



MEMORANDUM

DATE: August 22, 2011
TO: Housing Element Task Force
FROM: Lilly Schinsing, Associate Planner 
SUBJECT: 1999-2006 RHNA and the Sphere of Influence

At the July 25, 2011 Task Force meeting the Task Force directed Staff to research the issue of the Regional Housing Needs Allocation (RHNA) assigned to the City's Sphere of Influence (SOI)¹ from the 1999-2006 reporting period.

In the 1999-2006 RHNA cycle Sausalito was allocated 144 units within our jurisdictional boundaries ("jurisdictional need") and 64 units of the unincorporated Sphere of Influence need for a total projected need of 208 units (see Table in **Attachment 1** for Sausalito's allocation during that time period). In an August 10, 2000 ABAG (Association of Bay Area Governments) memo (see **Attachment 2**) it was stated that the jurisdictional need must be planned for inside the city's boundary and the RHNA assigned to the city's SOI may be planned for by the city within the "existing jurisdictional boundary or inside the unincorporated SOI."

At the time that the 1999-2006 RHNA was assigned, Sausalito's SOI included Marin City. However, in 2004 Marin City was removed from Sausalito's SOI—the area essentially shrunk. Sausalito's SOI currently includes the shoreline area from Waldo Point to the Heliport (see **Attachment 3**). Therefore, the main question is regarding where the 64 units fit into the RHNA currently.

Staff conferred with the City Attorney, who concurred that talking with ABAG and HCD (State Department of Housing and Community Development) about this issue would be advised. Staff subsequently contacted ABAG on August 10, 2011 and received a response on August 17, 2011 indicating that the City should direct this issue to HCD. Staff forwarded a message to Paul McDougal with HCD on August 17, 2011.

If HCD responds by the date of the next Task Force meeting (August 22, 2011), Staff will update the Task Force at that time. Otherwise, Staff will provide a status update at the September meeting.

Attachments

- 1- 1999-2006 Marin County RHNA
 - 2- August 10, 2000 ABAG memo
 - 3- Sausalito's Sphere of Influence, as amended by LAFCO in 2004
 - 4- Email Correspondence from ABAG, August 10-17, 2011
- I:\CDD\Boards & Committees\HETF\Memos\8-22-11 - RHNA and SOI.docx

¹ A sphere of influence is a planning boundary outside of an agency's legal boundary (such as the city limit line) that designates the agency's probable future boundary and service area.

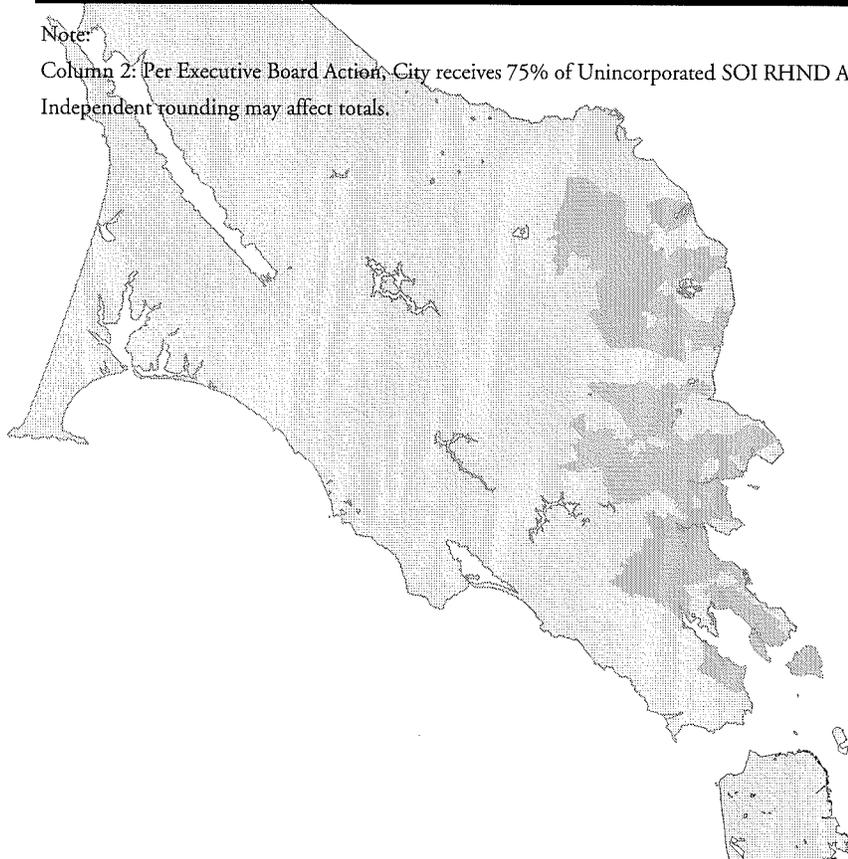
ABAG Regional Housing Needs Determination
 Allocation Distributed By Income Category
 1999-2006 Distribution Cycle
 San Francisco and Marin Counties

HCD Regional Housing Need
 230,743

JURISDICTION	Column 1	Column 2	Column 3	Very Low	Low	Moderate	Above Moderate
	Jurisdiction Need	Uninc. SOI Need	Total Projected Need				
BELVEDERE	10	0	10	1	1	2	6
CORTE MADERA	175	4	179	29	17	46	87
FAIRFAX	58	6	64	12	7	19	26
LARKSPUR	257	46	303	56	29	85	133
MILL VALLEY	170	55	225	40	21	56	108
NOVATO	2,570	12	2,582	477	243	736	1,126
ROSS	21	0	21	3	2	5	11
SAN ANSELMO	137	12	149	32	14	39	64
SAN RAFAEL	2,050	539	2,089	445	207	564	873
SAUSALITO	144	64	208	36	17	51	104
TIBURON	144	20	164	26	14	32	92
Unincorporated Remainder	433	88	521	85	48	96	291
Marin County Total			6,515	1,242	620	1,731	2,921
San Francisco	20,371	0	20,371	5,250	2,129	5,657	7,335
San Francisco City/ County Total			20,371	5,250	2,129	5,657	7,335

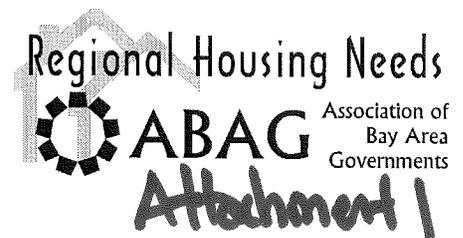
Note:

Column 2: Per Executive Board Action, City receives 75% of Unincorporated SOI RHND Allocation, County receives 25%.
 Independent rounding may affect totals.



Regional Housing Needs Jurisdictional Review Numbers

ITEM NO. 66 PAGE 2





MEMO

Date: August 10, 2000

To: Regional Housing Needs Determination Jurisdiction Contacts

Cc: City, Town and County Managers and Administrators
Community Development and Planning Directors

From: Alex Amoroso, Senior Planner
Kearey Smith, Regional Planner

Re: Regional Housing Needs Determination 1999-2006

Since the June 1, 2000 release of the Regional Housing Needs Determination (RHND) allocations to jurisdictions throughout the ABAG region, jurisdictions have raised concerns regarding the ABAG Executive Board decision. The issues raised by jurisdictions thus far are as follows:

1. Department of Finance (DOF) and ABAG Estimates for Households (1999)
2. ABAG Allocations of Need for each Jurisdiction by Incorporated Area (City); Unincorporated Area (County); and Unincorporated Sphere of Influence Areas (City and County)

This memo will address the above issues and provide clarification on the intent of the Executive Board regarding county wide redistribution of allocations.

Maintaining County-Wide Allocations

The ABAG Executive Board has adopted a methodology that distributes housing allocations throughout the region. This decision reflects that the RHND allocations be made based upon factors related to employment and household growth for each jurisdiction (as derived from ABAG's biannual growth forecast contained in *Projections 2000*). The weighting factor prescribed by the Executive Board in the methodology directs allocations to employment-rich areas, as well as housing-rich areas of the region based upon a weighted relationship of employment and household growth in the region.

Executive Board Intent

The Executive Board has weighted the methodology to focus RHND allocations towards job centers throughout the region. In order to maintain the pattern of growth established in the RHND methodology and

its subsequent allocations on a county by county basis, and ensure that the policy intent of the Executive Board is carried forth, county totals will be maintained in any revision to the RHND allocations.

**Issue 1: Differences in Department of Finance (DOF) and
ABAG Estimates for Households (1999)**

Jurisdictions have raised concerns related to differences between the DOF 1999 E-5 Report estimate of occupied housing units and ABAG's 1999 estimate of households (*Projections 2000*). In several instances, there is a deviation between the DOF and ABAG estimate of the total number of households for the region. The deviation occurs primarily because of DOF assumptions related to vacancy rates, which are based upon outdated 1990 Census data.

Background

During the development of the methodology, the Housing Methodology Committee (HMC), worked with ABAG staff and identified the two primary sources of household data to be used in the methodology. The sources are the E-5 report released in January 1999 by the Department of Finance, and ABAG's *Projections 2000*. The DOF household numbers were included because they are widely used in population and demographic analysis, and because they are based upon jurisdiction reporting of annual construction of housing units. The DOF E-5 reports reflect yearly updates of housing construction as compared to the biannual forecasts, which ABAG performs in the *Projections* process. The DOF report also provided ABAG with a resource of data which is widely accepted.

The HMC had confidence in using the 1999 DOF estimates of households as a reported baseline, and ABAG's 2006 forecast of households in *Projection's 2000*. The difference between these two numbers determine the household growth for the region (1999-2006). ABAG staff held several workshops throughout the region to discuss the methodology and data sources used to determine the RHND allocations for each jurisdiction. On November 18, 1999, the Executive Board approved the methodology, which included the DOF E-5 Report and ABAG's *Projections 2000* as data sources.

Response to Issue

Any jurisdiction that is considering a challenge to the DOF E-5 report baseline number for their jurisdiction must do so within the 90-day Review and Revision period ending (8/31/00). Any modification proposed

must be in the form of a revision request. If a revision request is accepted by the Executive Board, then any reduced allocations will be redistributed from the requesting jurisdiction, within the affected county.

Issue #2: ABAG Allocations of Need for each Jurisdiction by Incorporated Area (City); Unincorporated Area (County); and Unincorporated Sphere of Influence Areas

RHND allocations are divided into the following:

1. Incorporated areas (inside city jurisdictional boundaries)
2. Unincorporated areas within a county's jurisdiction and outside any city's jurisdictional boundaries or sphere of influence
3. Unincorporated areas outside a city's jurisdictional boundaries but within its Sphere of Influence

RHND allocations have been made according to growth projections in these three areas. At their May 18, 2000 the Executive Board established that 75% of the RHND allocation assigned to the unincorporated sphere of influence areas is the responsibility of the city, and 25% is assigned to the county.

Note: The percentage of the total RHND allocation assigned to each city's unincorporated SOI will always be expressed and accounted for as whole units.

ABAG's assignment of RHND allocations pertains to three distinct areas (one of which crosses jurisdictional boundaries). It is important that each jurisdiction understand what RHND allocations they have responsibility to plan for during the 1999-2006 RHND timeframe. The following guidelines should be used in incorporating the RHND allocations into the housing element:

1. The *jurisdictional need*¹ portion of the RHND allocation assigned to each city must be planned for inside that city's jurisdictional boundary. No portion of this assignment may be planned within the city's unincorporated sphere of influence area.
2. The *jurisdictional need*¹ portion of the RHND allocation assigned to each county can be planned for anywhere within the county's jurisdiction.

¹ Jurisdictional need is defined as the total number of units assigned to a jurisdiction based upon growth forecast's that include only that jurisdiction's current boundaries as maintained in *Projection's 2000*.

3. The RHND allocation assigned to each city's unincorporated SOI may be planned for by the city within the existing jurisdictional boundary or inside the unincorporated SOI. The remaining allocation is assigned to the county.

Note: The percentage of the total RHND allocation assigned to each city's unincorporated SOI will always be expressed and accounted for as whole units.

4. Counties must plan the RHND allocations identified for the unincorporated SOI within the existing unincorporated SOI.

A joint planning effort, for identifying sites to accommodate the RHND allocations in the unincorporated SOI may be necessary. The following guidelines apply:

1. No loss of RHND allocations (cumulative).
2. Any Agreement between jurisdictions shall identify how the applied RHND allocations are divided.
3. Any agreement between jurisdictions shall identify how the credit for units constructed will be divided.

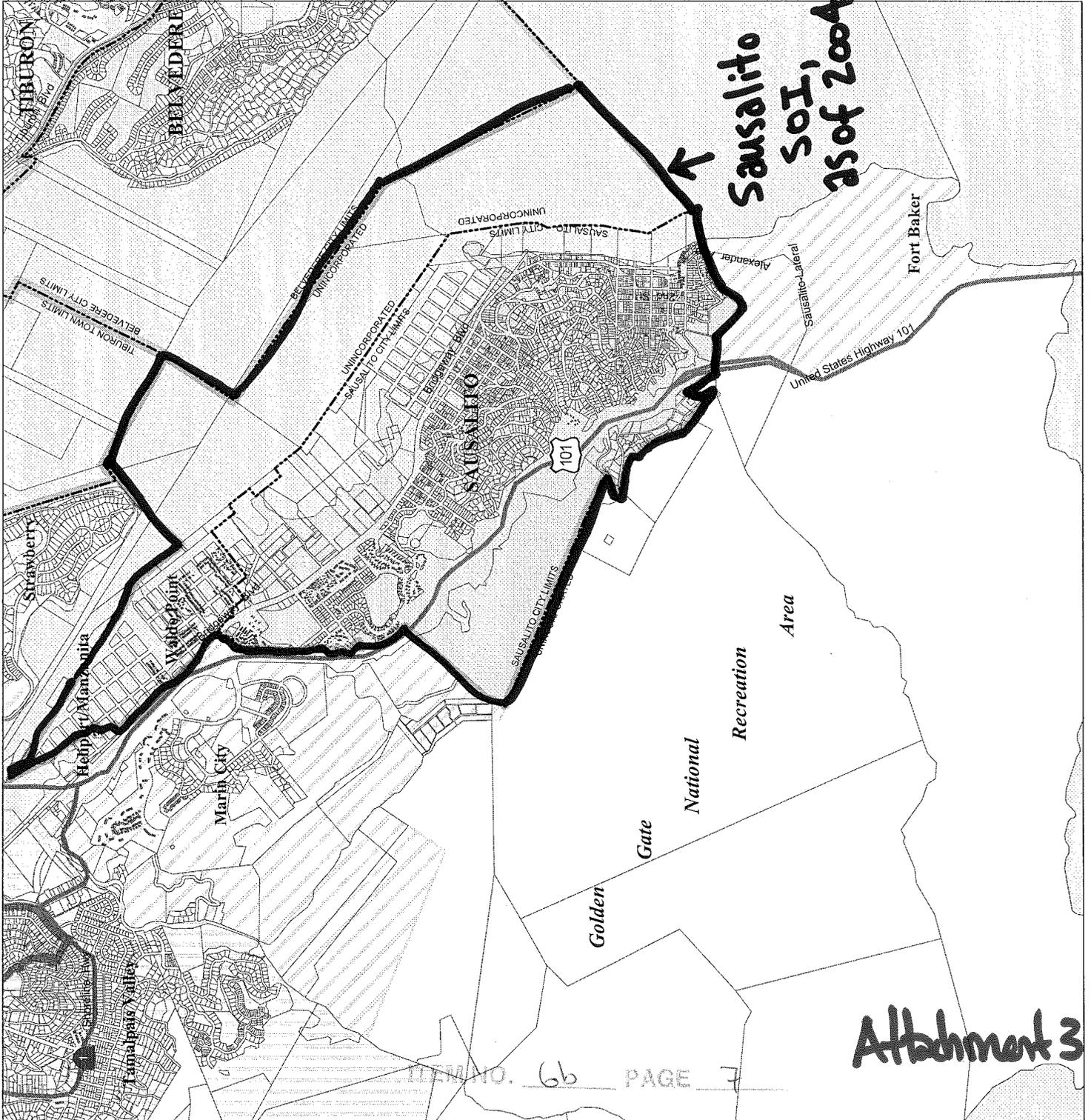
Southern Marin
Sphere of Influence
Review, 2004
Marin Local Agency
Formation Commission

Map 11
Recommended
Sphere of Influence,
City of Sausalito

Legend

-  City of Belvedere
-  City of Sausalito
-  Town of Tiburon
-  Recommended Belvedere SOI
-  Existing Mill Valley SOI
-  Recommended Mill Valley SOI
-  Existing Sausalito SOI
-  Recommended Sausalito SOI
-  Existing Tiburon SOI
-  Recommended Tiburon SOI
-  City Boundary

Prepared by:
COUNTY OF MARIN
COMMUNITY DEVELOPMENT AGENCY MAPPING/GRAPHICS
for the:
LOCAL AGENCY FORMATION COMMISSION
AUGUST 2003
FILE: SOI_SSAUSALITO
THIS MAP IS REPRESENTATIONAL ONLY. DATA ARE NOT SURVEY ACCURATE.



Attachment 3

Lilly Schinsing

From: Gillian Adams [GillianA@abag.ca.gov]
Sent: Wednesday, August 17, 2011 2:29 PM
To: Lilly Schinsing
Subject: Re: FW: RHNA and the SOI

Hi Lilly,

ABAG's role in RHNA is to develop the allocation methodology. After that point, it is up to the State Department of Housing and Community Development (HCD) to determine how units get counted. I would suggest that you contact Paul McDougall at HCD (PMcdouga@hcd.ca.gov, 916-322-7995) to address your question.

Regards,
Gillian

Gillian Adams
Regional Planner
Association of Bay Area Governments
T: 510-464-7911
F: 510-433-5511
GillianA@abag.ca.gov

>>> "Lilly Schinsing" <LSchinsing@ci.sausalito.ca.us> 8/11/2011 1:20 PM >>>

Hi Gillian,

Thanks for looking into the issue below for us. Please let me know if you need any additional information.

Sincerely,

Lilly Schinsing

Associate Planner
Planning Division | Community Development Department
City of Sausalito | 420 Litho St. Sausalito CA 94965
phone: 415.289.4134 | fax: 415.339.2256
lschinsing@ci.sausalito.ca.us

From: Hing Wong [<mailto:Hingw@abag.ca.gov>]
Sent: Wednesday, August 10, 2011 4:20 PM
To: Lilly Schinsing
Cc: Jeremy Graves
Subject: Re: RHNA and the SOI

Lilly -

I've forward your e-mail to Gillian Adams. She should be able to answer your questions. Her contact information are(510) 464-7911 and gilliana@abag.ca.gov.

Hing Wong, AICP

Senior Regional Planner, Association of Bay Area Governments (ABAG)
National Policy and Legislation Representative, APA California

P.O. Box 2050, Oakland, CA 94604-2050

ITEM NO. 66 PAGE 8
1

Attachment 4

>>> "Lilly Schinsing" <LSchinsing@ci.sausalito.ca.us> 8/10/2011 4:16 PM >>>

Dear Mr. Wong,

I hope this note finds you well.

The City of Sausalito is working on updating our Housing Element and have been having monthly meetings with a Task Force appointed by the City Council to create a draft Housing Element. As Sausalito's last adopted Housing Element is from 1995, we have both the RHNA from 1999-2006 and the 2007-2014 to accommodate. Over the course of the meetings and community workshops we've had a question come up regarding the City's Sphere of Influence and the RHNA from the 1999-2006 reporting period that we were wondering if you could weigh in on.

Background. In the 1999-2006 RHNA cycle Sausalito was allocated 144 units within our jurisdictional boundaries ("jurisdictional need") and 64 units of the unincorporated Sphere of Influence need for a total projected need of 208 units (see attached Table for Sausalito's allocation during that time period). In an August 10, 2000 ABAG memo (attached) it was stated that the jurisdictional need must be planned for inside the city's boundary and the RHNA assigned to the city's SOI may be planned for by the city within the "existing jurisdictional boundary or inside the unincorporated SOI."

At the time that the 1999-2006 RHNA was assigned, Sausalito's SOI included Marin City. However, in 2004 Marin City was removed from Sausalito's SOI—the area essentially shrunk. Sausalito's SOI currently just includes the shoreline area from Waldo Point to the Heliport.

Main Question. What happens to those 64 unincorporated SOI units? They were assigned based on a larger SOI, one that we do not have today. Can we take credit for units Marin County "over planned" for in the SOI? (the last page of the ABAG memo indicates that the City/County can enter into a joint planning effort). Are we able to shed them? Have you dealt with this issue before?

If you are not the correct person to direct these questions to, it would be appreciated if you could forward them along. We understand that a call to HCD might also be necessary, but wanted to start the conversation with ABAG first.

Thank you in advance,

Lilly Schinsing

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