Regional Housing Needs Assessment: Response to Board Requests – August 23, 2019

On July 26, 2019, the Board of Directors released for public comment a draft methodology for the 6th Cycle Regional Housing Needs Assessment (RHNA). The estimated allocation based upon the draft methodology is shown in Table 1. The estimated allocation is subject to changes if the draft methodology is modified by the Board of Directors due to comments from the public or the review for consistency with RHNA laws that will be performed by the California Department of Housing and Community Development. The RHNA laws can be found in the California Government Code starting at Section 65584.

| Jurisdiction | Very Low | Low | Moderate | Above Moderate | Total Estimated Allocation |
|-----------------------|----------|--------|----------|-------------------|----------------------------------|
| Carlsbad | 1,311 | 784 | 749 | 1,029 | 3,873 |
| Chula Vista | 2,750 | 1,777 | 1,911 | 4,667 | 11,105 |
| Coronado | 343 | 185 | 174 | 299 | 1,001 |
| Del Mar | 37 | 64 | 31 | 31 | 163 |
| El Cajon | 481 | 414 | 518 | 1,867 | 3,280 |
| Encinitas | 469 | 369 | 308 | 408 | 1,554 |
| Escondido | 1,864 | 1,249 | 1,527 | 4,967 | 9,607 |
| Imperial Beach | 233 | 127 | 190 | 825 | 1,375 |
| La Mesa | 859 | 487 | 577 | 1,874 | 3,797 |
| Lemon Grove | 295 | 166 | 193 | 705 | 1,359 |
| National City | 645 | 506 | 711 | 3,575 | 5,437 |
| Oceanside | 1,268 | 718 | 883 | 2,574 | 5,443 |
| Poway | 468 | 268 | 241 | 342 | 1,319 |
| San Diego | 27,510 | 17,311 | 19,297 | 43,783 | 107,901 |
| San Marcos | 728 | 530 | 542 | 1,316 | 3,116 |
| Santee | 406 | 200 | 188 | 425 | 1,219 |
| Solana Beach | 316 | 159 | 160 | 240 | 875 |
| Unincorporated County | 1,834 | 992 | 1,165 | 2,709 | 6,700 |
| Vista | 515 | 321 | 369 | 1,356 | 2,561 |
| Region (Totals) | 42,332 | 26,627 | 29,734 | 72,992 | 171,685 |

Table 1: Estimated Allocation Per Income Category based on the Draft 6th Cycle RHNA Methodology

Several SANDAG Board members requested that staff provide additional information during the public comment period on potential modifications to the draft methodology. These requests pertain to the following topics:

- 1. Equal Weighting to Transit and Jobs Component
- 2. High Frequency Transit Stop Dataset
- 3. Increase Equity Adjustment

A description of each request, how each may or may not further the objectives in state law, and how each would change the estimated allocation are included below.

Several SANDAG Board members requested staff apply a methodology that recognizes challenges for small cities by potentially reducing the number of housing units in small cities. SANDAG staff consulted with the California Department of Housing Community Development (HCD) on the potential for small cities to receive a reduced allocation. HCD expressed concerns about an adjustment based on the size of a city rather than being an alteration to the methodology driven by data showing that the adjustment would further the objectives in RHNA law. HCD advised that such an adjustment would be seen as a red flag in the methodology that would likely lead to a negative response. HCD suggested that a small cities adjustment would not be justifiable or consistent with RHNA laws. Therefore, a description of a small cities' adjustment is not included in the information below.

Request #1: Equal Weighting to Transit and Jobs Component

More than one SANDAG Board member requested that staff apply a methodology that would weigh the transit and jobs components equally such that each would allocate 50 percent of the RHNA Determination (171,685 housing units). Table 2 shows an estimated allocation based on this request. Since 171,685 housing units cannot be split evenly, the component with one more housing unit is the jobs component.

Considerations

Providing equal weighting to the transit and jobs components could meet the objectives in state law as both the transit and jobs components can lead to reduced greenhouse gas reductions, promote infill development, and provide a mix of housing types to all jurisdictions.

| Jurisdiction | Transit Weighting: 50% | Jobs Weighting: 50% | Total Estimated Allocation | Difference from Draft Methodology |
|-----------------------|----------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| Carlsbad | 836 | 3,980 | 4,816 | 943 |
| Chula Vista | 6,522 | 3,753 | 10,275 | (830) |
| Coronado | - | 1,430 | 1,430 | 429 |
| Del Mar | - | 232 | 232 | 69 |
| El Cajon | 1,254 | 2,357 | 3,611 | 331 |
| Encinitas | 418 | 1,445 | 1,863 | 309 |
| Escondido | 5,853 | 2,854 | 8,707 | (900) |
| Imperial Beach | 920 | 256 | 1,176 | (199) |
| La Mesa | 2,090 | 1,543 | 3,633 | (164) |
| Lemon Grove | 836 | 388 | 1,224 | (135) |
| National City | 3,135 | 1,944 | 5,079 | (358) |
| Oceanside | 2,926 | 2,342 | 5,268 | (175) |
| Poway | - | 1,884 | 1,884 | 565 |
| San Diego | 57,290 | 47,747 | 105,037 | (2,864) |
| San Marcos | 1,254 | 2,123 | 3,377 | 261 |
| Santee | 418 | 966 | 1,384 | 165 |
| Solana Beach | 418 | 474 | 892 | 17 |
| Unincorporated County | 836 | 8,019 | 8,855 | 2,155 |
| Vista | 836 | 2,106 | 2,942 | 381 |
| Region (Totals) | 85,842 | 85,843 | 171,685 | - |

| Table 2: Estimated Allocation based on Request #1: Equal Weighting to Transit | and Jobs Component |
|---|--------------------|
|---|--------------------|

Request #2: High Frequency Transit Stop Dataset

One SANDAG Board member requested that staff apply a methodology that uses "high frequency transit stops" instead of "major transit stops" to calculate the proximity to transit component. The definitions for "high frequency transit stops" and "major transit stops" are included below.

- <u>High Frequency Transit (HFT) Stops:</u> Stops or stations served by high frequency transit as defined as local bus
 routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak
 commute periods.
- <u>Major Transit Stops</u>: The intersection of two or more major local bus routes with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods.

The high frequency transit stops and major transit stops data are included in Table 3 for reference. Table 4 shows an estimated allocation based on this request.

Considerations

Using high frequency transit stops instead of major transit stops to calculate the proximity to transit component could meet the objectives in state law, as housing units would be allocated to areas with access to transit. Major transit stops are recognized in state law as places where development can occur with fewer environmental impacts including fewer vehicle miles traveled. For these reasons, the use of major transit stops was recommended by both the RHNA Subcommittee and the Regional Planning Technical Working Group.

| Jurisdiction | High Frequency Transit Stops | Share of High Frequency Stops | Major Transit Stops | Share of Major Transit Stops |
|-----------------------|---------------------------------|----------------------------------|------------------------|---------------------------------|
| Carlsbad | - | - | - | - |
| Chula Vista | 126 | 11.07% | 18 | 12.86% |
| Coronado | 29 | 2.55% | - | - |
| Del Mar | - | - | - | - |
| El Cajon | 22 | 1.93% | - | - |
| Encinitas | - | - | - | - |
| Escondido | - | - | - | - |
| Imperial Beach | 26 | 2.28% | 6 | 4.29% |
| La Mesa | 7 | 0.62% | - | - |
| Lemon Grove | - | - | - | - |
| National City | 78 | 6.85% | 15 | 10.71% |
| Oceanside | 41 | 3.60% | - | - |
| Poway | - | - | - | - |
| San Diego | 789 | 69.33% | 101 | 72.14% |
| San Marcos | - | - | - | - |
| Santee | - | - | - | - |
| Solana Beach | - | - | - | - |
| Unincorporated County | 9 | 0.79% | - | - |
| Vista | 11 | 0.97% | - | - |
| Region (Totals) | 1,138 | 100% | 140 | 100% |

Table 3: Transit Data – High Frequency Transit and Major Transit Stops

Table 4: Estimated Allocation based on Request #2: High Frequency Transit Stops Data Set

| Jurisdiction | Transit Weighting: 65% | Jobs Weighting: 35% | Total Estimated Allocation | Difference from Draft Methodology |
|-----------------------|----------------------------------|-------------------------------|-------------------------------|--------------------------------------|
| Carlsbad | 1,087 | 2,786 | 3,873 | - |
| Chula Vista | 7,980 | 2,627 | 10,607 | (498) |
| Coronado | 711 | 1,001 | 1,712 | 711 |
| Del Mar | - | 163 | 163 | - |
| El Cajon | 2,170 | 1,650 | 3,820 | 540 |
| Encinitas | 543 | 1,011 | 1,554 | - |
| Escondido | 7,609 | 1,998 | 9,607 | - |
| Imperial Beach | 637 | 179 | 816 | (559) |
| La Mesa | 2,889 | 1,080 | 3,969 | 172 |
| Lemon Grove | 1,087 | 272 | 1,359 | - |
| National City | 2,999 | 1,361 | 4,360 | (1,077) |
| Oceanside | 4,810 | 1,639 | 6,449 | 1,006 |
| Poway | - | 1,319 | 1,319 | - |
| San Diego | 73,692 | 33,423 | 107,115 | (786) |
| San Marcos | 1,630 | 1,486 | 3,116 | - |
| Santee | 543 | 676 | 1,219 | - |
| Solana Beach | 543 | 332 | 875 | - |
| Unincorporated County | 1,308 | 5,613 | 6,921 | 221 |
| Vista | 1,357 | 1,474 | 2,831 | 270 |
| Region (Totals) | 111,595 | 60,090 | 171,685 | - |

Request #3: Increase Equity Adjustment

A SANDAG Board member requested that staff apply a methodology that intensifies the equity adjustment. The equity adjustment increases a jurisdiction's share of its housing allocation in an income category where the jurisdiction has a smaller share of households in that category than the region and vice versa. A potential application of this request could apply a 20 percent weighting to the equity adjustment to increase the relative difference between a jurisdiction's share, therefore, amplifying the effect.

To demonstrate how an increase to the equity adjustment might be accomplished, a weight of 20 percent was chosen to intensify the effects of the equity adjustment while still allowing for an allocation that improves the mix, tenure, and affordability of housing in each jurisdiction, as required in Government Code Section 65584.

Table 5 shows an estimated allocation based on this request, which assigns a weighting of 20 percent to the equity adjustment.

Considerations

Using a 20 percent weighting to the equity adjustment could meet the objectives in state law. State law objectives for RHNA include promotion of socioeconomic equity and allocation of a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income area compared to the countywide distribution in that category.

| Jurisdiction | Very Low | Low | Moderate | Above Moderate | Total Estimated Allocation |
|-----------------------|----------|--------|----------|-------------------|----------------------------------|
| Carlsbad | 1,385 | 819 | 793 | 876 | 3,873 |
| Chula Vista | 1,939 | 1,858 | 1,347 | 5,961 | 11,105 |
| Coronado | 365 | 195 | 185 | 256 | 1,001 |
| Del Mar | 39 | 65 | 33 | 26 | 163 |
| El Cajon | 312 | 265 | 505 | 2,198 | 3,280 |
| Encinitas | 495 | 386 | 325 | 348 | 1,554 |
| Escondido | 1,314 | 871 | 1,077 | 6,345 | 9,607 |
| Imperial Beach | 157 | 84 | 128 | 1,006 | 1,375 |
| La Mesa | 614 | 344 | 412 | 2,427 | 3,797 |
| Lemon Grove | 209 | 115 | 136 | 899 | 1,359 |
| National City | 421 | 326 | 463 | 4,227 | 5,437 |
| Oceanside | 917 | 513 | 638 | 3,375 | 5,443 |
| Poway | 494 | 280 | 254 | 291 | 1,319 |
| San Diego | 29,926 | 18,619 | 20,993 | 38,363 | 107,901 |
| San Marcos | 482 | 520 | 538 | 1,576 | 3,116 |
| Santee | 462 | 226 | 142 | 389 | 1,219 |
| Solana Beach | 334 | 167 | 169 | 205 | 875 |
| Unincorporated County | 2,107 | 751 | 1,338 | 2,504 | 6,700 |
| Vista | 360 | 223 | 258 | 1,720 | 2,561 |
| Region (Totals) | 42,332 | 26,627 | 29,734 | 72,992 | 171,685 |

Table 5: Estimated Allocation based on Request #3: Increased Equity Adjustment