

# Santa Clara County Regional Housing Needs Allocation (RHNA) Subregion Overview

## What is a RHNA subregion? (Government Code Section 65584.03)

In recognition of the common interests and mutual challenges and opportunities associated with providing housing, **two or more contiguous cities and a county** may form a **subregional entity** for the purpose of **allocation** of the subregion's existing and projected need for **housing among its members** in accordance with the allocation methodology established pursuant to Government Code Section 65584.04.

All decisions of the subregion shall be approved by vote as provided for in the rules adopted by the local governments comprising the subregion, or shall be approved by vote of the county and the majority of the cities with the majority of population within the county.

## What are the steps to create a subregion, following the prescribed timelines in State law?

1. Each participating jurisdiction adopts a resolution indicating its commitment to participating in the subregional entity.
2. For Santa Clara County, the subregional entity could be a committee of the Cities Association with participating cities and the County.
3. The Cities Association (or other entity) would enter into an agreement with the Council of Governments (COG, in our case ABAG/MTC) that sets forth the process, timing, and other terms and conditions of the delegation of responsibility by the COG to the subregion.

## What does the subregion do, following the prescribe timelines in State law?

1. The subregion determines the methodology for allocating housing need to its participating jurisdictions according to State law (or accepts the methodology factors from the COG as a starting point for further distribution), providing opportunity for public comment and modification prior to adoption of the methodology.
2. The COG allocates a share to the subregion based on a proportion consistent with the distribution of households assumed for the comparable time period of the applicable regional transportation plan.
3. The subregion allocates the distribution of the RHNA to the participating jurisdictions according to the adopted methodology, providing an opportunity for public comment and modification prior to finalizing the distribution.

## What is the estimated cost of a subregion versus typical participation in the RHNA process?

Assuming that the subregion does not hire a consultant to create a separate methodology, the costs would be:

1. Administrating and documenting the subregion meetings and decisions;
2. Conducting the required outreach prior to the subregion making its decisions;
3. Communicating with ABAG/MTC as needed; and
4. Publishing the required notices.

The Planning Departments of the participating jurisdictions typically absorb the RHNA evaluation without additional staffing or consultant assistance.

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What are other activities that the subregion could assume outside of the RHNA process and State law?

- Foster collaboration between cities within Santa Clara County
  - Focus on Measure A implementation
  - Facilitate an open dialogue between the jurisdictions, public, and interested organizations on housing issues and opportunities
  - Share best practices regarding rehabilitating existing housing stock, addressing gentrification/displacement, etc.
- Work together to obtain and commit more financial resources to affordable housing production
  - Support for 2018 ballot measure for affordable housing funding
  - Consider potential legislative efforts to seek meaningful tax credits and other mechanisms

# SANTA CLARA COUNTY RHNA SUBREGION TASK FORCE

## PROS & CONS OF RHNA SUBREGION FORMATION

Pros	Cons	Example
Creates flexibility & allows cities to trade		Distribute the subregion's numbers or can use ABAG's distribution
Empowers cities to have a say in the regional planning process		Self-determination: a city is able to accept or not accept allocation from another city.
Allows better alignment between local and regional needs		Ability to plan along on transit corridors and near employment.
Can find innovative solutions		Collective problem-solving which may include negotiating credits and creative financing
May facilitate the production of more housing		Utilizes economies of scale and eliminates duplication. Siting housing near supportive services.
Creates a forum for collaboration that leads to innovative solutions		San Mateo County Trade Woodside/Redwood City & Daly City/Colma/County
Creates awareness (and healthy competition)		Creates a forum to share knowledge and success. When one city is doing the heavy lifting, may encourage other jurisdictions to step up to the plate.
If success, may create additional opportunities for collaborative work		Success may be housing or spill over to other technical areas (transportation). May use collaboration for legislative advocacy.
Better development		Cities can work together to build near transit and not

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		necessarily confined by a city boundary.
Creates a forum to discuss sharing of planning resources		Share resources - - may share in cost to pay consultants for housing element preparation or program ideas (for those who want to share).
	Time, effort & resources which may end in same result.	What if subregion fails to produce a different allocation?
	Lack of trust for fair and equitable process.	Some cities may shirk their responsibility to step up and accept housing.
Increases local control		Ability to control own numbers and improve county-wide performance.
	Loss of political distance from MTC and ABAG	Pressure on community to produce additional housing.
	Lack of clarity of the benefits to accept someone's numbers/housing	City worried about allocation dumping
Still need to plan for housing for all income levels		Can't go to zero. Every jurisdiction still has an allocation in every income level.
	No role model	No other subregion has such large population variances.
Increased use of ADUs		ADUs more feasible with cities with large residential lots.