

# ABAG Report to MCCMC<sup>1</sup>

March 2023

## **EXECUTIVE SUMMARY:**

- 1) **General Assembly Meeting:** ABAG will convene our General Assembly on Friday, June 16, 2023 beginning at 11 a.m. to approve the budget and workplan for 2023-2024. The meeting will be held in-person at the Bay Area Metro Center located at 375 Beale Street in San Francisco. It will be held in the Yerba Buena - 1st Floor conference room. Mark your calendars and you will be notified when registration begins.
  - 2) **Priority Development Areas: 2023 Application Window:** In April 2023, ABAG will be opening an application window for local jurisdictions to nominate new or modify the boundaries of existing, Priority Development Areas (PDAs). New or modified PDAs consistent with program guidelines will be incorporated into Plan Bay Area 2050+, the long-range regional plan update that will kick off in mid-2023. PDAs offers grant funding to establish plans along with One Bay Area Grant (OBAG) funds to support planning along with transportation improvements.
  - 3) **Priority Sites Nomination Program and Criteria:** ABAG recently approved a newly establish Priority Sites Program intended to support jurisdictions seeking to meet the region's shared housing needs by transforming public land and aging commercial property into community anchors with a large number of affordable homes.
  - 4) **California's Housing Future 2040: The Next Regional Housing Needs Allocation:** AB 101 adopted by the State legislature directs HCD, in collaboration with OPR and after engaging in stakeholder participation, to evaluate and develop recommendations the Regional Housing Needs Determination and Allocation process and methodology. Upon completion of this California's Housing Future 2040 stakeholder engagement initiative, HCD will compile its findings and recommendations, and will submit a report to the Legislature by December 31, 2023. Gillian Adams, MTC Regional Planning Programs, is serving as a technical expert on the California's Housing Future 2040 work group.
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**1. ABAG GENERAL ASSEMBLY:** ABAG will convene our General Assembly **on Friday, June 16, 2023** beginning at 11 a.m. to approve the budget and workplan for 2023-2024. The meeting will be held in-person at the Bay Area Metro Center located at 375 Beale Street in San Francisco. It will be held in the Yerba Buena - 1st Floor conference room. Mark your calendars and you will be notified when registration begins.

**2. PRIORITY DEVELOPMENT AREAS: 2023 APPLICATION WINDOW:** In April 2023, ABAG will be opening an application window between April 1, 2023 and July 31, 2023 for local jurisdictions to nominate new or modify the boundaries of existing, Priority Development Areas (PDAs). New or modified PDAs consistent with program guidelines will be incorporated into Plan Bay Area 2050+, the long-range regional plan update that will kick off in mid-2023.

The PDA program has supported more than 80 plans and 50 technical assistance grants leading to an increase in capacity for over 150,000 new homes and 100 million square feet of commercial floor space in locally-identified places within walking distance of transit. The program regularly offers grant funding to local governments to establish plans or receive implementation-focused technical assistance for a PDA, with the most recent call for projects released in December 2022 and an additional call anticipated in late 2023.

In addition to planning grants and technical assistance opportunities, PDAs are one of the primary Growth Geographies featured in Plan Bay Area 2050, receiving a **dedicated pool of funding through the One Bay Area**

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<sup>1</sup> Marin County Council of Mayors and Councilmembers (MCCMC)

**Grant (OBAG) program to support not only planning but transportation improvements such as complete streets.** To date, local governments across the nine-county Bay Area have nominated 217 PDAs. In advance of the first three iterations of Plan Bay Area, local jurisdictions were given the opportunity to nominate new, or to modify the boundaries of existing, PDAs.

Staff will publicize the application window to local staff in all nine Bay Area counties through a monthly bulletin sent to planning staff in every local jurisdiction, announcements at monthly county-level planning director meetings, and “office hours” for interested local jurisdictions to assist in evaluation of potential nominations or modifications and preparation of applications.

**3. PRIORITY SITES NOMINATION CRITERIA:** ABAG recently approved a newly establish Priority Sites Program is intended to support jurisdictions seeking to do their part to meet the region’s shared housing needs by transforming public land and aging commercial sites into community anchors with a large number of affordable homes. The link to the concept paper is: [Priority-Sites-Concept-Paper.pdf \(ca.gov\)](#). The program has five components which are:

- 1) Establish Priority Sites -- Once established, Sites would be eligible for funding and technical assistance resources outlined below and would become part of a pipeline of sites that is integrated into the region’s planning activities (e.g. Plan Bay Area 2050+) and informs funding strategies.
- 2) Fund Pilot Projects -- Provide competitive predevelopment funding to accelerate Pilot projects located on a handful of Priority Sites. Projects poised to deliver the greatest affordability, climate, and equity benefits that demonstrate success factors such as local support, a clear path to entitlements, and a realistic financing plan will receive funding. In December 2022, the Commission programmed \$28 million to support these pilot projects through the Regional Early Action Program 2 (REAP 2.0), complementing the Preservation Pilot program that will make at-risk affordable homes permanently affordable.
- 3) Deliver technical assistance -- For early-stage Priority Sites not positioned to apply for predevelopment pilot funding, the program anticipates providing roughly \$1 million in targeted technical assistance, complemented by regionally applicable tools to enable local governments and emerging developers to conduct the work necessary to envision and entitle projects. For projects that have completed predevelopment work but have yet to break ground, the program will offer resources for identifying and pursuing additional financing where needed and coordinating with other public agencies and utilities.
- 4) Integrate Sites into Plan Bay Area 2050+—All eligible Priority Sites will be incorporated into Plan Bay Area 2050+, sharpening its projected growth pattern and strengthening the connection between the Mall and Office Reuse and Public Land Reuse strategies to local priorities.
- 5) Set up Sites for future success— In addition to providing short-term funding and technical assistance, the program is intended to expand the pipeline of equitable housing projects in the Bay Area positioned to utilize existing and future funding, including a **potential 2024 regional housing measure**.

For more details about the program, refer to MTC Resolution No. 4567 and ABAG Resolution No. 10-2023.

**4. CALIFORNIA’S HOUSING FUTURE 2040: THE NEXT REGIONAL HOUSING NEEDS ALLOCATION:** [AB 101 \(2019\)](#) directs HCD, in collaboration with OPR and after engaging in stakeholder participation, to evaluate and develop recommendations the Regional Housing Needs Determination and Allocation process and methodology. Upon completion of this California’s Housing Future 2040 stakeholder engagement initiative, HCD will compile its findings and recommendations, and will submit a report to the Legislature by December 31, 2023. Gillian Adams, MTC Regional Planning Programs, is serving as a technical expert on the California’s Housing Future 2040 work group.

HCD plans to conduct this stakeholder engagement initiative in the Spring (March to May) of 2023, which will consist of several opportunities for stakeholder input. HCD is undertaking the CA's Housing Future 2040 initiative centering the following guiding principles:

- Ensure RHNA is a fair, transparent, objective, and streamlined process for identifying housing need.
  - Fair in terms of advancing equity, racial justice and inclusion, and environmental justice in a manner that ensures all jurisdictions plan for their fair share of the region's housing need.
  - Transparent in terms of open and accessible public participation, proactive engagement, and making materials available online.
  - Objective in terms of maintaining a data-driven process.
  - Streamlined in terms of ensuring a logical flow of steps with the most efficient process available to accomplish meaningful outcomes.
- Strategically plan for the needs of households of all income levels while promoting infill development, the protection of natural resources, and efficient development patterns.
- Account for future climate risk with the goal of ensuring communities and vulnerable populations are not unduly exposed to climate risks, including but not limited to drought, flooding, sea level rise, and wildfire.
- Encourage increased development to substantially address California's housing shortage and affordability issues.
- Improve compliance and outcomes through incentives and enforcement.
- Enhance and protect RHNA's role in Affirmatively Furthering Fair Housing so that all cities plan for their fair share of growth and future planning does not further entrench segregated living patterns.

In order to inform HCD's recommendations for improving the RHNA process and methodology, HCD is conducting a public survey, alongside other engagement strategies, to receive input and ideas from stakeholders. This survey is organized by topic areas identified as priorities and should take approximately 10-15 minutes to complete. After the survey closes, HCD will summarize and analyze the survey responses. HCD will utilize the survey responses to inform HCD's recommendations for improving the RHNA process and methodology but will not respond to each survey response.

- HCD wants to hear from you! Take the [California's Housing Future 2040: The Next RHNA Public Survey](#) (Due Friday May 5, 2023).
- HCD will summarize survey results and will consider responses as HCD drafts recommendations, but due to capacity constraints will not comment on each response
- Topics: Populations Living in Group Quarters, Regional Housing Need Allocation (RHNA) Methodology, Affirmatively Furthering Fair Housing (AFFH). Housing and Transportation Alignment, Climate Change and Environmental Hazards.

#### Engagement Strategy Focus Areas

- How to better capture existing and projected housing needs
- Exploring potential process changes to save staff time & resources, increase transparency, and increase accountability
- Strategies to build on the important adjustments made during the 6th cycle that contributed to a more equitable RHNA
  - Open through Friday, May 5, 2023
- 4 Sounding Board Meetings with Technical Experts (*meeting schedule not released yet*)
  - ~30 technical experts that will include representation from academics, advocates, demographers, local and regional government, state government, and the legislature
  - Can submit written public comment on agenda items
  - Not a decision-making body

- Listening Sessions with State Agencies and Other Partners
- Meeting with Council of Government (COG) Partners
- Presentations at Conferences and Recurring State Coordination Meetings

HCD's engagement will provide an update to the State Legislature by July 1, 2023 and finalize their recommendations which are due to the State Legislature by December 31, 2023. HCD has a dedicated Email inbox which is: [CAHousingFuture2040@hcd.ca.gov](mailto:CAHousingFuture2040@hcd.ca.gov).

HCD's website for this effort is: [Regional Housing Needs Allocation \(RHNA\) | California Department of Housing and Community Development](#)

## **UPCOMING MEETINGS<sup>2</sup>**

- **April 13, 2023 --**            **ABAG Housing Committee, 1:00 pm**  
                                  **Bay Area Housing Financing Authority Oversight Committee, 1:00 pm**
- **April 14, 2023 --**            **Joint MTC Planning and ABAG Administrative Committees, 9:45 am**  
                                  **Joint MTC ABAG Legislative Committee, 9:45 am**
- **April 20, 2023 --**            **ABAG Finance Committee, 5:00 pm**  
                                  **ABAG ACFA Governing Board, 5:05 pm**  
                                  **ABAG Executive Board, 5:10 pm**
- **April 26, 2023 --**            **MTC Commission, 9:35 am**  
                                  **Bay Area Toll Authority, 9:40 am**  
                                  **Bay Area Infrastructure Financing Authority, 9:45 am**  
                                  **Bay Area Headquarters Authority, 9:50 am**
- **April 27, 2023 --**            **Bay Area Housing Financing Authority Advisory Committee, 10:00 am**
- **June 16, 2023 --**            **ABAG GENERAL ASSEMBLY, 11:00**

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<sup>2</sup> All meetings are 'hybrid' which means that some Board/Committee members will be in person at 375 Beale Street, SF; and, others will be participating via Zoom, webcast and/or teleconference, as noted otherwise. <https://mtc.legistar.com/> If you have questions, contact Pat Eklund, Councilmember, City of Novato at 415-883-9116 or via email at: [pateklund@comcast.net](mailto:pateklund@comcast.net).