



SOUTHERN CALIFORNIA  
ASSOCIATION OF GOVERNMENTS  
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# MEETING OF THE REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) SUBCOMMITTEE

*Members of the Public are Welcome to Attend  
In-Person & Remotely*

**Thursday, September 10, 2026  
1:00 p.m. – 3:00 p.m.**

#### **To Attend In-Person:**

**SCAG Main Office – Policy B Meeting Room  
900 Wilshire Blvd., Ste. 1700  
Los Angeles, CA 90017**

#### **To Attend and Participate on Your Computer:**

**<https://scag.zoom.us/j/85410359225>**

#### **To Attend and Participate by Phone:**

**Call-in Number: 1-669-900-6833  
Meeting ID: 854 1035 9225**

#### **PUBLIC ADVISORY**

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Maggie Aguilar at (213) 630-1420 or via email at [aguilarm@scag.ca.gov](mailto:aguilarm@scag.ca.gov). Agendas & Minutes are also available at: <https://scag.ca.gov/meetings-subcommittees>.

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## Instructions for Members of the Public Attending the Meeting

**To Attend In-Person and Provide Verbal Comments:** Go to the SCAG Main Office located at 900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017 or any of the remote locations noticed in the agenda. The meeting will take place in the Policy B Meeting Room on the 17<sup>th</sup> floor starting at 1:00 p.m.

**Attend by Computer:** Click the following link: <https://scag.zoom.us/j/85410359225>. If Zoom is not already installed on your computer, click “Download & Run Zoom” on the launch page and press “Run” when prompted by your browser. If Zoom has previously been installed on your computer, please allow a few moments for the application to launch automatically. Select “Join Audio via Computer.” The virtual conference room will open. If you receive a message reading, “Please wait for the host to start this meeting,” simply remain in the room until the meeting begins.

**Attend by Phone:** Call **(669) 900-6833** to access the conference room. Given high call volumes recently experienced by Zoom, please continue dialing until you connect successfully. Enter the **Meeting ID: 854 1035 9225**, followed by #. Indicate that you are a participant by pressing # to continue. You will hear audio of the meeting in progress. Remain on the line if the meeting has not yet started.

## Instructions for Participating and Public Comments

***Members of the public can participate in the meeting via written or verbal comments.***

**In Writing:** Written comments can be emailed to: [ePublicComment@scag.ca.gov](mailto:ePublicComment@scag.ca.gov). Written comments received **by 5pm on Wednesday, September 9, 2026** will be transmitted to members of the legislative body and posted on SCAG’s website prior to the meeting. You are **not** required to submit public comments in writing or in advance of the meeting; this option is offered as a convenience should you desire not to provide comments in real time as described below. Written comments received after 5pm on **Wednesday, September 9, 2026**, will be announced and included as part of the official record of the meeting. Any writings or documents provided to a majority of this committee regarding any item on this agenda (other than writings legally exempt from public disclosure) are available at the Office of the Clerk, at 900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017 or by phone at (213) 630-1420, or email to [aguilarm@scag.ca.gov](mailto:aguilarm@scag.ca.gov).

**Remotely:** If participating in real time via Zoom or phone, please wait for the presiding officer to call the item for which you wish to speak and use the “raise hand” function on your computer or \*9 by phone and wait for SCAG staff to announce your name/phone number.

**In-Person:** If participating in-person, you are invited but not required, to fill out and present a Public Comment Card to the Clerk of the Board or other SCAG staff prior to speaking. It is helpful to indicate whether you wish to speak during the Public Comment Period (Matters Not on the Agenda) and/or on an item listed on the agenda.

## General Information for Public Comments

Verbal comments can be presented in real time during the meeting. Members of the public are allowed a total of 3 minutes for verbal comments. The presiding officer retains discretion to adjust time limits as necessary to ensure efficient and orderly conduct of the meeting, including equally reducing the time of all comments.

For purpose of providing public comment for items listed on the Consent Calendar, please indicate that you wish to speak when the Consent Calendar is called. Items listed on the Consent Calendar will be acted on with one motion and there will be no separate discussion of these items unless a member of the legislative body so requests, in which event, the item will be considered separately.

***In accordance with SCAG’s Regional Council Policy, Article VI, Section H and California Government Code Section 54957.9, if a SCAG meeting is “willfully interrupted” and the “orderly conduct of the meeting” becomes unfeasible, the presiding officer or the Chair of the legislative body may order the removal of the individuals who are disrupting the meeting.***



## REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) SUBCOMMITTEE

### TELECONFERENCE AVAILABLE AT THESE ADDITIONAL LOCATIONS\*

|                                                                                                                                      |                                                                                                                                                    |                                                                                                                      |
|--------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| <b>Cindy Allen</b><br>City of Long Beach - City Hall<br>411 W. Ocean Boulevard, 11th Floor<br>Long Beach, CA 90802                   | <b>Chelsea Byers</b><br>City of West Hollywood – City Hall<br>8300 Santa Monica Boulevard<br>3rd Floor Conference Room<br>West Hollywood, CA 90069 | <b>Margaret Finlay</b><br>2221 Rim Road<br>Duarte, CA 91008                                                          |
| <b>Gary Gardner</b><br>65925 Buena Vista Avenue<br>Desert Hot Springs, CA 92240                                                      | <b>Mike Goodsell</b><br>SCAG Imperial County Regional Office<br>1503 N. Imperial Avenue, Suite 104<br>El Centro, CA 92243                          | <b>Curt Hagman</b><br>District Office<br>14010 City Center Drive<br>Chino Hills, CA 91709                            |
| <b>Vianey Lopez</b><br>Ventura County Government Center<br>CEO Rincon Conference Room<br>800 S. Victoria Avenue<br>Ventura, CA 93009 | <b>Steve Manos</b><br>53180 Odyssey Street<br>Lake Elsinore, CA 92532                                                                              | <b>Rocky Rhodes</b><br>Springhill Suites Charlotte/Lake<br>Norman<br>121 Gateway Boulevard<br>Mooresville, NC, 28117 |
| <b>David J. Shapiro</b><br>City of Calabasas - City Hall<br>100 Civic Center Way<br>Calabasas, CA 91302                              | <b>Helen Tran</b><br>City of San Bernardino - City Hall<br>290 North D Street<br>3rd Floor - Mayor's Office<br>San Bernardino, CA 92401            | <b>Acquanetta Warren</b><br>8491 Sierra Avenue<br>Fontana, CA 92335                                                  |

\* Under the teleconferencing rules of the Brown Act, members of the body may remotely participate at any location specified above.



## REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE

### **RHNA Subcommittee** ***Members – September 2026***

- 1. Hon. Rocky Rhodes (Chair)**  
Ventura County Representative
- 2. Hon. Cindy Allen**  
Los Angeles County Representative
- 3. Hon. Debbie Baker**  
Orange County Representative
- 4. Hon. Chelsea Byers**  
Los Angeles County Representative
- 5. Hon. Tanya Doby**  
Orange County Representative
- 6. Hon. Margaret Finlay**  
Los Angeles County Representative
- 7. Hon. John Gabbard**  
Orange County Representative
- 8. Hon. Gary Gardner**  
Riverside County Representative
- 9. Hon. Mike Goodsell**  
Imperial County Representative
- 10. Sup. Curt Hagman**  
San Bernardino County Representative
- 11. Hon. Patricia Lock Dawson**  
Riverside County Representative
- 12. Sup. Vianey Lopez**  
Ventura County Representative
- 13. Hon. Steve Manos**  
Riverside County Representative
- 14. Hon. Gil Rebolgar**  
Imperial County Representative



## REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE

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- 15. Hon. David J. Shapiro**  
Los Angeles County Representative
- 16. Hon. Helen Tran**  
San Bernardino County Representative
- 17. Hon. Acquanetta Warren**  
San Bernardino County Representative



## REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE AGENDA

Southern California Association of Governments  
900 Wilshire Boulevard, Suite 1700 - Policy B Meeting Room  
Los Angeles, CA 90017  
**Thursday, September 10, 2026**  
**1:00 PM**

The Regional Housing Needs Assessment (RHNA) Subcommittee may consider and act upon any of the items on the agenda regardless of whether they are listed as Information or Action items.

### **CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

*(The Honorable Rocky Rhodes, Chair)*

### **PUBLIC COMMENT PERIOD (Matters Not on the Agenda)**

This is the time for public comments on any matter of interest within SCAG's jurisdiction that is **not** listed on the agenda. For items listed on the agenda, public comments will be received when that item is considered. Although the committee may briefly respond to statements or questions, under state law, matters presented under this item cannot be discussed or acted upon at this time.

### **REVIEW AND PRIORITIZE AGENDA ITEMS**

#### **CONSENT CALENDAR**

##### Approval Items

1. Minutes of the Meeting – August 13, 2026 PG. 8

##### Receive and File

2. RHNA Subcommittee Topic Outlook PG. 25

#### **ACTION ITEMS**

3. Election of Vice Chair – Verbal Report  
*(Richard Lam, Senior Deputy Legal Counsel, SCAG)*

#### **RECOMMENDED ACTION:**

Nominate and approve a Vice Chair to the RHNA Subcommittee.

4. 7<sup>th</sup> Cycle RHNA Survey Packet PG. 29  
*(Ma'Ayn Johnson, Department Manager of Housing, SCAG)*

#### **RECOMMENDED ACTION:**

Approve distribution of the 7th Cycle RHNA Survey Packet, inclusive of the Local Planning Factor Survey and the Affirmatively Furthering Fair Housing Survey.



## INFORMATION ITEMS

5. Overview of the 6<sup>th</sup> Cycle RHNA Methodology PG. 52  
*(Ma'Ayn Johnson, Department Manager of Housing, SCAG)*

6. 7<sup>th</sup> Cycle RHNA Methodology Brainstorm: Social Equity Considerations PG. 96  
*(Ma'Ayn Johnson, Department Manager of Housing, SCAG)*

## ADJOURNMENT



## AGENDA ITEM 1

### MINUTES

Southern California Association of Governments  
September 10, 2026

**MINUTES OF THE MEETING  
REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE  
THURSDAY, AUGUST 13, 2026**

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE. A VIDEO RECORDING OF THE ACTUAL MEETING IS AVAILABLE ON THE SCAG WEBSITE AT: <http://scag.igam2.com/Citizens/>.

The Regional Housing Needs Assessment Subcommittee (RHNA) of the Southern California Association of Governments (SCAG) held its meeting virtually (telephonically and electronically). A quorum was present.

#### **MEMBERS PRESENT**

##### **Hon. Rocky Rhodes (Chair)**

Hon. Cindy Allen  
Hon. Debbie Baker  
Hon. Chelsea Byers  
Hon. Tanya Doby  
Hon. Margaret Finlay  
Hon. John Gabbard  
Hon. Gary Gardner  
Hon. Mike Goodsell  
Hon. Patricia Lock Dawson  
Sup. Vianey Lopez  
Hon. Steve Manos  
Hon. David Shapiro  
Hon. Helen Tran  
Hon. Acquanetta Warren

##### **Ventura County Representative**

Los Angeles County Representative  
Orange County Representative  
Los Angeles County Representative  
Orange County Representative  
Los Angeles County Representative  
Orange County Representative  
Riverside County Representative  
Imperial County Representative  
Riverside County Representative  
Ventura County Representative  
Riverside County Representative  
Los Angeles County Representative  
San Bernardino County Representative  
San Bernardino County Representative

#### **MEMBERS NOT PRESENT**

Sup. Curt Hagman  
Hon. Gil Rebollar

San Bernardino County Representative  
Imperial County Representative

#### **STAFF PRESENT**

Kome Ajise, Executive Director  
Darin Chidsey, Chief Operating Officer  
Sarah Jepson, Chief Planning Officer

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Elizabeth Carvajal, Deputy Director of Land Use  
Ma'Ayn Johnson, Department Manager of Housing  
Michael Dietz, Planning Supervisor of Housing  
David Kyobe, Principal Regional Planner  
Kaitlin McCafferty, Associate Regional Planner  
Alessandro Hall, Assistant Regional Planner  
Jeffery Elder, Chief Counsel  
Richard Lam, Senior Deputy Legal Counsel  
Maggie Aguilar, Clerk of the Board  
Cecilia Pulido, Deputy Clerk of the Board  
Jonna Hart, Senior Administrative Assistant

### **CALL TO ORDER AND PLEDGE OF ALLEGIANCE**

Chair Rhodes called the meeting to order at 1:02 p.m. and asked Regional Councilmember John Gabbard, Orange County Representative, to lead the Pledge of Allegiance.

Chair Rhodes welcomed the members to the first meeting of the 7th Cycle Regional Housing Needs Assessment (RHNA) Subcommittee and expressed appreciation for their willingness to serve. He emphasized the importance of the Subcommittee's work in guiding SCAG's 7th Cycle RHNA process. Following the welcome remarks, Chair Rhodes introduced Sarah Jepson, Chief Planning Officer, to provide introductory comments and an overview of the work ahead.

Ms. Jepson welcomed Subcommittee members and thanked them for their participation, emphasizing the importance of their expertise and perspectives in supporting SCAG's 7th Cycle RHNA process. She introduced the staff team supporting the effort, including planning, housing, demographic, and regional planning staff who will assist the Subcommittee, Community, Economic and Human Development Committee, and Regional Council throughout the process. Ms. Jepson noted that while the RHNA process was highly technical, governed by statutory requirements, and often generates differing viewpoints, its fundamental purpose was to help plan for the region's future housing needs, growth, and opportunities. She encouraged members to approach discussions from a regional perspective in addition to representing their individual jurisdictions. Ms. Jepson outlined key objectives for the Subcommittee, including building a shared understanding of the RHNA process, requirements, opportunities and its constraints, fostering constructive and candid dialogue, leveraging the diverse expertise and perspectives represented on the Subcommittee, and promoting trust, transparency, and public understanding throughout the process. She encouraged members and stakeholders to actively participate, ask questions, and work collaboratively toward informed recommendations that serve the needs of the region and its communities.

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Chair Rhodes thanked Chief Planning Officer Jepson for her remarks and expressed agreement with the importance of building a shared understanding of the RHNA process. He noted that despite considerable effort spent studying RHNA, the process remains complex and often raises additional questions as its nuances are explored. Chair Rhodes stated that the meeting agenda would serve as a valuable primer to help Subcommittee members better understand the RHNA process and their role and responsibilities throughout the 7th Cycle RHNA effort.

### **PUBLIC COMMENT PERIOD**

Chair Rhodes opened the Public Comment Period for persons to comment on any matter pertinent to SCAG's jurisdiction that were not listed on the agenda.

The Clerk of the Board acknowledged there was one written public comment received before the deadline, which was posted on the website and transmitted to members.

Regional Council Member Wendy Bucknum stated she was listening to the meeting and was there as a resource. She indicated that everyone on the meeting would do a great job.

Seeing no public comment speakers, Chair Rhodes closed the Public Comment Period.

### **INTRODUCTIONS**

Chair Rhodes opened the introductions, explaining that members would be working closely together over the coming years and invited each member to share their background and goals for serving on the RHNA Subcommittee. He introduced himself as the Regional Council representative for District 46 and Chair of CEHD, noting that he joined CEHD with the goal of helping shape the next RHNA cycle and improve outcomes for local jurisdictions.

Richard Lam, Senior Deputy Legal Counsel, briefly interrupted the proceedings to note that there was an additional public comment speaker with a raised hand. He requested that the public comment be addressed before proceeding with member introductions.

Chair Rhodes acknowledged the request and paused the introductions to accommodate the additional speaker.

Robert Nigg, a resident of the City of Chino, stated that he had submitted written comments prior to the meeting and expressed concerns regarding the RHNA process and the calculation of housing allocation numbers. He noted that based on his review of current California Department of Housing and Community Development data, many jurisdictions were falling significantly short of their low- and very low-income housing objectives, which he characterized as unrealistic. Mr. Nigg urged the

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subcommittee to focus on addressing underlying issues within the RHNA process rather than accepting existing challenges. While voicing support for affordable housing, he also raised concerns about high-density development occurring without sufficient infrastructure and community resources.

Chair Rhodes acknowledged receipt and review of Mr. Nigg's written comments, noting his detailed analysis and recommendations. He clarified the role of the RHNA Subcommittee, explaining that while HCD determines the overall regional housing need, the subcommittee was responsible for developing a methodology to allocate those housing units among jurisdictions. Chair Rhodes recognized the concerns raised regarding the RHNA process and stated the Subcommittee's commitment to ensuring that housing allocations are distributed fairly. He then closed public comment and resumed member introductions.

Mike Goodsell, Imperial County Representative, stated he was a council member from the City of Holtville serving what will be his fifth term. He noted that his perspective came from representing a smaller city and acknowledged the challenges associated with the RHNA process but emphasized the importance of approaching the work earnestly and collaboratively. Council Member Goodsell expressed confidence in the committee members and staff, stating that while the process may be difficult, he looked forward to contributing to a meaningful and productive effort.

Cindy Allen, Los Angeles County Representative, former SCAG President, and Long Beach City Councilmember representing District 2, stated that her goal was to help ensure adequate housing capacity was planned across all income levels. She emphasized the importance of stakeholder engagement, transparency, and public understanding throughout the process, and expressed her commitment to actively participating, asking questions, and ensuring that both committee members and constituents clearly understand the RHNA methodology and allocation process.

Chelsea Byers, Los Angeles County Representative, West Hollywood Councilmember, Immediate past Mayor, and Regional Council representative for District 41, highlighted more than a decade of experience in housing and homelessness policy. She stated that advancing regional housing goals was a primary motivation for her public service and expressed enthusiasm for helping develop a RHNA framework that meets housing needs while fostering public trust, collaboration, and support for the region's shared future.

Margaret Finlay, Los Angeles County Representative and longtime Duarte City Councilmember, noted her previous service on a RHNA committee approximately eight years earlier. She expressed appreciation for the opportunity to serve on the subcommittee, acknowledged the support and expertise of SCAG staff, and stated that she looked forward to contributing to efforts that advance housing planning and opportunities throughout Southern California.

David Shapiro, Los Angeles County Representative, City of Calabasas Councilmember, and Regional Council representative for District 44, noted his more than 10 years of involvement with SCAG and the CEHD. He highlighted his experience working on RHNA-related issues and expressed his commitment to helping shape the RHNA process and related policy discussions from the perspective of Southern California's local jurisdictions.

Debbie Baker, Orange County Representative and Mayor Pro Tem for the City of La Palma, introduced herself and noted that she serves one of the smaller cities in North Orange County. As a first-time participant in the RHNA process, she stated that she looked forward to learning from other committee members, engaging in the discussions, and working collaboratively to develop a fair outcome for all jurisdictions.

Tanya Doby, an Orange County Representative, expressed her longstanding passion for housing issues. She noted that her experience provides a unique perspective that she hopes to contribute to the subcommittee's discussions and stated that she looked forward to working with fellow members throughout the RHNA process.

John Gabbard, Orange County Representative and Mayor of Dana Point, introduced himself and noted that he represents several southern coastal cities in Orange County in the SCAG region. Drawing on his professional background in residential land development throughout Southern California, he emphasized the importance of ensuring that the subcommittee asks challenging questions and develops a credible, transparent RHNA methodology. He stated that his goal was to help produce a final allocation framework that was thoughtful, well-reasoned, and understandable to stakeholders, even where disagreements may remain regarding the outcome.

Patricia Lock Dawson, Riverside County Representative and Mayor of the City of Riverside, emphasized the importance of the RHNA process and its impact on communities throughout the region. She stated that her goal was to ensure the region has a voice in the process, noting that SCAG provides an important forum for jurisdictions with diverse needs and demographics to work together and communicate regional priorities. She expressed appreciation for the opportunity to serve on the subcommittee.

Gary Gardner, Riverside County Representative, Council Member in the City of Desert Hot Springs, Reginal Council representative for District 2, and CEHD Member, stated that he was new to the RHNA process and was approaching the work with a desire to learn, ask questions, and better understand the allocation framework. He emphasized the importance of balancing the needs of his local area with those of Riverside County and the broader Southern California region, and expressed his commitment to contributing to the process.

Steve Manos, Riverside County Representative and Mayor/Councilmember for the City of Lake Elsinore, noted his extensive professional background in real estate, lending, and housing-related organizations. He expressed a strong interest in understanding the RHNA process and the methodologies used to develop housing allocations, emphasizing the importance of clearly communicating that information to fellow local officials and stakeholders. Mr. Manos stated that his goal was to help foster a more transparent, collaborative, and effective process that reflects the interests of jurisdictions across the region.

Helen Tran, San Bernardino Representative and Mayor of the City of San Bernardino, noted that she has served in her current role for nearly four years. She emphasized that housing remains a critical issue for the city, county, and region, and expressed her commitment to contributing to the RHNA Subcommittee's work. She stated that she looked forward to effectively representing San Bernardino County while collaborating with fellow members to advocate for regional housing needs and solutions.

Acquanetta Warren, San Bernardino County Representative, introduced herself and expressed appreciation for the opportunity to serve on the RHNA Subcommittee. She emphasized the importance of collaboration in addressing housing challenges affecting communities throughout the region, acknowledged that the needs of cities and counties vary, and expressed confidence that the Subcommittee's collective expertise would help develop meaningful solutions.

Vianey Lopez, Ventura County Representative, Ventura County Supervisor for the Fifth District, and former city council member, noted that she was elected during the sixth RHNA cycle. She expressed her interest in participating in the Subcommittee's work on housing issues and stated that she looked forward to engaging with cities and regional partners throughout the RHNA process while serving alongside fellow committee members.

Chair Rhodes encouraged members to maintain a collaborative and positive approach throughout the process, emphasizing the importance of learning about RHNA, sharing ideas, and considering different viewpoints as the subcommittee develops its work. Chair Rhodes expressed confidence in the expertise and commitment of the group.

#### **REVIEW AND PRIORITIZE AGENDA ITEMS**

There were no requests to prioritize agenda items.

#### **CONSENT CALENDAR**

There were no public comments on the Consent Calendar.

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Receive and File

## 1. Transmittal of RHNA Statute

**ACTION ITEM**2. 7<sup>th</sup> Cycle RHNA Subcommittee Charter

Senior Deputy Legal Counsel Lam presented the draft RHNA Subcommittee Charter, which will govern the subcommittee's work during the 7th Cycle RHNA process. He explained that the charter outlines the subcommittee's purpose, responsibilities, membership structure, meeting procedures, and decision-making authority, and that member input would be incorporated before the charter was forwarded to the CEHD Committee and Regional Council for approval. Mr. Lam noted that the 17-member subcommittee represents all six SCAG counties and serves primarily in an advisory capacity to the CEHD Committee and Regional Council, except when acting as the RHNA Appeals Board, where its decisions are final. He also reviewed provisions related to vacancies, quorum and voting requirements, vice chair selection, mandatory recusals in appeals involving a member's own jurisdiction, and other governance updates based on lessons learned from the 6th Cycle RHNA process. He indicated that the proposed charter was intended to provide a clear, fair, and transparent framework for the subcommittee's work.

Regional Council Member Finlay asked whether the recusal requirement would apply to appeals from any city within her Regional Council district or only to her own city.

Senior Deputy Legal Counsel Lam clarified that the recusal requirement applies only to a member's own jurisdiction, such as Member Finlay's city of Duarte. He indicated that subject to final confirmation, members would generally still be able to hear appeals from other cities within their Regional Council districts.

Regional Council Member Gardner stated that Ms. Finlay had raised the same question he intended to ask regarding whether recusal applied to a Regional Council district or only to a member's city. He indicated that the clarification addressed his concern.

Regional Council Member Doby requested a definitive clarification regarding the recusal policy, noting that while she understood the need to recuse herself from matters involving her own city, she wanted confirmation that the requirement would not extend to all jurisdictions within her Regional Council district.

Senior Deputy Legal Counsel Lam stated that staff would review the issue and provide a definitive response.

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Chair Rhodes raised a related question regarding appeals involving a subregional group, asking whether he would be required to recuse himself if a subregional group that included his city filed an appeal.

Senior Deputy Legal Counsel Lam responded that if a subregional group were acting collectively in an appeal and a member represented a jurisdiction within that group, recusal would be required.

There were no public comments for Item 2.

A MOTION was made (Finlay) to review and provide input to staff on the attached draft charter (see Attachment 1). Motion was SECONDED (Manos). The motion passed by the following roll call votes:

**AYES:** Allen, Baker, Byers, Doby, Finlay, Gabbard, Gardner, Goodsell, Lock Dawson, Lopez, Manos, Rhodes, Shapiro, Tran, and Warren (15)

**NOES:** None (0)

**ABSTAINS:** None (0)

### INFORMATION ITEMS

#### 3. Overview of RHNA

Chair Rhodes noted that the next item was an overview of RHNA, which was an informational presentation on the RHNA process. He explained that this presentation served as their RHNA 101 overview, and was intended to give all subcommittee members a shared understanding of the RHNA process. He noted that they would review the roles of HCD, SCAG, local jurisdictions, and this subcommittee, along with key statutory requirements and major milestones leading to the adoption of the final RHNA allocation plan.

Ma'Ayn Johnson, Department Manager of Housing, presented a RHNA 101 overview of the Regional Housing Needs Assessment process and the RHNA Subcommittee's role in the 7th Cycle. She explained that RHNA was a state-mandated, eight-year planning process used to identify existing and projected housing needs and allocate those needs across jurisdictions and income categories. She emphasized that RHNA was a planning requirement rather than a housing production mandate, requiring jurisdictions to demonstrate sufficient housing capacity through their housing elements. Ms. Johnson reviewed the five statutory RHNA objectives: increasing housing supply, affordability, and housing choice; promoting infill development and socioeconomic equity while protecting environmental and agricultural resources; improving the jobs-housing relationship; ensuring a more

equitable distribution of housing needs across communities; and affirmatively furthering fair housing by expanding access to opportunity, resources, and amenities throughout the region. She outlined the major steps in the RHNA process, beginning with the Regional Housing Needs Determination (RHND), which was established by HCD. She explained that SCAG then develops a methodology to distribute the regional housing need among cities and counties, after which jurisdictions receive draft allocations that may be appealed before final allocations are adopted. She noted that all reductions resulting from successful appeals must be redistributed within the region so that the final allocation remains consistent with the RHND established by HCD. She noted that following adoption of the final RHNA allocation plan, local jurisdictions must update their housing elements to demonstrate capacity to accommodate their assigned housing needs. Ms. Johnson also highlighted several changes affecting the 7th Cycle RHNA process as a result of recent legislation. These include an accelerated schedule that requires the RHND to be issued one year earlier than in previous cycles, expansion of income categories from four to six to better address housing needs across income levels and homelessness, a requirement that HCD approve SCAG's RHNA methodology before final adoption, and additional statutory considerations related to climate impacts, student housing, housing cost burden, and overcrowding. She noted that while SCAG received an allocation of approximately 1.3 million units during the 6th Cycle, the 7th Cycle regional housing need had not yet been determined. Finally, Ms. Johnson reviewed the respective roles of HCD, SCAG, local jurisdictions, and the RHNA Subcommittee. She explained that HCD was responsible for determining the regional housing need and certifying housing elements, while SCAG develops the allocation methodology, conducts the allocation process, and considers appeals. She noted that Local jurisdictions were responsible for updating their housing elements to accommodate assigned housing needs. She explained that the RHNA Subcommittee will play a central role in developing the methodology, making recommendations to the CEHD and Regional Council, conducting RHNA appeals hearings, and issuing final decisions on appeals. Ms. Johnson also reviewed the proposed timeline, noting that staff intends to accelerate adoption of the final allocation plan to April 2028, providing jurisdictions approximately 18 months to prepare housing element updates before the statutory deadlines of October 2029, or April 2030 for jurisdictions in Los Angeles and Imperial Counties.

Mike Callahan, a resident of the City of Los Angeles, expressed concerns about the lack of transparency and public understanding associated with the 6th Cycle RHNA process. Drawing on his engineering background, he emphasized the importance of transparency and stated that he was encouraged by the subcommittee's discussion regarding openness and public engagement. Mr. Callahan commented that a key issue in the RHNA process was the RHND established by the State, noting that once the regional housing allocation was set, local flexibility was limited. Mr. Callahan further stated his belief that the 6th Cycle RHNA allocations were significantly higher than warranted, citing concerns that housing need estimates for the region and the City of Los Angeles were overstated. He questioned how the RHNA Subcommittee and SCAG interact with the HCD during the RHND process and asked whether the subcommittee would have an opportunity to

provide input to help ensure that the final regional housing determination is realistic and supported by the underlying data.

Chair Rhodes thanked Mr. Callahan for his remarks and stated that the subcommittee was currently operating within a limited window during which input may be provided to HCD. He requested clarification regarding the extent to which SCAG was able to influence or provide input on HCD's determination of the region's housing need.

Mr. Kane suggested deferring discussion until the next presentation as he would be providing more information on the RHND process.

Robert Nigg stated this was an uphill battle and was aware of that. He stated that under Government Code Section 65584.1(c)(1), there should be consultation which he would like to see because these numbers were unfeasible. He urged SCAG to take a more proactive role in seeking clarification from HCD regarding the allocations.

Chair Rhodes noted that SCAG had actively engaged with HCD during the previous RHNA cycle. He explained that HCD operates independently and ultimately determines how it considers and responds to feedback from SCAG. Chair Rhodes further noted that between RHNA cycles, SCAG had submitted several recommendations aimed at improving the RHNA process, some of which were incorporated by HCD while others were not. He thanked the speaker for their comments.

Victoria Gomez, a Los Angeles County resident and representative of the Housing Action Coalition, commended staff for the RHNA overview presentation. She stated that the presentation was informative and effective in providing a clear introduction to the RHNA process and expressed appreciation for Ms. Johnson's presentation.

Regional Council Member Gabbard raised questions regarding the implementation of recusal requirements in situations involving subregional groups, specifically asking how appeals would be handled when a Regional Council district is only partially included within a subregion. He also inquired about deadlines and asked whether subregional entities would have the flexibility to redistribute housing allocations within the subregion to meet housing goals.

Chair Rhodes acknowledged that the issues raised by Member Gabbard regarding subregional delegations and recusal requirements were questions he had also asked and was not sure if it would be part of a future presentation.

Ms. Johnson explained that state housing law allows the formation of RHNA subregions through a process known as subregional delegation, under which two or more geographically contiguous jurisdictions may form a subregion. She stated that SCAG would provide the subregion with a

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housing need determination, after which the participating jurisdictions would develop their own allocation methodology and conduct their own appeals process, subject to the same statutory requirements that govern SCAG's RHNA process, including compliance with RHNA objectives and methodology requirements. Ms. Johnson noted that the final subregional allocations would ultimately be returned to SCAG for incorporation into the regionwide RHNA allocation plan. She added that staff was developing guidelines for interested jurisdictions and expected to return the topic to the Subcommittee for future review and consideration. She also noted that the statutory deadline for the subregion to inform SCAG was June 2027.

Regional Council Member Doby asked for clarification regarding how housing allocations were redistributed when an appeal was successful. Using La Palma as an example, she inquired whether any reduction in a jurisdiction's allocation would be redistributed within its Regional Council district, within the county, or across the entire SCAG region.

Ms. Johnson responded that state housing law requires adjustments resulting from the appeals process to be redistributed proportionally among local governments. She explained that for applicable appeals, the reallocation was not limited to a specific district or county but was distributed across the region in accordance with statutory requirements.

#### 4. Regional Housing Needs Determination (RHND)—Primer and Conditions in the SCAG Region

Chair Rhodes explained that staff would provide an overview of how HCD develops the RHND, including the data assumptions and statutory requirements that guide the determination. He noted that the presentation would also review current demographic, housing, and economic conditions within the SCAG region that could influence the regional housing need allocation. Chair Rhodes then invited Planning Supervisor Dr. Kevin Kane to deliver the presentation.

Dr. Kevin Kane, Planning Supervisor, presented an overview of the RHND process, explaining that state law requires HCD, in consultation with SCAG, to determine the region's housing need. He outlined the statutory process, noting that SCAG provides population projections and other required data, including household formation rates and census-based housing information, which HCD then uses, along with its own assumptions and methodology, to calculate the RHND. Dr. Kane explained that SCAG has an opportunity to consult with HCD regarding its assumptions and methodology and may formally object to the determination before it becomes final, although the final RHND decision rests with HCD. Dr. Kane reviewed the role of population forecasting in the RHND process, explaining that household growth associated with population changes remains a foundational component of housing need calculations. He discussed demographic trends projected for the SCAG region, including declining populations in younger age groups, growth among residents aged 65 and older, and changing household formation patterns. He noted that although overall population growth was expected to be modest or potentially decline slightly over the

planning horizon, household growth may continue due to smaller household sizes, aging demographics, and changes in household formation rates among younger adults. He highlighted that the average household size was projected to decline in coming decades, contributing to housing demand even as population growth slows. Dr. Kane also reviewed regional housing production trends, noting that housing development had experienced significant fluctuations over the past several decades but had remained relatively consistent in recent years, averaging approximately 45,000 to 50,000 units annually across the SCAG region, with recent production levels trending slightly higher. He discussed preliminary demographic and economic projections being developed through Connect SoCal 2050 and explained how these forecasts were used to balance projected population, household, employment, and land use trends throughout the region. The presentation further examined several statutory factors that HCD may use when determining housing needs. Dr. Kane described vacancy rates as an important measure of housing market conditions and reviewed differences between current regional vacancy rates and benchmarks used by HCD to define a healthy housing market. He explained that vacancy-related adjustments accounted for a meaningful portion of the 6th Cycle RHND and may continue to influence future determinations. He also discussed household overcrowding, noting that Southern California's overcrowding rate remained substantially higher than the national average. He indicated that State law now permits HCD to compare regional overcrowding levels to national averages, and overcrowding was a significant factor in the 6th Cycle RHND. Dr. Kane reviewed housing cost burden as another major consideration, explaining that approximately 45 percent of households in the SCAG region spend more than 30 percent of their income on housing expenses. He noted that HCD had historically incorporated cost burden into RHND calculations by comparing regional conditions with national averages and applying adjustments to reflect those differences. He explained that while housing cost burden was a significant housing challenge, its relationship to housing supply was more complex than some other RHND factors, such as projected household growth or overcrowding. Finally, Dr. Kane highlighted several new statutory factors expected to influence the 7th Cycle RHND, including student housing needs, homelessness, units lost during declared emergencies such as the Eaton and Palisades fires, seasonal housing considerations, and regional jobs-housing balance. He emphasized that the RHND was ultimately shaped not only by data but also by the assumptions and methodologies applied to that data, making consultation between SCAG and HCD an important part of the process. He concluded by noting that consultation with HCD had recently begun and that staff would continue assembling and analyzing regional data as the RHND process moved forward.

Elizabeth Hansburg, People for Housing Orange County, thanked staff for the presentations and asked whether the population and household projections used for the RHNA process were the same as those used in SCAG's Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). She also inquired about safeguards governing RHNA subregional delegations, expressing concern that higher-income jurisdictions could potentially shift housing obligations to neighboring lower-

income communities in a manner that would conflict with Affirmatively Furthering Fair Housing objectives.

Dr. Kane responded that state law generally directs HCD to use Council of Governments' RTP/SCS projections when they are within a specified range of state projections. He noted that SCAG's projections and the state's projections were currently very similar and explained that the issue would likely be discussed further during the RHND consultation process with HCD.

Ms. Johnson explained that any RHNA subregion formed through subregional delegation was subject to the same statutory requirements as SCAG, including developing a methodology, furthering RHNA objectives, and obtaining HCD approval. She also noted that jurisdiction-to-jurisdiction trading or transfer of RHNA allocations was permitted in cycles prior to the 6th Cycle but was eliminated beginning with the 6th Cycle and remained unavailable for the 7th Cycle.

Mike Callahan thanked staff for the presentation and described it as one of the clearest explanations of the RHNA process he had encountered. He questioned the population growth assumptions underlying projected housing needs, noting that the region's reported population change appeared significantly smaller than the housing need estimates being discussed. Mr. Callahan expressed concern that the methodology did not appear to fully account for population declines, including households leaving the region, and suggested that both increases and decreases in population should be reflected when estimating housing demand. He commented that additional explanation of how population growth translates into housing need would improve public understanding and confidence in the process.

Regional Council Member Bucknum asked for clarification regarding SCAG's consultation process with HCD, specifically inquiring who participates in the meetings and whether participation was limited to technical staff or could include RHNA Subcommittee leadership. She also asked whether the RHNA Subcommittee could receive updates during the consultation process, including any areas of disagreement between SCAG and HCD, and provide guidance to staff as the process moves forward.

Ms. Johnson responded that the initial consultation with HCD was primarily introductory and involved senior SCAG and HCD staff, including Sarah Jepson, Elizabeth Carvajal, and herself. She explained that the discussion did not include detailed data analysis or methodology issues, but instead focused on introductions, process expectations, and coordination, noting that more technical discussions regarding data sources and related topics were expected in the coming months.

Dr. Kevin Kane added that SCAG's consultation with HCD evolves from high-level discussions to detailed technical reviews as the RHND process progresses. He explained that past consultations

had included in-depth discussions of technical assumptions, data sources, and methodology issues, such as vacancy rates, housing cost burden, and other factors that can significantly affect housing need calculations. Dr. Kane indicated that the process often involves both technical and policy considerations and that future consultations were expected to include similar detailed analysis and discussions.

Chair Rhodes emphasized the importance of ensuring that the RHNA Subcommittee has a voice in consultations with the HCD. He stated that where appropriate, he would seek opportunities to participate in those discussions on behalf of the Subcommittee. Chair Rhodes also stressed the importance of transparency, expressing support for making the data and assumptions used in developing housing need determinations available to the public so that stakeholders can independently review, evaluate, and understand the analyses and methodologies being used.

Henry Fung, a member of the public, commented on his involvement in the previous RHNA cycle and emphasized the importance of stronger collaboration between SCAG and HCD in developing the Regional Housing Needs Determination. He expressed concerns regarding past allocation estimates and public confidence in the process, while supporting efforts to address overcrowding and housing shortages. Mr. Fung stated that increasing housing availability was important to accommodate future household formation, support economic growth, and provide housing opportunities for a diverse population.

Matt Glesne, speaking on his own behalf, thanked staff for the presentation and cautioned against using population loss or out-migration trends as justification for lower housing need estimates, arguing that such trends reflect the region's ongoing housing challenges. He emphasized the importance of continuing efforts to address housing shortages and improve affordability, and expressed the view that there was a strong relationship between housing supply and housing cost burden. Mr. Glesne indicated that he would provide additional data supporting that relationship for staff's consideration.

Regional Council Member Trish Kelley expressed appreciation that the 7th Cycle RHNA process was beginning earlier and would provide jurisdictions with additional time to prepare their housing elements. However, she also voiced concern that recent legislative changes appeared to reduce local flexibility, including limitations on appeals and the expansion of RHNA income categories from four to six levels. She asked whether any assistance, guidance, or planning support would be available to help jurisdictions address the added complexity associated with the new income categories.

Chair Rocky Rhodes acknowledged Member Kelley's concerns and noted that the additional income categories were required by state law rather than by SCAG. He encouraged her to work directly

with SCAG staff to better understand the changes and available resources, while emphasizing that SCAG must comply with the statutory requirements.

Regional Council Member Doby posed several questions regarding the housing needs assessment. She expressed concern that housing needs for residents age 65 and older may not be adequately reflected and suggested consideration of senior housing as a distinct category, similar to student housing. She also questioned whether household overcrowding was being evaluated in the context of housing affordability and whether data exists to explain why households were living together, such as for financial savings or homeownership goals. Additionally, she asked whether housing cost burden analyses were based on residents' current housing situations or on their desired housing locations, noting that these factors could significantly affect the findings.

Chair Rhodes acknowledged Member Doby's questions and noted that he shared similar concerns. He indicated that staff, including Dr. Kane, would have the opportunity to follow up and provide responses to the questions raised.

Dr. Kane responded that RHNA was driven by existing and projected housing need requirements pursuant to state law (Government Code Section 65584.01). He noted that the RHNA process involved numerous components and considerations.

## 5. RHNA Methodology

Chair Rhodes introduced the agenda item on the RHNA methodology process, noting that development of the methodology was one of the RHNA Subcommittee's most important responsibilities and would be the primary focus of the subcommittee's work in the coming months. He explained that staff would provide an overview of the statutory requirements, planning factors, public outreach obligations, and key policy considerations that must be considered in developing the methodology.

Ms. Johnson presented an overview of the RHNA methodology development process, emphasizing that the methodology would be the primary focus of the Subcommittee's work over the coming months. She explained that the subcommittee was currently in the proposed methodology development phase and would be reviewing various allocation factors and policy considerations during future meetings. She emphasized that as part of the process, SCAG was required to survey jurisdictions regarding local planning factors and affirmatively furthering fair housing (AFFH) goals and practices, with staff anticipating presentation of the survey materials at a future meeting. Ms. Johnson outlined the methodology development timeline, noting that a proposed methodology was scheduled for release in March 2027, followed by a public comment period, staff review of comments and recommendations, preparation of a draft methodology, and submission to HCD for review and approval before adoption of a final methodology. She also reviewed the statutory

requirements governing development of the methodology, explaining that the allocation framework must further the five RHNA objectives established in state law and be informed by the development patterns identified in SCAG's Connect SoCal regional plan. She noted that the methodology must also consider various regional opportunities and constraints identified in Government Code Section 65584.04, including factors such as farmworker housing needs, while recognizing that not every factor must be directly incorporated into the allocation formula itself. She further explained that state law prohibits consideration of certain factors, including local growth-control measures, prior RHNA underproduction, and stable production from previous cycles. Mr. Johnson highlighted several new factors that must be considered during the 7<sup>th</sup> Cycle, including disaster-related housing loss, overcrowding, housing cost burden, homelessness, and updated considerations related to university and college housing needs. She emphasized that while these factors must be considered in developing the methodology, the final formula was not required to be based on each individual factor. Lastly, she reviewed upcoming milestones, including development of methodology components, release of the proposed methodology, public review, HCD approval, and adoption of the final allocation methodology, with the goal of completing the allocation process by October 2027. She also indicated that staff would provide a more detailed discussion of the 6th Cycle RHNA methodology at a future meeting.

Chair Rocky Rhodes indicated that the statutory factors required to be considered in developing the RHNA methodology would be examined individually in future meetings to ensure the Subcommittee fully understands their relevance and potential role in the allocation process. He expressed support for conducting detailed reviews of each factor to help inform how they may be considered and weighted within the overall methodology.

There were no public comments for Item 5.

## **ADJOURNMENT**

Chair Rhodes announced that a recurring schedule had been established for RHNA Subcommittee meetings, to be held on the second Thursday of each month from 1:00 p.m. to 3:00 p.m., with the next meeting scheduled for September 10. He informed members that the Subcommittee would elect a Vice Chair at the September meeting and requested that interested members submit their names to the Clerk by September 3. In response to a question from Regional Council Member Margaret Finlay regarding meeting format, Chair Rhodes stated that meetings would be held virtually via Zoom for the time being, although he expressed a preference for in-person meetings. Chair Rhodes thanked subcommittee members, staff, and members of the public for their participation and thoughtful contributions, emphasized the importance of transparency and collaboration throughout the RHNA process, and expressed confidence that the Subcommittee's work would lead to positive outcomes.



## MINUTES

There being no further business, Chair Rhodes adjourned the Regional Housing Needs Assessment Subcommittee meeting at 3:01 p.m.

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE REGIONAL HOUSING NEEDS ASSESSMENT  
SUBCOMMITTEE]

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## AGENDA ITEM 2

### REPORT

Southern California Association of Governments

September 10, 2026

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**To:** RHNA - Regional Housing Needs Assessment Subcommittee

**EXECUTIVE DIRECTOR'S  
APPROVAL**

**From:** Ma Ayn Johnson, Department Manager  
213-236-1975, johnson@scag.ca.gov

*Kome Ajise*

**Subject:** RHNA Subcommittee Topic Outlook

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**RECOMMENDED ACTION:**

Receive and File

**STRATEGIC PRIORITIES:**

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future.

**EXECUTIVE SUMMARY:**

*The attachment contains a schedule of upcoming meetings of the RHNA Subcommittee and an outline of topics and actions for its future meetings. The schedule also includes major anticipated CEHD and Regional Council actions based on recommendations of the RHNA Subcommittee. The schedule and future meeting topics are subject to change. SCAG staff will continue to update this outlook and update the RHNA Subcommittee on these changes, as needed.*

**BACKGROUND:**

The RHNA Subcommittee held its first meeting on August 13, 2026 to start the 7<sup>th</sup> RHNA cycle process. The Subcommittee is responsible for developing a proposed RHNA methodology and making recommendations to the CEHD Committee and Regional Council on the draft and final methodologies. It will also hear and determine appeals filed on the draft RHNA allocation, and then will make recommendations to the CEHD Committee and Regional Council on the proposed final RHNA allocation plan.

The attachment contains a schedule of upcoming meetings of the RHNA Subcommittee and an outline of topics and actions for its future meetings. The schedule also includes major anticipated CEHD and Regional Council actions based on recommendations of the RHNA Subcommittee. The schedule and future meeting topics are subject to change. SCAG staff will continue to update this outlook and update the RHNA Subcommittee on these changes, as needed.

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**FISCAL IMPACT:**

Work associated with this item is included in the FY 26-27 SCAG General Fund (800-0160.03 - Regional Housing Needs Assessment).

**ATTACHMENT(S):**

1. RHNA Subcommittee Topic Outlook

RHNA Subcommittee Topic Outlook  
Aug 2026 – April 2028

| RHNA Subcommittee Mtg /CEHD/RC |       | Proposed Date* | Subject*                                                                                                                                              | Action                                                                        |
|--------------------------------|-------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| August                         | Mtg 1 | Aug 13, 2026   | Overview of RHNA process and legislation; introduction to the regional determination process; Subcommittee charter; Introduction to RHNA methodology  | Recommend Subcommittee charter to CEHD/RC                                     |
| September                      | CEHD  | Sept 3, 2026   | Subcommittee charter                                                                                                                                  | Recommend RC approve RHNA Subcommittee charter                                |
|                                | RC    | Sept 3, 2026   | Subcommittee charter                                                                                                                                  | Approve RHNA Subcommittee charter                                             |
|                                | Mtg 2 | Sept 10, 2026  | Election of Vice Chair; release local planning factor/AFFH survey<br><br>RHNA methodology: social equity                                              | Approve release of RHNA local planning factor and AFFH survey                 |
| October                        | Mtg 3 | Oct TBD        | Updates to RHND process and final RHND ( <i>appeals must be submitted within 30 days of HCD transmittal</i> )<br><br>RHNA methodology: transit access |                                                                               |
| November                       | Mtg 4 | Nov 12, 2026   | RHNA methodology: job access                                                                                                                          |                                                                               |
| January                        | Mtg 5 | Jan 14, 2027   | Subregional delegation guidelines; update on methodology survey results<br><br>RHNA methodology: Other factors                                        | Recommend CEHD approve subregional delegation guidelines                      |
| February                       | CEHD  | Feb 4, 2027    | Subregional delegation guidelines                                                                                                                     | Recommend RC approve subregional delegation guidelines                        |
|                                | RC    | Feb 4, 2027    | Subregional delegation guidelines                                                                                                                     | Approve subregional delegation guidelines                                     |
| March                          | Mtg 6 | Mar 11, 2027   | Proposed RHNA methodology options                                                                                                                     | Recommend proposed RHNA Methodology Options to CEHD for public comment period |

| Meeting | Proposed Date* | Subject | Action |
|---------|----------------|---------|--------|
|---------|----------------|---------|--------|

|                  |                                                                                                         |                    |                                                                   |                                                                                                  |
|------------------|---------------------------------------------------------------------------------------------------------|--------------------|-------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>April</b>     | <b>Public Hearing(s) on Proposed RHNA Methodology Options<br/>(public comment period Mar– Apr 2027)</b> |                    |                                                                   |                                                                                                  |
| <b>June</b>      | Mtg 7                                                                                                   | Jun 2027           | Draft RHNA methodology; approve RHNA appeals guidelines           | Recommend CEHD approve draft RHNA methodology; approve RHNA appeals guidelines                   |
| <b>July</b>      | CEHD                                                                                                    | Jul 2027           | Draft RHNA methodology                                            | Recommend RC approve draft RHNA methodology; recommend RC approve RHNA appeals guidelines        |
|                  | RC                                                                                                      | Jul 2027           | Draft RHNA methodology                                            | Approve submittal of draft RHNA methodology to HCD; approve RHNA appeals guidelines              |
| <b>September</b> | Mtg 8                                                                                                   | Sept 2027 (ad hoc) | Review final RHNA methodology; action to release draft allocation |                                                                                                  |
| <b>October</b>   | CEHD                                                                                                    | Oct 2027           | Final RHNA methodology                                            | Recommend RHNA methodology adoption to RC; recommend release of draft RHNA allocation            |
|                  | RC                                                                                                      | Oct 2027           | Final RHNA methodology                                            | Adopt RHNA methodology; approve release of draft RHNA allocation                                 |
|                  | <b>Public hearing and determination on appeals (Dec 2027-Feb 2028)</b>                                  |                    |                                                                   |                                                                                                  |
| <b>February</b>  | Mtg 9                                                                                                   | Feb 2028           | Review and ratify the decisions on appeals                        | Issue written decisions regarding appeals; Recommend to CEHD proposed Final RHNA Allocation Plan |
| <b>March</b>     | CEHD                                                                                                    | Mar 2028           | Final RHNA Allocation Plan                                        | Recommend to RC to adopt final RHNA plan                                                         |
| <b>April</b>     | RC                                                                                                      | Apr 2028           | Final RHNA Allocation Plan                                        | Adopt final RHNA plan and submit to HCD                                                          |

\*Dates and subject to

topics are change.



## AGENDA ITEM 4

### REPORT

Southern California Association of Governments

September 10, 2026

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**To:** RHNA - Regional Housing Needs Assessment Subcommittee

**EXECUTIVE DIRECTOR'S  
APPROVAL**

**From:** Ma Ayn Johnson, Department Manager  
213-236-1975, johnson@scag.ca.gov

*Kome Ajise*

**Subject:** 7th Cycle RHNA Survey Packet

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#### **RECOMMENDED ACTION:**

Approve distribution of the 7th Cycle RHNA Survey Packet, inclusive of the Local Planning Factor Survey and the Affirmatively Furthering Fair Housing Survey.

#### **STRATEGIC PRIORITIES:**

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future. 2: Be a cohesive and influential voice for the region. 3: Spur innovation and action through leadership in research, analysis and information sharing.

#### **EXECUTIVE SUMMARY:**

***State housing law requires SCAG to survey member jurisdictions on local planning factors and efforts to affirmatively further fair housing (AFFH) as part of the Regional Housing Needs Assessment (RHNA) process. The survey results will inform the development of the draft 7th Cycle RHNA methodology and help ensure that local planning conditions and fair housing principles are considered, as required by state law. If approved, SCAG staff will release the RHNA Survey Packet later this month, and responses will be due on January 29, 2027.***

#### **BACKGROUND:**

State law requires councils of governments to consider a variety of local planning factors and affirmatively further fair housing when developing the RHNA methodology. As part of this process, Government Code Section 65584.04 requires SCAG to distribute a survey to local jurisdictions no earlier than six months prior to release of the proposed RHNA methodology. The survey must collect information related to local planning factors identified in state law and provide jurisdictions with an opportunity to share local conditions, constraints, and planning considerations that may inform the methodology. State law also requires SCAG to survey jurisdictions regarding fair housing issues, strategies, and actions undertaken to affirmatively further fair housing.

Jurisdictions may provide any information they believe is relevant to local planning conditions through the survey. However, state law limits the factors SCAG may consider in developing the RHNA

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methodology and allocations. Pursuant to Government Code Section 65584.05(g), the following criteria cannot be used to determine or reduce a jurisdiction's RHNA allocation:

1. Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by the jurisdiction.
2. Underproduction of housing units, as measured by the previous RHNA cycle allocation.
3. Stable population numbers, as measured by the previous RHNA cycle allocation.

If a local jurisdiction files a RHNA appeal, the appeal may be based on a claim that SCAG did not adequately consider information submitted through the proposed survey.

### **Local Planning Factor Survey**

The Local Planning Factor Survey asks jurisdictions to describe how each statutory planning factor affects their community. For convenience, the planning factors are abbreviated in the survey; however, a complete list of the factors in Government Code Section 65584.04(e) is included in the survey packet. Jurisdictions are also asked to identify the extent to which each factor provides opportunities or constraints for housing production. The information collected will help SCAG identify regional trends and common themes, as well as assess the relative significance of various factors across jurisdictions.

Since the 6th Cycle, several new planning factors have been added to state law. These include emergency evacuation route capacity, wildfire risk, sea level rise, and other climate change-related impacts, the housing needs of individuals experiencing homelessness, and consistency with development plans identified in the region's Sustainable Communities Strategy. In accordance with state statute, these factors have been built into the survey.

### **AFFH Survey**

The AFFH Survey asks local jurisdictions to identify fair housing issues within their communities and describe the strategies and actions they have undertaken to address those issues. The 6th Cycle AFFH Survey was primarily based on the U.S. Department of Housing and Urban Development's (HUD) Analysis of Impediments (AI) and Assessment of Fair Housing (AFH) frameworks. Because these federal planning documents are no longer required, the 7th Cycle AFFH Survey has been redesigned to place greater emphasis on housing element implementation. The survey seeks to better understand local jurisdictions' efforts to carry out the AFFH programs, policies, and strategies identified in their housing elements.

### **Timeline and Next Steps:**

Pending approval, SCAG staff plans to release the RHNA Survey packet later this month. The survey packet will be distributed via email to jurisdictional staff (typically the Community Development Director, Planning Manager, or a comparable position) using an online survey platform. The staff

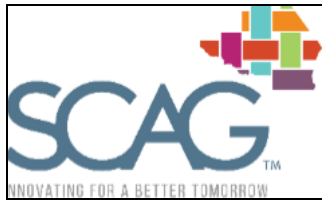
member who receives the survey packet will also be authorized to designate another staff member to complete it on behalf of their agency. Responses will be due on January 29, 2027. In order to maintain fairness and integrity in the survey process, only one survey packet will be accepted per jurisdiction. After the survey closes, SCAG staff will compile and evaluate responses and prepare a summary of findings for consideration as part of the RHNA methodology development process. Staff will also prepare the required regional assessment of fair housing issues, strategies, actions, and barriers identified through the survey responses. Staff currently anticipates presenting findings to the RHNA Subcommittee in the spring of 2027.

**FISCAL IMPACT:**

Work associated with this item is included in the FY27 Overall Work Program (800.0160.03): Regional Housing Needs Assessment (RHNA).

**ATTACHMENT(S):**

1. RHNA Survey Packet (Local Planning Factor Survey and AFFH Survey)
2. PowerPoint Presentation – RHNA Survey Packet



## Local Planning Factor Survey

### Contact Information

|                  |  |
|------------------|--|
| Jurisdiction     |  |
| County           |  |
| Respondent Name  |  |
| Respondent Title |  |
| Respondent Email |  |
| Respondent Phone |  |

### Background and Instructions

In accordance with Government Code 65584.04 (b), SCAG is surveying its member jurisdictions on local planning factors. Responses to this survey will help inform the development of the 7th Cycle RHNA methodology. For each planning factor listed below, please describe the opportunity or constraint level it has on your jurisdiction. The planning factors in the table below are abbreviated. For the full language used, please refer to Government Code Section 65584.04 (e) or the attached reference list.

Please note that information provided may not be used as a basis for reducing the total housing need for the SCAG region established by the Regional Housing Needs Determination (RHND). Additionally, pursuant to Government Code Section 65584.04 (g), there are several criteria that cannot be used to determine or reduce a jurisdiction's RHNA allocation:

- (1) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by the jurisdiction
- (2) Underproduction of housing units as measured by the last RHNA cycle allocation
- (3) Stable population numbers as measured by the last RHNA cycle allocation

Please complete this survey and submit by 5:00 pm on January 29, 2027.

## Planning Factors

| Planning Factor                                                                                                                                                                                                | Opportunity/Constraint Level on Jurisdiction |                          |                          |                          | Explanation |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------|--------------------------|--------------------------|-------------|
|                                                                                                                                                                                                                | High                                         | Moderate                 | Low                      | None                     |             |
| Lack of local housing available to meet the needs of workers (especially lower-wage workers) and imbalance between projected job growth and household growth                                                   | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Lack of capacity for sewer or water service due to decisions made outside of the jurisdiction's control                                                                                                        | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |

| Planning Factor                                                                                                                                 | Opportunity/Constraint Level on Jurisdiction |                          |                          |                          | Explanation |
|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------|--------------------------|--------------------------|-------------|
|                                                                                                                                                 | High                                         | Moderate                 | Low                      | None                     |             |
| Lands protected from development under Federal or State programs to protect open space, farmland, environmental habitats, and natural resources | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| County policies to preserve agricultural land                                                                                                   | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Emergency evacuation route capacity, wildfire risk, sea level rise, and other impacts caused by climate change                                  | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |

| Planning Factor                                                                                                   | Opportunity/Constraint Level on Jurisdiction |                          |                          |                          | Explanation |
|-------------------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------|--------------------------|--------------------------|-------------|
|                                                                                                                   | High                                         | Moderate                 | Low                      | None                     |             |
| Opportunities to accommodate housing growth near public transportation and existing transportation infrastructure | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Agreements between a county and cities to direct growth to incorporated areas of the county                       | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Loss of low-income units through contract expirations                                                             | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |

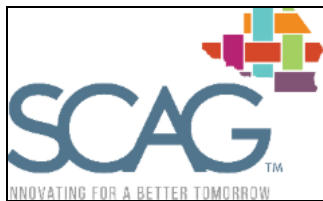
| Planning Factor                                     | Opportunity/Constraint Level on Jurisdiction |                          |                          |                          | Explanation |
|-----------------------------------------------------|----------------------------------------------|--------------------------|--------------------------|--------------------------|-------------|
|                                                     | High                                         | Moderate                 | Low                      | None                     |             |
| Rent burdened and severely rent burdened households | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| High rate of overcrowding                           | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Farmworker housing needs                            | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |

| Planning Factor                                                                                           | Opportunity/Constraint Level on Jurisdiction |                          |                          |                          | Explanation |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------|--------------------------|--------------------------|-------------|
|                                                                                                           | High                                         | Moderate                 | Low                      | None                     |             |
| Housing needs generated by the presence of a university campus within the jurisdiction                    | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Housing needs of individuals and families experiencing homelessness                                       | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Loss of units during a declared state of emergency that have yet to be rebuilt at the time of this survey | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |

| Planning Factor                                                                                          | Opportunity/Constraint Level on Jurisdiction |                          |                          |                          | Explanation |
|----------------------------------------------------------------------------------------------------------|----------------------------------------------|--------------------------|--------------------------|--------------------------|-------------|
|                                                                                                          | High                                         | Moderate                 | Low                      | None                     |             |
| The region's greenhouse gas emission targets provided by the California Air Resources Board              | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Development pattern in the region's sustainable communities strategy of the regional transportation plan | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |
| Other: _____                                                                                             | <input type="checkbox"/>                     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |             |

## Next Steps

Thank you for completing SCAG's Local Planning Factor Survey. Your contributions will help SCAG as it develops the 7th Cycle RHNA methodology. Results will be analyzed by SCAG staff and shared as part of the proposed RHNA methodology process.



## Affirmatively Furthering Fair Housing (AFFH) Survey

### Contact Information

|                  |  |
|------------------|--|
| Jurisdiction     |  |
| County           |  |
| Respondent Name  |  |
| Respondent Title |  |
| Respondent Email |  |
| Respondent Phone |  |

### Background and Instructions

Pursuant to Government Code Section 65584.04, SCAG is surveying local jurisdictions regarding issues, strategies, and actions related to affirmatively furthering fair housing (AFFH) as part of its development of the proposed methodology for the 7th Cycle Regional Housing Needs Assessment (RHNA). Information related to AFFH may be obtained from Assessments of Fair Housing (AFH), Analysis of Impediments (AI), Housing Element's AFFH analysis, community engagement efforts, and other relevant sources. Please note that the information provided may not be used as a basis for reducing the total housing need for the SCAG region established by the Regional Housing Needs Determination (RHND).

Please complete the questions below about AFFH issues, strategies, and actions in your community and submit your answers no later than 5:00 pm on January 29, 2027.

### Survey Questions

#### Section 1: Fair Housing Issues

**1. What data sources does your jurisdiction use to assess fair housing issues? Please check all that apply:**

- ☐ Housing Element AFFH Analysis
- ☐ Environmental Justice Element
- ☐ Community-based Research
- ☐ American Community Survey, Census Bureau, and other government datasets
- ☐ Community Outreach Events and Surveys
- ☐ Assessment of Fair Housing (AFH)

☐ Analysis of Impediments to Fair Housing Choice (AI)

☐ Other (please describe): \_\_\_\_\_

**2. Describe demographic trends and patterns in your jurisdiction over the past ten years. Do any groups experience disproportionate housing needs or barriers to housing opportunity?**

**3. Are there areas within your jurisdiction that have historically experienced racial, ethnic, or economic segregation? If yes, have conditions improved, worsened, or remained unchanged during the 6th Cycle?**

**4. Are there areas within your jurisdiction that experience disproportionately high exposure to environmental burdens or climate risks (e.g., extreme heat, flooding, wildfire risk, poor air quality, industrial emissions)?**

**5. What fair housing issues are identified in your jurisdiction's 6th Cycle Housing Element AFFH analysis? Please check all that apply and describe the issues that are most prevalent in your community.**

☐ Underproduction of affordable housing

☐ Housing cost burden

☐ Limited affordable housing near transit and job centers

☐ Loss of existing deed-restricted or naturally occurring affordable housing

- ☐ Overcrowding
- ☐ Patterns of racial and/or economic segregation and concentrated poverty
- ☐ Housing discrimination
- ☐ Environmental justice issues
- ☐ Climate vulnerability and environmental hazards
- ☐ Community opposition to affordable and supportive housing
- ☐ Unequal access to employment centers, schools, open space, and other community resources
- ☐ Displacement risks
- ☐ Lack of housing for individuals with disabilities
- ☐ Lack of housing for individuals experiencing homelessness
- ☐ Lack of family-sized housing
- ☐ Limited housing choice
- ☐ Disparities in homeownership rates
- ☐ Exclusionary land use practices
- ☐ Other: \_\_\_\_\_

**6. Are there barriers to accommodating additional housing in high-resource or high-opportunity areas in your jurisdiction? If yes, please describe.**

**7. What regional conditions (e.g. housing affordability, funding availability, infrastructure constraints etc.) tend to hinder fair housing outcomes the most in your local community?**

## Section 2: Fair Housing Strategies and Actions

**8. Which public engagement strategies do you use to encourage participation in planning processes related to fair housing? Please check all that apply.**

| Strategy                                                      |                          |
|---------------------------------------------------------------|--------------------------|
| Partnership with non-profit and community-based organizations | <input type="checkbox"/> |
| Partnership with faith-based organizations                    | <input type="checkbox"/> |
| Partnership with schools                                      | <input type="checkbox"/> |
| Partnership with health institutions                          | <input type="checkbox"/> |
| Public hearings                                               | <input type="checkbox"/> |
| Variety of venues and times to hold community meetings        | <input type="checkbox"/> |
| Door-to-door outreach                                         | <input type="checkbox"/> |
| Increased mobile and digital engagement                       | <input type="checkbox"/> |
| Multilingual outreach                                         | <input type="checkbox"/> |
| Pop-up/community event outreach                               | <input type="checkbox"/> |
| Other (please describe): _____                                | <input type="checkbox"/> |

**9. What steps has your jurisdiction undertaken to overcome historical patterns of segregation or remove barriers to equal housing opportunity?**

|  |
|--|
|  |
|--|

**10. What steps has your jurisdiction undertaken to avoid, minimize, or mitigate the displacement of low-income households?**

|  |
|--|
|  |
|--|

**11. Which AFFH strategies were identified in your 6th Cycle Housing Element? What progress has your jurisdiction made on implementing these strategies?**

**12. What lessons from implementation of your 6th Cycle Housing Element should be considered in developing the 7th Cycle RHNA methodology to better AFFH?**

### Next Steps

Thank you for completing SCAG’s AFFH Survey. Your contributions will help SCAG as it develops the 7th Cycle RHNA methodology. Pursuant to Government Code Section 65584.04(c), SCAG will electronically report the results of this survey, including common themes and an analysis of barriers to affirmatively further fair housing at the regional level.

## Local Planning Factors in Government Code Section 65584.04(e)

(1) Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.

(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

(C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot

measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to nonagricultural uses.

(E) Emergency evacuation route capacity, wildfire risk, sea level rise, and other impacts caused by climate change.

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

(4) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(5) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

(6) The percentage of existing households at each of the income levels listed in subdivision (f) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.

(7) The rate of overcrowding.

(8) The housing needs of farmworkers.

(9) (A) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction, the distribution of those students among jurisdictions within the region, and for a campus of the California State University or the University of California, the optimization of transit, pedestrian, and other nonvehicle trip efficiency by students to the campus, including off-campus facilities.

(B) (i) No more than six months before the development of the methodology, the Regents of the University of California are requested to, and the Trustees of the California State University shall, provide to each council of governments a forecast of changes in enrollment levels at its campuses, including off-campus facilities, within the region, based on factors including, but not limited to, (I) cohort progression projections, (II) improvements in the percentage of California residents meeting university admission and transfer standards, and (III) improvements in degree completion by noncohort students. The forecast shall not be limited to students who will be recent high school graduates. The

Regents of the University of California are requested to, and the Trustees of the California State University shall, provide copies of the forecast to the Director of Finance, the Director of Housing and Community Development, and the Chairperson of the Joint Legislative Budget Committee.

(ii) Clause (i) shall apply to the seventh and each subsequent housing element cycle, except as specified in clause (iii).

(iii) With respect to all of the following councils of governments, clause (i) shall apply to the eighth and each subsequent housing element cycles:

(I) The Humboldt County Association of Governments.

(II) The Lake Area Planning Council.

(III) The Mendocino Council of Governments.

(C) The Regents of the University of California are requested to, and the Trustees of the California State University shall, provide trip and travel data to the council of governments upon request.

(10) The housing needs of individuals and families experiencing homelessness. If a council of governments has surveyed each of its member jurisdictions pursuant to subdivision (b) on or before January 1, 2020, this paragraph shall apply only to the development of methodologies for the seventh and subsequent revisions of the housing element.

(11) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.

(12) The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.

(13) The development pattern set forth in the region's sustainable communities strategy of its regional transportation plan.

(14) Any other factors adopted by the council of governments, that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all

household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions.

# RHNA Survey

Ma'Ayn Johnson, Housing Department Manager

September 10, 2026

RHNA Subcommittee

[WWW.SCAG.CA.GOV](http://WWW.SCAG.CA.GOV)

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## Recommended Action

- Approve distribution of the RHNA Survey Packet:
  - Local Planning Factors Survey
  - AFFH Survey



**Local Planning Factor Survey**

7th Cycle Regional Housing Needs Assessment (RHNA)  
Southern California Association of Governments

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**Local Planning Factor Survey**

Contact Information

|                  |  |
|------------------|--|
| Jurisdiction     |  |
| County           |  |
| Respondent Name  |  |
| Respondent Title |  |
| Respondent Email |  |
| Respondent Phone |  |

Background and Instructions

In accordance with Government Code 65584.04 (b), SCAG is surveying its member jurisdictions on local planning factors. Responses to this survey will help inform the development of the 7th Cycle RHNA methodology. For each planning factor listed below, please describe the opportunity or constraint level it has on your jurisdiction. The planning factors in the table below are abbreviated. For the full language used, please refer to Government Code Section 65584.04 (e) or the attached reference list.

Please note that information provided may not be used as a basis for reducing the total housing need for the SCAG region established by the Regional Housing Needs Determination (RHND). Additionally, pursuant to Government Code Section 65584.04 (g), there are several criteria that cannot be used to determine or reduce a jurisdiction's RHNA allocation:

- (1) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by the jurisdiction
- (2) Underproduction of housing units as measured by the last RHNA cycle allocation
- (3) Stable population numbers as measured by the last RHNA cycle allocation

Please complete this survey and submit by 5:00 pm on January 29, 2027, to [housing@scag.ca.gov](mailto:housing@scag.ca.gov).

**Housing (AFFH) Survey**

Needs Assessment (RHNA)  
Southern California Association of Governments

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**Housing (AFFH) Survey**

Contact Information

|                  |  |
|------------------|--|
| Jurisdiction     |  |
| County           |  |
| Respondent Name  |  |
| Respondent Title |  |
| Respondent Email |  |
| Respondent Phone |  |

Background and Instructions

In accordance with Government Code 65584.04 (b), SCAG is surveying its member jurisdictions on local planning factors. Responses to this survey will help inform the development of the 7th Cycle RHNA methodology. For each planning factor listed below, please describe the opportunity or constraint level it has on your jurisdiction. The planning factors in the table below are abbreviated. For the full language used, please refer to Government Code Section 65584.04 (e) or the attached reference list.

Please note that information provided may not be used as a basis for reducing the total housing need for the SCAG region established by the Regional Housing Needs Determination (RHND). Additionally, pursuant to Government Code Section 65584.04 (g), there are several criteria that cannot be used to determine or reduce a jurisdiction's RHNA allocation:

- (1) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by the jurisdiction
- (2) Underproduction of housing units as measured by the last RHNA cycle allocation
- (3) Stable population numbers as measured by the last RHNA cycle allocation

Please complete this survey and submit by 5:00 pm on January 29, 2027, to [housing@scag.ca.gov](mailto:housing@scag.ca.gov).

## Background



State law requires SCAG to survey member jurisdictions on local planning factors and AFFH



Survey responses will be used to identify regional trends and inform RHNA methodology

## Survey Purpose



### Local Planning Factor Survey

Inform RHNA methodology by collecting information on a variety of factors related to housing, infrastructure, transportation, and the environment



### AFFH Survey

Collect data on AFFH issues, strategies, and actions across the region to ensure RHNA allocation plan advances fair housing

## Key Changes from 6<sup>th</sup> Cycle



### Local Planning Factor Survey

New factors related to climate risks, homelessness, and the Sustainable Communities Strategy



### AFFH Survey

Greater emphasis on 6th Cycle Housing Element implementation

## Timeline and Next Steps

September  
2026

- RHNA Subcommittee reviews survey.

January  
2027

- Deadline for jurisdictions to complete surveys

Spring 2027

- Staff develops proposed methodology and presents survey results to RHNA Subcommittee



# THANK YOU!

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For more information, please visit:

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

To subscribe for updates, please visit:

<https://scag.ca.gov/subscribe-updates-0>



## AGENDA ITEM 5

### REPORT

Southern California Association of Governments

September 10, 2026

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**To:** RHNA - Regional Housing Needs Assessment Subcommittee

EXECUTIVE DIRECTOR'S  
APPROVAL

**From:** Ma Ayn Johnson, Department Manager  
213-236-1975, johnson@scag.ca.gov

*Kome Ajise*

**Subject:** Overview of the 6th Cycle RHNA Methodology

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#### RECOMMENDED ACTION:

Information Only - No Action Required

#### STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future.

#### EXECUTIVE SUMMARY:

*The RHNA is a process that determines the existing and projected housing need for each jurisdiction in California. SCAG is responsible for developing an allocation methodology per State housing law to distribute a RHNA need for each of its 191 cities and 6 counties. Statute requires that the adopted methodology further the five objectives of State housing law. For the 6<sup>th</sup> RHNA cycle, SCAG adopted a methodology with various factors using a formulaic approach to distribute housing need. Over the next few months, staff will present on various methodology topics to obtain input from the RHNA Subcommittee. Based on this feedback, staff will prepare a proposed methodology for Subcommittee review and approval for release to the public for comment in March 2027.*

#### BACKGROUND:

##### Methodology Process

The RHNA is a process that determines the existing and projected housing need for each jurisdiction in California. This housing need, also known as the RHNA allocation, covers an 8-year period and requires each jurisdiction, defined as cities and unincorporated communities within counties, to plan for this need in their housing elements.

As the Council of Governments (COG) for Southern California, SCAG is responsible for developing an allocation methodology per Government Code Section 65584.04 to distribute a RHNA need for each of its 191 cities and six counties. RHNA methodologies can differ each cycle, but once adopted the methodology is applied to the Regional Housing Need Determination (RHND) provided by the

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California Department of Housing and Community Development (HCD) to determine each jurisdiction's draft RHNA allocation.

### **RHNA Methodology Requirements**

There are a number of requirements that the RHNA methodology must include as part of its development described throughout Government Code Section 65584.04. The methodology:

- Shall further the five statutory objectives (GC 65584.04 (a))
- Shall consider planning opportunities and constraints in developing the methodology, as described in GC 65584.04 (e)
- Shall be informed by the development pattern included in the sustainable communities strategy (GC 65584.04(m))

### **Furthering the Five Objectives of GC 65584**

Government Code Section 65584.04(a) requires that the RHNA methodology furthers the following five objectives of the Regional Housing Needs Assessment:

1. *Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low and very low-income households.*
2. *Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.*
3. *Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.*
4. *Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.*
5. *Affirmatively furthering fair housing.*
  - *Per statute, this means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into*

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*areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.*

The methodology can include numerical weighting and may also include factors unrelated to furthering the five objectives as long as they do not undermine them and are applied equally across all household income levels, and that SCAG finds that the factor is necessary to address significant health and safety concerns.

Per Section (g), SCAG cannot consider the following factors as a justification for a determination or a reduction in a jurisdiction's share of the regional housing need:

- (1) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county.*
- (2) Prior underproduction of housing in a city or county from the previous regional housing need allocation, as determined by each jurisdiction's annual production report submitted pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.*
- (3) Stable population numbers in a city or county from the previous regional housing needs cycle.*

### **6<sup>th</sup> cycle RHNA Methodology**

Adopted in March 2020, the 6th RHNA methodology was formulaic and consistently applied the same steps to determine the draft allocation for each of SCAG's 197 jurisdictions. Below is a simplified step-by-step approach to determine a 6<sup>th</sup> cycle draft RHNA allocation using the adopted methodology. A full explanation of terminology and other information is available [online](https://scag.ca.gov/sites/default/files/2024-05/scag-final-rhna-methodology-030520.pdf) (<https://scag.ca.gov/sites/default/files/2024-05/scag-final-rhna-methodology-030520.pdf>). For reference, the adopted 6<sup>th</sup> cycle RHNA methodology is also attached to this staff report (Attachment 1). Staff will also provide a walkthrough of the 6<sup>th</sup> cycle methodology at the September 10, 2026 RHNA Subcommittee meeting. An illustrative walkthrough is outlined in this report's PowerPoint attachment.

1. Determine a jurisdiction's projected housing need
    - a. Assign household growth based on the corresponding Connect SoCal Growth Forecast
    - b. Calculate future vacancy need
    - c. Assign a replacement need based on share of net replacement need and adjusted with information from the replacement need survey
  2. Determine a jurisdiction's projected existing need
    - a. Assign need based on a jurisdiction's share of transit access
-

- b. Assign need based on a jurisdiction's share of job access
  - c. For extremely disadvantaged jurisdictions, determine existing residual need that exceeded projected household growth between 2020 and 2045
  - d. Reallocate residual need to non-disadvantaged jurisdictions within the same county
3. Determine total RHNA need by adding existing and projected need
4. Determine four RHNA income categories
  - a. Use a minimum 150% social equity adjustment (see next section for mechanism)
  - b. Modify the social equity adjustment based on jurisdiction's level of access to resources

**Next Steps**

To ensure that sufficient time is allocated for discussion of the various factors and consideration to develop the proposed methodology, SCAG staff will focus on specific topics at each RHNA Subcommittee meeting. Staff will collect feedback and input from the RHNA Subcommittee to help develop the proposed RHNA methodology, which will be brought back to the Subcommittee for consideration and release at its March 2027 meeting.

**FISCAL IMPACT:**

Work associated with this item is included in the FY 26-27 SCAG General Fund (800-0160.03 - Regional Housing Needs Assessment).

**ATTACHMENT(S):**

1. Final 6<sup>th</sup> RHNA Cycle Methodology
2. PowerPoint Presentation - 6th cycle RHNA Methodology

6th RHNA Cycle  
Final RHNA Allocation Methodology

## EXECUTIVE SUMMARY

*SCAG is required to develop a final RHNA methodology to distribute existing and projected housing need for the 6th cycle RHNA for each jurisdiction, which will cover the planning period October 2021 through October 2029. Following extensive feedback from stakeholders during the proposed methodology comment period and an extensive policy discussion, SCAG's Regional Council voted to approve the Draft RHNA Methodology on November 7, 2019, as described below, and provide it to the State Department of Housing and Community Development (HCD) for their statutory review. On January 13, 2020, HCD completed its review of the draft methodology and found that it furthers the five statutory objectives of RHNA and on March 4, 2020, SCAG's Regional Council voted to approve the Final RHNA Methodology. The overall framework for this methodology is included in the table below and further described in the rest of this document.*

| Projected need             | Existing need                                | Income categories                                                                   |
|----------------------------|----------------------------------------------|-------------------------------------------------------------------------------------|
| Household growth 2020-2030 | Transit accessibility (HQTA population 2045) | 150% social equity adjustment minimum                                               |
| Future vacancy need        | Job accessibility                            | 0-30% additional adjustment for areas with lowest or highest resource concentration |
| Replacement need           | Residual distribution within the county      |                                                                                     |

## HOUSING CRISIS

There is no question that there is an ongoing housing crisis throughout the State of California. A variety of measures indicate the extent of the crisis including overcrowding and cost-burdened households, but the underlying cause is due to insufficient housing supply despite continuing population growth over recent decades.

As part of the RHNA process SCAG must develop a final RHNA methodology, which will determine each jurisdiction's draft RHNA allocation as a share of the regional determination of existing and projected housing need provided by the California Department of Housing and Community Development (HCD). There are several requirements outlined by Government Code Section 65584.04, which will be covered in different sections of this packet:

- Allocation methodology, per Government Code 65584.04(a)
- How the allocation methodology furthers the objectives State housing law, per GC 65584.04(f)

- How local planning factors are incorporated into the RHNA methodology, per GC 65584.04(f)
- Furthering the objectives of affirmatively furthering fair housing (AFFH), per GC 65584.04(d)
- Public engagement, per GC 65584.04(d)

Additionally, SCAG has developed a dynamic estimator tool and data appendix that contains a full set of various underlying data and assumptions to support the methodology. Due to the size of the appendix, a limited number of printed copies are available. SCAG has posted the dynamic estimator tool and full methodology appendix, on its RHNA webpage: [www.scag.ca.gov/rhna](http://www.scag.ca.gov/rhna).

Per State housing law, the RHNA methodology must distribute existing and projected housing need to all jurisdictions. The following section provides the final methodology for distributing projected and existing need to jurisdictions from the RHNA regional determination provided by the California Department of Housing and Community Development (HCD) pursuant to Government Code Section 65584.01.

#### Guiding Principles for RHNA Methodology

In addition to furthering the five objectives pursuant to Government Code 65585(d), there are several guiding principles that SCAG staff has developed to use as the basis for developing the distribution mechanism for the RHNA methodology. These principles are based on the input and guidance provided by the RHNA Subcommittee during their discussions on RHNA methodology between February 2019 and June 2019.

1. The housing crisis is a result of housing building not keeping up with growth over the last several decades. The RHNA allocation for all jurisdictions is expected to be higher than the 5<sup>th</sup> RHNA cycle.
2. Each jurisdiction must receive a fair share of their regional housing need. This includes a fair share of planning for enough housing for all income levels, and consideration of factors that indicate areas that have high and low concentration of access to opportunity.
3. It is important to emphasize the linkage to other regional planning principles to develop more efficient land use patterns, reduce greenhouse gas emissions, and improve overall quality of life.

The jurisdictional boundaries used in the recommended RHNA methodology will be based on those as of August 31, 2016. Spheres of influence in unincorporated county areas are considered within unincorporated county boundaries for purposes of RHNA.

#### Proposed RHNA Allocation Methodology

The proposed RHNA methodology, which was released for public review on August 1, contained three (3) options to distribute HCD's regional determination for existing and projected need for the

SCAG region. HCD provided SCAG a final regional determination of 1,341,827 units for the 6<sup>th</sup> cycle RHNA on October 15, 2019.<sup>1</sup>

The three options were developed based on RHNA Subcommittee feedback on various factors at their meetings between February and June 2019 and feedback from stakeholders. SCAG solicited formal public comment on the three options and any other factors, modifications, or alternative options during the public comment period, which commenced on August 1 and concluded on September 13, 2019.

Four public hearings were conducted to formally receive verbal and written comments on the proposed RHNA methodology, in addition to one public information session with a total participation of approximately 250 people. Almost 250 written comments were submitted to SCAG specifically on the proposed methodology and over 35 verbal comments were shared at four (4) public hearings held in August 2019.

#### Draft and Final RHNA Allocation Methodology

Based on comments received during the public comment period, staff recommended a combination of the three options in the proposed methodology further enhanced by factors specifically suggested by stakeholders.

On November 7, 2019, SCAG's Regional Council voted to approve the Draft RHNA Methodology. The approved draft methodology included modifications to the staff-recommended draft methodology for calculating existing housing need to more closely align the methodology with job and transit accessibility factors.

On January 13, 2020, HCD completed their statutory review and found that SCAG's Draft RHNA Methodology furthers the five statutory objectives of RHNA, which allows SCAG to finalize the RHNA methodology and issue draft RHNA allocations to each individual jurisdiction. HCD's comment letter, which can be found at [www.scag.ca.gov/rhna](http://www.scag.ca.gov/rhna), notes:

*"HCD has completed its review of the methodology and finds that the draft SCAG RHNA methodology furthers the five statutory objectives of RHNA. HCD acknowledges the complex task of developing a methodology to allocate RHNA to 197 diverse jurisdictions while furthering the five statutory objectives of RHNA. This methodology generally distributes more RHNA, particularly lower income RHNA, near jobs, transit, and resources linked to long term improvements of life outcomes. In particular, HCD applauds the use of objective factors specifically linked the statutory objectives in the existing need methodology."*

Following this finding, staff recommended the draft RHNA methodology as the final RHNA methodology. On March 5, 2020, SCAG's Regional Council approved Resolution No. 20-619-2

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<sup>1</sup> On September 5, 2019, the SCAG Regional Council voted to object to HCD the regional determination of 1,344,740, per Government Code Section 65584.01, that was provided on August 15, 2019. After review of SCAG's objection letter, HCD provided a final regional determination of 1,341,827 units on October 15, 2019.

adopting the Final RHNA Methodology for the Sixth Housing Element Cycle. Following the formal distribution of draft RHNA allocations based on the Final RHNA methodology and a separate appeals phase described in Government Code 65584.05 et seq., RHNA allocations will be finalized in approximately October 2020.

The next section describes the final RHNA methodology mechanism to distribute the 1,341,827 housing units determined by HCD to all SCAG jurisdictions.

#### Determining Existing Need and Projected Need

SCAG's final RHNA methodology starts with the total regional determination provided by HCD and separates existing need from projected need.

Projected need is considered as household growth for jurisdictions between the RHNA projection period between July 1, 2021 and October 1, 2029, in addition to a calculated future vacancy need and replacement need. For projected household growth, SCAG's Connect SoCal growth forecast for the years 2020-2030 is used as the basis for calculating projected housing unit need for the region. The anticipated growth in households over this period is multiplied by 0.825 to approximate growth during the 8.25-year RHNA projection period of July 1, 2021 to October 1, 2029.

For several jurisdictions, SCAG's growth forecast includes projected household growth on tribal land. For these jurisdictions, SCAG's estimate of household growth on tribal land from July 1, 2021 to October 1, 2029 is subtracted from the jurisdictional projected household growth (see note in the accompanying dynamic estimator tool). A vacancy adjustment of 1.5% for owner-occupied units and 5% for renter-occupied units representing healthy-market vacancy will be applied to projected household growth to determine future vacancy need. Next a replacement need is added, which is an estimate of expected replacement need over the RHNA period. **Based on these components, the regional projected need is 504,970 units.**

Existing need is considered the remainder of the regional determination after projected need is subtracted. **Based on this consideration, the regional existing need is 836,857 units.**

#### Determining a Jurisdiction's RHNA Allocation (Existing and Projected Need)

In determining the existing need and projected need for the region, the methodology applies a three-step process to determine a jurisdiction's RHNA allocation by income category:

1. Determine a jurisdiction's projected housing need
  - a. Assign household growth to jurisdictions based on SCAG's Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy Growth Forecast between 2020 and 2030
  - b. Calculate a jurisdiction's future vacancy need by applying a healthy market vacancy rate separately to the jurisdiction's owner and renter households
  - c. Assign a replacement need to jurisdictions based on each jurisdiction's share of regional net replacement need based on information collected from the replacement need survey submitted by local jurisdictions

2. Determine a jurisdiction's existing housing need
  - a. Assign 50 percent of regional existing need based on a jurisdiction's share of region's population within the high quality transit areas (HQTAs) based on future 2045 HQTAs
  - b. Assign 50 percent of regional existing need based on a jurisdiction's share of the region's jobs that can be accessed within a 30-minute driving commute
  - c. For extremely disadvantaged communities (hereafter "DACs," see definition below), identify residual existing need, which is defined herein as total housing need in excess of household growth between 2020 and 2045<sup>2</sup>. DACs are jurisdictions with more than half of the population living in high segregation and poverty or low resource areas as defined by the California Tax Credit Allocation Committee (TCAC)/HCD Opportunity Index Scores further described in the document.
  - d. Reallocate residual existing need by county to non-DAC jurisdictions within the same county based on the formula in (a) and (b) above, i.e. 50% transit accessibility and 50% job accessibility.
3. Determine a jurisdiction's total housing need
  - a. Add a jurisdiction's projected housing need from (1) above to its existing housing need from (2) above to determine its total housing need.
4. Determine four RHNA income categories (very low, low, moderate, and above moderate)
  - a. Use a minimum 150% social equity adjustment
  - b. Add an additional percentage of social equity adjustment to jurisdictions that have a high concentration of very low or very high resource areas using the California Tax Credit Allocation Committee (TCAC)'s index scoring
    - i. Add a 10% social equity adjustment to areas that are designated as 70-80% very high or very low resource area
    - ii. Add a 20% social equity adjustment to areas that are designated as 81-90% very high or very low resource area
    - iii. Add a 30% social equity adjustment to areas that are designated as 91-100% very high or very low resource area

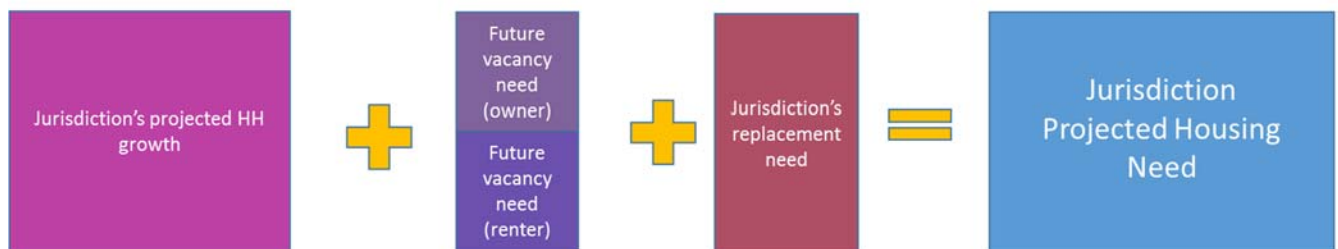
| Methodology Component               | Assigned units |
|-------------------------------------|----------------|
| Projected need: Household growth    | 466,958        |
| Projected need: Future vacancy need | 14,467         |
| Projected need: Replacement need    | 23,545         |
| Projected need subtotal             | 504,970        |

<sup>2</sup> Since HCD's regional determination of 1,341,827 exceeds SCAG's 2020-2045 household growth forecast of 1,297,000 by 3.46 percent, for the purposes of existing need allocation, exceeding "local input" or more accurately, Connect SoCal Growth Forecast, household growth shall mean exceeding 1.0368 times household growth.

|                                      | Percentage of Existing Need | Assigned units |
|--------------------------------------|-----------------------------|----------------|
| Existing need: Transit accessibility | 50%                         | 418,429        |
| Existing need: Job accessibility     | 50%                         | 418,428        |
| Existing need subtotal               | 836,857                     |                |
| Total regional need                  | 1,341,827                   |                |

### Step 1: Determine Projected Housing Need

The first step of the RHNA methodology is to determine a jurisdiction's projected need. From the regional determination, projected need is considered to be regional household growth, regional future vacancy need, and regional replacement need.



To determine a jurisdiction's projected need, the methodology uses a three-step process:

- a. Determine the jurisdiction's regional projected household growth based on local input
- b. Determine future vacancy need based on a jurisdiction's existing composition of owner and renter households and apply a vacancy rate on projected household growth based on the following:
  - a. Apply a 1.5% vacancy need for owner households
  - b. Apply a 5.0% vacancy need for renter households
- c. Determine a jurisdiction's net replacement need based on replacement need survey results

### Step 1a: Projected Household Growth

SCAG's Connect SoCal regional growth forecast reflects recent and past trends, key demographic and economic assumptions, and local, regional, state, and national policy. SCAG's regional growth forecasting process also emphasizes the participation of local jurisdictions and other stakeholders. The growth forecast process kicked off on May 30, 2017 with a panel of experts meeting wherein fifteen academic scholars and leading practitioners in demographics and economics were invited to review key input assumptions for the growth forecast including expected job growth, labor force

participation, birth rates, immigration and household formation rates. SCAG staff then incorporated the recommendations of the panel of experts into a preliminary range of population, household, and employment growth figures for 2016, 2020, 2030, 2035, and 2045 for the region and six counties individually.

SCAG further projects jurisdiction-level and sub-jurisdiction-level employment, population, and households using several major data sources, including:

- California Department of Finance (DOF) population and household estimates;
- California Employment Development Department (EDD) jobs report by industry;
- 2015 existing land use and General Plans from local jurisdictions;
- 2010 Census and the latest ACS data (2013-2017 5-year samples);
- County assessor parcel databases;
- 2011 and 2015 Business Installment data from InfoGroup; and
- SCAG's 2016 RTP/SCS growth forecast.

On October 31, 2017, the preliminary small area (i.e. jurisdiction and sub-jurisdiction) growth forecasts were released to local jurisdictions for their comments and input. This kicked off SCAG's *Bottom-Up Local Input and Envisioning Process* which provided each local jurisdiction with their preliminary growth forecast information as well as several other data elements both produced by SCAG and other agencies which are related to the development of Connect SoCal. Data map books were generated and provided electronically and in hard copy format and included detailed parcel-level land use data, information on resource areas, farmland, transportation, geographical boundaries and the draft growth forecast. Complete information on the Data map books and the Bottom-Up Local Input and Envisioning Process can be found at <http://scagrtpscscs.net/Pages/DataMapBooks.aspx>. Over the next eight months, SCAG staff conducted one-on-one meetings with all 197 local jurisdictions to explain methods and assumptions behind the jurisdiction and sub-jurisdiction growth forecast as well as to provide an opportunity to review, edit, and approve SCAG's preliminary forecast for population, employment, and households for 2016, 2020, 2030, 2035, and 2045.

Between October 2018 and February 2019, SCAG reviewed local input on the growth forecast and other data map book elements. The local input growth forecast was evaluated at the county and regional level for the base year of 2016 and the horizon year of 2045 and was found to be technically sound. Specifically, as it relates to SCAG's local input household forecast:

- The forecast generates a 2045 regional unemployment rate of 4.7 percent which is reasonable based on past trends and ensured that the forecast is balanced, i.e. there are not too many jobs for the number of anticipated workers
- The forecast generates a 2045 population-to-household ratio of 2.9 which is consistent with the preliminary forecast and reflects expert-anticipated decreases in this ratio, ensuring that there are not too many people for the anticipated number of households region-wide
- From 2020-2045, the forecast anticipates household growth of 21 percent and population growth of 15 percent, indicating an alleviation of the region's current housing shortage over this future period.

SCAG's growth forecast for the years 2020-2030 is used as the basis for calculating projected housing unit need. Because the 6th cycle RHNA projection period covers July 1, 2021 through October 15, 2029, it is necessary to adjust reported household growth between 2020 and 2030 and adjust it to an 8.25 year projection period. The anticipated growth in households over this period is multiplied by 0.825 to approximate growth during the 8.25-year RHNA projection period (July 1, 2021 to October 15, 2029).

### **Step 1b: Future Vacancy Need**

The purpose of a future vacancy need is to ensure that there are enough vacant units to support a healthy housing market that can genuinely accommodate projected household growth. An undersupply of vacant units can prevent new households from forming or moving into a jurisdiction. Formulaically, future vacancy need is a percentage applied to the jurisdiction's household growth by tenure type (owner and renter households). While individual jurisdictions may experience different vacancy rates at different points in time, future vacancy need is independent of existing conditions and instead is a minimum need to support household growth.

To calculate a jurisdiction's future vacancy need, its proportion of owner-occupied units and renter-occupied units are determined using American Community Survey (ACS) 2013-2017 data—the most recent available at the time of the draft methodology's development. The percentages are applied to the jurisdiction's projected household growth from the previous step, which results in the number of projected households that are predicted to be owners and those that are predicted to be renters.

Next, two different vacancy rates are applied based on the regional determination provided by HCD. The recommended methodology uses 1.5 percent for owner-occupied units and a rate of 5 percent for renter-occupied units. The difference is due to the higher rates of turnover generally reported by renter units in comparison to owner-occupied units. The vacancy rates are applied to their respective tenure category to determine how many future vacant units are needed by tenure and then added together to get the total future vacancy need.

### **Step 1c: Replacement Need**

Residential units are demolished for a variety of reasons including natural disasters, fire, or desire to construct entirely new residences. Each time a unit is demolished, a household is displaced and disrupts the jurisdiction's pattern of projected household growth. The household may choose to live in a vacant unit or leave the jurisdiction, of which both scenarios result in negative household growth through the loss of a vacant unit for a new household or subtracting from the jurisdictions number of households.

For these reasons, replacement need is a required component of the regional determination provided by HCD. The methodology's replacement need will be calculated using a jurisdiction's net replacement need based on data submitted for the replacement need survey, which was conducted between March and April 2019.

Each jurisdiction's data on historical demolitions between reporting years 2008 and 2018, which was collected from the California Department of Finance (DOF), was tabulated and provided to

jurisdictions in the replacement need survey. Jurisdictions were asked to provide data on units that replaced the reported demolished units. A net replacement need was determined based on this information for each jurisdiction.

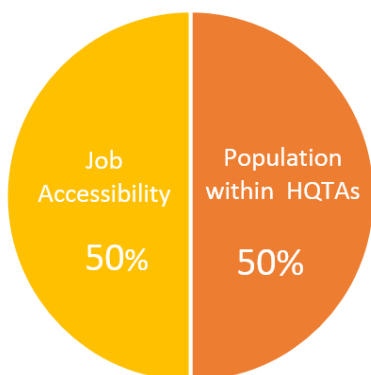
After determining each of the projected housing need components, they are combined to determine a jurisdiction's projected housing need.

## Step 2: Determine Existing Housing Need

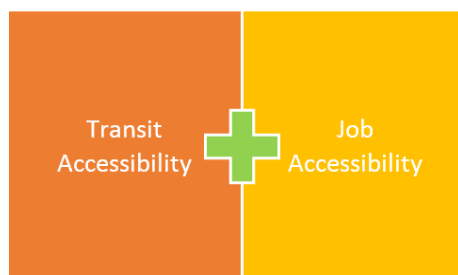
After determining a jurisdiction's projected need, the next step is to determine a jurisdiction's existing need. Following the above discussion and based on HCD's determination of total regional housing need, existing need is defined as the total need minus the projected need—approximately 62 percent of the entire regional determination. SCAG's Regional Council determined that the regional existing need be split into two parts:

- Fifty (50) percent on population near transit (HQTAs), or 31 percent of total need
- Fifty (50) percent on job accessibility, or 31 percent of total need

### Regional Existing Need



### Jurisdiction Existing Need



## Step 2a: Share of Regional HQTAs Population

The next step involves the consideration of proximity to transit to distribute fifty (50) percent of the region's existing housing need, in an effort to better align transportation and housing planning.

For several years, SCAG has developed a measure called High Quality Transit Areas (HQTAs) which are areas within a half-mile of transit stations and corridors with at least a fifteen (15) minute headway during peak hours for bus service. HQTAs are based on state statutory definitions of high-quality transit corridors (HQTCs) and major transit stops. For the development of Connect SoCal, freeway-running HQTCs have been excluded from HQTAs to better reflect the level of service they provide to nearby areas.

Planned HQTCs and major transit stops for future years are improvements that are expected to be implemented by transit agencies by the Connect SoCal horizon year of 2045. SCAG updates its inventory with the quadrennial adoption of each RTP/SCS; however, planning and environmental

impact studies may be completed by transit agencies more frequently. Therefore, HQTAs in future years reflect the best information currently available to SCAG regarding the location of future high-quality transit service accessibility. More detailed information on HQTA-related definitions is available in the data appendix.

50 percent of the regional existing housing need will be distributed based on a jurisdiction's share of regional residential population within an HQTA, based on the HQTA boundaries used in the final Connect SoCal Plan anticipated to be adopted by SCAG in April 2020. Not all jurisdictions have an HQTA within their jurisdictional boundaries and thus may not receive existing need based on this factor.

### Step 2b: Job Accessibility

The concept behind job accessibility is to further the statewide housing objective and SCAG's Connect SoCal objective of improving the relationship between jobs and housing. While none of the three options presented in the proposed RHNA methodology included a factor directly based on job accessibility, an overwhelming number of public comments expressed support for the methodology to include this specific component.

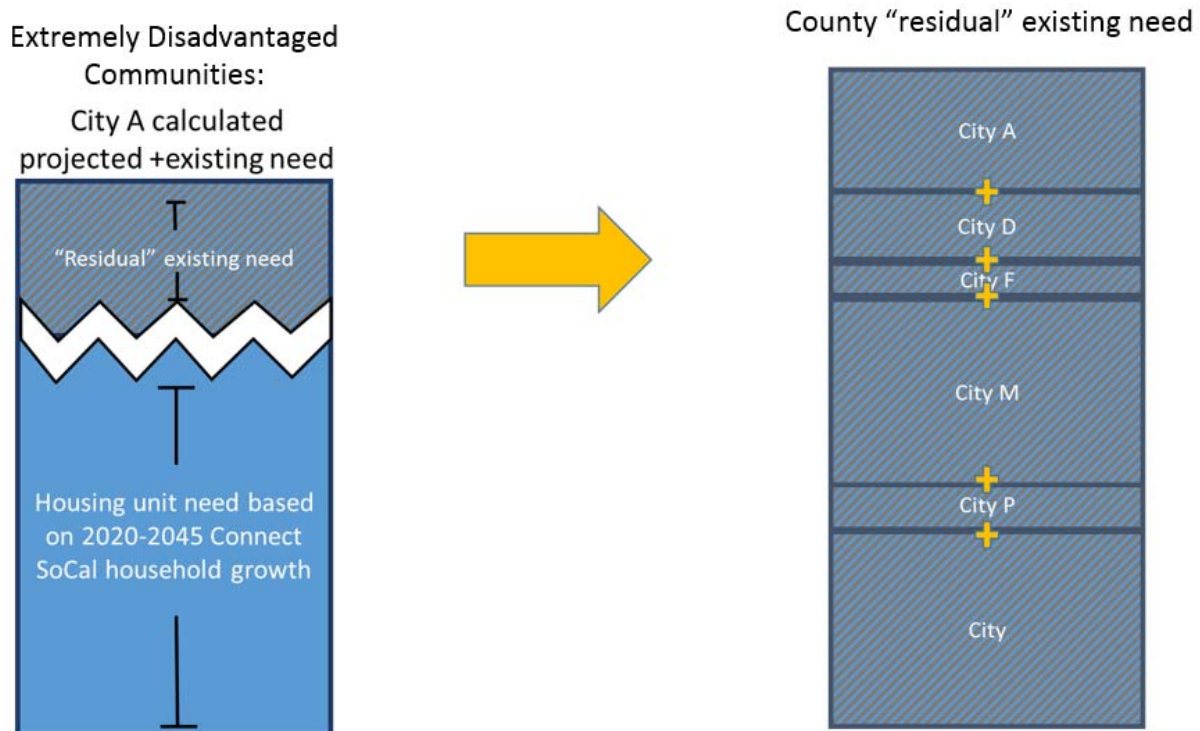
The methodology assigns fifty (50) percent of regional existing need based on job accessibility. Job accessibility is based on the share of the region's jobs accessible by a thirty (30) minute commute by car in 2045. Importantly, the RHNA methodology's job access factor is *not* based on the number of jobs within a jurisdiction from SCAG's Connect SoCal Plan or any other data source. Rather, it is a measure based on of how many jobs can be *accessed* from that jurisdiction within a 30-minute commute, which includes jobs in other jurisdictions. Since over 80 percent of SCAG region workers live and work in different jurisdictions, genuinely improving the relationship between jobs and housing necessitates an approach based on job access rather than the number of jobs in a jurisdiction.

These job accessibility data are derived at the transportation analysis zone (TAZ) level from travel demand modelling output from SCAG's final Connect SoCal Plan. SCAG realizes that in many jurisdictions, especially larger ones, job access may not be uniform in all parts of the city or county. However, since the RHNA process requires allocating housing need at the jurisdictional-level, staff reviewed several ways to measure the typical commuter's experience in each jurisdiction. Ultimately, the share of the region's jobs that could be accessed by a jurisdiction's *median* TAZ was found to be the best available measure of job accessibility for that jurisdiction. Based on this measure, in central parts of the region, residents of some jurisdictions can access as much as 23 percent of the region's jobs in a 30 minute car commute, while the average across all the region's jurisdictions was 10.5 percent.

This measure is multiplied by a jurisdiction's share of total population in order to allocate housing unit need to jurisdictions. This important step ensures that the potential beneficiaries of greater accessibility (i.e., the population in a jurisdiction with good job access) are captured in the methodology. Based on this approach, jurisdictions with limited accessibility to jobs will receive a smaller RHNA allocation based on this component.

### Step 2c: "Residual" Adjustment Factor for Existing Need

In many jurisdictions defined as “disadvantaged communities (DACs)”, the calculated projected and existing need is higher than its household growth between 2020 and 2045, as determined by the SCAG Growth Forecast used in the final Connect SoCal regional plan. Those DAC jurisdictions that have a need as determined by the RHNA methodology as higher than its 2020 to 2045 household growth<sup>3</sup> will be considered as generating “residual” existing need. Residual need will be subtracted from jurisdictional need in these cases so that the maximum a DAC jurisdiction will receive for existing need is equivalent to its 2020 to 2045 household growth. Not all DAC jurisdictions will have a residual existing need.



A county total of residual existing need will be calculated and then redistributed with the same county to non-DAC jurisdictions. The redistribution will be assigned to jurisdictions based on transit accessibility (50%) and job accessibility (50%), and will exclude DAC jurisdictions which have over 50% of their populations in very low resource areas using California Tax Credit Allocation Committee (TCAC)/HCD Opportunity Indices.

Very low resource areas are areas that have least access to opportunity as measured by indicators such as poverty levels, low wage job proximity, math and reading proficiency, and pollution levels. This mechanism will help to further AFFH objectives since residual existing RHNA need, which includes additional affordable units, will be assigned to areas that are not identified as those with the

<sup>3</sup> Since HCD’s regional determination of 1,341,827 exceeds SCAG’s 2020-2045 household growth forecast of 1,297,000 by 3.68 percent, for the purposes of existing need allocation, exceeding “local input” or “Connect SoCal” household growth shall mean exceeding 1.0368 times household growth.

lowest resources, which will increase access to opportunity. A full discussion on the TCAC opportunity indicators is provided in the following section on social equity adjustment. Data relating to the TCAC opportunity indicator categories for each jurisdiction can be found in the RHNA methodology data appendix and in the accompanying RHNA allocation estimator tool on the RHNA webpage: [www.scag.ca.gov/rhna](http://www.scag.ca.gov/rhna).

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### Step 3: Determining Total Housing Need

After determining a jurisdiction's projected housing need from step 1 and its existing housing need from step 2, the sum of the projected and existing need becomes a jurisdiction's total housing need.



### Step 4: Determining Four Income Categories through Social Equity Adjustment

After determining a jurisdiction's total RHNA allocation, the next step is to assign the total into four RHNA income categories. The four RHNA income categories are:

- Very low (50 percent or less of the county median income);
- Low (50-80 percent);
- Moderate (80 to 120 percent); and
- Above moderate (120 percent and above)

The fourth RHNA objective specifically requires that the RHNA methodology allocate a lower proportion of housing need in jurisdictions that already have a disproportionately high concentration of those households in comparison to the county distribution. Additionally, the fifth objective, affirmatively furthering fair housing (AFFH), requires that the RHNA methodology further the objectives of addressing significant disparities in housing needs and access to opportunity in order to overcome patterns of segregation.

To further these two objectives, the RHNA methodology includes a minimum 150 percent social equity adjustment and an additional 10 to 30 percent added in areas with significant populations that are defined as very low or very high resource areas, referred to as an AFFH adjustment. This determines the distribution of four income categories for each jurisdiction.

#### Social equity adjustment



A social equity adjustment ensures that jurisdictions accommodate their fair share of each income category. First, the percentage of each jurisdiction's distribution of four income categories is determined using the county median income as a benchmark. For example, in Los Angeles County, a household earning less than \$30,552 annually, or 50 percent of the county median income, would be considered a very low income household. A household in Los Angeles County earning more than \$73,218 annually, or 120 percent of the county median income, would be counted in the above moderate category. The number of households in each category is summed and then a percentage of each category is then calculated.

For reference, below is the median household income by county.

- Imperial County: \$44,779
- Los Angeles County: \$61,015
- Orange County: \$81,851
- Riverside County: \$60,807
- San Bernardino County: \$57,156
- Ventura County: \$81,972
- SCAG region: \$64,114

*Source: American Community Survey (ACS) 2013-2017 5-year estimates*

Once a jurisdiction's household income distribution by category is determined, the percentage is compared to the county's percentage of existing household income distribution. For example, if a jurisdiction has an existing distribution of 30 percent of very low income households while the county is 25 percent, the jurisdiction is considered as having an overconcentration of very low income households compared to the county. A social equity adjustment ensures that the jurisdiction will be assigned a smaller percentage of very low income households for its RHNA allocation than both what it and the county currently experience.

If the jurisdiction is assigned a social equity adjustment of 150 percent, the formula to calculate its very low income percentage is:

| Household Income Level | Formula to Calculate City A Social Equity Adjustment of 150% |
|------------------------|--------------------------------------------------------------|
| Very Low Income        | $30\% - [(30\% - 25\%) \times 1.5] = 22.5\%$                 |

In this example, 22.5 percent of the jurisdiction's total RHNA allocation would be assigned to the very low income category. This adjustment is lower than both its existing household income distribution (30 percent) and the existing county distribution (25 percent).

The inverse occurs in higher income categories. Assuming 20 percent of a jurisdiction's households are above moderate income while 25 percent of the county's households are above moderate income, the jurisdiction will be assigned a distribution of 27.5 percent for above moderate income need.

| Household Income Level | Formula to Calculate City A Social Equity Adjustment of 150% |
|------------------------|--------------------------------------------------------------|
| Above moderate income  | $20\% - [(20\% - 25\%) \times 1.5] = 27.5\%$                 |

If the adjustment was 100 percent a jurisdiction's distribution would be exactly the same as the County's distribution. Conceptually a 150 percent adjustment means that the City meets the County distribution and goes beyond that threshold by 50 percent, resulting in a higher or lower distribution than the County depending on what existing conditions are in the City. The higher the adjustment, the more noticeable the difference between the jurisdiction's existing household income distribution and its revised distribution.

The RHNA methodology recommends a minimum of 150 percent social equity adjustment with an additional 10, 20, or 30 percent added depending on whether the jurisdiction is considered a very low or very high resource area based on its Opportunity Index score.

In 2015 the U.S. Department of Housing and Urban Development (HUD) developed a set of "Opportunity Indices" to help states and localities identify factors that contribute to fair housing issues in their region and comply with the federal Fair Housing Act. In late 2017, a Task Force convened by HCD and the California Tax Credit Allocation Committee (TCAC) released an "Opportunity mapping" tool based on these HUD indices to identify areas in California that can "offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health."<sup>4</sup>

The TCAC and HCD Opportunity mapping tool includes a total of eleven (11) census-tract level indices to measure exposure to opportunity in local communities. The indices are based on measures of economic, environmental, and educational opportunities within communities. Regional patterns of segregation are also identified based on this tool. Below is a summary table of the 11 indices sorted by type:

| <b>Economic</b>        | <b>Environment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Education</b>             |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| Poverty                | CalEnviroScreen 3.0 indicators <ul style="list-style-type: none"> <li>• <i>Ozone</i></li> <li>• <i>PM2.5</i></li> <li>• <i>Diesel PM</i></li> <li>• <i>Drinking water contaminates</i></li> <li>• <i>Pesticides</i></li> <li>• <i>Toxic releases from facilities</i></li> <li>• <i>Traffic density</i></li> <li>• <i>Cleanup sites</i></li> <li>• <i>Groundwater threats</i></li> <li>• <i>Hazardous waste</i></li> <li>• <i>Impaired water bodies</i></li> <li>• <i>Solid waste sites</i></li> </ul> | Math proficiency             |
| Adult education        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Reading proficiency          |
| Employment             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | High school graduation rates |
| Low-wage job proximity |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Student poverty rate         |
| Median home value      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                              |
|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                              |
|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                              |
|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                              |
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|                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                              |

<sup>4</sup> California Fair Housing Taskforce Revised opportunity Mapping Technology, Updated November 27, 2018: <https://www.treasurer.ca.gov/ctcac/opportunity/final-opportunity-mapping-methodology.pdf>

Based on its respective access to opportunity, each census tract is given a score that designates it under one of the following categories:

- High segregation & poverty
- Low resource
- Moderate resource
- High resource
- Highest resource

Tract-level indices were summed to the jurisdictional-level by SCAG using area-weighted interpolation. Using 2013-2017 American Community Survey population data, SCAG determined the share of each jurisdiction’s population in each of these five categories. For example:

|                                 | Lowest Resource            |              |                   |               | Very High Resource |
|---------------------------------|----------------------------|--------------|-------------------|---------------|--------------------|
| Opportunity Indicator Category  | High segregation & poverty | Low resource | Moderate resource | High resource | Highest resource   |
| City A Percentage of population | 10%                        | 10%          | 30%               | 30%           | 20%                |
| City B Percentage of population | 90%                        | 5%           | 5%                | 0%            | 0%                 |
| City C Percentage of population | 0%                         | 0%           | 10%               | 15%           | 75%                |

The recommended methodology determines high resource concentration using the “very high” resource area score. The recommended methodology determines “lowest” resource areas by combining the two lowest measures. In the above table, City B would be considered to have a much higher concentration of lower resource areas than City A. City C would be considered to have a much higher concentration of highest resource areas.<sup>5</sup>

- High segregation & Poverty + Low Resource = Lowest Resource
- Highest Resource

Jurisdictions that are identified as having between 70 and 100 percent of the population within a lowest or very high resource area are assigned an additional 10 and 30 percent social equity adjustment:

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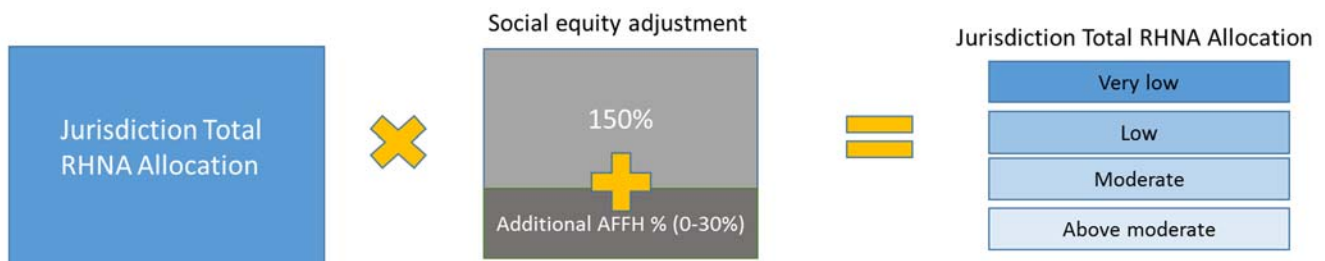
<sup>5</sup> As a cross-reference, if City B has both a high job and transit accessibility it would be exempt from the redistribution of residual existing need from the RHNA methodology’s Step 2d because more than 50 percent of its population is within a very low resource area. On the other hand City A and City C, if they have a high job and transit access, would not be exempt from receiving regional residual need because they have only 20 percent and 0 percent of their respective population within a very low resource area.

| Concentration of population within very low or very high resource area | Additional social equity adjustment |
|------------------------------------------------------------------------|-------------------------------------|
| 70-80%                                                                 | +10%                                |
| 80-90%                                                                 | +20%                                |
| 90-100%                                                                | +30%                                |

In the example table, City B would receive an additional social equity adjustment of 30% because 95% of its population is within a lowest resource area (sum of high segregation & poverty and low resource measures). City C would receive an additional social equity adjustment of 10% because 75% of its population is within a very high resource area. City A would not receive a further adjustment because it does not have a high enough concentration of population within either the lowest or very high resource categories.

Assigning a higher social equity adjustment based on Opportunity Indices will result in a higher percentage of affordable housing units to areas that have higher resources. Concurrently, it will assign a lower percentage of affordable housing in areas where they are already an overconcentration. Because Opportunity Indices consider factors such as access to lower wage jobs, poverty rates, and school proficiency, the social equity adjustment in the RHNA methodology will result in factors beyond simply household income distribution. This additional adjustment will help to adjust the disparity in access to fair housing across the region, furthering the AFFH objective required in State housing law.

Once the social equity adjustment is determined, it is used to assign need to the four income categories.



### Final Adjustments

On a regional level the final RHNA allocation plan must be the same as the regional determination, by income category, provided by HCD. The final RHNA methodology will result in slight differences, among income categories, since income categories are required to use county distributions as benchmarks and the HCD determination does not include county-level benchmarks. For this reason, after the initial income categories are determined for jurisdictions, SCAG will apply a normalization adjustment to the draft fsRHNA allocation to ensure that the regional total by income category is maintained.

Additionally, in the event that a jurisdiction receives an allocation of zero (0) units under the RHNA methodology a minimum RHNA allocation of eight (8) units would be assigned. Government Code Section 65584.04(m)(2) requires that the final RHNA allocation plan ensure that each jurisdiction receive an allocation of units for low- and very low income households. Under these circumstances, SCAG will assign those jurisdictions a minimum of four (4) units in the very low income category and four (4) units in the low income category for a draft RHNA allocation of eight (8) units.

## Meeting the Objectives of RHNA

Government Code Section 65584.04(a) requires that the RHNA methodology furthers the five objectives of the Regional Housing Needs Assessment:

- (1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households.
- (2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.
- (3) Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.
- (4) Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.
- (5) Affirmatively furthering fair housing.
  - (e) For purposes of this section, "affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

On January 13, 2020, HCD completed its review of SCAG's draft RHNA methodology and found that it furthers the five statutory objectives of RHNA.

## Local Planning Factors

As part of the development of the proposed RHNA methodology, SCAG must conduct a survey of planning factors that identify local conditions and explain how each of the listed factors are incorporated into the RHNA methodology. This survey, also known as the “Local Planning Factor” survey, is a specific requirement for the RHNA methodology process and is separate from the local review process of the Growth Forecast used as the basis for determining future growth in the Connect SoCal plan.

The survey was distributed to all SCAG jurisdictions in mid-March 2019 with a posted due date of May 30, 2019. One-hundred and nine (109) jurisdictions, or approximately 55%, submitted a response to the local planning factor survey. To facilitate the conversation about local planning factors, between October 2017 and October 2018 SCAG included these factors as part of the local input survey and surveyed a binary yes/no as to whether these factors impacted jurisdictions. The formal local planning factor survey was pre-populated with the pre-survey answers to help facilitate survey response. The full packet of local planning factor surveys can be downloaded at [www.scag.ca.gov/rhna](http://www.scag.ca.gov/rhna).

SCAG staff reviewed each of the submitted surveys to analyze planning factors opportunities and constraints across the region. The collected information was used to ensure that the methodology will equitably distribute housing need and that underlying challenges as a region are collectively addressed.

- (1) Each member jurisdiction’s existing and projected jobs and housing relationship. This shall include an estimate, based on readily available data, of the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate, based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.*

The RHNA methodology directly considers job accessibility and determines a portion of housing need for each jurisdiction based on this factor. Using transportation analysis zones as a basis, the percentage of jobs accessible within a 30 minute drive for a jurisdiction’s population is determined and then weighted based on the jurisdiction’s population size to determine individual shares of regional jobs accessible. Based on a review of other potential mechanisms to factor in jobs into the RHNA methodology, SCAG staff has determined that this mechanism most closely aligns with the goals of State housing law.

A supplemental analysis of the impact of the draft RHNA methodology’s impact on jobs-housing relationships and low-wage jobs-housing relationships was provided to the Regional Council on February 5, 2020.

- (2) *The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:*
- (A) *Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.*
  - (B) *The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.*
  - (C) *Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to non-agricultural uses.*
  - (D) *County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to non-agricultural uses.*

Consideration of the above planning factors have been incorporated into the Growth Forecast process and results by way of analysis of aerial land use data, general plan, parcel level property data, open space, agricultural land and resource areas, and forecast surveys distributed to local jurisdictions. The bottom-up Local Input and Envisioning Process, which is used as the basis for both RHNA and SCAG's Connect SoCal (Regional Transportation Plan/Sustainable Communities Strategy) started with an extensive outreach effort involving all local jurisdictions regarding their land use and development constraints. All local jurisdictions were invited to provide SCAG their respective growth perspective and input. The RHNA methodology directly incorporates local input on projected household growth, which should be a direct reflection of local planning factors such as lack of water or sewer capacity, FEMA-designated flood sites, and open space and agricultural land protection.

Prior RHNA cycles did not promote direct linkage to transit proximity and the methodology encourages more efficient land use patterns by utilizing existing as well as future planned transportation infrastructure and preserves areas designated as open space and agricultural

lands. In particular the inclusion of transit proximity places an increased emphasis on infill opportunities and areas that are more likely to support higher residential densities.

- (3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.*

As indicated above, the Growth Forecast used as the basis for the Connect SoCal Plan is also used as the basis for projected household growth in the RHNA methodology. The weighting of a jurisdiction's population share within an HQTAs directly maximizes the use of public transportation and existing transportation infrastructure.

- (4) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county, and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.*

This planning factor has been identified through the local input process and local planning factor survey collection as affecting growth within Ventura County. The urban growth boundary, known as Save Our Agricultural Resources (SOAR), is an agreement between the County of Ventura and its incorporated cities to direct growth toward incorporated areas, and was recently extended to 2050. Based on the input collected, SCAG staff has concluded that this factor is already reflected in the RHNA methodology since it was considered and incorporated into the local input submitted by jurisdictions.

- (5) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583 that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.*

The conversion of low income units into non-low income units is not explicitly addressed through the distribution of existing and projected housing need. Staff has provided statistics in the RHNA methodology appendix on the potential loss of units in assisted housing developments. The loss of such units affects the proportion of affordable housing needed within a community and the region as a whole.

Local planning factor survey responses indicate that the impact of this factor is not regionally uniform. Many jurisdictions that replied some units are at-risk for losing their affordability status in the near future have indicated that they are currently reviewing and developing local resources to address the potential loss. Based on this, SCAG staff has determined that at-risk units are best addressed through providing data on these units as part of the RHNA methodology and giving local jurisdictions the discretion to address this factor and adequately plan for any at-risk unit loss in preparing their housing elements.

*(6) The percentage of existing households at each of the income levels listed in subdivision (e) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.*

An evaluation of survey responses reveals that cost-burdened households, or those who pay at least 30 percent of their household income on housing costs, is a prevalent problem throughout the region. The RHNA methodology also includes in its appendix data from the ACS 2013-2017 on cost-burdened statistics for households who pay more than 30 percent of their income on housing by owner and renter, and for renter households who pay 50 percent or more of their income on housing. The general trend is seen in both high and low income communities, suggesting that in most of the SCAG region high housing costs are a problem for all income levels.

Nonetheless a large number of jurisdictions indicated in the survey that overpaying for housing costs disproportionately impacts lower income households in comparison to higher income households. This issue is exacerbated in areas where there is not enough affordable housing available, particularly in higher income areas. For this reason, the RHNA methodology incorporates not only a 150 percent social equity adjustment, but also uses the TCAC Opportunity Indices to distribute the RHNA allocation into the four income categories in areas identified as being the highest resource areas of the region. The Opportunity Indices include a proximity to jobs indicator, particularly for low-wage jobs, which identifies areas with a high geographical mismatch between low wage jobs and affordable housing. Increasing affordable housing supply in these areas can help alleviate cost-burden experienced by local lower income households because more affordable options will be available.

The reason for using social equity adjustment and opportunity indices to address cost-burden households rather than assigning total need is because it is impossible to determine through the methodology how and why the cost-burden is occurring in a particular jurisdiction. Cost-burden is a symptom of housing need and not its cause. A jurisdiction might permit a high number of units but still experiences cost-burden because other jurisdictions restrict residential permitting. Or, a jurisdiction might have a large number of owner-occupied housing units that command premium pricing, causing cost-burden for high income households and especially on lower income households due to high rents from high land costs. An analysis of existing need indicators by jurisdiction, which is part of the RHNA methodology data appendix, does not reveal a single strong trend to base a distribution methodology for cost-burden and thus the RHNA methodology distributes this existing need indicator regionally using social equity adjustment and Opportunity Indices rather than to where the indicators exist.

*(7) The rate of overcrowding.*

An evaluation of survey responses indicates that there is a variety of trends in overcrowding throughout the region. Overcrowding is defined as more than 1.01 persons per room (not bedroom) in a housing unit. Some jurisdictions have responded that overcrowding is a severe issue, particularly for lower income and/or renter households, while others have

responded that overcrowding is not an issue at all. At the regional determination level HCD applied an overcrowding component, which is a new requirement for the 6<sup>th</sup> RHNA cycle. Because

Similar to cost-burden, overcrowding is caused by an accumulated housing supply deficit and is considered an indicator of existing housing need. The reason for not assigning need directly based on this indicator is because it is impossible to determine through the methodology how and why the overcrowding is occurring in a particular jurisdiction. A jurisdiction that has an overcrowding rate higher than the regional average might be issuing more residential permits than the regional average while the surrounding jurisdictions might not have overcrowding issues but issue fewer permits than the regional average. An analysis of existing need indicators by jurisdiction, which is part of the RHNA methodology data appendix, does not reveal a single strong trend to base a distribution methodology for overcrowding and thus the methodology distributes this existing need indicator regionally rather than to where the indicators exist.

While not specifically surveyed, several jurisdictions have indicated that density has affected their jurisdictions and have requested that the methodology should consider this as a factor. While density is not directly addressed as a factor, the social equity adjustment indirectly addresses density particularly for lower income jurisdictions. In housing elements, jurisdictions most demonstrate that a site is affordable for lower income households by applying a “default density”, defined in State housing law as either 20 or 30 dwelling units per acre depending on geography and population. In other words, a site that is zoned at 30 dwelling units per acre is automatically considered as meeting the zoning need for a low income household.

However there is not a corresponding default density for above moderate income zoning. Assigning a lower percentage of lower income households than existing conditions indirectly reduces future density since the jurisdiction can zone at lower densities if it so chooses. While this result does not apply to higher income jurisdictions, directing growth toward less dense areas for the explicit purpose of reducing density is in direct contradiction to the objectives of state housing law, especially for promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development pattern.

#### *(8) The housing needs of farmworkers.*

The RHNA methodology appendix provides data on agricultural jobs by jurisdiction as well as workers by place of residence. The survey responses indicate that most jurisdictions do not have agricultural land or only have small agricultural operations that do not necessarily require designated farmworker housing. For the geographically concentrated areas that do have farmworker housing, responses indicate that many jurisdictions already permit or are working to allow farmworker housing by-right in the same manner as other agricultural uses are allowed. Jurisdictions that are affected by the housing needs of farmworkers can be assumed to have considered this local factor when submitting feedback on SCAG’s Growth

Forecast. A number of jurisdictions reiterated their approach in the local planning factor survey response.

Similar to at-risk units, the RHNA methodology does not include a distribution mechanism to distribute farmworker housing. However, SCAG has provided data in its RHNA methodology appendix related to this factor and encourages local jurisdictions to adequately plan for this need in their housing elements.

*(9) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.*

SCAG staff has prepared a map outlining the location of four-year private and public universities in the SCAG region along with enrollment numbers from the California School Campus Database (2018). Based on an evaluation of survey responses that indicated a presence of a university within their boundaries, SCAG staff concludes that most housing needs related to university enrollment are addressed and met by dormitories provided by the institution both on- and off-campus. No jurisdiction expressed concern in the surveys about student housing needs due to the presence of a university within their jurisdiction.

However, some jurisdictions have indicated outside of the survey that off-campus student housing is an important issue within their jurisdictions and are in dialogue with HCD to determine how this type of housing can be integrated into their local housing elements. Because this circumstance applies to only a handful of jurisdictions, it is recommended that housing needs generated by a public or private university be addressed in the jurisdiction's housing element if it is applicable.

*(10) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.*

Replacement need, defined as units that have been demolished but not yet replaced, are included as a component of projected housing need in the RHNA methodology. To determine this number, HCD reviewed historical demolition permit data between 2008 and 2017 (reporting years 2009 and 2018) as reported by the California Department of Finance (DOF), and assigned SCAG a regional replacement need of 0.5% of projected and existing need, or 34,010 units.

There have been several states of emergency declared for fires in the SCAG region that have destroyed residential units, as indicated by several jurisdictions in their local planning factor survey responses. Survey responses indicate that a total of 1,785 units have been lost regionally from fires occurring after January 1, 2018. Units lost from fires that occurred prior to January 1, 2018, have already been counted in the replacement need for the 6<sup>th</sup> RHNA cycle.

In spring 2019, SCAG conducted a replacement need survey with jurisdictions to determine units that have been replaced on the site of demolished units reported. Region wide 23,545 of the region's demolished units still needed to be replaced based on survey results. The sum of the number of units needing to be replaced based on the replacement need survey and the number of units reported as lost due to recent states of emergency, or 25,330, is lower than HCD's regional determination of replacement need of 34,010. One can reasonably conclude that units lost based on this planning factor are already included in the regional total and distributed, and thus an extra mechanism to distribute RHNA based on this factor is not necessary to meet the loss of units.

*(11) The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.*

An assessment of survey responses indicate that a number of jurisdictions in the SCAG region are developing efforts for more efficient land use patterns and zoning that would result in greenhouse gas emissions. These include a mix of high-density housing types, neighborhood based mixed-use zoning, climate action plans, and other local efforts to reduce greenhouse gas emissions at the regional level.

The RHNA methodology includes a distribution of 50 percent of regional existing need based on a jurisdiction's share of regional population within an HQT. The linkage between housing planning and transportation planning will allow for a better alignment between the RHNA allocation plan and the Connect SoCal RTP/SCS. It will promote more efficient development land use patterns, encourage transit use, and importantly reduce greenhouse gas emissions. This will in turn support local efforts already underway to support the reduction of regional greenhouse gas emissions.

Moreover the RHNA methodology includes the Growth Forecast reviewed with local input as a distribution component, particularly for projected housing need. Local input is a basis for SCAG's Connect SoCal Plan, which addresses greenhouse gas emissions at the regional level since it is used to reach the State Air Resources Board regional targets. An analysis of the consistency between the RHNA and Connect SoCal Plan is included as an attachment to this document.

*(12) Any other factors adopted by the council of governments that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions.*

No other planning factors were adopted by SCAG to review as a specific local planning factor.

## **Affirmatively Furthering Fair Housing (AFFH)**

Among a number of changes due to recent RHNA legislation is the inclusion of affirmatively furthering fair housing (AFFH) as both an addition to the listed State housing objectives of Government Section 65588 and to the requirements of RHNA methodology as listed in Government Code Section 65584.04(b) and (c), which includes surveying jurisdictions on AFFH issues and strategies and developing a regional analysis of findings from the survey.

### AFFH Survey

The AFFH survey accompanied the required local planning factor survey and was sent to all SCAG jurisdictions in mid-March 2019 with a posted due date of May 30, 2019. Ninety (90) of SCAG's 197 jurisdictions completed the AFFH survey, though some jurisdictions indicated that they would not be submitting the AFFH survey due to various reasons. The full packet of surveys submitted prior to the development of the proposed methodology packet can be downloaded at [www.scag.ca.gov/rhna](http://www.scag.ca.gov/rhna).

Jurisdictions were asked various questions regarding fair housing issues, strategies and actions. These questions included:

- Describe demographic trends and patterns in your jurisdiction over the past ten years. Do any groups experience disproportionate housing needs?
- To what extent do the following factors impact your jurisdiction by contributing to segregated housing patterns or racially or ethnically-concentrated areas of poverty?
- To what extent do the following acts as determinants for fair housing and compliance issues in your jurisdiction?
- What are your public outreach strategies to reach disadvantaged communities?
- What steps has your jurisdiction undertaken to overcome historical patterns of segregation or remove barriers to equal housing opportunity?

The survey questions were based on the U.S. Department of Housing and Urban Development (HUD) Analysis of Impediments to Fair Housing Choice survey that each jurisdiction, or their designated local Housing Authority, must submit to HUD to receive Community Development Block Grant (CDBG) funds. For the AFFH survey, jurisdictions were encouraged to review their HUD-submitted surveys to obtain data and information that would be useful for submitting the AFFH survey.

Pursuant to Government Code Section 65584.04(c), the following is an analysis of the survey results.

### *Themes*

Several demographic themes emerged throughout the SCAG region based on submitted AFFH surveys. A high number of jurisdictions indicated that their senior populations are increasing and many indicated that the fixed income typically associated with senior populations might have an effect on housing affordability. Other jurisdictions have experienced an increase in minority populations, especially among Latino and Asian groups. There is also a trend of the loss of young adults (typically younger than 30) and a decrease in the number of families with children in more suburban locations due to the rise in housing costs.

### *Barriers*

There was a wide variety of barriers reported in the AFFH survey, though a number of jurisdictions indicated they did not have any reportable barriers to fair access to housing. Throughout the SCAG region, communities of all types reported that community opposition to all types of housing was an impediment to housing development. Sometimes the opposition occurred in existing low income and minority areas. Some jurisdictions indicated that high opportunity resource areas currently do not have a lot of affordable housing or Section 8 voucher units while at the same time, these areas have a fundamental misunderstanding of who affordable housing serves and what affordable housing buildings actually look like. Based on these responses, it appears that community opposition to housing, especially affordable housing and the associated stigma with affordable housing, is a prevalent barrier throughout the SCAG region.

Other barriers to access to fair housing are caused by high land and development costs since they contribute to very few affordable housing projects being proposed in higher opportunity areas. The high cost of housing also limits access to fair housing and is a significant contributing factor to disparities in access to opportunity. Increasing property values were reported across the region and some jurisdictions indicated that they are occurring in existing affordable neighborhoods and can contribute to gentrification and displacement. Additionally, during the economic downturn a large number of Black and Latino homeowners were disproportionately impacted by predatory lending practices and therefore entered foreclosure in higher numbers than other populations.

Other barriers reported in the AFFH survey include the lack of funding available to develop housing after the dissolution of redevelopment agencies in 2012. Moreover, some jurisdictions indicated that the lack of regional cooperation contributes to segregation.

### *Strategies to Overcome Barriers*

All submitted AFFH surveys indicated that their respective jurisdictions employed at least a few strategies to overcome barriers to access fair housing. These strategies ranged from local planning and zoning tools to funding assistance to innovative outreach strategies.

In regard to planning and zoning tools, a number of jurisdictions indicated they have adopted inclusionary zoning ordinances or an in-lieu fee to increase the number of affordable units within their jurisdictions. Others have adopted an accessory dwelling unit (ADU) ordinance with accommodating standards to allow for higher densities in existing single-family zone neighborhoods. A few jurisdictions indicated that they have adopted an unpermitted dwelling unit (UDU) ordinance, which legalizes unpermitted units instead of removing them provided that the units meet health and safety codes. In addition to ADU and UDU ordinances, some jurisdictions have also adopted density bonuses, which allow a project to exceed existing density standards if it meets certain affordability requirements. Some responses in the survey indicate that the establishment of some of these tools and standards have reduced community opposition to projects. In addition, some jurisdictions responded that they have reduced review times for residential permit approvals and reduced or waived fees associated with affordable housing development.

To combat gentrification and displacement, some jurisdictions have established rent-stabilization ordinances while others have established a rent registry so that the jurisdiction can monitor rents

and landlord practices. Some jurisdictions have adopted relocation plans and others are actively seeking to extend affordability covenants for those that are expiring.

In regard to funding, SCAG jurisdictions provide a wide variety of support to increase the supply of affordable housing and increase access to fair housing. A number of jurisdictions provide citywide rental assistance programs for low income households and some indicated that their programs include favorable home purchasing options. Some of these programs also encourage developers to utilize the local first-time homebuyer assistance program to specifically qualify lower income applicants.

Other jurisdictions indicate that they manage housing improvement programs to ensure that their existing affordable housing stock is well maintained. Some AFFH surveys describe local multiple rental assistance programs, including Section 8 Housing Choice vouchers and financial support of tenant/landlord arbitration or mediation services.

Some jurisdictions indicated that they have focused on mobile homes as a way to increase access to fair housing. There are programs described that assist households that live in dilapidated and unsafe mobile homes in unpermitted mobile home parks by allowing the household to trade in their mobile home in exchange for a new one in a permitted mobile park. Other programs include rental assistance specifically for households who live in mobile homes.

In regard to community outreach, a large number of jurisdictions in the SCAG region have established or are seeking to establish innovative partnerships to increase access to fair housing and reduce existing barriers. Many jurisdictions work with fair housing advocacy groups such as the Housing Rights Center, which provide community workshops, counseling, and tenant-landlord mediation services. Other jurisdictions have established landlord-tenant commissions to resolve housing disputes and provide services to individuals with limited resources. Some jurisdictions have partnered with advocacy groups, such as the League of United Latin American Citizens (LULAC), to hold community-based workshops featuring simultaneous multi-lingual translations. Other innovative partnerships created by jurisdictions include those with local schools and school districts and public health institutions to engage disadvantaged groups and provide services to areas with limited resources.

A large number of jurisdictions have also indicated that they have increased their social media presence to reach more communities. Others have also increased their multi-lingual outreach efforts to ensure that limited-English proficiency populations have the opportunity to engage in local fair housing efforts.

Based on the AFFH surveys submitted by jurisdictions, while there is a wide range of barriers to fair housing opportunities in the SCAG region there is also a wide range of strategies to help overcome these barriers at the local level.

### Meeting AFFH Objectives on a Regional Basis

To work towards the objective of AFFH, several benchmarks were reviewed as potential indicators of increasing access to fair housing and removing barriers that led to historical segregation patterns.

#### *Opportunity Indices*

The objectives of affirmatively furthering fair housing are to not only overcome patterns of segregation, but to also increase access to opportunity for historically marginalized groups, particularly in racially and ethnically concentrated areas of poverty. In 2015 the U.S. Department of Housing and Urban Development (HUD) developed a set of indices, known as “Opportunity Indices” to help states and jurisdictions identify factors that contribute to fair housing issues in their region and comply with the federal Fair Housing Act.

In 2015 the U.S. Department of Housing and Urban Development (HUD) developed a set of indices, known as “Opportunity Indices” to help states and jurisdictions identify factors that contribute to fair housing issues in their region and comply with the federal Fair Housing Act. In late 2017, a Task Force convened by HCD and the California Tax Credit Allocation Committee (TCAC) released an “Opportunity mapping” tool based on these HUD indices to identify areas in California that can “offer low-income children and adults the best chance at economic advancement, high educational attainment, and good physical and mental health.”

The TCAC and HCD Opportunity mapping tool includes a total of eleven (11) census-tract level indices to measure exposure to opportunity in local communities. Regional patterns of segregation can be identified based on this tool. The indices are based on indicators such as poverty levels, low wage job proximity, pollution, math and reading proficiency. Below is a summary table of the 11 indices sorted by type:

| <b>Economic</b>        | <b>Environment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>Education</b>             |
|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| Poverty                | CalEnviroScreen 3.0 indicators <ul style="list-style-type: none"><li>• <i>Ozone</i></li><li>• <i>PM2.5</i></li><li>• <i>Diesel PM</i></li><li>• <i>Drinking water contaminates</i></li><li>• <i>Pesticides</i></li><li>• <i>Toxic releases from facilities</i></li><li>• <i>Traffic density</i></li><li>• <i>Cleanup sites</i></li><li>• <i>Groundwater threats</i></li><li>• <i>Hazardous waste</i></li><li>• <i>Impaired water bodies</i></li><li>• <i>Solid waste sites</i></li></ul> | Math proficiency             |
| Adult education        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Reading proficiency          |
| Employment             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | High school graduation rates |
| Low-wage job proximity |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Student poverty rate         |
| Median home value      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                              |

To further the objectives of AFFH, SCAG utilizes the Opportunity indices tool at multiple points in the RHNA methodology. Jurisdictions that have the highest concentration of population in low resource areas are exempted from receiving regional residual existing need, which will result in fewer units

assigned to areas identified as having high rates of poverty and racial segregation. Additionally, jurisdictions with the highest concentration of population within highest resource areas will receive a higher social equity adjustment, which will result in more access to opportunity for lower income households.

## **Public Engagement**

The development of a comprehensive RHNA methodology requires comprehensive public engagement. Government Code Section 65584.04(d) requires at least one public hearing to receive oral and written comments on the proposed methodology, and also requires SCAG to distribute the proposed methodology to all jurisdictions and requesting stakeholders, along with publishing the proposed methodology on the SCAG website. The official public comment period on the proposed RHNA methodology began on August 1, 2019 after Regional Council action and concluded on September 13, 2019.

To maximize public engagement opportunities, SCAG staff hosted four public workshops to receive verbal and written comment on the proposed RHNA methodology and an additional public information session in August 2019:

- August 15, 6-8 p.m. Public Workshop, Los Angeles (View-only webcasting available)
- August 20, 1-3 p.m. Public Workshop, Los Angeles (Videoconference at SCAG regional offices and View-only webcasting available)
- August 22, 1-3 p.m., Public Workshop, Irvine
- August 27, 6-8 p.m., Public Workshop, San Bernardino (View-only webcasting available)
- August 29, 1-3pm Public Information Session, Santa Clarita

Approximately 250 people attended the workshops in-person, at videoconference locations, or via webcast. Over 35 individual verbal comments were shared over the four workshops.

To increase participation from individuals and stakeholders that are unable to participate during regular working hours, two of the public workshops were held in the evening hours. One of the workshops was held in the Inland Empire. SCAG will work with its Environmental Justice Working Group (EJWG) and local stakeholder groups to reach out to their respective contacts in order to maximize outreach to groups representing low income, minority, and other traditionally disadvantaged populations.

Almost 250 written comments were submitted by the comment deadline and included a wide range of stakeholders. Approximately 50 percent were from local jurisdictions and subregions, and the other 50 percent were submitted by advocacy organizations, industry groups, residents and resident groups, and the general public. All of the comments received, both verbal and written, were reviewed by SCAG staff, and were used as the basis for developing the RHNA methodology.

The increased involvement by the number of jurisdictions and stakeholders beyond the municipal level compared to prior RHNA cycles indicate an increased level of interest by the public in the housing crisis and its solutions, and the efforts of SCAG to meet these interests. As part of its housing

program initiatives, SCAG will continue to reach out to not only jurisdictions, but to advocacy groups and traditionally disadvantaged communities that have not historically participated in the RHNA process and regional housing planning. These efforts will be expanded beyond the RHNA program and will be encompassed into addressing the housing crisis at the regional level and ensuring that those at the local and community level can be part of solutions to the housing crisis.

#### **Additional RHNA Methodology Supporting Materials**

Please note that additional supporting materials for the RHNA Methodology have been posted on SCAG's RHNA website at [www.scag.ca.gov/rhna](http://www.scag.ca.gov/rhna) including Data Appendix, Local Planning Factor Survey Responses and Affirmatively Furthering Fair Housing Survey Responses.

# Overview of the 6<sup>th</sup> Cycle RHNA Methodology

September 10, 2026

[WWW.SCAG.CA.GOV](http://WWW.SCAG.CA.GOV)

## RHNA Process



# Statutory Requirements

The methodology must:

- Further the five statutory objectives
- Consider planning opportunities and constraints in developing the methodology, as listed in statute
- Informed by the development patterns included in the Sustainable Communities Strategy

## RHNA Objectives

- 1 To increase the housing supply and mix of housing types, tenure and affordability within each region in an equitable manner
- 2 Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns
- 3 Promoting an improved intraregional relationship between jobs and housing
- 4 Allocating a lower proportion of housing need in income categories in jurisdictions that have a disproportionately high share in comparison to the county distribution
- 5 Affirmatively furthering fair housing (AFFH)



# Statutory Requirements

The methodology CANNOT consider:

- Local measures limiting growth
- Prior RHNA underproduction
- Stable population numbers from the previous RHNA cycle

## Local Planning Factors, Opportunities, and Constraints



Sustainable Communities Strategy



Growth Agreements & Other Council Adopted Factors



Household Growth & Transportation



Loss of Assisted Housing Units



Farmworker Housing Needs



Greenhouse Gas Emissions Targets



Jobs-Housing Relationship

# Local Planning Factors, Opportunities, and Constraints



Disaster Related  
Housing Loss



Homelessness  
Housing Needs



## Opportunities and Constraints



Overcrowding



University & College  
Housing Needs



Housing Cost  
Burden

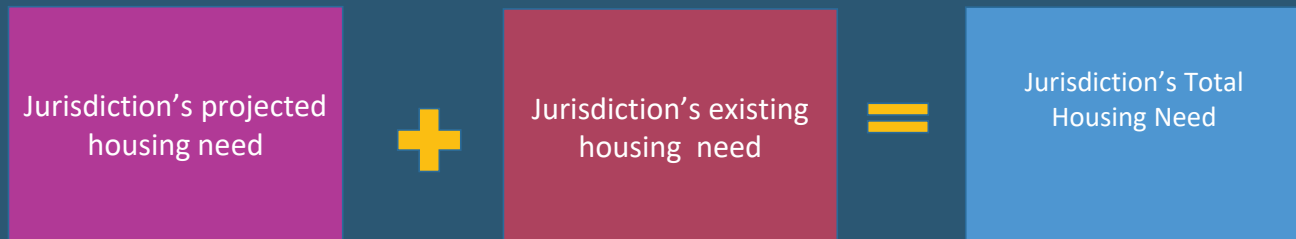


Climate  
Infrastructure  
Land Availability  
Protected/Preserved Lands  
Emergency Evacuation



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

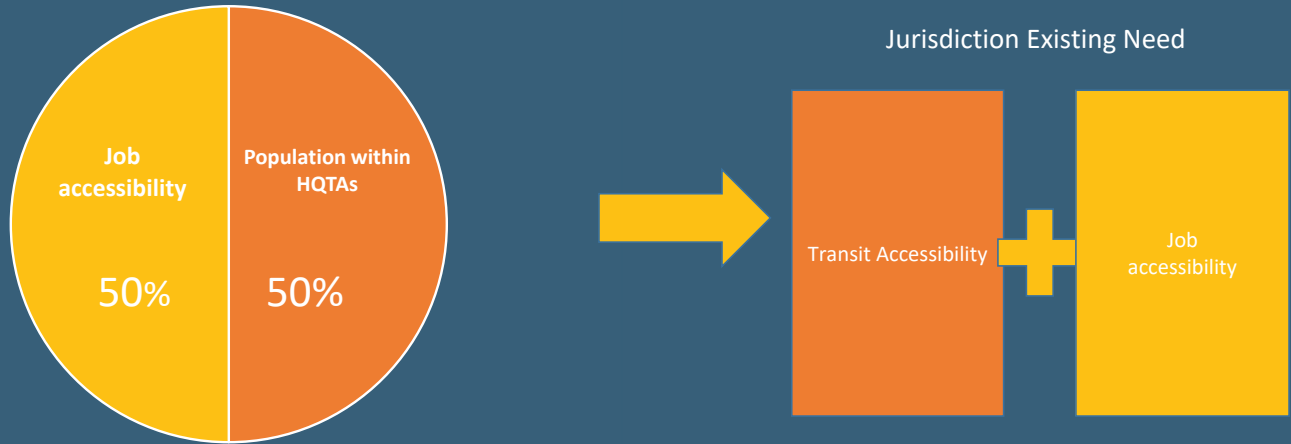
# Overall Approach: Allocation Framework



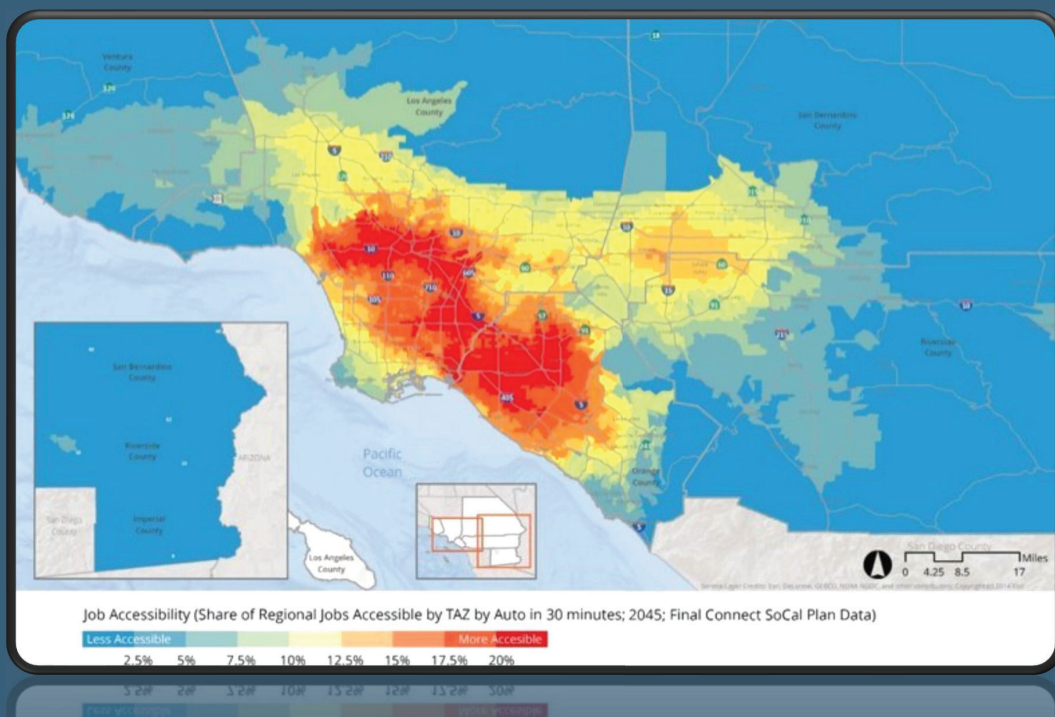
# Overall Approach: Allocation Framework

| Projected need             | Existing need                                   |
|----------------------------|-------------------------------------------------|
| Household growth 2020-2030 | Transit accessibility<br>(HQT population, 2045) |
| Future vacancy need        | Job accessibility                               |
| Replacement need           | Residual distribution within the county         |

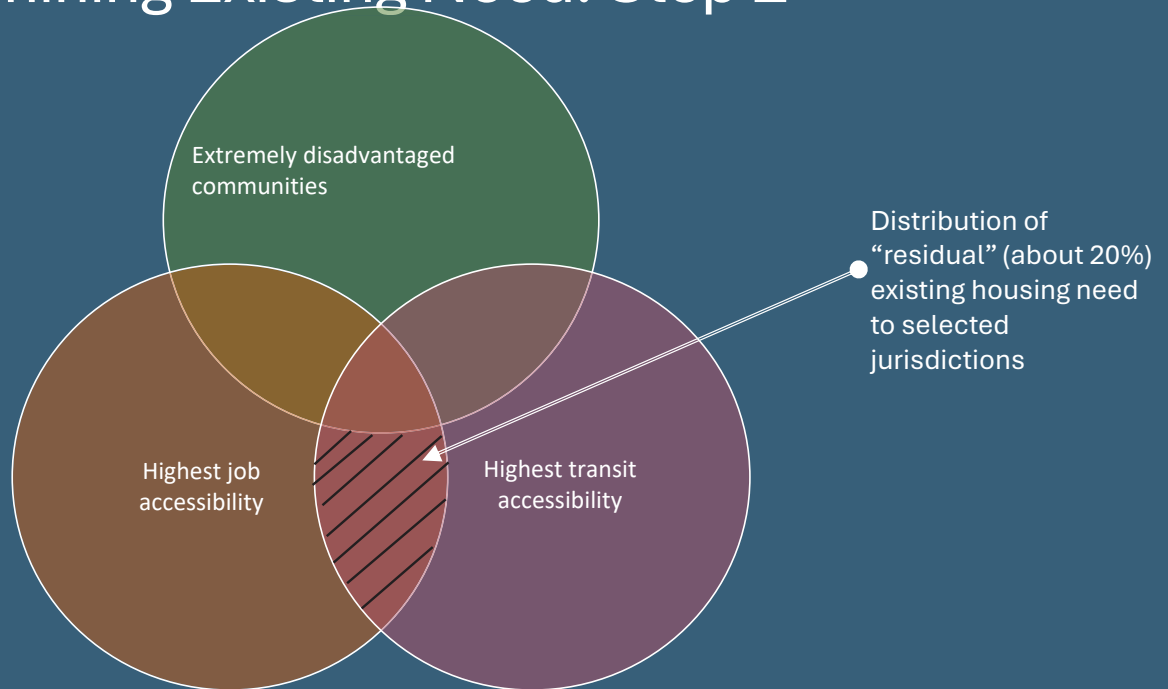
# Determining Existing Need



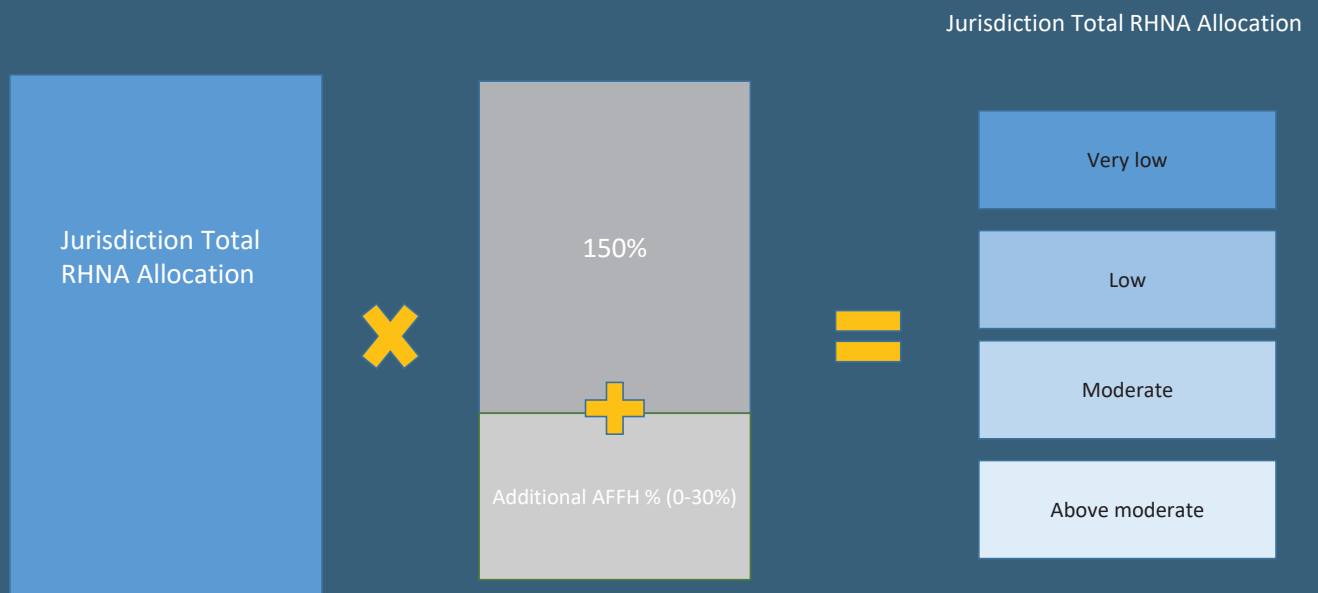
## Job Accessibility Using Final Connect SoCal Data



## Determining Existing Need: Step 2



## RHNA by Income Category





# THANK YOU!

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For more information, please visit:

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

To subscribe for updates, please visit:

<https://scag.ca.gov/subscribe-updates-0>



## AGENDA ITEM 6

### REPORT

Southern California Association of Governments

September 10, 2026

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**To:** RHNA - Regional Housing Needs Assessment Subcommittee

EXECUTIVE DIRECTOR'S  
APPROVAL

**From:** Michael Dietz, Planning Supervisor (H)  
(213) 630-1592, [dietz@scag.ca.gov](mailto:dietz@scag.ca.gov)

*Kome Ajise*

**Subject:** 7th Cycle RHNA Methodology Brainstorm: Social Equity Considerations

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#### RECOMMENDED ACTION:

Information Only – No Action Required

#### STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future. 2: Be a cohesive and influential voice for the region. 3: Spur innovation and action through leadership in research, analysis and information sharing. 4: Build a unified culture anchored in the pursuit of organizational excellence.

#### EXECUTIVE SUMMARY:

*This report is intended to support an initial brainstorming discussion by the RHNA Subcommittee regarding the social equity component of the 7th Cycle RHNA methodology. It reviews how equity and affirmatively furthering fair housing considerations were incorporated into the 6th Cycle RHNA methodology, highlights relevant policies from Connect SoCal 2024, and presents potential options for incorporating social equity into the 7th Cycle methodology. These options are intended to facilitate discussion rather than serve as staff recommendations.*

*The goal of this report is to solicit early Subcommittee feedback on potential priorities, tradeoffs, and initial preferences on approaches for advancing the five statutory RHNA objectives. Any feedback received will help inform the development of the 7th Cycle RHNA methodology.*

*Lastly, it should be noted that this report focuses exclusively on social equity considerations. Other methodology factors and considerations will be brought before the Subcommittee in future meetings.*

#### BACKGROUND:

This report examines how equity considerations informed the 6th Cycle methodology, highlights relevant Connect SoCal 2024 policies intended to advance equitable access to housing, jobs, transportation, and opportunity throughout the region, and poses some potential options that the

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Subcommittee may wish to consider as part of its initial brainstorm on the 7th Cycle methodology. These options are focused specifically on the social equity component of the RHNA methodology. Additional methodology factors, including transportation considerations, will be discussed separately in future Subcommittee meetings.

#### How Social Equity Was Incorporated into the 6th Cycle RHNA Methodology

SCAG's 6th Cycle RHNA methodology assigned housing need to jurisdictions based on a combination of projected household growth, access to jobs and transit, and fair housing objectives. The methodology was designed to direct more housing opportunities to areas with greater access to jobs, transit, and community resources while ensuring every jurisdiction was obligated to plan for housing across all income levels.

The 6th Cycle RHNA methodology began with the total regional housing need assigned to the SCAG region by the California Department of Housing and Community Development (HCD). HCD assigned SCAG a total Regional Housing Needs Determination (RHND) of 1,341,827 units. SCAG separated this RHND into two components: projected need and existing need. Projected need reflected anticipated household growth, future vacancy needs, and the replacement of units expected to be lost during the planning period. Existing need represented the portion of the regional determination attributable to the region's existing housing shortage and housing challenges that had accumulated over time. In the 6th Cycle, existing need accounted for 836,857 housing units, which was about 62% of the region's total RHND.

At its core, the 6th Cycle RHNA methodology could be distilled down to these two steps:

1. Total need was determined (projected need + existing need = total need)
2. Total need was then allocated out across four different income levels for all of the 197 jurisdictions in the SCAG region

Social equity was integrated into the 6th Cycle methodology in two main ways. It was primarily incorporated during the income category allocation. However, it was also used as one component of the existing need calculation. The graphic below depicts this, with red arrows included to show where social equity considerations were used.

| Projected need             | Existing need                               | Income categories                                                                   |
|----------------------------|---------------------------------------------|-------------------------------------------------------------------------------------|
| Household growth 2020-2030 | Transit accessibility (HQT population 2045) | 150% social equity adjustment minimum                                               |
| Future vacancy need        | Job accessibility                           | 0-30% additional adjustment for areas with lowest or highest resource concentration |
| Replacement need           | Residual distribution within the county     |                                                                                     |

As shown above, social equity was a key component of the 6th Cycle methodology’s calculation of existing need in the form of the residual distribution within the county. In order to distribute existing need among jurisdictions, SCAG used a formula based on access to opportunity. Half of the region’s existing need was allocated according to each jurisdiction’s share of the population located near high-quality transit, and the other half was allocated based on job accessibility, measured by the number of regional jobs that could be reached within a 30-minute commute. This approach was intended to better align housing growth with transportation investments, employment access, and the statutory RHNA objectives.

The methodology also included a “residual need” adjustment for certain disadvantaged communities. After projected and existing need were initially calculated, SCAG identified jurisdictions classified as disadvantaged communities (DACs) based on the California Tax Credit Allocation Committee (TCAC)/HCD Opportunity Index Scores. Jurisdictions where 50 percent or more of the population lived in areas either identified as very low-resource areas or identified as areas high in segregation and poverty were determined to be DACs.

The TCAC and HCD Opportunity mapping tool includes a total of eleven (11) census-tract level indices to measure exposure to opportunity in local communities. The indices are based on measures of economic, environmental, and educational opportunities within communities. Regional patterns of segregation are also identified based on this tool. Below is a summary table of the 11 indices sorted by type:

| Economic               | Environment                    | Education                    |
|------------------------|--------------------------------|------------------------------|
| Poverty                | CalEnviroScreen 3.0 indicators | Math proficiency             |
| Adult education        | Ozone                          | Reading proficiency          |
| Employment             | PM2.5                          | High school graduation rates |
| Low-wage job proximity | Diesel PM                      | Student poverty rate         |
| Median home value      | Drinking water contaminates    |                              |
|                        | Pesticides                     |                              |
|                        | Toxic releases from facilities |                              |
|                        | Traffic density                |                              |
|                        | Cleanup sites                  |                              |
|                        | Groundwater threats            |                              |
|                        | Hazardous waste                |                              |
|                        | Impaired water bodies          |                              |
|                        | Solid waste sites              |                              |

If a DAC's calculated housing need exceeded its long-term projected household growth through 2045, the amount above that growth projection was identified as residual need. The methodology capped existing need for these jurisdictions at their projected household growth level, generating a countywide pool of residual need.

After the pool of residual need for a county was calculated, the residual need was then redistributed to non-DAC jurisdictions within the same county using the same factors that were used to allocate existing need: 50% based on transit accessibility and 50% based on job accessibility. However, one important caveat is that jurisdictions where more than half of the population lived in very low-resource areas were excluded from receiving the redistributed residual units. The reason for excluding those jurisdictions was to affirmatively further fair housing (AFFH) by striving to ensure that additional affordable housing units would not be assigned to the areas with the lowest resources, as part of an effort to increase access to opportunities.

Simply put, the residual need adjustment shifted a portion of existing need from certain DACs to other jurisdictions within the same county that had stronger access to jobs and transit and were not predominantly composed of very low-resource areas. The adjustment was one of several features of the 6th Cycle methodology designed to incorporate social equity and fair housing considerations into the RHNA allocation process.

As mentioned above, in addition to the residual need adjustment that was factored into the existing need, social equity was also the driving focus for how the 6th Cycle methodology addressed the allocation of total need across the four income categories. In the 6th Cycle, there were four distinct income categories:

1. Very low (50% of the county's median income or less)
2. Low (50-80% of the county's median income)
3. Moderate (80-120% of the county's median income)
4. Above moderate (120% of the county's median income and above)

The five statutory RHNA objectives provided guidance on how total need was required to be allocated across these income levels. In particular, Statutory Objectives #4 and 5 provided as follows:

- Statutory Objectives #4: *“Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.”*
- Statutory Objectives #5: *“Affirmatively furthering fair housing.”*
  - Government Code Section 65584(e) provides more clarity about this statutory requirement, as follows: *“For purposes of this section, ‘affirmatively furthering fair housing’ means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.”*

The 6th Cycle methodology accounted for these statutory objectives by including a 150% minimum social equity adjustment. The goal of this social equity adjustment was to reduce future allocations in income categories that were already overrepresented in each jurisdiction and increase allocations in categories that were underrepresented. Broadly speaking, this meant that jurisdictions with a disproportionately high share of lower-income households were assigned a smaller share of very-low and low-income housing units, while jurisdictions with a disproportionately high share of higher-income households were assigned a larger share of affordable housing need.

Beyond the 150% minimum social equity adjustment, the 6th Cycle methodology also included a 10-30% additional adjustment in jurisdictions with especially high concentrations of either very high-resource or very low-resource areas, as based on the TCAC/HCD Opportunity Map. This additional adjustment was called the “social equity adjustment”. A social equity adjustment ensured that jurisdictions would accommodate their fair share of each income category.

Assigning a higher social equity adjustment based on Opportunity Indices was intended to result in a higher percentage of affordable housing units to areas that have higher resources. Concurrently, it would assign a lower percentage of affordable housing in areas where there was already an overconcentration. Because Opportunity Indices consider factors such as access to lower wage jobs, poverty rates, and school proficiency, the social equity adjustment in the RHNA methodology would result in factors beyond simply household income distribution. This additional adjustment was intended to help to adjust the disparity in access to fair housing across the region, furthering the AFFH objective required in State housing law.

To determine the social equity adjustment, the jurisdiction's existing distribution by income category was calculated using the county median income as a benchmark. For example, City A has been determined to have 30 percent of its households as very low-income. In contrast, 25 percent of households of the County it is located in is considered very low-income. This means City A has a higher concentration of very low-income households compared to its county.

If the jurisdiction is assigned a social equity adjustment of 150 percent, the formula to calculate its very low-income percentage is:

| Household Income Level | Formula to Calculate City A Social Equity Adjustment of <b>150%</b> |
|------------------------|---------------------------------------------------------------------|
| Very Low-Income        | $30\% - [(30\% - 25\%) \times 1.5] = 22.5\%$                        |

In this example, 22.5 percent of the jurisdiction's total RHNA allocation would be assigned to the very low-income category. This adjustment is lower than both its existing household income distribution (30 percent) and the existing county distribution (25 percent). If the adjustment was 100 percent, a jurisdiction's distribution would be exactly the same as the County's distribution. Conceptually a 150 percent adjustment means that the City meets the County distribution and goes beyond that threshold by 50 percent, resulting in a higher or lower distribution than the County depending on what existing conditions are in the City. The higher the adjustment, the more noticeable the difference between the jurisdiction's existing household income distribution and its revised distribution.

The inverse occurs in higher income categories. Assuming 20 percent of City A's households are above moderate-income while 25 percent of the County's households are above moderate income, City A will be assigned a distribution of 27.5 percent for above moderate-income need. This is a higher percentage than it currently has for above moderate-income households and higher than the current County distribution.

| Household Income Level | Formula to Calculate City A Social Equity Adjustment of <b>150%</b> |
|------------------------|---------------------------------------------------------------------|
| Above moderate-income  | $20\% - [(20\% - 25\%) \times 1.5] = 27.5\%$                        |

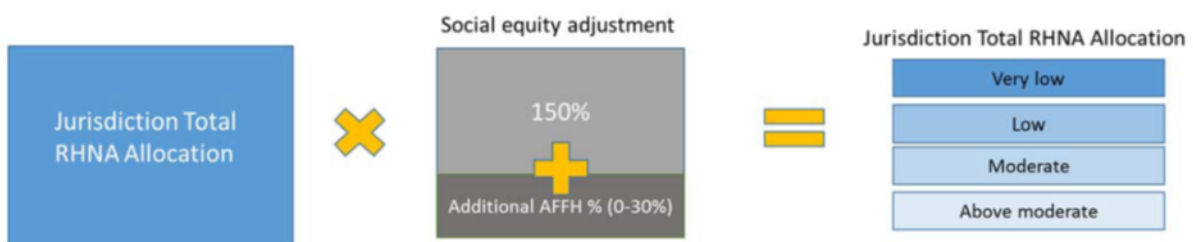
To further AFFH and increase access to fair housing and resources, the 6<sup>th</sup> cycle RHNA methodology considered both low resource and high resource areas as considerations in its allocation formula. Areas with concentration of their population within a very low or very high resource area received a social equity percentage between 160 to 180 percent. This resulted in areas with higher resources to be assigned with a higher need of lower income housing while areas with low resources received a relatively lower allocation of lower income housing need.

Below is a table of City A's very low and above moderate-income category distributions under different social equity percentage adjustments:

| City A<br>Current very low-<br>income<br>distribution | 100% (County<br>distribution) | 150%  | 175%  | 200% |
|-------------------------------------------------------|-------------------------------|-------|-------|------|
| 30%                                                   | 25%                           | 22.5% | 21.3% | 20%  |

| City A<br>Current above<br>moderate-<br>income<br>distribution | 100% (County<br>distribution) | 150%  | 175%  | 200% |
|----------------------------------------------------------------|-------------------------------|-------|-------|------|
| 20%                                                            | 25%                           | 27.5% | 28.8% | 30%  |

The graphic below illustrates how the social equity adjustment and AFFH adjustment were used in tandem to take a jurisdiction's total RHNA allocation and determine how it would be separated out across income levels.



In summary, the residual need adjustment, social equity adjustment, and AFFH adjustment were all incorporated into the 6th Cycle RHNA methodology in order to align with state law and advance equitable housing outcomes in the SCAG region.

## Relevant Social Equity Policies from Connect SoCal 2024

Looking ahead to the 7th Cycle RHNA Methodology, the RHNA methodology is required to further statutory objectives related to socioeconomic equity, affirmatively furthering fair housing, jobs-housing balance, efficient development patterns, and greenhouse gas reduction targets. Additionally, there are a number of regional planning policies from SCAG's Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS), Connect SoCal 2024, that may be relevant for consideration as part of the social equity component of the RHNA methodology. As a result, regional policies that address these issues may provide useful guidance to the Subcommittee both in advancing the statutory RHNA objectives and in maintaining alignment with broader regional planning goals.

The following regional planning policies from Connect SoCal 2024 bear relevance on the social equity aspect of the RHNA Methodology:

- Connect SoCal 2024, Regional Planning Policy #35: *"Encourage housing development in areas with access to important resources and amenities (economic, educational, health, social and similar) to further fair housing access and equity across the region"*
- Connect SoCal 2024, Regional Planning Policy #38: *"Prioritize communities that are vulnerable to displacement pressures by supporting community stabilization and increasing access to housing that meets the needs of the region"*
- Connect SoCal 2024, Regional Planning Policy #39: *"Promote innovative strategies and partnerships to increase homeownership opportunities across the region with an emphasis on communities that have been historically impacted by redlining and other systemic barriers to homeownership for people of color and other marginalized groups"*
- Connect SoCal 2024, Regional Planning Policy #45: *"Advance community-centered interventions, resources and programming that serve the most disadvantaged communities and people in the region, like Priority Equity Communities, with strategies that can be implemented in the short-to-long-term"*
- Connect SoCal 2024, Regional Planning Policy #46: *"Promote racial equity that is grounded in the recognition of the past and current harms of systemic racism and one that advances restorative justice"*
- Connect SoCal 2024, Regional Planning Policy #50: *"Recognize and support the diversity of communities across the region by promoting local place-making, planning and development efforts that advance equity, mobility, resilience and sustainability"*
- Connect SoCal 2024, Regional Planning Policy #64: *"Prioritize the most vulnerable populations and communities subject to climate hazards to help the people, places and infrastructure that are most at risk for climate change impacts. In doing so, recognize that disadvantaged communities are often overburdened"*

Please note that the policies above are not intended to prescribe or steer the Subcommittee towards a particular RHNA methodology outcome. Rather, the policies are being provided to help illustrate the broader regional policy framework and highlight equity-related considerations that may be useful to the Subcommittee in evaluating options for the RHNA methodology and their potential impacts.

#### Potential Options for Incorporating Social Equity into the 7th Cycle RHNA Methodology

Given that the 7th Cycle RHNA methodology is required to advance the five statutory objectives, including Statutory Objectives #4 and 5, as described earlier in this report, it will be necessary for the methodology to incorporate some kind of social equity component that meaningfully aligns with those objectives. However, the methodology does not necessarily need to be structured in the same way that the 6th Cycle methodology was, although that is one option. A few potential options for starting points that the Subcommittee may want to consider are provided below. Please note that these are provided in the interest of fostering discussion and gaining insight into what kind of approach to social equity the Subcommittee may favor. However, the Subcommittee's discussion does not need to be restricted to those options identified below, as Option E indicates.

##### *Option A: Continue the 6th Cycle Approach*

Under this option, the 7th Cycle RHNA methodology would generally retain the social equity framework used during the 6th Cycle. It would not necessarily need to be identical; it could be kept entirely the same, but it could also incorporate refinements, if needed. However, in any case, this approach would continue to incorporate social equity considerations by redistributing residual need and providing adjustment factors that dictate the allocation of housing need across income categories in order to further RHNA Statutory Objectives #4 and #5.

The methodology would continue to direct a larger share of lower-income housing need toward jurisdictions that currently have comparatively fewer lower-income households, while utilizing resource- and opportunity-based metrics to support affirmatively furthering fair housing objectives. The overall structure of the 6th Cycle methodology would remain intact, including its emphasis on increasing access to opportunity and promoting a more balanced regional distribution of lower-income housing need.

Some potential refinements, if desired, could include adjusting the magnitude of the social equity adjustments or allowing residual need to be redistributed across county lines to the broader SCAG region. The underlying data sources would also need to be updated to the most current information available, as well, as most sources used for the 6th Cycle are now out of date. However, the information would broadly be drawn from the same sources – it would just leverage the most current data, such as using the 2026 version of the TCAC/HCD Opportunity Map, as opposed to the 2017 version.

Other considerations could include using different definitions when determining whether a jurisdiction is considered a disadvantaged community. Additionally, the determination could be on a scale rather than a strict percentage cutoff.

Under this scenario, the fundamental framework and policy approach established during the 6th Cycle would remain largely unchanged. This would likely offer some continuity in proceeding with a methodology that jurisdictions and other interested stakeholders may be more familiar with now, but would sacrifice the opportunity to make significant changes in approach.

#### *Option B: Expand the Existing AFFH Framework*

Under Option B, the 7th Cycle methodology would build upon AFFH concepts incorporated into the 6th Cycle methodology while expanding the use of opportunity- and resource-based indicators. Instead of relying primarily on the existing set of metrics and adjustment factors, the methodology could place greater emphasis on identifying disparities in access to resources among areas within the SCAG region and focus on driving future housing opportunities into areas that are generally positioned to provide higher access to opportunities. For example, in addition to potentially refining the use of TCAC/HCD Opportunity Area data, under this option, the methodology may look at and incorporate specific additional indicators such as educational opportunity, environmental health conditions, or measures of residential segregation. These factors could be used to further direct housing need toward areas that provide greater access to opportunity, clearly advancing RHNA Statutory Objective #5 and related Connect SoCal policies that encourage equitable access to resources and amenities across the region.

Compared with Option A, this approach would place greater emphasis on fair housing and housing outcomes related to access to opportunities, while still retaining the general structure of a resource-based social equity adjustment within the RHNA methodology.

#### *Option C: Elevate Community Stabilization and Anti-Displacement Strategies*

Under Option C, the 7th Cycle methodology would place greater emphasis on community stabilization and the prevention of displacement as a core component of its social equity framework. Rather than focusing primarily on directing housing need toward areas with higher levels of opportunity and resources, this approach would examine the extent to which jurisdictions and communities are experiencing housing instability and displacement pressures and seek to incorporate those considerations into the methodology.

Under this framework, the methodology could consider incorporating indicators intended to identify areas where residents face heightened housing challenges and are at greater risk of being displaced

from their current communities. Some potential indicators worth evaluating could include measures of displacement vulnerability, rent burden, overall housing cost burden, or eviction risk. These metrics could be incorporated individually or even combined into a composite index designed to identify communities experiencing elevated levels of housing instability. This option would align with Connect SoCal 2024 Regional Planning Policy #38, which prioritizes communities vulnerable to displacement pressures, as well as other regional policies focused on supporting disadvantaged populations and advancing equitable outcomes.

Compared with Options A and B, this approach would focus more directly on housing insecurity and displacement pressures rather than primarily emphasizing access to opportunities and resources. While the methodology would still need to further RHNA Statutory Objectives #4 and #5, this option would explore whether community stabilization and preserving community housing access should play a larger role in how social equity is incorporated into the 7th Cycle RHNA methodology.

#### *Option D: Simplify the Social Equity Framework*

Under Option D, the 7th Cycle RHNA methodology would seek to further the statutory RHNA objectives through a more streamlined and readily understandable social equity framework. As opposed to mimicking, altering, or expanding on the adjustment factors, indices, and metrics incorporated into the 6th Cycle methodology, this approach would focus on using a smaller set of indicators that are easier for jurisdictions, stakeholders, and the public to understand and replicate.

It is critical to emphasize that this option would not eliminate social equity considerations from the methodology, as state law still requires the methodology to address income distribution and affirmatively further fair housing. Instead, the methodology would seek to balance the minimum set of measures necessary to meaningfully advance those objectives in an effort to avoid becoming overly complex or technical. For example, the methodology could focus on a limited number of widely recognized indicators, such as existing income distributions, opportunity area classifications, or other readily available datasets, while reducing reliance on multiple overlapping adjustment factors.

One rationale for this approach is that staff research indicates that SCAG's 6th Cycle RHNA methodology was comparatively complex relative to methodologies adopted by other large councils of governments (COGs) in California. SCAG's methodology incorporated projected need, existing need, transit accessibility, job accessibility, social equity adjustments, and disadvantaged community redistribution into a multi-layered allocation framework. By comparison, other large COGs, including the San Diego Association of Governments (SANDAG), the Sacramento Area Council of Governments (SACOG), and the Metropolitan Transportation Commission (MTC)/Association of Bay Area Governments (ABAG), often relied on what might be described as more singular organizing frameworks. The approaches for those frameworks employed by peer agencies differed, but each agency adopted a methodology with a more singular focus such as emphasizing transit and job access,

using adopted growth strategies and applying adjustments, or prioritizing opportunity-based housing allocations. By contrast, SCAG's 6th Cycle methodology featured more detail and moving pieces.

A simplified methodology could theoretically improve transparency, make allocation outcomes easier to explain, and reduce challenges associated with communicating methodology calculations to both local jurisdictions and other interested stakeholders. The trade-off might be that a simplified methodology could also have less capacity to account for nuance and technical details that could otherwise differentiate between jurisdictions.

Compared with the other options above, Option D would place less emphasis on expanding or refining social equity metrics and instead seek to prioritize clarity, replicability, and ease of understanding. Under this approach, the Subcommittee would explore ways in which a more streamlined framework could continue to advance the statutory RHNA objectives while making the methodology more accessible and easier to follow for a broader audience.

#### *Option E: Something Else Entirely*

The options described above are intended to provide several potential starting points for discussion, but they are not intended to represent the full universe of possible approaches for incorporating social equity into the 7th Cycle RHNA methodology. The Subcommittee may determine that a different approach, or a combination of elements from multiple of these options, would better advance the region's priorities and the statutory RHNA objectives. Along that vein, the Subcommittee may identify concepts, datasets, or wholesale allocation approaches that are not discussed in this report at all, but still warrant consideration as the methodology development process progresses.

Regardless of the specific approach selected, any proposed methodology must further the five statutory RHNA objectives, including promoting socioeconomic equity, AFFH, improving the relationship between jobs and housing, encouraging efficient development patterns, and supporting the region's greenhouse gas reduction goals. Therefore, any number of approaches may be possible, from mimicking the 6th Cycle methodology to overhauling it entirely. The central driving theme will be to evaluate how effectively a proposed framework advances those statutory objectives, while also reflecting the priorities of the Subcommittee and the broader region.

#### **FISCAL IMPACT:**

Work associated with this item is included in the FY27 Overall Work Program (800.0160.03): Regional Housing Needs Assessment (RHNA).

#### **ATTACHMENTS:**

1. PowerPoint Presentation – RHNA Methodology Brainstorm: Social Equity Considerations

# 7<sup>th</sup> Cycle RHNA Methodology Brainstorm

*Social Equity Considerations*

September 10, 2026

[WWW.SCAG.CA.GOV](http://WWW.SCAG.CA.GOV)

## RHNA Objectives

The RHNA Allocation Plan must further the following objectives:

- 1 To increase the housing supply and mix of housing types, tenure and affordability within each region in an equitable manner
- 2 Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns



# RHNA Objectives

The RHNA Allocation Plan must further the following objectives:

- 3 Promoting an improved intraregional relationship between jobs and housing
- 4 Allocating a lower proportion of housing need in income categories in jurisdictions that have a disproportionately high share in comparison to the county distribution
- 5 Affirmatively furthering fair housing (AFFH)



## How was social equity incorporated into the 6<sup>th</sup> Cycle Methodology?

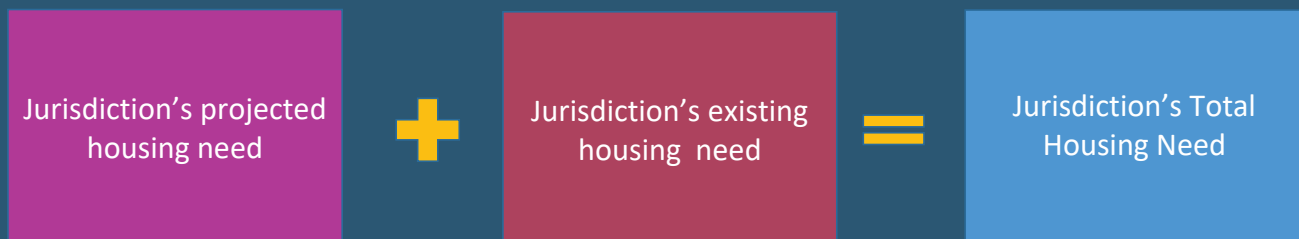
## RHND

- HCD assigned the SCAG region an RHND
- SCAG then had to design a methodology to allocate this need out to each jurisdiction

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

**1,341,827**

## Background Information



- Total need was determined and then allocated out across four different income levels for all 197 jurisdictions

## Background Information

- Social equity played a key part in two aspects of the methodology:
  - “Residual need” adjustment factor
  - Social equity adjustment for income category allocation

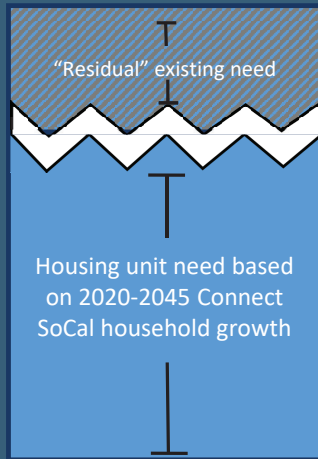
| Projected need             | Existing need                                | Income categories                                                                   |
|----------------------------|----------------------------------------------|-------------------------------------------------------------------------------------|
| Household growth 2020-2030 | Transit accessibility (HQTA population 2045) | 150% social equity adjustment minimum                                               |
| Future vacancy need        | Job accessibility                            | 0-30% additional adjustment for areas with lowest or highest resource concentration |
| Replacement need           | Residual distribution within the county      |                                                                                     |

## Residual Need Adjustment

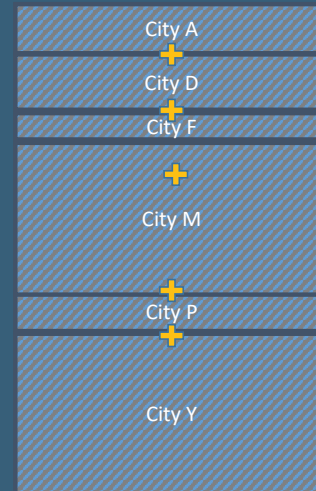
- Applied to certain disadvantaged communities (DACs)
- DACs were determined based upon TCAC/HCD Opportunity Index Scores
  - Low resource areas
  - Areas high in segregation and poverty

## Residual Need Adjustment

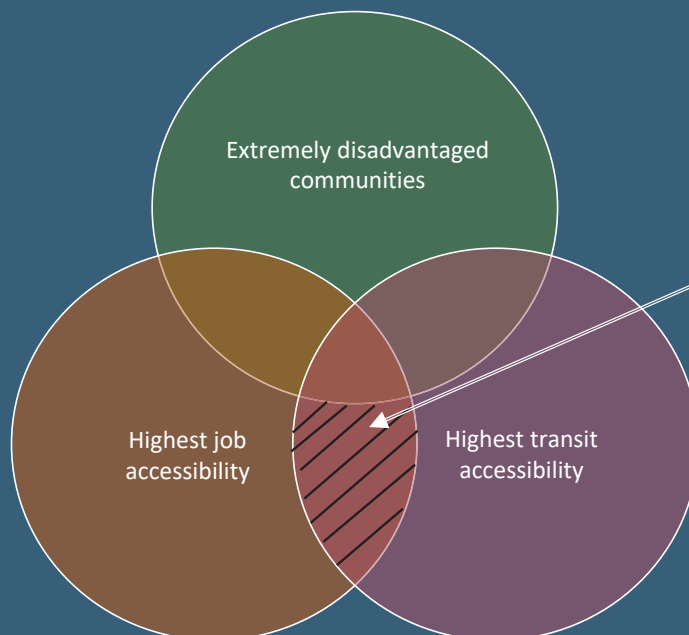
City A calculated existing need



Regional "residual" existing need  
(about 20% of existing need)



## Residual Need Adjustment



Distribution of  
"residual" (about 20%)  
existing housing need  
to selected  
jurisdictions

## Residual Need Adjustment

- After pool of residual need for a county was calculated, it was redistributed to non-DAC jurisdictions within the same county
- Jurisdictions where >50% of the population lived in very low-resource areas were excluded from receiving redistributed residual need
- Adjustment effectively shifted a portion of existing need from certain DACs to other jurisdictions within the same county that had:
  - Stronger access to jobs
  - Better transit accessibility
  - Were not predominantly composed of very low-resource areas

## Social Equity Adjustment

- 6<sup>th</sup> Cycle income levels:
  - Very low (50% of the county's median income or less)
  - Low (50-80% of the county's median income)
  - Moderate (80-120% of the county's median income)
  - Above moderate (120% of the county's median income and above)
- Social equity was the driving focus for determining how total need was allocated across these income levels

## Social Equity Adjustment

- Methodology reduced future allocations in income levels that were overrepresented in each jurisdiction and vice versa
- Aimed to further statutory RHNA objectives (especially #4 and #5)

## Background Information

- Minimum social equity adjustment: **150%**
- Additional AFFH adjustment: **10-30%**
  - Depended on concentrations of either very high-resource or very low-resource areas (TCAC/HCD Opportunity Map)

| Concentration of population within very low- or very high-resource area | Additional social equity adjustment |
|-------------------------------------------------------------------------|-------------------------------------|
| 70-80%                                                                  | +10%                                |
| 80-90%                                                                  | +20%                                |
| 90-100%                                                                 | +30%                                |

## TCAC and HCD Opportunity Indicators

| Economic               | Environment                                                                                                                                                                                                                                                                                                                                                                                                       | Education                    |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| Poverty                | CalEnviroScreen 3.0 Indicators <ul style="list-style-type: none"> <li>• Ozone</li> <li>• PM2.5</li> <li>• Diesel PM</li> <li>• Drinking water contaminants</li> <li>• Pesticides</li> <li>• Toxic releases from facilities</li> <li>• Traffic density</li> <li>• Cleanup sites</li> <li>• Groundwater threats</li> <li>• Hazardous waste</li> <li>• Impaired water bodies</li> <li>• Solid waste sites</li> </ul> | Education                    |
| Adult education        |                                                                                                                                                                                                                                                                                                                                                                                                                   | Math proficiency             |
| Employment             |                                                                                                                                                                                                                                                                                                                                                                                                                   | Reading proficiency          |
| Low-wage job proximity |                                                                                                                                                                                                                                                                                                                                                                                                                   | High school graduation rates |
| Median home value      |                                                                                                                                                                                                                                                                                                                                                                                                                   | Student poverty rate         |
|                        |                                                                                                                                                                                                                                                                                                                                                                                                                   |                              |

## Social Equity Adjustment

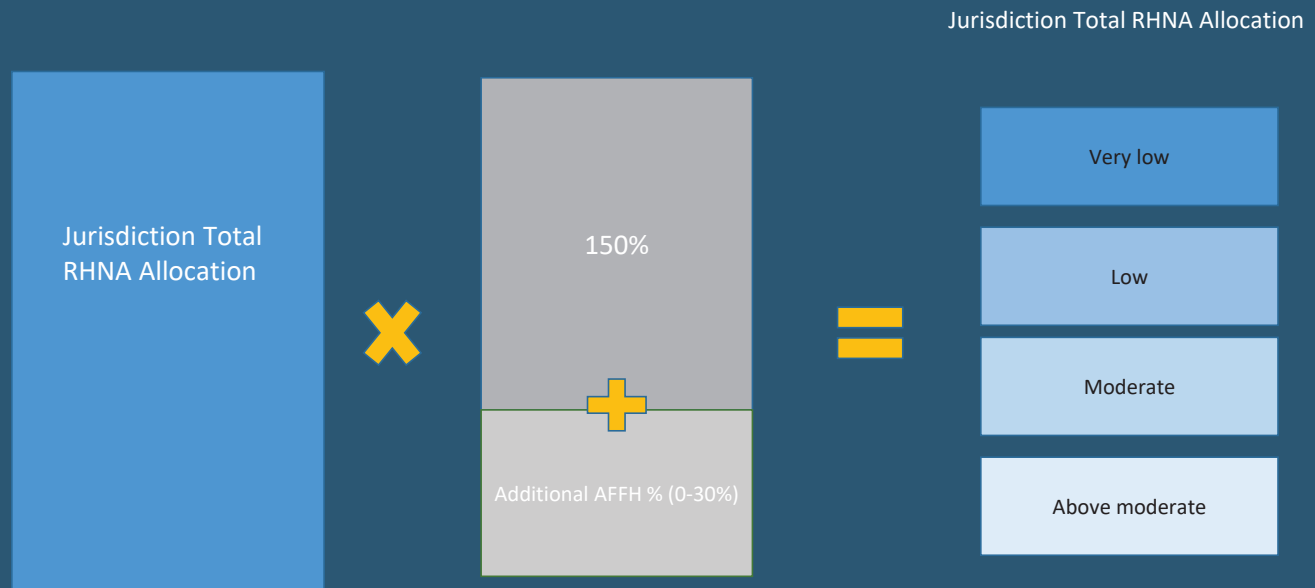
Step 1: Calculate Total RHNA Need

Step 2: Apply 150% Minimum  
Social Equity Adjustment

Step 3: Factor in Additional 10-30%  
AFFH Adjustment

Step 4: Use Results to Allocate  
Total Need Across Income Levels

## Social Equity Adjustment



## Social Equity Adjustment

- As an example, let's assume the following characteristics:

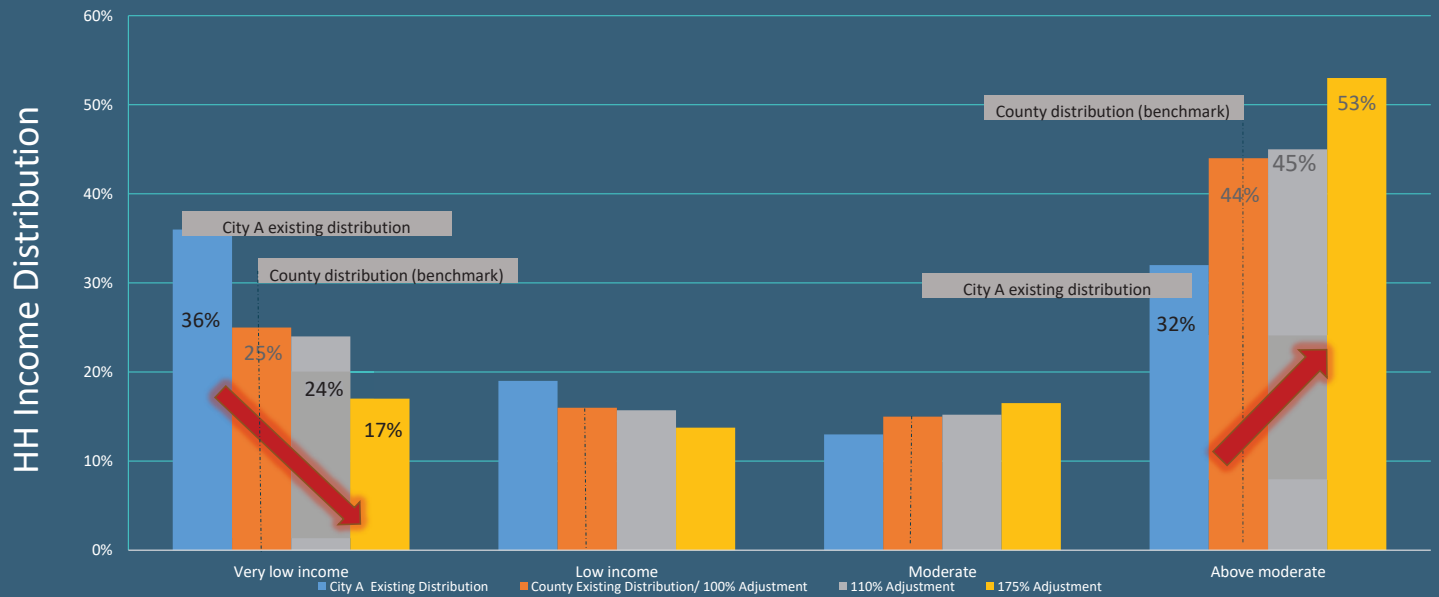
- City A → 30% of households are very low-income
  - County that City A is in: 25% of households are very low-income

| Household Income Level | Formula to Calculate City A Social Equity Adjustment of 150% |
|------------------------|--------------------------------------------------------------|
| Very Low-Income        | $30\% - [(30\% - 25\%) \times 1.5] = 22.5\%$                 |

- City A → 20% of households are above moderate-income
  - County that City A is in: 25% of households are above moderate-income

| Household Income Level | Formula to Calculate City A Social Equity Adjustment of 150% |
|------------------------|--------------------------------------------------------------|
| Above moderate-income  | $20\% - [(20\% - 25\%) \times 1.5] = 27.5\%$                 |

## Social Equity Adjustment



## Relevant Social Equity Policies from Connect SoCal 2024

## Relevant Social Equity Policies

- State law requires the methodology to advance the statutory RHNA objectives
- Connect SoCal 2024 contains policies that may be relevant for consideration as part of the social equity component of the RHNA methodology
- As a result, regional policies addressing these issues may:
  - Provide useful guidance in advancing statutory objectives
  - Maintain alignment with broader regional planning goals

## Relevant Social Equity Policies

| Theme                               | Related Policies |
|-------------------------------------|------------------|
| Access to Opportunity               | #35              |
| Anti-Displacement & Stabilization   | #38              |
| Racial Equity & Historic Inequities | #39, #46         |
| Equity for Vulnerable Communities   | #45, #50, #64    |

### Summary of policy themes

- Access to Opportunity: Expand housing access near jobs, schools, services, and amenities
- Anti-Displacement & Stabilization: Protect communities that are at-risk economically and reduce displacement pressures
- Racial Equity & Historic Inequities: Address historic inequities in housing opportunity and homeownership
- Equity for Vulnerable Communities: Focus resources on disadvantaged and climate-vulnerable communities



## Potential Options for Incorporating Social Equity Into 7<sup>th</sup> Cycle RHNA Methodology

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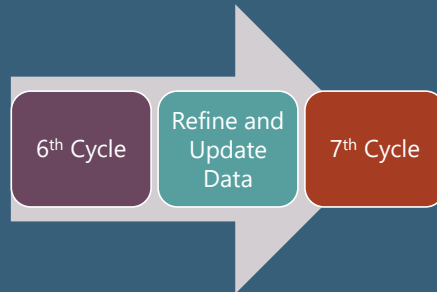
### Potential Options for Incorporating Social Equity

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- Staff has assembled some options that the Subcommittee may want to consider
- Ground rules:
  - Any methodology approach must advance the statutory objectives
    - Given #4 and #5, there will need to be some kind of social equity component
  - Methodology does not necessarily need to be structured like the 6<sup>th</sup> Cycle's
  - These options are provided to foster discussion and gain insight
  - The Subcommittee's discussion does not need to be restricted to these options

## Option A: Continue the 6<sup>th</sup> Cycle Approach

- Maintain overall social equity framework used during the 6<sup>th</sup> Cycle



- Potential refinements:
  - Adjusting magnitude of social equity adjustments
  - Allowing residual need to be distributed across county lines
  - Different definitions for determining which jurisdictions are considered DACs
    - Could look at using sliding scale as opposed to strict percentage cutoffs

## Option A: Continue the 6<sup>th</sup> Cycle Approach

- Main advantages:
  - Continuity with prior cycle
  - Familiarity
  - Confidence in advancing statutory objectives
- Main tradeoffs:
  - Sacrifices opportunity to significantly change social equity approach

## Option B: Expand the Existing AFFH Framework

- Put greater emphasis on access to opportunity and resources
- Potential indicators:
  - Educational opportunities
  - Environmental health conditions
  - Measures of residential segregation



## Option B: Expand the Existing AFFH Framework

- Main advantages:
  - Clearly advances Statutory Objective #5 and related Connect SoCal policies
  - Greater emphasis on fair housing
  - Greater focus on housing outcomes related to access to opportunities
- Main tradeoffs:
  - Fundamentally similar to 6<sup>th</sup> Cycle in some ways
  - Likely more complexity

## **Option C: Elevate Community Stabilization and Anti-Displacement Strategies**

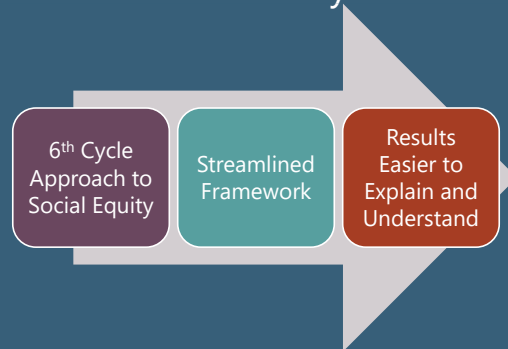
- Place greater emphasis on housing stability and displacement prevention
- Focus on communities experiencing elevated housing insecurity
- Potential indicators:
  - Displacement vulnerability
  - Rent burden
  - Overall housing cost burden
  - Eviction risk

## **Option C: Elevate Community Stabilization and Anti-Displacement Strategies**

- Main advantages:
  - Directly addresses housing insecurity and displacement pressures
  - Aligns with Connect SoCal Policy #38
  - Focuses attention on vulnerable households and communities
  - May help preserve access to existing social and economic networks
- Main tradeoffs:
  - Less emphasis on opportunity-based housing distribution
  - Some indicators may be difficult to measure consistently regionwide
  - Potential tension between anti-displacement goals and AFFH objectives

## Option D: Simplify the Social Equity Framework

- Comply with social equity requirements while reducing complexity
- Focus on a smaller set of transparent and understandable indicators
- Methodology would probably:
  - Rely less on multiple adjustment factors
  - Aim to emphasize datasets that are widely available and understood



## Option D: Simplify the Social Equity Framework

- Main advantages:
  - Easier for jurisdictions and stakeholders to understand
  - Greater transparency and replicability
  - Easier to communicate methodology outcomes
  - Less administrative and technical complexity
- Main tradeoffs:
  - May not capture as much nuance between jurisdictions
  - Fewer variables may reduce flexibility
  - Could limit ability to address multiple social equity objectives simultaneously
  - Simplification may result in less targeted outcomes

## **Option E: Something Else Entirely!**

- Explore alternative frameworks beyond any of these options
- Combine elements from multiple options
- Consider new datasets, indicators, or wholesale allocation approaches
- Focus on identifying the framework that best advances statutory RHNA objectives



# **THANK YOU!**

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