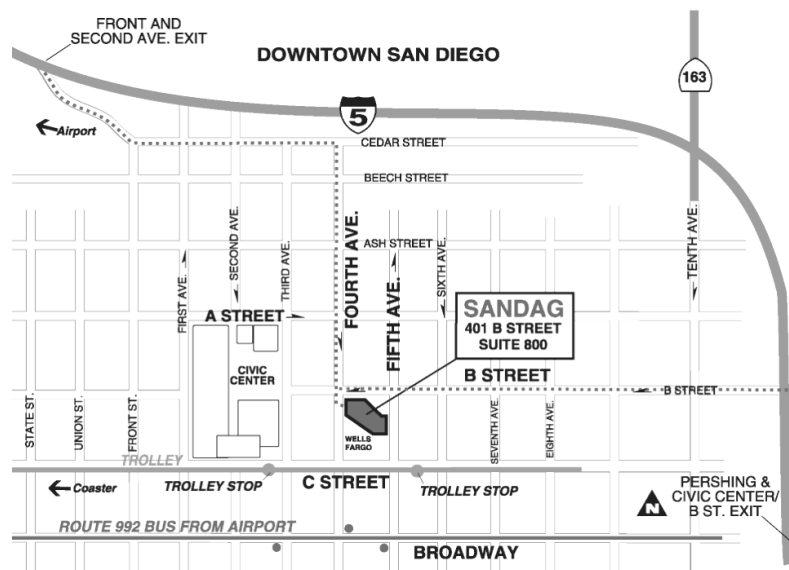
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Regional Housing Needs Assessment Subcommittee

Friday, June 14, 2019

Item No.		Action
+1.	Approval of Meeting Minutes The Regional Housing Needs Assessment Subcommittee is asked to review and approve the minutes from its May 24, 2019, meeting.	Approve
2.	Public Comments/Communications/Member Comments Members of the public shall have the opportunity to address the RHNA Subcommittee on any issue within the jurisdiction of SANDAG that is not on this agenda. Anyone desiring to speak shall reserve time by completing a Request to Comment form and giving it to the meeting coordinator prior to speaking. Public speakers should notify the meeting coordinator if they have a handout for distribution to RHNA Subcommittee members. Public speakers are limited to three minutes or less per person. RHNA Subcommittee members also may provide information and announcements under this agenda item.	
Report		
+3.	Draft Regional Housing Needs Assessment Methodology and Allocation <i>Seth Litchney, SANDAG</i> SANDAG staff has made additional adjustments to the draft RHNA Methodology and Allocation since the last RHNA Subcommittee meeting. With these and other changes that may be made during this meeting, the RHNA Subcommittee will be asked to recommend that the Board of Directors release the draft RHNA methodology and allocation for a 60-day public review period. <i>This item was not ready at the time of posting and will be posted when complete.</i>	Recommend
4.	Upcoming Meetings The next RHNA Subcommittee meeting has not yet been scheduled.	Information
5.	Adjournment	

+ next to an item indicates an attachment



Regional Housing Needs Assessment Subcommittee

Item: **1**

June 14, 2019

Action: **Approve**

May 24, 2019, Meeting Minutes

Chair Catherine Blakespear (North County Coastal) called the meeting of the Regional Housing Needs Assessment (RHNA) Subcommittee to order at 12:01 p.m.

1. Approval of Meeting Minutes (Approve)

Action: Upon a motion by Supervisor Jim Desmond (County of San Diego) and a second by Councilmember Kristine Alessio (East County), the RHNA Subcommittee approved the minutes from its April 26, 2019, meeting. Yes: Chair Blakespear, Councilmember Monica Montgomery (City of San Diego), Supervisor Desmond, Councilmember Alessio, Mayor Rebecca Jones (North County Inland), Mayor Mary Salas (Regional Planning Committee), and Mayor Richard Bailey (South County). No: None. Abstain: None. Absent: None.

2. Public Comments/Communications/Member Comments

Mike Donovan, Councilmember of the City of Coronado, spoke regarding the RHNA allocation.

Kathy Garcia, Planning Director from the City of Del Mar, reported on the RHNA item from the May 20, 2019, Del Mar City Council meeting.

Report

3. Regional Housing Needs Assessment Methodology (Discussion)

Seth Litchney, Senior Regional Planner, facilitated a discussion regarding potential changes to the RHNA Methodology, as requested by the RHNA Subcommittee and Regional Planning Technical Working Group.

Action: This item was presented for discussion.

4. Upcoming Meetings (Information)

The next RHNA Subcommittee meeting is scheduled for Friday, June 14, 2019, at 12 noon.

5. Adjournment

Chair Blakespear adjourned the meeting at 1:12 p.m.

Confirmed Attendance at SANDAG Regional Housing Needs Assessment Subcommittee Meeting

Friday, May 24, 2019

Jurisdiction	Name	Attended
North County Coastal	Catherine Blakespear, Chair	Yes
City of San Diego	Monica Montgomery	Yes
County of San Diego	Jim Desmond	Yes
East County	Kristine Alessio	Yes
North County Inland	Rebecca Jones	Yes
South County	Richard Bailey	Yes
Regional Planning Committee	Mary Salas	Yes

June 14, 2019

Action: **Recommend**

Draft Regional Housing Needs Assessment Methodology and Allocation

Overview

The Regional Housing Needs Assessment (RHNA) Subcommittee was formed on December 21, 2018, to review and provide input and guidance on potential policy and technical options for developing the RHNA methodology for allocation of housing units to each jurisdiction. Based upon objectives in state law, the RHNA Subcommittee identified priorities to be used in drafting the RHNA methodology and allocation. This information was shared with the Regional Planning Technical Working Group (TWG), consisting of the planning and community development directors from each jurisdiction in the region and interested housing stakeholders. The RHNA Subcommittee met on February 8, February 22, March 22, April 26, and May 24, 2019, to review, discuss, and weigh in on potential methodologies. At each meeting, a representative from the TWG reported input from received at recent TWG meetings. Based upon input received, SANDAG staff has prepared a recommended draft RHNA Methodology and Allocation.

Key Considerations

State law requires the SANDAG housing unit allocation further five objectives (Attachment 2); however, state law does not dictate how those objectives should be prioritized. The RHNA Subcommittee determined the priorities for the allocation methodology include increasing transit use, improving the jobs and housing relationship, providing an equitable distribution, and reducing greenhouse gas emissions. Attachment 3 summarizes the RHNA Subcommittee's discussions during each of its meetings.

To meet these priorities, SANDAG staff developed a calculator tool that allocated housing units based on several data sets. The draft RHNA Methodology and Allocation allocates housing units to jurisdictions with access to transit and allocates housing units to jurisdictions based on the number of jobs in their city or county boundaries. To provide an equitable distribution of housing units, the draft RHNA Methodology and Allocation allocates more housing units of an income category to jurisdictions with a percentage of households in that category that is lower than regional percentage.

Each calculation can be prioritized and adjusted to consider other factors or data sets. The RHNA Subcommittee discussed several adjustments that could be made to the methodology. SANDAG staff recommends the following in the draft RHNA Methodology and Allocation based on the Subcommittee's discussions:

- 1. 65 percent of the total housing units should be allocated to jurisdictions with access to transit, including rail stations, Rapid bus stations, and major transit stops.** Significant investments in transit have been made throughout the region, and the RHNA allocation should prioritize housing growth in those areas with access to transit. Encouraging housing growth near transit can help the allocation promote infill development and preserve open space, as most transit is located in urbanized areas. Improved access to transit also can lower the vehicle miles traveled in a car and reduce greenhouse gas emissions.

- 2. Within the housing units allocated for jurisdictions with access to transit, 75 percent of the units should be allocated to jurisdictions with rail stations and Rapid bus stations and 25 percent should be allocated to jurisdictions with major transit stops.** Rail stations and *Rapid* bus stations are usually located along fixed routes that require significant capital investment to construct. Unlike bus stops or routes, rail and *Rapid* stations and routes are not amended or eliminated on regular basis. To ensure future growth is located near transit, the allocation should prioritize 75 percent of the housing unit in areas with rail and *Rapid* bus stations.

The remaining 25 percent of the housing units should be allocated in jurisdictions with major transit stops. The definition of major transit stops is based on state law. These areas have two intersecting bus routes because they are located in an area that can accommodate bus ridership. To avoid allocating housing near bus lines that can be amended or eliminated, the portion of housing units should be allocated to jurisdictions with major transit stops.

- 3. 35 percent of the total housing units should be allocated to jurisdictions based on the total number of jobs in their jurisdiction.** Jurisdictions should plan for housing to provide opportunities for more residents to live near their place of employment. The total number of jobs provides the most accurate data set of jobs in a jurisdiction and should not be adjusted based on the type of job or the jurisdiction's ability to plan for an increase in those jobs.

The exclusion of military jobs from the methodology was discussed by the RHNA Subcommittee. A few formulas were discussed, but consensus was not reached at the May Subcommittee meeting. Staff believes the military jobs should remain in the total jobs calculation. Military on-base housing does not house all active military personnel in the region, and those living in on-base housing may not necessarily work at the base. Should the need arrive for more military personnel to be stationed in San Diego, jurisdictions should plan for housing to accommodate those working on a base in their jurisdiction. Excluding military jobs from the methodology could require future military personnel to live farther away from their assigned base.

- 4. The allocation should apply an equity adjustment.** The Department of Housing and Community Development's RHNA Determination divided the number of housing units needed in the region into four income categories based on the region's current percentages of households each income category. To promote equity and fair housing, the RHNA Calculator Tool allocates more housing units of an income category to jurisdictions with a percentage of households in that category that is lower than regional percentage. This adjustment applies to each income category for each jurisdiction so that if the allocated units were built, they would match the regional percentage.

SANDAG staff has conducted an initial review of the recommended draft RHNA Methodology and Allocation; the allocation appears to comply with the objectives outlined in state law.

Next Steps

The RHNA Subcommittee recommendation will be forwarded to the Board of Directors to authorize release of the draft allocation for public review. After the conclusion of the public review, the RHNA Subcommittee will be asked to recommend a final RHNA allocation to the Board of Directors.

Charles "Muggs" Stoll, Director of Land Use and Transportation Planning

Key Staff Contact: Seth Litchney, (619) 699-1943, seth.litchney@sandag.org

Attachments:

1. Draft RHNA Methodology and Allocation
2. Regional Housing Needs Plan Statutory Objectives
3. RHNA Subcommittee Meeting Summaries

RHNA Calculator Tool with Staff Recommendations

This Calculator Tool is intended to allow stakeholders to try out various methodologies to distribute the total regional housing allocation of:

171,685

Step 1: Assign weighting to each variable category

Units to be allocated based on the two priority categories (transit and jobs) is determined by multiplying the RHNA Determination Units (171,685) by the percentages entered into each of the yellow boxes in this step. Note, there is an opportunity to assign weighting to "Transit" subfactors in Step 2 and choose a specific "Job" variable in Step 3.

	A.	B.	Total
	Transit	Jobs	
Weighting	65%	35%	100%
Units	111,595	60,090	171,685

Step 2: Assign weighting to each Transit subfactor

Subfactor 1: Rail & Rapid

Subfactor 2: Select from:

- i. High-Frequency Transit Stop (served by at least one local bus with 15 min. peak-period frequency)
- ii. Major Transit Stop (served by at least two local buses with 15 min. peak-period frequency)

	A.	Weighting	Units
	Rail & Rapid	75%	83,696
	Major transit stops	25%	27,899
		100%	111,595

Step 3: Select options for "Jobs" Variable

3a. Variable: Select between:

- (a.) Number of Jobs
- (b.) Number of Jobs with a Jobs-Housing adjustment

B.	Select from drop-down: Number of Jobs
----	--

3b. If applicable, assign weighting to Jobs subfactors: [If greyed out, skip this step!]

If Variable (b.) "Number of Jobs with a Jobs-Housing adjustment" was selected above, select weighting for "Jobs-Housing Adjustment". The Jobs-Housing Adjustment adjusts a jurisdiction's jobs-based unit allocation (based on share of regional jobs) up or down based on the relative difference between a jurisdiction's job-housing ratio and the regional ratio. For example, if a jurisdiction has a higher jobs-housing ratio than the region, it would receive an upward adjustment (higher housing unit allocation).

Jobs-Housing Ratio	Weighting	Units

3c. Select Jobs Dataset: Select between:

- 1. Total Jobs
- 2. Civilian Jobs (excludes active duty military; includes civilian defense jobs)
- 3. Total Excluding Housed Military (excludes active duty military for which on-base military housing is provided; 1 housing unit = 1 job reduction)

B.	Select from drop-down: Total Jobs
----	--------------------------------------

Calculator Tool								
Jurisdiction	A.		B.					Total Allocation ¹
	Transit	Number of Jobs			Jobs with J-H Adjustment			
		Total Jobs	Civilian Jobs	Total Excluding Housed Military	w/ Total Jobs	w/ Civilian Jobs	w/ Total Excluding Housed Military	
Carlsbad	1,087	2,786					3,873	
Chula Vista	8,478	2,627					11,106	
Coronado	-	1,001					1,001	
Del Mar	-	163					163	
El Cajon	1,630	1,650					3,280	
Encinitas	543	1,011					1,555	
Escondido	7,609	1,998					9,607	
Imperial Beach	1,196	179					1,375	
La Mesa	2,717	1,080					3,798	
Lemon Grove	1,087	272					1,359	
National City	4,076	1,361					5,437	
Oceanside	3,804	1,639					5,444	
Poway	-	1,319					1,319	
San Diego	74,475	33,422					107,897	
San Marcos	1,630	1,486					3,117	
Santee	543	676					1,220	
Solana Beach	543	332					876	
Unincorporated	1,087	5,613					6,700	
Vista	1,087	1,474					2,561	
Region	111,595	60,090					171,685	

Notes:

1. The total number of units per jurisdiction assigned within each of the priority categories (transit and jobs) is determined by multiplying the number of units to be allocated for the specific priority category (See Step 1) by each jurisdiction's share (as a percentage) of the total regional count for each variable and subfactor.

Step 4: Equity Adjustment

To avoid an overconcentration of low income households and comply with Government Code 65584 (d), this draft RHNA Allocation Methodology assigns more housing units of an income category to jurisdictions with a percentage of households in that category that is lower than the regional percentage.

HCD Determination	Income Category	Very Low	Low	Moderate	Above Mod.	Total
	Units	42,332	26,627	29,734	72,992	171,685

Income Category Allocations Considering Equity					Total Allocation
	Very Low	Low	Moderate	Above Mod.	
Carlsbad	1,310	784	750	1,029	3,873
Chula Vista	2,751	1,777	1,910	4,667	11,106
Coronado	343	185	174	299	1,001
Del Mar	37	63	32	31	163
El Cajon	481	414	519	1,867	3,280
Encinitas	469	369	308	408	1,555
Escondido	1,863	1,249	1,527	4,967	9,607
Imperial Beach	233	127	190	825	1,375
La Mesa	859	487	578	1,874	3,798
Lemon Grove	296	166	193	704	1,359
National City	646	506	710	3,575	5,437
Oceanside	1,268	718	883	2,575	5,444
Poway	467	268	241	342	1,319
San Diego	27,509	17,309	19,296	43,782	107,897
San Marcos	728	530	542	1,316	3,117
Santee	406	201	188	425	1,220
Solana Beach	316	159	159	240	876
Unincorporated	1,835	992	1,165	2,708	6,700
Vista	514	321	369	1,356	2,561
Region	42,332	26,627	29,734	72,992	171,685

Regional Housing Needs Assessment Plan Statutory Objectives

Government Code Section 65584

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

(1) 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.

(e) For purposes of this section, "affirmatively furthering fair housing" 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.

Meeting Date	Materials Presented	Comments/Direction
February 8, 2019	<ul style="list-style-type: none"> • RHNA Subcommittee Charter • RHNA Plan Timeline • RHNA Statutory Objectives and Factors 	<ul style="list-style-type: none"> • Requested 5th Cycle RHNA Progress • Inquired about the impact of recent state legislation on the RHNA process • Requested definitions of housing terms and information on commuting patterns.
February 22, 2019	<ul style="list-style-type: none"> • SANDAG 2017 Regional Housing Progress Report • 5th Cycle RHNA Progress • Housing Legislative Update • SANDAG 2016 Commuting Patterns in the San Diego Region • Housing Definitions • SANDAG Smart Growth Concept Map 	<ul style="list-style-type: none"> • Requested a list of RHNA Objectives and Factors to prioritize • In addition to transit-oriented development, the allocation should assign housing to job-rich areas
March 22, 2019	<ul style="list-style-type: none"> • RHNA Subcommittee Survey Results • Potential RHNA Methodology Framework 	<ul style="list-style-type: none"> • Discussed the definitions used for the transit calculation including the rail, Rapid bus, and high frequency transit. • Requested to pursue an allocation methodology based on the potential framework
April 26, 2019	<ul style="list-style-type: none"> • RHNA Allocation Calculator Tool • Regional Planning Technical Working Group (TWG) Comments on RHNA Calculator Tool 	<ul style="list-style-type: none"> • How should accessory dwelling units be considered in the allocation? • Should a jurisdiction size or other constraints be considered in the allocation? • Population should not be a factor in the methodology. • Transit should receive a higher prioritization to reduce VMT. • Allocation should provide 65% of the units to areas with transit and 35% of the units based on jobs in the jurisdiction.
May 24, 2019	<ul style="list-style-type: none"> • Revised RHNA Allocation Calculator Tool • Additional TWG Comments on RHNA Calculator Tool 	<ul style="list-style-type: none"> • Consider military housing as part of the jobs count for each jurisdiction. • Keep the allocation methodology simple and easy to explain • Consider the type of job in each jurisdiction.