



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017
(213) 236-1800
www.scag.ca.gov

REGIONAL COUNCIL OFFICERS

President
Ray Marquez, Chino Hills

First Vice President
Jenny Crosswhite, Santa Paula

Second Vice President
Patricia Lock Dawson, Riverside

Immediate Past President
Cindy Allen, Long Beach

COMMITTEE CHAIRS

Executive Administration
Ray Marquez, Chino Hills

Community, Economic, and
Human Development
Rocky Rhodes, Simi Valley

Energy and Environment
Rick Denison, Yucca Valley

Transportation
Mike T. Judge, Ventura County
Transportation Commission

MEETING OF THE

COMMUNITY, ECONOMIC, AND HUMAN DEVELOPMENT COMMITTEE

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

***Thursday, November 5, 2026
9:30 a.m. – 11:15 a.m.***

To Attend In-Person:

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

To Watch or View Only:

<https://scag.ca.gov/scag-tv-livestream>

To Attend and Participate on Your Computer:

<https://scag.zoom.us/j/82448520609>

To Attend and Participate by Phone:

**Call-in Number: 1-669-900-6833
Meeting ID: 824 4852 0609**

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. Agendas & Minutes are also available at: www.scag.ca.gov/committees.

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency's essential public information and services. You can request such assistance by calling (213) 236-1895. We request at least 72 hours (three days) notice to provide reasonable accommodations and will make every effort to arrange for assistance as soon as possible.



Instructions for 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 17th floor starting at 9:30 a.m.

To Attend by Computer: Click the following link: <https://scag.zoom.us/j/82448520609>. 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.

To 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: 824 4852 0609**, 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. Written comments received **by 5pm on Wednesday, November 4, 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, November 4, 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.

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.



COMMUNITY, ECONOMIC, AND HUMAN DEVELOPMENT COMMITTEE AGENDA

TELECONFERENCE AVAILABLE AT THESE ADDITIONAL LOCATIONS*

Valerie Amezcua 1037 Sherwood Lane Santa Ana, CA 92706	Don Caskey 27182 Hidden Trail Road Laguna Hills, CA 92653	Debra Dorst-Porada City of Ontario - City Hall 303 East B Street Conference Room 2 Ontario, CA 91764
Bob Engler City of Thousand - City Hall 2100 Thousand Oaks Boulevard Thousand Oaks, CA 91362	Rose Espinoza City of La Habra - City Hall 110 East La Habra Boulevard La Habra, CA 90631	John Grass Imperial County Transportation Commission 1503 N Imperial Avenue #104 El Centro, CA 92243
Peggy Huang City of Yorba Linda - City Hall 4845 Casa Loma Avenue Yorba Linda, CA 92886	Lynda Johnson City of Cerritos - City Hall City Manager Conference Room 18125 Bloomfield Avenue Cerritos, CA 90703	Matt LaVere Supervisor LaVere Hall of Administration 800 S. Victoria Avenue, 4th Floor Ventura, CA 93009
Anni Marshall City of Avalon - City Hall 410 Avalon Canyon Road Avalon, CA 90704	Betty Martinez Franco City of Irvine - City Hall 1 Civic Center Plaza Irvine, CA 92623	Joseph Morabito City of Wildomar - City Hall 23873 Clinton Keith Road Wildomar, CA 92595
Cynthia Moran 6132 Park Crest Drive Chino Hills, CA 91709	Joe Murphy Pechanga Government Center 12705 Pechanga Road Temecula, CA 92592	Sharona Nazarian City of Beverly Hills - City Hall 455 N. Rexford Drive Beverly Hills, CA 90210
David J. Shapiro City of Calabasas - City Hall 100 Civic Center Way Calabasas, CA 91302	Becky A. Shevlin City of Monrovia - City Hall 415 S Ivy Avenue Monrovia, CA 91016	Mary Solorio 1425 Hollister Street San Fernando, CA 91340
Valerie Vandever 1745 Old Mill Court San Jacinto, CA 92583	Judy Woolsey City of Yucaipa - City Hall Executive Conference Room 34272 Yucaipa Boulevard Yucaipa, CA 92399	Tony Wu 4509 Temple City Boulevard Temple City, CA 91780

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

CEHD - Community, Economic, and Human Development Committee
Members – November 2026

- 1. Hon. Rocky Rhodes**
CEHD Chair, Simi Valley, RC District 46
- 2. Hon. Jeff Wood**
CEHD Vice Chair, Lakewood, RC District 24
- 3. Hon. Cindy Allen**
Long Beach, RC District 30
- 4. Hon. Valerie Amezcua**
Santa Ana, RC District 16
- 5. Hon. Joe Baca**
Rialto, SBCTA
- 6. Hon. Debbie Baker**
La Palma, RC District 18
- 7. Hon. Wendy Bucknum**
Mission Viejo, RC District 13
- 8. Hon. Chelsea Byers**
West Hollywood, RC District 41
- 9. Hon. Don Caskey**
Laguna Hills, OCCOG
- 10. Hon. Tanya Doby**
Los Alamitos, RC District 20
- 11. Hon. Debra Dorst-Porada**
Ontario, Pres. Appt. (Member at Large)
- 12. Hon. Shaunna Elias**
Glendora, RC District 33
- 13. Hon. Bob Engler**
Thousand Oaks, VCOG
- 14. Hon. Rose Espinoza**
La Habra, OCCOG
- 15. Hon. Waymond Fermon**
Indio, CVAG

-
- 16. Hon. Margaret Finlay**
Duarte, RC District 35
 - 17. Hon. Claudia Frometa**
Downey, RC District 25
 - 18. Hon. Martin Fuentes**
Cudahy, GCCOG
 - 19. Hon. John Gabbard**
Dan Point, RC District 12
 - 20. Hon. Gary Gardner**
Desert Hot Springs, RC District 2
 - 21. Hon. John Grass**
Brawley, ICTC
 - 22. Hon. Michael Goodsell**
ICTC Representative
 - 23. Hon. Mark Henderson**
Gardena, RC District 28
 - 24. Hon. Peggy Huang**
Yorba Linda, OCCOG
 - 25. Hon. Cecilia Hupp**
Brea, OCCOG
 - 26. William Hussey**
Grand Terrace, SBCTA
 - 27. Hon. Lynda Johnson**
Cerritos, GCCOG
 - 28. Sup. Matt LaVere**
Ventura County, Pres. Appt. (Member at Large)
 - 29. Hon. Jim Light**
Redondo Beach, RC District 40
 - 30. Hon. Anni Marshall**
Avalon, GCCOG
 - 31. Hon. Andrew Masiel**
Tribal Govt Regl Planning Board Representative

-
- 32. Hon. Betty Martinez Franco**
Irvine, Pres. Appt. (Member at Large)
 - 33. Hon. Geneva Mojado**
Soboba Band of Luiseño Indians
 - 34. Hon. Joseph Morabito**
Wildomar, WRCOG
 - 35. Cynthia Moran**
Chino Hills, Pres. Appt. (Member at Large)
 - 36. Hon. Joseph Murphy**
Pechanga Band of Indians
 - 37. Hon. Sharona Nazarian**
Beverly Hills, WSCCOG
 - 38. Hon. Nithya Raman**
Los Angeles, RC District 51
 - 39. Hon. Sheila Rossi**
South Pasadena, AVCJPA
 - 40. Hon. Sonny Santa Ines**
Bellflower, GCCOG
 - 41. Hon. David J. Shapiro**
Calabasas, RC District 44
 - 42. Hon. Becky Shevlin**
Monrovia, SGVCOG
 - 43. Hon. Mary Solorio**
San Fernando, SFVCOG
 - 44. Hon. Helen Tran**
San Bernardino, RC District 7
 - 45. Hon. Valerie Vandever**
San Jacinto, WRCOG
 - 46. Hon. Mark Waronek**
Lomita, RC District 39
 - 47. Hon. Acquanetta Warren**
Fontana, RC District 8

48. Hon. Judy Woolsey

Yucaipa, SBCTA

49. Hon. Tony Wu

West Covina, SGVCOG

50. Hon. Frank A. Yokoyama

Cerritos, RC District 23

51. Hon. Frank Zerunyan

Rolling Hills Estates, Pres. Appt. (Member at Large)



COMMUNITY, ECONOMIC, AND HUMAN DEVELOPMENT COMMITTEE AGENDA

Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700 - Policy B Meeting Room
Los Angeles, CA 90017
Thursday, November 5, 2026
9:30 AM

The Community, Economic, and Human Development Committee 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 – October 1, 2026 PG. 10

Receive and File

2. CEHD Committee Outlook and Future Agenda Items PG. 16

ACTION ITEM

3. Regional Housing Needs Determination for the SCAG Region 30 Mins. PG. 19
(Kevin Kane, Planning Supervisor, SCAG)

RECOMMENDED ACTION:

That the Regional Council object to the Regional Housing Needs Determination issued for the SCAG region on October 15, 2026, by the California Department of Housing and Community Development on the basis that their use of cost-burden data is not a reasonable application of the methodology and assumptions determined pursuant to Government Code Section 65584.01(b). Propose an alternative Regional Housing Needs Determination of 1,081,926 units which replaces HCD's cost-burden adjustment (lines 11 + 12) with an otherwise equivalent cost-burden adjustment for lower-income households only.



COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE AGENDA

INFORMATION ITEM

4. REAP 2.0 SRP 2.0 Program Project Spotlight – San Gabriel Valley Council of Governments – Housing PG. 57
Incubator Project 20 Mins.
(Nashia Lalani, Principal Regional Planner, SCAG and Rosalie Lansing, Management Aide, SGVCOG)

CHAIR'S REPORT

(The Honorable Rocky Rhodes, Chair)

STAFF REPORT

(Jonathan Davis, Government Affairs Officer, SCAG)

ANNOUNCEMENTS

ADJOURNMENT



AGENDA ITEM 1

MINUTES

Southern California Association of Governments
November 5, 2026

**MINUTES OF THE REGULAR MEETING
COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE (CEHD)
THURSDAY, OCTOBER 1, 2026**

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE (CEHD). A VIDEO AND AUDIO RECORDING OF THE FULL MEETING IS AVAILABLE AT: <http://scag.ig2.com/Citizens/>.

The Community, Economic and Human and Development Committee (CEHD) of the Southern California Association of Governments (SCAG) held its regular meeting both in person and virtually (telephonically and electronically). A quorum was present.

Members Present

Hon. Rocky Rhodes, Chair
Hon. Jeff Wood, Vice Chair

Hon. Cindy Allen
Hon. Joe Baca
Hon. Debbie Baker
Hon. Chelsea Byers
Hon. Don Caskey
Hon. Tanya D. Doby
Hon. Debra Dorst-Porada
Hon. Keith Eich
Hon. Shaunna Elias
Hon. Bob Engler
Hon. Rose Espinoza
Hon. Margaret E. Finlay
Hon. Martin Fuentes
Hon. John Gabbard
Hon. Gary Gardner
Hon. Mike Goodsell
Hon. John Grass
Hon. Mark Henderson
Hon. Peggy Huang
Hon. Cecilia Hupp
Hon. Lynda Johnson
Hon. Betty Martinez Franco
Hon. Joseph Morabito
Hon. Cynthia Moran

Simi Valley

Lakewood
Long Beach
Rialto
La Palma
West Hollywood
Laguna Hills
Los Alamitos
Ontario, Pres. Appt.
La Cañada Flintridge
Glendora
Thousand Oaks
La Habra
Duarte
Cudahy
Dana Point
Desert Hot Springs
Holtville
Brawley
Gardena
Yorba Linda
Brea
Cerritos
Irvine, Pres. Appt.
Wildomar
Chino Hills, Pres. Appt.

District 46

District 24
District 30
SBCTA
District 18
District 41
OCCOG
OCCOG
Member at Large
District 36
District 33
VCOG
OCCOG
District 35
GCCOG
District 12
District 2
ICTC
ICTC
District 28
OCCOG
OCCOG
GCCOG
Member at Large
WRCOG
Member at Large



Hon. Joseph Murphy	Pechanga Band of Luiseño Indians	
Hon. Sheila Rossi	South Pasadena	AVCJPA
Hon. Sonny Santa Ines	Bellflower	GCCOG
Hon. David Shapiro	Calabasas	District 44
Hon. Becky Shevlin	Monrovia	SGVCOG
Hon. Helen Tran	San Bernardino	District 7
Hon. Valerie Vandever	San Jacinto	WRCOG
Hon. Mark Waronek	Lomita	District 39
Hon. Judy Woolsey	Yucaipa	SBCTA
Hon. Tony Wu	West Covina	SGVCOG
Hon. Frank Yokoyama	Cerritos	District 23

Members Not Present

Hon. Valerie Amezcua	Santa Ana	District 16
Hon. Wendy Bucknum	Mission Viejo	District 13
Hon. Waymond Fermon	Indio	CVAG
Hon. Claudia Frometa	Downey	District 25
Hon. William Hussey	Grand Terrace	SBCTA
Sup. Matt LaVere	Ventura County, Pres. Appt.	Member at Large
Hon. Jim Light	Redondo Beach	District 40
Hon. Anni Marshall	Avalon	GCCOG
Hon. Andrew Masiel, Sr.	Tribal Gov't Reg'l Planning Rep.	
Hon. Geneva Mojado	Soboba Band of Luiseño Indians	
Hon. Sharona Nazarian	Beverly Hills	WSCCOG
Hon. Nithya Raman	Los Angeles	District 51
Hon. Mary Solorio	San Fernando	SFVCOG
Hon. Acquanetta Warren	Fontana	District 8
Hon. Frank Zerunyan	Rolling Hills Estates	Member at Large

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The Honorable Rocky Rhodes called the meeting to order at 9:30 a.m. and asked CEHD member Michael Goodsell, ICTC Representative, to lead the Pledge of Allegiance.

PUBLIC COMMENT PERIOD

Chair Rhodes opened the public comment period and noted this was the time for members of the public to offer comment for matters that are within SCAG's jurisdiction but are not listed on the agenda.

SCAG staff noted there were no written public comments received via email before and after the 5pm deadline of Wednesday, September 30, 2026. SCAG staff also noted that there were no public comments for matters not listed on the agenda.

Seeing no public comment speakers, Chair Rhodes closed the public comment period for matters not listed on the agenda.

REVIEW AND PRIORITIZE AGENDA ITEMS

There was no prioritization of agenda items.

CONSENT CALENDAR

Approval Items

1. Minutes of the Meeting – September 3, 2026

Receive and File

2. CEHD Committee Outlook and Future Agenda Items

A MOTION was made (Finlay) to approve Consent Calendar Approval Item 1 and Receive and File Item

2. Motion was SECONDED (Gabbard) and passed by the following roll call vote:

AYES: Allen, Baca, Baker, Byers, Caskey, Eich, Engler, Finlay, Fuentes, Gabbard, Goodsell, Henderson, Hupp, Johnson, Martinez Franco, Morabito, Moran, Murphy, Rhodes, Rossi, Santa Ines, Vandever, Waronek, Wood, Wu and Yokoyama (26)

NOES: None (0)

ABSTAIN: None (0)

There were no public comments on the Consent Calendar.

ACTION ITEM

3. Community Hubs Activation Program Guidelines and Call for Interest

Chair Rhodes provided background information on the Community Hubs Program. He noted the presentation would include an overview of SCAG's Community Hubs Toolkit and Activation Program, an initiative intended to support and implement local, place-based activations in conjunction with the 2028 Olympic and Paralympic Games. He invited Lyle Janicek, SCAG staff, to provide a brief overview of the program guidelines, evaluation process and Call for Interest.

Mr. Janicek provided an overview of SCAG's Community Hubs Toolkit and Activation Program, which provided resources and strategies to support the development and activation of community hubs that promote accessibility, connectivity, and community engagement throughout the region. He noted these efforts aimed to ensure effective coordination for the LA 28 Games, while promoting sustainable, long-term improvements that will benefit the region. His presentation highlighted

benefits of the Community Hubs Toolkit including program guidelines, program goals, outreach and engagement strategies and program timeline and key milestones.

Staff responded to member comments and questions regarding limited funding, the need for broader stakeholder participation, and the importance of leveraging local resources. Additional discussion highlighted concerns about insufficient communication and engagement between LA28 and smaller cities regarding Olympic planning and coordination.

A MOTION was made (Wood) to Recommend that the Regional Council approve the Community Hubs Activation Program Guidelines and authorize staff to release the Community Hubs Activation Program – Request for Interest. (Shapiro) and passed by the following roll call vote:

AYES: Allen, Baca, Baker, Byers, Caskey, Doby, Dorst-Porada, Elias, Engler, Espinoza, Finlay, Fuentes, Gabbard, Gardner, Goodsell, Grass, Henderson, Huang, Hupp, Johnson, Martinez Franco, Morabito, Moran, Murphy, Rhodes, Rossi, Santa Ines, Shapiro, Shevlin, Tran, Vandever, Waronek, Wood, Wu and Yokoyama (35)

NOES: None (0)

ABSTAIN: None (0)

The comprehensive staff report, PowerPoint Presentation – Community Hubs, and the Community Hubs Guidelines Charter were included in the agenda packet.

There were no public comments for agenda item 3.

INFORMATION ITEM

4. REAP 2.0 SRP 2.0 Program Project Spotlight – South Bay Cities COG: Commercial Redevelopment into Housing Phase 2

Chair Rhodes provided a brief introduction and explained that the presentation would feature the South Bay Cities Council of Governments' Commercial Redevelopment into Housing Phase 2 project, including a demonstration of the project's GIS-based site inventory tool. Chair Rhodes invited Alesandro Hall, SCAG staff, to provide additional context and introduce Jake Romoff, Senior Project Coordinator, South Bay Cities COG who will present this project.

Mr. Romoff provided an overview of the key components of the REAP 2.0 tool, noting that it was developed to support city planning, housing element implementation, and redevelopment efforts. He explained that the tool would be available to local jurisdictions to assist with housing planning, site identification and the development of sustainable, complete communities.

The presentation included a demonstration of the tool's parcel scoring methodology and interactive mapping features. Key data layers shown included Housing Element sites, SB 35 disadvantaged communities, environmental justice areas, employment centers, and Tax Credit Allocation

Committee (TCAC) opportunity area data. Mr. Romoff highlighted how these features could help jurisdictions evaluate redevelopment opportunities and inform housing planning decisions.

Mr. Romoff responded to Chair Rhodes' questions regarding the various datasets and local resources used in developing the tool. In closing, Mr. Romoff noted that he would share the methodology document for the South Bay Commercial Redevelopment into Housing Sites Inventory Tool with the CEHD members.

The comprehensive staff report, and PowerPoint presentation – South Bay Cities: Restock Sustainable Pathways to Housing were included in the agenda packet.

There were no public comments for agenda item 4.

CHAIR'S REPORT

Chair Rhodes provided updates on upcoming events and announced that SCAG released the 7th Cycle Regional Housing Needs Assessment (RHNA) Survey Packet on September 14, 2026. He explained that the Survey Packet consists of two components, the Local Planning Factor Survey and the Affirmatively Furthering Fair Housing (AFFH) Survey. Chair Rhodes noted that completed surveys must be submitted to SCAG no later than 5:00 p.m. on January 29, 2027. For additional information or questions regarding the survey, please contact the Housing Department at housing@scag.ca.gov.

STAFF REPORT

Jonathan Davis, Senior Government Affairs Officer, announced SCAG had launched the application process for a second cohort of the Future Leaders Initiative, a six-month civic leadership program designed to equip emerging leaders with the knowledge, skills and connections needed to engage in regional replanning and civic decision-making while developing an understanding of long-term change across Southern California. Mr. Davis noted that applications will be accepted through October 27, 2026. For additional information, please visit the SCAG News section of SCAG's website.

ADJOURNMENT

There being no further business, Chair Rhodes adjourned the meeting of the Community, Economic, and Human Development Committee, at 10:34 a.m., with remembrance and condolences for the survivors and those who lost their lives in the Avalon, California helicopter crash.

Carmen Summers

Community, Economic and Human Development Committee Clerk

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY CEHD]

//

COMMUNITY, ECONOMIC AND HUMAN DEVELOPMENT COMMITTEE ATTENDANCE REPORT														
2026-27														
MEMBERS	Representing	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Total Mtg's Attended To Date
Allen, Cindy	Long Beach, RC District 30	1			1	1								3
Amezcu, Valerie	Santa Ana, RC District 16													
Baca, Joe	Rialto, SBCTA	1	1		1	1								4
Baker, Debbie	La Palma, RC District 18	1	1		1	1								4
Bucknum, Wendy	Mission Viejo, RC District 13		1		1									2
Byers, Chelsea	West Hollywood, RC District 41	1	1		1	1								4
Caskey, Don	Laguna Hills, OCCOG		1			1								2
Doby, Tanya D.	Los Alamitos, OCCOG	1	1		1	1								4
Dorst-Porada, Debra	Ontario, Pres. Appt. (Member at Large)	1	1		1	1								4
Eich, Keith	La Cañada Flintridge, RC District 36	1	1		1	1								4
Elias, Shaunna	Glendora, RC District 33	1	1		1	1								4
Engler, Bob	Thousand Oaks, VCOG	1	1		1	1								4
Espinoza, Rose	La Habra, OCCOG				1	1								2
Fermon, Waymond	Indio, CVAG		1		1									2
Finlay, Margaret E.	Duarte, RC District 35	1			1	1								3
Frometa, Claudia M.	Downey, RC District 25				1									1
Fuentes, Martin	Cudahy, GCCOG	1				1								2
Gabbard, John	Dana Point, RC District 12	1	1		1	1								4
Gardner, Gary	Desert Hot Springs, RC District 2	1	1		1	1								4
Goodsell, Mike	ICTC	1	1		1	1								4
Grass, John	Brawley, ICTC		1		1	1								3
Henderson, Mark E.	Gardena, RC District 28	1	1		1	1								4
Huang, Peggy	Yorba Linda, OCCOG				1	1								2
Hupp, Cecilia	Brea, OCCOG	1	1		1	1								4
Hussey William	Grand Terrace, SBCTA	1	1		1									3
Johnson, Lynda	Cerritos, GCCOG	1	1			1								3
LaVere, Matt	Ventura County CoC		1		1									2
Light, Jim	Redondo Beach, RC District 40	1	1		1									3
Marshall, Anni	Avalon, GCCOG	1	1		1									3
Martinez Franco, Betty	Irvine, Pres. Appt. (Member at Large)	1	1		1	1								4
Masiel, Sr., Andrew	Pechanga Band of Luiseno Indians Tribal Gov Reg Planning Board	1	1											2
Mojado, Geneva	Soboba Band of Luiseño Indians				1									1
Morabito, Joseph	Wildomar, WRCOG	1	1		1	1								4
Moran, Cynthia	Chino Hills, Pres. Appt. (Member at Large)	1	1			1								3
Murphy, Joseph	Pechanga Band of Luiseno Indians		1			1								2
Nazarian, Sharona	Beverly Hills, WSCCOG		1		1									2
Raman, Nithya	Los Angeles, RC District 51													
Rhodes, Rocky	Simi Valley, RC District 46	1	1		1	1								4
Rossi, Sheila	South Pasadena, AVCJPA	1	1		1	1								4
Santa Ines, Sonny	Bellflower, GCCOG	1	1		1	1								4
Shapiro, David J.	Calabasas, RC District 44	1	1		1	1								4
Shevlin, Becky A.	Monrovia, SGVCOG	1	1		1	1								4
Solorio, Mary	San Fernando, SFVCOG													
Tran, Helen	San Bernardino, SBCTA		1		1	1								3
Valerie Vandever	San Jacinto, WRCOG	1	1		1	1								4
Waronek, Mark	Lomita, SBCCOG	1			1	1								3
Warren, Acquanetta	Fontana, RC District 8	1	1		1									3
Wood, Jeff	Lakewood, RC District 24	1	1		1	1								4
Woolsey, Judy	Yucaipa, SBCTA	1	1			1								3
Wu, Tony	West Covina, SGVCOG	1	1		1	1								4
Yokoyama, Frank A.	Cerritos, RC District 23	1	1		1	1								4
Zerunyan, Frank	Rolling Hills Estates, Member at Large	1	1		1									3
TOTAL ATTENDANCE		37	41		42	37								



AGENDA ITEM 2

REPORT

Southern California Association of Governments
November 5, 2026

To: CEHD - Community, Economic, and Human Development Committee

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Elizabeth Carvajal, Deputy Director (Land Use)
213-236-1801, carvajal@scag.ca.gov

Kome Ajise

Subject: CEHD Committee Outlook and Future Agenda Items

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:

In April 2024, SCAG's Regional Council adopted the 2024-2050 Regional Transportation Plan/Sustainable Communities Strategy, Connect SoCal 2024, which is the guiding document for SCAG's regional planning, programming, and local assistance activities. Each year during the Executive Administration Committee (EAC) Retreat, the President leads a conversation with the Chairs and Vice Chairs of all policy committees and the full EAC membership to discuss priorities for implementing and updating Connect SoCal alongside meeting other federal and state requirements. For FY2027, the CEHD Outlook reflects outcomes of the 2026 Executive Administration Committee (EAC) Retreat and discussions with the CEHD Chair and Vice Chair. The Committee Outlook and Future Agenda Items will be updated monthly as a receive and file item and can be pulled by the Chair for discussion at the request of members for input and modifications.

BACKGROUND:

The work of the Southern California Association of Governments (SCAG) and the leadership from the agency's Policy Committees and Regional Council is driven by SCAG's legally mandated duties as a Metropolitan Planning Organization (MPO) for Southern California, the long-range Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), Connect SoCal 2024 as well as, the agency Strategic Plan approved by the Executive Administrative Committee on May 1, 2024.

Community, Economy, and Human Development (CEHD) Committee Outlook and Framework

The Policy Committees help to further the implementation of Connect SoCal by advising on policy, research or resource programs. The Policy Committees will also be informed and advise on broader regional leadership items as needed.

In addition, as appropriate within the scope of each Policy Committee, the FY2027 Presidential Priorities are incorporated in the Outlook.

- Clean Transportation Technology
- Housing Production
- Regional planning in support of the 2028 Olympic & Paralympic Games
- Infrastructure as Driver of Housing & Economic Development

The topics and panels covered may change based on speaker availability, progress on the targeted programs, and other requests from the Committee Chair and Vice Chair as well as members. To request future agenda items, Policy Committee members may request that this agenda item be pulled for discussion or they may send a request directly to the Chair or committee staff for consideration and reporting out at the next meeting. Agenda items that are recommended by Policy Committee members will be discussed with the Chair and Vice Chair to assess relevance to the CEHD Policy Committee and the considerations noted above.

FISCAL IMPACT:

None

ATTACHMENT(S):

1. FY27 CEHD Agenda Outlook_Nov

CEHD Committee Agenda Outlook for FY2027

Date	Connect SoCal	Local Assistance Program	Regional Update
July		<ul style="list-style-type: none"> REAP 2 project showcases 	
September	<ul style="list-style-type: none"> Connect SoCal 2050: Policy Development Framework Connect SoCal 2050: LDX Updates 		<ul style="list-style-type: none"> 7th Cycle RHNA Subcommittee Charter SCAG Responses to Orange County Grand Jury Report
October	<ul style="list-style-type: none"> Connect SoCal 2050: Regional Planning Policies & Implementation Strategies Updates 	<ul style="list-style-type: none"> RHNA Subcommittee Charter REAP 2 Project Showcase: South Bay Council of Governments 	<ul style="list-style-type: none"> Community Hubs Approach
November			<ul style="list-style-type: none"> Farmworker Housing Study Regional Housing Needs Determination
December		Joint Policy Committee Meeting: Economic Update	

CEHD Committee Agenda Outlook for FY2027

Date	Connect SoCal	Local Resources	Regional Leadership
January	<ul style="list-style-type: none"> Connect SoCal 2050: Draft Performance Measures 	<ul style="list-style-type: none"> REAP 2 Project Showcases 	<ul style="list-style-type: none"> Economic Development
February	<ul style="list-style-type: none"> Connect SoCal 2050: LDX Results - A First Look 		<ul style="list-style-type: none"> Tax Increment Financing Program Update Complete Communities Update
March		Joint Policy Committee	
April	<ul style="list-style-type: none"> Connect SoCal 2050: Region and County Forecast, post-LDX Evaluation Connect SoCal Futures: Update 		<ul style="list-style-type: none"> Release of Proposed RHNA Methodology
May		General Assembly	
June	<ul style="list-style-type: none"> Connect SoCal 2050: Final Performance Measures Connect SoCal 2050: Policies for Draft Plan 	<ul style="list-style-type: none"> REAP 2 Program Close out Summary (Land Use) 	



AGENDA ITEM 3

REPORT

Southern California Association of Governments

November 5, 2026

To: CEHD - Community, Economic, and Human Development Committee
RC - Regional Council

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Kevin Kane, Planning Supervisor (FSA)
213-236-1828, kane@scag.ca.gov

Kevin Kane

Subject: Regional Housing Needs Determination for the SCAG Region

RECOMMENDED ACTION FOR CEHD:

Recommend that the Regional Council object to the Regional Housing Needs Determination issued for the SCAG region on October 15, 2026, by the California Department of Housing and Community Development on the basis that their use of cost-burden data is not a reasonable application of the methodology and assumptions determined pursuant to Government Code Section 65584.01(b). Propose an alternative Regional Housing Needs Determination of 1,081,926 units which replaces HCD's cost-burden adjustment (lines 11 + 12) with an otherwise equivalent cost-burden adjustment for lower-income households only.

RECOMMENDED ACTION FOR RC:

Object to the Regional Housing Needs Determination issued for the SCAG region on October 15, 2026, by the California Department of Housing and Community Development on the basis that their use of cost-burden data is not a reasonable application of the methodology and assumptions determined pursuant to Government Code Section 65584.01(b). Propose an alternative Regional Housing Needs Determination of 1,081,926 units which replaces HCD's cost-burden adjustment (lines 11 + 12) with an otherwise equivalent cost-burden adjustment for lower-income households only.

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:

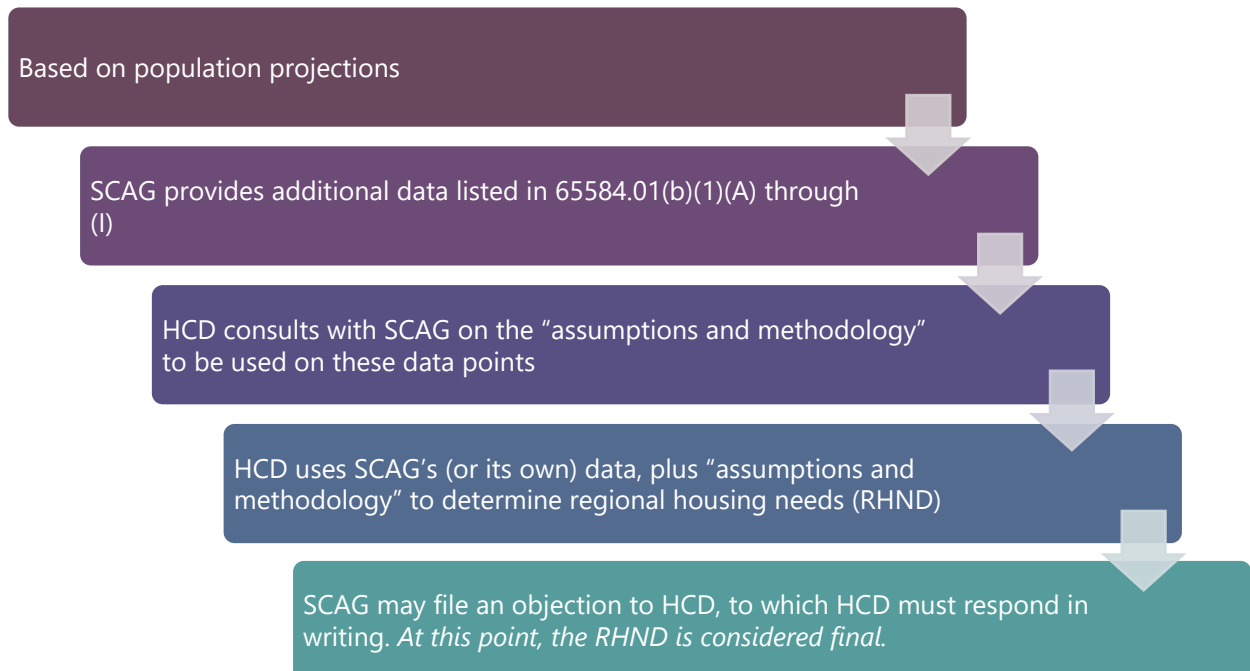
On October 15, 2026, the California Department of Housing and Community Development (HCD) issued its determination of the SCAG region's housing need for the 7th cycle Regional Housing Needs Assessment (RHNA) pursuant to Government Code Section 65584.01 et seq. The department's Regional Housing Needs Determination (RHND) for the region is 1,359,750 housing units, spread across six income categories.

The RHND follows several weeks of staff-level consultation. While the RHND reflects a clear, high-quality, data-driven approach, there is one unresolved component related to the consideration of cost-burden that staff considers an “unreasonable application of the methodology and assumptions” per Section 65584.01(b), meriting an objection from SCAG. To accurately assess cost burden requires economic analysis and modeling that are currently unavailable. In the absence of these tools, HCD adds an additional housing unit supply target to the RHND, but one that does not establish a clear connection to reducing this important indicator of pent-up demand.

Staff proposed two alternative determinations to the RHNA Subcommittee on October 26, 2026. Option 1 was to object and replace HCD's cost-burden adjustment (lines 11 + 12) with an otherwise equivalent cost-burden adjustment for lower-income households only, resulting in a total RHND of 1,081,926 units. This is the RHNA Subcommittee's recommendation to CEHD, and the recommendation being made to CEHD and the Regional Council. Option 2 was to object and remove HCD's cost-burden adjustment entirely, resulting in a total RHND of 855,123 units.

BACKGROUND:

The process for determining the SCAG region's housing need is described in Government Code Section 65584.01 and states that “the department, in consultation with each council of governments, where applicable, shall determine the existing and projected need for housing in each region in the following manner” and is summarized in the figure below:



SCAG staff met with HCD staff on September 2, September 17, September 28, October 8, and October 12 as part of the ongoing consultation and shared a wide range of data elements and projections related to our planning process, our region's demographics, growth, and housing market, and the use of data to understand our region.

There were several data elements and factors upon which SCAG and HCD staff were able to reach consensus. These included:

1. Data and counts for the new homelessness adjustment
2. In the new state of emergency adjustment, crediting units permitted (not just units completed) in the Eaton and Palisades fire areas
3. The use of a slightly shorter 8.3 year projection period for the 7th cycle RHND (July 1, 2029 to October 15, 2037 rather than extending into 2038)
4. Use of single-year 2024 American Community Survey data, rather than 2020-2024 five-year samples. More recent data for factors such as household overcrowding reflects the fact that housing construction has continued despite flat population growth, and accounts for the improvement in existing conditions in recent years.
5. A clear delineation of need due to projected population changes (i.e. growth, and growth by age category) versus existing need
6. Avoids double-counting households in Census Bureau-derived data measures
7. Use of correct data vintages and geographic coverages
8. Detailed discussion and understanding of household formation rates and population projections

Items 5 through 8 above reflected specific improvements to HCD's approach compared to SCAG's 6th cycle RHND. In addition, SCAG staff requested that HCD consider using a 5 percent standard for healthy renter market vacancy, which would have a modest reduction in the region's RHND.

HCD did use a 7 percent assumption; however, during the consultation they provided additional citations and rationale to support their assumption, which is based on the approach they had developed in their April 2024 report, *California Housing Futures 2040*¹.

While this exceeds the long-run average (2005-2024) US rental vacancy rate of 6.64 percent, the difference is modest and SCAG staff believe it would be very difficult to demonstrate that this constitutes an "unreasonable application of the methodology and assumptions," which is required in order to substantiate an objection.

¹ <https://www.hcd.ca.gov/rhna/ca-housing-future>

Population Projections in the RHND

A foundational component of the RHND, which has remained unchanged for several housing element cycles, is described in Government Code Section 65584.01(a) and underscores that the basis of the RHND is a population projection. Specifically, statute requires that SCAG's regional population forecast used in preparing regional transportation plans (RTPs) "shall be the basis" of the RHND so long as the total regional population forecast for the projection year is within a range of 1.5 percent of the total regional population forecast for the projection year by the Department of Finance.

Details of Connect SoCal 2050's preliminary projections were shared with the CEHD committee in March 2026³ and the Joint Policy Committee in April 2026. SCAG's total regional population projection for the 7th cycle RHNA's horizon year in 2037 is 0.05 percent above DOF's most recent projection series—within the bounds specified in statute.

However, during the consultation, SCAG staff instead recommended the use of DOF's population projections because they were more consistent with the statewide approach to RHNDs being taken by HCD.

For regional transportation planning purposes, guided by state and federal statute, SCAG produces a balanced projection of population, household, and employment growth that achieves certain targets.⁴ This is a technically reasonable projection produced under the guidance of a Demographic Panel of Experts. Furthermore, its underlying assumptions about population growth, household formation, and employment growth envision a future that fully accommodates the region's housing need in the long-run.

However, HCD's practice under Government Code Section 65584.01, specifically the use of adjustments listed under Section 65584.01(b)(3), differs from this approach. During consultation with HCD, it became apparent that the use of SCAG's population and household projections, which explicitly assume a balance with future employment growth expectations and consider the effects of future housing policy on household formation behavior, would muddy the interpretation of these adjustments and likely count certain policy targets more than once.

The key difference is HCD's approach to adding adjustments which, if the specified number of units were built, could result in a region whose characteristics reached a certain target (e.g. adding units so that rental vacancy hits a healthy level, overcrowding drops to the national level, and homelessness reaches zero). For these individual, "supply-target" adjustments to each be distinct,

³ See <https://scag.ca.gov/%69%6E%64%65%78.%70%68%70/https%3A//ftip.scag.ca.gov/sites/default/files/2026-02/CEHD030526fullpacket.pdf>

⁴ For details about the projection associated with Connect SoCal 2024, see Section 1.2 of <https://scag.ca.gov/sites/default/files/2024-05/23-2987-tr-demographics-growth-forecast-final-040424.pdf>

they must be added to a projection of population alone; ideally one that reflects “business-as-usual” projection assumptions as closely as possible. This contrasts to the construction of an RTP forecast—for example, SCAG’s population projection already assumes a higher share of working-age residents to accommodate future expected job growth, and SCAG’s household projection assumes a significant increase in future household formation rates.

As a result, SCAG staff recommended and HCD accepted the use of the population projection produced by the Department of Finance in lieu of SCAG’s projection.

Cost Burden Adjustment

A household is considered “cost burdened” when it spends more than 30 percent of its income on housing. Under HCD’s methodology, differences in housing cost burden between the SCAG region and the nation account for 37 percent of the region’s total RHND (504,627 units).

State law requires HCD to consider housing cost burden when determining a region’s housing need. During consultation, SCAG and HCD discussed how that requirement should be measured. Standard Census tables do not provide sufficient information to measure cost burden at the income levels specified in state law, so SCAG analyzed the underlying Census survey data and provided that analysis to HCD.⁷

Housing cost burden is a ratio that compares housing cost relative to household income. This is a significant issue in Southern California. In the SCAG region, the median home value is 8.46 times median household income, compared with 6.02 times income in the Sacramento region. SCAG’s analysis also found that an estimated 57 percent of the cost-burden adjustment comes from moderate- and above-moderate-income households.

The central question is therefore not whether high rates of housing cost-burden is a problem. The question is how much additional housing should reasonably be added to the RHND to address that problem, versus addressing it with policies that seek to increase, or better distribute, household incomes.

⁷ The American Community Survey (ACS) provides raw microdata and preformatted tables based on a 1 percent annual survey of the American population. ACS Table B25140: Housing Costs as a Percentage of Household Income in the Past 12 Months is used by HCD and indicates the share of households in a given area spending more than 30 percent or more than 50 percent of their income on housing cost. Reference to the cost-burden measure appears in Government Code Section 65584.01(b)(1)(H) references the 30 percent threshold, for very low, low, moderate, and above moderate-income households. Unfortunately, preformatted ACS tables are unable to fulfill the statutory requirement to assess cost burden at a region’s specific income levels.

Other adjustments in HCD's determination have a relatively clear numerical target. Even though a lot of behavioral and market factors affect whether these outcomes happen, HCD can estimate how many homes would be needed to:

- Increase supply enough to reach a healthier vacancy rate
- Increase supply enough to provide housing for all people experiencing homelessness
- Increase supply enough to reduce overcrowding to the national level.

The cost-burden adjustment works differently. HCD adds housing units based on the number of households experiencing higher cost burdens, but the methodology does not estimate how much new housing would be needed to reduce cost burden by a particular amount.

Economic theory tells us that more housing supply can help moderate housing prices and improve affordability. But the relationship is not one-for-one: adding one home does not necessarily eliminate cost burden for one household. Housing costs and household incomes are influenced by many factors. HCD has acknowledged that it would require extensive economic analysis and modeling to understand how supply affects cost burden.⁹ In the absence of this modeling, SCAG's concern is that the cost-burden adjustment identifies a genuine problem but does not establish a clear connection to its solution.

Lower Income Cost Burden Only

Given uncertainty in the numerical relationship between cost burden and additional supply, SCAG also explored with HCD a narrower approach focusing the adjustment on very-low- and low-income households, where RHNA provides additional tools that can help support affordable housing development. For example, when local jurisdictions identify sites for their lower-income RHNA, state housing law includes additional requirements intended to make affordable housing more feasible such as appropriate densities, streamlined approvals, and supportive programs. This creates a more direct connection between the housing need identified through RHNA and the affordability problem the adjustment is intended to address.

Using raw Census microdata¹⁰, SCAG calculated cost burden specifically for very-low- and low-income households (see below table). To avoid double counting, households already included in the overcrowding adjustment were removed¹¹. SCAG then compared the remaining level of cost burden in the region with the national level. This approach produced a cost-burden adjustment of 226,803

⁹ See page 78 of <https://www.hcd.ca.gov/rhna/ca-housing-future>

¹⁰ IPUMS USA, University of Minnesota, www.ipums.org, processed in RStudio using American Community Survey 2024 1-year estimates mirroring cost-burden criteria from Table B25140 plus area median income thresholds.

¹¹ This follows HCD's existing approach in RHND line item 12; totals are likely to differ somewhat due to use of DOF-processed microdata in this step.

additional housing units: 80,942 for very-low-income households and 145,861 for low-income households:

COST BURDEN BY INCOME	SCAG Income - Lower Bound	SCAG Income - Upper Bound	SCAG - Percent Cost Burdened	USA - Percent Cost Burdened	Cost-Burden (in excess of overcrowding) multiplied by DOF 2026 total households:
<i>Very Low Income (includes Extremely and Acutely Low)</i>	\$0	\$47,918	84.43%	74.14%	80,942
<i>Low Income</i>	\$47,918	\$76,669	64.48%	44.22%	145,861
<i>Moderate Income</i>	\$76,669	\$115,003	41.20%	23.48%	177,314
<i>Above Moderate Income</i>	\$115,003	(no maximum)	12.36%	7.43%	121,695

While HCD reviewed SCAG's approach and was able to replicate the calculation, they ultimately did not adopt it. Instead, HCD applied the cost-burden adjustment to all households in the region, including moderate- and above-moderate-income households. HCD calculated the difference between the SCAG region's cost-burden rate (43.19 percent) and the national rate (31.45 percent), and applied that 11.74 percentage-point difference to the region's roughly 6.5 million households. That amount was then added to the RHND (504,627 units).

Recommendation and Proposed Alternative Determination

Staff recommended the RHNA Subcommittee recommend to the CEHD and Regional Council object to the RHND on the basis that the cost burden adjustment is not a reasonable application of the methodology and assumptions determined in statute. SCAG may file an objection within 30 days of the notice of the determination (i.e. November 14, 2026). The objection would be based on and substantiate the following:

"The regional housing need determined by the department is not a reasonable application of the methodology and assumptions determined pursuant to subdivision (b). The objection shall include a proposed alternative determination of its regional housing need based upon the determinations made in subdivision (b), including analysis of why the proposed alternative would be a more reasonable application of the methodology and assumptions determined pursuant to subdivision (b)."
Government Code Section 65584.01(c)(2)(B)

Through the above discussion on cost burden, staff proposed that, should the subcommittee, CEHD, and RC wish to file an objection to the RHND, they decide on one of two alternative determinations based on the cost-burden adjustment discussed above.

Option 1 would be that a lower-income-only cost-burden adjustment is a more reasonable application of the methodology and assumptions in statute. This approach leverages the lower-income RHNA requirements to create a more direct connection between the housing need identified and the affordability problem the adjustment is intended to address. **This action was made by the RHNA subcommittee on October 26, 2026 and is the recommendation being made to the CEHD and Regional Council today. It reads as follows:**

Object and replace the cost-burden adjustment (lines 11 + 12) with an otherwise equivalent cost-burden adjustment for lower-income households only, resulting in a total RHND of 1,081,926 units.

Option 2 would have been to remove the cost burden adjustment entirely because accurately assessing the additional housing supply needed to reduce cost burden requires economic analysis and modeling that is currently unavailable. However, it is likely that other existing need adjustments, which do not operate independently in the housing market, already increase the supply target enough to maximize RHNA's possible effect on cost-burden. A potential action based on this approach would be to remove the cost-burden adjustment entirely (lines 11 + 12), resulting in a total RHND of 855,123 units.

FISCAL IMPACT:

None.

ATTACHMENT(S):

1. PowerPoint Presentation - 7th Cycle RHND
2. SCAG 7th Cycle Final Determination Letter
3. SCAG 7th Cycle RHND Workbook - Table of Contents
4. SCAG 7th Cycle RHND Workbook - Table 2
5. GOV_65584.01



7th Cycle Regional Housing Needs Determination (RHND)

Kevin Kane, PhD

Program Manager, Demographics and Growth Vision

October 2026

RHNA Subcommittee

WWW.SCAG.CA.GOV

What is RHNA?

- State-mandated planning process to determine the existing and projected housing need in California
- Occurs in eight-year planning cycles and allocates housing need across six income categories
- Not a building quota – RHNA requires jurisdictions to plan for new housing capacity through updates to Housing Elements

RHNA Objectives

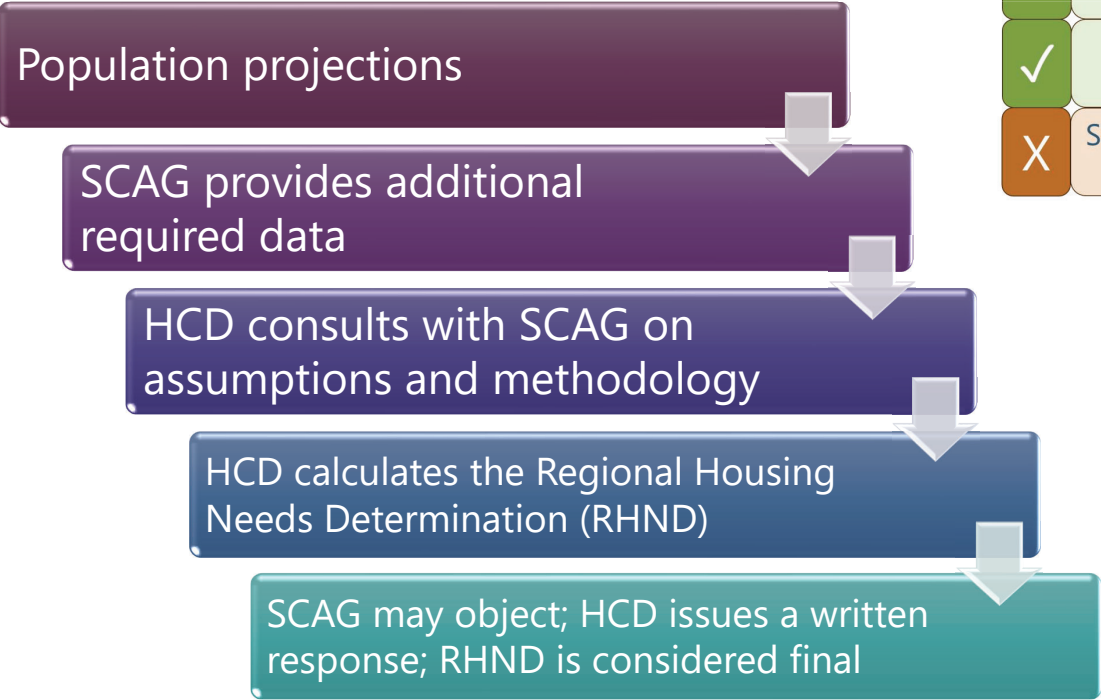


- 1 To increase the housing supply and mix of housing types, tenure and affordability within each region in an equitable manner
- 2 Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns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

RHNA Timeline



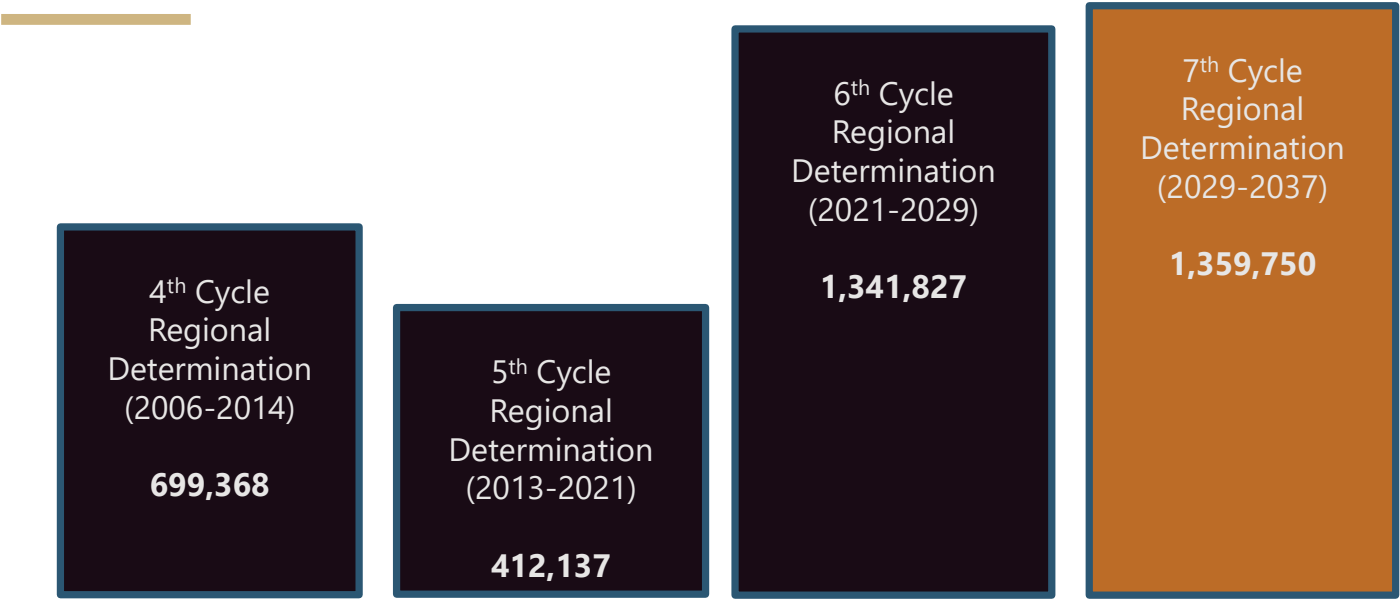
RHND Process



- ✓ Data sharing opportunity
- ✓ Starting point for RHNA collaboration
- X SCAG authority to determine regional housing needs

5

Regional Determination



Southern California Association of Governments: June 30, 2029 - October 15, 2037 (8 Years) HCD Determined Population, Households, & Housing Need		
Ref. No.	Steps Taken to Calculate Regional Housing Need	Amount
1	Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037	18,792,495
2	- Group Quarters Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037	(394,638)
3	= Preliminary Household (HH) Population: 10/15/2037	18,397,857
5	Preliminary Projected Households (Occupied Unit Stock)	6,888,555
7	+ Projected Apartment Style Student Households	708
8	Total Projected Households	6,889,263
9	+ Vacancy Adjustment for Projected Households	16,275
10	+ Vacancy Adjustment for Existing Households	131,589
11	+ Overcrowding Adjustment	398,400
12	+ Cost-burden Adjustment	764,476
13	- Adjustment to account for HHs that experience both overcrowding and cost-burden	(259,849)
14	+ Replacement Adjustment Demolitions	6,889
15	+ Jobs Housing Relationship Adjustment	9,467
16	+ Homelessness Adjustment	38,646
17	+ State of Emergency Adjustment	8,056
18	- Occupied Units (HHs) estimated projected June 30, 2029	(6,643,462)
19	Preliminary Regional Housing Need	1,359,750
20	+ Replacement Adjustment Seasonal, Recreational, and Occasional Use	0
	+ Feasible Jobs/Housing Balance Adjustment	0
Total	7th Cycle Regional Housing Need Determination (RHND)	1,359,750

Projected
Need

Existing
Need

Total RHND

7

RHND by Income Category

INCOME CATEGORY	PERCENT	HOUSING UNIT NEED
Acutely Low	10.4%	141,930
Extremely Low	13.3%	180,582
Very Low	14.0%	189,752
Low	19.0%	257,749
Moderate	9.2%	124,839
Above Moderate	34.2%	464,898
Total	100.0%	1,359,750

SCAG's RHND & Consultation Assessment

Strengths

- Commitment to a high quality, data-driven approach
- Clear documentation and explanations
- Addresses several challenges experienced in 6th cycle
- Recognizes the distinction between regional housing forecasts and planning for regional housing needs (CG 65584.01)

Areas of Differing Interpretation

- Greater emphasis on statewide consistency than SCAG's understanding of GC 65584.01
- More piecemeal, item-by-item approach compared with SCAG's integrated long-range forecast of population, households, and employment
 - Reflects differing perspectives on how market dynamics and regional planning objectives should inform RHND

9

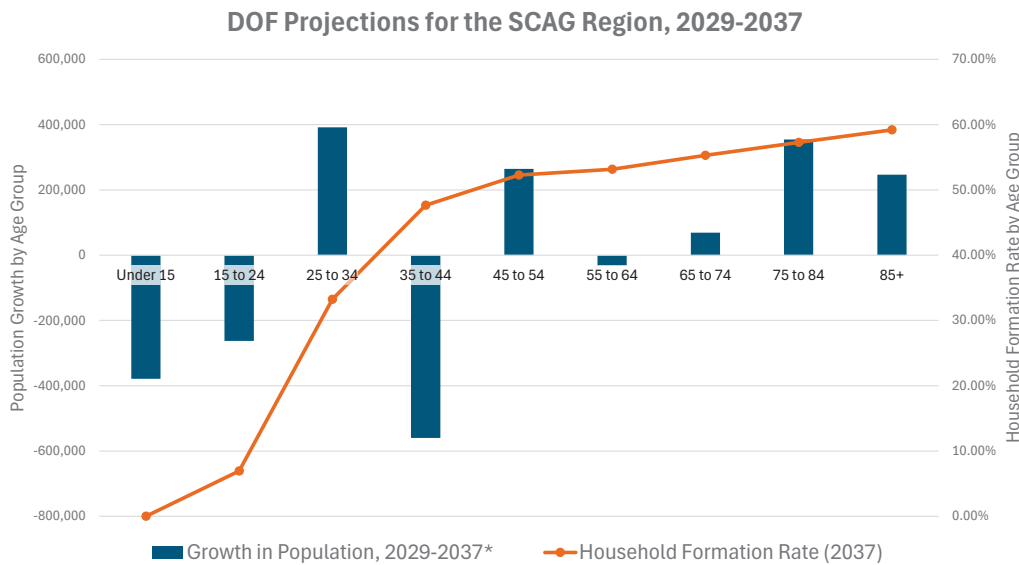


BREAKING DOWN HCD'S RHND FOR THE SCAG REGION

What is the region's *total housing need* over July 1, 2029 to October 15, 2038 (8.3 years)?

Population growth + changing age structure

"The department's determination shall be based on population projections..." GC 65584.01(a)



Data Source: DOF P3 Projections and Connect SoCal 2050 Preliminary Projections

- DOF projects total population will grow by 94,705
- Because growth is at high ages with high formation rates,
- this corresponds to an increase of 245,093 households

SCAG staff assessment of prior cycles' RHNDs

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
97% of total	35% of total	18% of total

Ensure that *future households* have enough "slack" in the market



- Per DOF + HCD, region will add 245,093 **households**, but to maintain a healthy vacancy rate, it needs slightly more **housing units**:
- HCD standard for renter market: 7 percent (*statutory minimum of 5 percent*)
- HCD standard for owner market: 2 percent
- Add 16,275 units

Note: Image generated by ChatGPT.

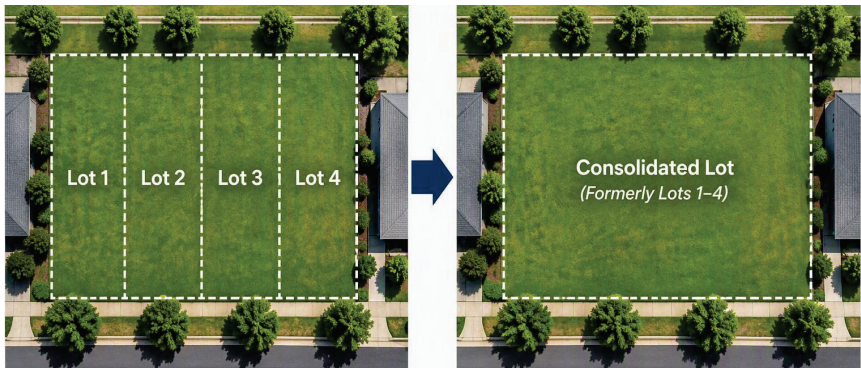
Add apartment-style student housing that is expected to be built in the region



- DOF surveys several regional universities' plans
- Census Bureau considers all student housing as "group quarters"
- Added to RHND so that when apartment-style student housing is built, cities can include them for RHNA purposes
- 708 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	0%	0.05%

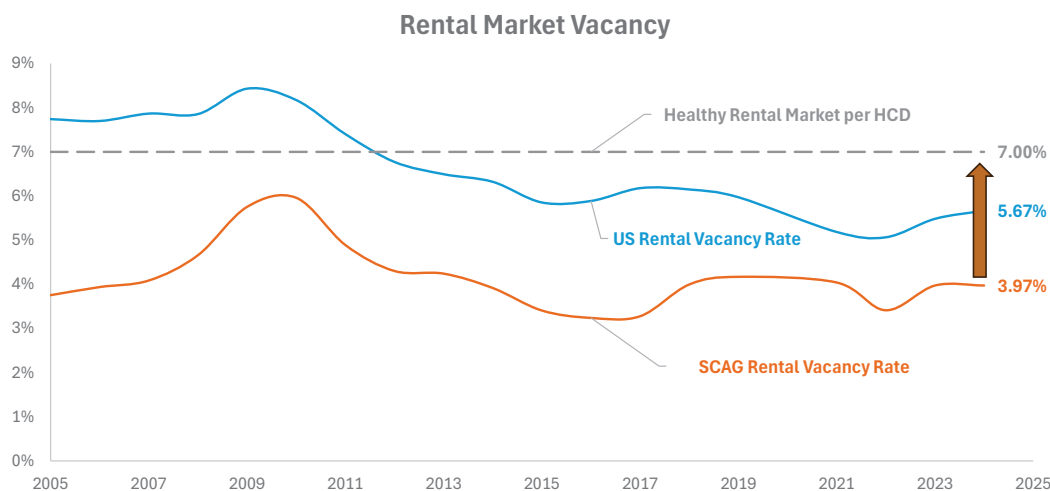
Add an estimate of how many units will be demolished, or consolidated, 2029-2038



- City gets +1 for each unit built, but losses have no effect
- Increase RHND by an estimate of what this will be in the future
- HCD uses DOF demolition survey data (2017-2026)
- 6,889 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0.6%	2.5%	0.5%

Get SCAG's vacancy rate up enough so there's enough "slack" in the market

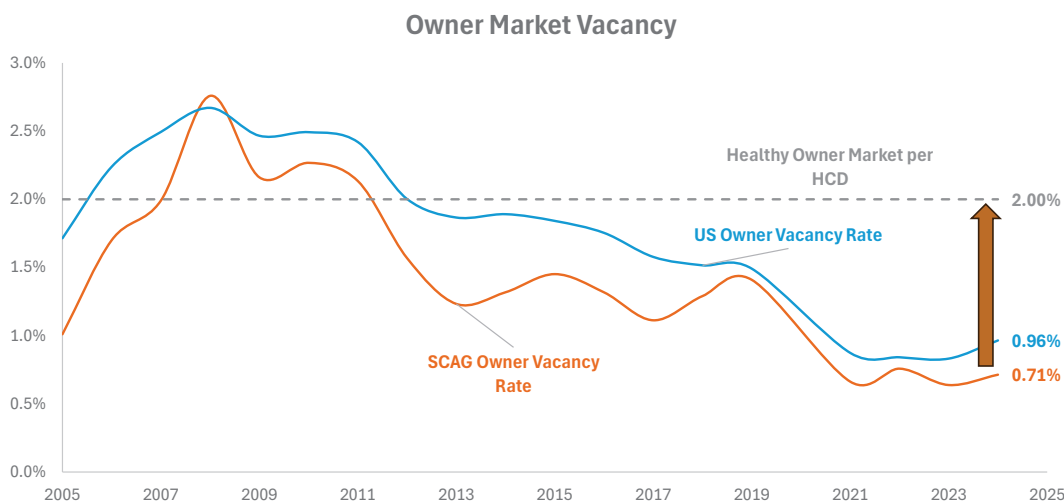


Data Source: For rent and for sale vacancy, US Census American Community Survey 1-Year Estimates, 2005-2024.

- Region's vacancy rate considered too low for housing market health
- More supply → hit target
- HCD standard for renter market: 7 percent (*statutory minimum of 5 percent*)
- HCD standard for owner market: 2 percent
- Add 131,589 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
3%	13%	11%

Get SCAG's vacancy rate up enough so there's enough "slack" in the market



Data Source: For rent and for sale vacancy, US Census American Community Survey 1-Year Estimates, 2005-2024.

- Region's vacancy rate considered too low for housing market health
- More supply → alleviate condition
- HCD standard for renter market: 7 percent (*statutory minimum of 5 percent*)
- HCD standard for owner market: 2 percent
- Add 131,589 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
3%	13%	11%

Correct for inter-regional imbalances in *where* the jobs → sleep at night:

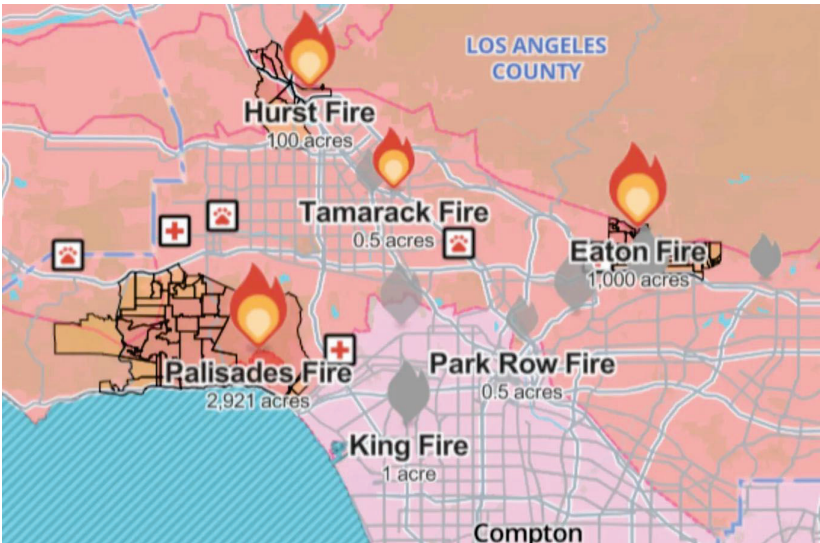


*than vice-versa
Data Source: LEHD Origin-Destination Employment Statistics, 2023

- New HCD adjustment to account for jobs-housing balance **between** regions
- SCAG is large and has very slightly more primary jobs than resident workers:
 - 7,602,382 primary jobs
 - 7,588,181 resident workers
- Add 9,467 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	0%	0.7%

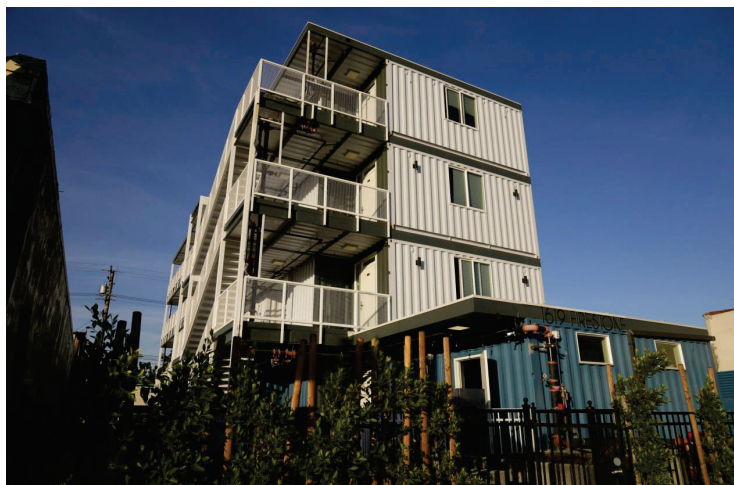
State of emergency losses that haven't yet been rebuilt



- Ensure the region replaces recent emergency losses
- Use past 8 years
- 97% of losses are Palisades & Eaton Fires (LA County)
- 8,056 units reflects those lost, but not yet rebuilt **or** re-permitted (*as of RHND issuance*)

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	0%	0.6%

Homelessness adjustment

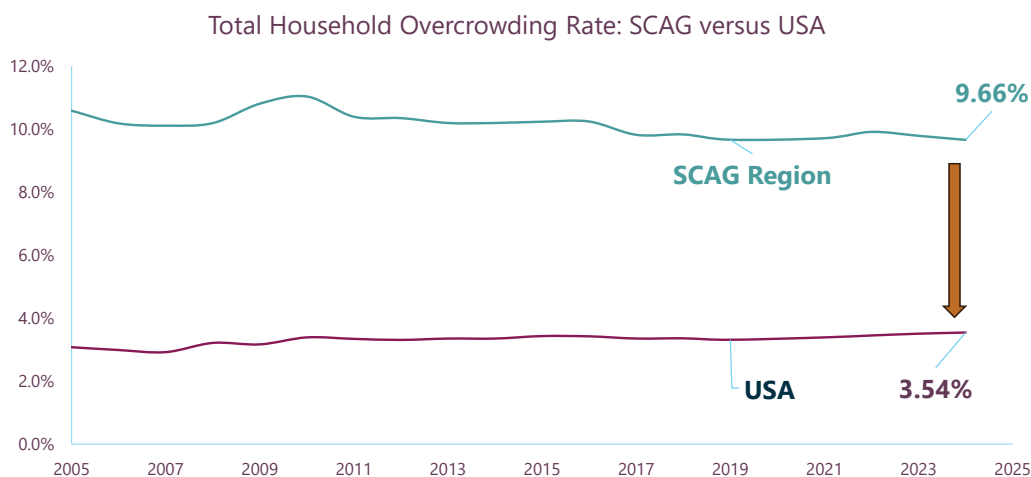


- Uses Jan/Feb 2025 "point in time" counts
- 91,310 unhoused people in SCAG region
- Multiply by household formation rate
- Add 38,646 units
- Only added to Acutely Low and Extremely Low income categories

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	0%	2.8%

Data Source: HUD Continuum of Care (CoC), 2025

Household overcrowding

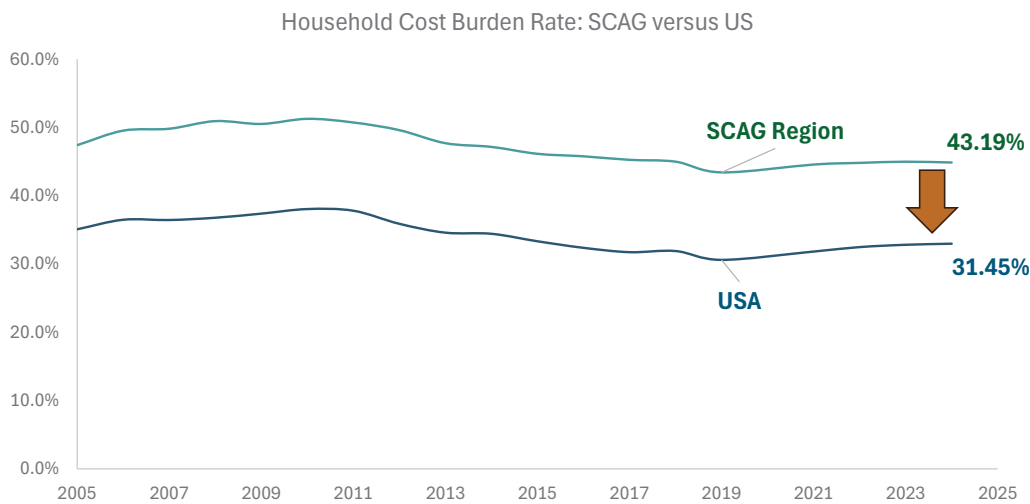


- Percent of households with more than 1.0 occupants per room
- Adding 398,400 units to help unbundle, e.g.:
 - Multiple families in single unit
 - Grown children living with parents
 - More roommates than desired
- Would these moves happen? Maybe; depends on many factors.
- Adding supply is one step.
- HCD adjustment reflects how many extra units this step would take.

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	34%	29%

Data Source: American Community Survey 1-year Estimates, 2005-2024

Household cost burden



Data Source: American Community Survey 1-year Estimates, 2005-2024

- Percent of households spending more than 30 percent of income on housing cost
- Compare to national level
- Difference is 11.74%
- Multiply by the region's total households (6.5 million)
- Add 504,627 extra units to RHND

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	9%	37%

21

Comparing major indicators of housing need

Major RHND Component	Data exist	Data indicate number of units	Explanation
Projected Population Growth, 2029-2037	✓	✓	DOF population projections
Projected Population Change <i>Higher per-capita housing consumption, i.e. aging</i>	✓	✓	Household formation rates
Losses due to demolition & emergency	✓	✓	Two separate adjustments
Healthy market vacancy	✓	✓	Two separate adjustments. Within existing stock, supply target: sufficient to reach 2% owner, 7% renter vacancy rate
Homelessness	✓	✓	Supply target: sufficient to reach zero homelessness
Households with more than 1.0 person per room <i>Overcrowding</i>	✓	✓	Supply target: sufficient to reach national overcrowding level
Households paying >30% of income on housing <i>Cost-burden</i>	✓	✗	A key indicator of pent-up demand*

*California's Housing Future 2040: The Next RHNA, p. 77

22

Staff Findings & Recommendations

- Staff finds HCD's determination of **projected housing need** to be a reasonable application of Government Code 65584.01.
- Staff finds *most* of HCD's assessments of **existing housing need** to be reasonable.
- Staff does not believe HCD's assessment of cost burden is a reasonable application of Government Code 65584.01

23

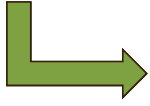
Objection Criteria

"The regional housing need determined by the department is not a reasonable application of the methodology and assumptions determined pursuant to subdivision (b)."GC 65584.01(c)(2)(B)

*"The objection **shall include a proposed alternative determination** of its regional housing need based upon the determinations made in subdivision (b), **including analysis of why the proposed alternative would be a more reasonable application** of the methodology and assumptions determined pursuant to subdivision (b)." GC 65584.01(b)(1)(A)(i)*

24

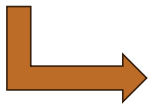
Two Alternatives Proposed by Staff to RHNA Subcommittee



10/26/26 RHNA
Subcommittee
Recommendation:

A lower-income-only cost burden adjustment is more reasonable. It leverages lower-income RHNA requirements to create a more direct connection between the housing need identified and the affordability problem the adjustment is intended to address.

*Object and replace cost-burden adjustment (lines 11 + 12) with an otherwise equivalent **cost-burden adjustment for lower-income households only**, resulting in a total RHND of 1,081,926 units.*



Assessing the additional housing supply needed to reduce cost burden requires economic analysis and modeling that is currently unavailable. However, it is likely that other existing need adjustments, which do not operate independently in the housing market, already increase the supply target enough to maximize RHNA's possible effect on cost-burden.

*Object and **remove the cost-burden adjustment entirely** (lines 11 + 12), resulting in a total RHND of 855,123 units.*

25



THANK YOU!

For more information, please visit:

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

Kevin Kane, PhD

Program Manager, Demographics and Growth Vision

kane@scag.ca.gov

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

651 Bannan Street, 10th Floor, Suite 400
Sacramento, CA 95811
(916) 263-2911
www.hcd.ca.gov



October 15, 2026

Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017

Dear Kome Ajise:

RE: Final 7th Cycle Regional Housing Need Determination

This letter provides the Southern California Association of Governments (SCAG) its final Regional Housing Need Determination (RHND). Pursuant to state Housing Element Law (Gov. Code, § 65584, et seq.), the California Department of Housing and Community Development (HCD) is required to provide the determination of the region's existing and projected housing need.

From August 2026 to October 2026, HCD and SCAG staff completed a consultation process covering the methodology, assumptions, data sources, and timeline for HCD's determination of SCAG's regional housing need. To inform this process, HCD also consulted the California Department of Finance (DOF) Demographic Research Unit.

Attachment 1 displays the RHND of **1,359,750** total units among six income categories for SCAG to distribute among the region's local governments. Attachment 2 explains the methodology and assumptions applied pursuant to Government Code section 65584.01. To determine the region's housing need, HCD considered all the information specified in Government Code section 65584.01, subdivision (b).

SCAG is responsible for adopting a methodology for the Regional Housing Needs Allocation (RHNA) and a RHNA Plan for the *projection* period beginning June 30, 2029, and ending October 15, 2037. Pursuant to Government Code section 65584, subdivision (d), the methodology to prepare SCAG's RHNA Plan must further the following objectives:

1. Increasing the housing supply and mix of housing types, tenure, and affordability
2. Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns
3. Promoting an improved intraregional relationship between jobs and housing
4. Balancing disproportionate household income distributions
5. Affirmatively furthering fair housing

Pursuant to Government Code section 65584.04, subdivision (e), to the extent data is available, SCAG shall consider including the factors listed in Government Code section 65584.04, subdivision (e) to develop its RHNA Plan. Also, pursuant to Government Code section 65584.04, subdivision (f), SCAG must explain in writing how each of these factors was incorporated into the RHNA Plan methodology and how the methodology furthers the statutory objectives described above. Pursuant to Government Code section 65584.04, subdivisions (h)-(i), SCAG must submit its draft methodology to HCD for review and a determination of consistency with the statutory objectives.

Government Code section 65588, subdivision (e)(6) specifies the RHNA *projection* period begins December 31 or June 30, whichever date most closely precedes the previous projection period end date. SCAG's local governments in Orange County, Riverside County, San Bernardino County, and Ventura County are responsible for updating their housing elements for the *planning* period beginning October 15, 2029, and ending October 15, 2037, to accommodate their share of the regional housing need for each income category. SCAG's local governments in Imperial County and Los Angeles County are responsible for updating their housing elements for the *planning* period beginning April 15, 2030, and ending April 15, 2038, to accommodate their share of the regional housing need for each income category.

The housing elements for local jurisdictions in Orange County, Riverside County, San Bernardino County, and Ventura County are due on October 15, 2029. The housing elements for jurisdictions in Imperial County and Los Angeles County are due on April 15, 2030. Please note, a jurisdiction authorized to permit residential development may take RHNA credit for new units approved, permitted, and/or built since the start date of the RHNA *projection* period (June 30, 2029).

As specified in Government Code section 65584.01, subdivision (c), a council of governments may, within 30 days from the date of this letter, file an objection to HCD's determination of the regional housing need.

HCD encourages all of SCAG's local governments to consider the many affordable housing and community development resources available to local governments. HCD's programs can be found at <https://www.hcd.ca.gov/grants-and-funding>.

HCD commends SCAG's leadership in fulfilling their important role in advancing the state's housing, transportation, and environmental goals. HCD would especially like to thank Sarah Jepson, Ma'Ayn Johnson, Kevin Kane, Elizabeth Carvajal, Michael Dietz, and Philip Law for their significant efforts and assistance. HCD looks forward to continued partnership with the region and assisting in planning efforts to accommodate the region's share of the housing need.

If HCD can provide any additional assistance, or if you or your staff have any questions, please contact Balaji Balaganesan, Senior Housing Specialist, at Balaji.Balaganesan@hcd.ca.gov, or Samantha Wu Rose, Housing Specialist, at Samantha.WuRose@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Zach McRae". The signature is fluid and cursive, with the first name "Zach" being more prominent and the last name "McRae" following in a similar style.

Zach McRae
Assistant Deputy Director, Fair Housing and Tribal Affairs

Enclosures

cc: David Zisser, Deputy Director, Division of Housing Policy Development,
Department of Housing and Community Development
Marisa Prasse, Fair Housing Section Chief, Department of Housing and
Community Development
Sarah Jepson, Chief Planning Officer, Southern California Association of
Governments
Ma'Ayn Johnson, Manager, Southern California Association of Governments
Kevin Kane, Program Manager, Southern California Association of Governments
Elizabeth Carvajal, Deputy Director, Southern California Association of
Governments
Michael Dietz, Planning Manager, Southern California Association of
Governments
Philip Law, Deputy Director, Southern California Association of Governments

ATTACHMENT 1
HCD REGIONAL HOUSING NEED DETERMINATION
Southern California Association of Governments (SCAG):
June 30, 2029 through October 15, 2037

INCOME CATEGORY	PERCENT	HOUSING UNIT NEED
Acutely Low	10.4%	141,930
Extremely Low	13.3%	180,582
Very Low	14.0%	189,752
Low	19.0%	257,749
Moderate	9.2%	124,839
Above Moderate	34.2%	464,898
Total	100.0%	1,359,750

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code Section 50063.5, et. seq. Percentages are derived based on Census/ACS reported household income brackets and county median income as determined by HCD.

ATTACHMENT 2
HCD REGIONAL HOUSING NEED DETERMINATION:
Southern California Association of Governments
(SCAG): June 30, 2029 through October 15, 2037

Methodology

Southern California Association of Governments: June 30, 2029 - October 15, 2037 (8 Years) HCD Determined Population, Households, & Housing Need		
Ref. No.	Steps Taken to Calculate Regional Housing Need	Amount
1	<i>Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037</i>	18,792,495
2	<i>- Group Quarters Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037</i>	(394,638)
3	<i>= Preliminary Household (HH) Population: 10/15/2037</i>	18,397,857
5	Preliminary Projected Households (Occupied Unit Stock)	6,888,555
7	+ Projected Apartment Style Student Households	708
8	Total Projected Households	6,889,263
9	+ Vacancy Adjustment for Existing Households	16,275
	+ Vacancy Adjustment for Projected Households	131,589
10	+ Overcrowding Adjustment	398,400
11	+ Cost-burden Adjustment	764,476
12	- Adjustment to account for HHs that experience both overcrowding and cost-burden	(259,849)
13	+ Replacement Adjustment Demolitions	6,889
14	+ Jobs Housing Relationship Adjustment	9,467
15	+ Homelessness Adjustment	38,646
16	+ State of Emergency Adjustment	8,056
17	<i>- Occupied Units (HHs) estimated projected June 30, 2029</i>	(6,643,462)
18	Preliminary Regional Housing Need	1,359,750
19	+ Replacement Adjustment Seasonal, Recreational, and Occasional Use	0
20	+ Feasible Jobs/Housing Balance Adjustment	0
Total	7th Cycle Regional Housing Need Determination (RHND)	1,359,750

Detailed background data for this table is available upon request.

Explanation and Data Sources

Projection period: Government Code section 65588, subdivision (f), specifies the RHNA projection period start is December 31 or June 30, whichever date most closely precedes the end of the previous RHNA projection period end date. SCAG's projection period starts June 30, 2029, and ends October 15, 2037.

- 1-5. Population, Group Quarters, Household Population, and Projected Households: Pursuant to Government Code section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc., that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
7. Projected Apartment-Style Student Households: DOF provides projections of the student population expected to reside in apartment-style student housing by the end of the projection period. Under the US Census Bureau definitions, all student housing owned, leased, or managed by a college or university, including apartment-style units, are classified as group quarters rather than as part of the household population. Because DOF household projections exclude the group quarters population, projected changes in the number of students living in apartment-style student housing are not captured in the baseline household forecast. HCD accounts for this by subtracting the student population residing in apartment-style student housing at the beginning of the projection period (2029) from the projected population at the end of the projection period (2037). The resulting net change in student population living in apartment-style student housing (10,195) is then converted into projected households using the age 15-24 headship rate of 6.94% percent, resulting in an adjustment of 708 projected households.
8. Total Projected Households at the end of the projection period (October 15, 2037).
9. Vacancy Adjustment: Pursuant to Government Code section 65584.01, subdivision (b)(1)(E), HCD applies a vacancy adjustment based on the region's current vacancy percentage to promote healthy market vacancies that facilitate housing availability and resident mobility. Healthy vacancy rates are 2% for owners and 7% for renters for metropolitan planning organization (MPO) regions (6% for renters in non-MPO regions). There are two methodologies utilized to calculate this adjustment. The first methodology is to calculate the vacancy adjustment for existing households. The adjustment for existing households is the difference between the healthy rate of 2% and 7% vacancy rates and the region's current vacancy rates based on the 2024 5-year American Community Survey (ACS) data. That difference is then multiplied by the number of existing households by tenure based on the most recent occupied household estimates from DOF (existing households multiplied by current rates of renters and owners). For SCAG, the existing household owner vacancy rate (0.78%) is below the healthy standard, resulting in a 1.22% adjustment. The existing household renter vacancy rate (4.07%) is also below the healthy standard, resulting in a 2.93% adjustment. The second methodology is to calculate the vacancy adjustment for projected households. The projected household vacancy adjustment is obtained by applying the standard 2% and 7% vacancy rates to the projected owner and renter households. The healthy vacancy rates (2% and 7%) are then multiplied by the number of projected households

by tenure (projected households multiplied by current rates of renters and owners). Data is from the 2024 5-year ACS and DOF 2026 E-5 Population Estimates. Note: 2024 1-year ACS summary tables (B25004 and B25003) were not available for all the counties in the SCAG region, thus the 2025 5-year ACS summary tables were used.

10. **Overcrowding Adjustment:** Pursuant to Government Code section 65584.01, subdivision (b)(1)(C), HCD uses ACS data to consider the percentage of households that are overcrowded in the region compared to the United States national average of households that are overcrowded. In regions where the overcrowding rate is greater than the U.S. national average overcrowding rate (3.54%), HCD applies an adjustment based on the amount the region's overcrowding rate exceeds the U.S. overcrowding rate. For SCAG, the region's overcrowding rate (9.66%) is higher than the national average (3.54%), resulting in a 6.12% adjustment. HCD then applies the 6.12% adjustment to total occupied households in the region (6,514,134). Per SCAG's request, data is from the 2024 1-year ACS (B25014) and DOF 2026 E-5 Population Estimates. HCD received satisfactory evidence that the 2024 1-Year ACS data is not anomalous and has a relatively low margin of error given SCAG's large size. As a result, HCD utilized the applicable 2024 1-Year ACS summary tables throughout the RHND calculations where feasible.
11. **Cost Burden Adjustment:** Pursuant to Government Code section 65584.01, subdivision (b)(1)(H), HCD uses ACS data to consider the percentage of households that are cost burdened in the region compared to the United States national average of households that are cost burdened. In regions where the cost burden rate is greater than the U.S. national average rate (31.45%), HCD applies an adjustment based on the amount the region's cost burden rate exceeds the U.S. rate. For SCAG, the region's cost burden rate (43.19%) is higher than the national average (31.45%), resulting in an 11.74% adjustment. HCD then applies the 11.74% adjustment to total occupied households in the region (6,514,134). Data is from the 2024 1-year ACS (B25140) and DOF 2026 E-5 Population Estimates.
12. **Overcrowding and Cost Burden Adjustment:** To minimize double counting the housing needs of households that are both overcrowded and cost burdened, HCD has implemented an additional overcrowding and cost burden adjustment. For regions with an adjustment for both overcrowding and cost burden, a downward adjustment is applied based on the number of households that are estimated to be both overcrowded and cost burdened according to an analysis of 2024 1-year ACS Public Use Microdata Sample File data (PUMS) provided by DOF. If the DOF data for this adjustment exceeds the individual adjustments for overcrowding or cost burden, then this adjustment is limited to the lesser of the two. This double counting consideration resulted in a 259,849-unit reduction.
13. **Replacement Adjustment (Demolitions):** HCD applies a replacement adjustment between 0.10% to 5% to the total housing stock based on the current 10-year average percent of demolitions (January 1, 2017, to January 1, 2026) in the region's local government annual reports to DOF. Units lost during a state of emergency declaration are not included. For SCAG, the 10-year average was 0.022%, so the minimum adjustment of 0.10% is applied to the projected occupied households. The data for demolitions is from DOF-DRU's 2026 custom tabulations of Annual Housing Unit Survey Results and DOF 2026 E-5 Population Estimates.

14. Jobs Housing Relationship Adjustment: HCD applies an adjustment based on the number of in-commuters to a region. The adjustment is calculated by dividing the number of in-commuters to the region by HCD's jobs/housing standard of 1.5. In SCAG, the number of employed residents was below the number of people employed in the region, resulting in an adjustment of 9,467. Data is from the US Census Bureau LEHD Origin-Destination Employment Statistics, 2023.
15. Homelessness Adjustment: HCD applies an adjustment based on the housing needs of individuals and families experiencing homelessness. For non-COG regions and COGs that do not provide their own data, by default, HCD uses the most recent Point-in-Time counts from the region's Continuums of Care and DOF household formation rates. SCAG's Continuums of Care include Imperial County, Los Angeles City and County, Santa Ana, Anaheim/Orange County CoC, Riverside City and County, San Bernardino City and County, Oxnard, San Buenaventura/Ventura County CoC, Long Beach CoC, Pasadena CoC, and Glendale CoC. An adjustment of 38,646 units was applied to SCAG using data from the HUD 2025 Point-in-Time Count and DOF household formation rates. This adjustment is allocated to the acutely low- and extremely low-income categories, with 75% of the adjustment allocated to the acutely low-income category and 25% allocated to the extremely low-income category.
16. State of Emergency Adjustment: HCD uses data provided by the California Governor's Office of Emergency Services (CalOES) and the California Department of Forestry and Fire Protection (CAL FIRE) pursuant to Government Code section 65584.01, subdivision (b)(1)(I), to calculate the number of units lost due to a declared state of emergency during the previous planning period (since 2021) and which have not been rebuilt or replaced. CalOES and CAL FIRE inspection data was retrieved by HCD in August 2026. HCD defines a rebuilt or replaced unit as the issuance of a building permit in the affected area, as reported in the Annual Progress Report or other local data sources, and subtracts the number of building permits from the count of units lost. To estimate the percentage of units lost that were originally occupied, HCD uses 2024 5-year ACS data (B25004) to calculate the percentage of units in the region that are temporarily occupied by persons with a usual residence elsewhere. The occupancy rate is then applied to the net units lost due to a state of emergency. For SCAG, this resulted in an adjustment of 8,056 units to the RHND. HCD uses the California Franchise Tax Board and CalOES list of disasters and emergency proclamations to ensure that only units destroyed by a Governor-declared State of Emergency in the region are utilized when calculating this adjustment.
17. Occupied Units: Reflects DOF's projected occupied units at the start of the projection period (June 30, 2029).
18. Preliminary Regional Housing Need Determination: Housing need calculated after applying calculations 1-17. This preliminary RHND is used to evaluate feasible balance between jobs and housing and the Replacement Adjustment (Seasonal, Recreational, and Occasional Use).
19. Replacement Adjustment (Seasonal, Recreational, and Occasional Use Housing Units): In addition to the demolition replacement adjustment, HCD also applies a replacement adjustment to account for housing units that are not available for permanent year-round occupancy. This adjustment is calculated based on the change in the percentage of

housing units that are for seasonal, recreational, and occasional use per ACS data. There are two methodologies utilized to calculate this adjustment, depending on changes in the housing stock over the period of analysis. If both the total number of seasonal, recreational, and occasional use housing units and the overall housing stock increased over the relevant 8-year period, HCD calculates the adjustment based on the proportion of newly added housing units used for seasonal, recreational, or occasional purposes during that time frame. This proportion is then applied as a percentage increase to the preliminary housing need assessment. If, however, the overall housing stock decreased, HCD instead compares the change in the share of seasonal, recreational, occasional use housing units to total housing units. For SCAG, the total number of recreational housing decreased and total housing units increased from 2016 to 2024; therefore, HCD used the first option. From 2016 to 2024, seasonal, recreational, occasional use housing units decreased (-11,110) while there was new housing unit growth (+341,030). Since there was a decrease in seasonal, recreational, occasional use housing units, no adjustment was applied. Note: Data is from the 2016 and 2024 ACS 5-year estimates (B25004), as 2024 1-year ACS data was not available for the necessary tables for all the counties in the SCAG region.

20. Feasible Jobs/Housing Balance Adjustment: According to statute, the “region’s existing and projected housing need shall reflect the achievement of a feasible balance between jobs and housing within the region using the regional employment projections in the applicable regional transportation plan” (Gov. Code § 65584.01, subd. (c)(1)). After applying the adjustments noted above, HCD compared the 7th cycle RHNA determination and the region’s total occupied housing units to employment projections in Caltrans’ Long-Term Socio-Economic Forecast to determine whether a feasible balance was achieved. This analysis resulted in a jobs housing balance of 1.11 (0.9 housing units for every projected job). Because this is below the healthy rate of 1.5, no additional adjustment is needed. Data is from Caltrans’ 2026 Long-Term Socio Economic Forecast as prepared by DOF.

Table of Contents				
Title	Source	Sheet Name	Statutory Reference	Description
Table 1 : Regional Housing Need by Income	US Census Bureau (ACS 1 Year, 2024): B19001 & B19013;HCD State Income Limits 2026 (4-person household);HUD MFI Methodology; HUD Per Capita Wage Inflation FY 2025 Medians ;Table 2 : Regional Housing Needs	RHND by Incomes	65584(a)(1), 65584(f)	Distributes the total regional housing need by the income category distributions calculated on the income calculator tab
Table 2 : Regional Housing Needs	Summary of all Data sources utilized in this workbook	RHN Determination	65584.01	Calculation of the regional housing need
Table 3: DOF E5 Existing Households	DOF E-5 Population and Housing Estimates for Cities, Counties, and the State, 2026	DOF Existing	65584.01(a)	DOF estimates of the existing population and households
Table 4: DOF Projections	DOF Population and Household Projections, 2026	DOF Projections	65584.01(a)	Estimates projected households for the region using DOF headship rates and population
Table 5(A): DOF Regional Projections Calculator	DOF Population and Household Projections, 2026	DOF Projections Calculator	65584.01(a), 65584.01(b)(1)	Population, Household, Group Quarters, person per HH summary for the region
Table 6: Vacancy Rate Adjustment (Existing & Projected Households)	US Census Bureau (ACS 5 Year, 2024): B25001, B25003, B25004 (<i>ACS 1 year is missing data for Imperial County</i>); DOF, E-5 Population and Housing Estimates for Cities, Counties, and the State, 2026	Vacancy Adj.	65584.01(b)(1)	Regional and national vacancy rates by tenure
Table 7: Overcrowding Adjustment	US Census Bureau (ACS 1 Year, 2024): B25014	Overcrowding Adj.	65584.01(b)(1)	Regional and national overcrowding rates
Table 8: Cost Burden Adjustment	US Census Bureau (ACS 1 Year, 2024): B25140	Cost Burden Adj.	65584.01(b)(1)	Regional and national cost burden rates
Table 9: Adjustment To Account for Households Experiencing Both Overcrowding And Cost-burden	Households Experiencing Overcrowding and Cost burden, DOF 2025; US Census Bureau (ACS 1 Year, 2024): B01003	Overcrowding & Cost-Burden Adj.	65584.01(b)(1)	Adjustment to minimize the risk of potentially double counting of households that experience both cost-burden and overcrowding
Table 10: Replacement Adjustment Demolitions	DOF Demographic Research Unit, Housing Unit Change Survey - Demolition Data 2008-2025; Housing Unit Change Survey E-5 & E-8	Replacement (Demolitions) Adj.	65584.01(b)(1)	Consideration of replacement housing needs stemming from demolitions
Table 11: Replacement Adjustment Seasonal, Recreational, And Occasional Use Housing	US Census Bureau (ACS 5 Year, 2016 & 2024) B25003, B25004 (ACS 1 year is missing data for Imperial County)	Replacement (Seasonal) Adj.	65584.01(b)(1)	Consideration of replacement housing needs stemming from seasonal, recreational, and occasional use housing units
Table 12: Units Lost During A Governor-Declared State Of Emergency	CalOES DINS Data, 2013 - 2026; US Census Bureau (ACS 5 Year, 2024): B25004 ; Franchise Tax Board	Units Lost due to SOE Adj.	65584.01(b)(1)	Units lost during a Governor-declared state of emergency that have yet to be rebuilt
Table 13: Homelessness Adjustment	HUD Point in Time Count data 2025; DOF 2025	Homelessness Adj.	65584.01(b)(1)	Housing needs of people experiencing homelessness
Table 14: Relationship Between Jobs And Housing (Existing Jobs)	LEHD Origin-Destination Employment Statistics, 2023	Jobs Housing Balance Adj.	65584.01(b)(1)	Commuting inflow/outflow used as measure of relationship between jobs and housing
Table 15: Feasible Jobs/Housing Balance (Employment Projections)	Caltrans Long Term Socio Economic Survey, Department of Finance, 2026 OR 'RTP' Employment Projections	Jobs Housing Projections Adj.	65584.01(c)(1)	Adjustment to ensure a feasible jobs/housing balance at the end of the projection period
Table 16: Income Calculator - Region	US Census Bureau (ACS 1 Year, 2024): B19001 & B19013;HCD State Income Limits 2026 (4-person household);HUD MFI Methodology; HUD Per Capita Wage Inflation FY 2025 Medians	Income Calculator - Region	65584(f)	Calculates income category distribution for the region

Table 2 : Regional Housing Needs

Southern California Association of Governments: June 30,2029 - October 15,2037 (8 Years) HCD Determined Population, Households, & Housing Need					
	POPULATION AND HOUSEHOLD PROJECTIONS				
1	+ Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037				18,792,495
2	- Group Quarters Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037				(394,638)
3	= Preliminary Household (HH) Population: 10/15/2037 (Not Including Student Population in Apartment Style Student Housing)				18,397,857
4	Household Formation Groups	DOF Projected HH Population	Formation Rates	DOF Projected Households	
	under 15 years	2,524,715	n/a	n/a	
	15 - 24 years	2,288,236	6.94%	158,878	
	25 - 34 years	2,483,176	33.25%	825,587	
	35 - 44 years	2,141,869	47.66%	1,020,918	
	45 - 54 years	2,623,077	52.28%	1,371,473	
	55 - 64 years	2,181,043	53.16%	1,159,458	
	65 -74 years	2,026,409	55.29%	1,120,473	
	75 - 84 years	1,510,644	57.29%	865,521	
	85+	618,691	59.20%	366,247	
5	+ Preliminary Projected Households (Occupied Unit Stock)				6,888,555
6	Student Population in Apartment Style Student Housing: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037				134,642
7	+ Projected Apartment Style Student Households	Growth in Student Population	15-24 Age HH Formation Rate		708
		10,195	6.94%		
8	Total Projected Households				= 6,889,263
	ADJUSTMENTS				
9	Vacancy Adjustment (Healthy Housing Market Vacancy % vs. Region ACS %)	Owner	Renter		+ 16,275
	+ Vacancy Adjustment for Projected Households	3,994	12,281		
	+ Vacancy Adjustment for Existing Households (Healthy Housing Market Vacancy % vs. Region ACS %)	42,469	89,120		
10	+ Overcrowding Adjustment (National Average % vs Region ACS %)	National Average	Regional Average	Difference	+ 398,400
		3.54%	9.66%	6.12%	
11	+ Cost-burden Adjustment (National Average % vs Region ACS %)	31.45%	43.19%	11.74%	+ 764,476
12	- Adjustment to Account for HHs that Experience Both Overcrowding and Cost-burden (DOF data)				- (259,849)
13	+ Replacement Adjustment Demolitions (.1% min, 5% max, vs. % DOF Demolitions)	Adjustment Range	Rate of Demolitions	Minimum Adjustment	+ 6,889
		0.10 - 5%	0.022%	0.10%	
14	+ Relationship Between Jobs and Housing (HCD Standard of 1.5 housing Units Per Job)	Jobs in Region	Workers in Region	Net Inflow	+ 9,467
		7,602,382	7,588,181	14,201	
15	+ Homelessness Adjustment				+ 38,646
16	+ Units Lost During a Governor-Declared State of Emergency in the Prior Planning Period				+ 8,056
17	- Occupied Units (HHs) Projected June 30, 2029 (from DOF Data)				- (6,643,462)
18	= Preliminary Regional Housing Need After Steps (8) Through (17)				= 1,359,750
19	+ Replacement Adjustment Seasonal, Recreational, and Occasional Use Housing Units (2016 vs. 2024)			0.00%	+ -
20	+ Feasible Jobs/Housing Balance (Employment Projections / RHND <= 1.5 Jobs Per Housing Unit)	Employment Projections 2035	Preliminary RHND + Total Occupied Units	Ratio	+ -
		8,899,593	8,003,212	1.11	

7th Cycle Regional Housing Need Determination (RHND):				=	1,359,750
---	--	--	--	---	-----------

[Go back to Table of Contents](#)

	Projection period: Government Code section 65588, subdivision (f), specifies the RHNA projection period start is December 31 or June 30, whichever date most closely precedes the end of the previous RHNA projection period end date. SCAG's projection period starts June 30, 2029, and ends October 15, 2037.
1-5	Population, Group Quarters, Household Population, and Projected Households: Pursuant to Government Code section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc., that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
6-7	Projected Apartment-Style Student Households: DOF provides projections of the student population expected to reside in apartment-style student housing by the end of the projection period. Under the US Census Bureau definitions, all student housing owned, leased, or managed by a college or university, including apartment-style units, are classified as group quarters rather than as part of the household population. Because DOF household projections exclude the group quarters population, projected changes in the number of students living in apartment-style student housing are not captured in the baseline household forecast. HCD accounts for this by subtracting the student population residing in apartment-style student housing at the beginning of the projection period (2029) from the projected population at the end of the projection period (2037). The resulting net change in student population living in apartment-style student housing (10,195) is then converted into projected households using the age 15-24 headship rate of 6.94% percent, resulting in an adjustment of 708 projected households.
8	Total Projected Households at the end of the projection period (October 15, 2037).
9	Vacancy Adjustment: Pursuant to Government Code section 65584.01, subdivision (b)(1)(E), HCD applies a vacancy adjustment based on the region's current vacancy percentage to promote healthy market vacancies that facilitate housing availability and resident mobility. Healthy vacancy rates are 2% for owners and 7% for renters for metropolitan planning organization (MPO) regions (6% for renters in non-MPO regions). There are two methodologies utilized to calculate this adjustment. The first methodology is to calculate the vacancy adjustment for existing households. The adjustment for existing households is the difference between the healthy rate of 2% and 7% vacancy rates and the region's current vacancy rates based on the 2024 5-year American Community Survey (ACS) data. That difference is then multiplied by the number of existing households by tenure based on the most recent occupied household estimates from DOF (existing households multiplied by current rates of renters and owners). For SCAG, the existing household owner vacancy rate (0.78%) is below the healthy standard, resulting in a 1.22% adjustment. The existing household renter vacancy rate (4.07%) is also below the healthy standard, resulting in a 2.93% adjustment. The second methodology is to calculate the vacancy adjustment for projected households. The projected household vacancy adjustment is obtained by applying the standard 2% and 7% vacancy rates to the projected owner and renter households. The healthy vacancy rates (2% and 7%) are then multiplied by the number of projected households by tenure (projected households multiplied by current rates of renters and owners). Data is from the 2024 5-year ACS and DOF 2026 E-5 Population Estimates. Note: 2024 1-year ACS summary tables (B25004 and B25003) were not available for all the counties in the SCAG region, thus the 2025 5-year ACS summary tables were used.
10	Overcrowding Adjustment: Pursuant to Government Code section 65584.01, subdivision (b)(1)(C), HCD uses ACS data to consider the percentage of households that are overcrowded in the region compared to the United States national average of households that are overcrowded. In regions where the overcrowding rate is greater than the U.S. national average overcrowding rate (3.54%), HCD applies an adjustment based on the amount the region's overcrowding rate exceeds the U.S. overcrowding rate. For SCAG, the region's overcrowding rate (9.66%) is higher than the national average (3.54%), resulting in a 6.12% adjustment. HCD then applies the 6.12% adjustment to total occupied households in the region (6,514,134). Per SCAG's request, data is from the 2024 1-year ACS (B25014) and DOF 2026 E-5 Population Estimates. HCD received satisfactory evidence that the 2024 1-Year ACS data is not anomalous and has a relatively low margin of error given SCAG's large size. As a result, HCD utilized the applicable 2024 1-Year ACS summary tables throughout the RHND calculations where feasible.
11	Cost Burden Adjustment: Pursuant to Government Code section 65584.01, subdivision (b)(1)(H), HCD uses ACS data to consider the percentage of households that are cost burdened in the region compared to the United States national average of households that are cost burdened. In regions where the cost burden rate is greater than the U.S. national average rate (31.45%), HCD applies an adjustment based on the amount the region's cost burden rate exceeds the U.S. rate. For SCAG, the region's cost burden rate (43.19%) is higher than the national average (31.45%), resulting in an 11.74% adjustment. HCD then applies the 11.74% adjustment to total occupied households in the region (6,514,134). Data is from the 2024 1-year ACS (B25140) and DOF 2026 E-5 Population Estimates.
12	Overcrowding and Cost Burden Adjustment: To minimize double counting the housing needs of households that are both overcrowded and cost burdened, HCD has implemented an additional overcrowding and cost burden adjustment. For regions with an adjustment for both overcrowding and cost burden, a downward adjustment is applied based on the number of households that are estimated to be both overcrowded and cost burdened according to an analysis of 2024 1-year ACS Public Use Microdata Sample File data (PUMS) provided by DOF. If the DOF data for this adjustment exceeds the individual adjustments for overcrowding or cost burden, then this adjustment is limited to the lesser of the two. This double counting consideration resulted in a 259,849-unit reduction.
13	Replacement Adjustment (Demolitions): HCD applies a replacement adjustment between 0.10% to 5% to the total housing stock based on the current 10-year average percent of demolitions (January 1, 2017, to January 1, 2026) in the region's local government annual reports to DOF. Units lost during a state of emergency declaration are not included. For SCAG, the 10-year average was 0.022%, so the minimum adjustment of 0.10% is applied to the projected occupied households. The data for demolitions is from DOF-DRU's 2026 custom tabulations of Annual Housing Unit Survey Results and DOF 2026 E-5 Population Estimates.
14	Jobs Housing Relationship Adjustment: HCD applies an adjustment based on the number of in-commuters to a region. The adjustment is calculated by dividing the number of in-commuters to the region by HCD's jobs/housing standard of 1.5. In SCAG, the number of employed residents was below the number of people employed in the region, resulting in an adjustment of 9,467. Data is from the US Census Bureau LEHD Origin-Destination Employment Statistics, 2023.
15	Homelessness Adjustment: HCD applies an adjustment based on the housing needs of individuals and families experiencing homelessness. For non-COG regions and COGs that do not provide their own data, by default, HCD uses the most recent Point-in-Time counts from the region's Continuums of Care and DOF household formation rates. SCAG's Continuums of Care include Imperial County, Los Angeles City and County, Santa Ana, Anaheim/Orange County CoC, Riverside City and County, San Bernardino City and County, Oxnard, San Buenaventura/Ventura County CoC, Long Beach CoC, Pasadena CoC, and Glendale CoC. An adjustment of 38,646 units was applied to SCAG using data from the HUD 2025 Point-in-Time Count and DOF household formation rates. This adjustment is allocated to the acutely low- and extremely low-income categories, with 75% of the adjustment allocated to the acutely low-income category and 25% allocated to the extremely low-income category. ☐
16	State of Emergency Adjustment: HCD uses data provided by the California Governor's Office of Emergency Services (CalOES) and the California Department of Forestry and Fire Protection (CAL FIRE) pursuant to Government Code section 65584.01, subdivision (b)(1)(I), to calculate the number of units lost due to a declared state of emergency during the previous planning period (since 2021) and which have not been rebuilt or replaced. CalOES and CAL FIRE inspection data was retrieved by HCD in August 2026. HCD defines a rebuilt or replaced unit as the issuance of a building permit in the affected area, as reported in the Annual Progress Report or other local data sources, and subtracts the number of building permits from the count of units lost. To estimate the percentage of units lost that were originally occupied, HCD uses 2024 5-year ACS data (B25004) to calculate the percentage of units in the region that are temporarily occupied by persons with a usual residence elsewhere. The occupancy rate is then applied to the net units lost due to a state of emergency. For SCAG, this resulted in an adjustment of 8,056 units to the RHND. HCD uses the California Franchise Tax Board and CalOES list of disasters and emergency proclamations to ensure that only units destroyed by a Governor-declared State of Emergency in the region are utilized when calculating this adjustment.
17	Occupied Units: Reflects DOF's projected occupied units at the start of the projection period (June 30, 2029).
18	Preliminary Regional Housing Need Determination: Housing need calculated after applying calculations 1-17. This preliminary RHND is used to evaluate feasible balance between jobs and housing and the Replacement Adjustment (Seasonal, Recreational, and Occasional Use).
19	Replacement Adjustment (Seasonal, Recreational, and Occasional Use Housing Units): In addition to the demolition replacement adjustment, HCD also applies a replacement adjustment to account for housing units that are not available for permanent year-round occupancy. This adjustment is calculated based on the change in the percentage of housing units that are for seasonal, recreational, and occasional use per ACS data. There are two methodologies utilized to calculate this adjustment, depending on changes in the housing stock over the period of analysis. If both the total number of seasonal, recreational, and occasional use housing units and the overall housing stock increased over the relevant 8-year period, HCD calculates the adjustment based on the proportion of newly added housing units used for seasonal, recreational, or occasional purposes during that time frame. This proportion is then applied as a percentage increase to the preliminary housing need assessment. If, however, the overall housing stock decreased, HCD instead compares the change in the share of seasonal, recreational, occasional use housing units to total housing units. For SCAG, the total number of recreational housing decreased and total housing units increased from 2016 to 2024; therefore, HCD used the first option. From 2016 to 2024, seasonal, recreational, occasional use housing units decreased (-11,110) while there was new housing unit growth (+341,030). Since there was a decrease in seasonal, recreational, occasional use housing units, no adjustment was applied. Note: Data is from the 2016 and 2024 ACS 5-year estimates (B25004), as 2024 1-year ACS data was not available for the necessary tables for all the counties in the SCAG region.
20	Feasible Jobs/Housing Balance Adjustment: According to statute, the "region's existing and projected housing need shall reflect the achievement of a feasible balance between jobs and housing within the region using the regional employment projections in the applicable regional transportation plan" (Gov. Code § 65584.01, subd. (c)(1)). After applying the adjustments noted above, HCD compared the 7th cycle RHNA determination and the region's total occupied housing units to employment projections in Caltrans' Long-Term Socio-Economic Forecast to determine whether a feasible balance was achieved. This analysis resulted in a jobs housing balance of 1.11 (0.9 housing units for every projected job). Because this is below the healthy rate of 1.5, no additional adjustment is needed. Data is from Caltrans' 2026 Long-Term Socio Economic Forecast as prepared by DOF.

Housing Units	
EXISTING NEED	1,090,785
+ Vacancy Adjustment for Existing Households (Healthy Housing Market Vacancy % vs. Region ACS %)	131,589
+ Overcrowding Adjustment (National Average % vs Region ACS %)	398,400
+ Cost-burden Adjustment (National Average % vs Region ACS %)	764,476
- Adjustment to Account for HHs that Experience Both Overcrowding and Cost-burden (DOF data)	(259,849)
+ Relationship Between Jobs and Housing (HCD Standard of 1.5 housing Units Per Job)	9,467
+ Homelessness Adjustment	38,646
+ Units Lost During a Governor-Declared State of Emergency in the Prior Planning Period	8,056

PROJECTED NEED	268,965
+ Preliminary Projected Households (Occupied Unit Stock)	6,888,555
+ Projected Apartment Style Student Households	708
+ Vacancy Adjustment for Projected Households	16,275
+ Replacement Adjustment Demolitions (.1% min, 5% max, vs. % DOF Demolitions)	6,889
+ Replacement Adjustment Seasonal, Recreational, and Occasional Use Housing Units (2016 vs. 2024)	-
+ Feasible Jobs/Housing Balance (Employment Projections / RHND <= 1.5 Jobs Per Housing Unit)	-
- Occupied Units (HHs) Projected June 30, 2029 (from DOF Data)	(6,643,462)

7th Cycle Regional Housing Need Determination (RHND):	1,359,750
---	-----------

State of California

GOVERNMENT CODE

Section 65584.01

65584.01. For the fourth and subsequent revision of the housing element pursuant to Section 65588, the department, in consultation with each council of governments, where applicable, shall determine the existing and projected need for housing for each region in the following manner:

(a) The department's determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments. If the total regional population forecast for the projection year, developed by the council of governments and used for the preparation of the regional transportation plan, is within a range of 1.5 percent of the total regional population forecast for the projection year by the Department of Finance, then the population forecast developed by the council of governments shall be the basis from which the department determines the existing and projected need for housing in the region. If the difference between the total population projected by the council of governments and the total population projected for the region by the Department of Finance is greater than 1.5 percent, then the department and the council of governments shall meet to discuss variances in methodology used for population projections and seek agreement on a population projection for the region to be used as a basis for determining the existing and projected housing need for the region. If agreement is not reached, then the population projection for the region shall be the population projection for the region prepared by the Department of Finance as may be modified by the department as a result of discussions with the council of governments.

(b) (1) Subject to the applicable deadline specified in paragraph (2), and prior to developing the existing and projected housing need for a region, the department shall meet and consult with the council of governments regarding the assumptions and methodology to be used by the department to determine the region's housing needs. The council of governments shall provide data assumptions from the council's projections, including, if available, the following data for the region:

(A) (i) Anticipated household growth associated with projected population increases.

(ii) The Department of Finance shall consider changes in enrollment levels at campuses of the University of California or the California State University in the region, as forecasted by the University of California and the California State University pursuant to paragraph (9) of subdivision (e) of Section 65584.04, when preparing the anticipated household growth associated with projected population increases.

(B) Household size data and trends in household size.

(C) The percentage of households that are overcrowded within the region and the percentage of households that are overcrowded throughout the nation. For purposes of this subparagraph, the term “overcrowded” means more than one resident per room in each room in a dwelling.

(D) The rate of household formation, or headship rates, based on age, gender, ethnicity, or other established demographic measures.

(E) The vacancy rates in existing housing stock, and the vacancy rates for healthy housing market functioning and regional mobility, as well as housing replacement needs. For purposes of this subparagraph, the vacancy rate for a healthy rental housing market shall be considered no less than 5 percent.

(F) Other characteristics of the composition of the projected population.

(G) The relationship between jobs and housing, including any imbalance between jobs and housing.

(H) The percentage of households that are cost burdened within the region and the percentage of households that are cost burdened throughout the nation. For the purposes of this subparagraph, the term “cost burdened” means the share of very low, low-, moderate-, and above moderate-income households that are paying more than 30 percent of household income on housing costs.

(I) 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 data request.

(J) The housing needs of individuals and families experiencing homelessness.

(i) The data used by the council of governments shall align with homelessness data best practices as determined by the department.

(ii) Sources of homelessness data may include the Homeless Data Integration System administered by the Interagency Council on Homelessness, the homeless point-in-time count, or other sources deemed appropriate by the department.

(2) The deadline for the department to meet and consult with each council of governments pursuant to paragraph (1) shall be as follows:

(A) For the fourth, fifth, and sixth revisions of the housing element, at least 26 months prior to the scheduled revision pursuant to Section 65588.

(B) For the seventh revision of the housing element, the applicable of the following:

(i) With respect to the following councils of governments, at least 26 months prior to the scheduled revision pursuant to Section 65588:

(I) The Humboldt County Association of Governments.

(II) The Lake Area Planning Council.

(III) The Mendocino Council of Governments.

(IV) The County of Nevada.

(ii) With respect to the following councils of governments, at least 34 months prior to the scheduled revision pursuant to Section 65588:

(I) The San Luis Obispo Council of Governments.

(II) The Sacramento Area Council of Governments.

(iii) With respect to all councils of governments other than those specified in clauses (i) and (ii), at least 38 months prior to the scheduled revision pursuant to Section 65588.

(C) For the eighth and subsequent revisions of the housing element, at least 38 months prior to the scheduled revision pursuant to Section 65588.

(3) The department may accept or reject the information provided by the council of governments or modify its own assumptions or methodology based on this information. After consultation with the council of governments, the department shall make determinations in writing on the assumptions for each of the factors listed in subparagraphs (A) to (I), inclusive, of paragraph (1) and the methodology it shall use and shall provide these determinations to the council of governments. The methodology submitted by the department may make adjustments based on the region's total projected households, which includes existing households as well as projected households.

(c) (1) After consultation with the council of governments, the department shall make a determination of the region's existing and projected housing need based upon the assumptions and methodology determined pursuant to subdivision (b). The region's existing and projected housing need shall reflect the achievement of a feasible balance between jobs and housing within the region using the regional employment projections in the applicable regional transportation plan. Within 30 days following notice of the determination from the department, the council of governments may file an objection to the department's determination of the region's existing and projected housing need with the department.

(2) The objection shall be based on and substantiate either of the following:

(A) The department failed to base its determination on the population projection for the region established pursuant to subdivision (a), and shall identify the population projection which the council of governments believes should instead be used for the determination and explain the basis for its rationale.

(B) The regional housing need determined by the department is not a reasonable application of the methodology and assumptions determined pursuant to subdivision (b). The objection shall include a proposed alternative determination of its regional housing need based upon the determinations made in subdivision (b), including analysis of why the proposed alternative would be a more reasonable application of the methodology and assumptions determined pursuant to subdivision (b).

(3) If a council of governments files an objection pursuant to this subdivision and includes with the objection a proposed alternative determination of its regional housing need, it shall also include documentation of its basis for the alternative determination. Within 45 days of receiving an objection filed pursuant to this section, the department shall consider the objection and make a final written determination of the region's existing and projected housing need that includes an explanation of the information upon which the determination was made.

(4) In regions in which the department is required to distribute the regional housing need pursuant to Section 65584.06, no city or county may file an objection to the regional housing need determination.

(d) Statutory changes enacted after the date the department issued a final determination pursuant to this section shall not be a basis for a revision of the final determination.

(Amended by Stats. 2025, Ch. 593, Sec. 2.5. (AB 1275) Effective January 1, 2026.)



AGENDA ITEM 4

REPORT

Southern California Association of Governments
November 5, 2026

To: CEHD - Community, Economic, and Human Development Committee
From: Nashia Lalani, Principal Regional Planner
213-630-1477, lalani@scag.ca.gov
Subject: REAP 2.0 SRP 2.0 Program Project Spotlight – San Gabriel Valley Council
of Governments – Housing Incubator Project

EXECUTIVE DIRECTOR'S
APPROVAL

Kome Ajise

RECOMMENDED ACTION:

Information Only - No Action Required

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 3: Spur innovation and action through leadership in research, analysis and information sharing. 5: Secure and optimize diverse funding sources to support regional priorities.

EXECUTIVE SUMMARY:

This item provides an informational update to the CEHD Committee on a project funded through the REAP 2.0 Subregional Partnership (SRP 2.0) Program. The presentation highlights how sub-regional partners and local jurisdictions are advancing planning and implementation efforts to increase housing capacity and support infill development throughout the region. Specifically, the San Gabriel Valley Council of Governments (SGVCOG) will present on their SRP 2.0-funded Housing Incubator project, which provided support to cities by supplementing the staffing resources, technical expertise, and financial resources needed to complete housing projects.

BACKGROUND:

The REAP 2.0 program was established as part of the 2021 California Comeback Plan under AB140 to confront the statewide housing affordability crisis. The program is designed to implement SCAG's Regional Transportation Plan/Sustainable Communities Strategy, Connect SoCal, by supporting integrated and transformative planning and implementation activities that realize the region's mobility, land use, housing, and environmental goals.

In mid-2023, the California Department of Housing and Community Development (HCD) awarded SCAG a total of \$231.5 million to develop programs that further REAP 2.0 objectives. All projects funded by REAP 2.0 must be located in infill areas and meet three primary objectives:

1. Accelerate infill development that facilitates housing supply, choice and affordability
 2. Affirmatively further fair housing
-

3. Reduce Vehicle Miles Traveled through transformative planning and implementation activities that lead to significant beneficial impacts.

On September 1, 2022, the Regional Council approved the SRP 2.0 program, one of the main programs in SCAG's REAP 2.0 framework. SRP 2.0 builds off the work achieved through SRP 1.0. Based on feedback from Subregional Councils of Government (COGs), the SRP 2.0 program was developed to support implementation of the region's housing elements as a means of investing in actions identified at the local level that support housing production throughout the region, achieve the goals and objectives outlined in Connect SoCal, and advance the state's REAP 2.0 Program Objectives.

The SRP 2.0 Program includes approximately \$24.5M in funding allocated to sub-regional partners for eligible activities that support jurisdictions with implementing their 6th Cycle housing elements and strategies for increasing affordable housing.

The CEHD Committee will receive a presentation spotlighting a project with the San Gabriel Valley Council of Governments.

San Gabriel Valley COG SRP 2.0 – Housing Incubator Project

As part of the SRP 2.0 program, SCAG allocated \$1,536,091 to the San Gabriel Valley COG to utilize and expand their existing Housing Incubator, providing technical assistance to advance housing goals across the region. The Project builds on the Housing Incubator established under REAP 1.0 to further support cities by supplementing the staffing resources, technical expertise, and financial resources needed to complete housing projects. Under REAP 2.0, the project successfully completed eight (8) housing planning projects in partnership with several jurisdictions. These projects included site-specific analysis, land use and zoning updates, and program design and implementation, all aimed at facilitating infill development through actionable steps.

Ms. Rosalie Lansing, Management Aide with the San Gabriel Valley COG, will present this project to CEHD. The presentation will provide an overview of all eight (8) projects and take a closer look specifically at four (4) key projects including the Monrovia Site Analysis, Regional Objective Design Standards, Alhambra Workforce Housing Implementation Plan, and the San Gabriel Valley Regional Housing Trust Site Evaluation Resource. Ms. Lansing will also share key outcomes, best practices, and opportunities for future efforts.

FISCAL IMPACT:

Work associated with this item is included in the FY27 Overall Work Program (305-4927.04): REAP 2.0 Subregional Partnership Program.

ATTACHMENT(S):

1. PowerPoint Presentation - SGVCOG REAP 2.0
-

November 5, 2026

SCAG Community, Economic, and Human Development
Committee

SGVCOG REAP 2.0

Affordable Housing Incubator

Presented by Rosalie Lansing and Brielle Salazar

AFFORDABLE HOUSING INCUBATOR

- SGVCOG utilized REAP 2 funds to provide technical assistance (TA) for housing planning projects in SGV cities
- TA supported both regional and city specific projects to facilitate infill development



Architecture and Design Services



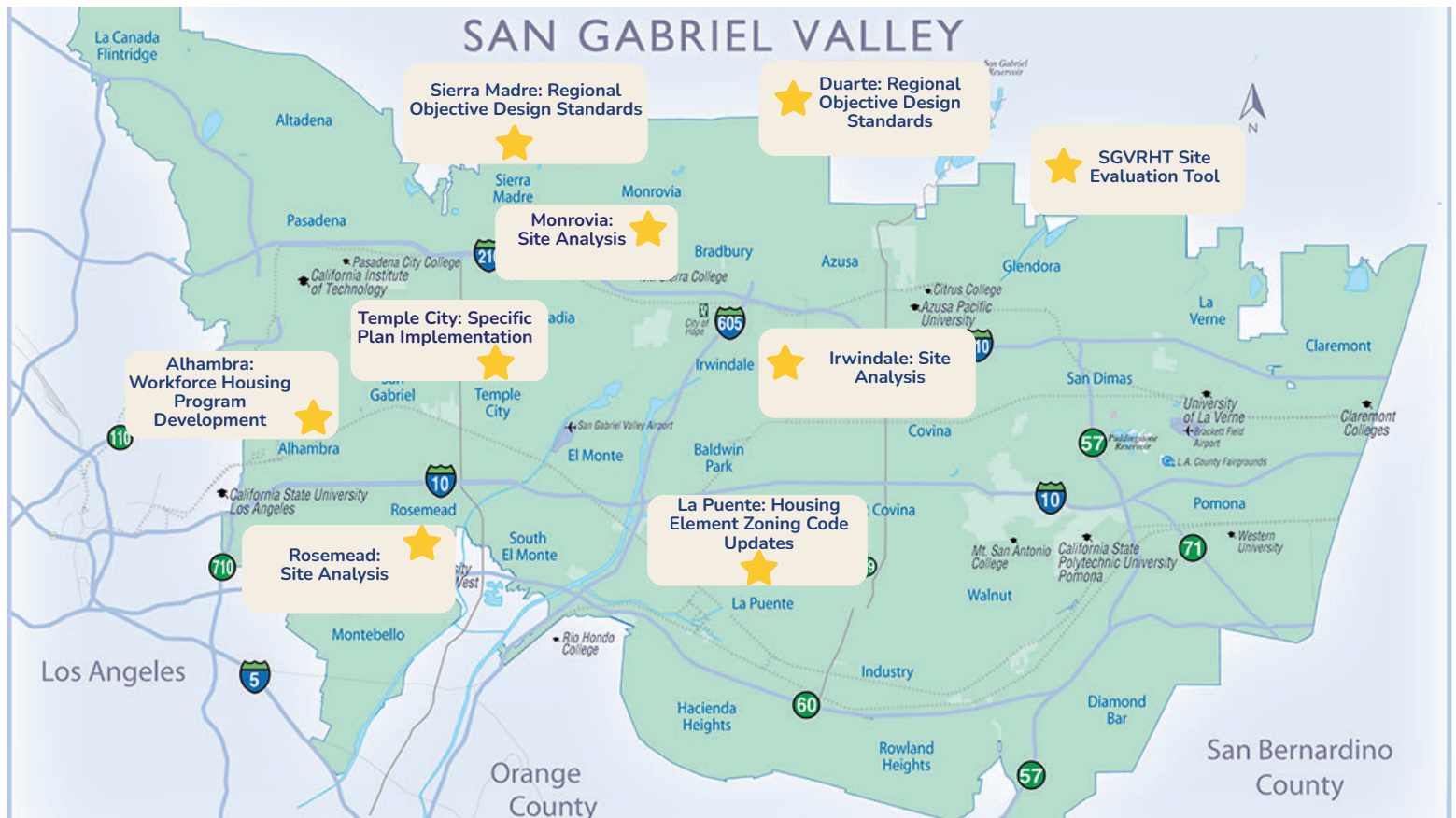
Land Use and Zoning



Financial Analysis



Environmental Analysis



Site Analysis

- Project Outcomes
 - Up to 235 affordable units across 6 projects in the SGV are in different stages of planning and predevelopment after REAP site studies
 - Proposed projects range from affordable senior housing, affordable homeownership, family housing, and missing middle housing
 - 2 projects have received funding from the SGV Regional Housing Trust



Figure 3-1. Site 1 Plans



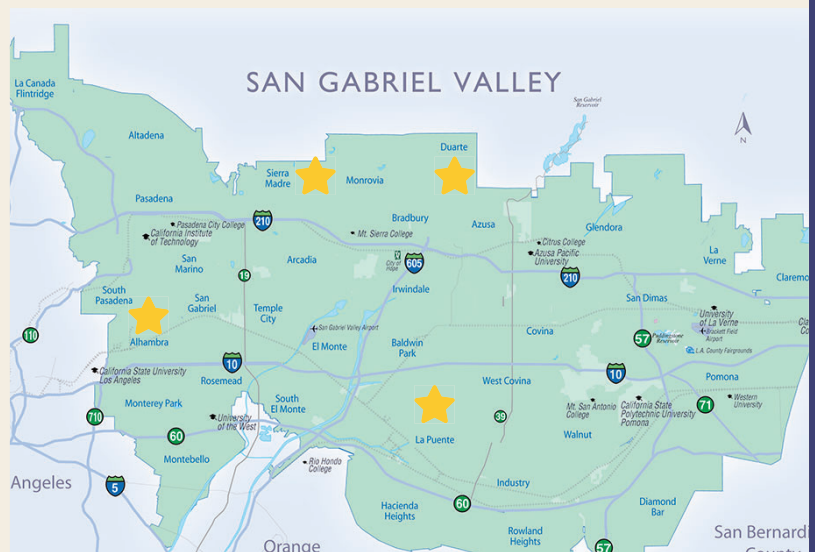
Monrovia Site Analysis

- City of Monrovia owned site that is undeveloped with the exception of a Victorian style historic home built in 1892
- Project Outcomes
 - Financial feasibility and site schematics
 - Planned development standards for the site
 - RFP for a developer received responses from 4 affordable housing developers
 - Estimated 15-18 units of housing, with 100% of units at affordable levels and preservation of the existing structure



Regional ODS

- SGVCOG partnered with 4 participating cities to develop a set of regionally applicable Objective Design Standards
- The 4 cities also received additional TA to tailor the standards to their city and go through the public hearing process to adopt them into their zoning codes
- The document also serves as a resource for SGV cities who did not participate in the project



Workforce Housing - Best Practices

Align Income Targeting with Local Workforce Needs	Consider flexibility to serve both lower-income renters and higher-income households priced out of ownership
Pursue Infill and Redevelopment Opportunities	Strengthens connections between housing, employment, and daily needs
Leverage Layered Financing Approaches	Consider mixed-income approaches and working with developers to access additional capital and public funding sources
Identify Public Partnership Opportunities	Evaluate potential to contribute city-owned land, fee reductions, or local subsidies
Engage Private and Institutional Partners	Partnerships with major employers with interest in stable, nearby housing for their workforce

Site Evaluation Tool

- The SGV Regional Housing Trust received technical assistance through the affordable housing incubator to develop a tool that evaluates acquisition opportunities
- SGVRHT and its affiliated land trust are planning to acquire sites for use as affordable housing through its annual allocation of Measure A Production, Preservation, and Ownership (PPO) flexible funds
- This resource will allow housing trust staff to evaluate and compare opportunities based on cost, number of units feasible, and cost of operations in order to set rents at an affordable rate and ensure long term affordability and operational feasibility
 - Can be used for vacant land and properties with pre-existing units

PROPERTY SUMMARY

Property APN	8504019038
Street Address	729 W FOOTHILL BLVD
City	Monrovia
Site Owner	HP RIDGEWOOD LLC
Improvement/Land Value Ratio	1.33
Lot Size (Acres)	1.03
Zoning	RH
AllTransit Score by City (Out of 10)	5.6
Resource Area Designation (TCAC)	Highest Resource

LA COUNTY APN LOOKUP

[Link to Parcel Details](#)

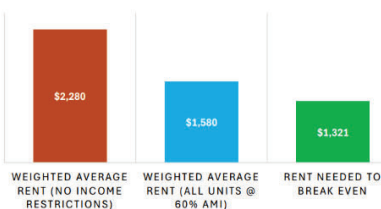
FINANCIAL FEASIBILITY SUMMARY

Estimated Acquisition Cost	Estimated Rehab Cost	Estimated Total Cost (Acquisition + Rehab)	Total Existing Units	Estimated Cost Per Unit
\$7,600,000	\$1,143,072	\$8,743,072	39	\$224,181

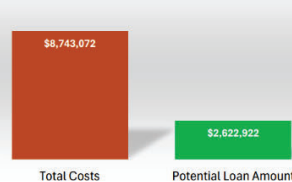
ANNUAL OPERATING SUMMARY (At Stabilization)

Gross Potential Rent	Operating Expenses	Net Operating Income	Debt Service Coverage Ratio	Debt Service (Est.)	Annual Cash Flow
\$1,067,508	(\$587,129)	\$427,003	2.15	(\$198,944)	\$228,059

MONTHLY RENT COMPARISON



Total Costs / Potential Loan Comparison



EXISTING UNIT BREAKDOWN

DATA SOURCES / NOTES

- SCAG 2019 Regional Land Use dataset (May 2023 Ver.) developed for the final 2024 Connect SoCal, the 2024-2050 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS)
- 2026 Los Angeles County Assessor Roll data
- CoStar Real Estate Analytics (Accessed April 2026)
- Rehab Cost Estimator, <https://www.rehabcalculator.com/rehab-cost-estimator>
- CoreLogic Marshall & Swift® Cost Approach (May 2026 Data)
- AllTransit Scores by City (Accessed April 2026)
- **Disclaimer:** This acquisition resource prepared by Harris & Associates intends to provide a preliminary analysis of site specifications and financial feasibility based on publicly available data examined during April 2026. Harris encourages users to update data as necessary and conduct additional site-specific analysis to further inform potential property acquisitions.



Harris & Associates

Lessons Learned and Future Opportunities

- Illustrating what an affordable housing project looks like helps secure early support and buy-in from community leaders and can foster stronger proposals from developers that match the city's vision
- Proposed zoning changes or design standards should consider developer input to ensure well-intended policies do not limit development
- Thoughtfully designed programs include actionable steps to facilitate implementation
 - Set intent for guidelines to establish interpretation for allowable exceptions
- SGVCOG will continue the incubator program through Measure A TA funds, which will continue to build on the successes of the REAP program
 - Expanded focus on preservation and affordable homeownership

THANK YOU

Rosalie Lansing: rlansing@sgvcog.org

Brielle Salazar: bsalazar@sgvrht.org