



# RHNA REFORM

July 19, 2022

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# RHNA Reform

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- During the 6<sup>th</sup> RHNA cycle, a number of issues were raised by jurisdictions and stakeholders
  - Calculation of regional determination
  - Factors used to determine housing distribution in the methodology
  - Role of Connect SoCal household projections
  - And more!
- SCAG has committed to review these issues and facilitate conversations with HCD to reform RHNA

## State RHNA Reform

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- AB 101 (2019) requires the California Department of Housing and Community Development (HCD) to *“develop a recommended improved RHNA allocation process and methodology that promotes and streamlines housing development and substantially addresses California’s housing shortage”*
- Includes statewide stakeholder participation
- Limited to RHNA (Government Code 65584 through 65584.2)
  - **Does not include zoning or housing element issues**
- HCD must submit a report to the Legislature by December 31, 2023

# SCAG RHNA Reform

Date	Action
July 6, 2022	Public Information and Input Session on RHNA reform
July 19, 2022	Housing Working Group meeting
July 21, 2022	Technical Working Group meeting
August 12, 2022	RHNA reform comments due to SCAG: <a href="mailto:housing@scag.ca.gov">housing@scag.ca.gov</a>
TBD	Special CEHD Meeting
TBD	Presumed statewide workshops on RHNA reform by HCD
TBD	CEHD Meeting to review and approve recommendations to Regional Council
TBD	Regional Council approval of CEHD recommendations/submit final RHNA Reform recommendations to HCD
TBD	Presumed due date for comments to HCD on RHNA Reform
December 31, 2023	Due date for HCD's report to the Legislature on RHNA Reform

# Regional Housing Needs Assessment (RHNA)



State housing law requirement to determine existing and projected housing needs for each jurisdiction

8-year planning period

Not a building quota

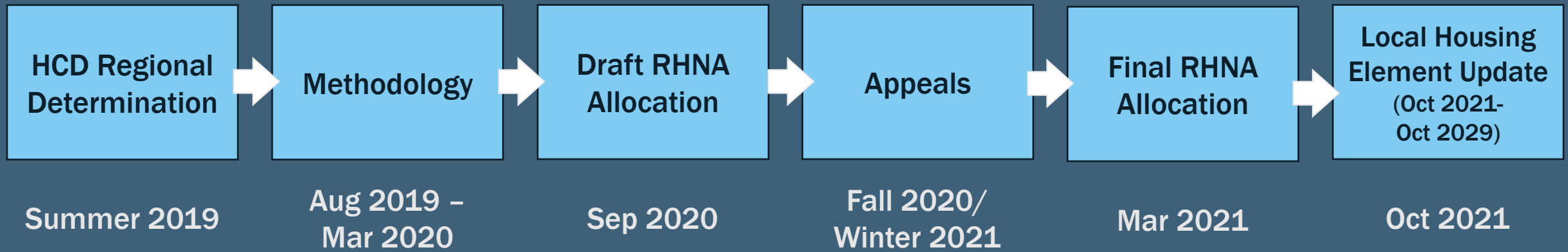


SCAG

5<sup>th</sup> cycle: 2013-2021

6<sup>th</sup> cycle: 2021-2029

# 6<sup>th</sup> Cycle RHNA Timeline



# Regional Determination

HCD provides a regional determination in consultation with SCAG and the Department of Finance (DOF)

**4<sup>th</sup> Cycle**  
regional determination  
(2006-2014)

**699,368**

**5<sup>th</sup> Cycle**  
regional determination  
(2013-2021)

**412,137**

**6<sup>th</sup> Cycle**  
regional determination  
(2021-2029)

**1,341,827**

# Regional Determination

SCAG: 10.1%  
US avg: 3.4%

5 <sup>th</sup> cycle calculation	
Existing + Projected households	6,516,345
-Occupied Units (and Tribal HH)	-6,044,940
=Subtotal	468,595
+Vacancy need	13,445
+Replacement need, 0.5%	2,410
-Vacant units	-75,390
=Regional determination	409,060

6 <sup>th</sup> cycle calculation	
Existing + Projected households	6,801,760
+Vacancy need	178,896
+Overcrowding, 6.7% <b>(new!)</b>	459,917
+Replacement need, 0.5%	34,010
-Occupied Units	-6,250,261
=Subtotal	1,224,352
+Cost burden <b>(new!)</b>	117,505
=Regional determination	1,341,827



# RHNA Methodology: Primary Factors

Based on:



Share of  
household growth



Job Accessibility



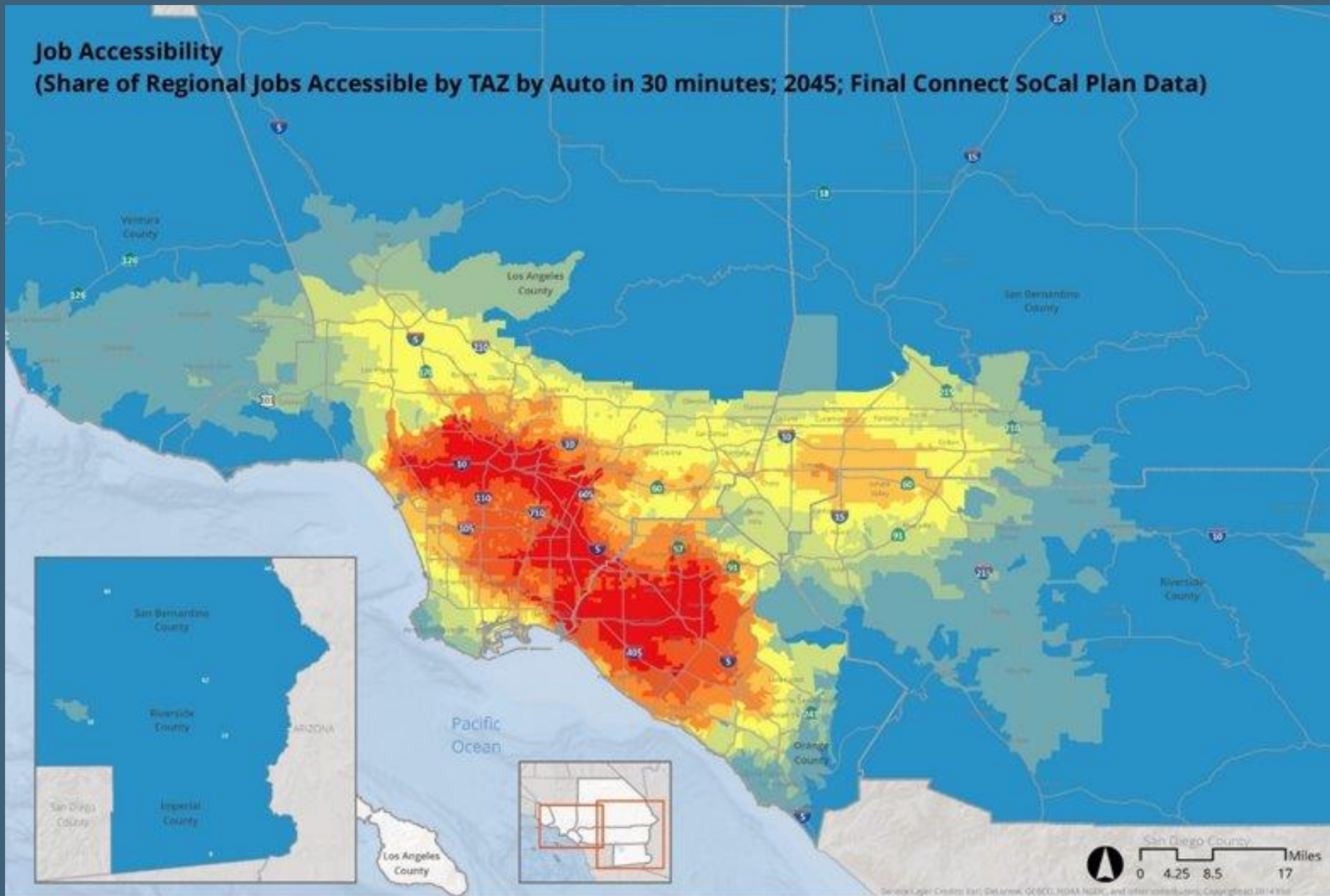
Transit  
Accessibility



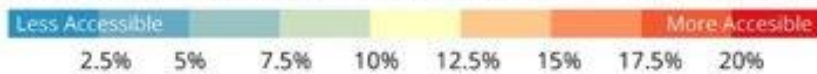
Social Equity  
Adjustment

- Household income distribution
- Other indicators of resources (environment, education, economy)

# Job Accessibility (Share of Regional Jobs Accessible by TAZ by Auto in 30 minutes; 2045; Final Connect SoCal Plan Data)



Job Accessibility (Share of Regional Jobs Accessible by TAZ by Auto in 30 minutes; 2045; Final Connect SoCal Plan Data)



Source: SCAG, 2020

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# Final RHNA Allocation

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- Adopted March 2021
- Included redistribution of successfully appealed units
- Housing element deadline October 2021
  - As of early July, 19 jurisdictions have an adopted compliant housing element
- Rezoning deadlines adjusted due to recent enactment of SB 197

# RHNA Reform Input Session: July 6

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## Comment highlights

- There should be a panel of experts to review the regional determination by HCD before its finalized
- HCD did not reflect all required factors in State housing law when providing a regional determination
- The regional determination should have been a range as in prior cycles
- The 6<sup>th</sup> cycle determination was not sufficient to meet SCAG housing needs

# RHNA Reform Input Session: July 6

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## Comment highlights

- “Consistent with the development pattern of the SCS” should be more clearly defined
- More weight and emphasis should be put on transit accessibility and jobs access
- Transit and job access factors should be based on the planning period, not long-term
- Distribution methodology factors should include:
  - High wildfire risk
  - Exceeding prior RHNA need
  - Density
  - High median rents
  - Vacant office space and remote employee market
  - Aging infrastructure and cost of development

# RHNA Reform Input Session: July 6

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## Comment highlights

- More time should be provided for jurisdictions appealing their RHNA
- Trade and transfer of RHNA units should be allowed between jurisdictions, maybe with parameters
- Trade and transfer of RHNA units should not be allowed between jurisdictions
- Subregional delegation should not be made available



# Q&A

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## Discussion: General Outline

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- Raise your hand if you'd like to comment
- One speaker at a time
  - Mute if you're not speaking
- Address the issue, not the person
- Be open minded!
- Remember why we're here
  - In 17 years, Ma'Ayn still hasn't met anyone who is actually satisfied with the RHNA process



## Discussion: Regional Determination

- How do we minimize double counting for factors, such as overcrowding and cost-burden?
  - Should the factors be reordered in the calculation of regional determination?
- What are your thoughts on a panel of experts reviewing individual regional determinations from HCD before they are finalized?
  - Who should be on this panel? What role could it have?

## Discussion: Methodology/Distribution

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- What other factors should be included in the RHNA methodology?
  - Should these additional factors be codified statewide or at the discretion of the COGs?
  - What should be the basis year for the factors? Current, short-term, long-term?
- How can we continue furthering the objective of affirmatively furthering fair housing?

## Discussion: Other

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- How can the appeals process be less cumbersome for jurisdictions (and stakeholders)?
- Should trade and transfer of RHNA units be allowed?
  - When could this be applied during the process?
  - Should there be parameters, such as only applying to market rate units?
- Should the requirement for the methodology to be “consistent with the development pattern of the SCS” be further defined in State housing law?

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# THANK YOU!

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For more information, please visit:

<https://scag.ca.gov/rhna>