

1 [Urging the Association of Bay Area Governments in the Regional Housing Needs Allocation
2 Process to Focus on Unmet Needs for Affordable Housing]

3 **Resolution urging the Association of Bay Area Governments (ABAG) in its upcoming**
4 **Regional Housing Needs Allocation (RHNA) Process to focus on San Francisco's**
5 **unmet needs for housing affordable to low- and moderate-income residents, counteract**
6 **the displacement of low- and moderate-income communities of color in core urban**
7 **cities like San Francisco and Oakland, prioritize increases to the region's above-**
8 **moderate RHNA allocation in high resource and high opportunity jurisdictions, and**
9 **limit increases in above-moderate RHNA allocations to Bay Area cities with**
10 **concentrations of Sensitive Communities.**

11
12 WHEREAS, The 2022-2030 Regional Housing Needs Allocation ("RHNA") cycle, due
13 to Senate Bill 828 adopted in 2018, increases the Bay Area's RHNA determination to 2.35
14 times higher than the current cycle, for a housing production goal of nearly half a million new
15 homes region-wide over 8 years; and

16 WHEREAS, The basis for this significant RHNA increase for the Bay Area is to account
17 for the "unmet need" and "under-performance" of many of the region's cities to achieve their
18 current RHNA goals; and

19 WHEREAS, San Francisco has accounted for a significant share of the region's
20 housing development, through its zoning and robust local real estate and development market
21 conditions, such that San Francisco currently has 70,800 units in its entitlement pipeline; and

22 WHEREAS, San Francisco has historically met and exceeded its RHNA above-
23 moderate housing goals and has already met 140 percent of the current eight-year goal which
24 carries through 2022, effectively over-performing in the current RHNA cycle; and
25

1 WHEREAS, Despite the City's longstanding commitment to affordable housing,
2 performing better than most every other California city, San Francisco has nevertheless been
3 falling significantly short of meeting its affordable housing RHNA allocation, achieving only 37
4 percent of the current low- and moderate-income goals, primarily due to lack of sufficient
5 dedicated revenue sources; and

6 WHEREAS, The Planning Department's 2018 Housing Trends and Needs Report
7 shows that:

- 8 • San Francisco had roughly 49,000 severely rent burdened households in 2015
- 9 • The overwhelming majority of households facing cost burdens—particularly severe cost
10 burden consuming 50% or more of income—are very low-income (earning < 50% of
11 AMI) and extremely low-income households (<30% AMI)
- 12 • A majority of lower income homeowner households (earning <80% of AMI) are now
13 cost burdened
- 14 • Overcrowding disproportionately impacts low-income households, including 12% of
15 very low-income households and 10% of low-income households
- 16 • San Francisco has been losing low- and moderate-income residents at a faster rate
17 than the rest of the Bay Area; and

18 WHEREAS, San Francisco's rates of housing cost burden and overcrowding, which
19 disproportionately impacts low income households, have increased along with higher above-
20 moderate housing production over the past decade; and

21 WHEREAS, During the COVID-19 pandemic, the affordable housing needs of low- and
22 moderate-income essential workers, especially workers who live in overcrowded conditions,
23 rely more on transit, or are less likely to be able to telecommute, have become increasingly
24 evident and critically necessary for public health; and

1 WHEREAS, the regional forecasting of job and household growth upon which the
2 RHNA determination is based has not considered COVID-19 impacts on job, housing, and
3 transportation demand and the demand for office space, especially as white-collar, knowledge
4 workers continue to telecommute; and

5 WHEREAS, The Planning Commission in June 2020 passed Resolution No. 20738,
6 Centering Planning on Racial and Social Equity in planning and housing policies; and

7 WHEREAS, 50% of Black households, 31% of American Indian, and 30% of Latinx
8 households are severely burdened by housing costs (spending > 30% of their income on
9 housing), while 16% of White households are similarly burdened; and

10 WHEREAS, Racial equity should include both integration of housing across income
11 levels in high resource and high opportunity cities, and avoidance of further regional
12 segregation, gentrification, and displacement of urban and working-class, immigrant and
13 BIPOC communities; and

14 WHEREAS, recent reports reveal regional trends of “suburbanization of poverty” and
15 re-segregation as a result of declining affordability in cities like San Francisco that pushes
16 low- and moderate-income people of color to the edges of the metropolitan area, farther from
17 the jobs, services, and transit options of the central parts of the region; and

18 WHEREAS, In the upcoming RHNA process, there is a risk that San Francisco will
19 have its above-moderate RHNA allocation absorb a disproportionate share of the overall
20 regional determination increase resulting from historic regional under-performance, without
21 considering San Francisco’s over-performance; and

1 WHEREAS, An increase in San Francisco's above-moderate RHNA allocation could
2 require ministerial by-right approval of above-moderate income housing if not enough permits
3 are pulled to meet a sufficient share of its RHNA allocation by 2026, pursuant to Senate
4 Bill 35 adopted in 2017, which would incentivize evictions, displacement, further regional
5 segregation, and exacerbated racial disparities; now, therefore, be it

6 RESOLVED, That San Francisco urges ABAG to focus on unmet RHNA needs for
7 housing affordable to low- and moderate-income residents experiencing cost burden and
8 overcrowding in San Francisco and in the region, counteract the displacement of low- and
9 moderate-income communities of color in core urban cities like San Francisco and Oakland,
10 and prioritize the region's above-moderate RHNA allocation in high resource and high
11 opportunity jurisdictions, and limit increases in above-moderate RHNA allocations to Bay Area
12 cities with concentrations of Sensitive Communities; and, be it

13 FURTHER RESOLVED, That San Francisco urges ABAG to consider past over-
14 performance in the above-moderate income category, to the extent possible by State law,
15 when assigning the 2022-2030 above-moderate RHNA allocations, so that jurisdictions that
16 have historically provided more than their fair share of regional above-moderate housing
17 development are less likely to be subject to required ministerial by-right approvals for above-
18 moderate income housing; and, be it

19 FURTHER RESOLVED, That San Francisco urges ABAG to consider the potential
20 impacts of ministerial by-right approvals for above-moderate income housing and limit
21 increases in above-moderate RHNA allocations to Bay Area cities with concentrations of
22 Sensitive Communities, as identified by the UC Berkeley Urban Displacement Project, in order
23 to avoid the inequitable outcomes of gentrification, racial and socio-economic displacement of
24 low-income communities, further regional segregation, and increasing racial disparities; and,
25 be it

1 FURTHER RESOLVED, That San Francisco urges ABAG to increase very low, low,
2 moderate, and above moderate housing allocations in Bay Area suburban high-opportunity
3 jurisdictions where there is extensive land for infill development and less displacement
4 pressure, in order to further fair housing equity goals, create a more racially and socio-
5 economically integrated region, and allocate a fair-share of housing production to cities that
6 have historically received RHNA allocations below their portion of regional households, some
7 of which have under-performed on housing production goals; and, be it

8 FURTHER RESOLVED, that San Francisco specifically urges ABAG to focus the
9 allocation of housing affordable at low and very low incomes based on key factors including:
10 Access to High Opportunity Areas and Transit Job Proximity to achieve the most equitable
11 outcomes, particularly in light of changing commute patterns due to COVID-19 allowing higher
12 income workers to telecommute; and to reduce above-moderate income allocations in cities
13 with more Sensitive Communities while emphasizing Jobs-Housing Balance and Access to
14 Opportunity to ensure an equitable distribution of above-moderate income growth; and, be it

15 FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby directs
16 the Clerk of the Board to transmit copies to the Association of Bay Area Governments with a
17 request to take all action necessary to achieve the objectives of this Resolution.