



SCAG 7th Cycle Regional Housing Needs Allocation

SCAG Regional Council Meeting

October 1, 2026



Presentation Outline

- Regional Housing Needs Assessment (RHNA) Process Overview
- Moving from 6th to 7th Cycle
- Q & A



RHNA Process Overview



What is RHNA?

The RHNA process refers to the creation of the total housing need number for each region (Determination), and how that total number is distributed to cities and counties (Allocation)

RHNA is . . .

- ✓ A quantification of housing needs for a region at all income levels, based on factors related to pent-up demand and expected household growth, among others
- ✓ A planning requirement implemented by updating the housing element

RHNA is not . . .

- ✗ A prediction of building permit, construction, or housing activity
- ✗ A ceiling of potential housing market demand or production
- ✗ Constrained by existing zoning or land use regulations



Why is the RHNA Important?

- RHNA establishes a measurable planning target to meet the housing needs for existing and future Californians
- RHNA helps make California more affordable since local jurisdictions must plan to accommodate additional housing at all income levels, especially homes for people struggling to make ends meet
- It also helps create stronger, more inclusive communities where families can thrive

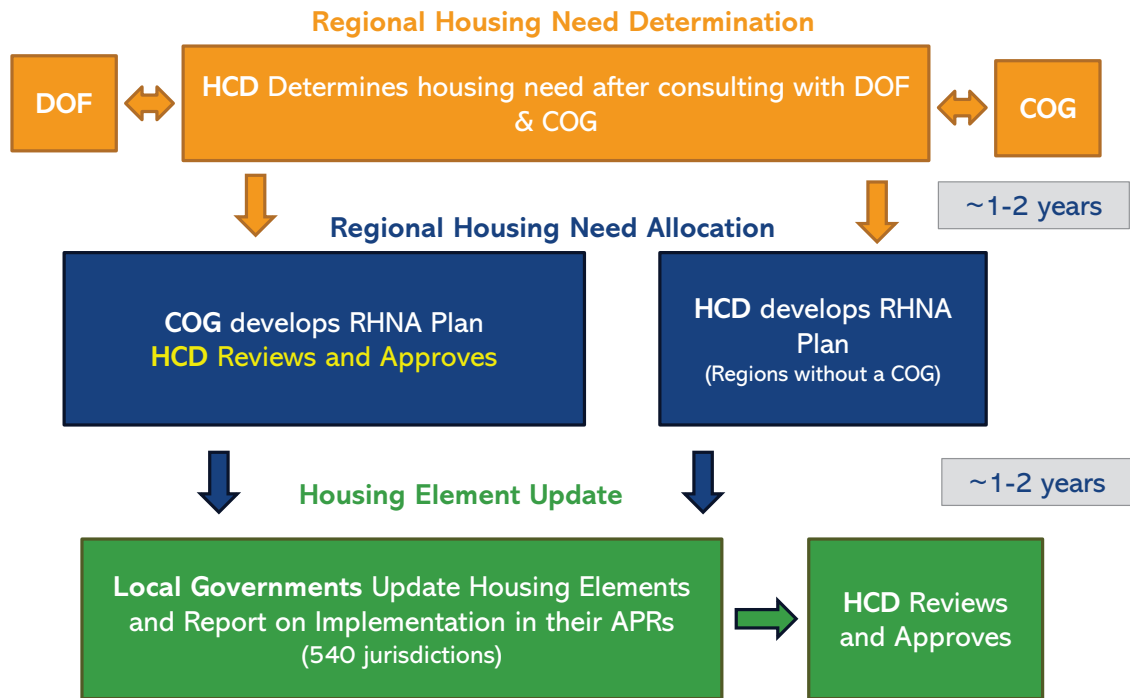


What's informing 7th cycle RHNA

- New state laws
- RHNA Audit (2022)
- Implementation of HCD's *California's Housing Future 2040: The Next RHNA* report (2024)
 - Stakeholder feedback
 - Updated best practices from research
 - Lessons learned from 6th cycle



Regional Housing Need Process



SCAG 7th Cycle Timing

- HCD/SCAG consultation period: 8/15/26-10/15/26
- **Determination Due Date: October 15, 2026**
 - SCAG has 30 days from issuance of the determination letter to object based on one of the following:
 - HCD failed to base its determination on the population projection for the region as outlined in statute
 - HCD's determination is not a reasonable application of the methodology and assumptions as outlined in statute
 - HCD has 45 days from receipt of objection letter to respond, make any changes if desired, and issue final RHND
- **SCAG's Final Allocation Plan Due Date: October 15, 2028**
- *Housing Element Due Dates: October 15, 2029 (Orange, Riverside, San Bernardino, and Ventura) and April 15, 2030 (Imperial and Los Angeles)*



Regional Housing Needs Determination: Statutory Framework (HCD Leads)

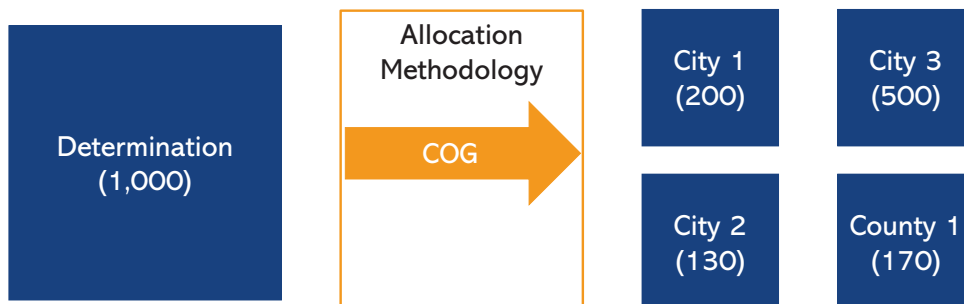
Statutory Components that HCD must Consider	
1.	Projected population and households at end of the cycle
2.	Factors that account for projected and existing housing need: vacancy rates (renter and owner), overcrowding, cost-burden, average housing unit replacement, seasonal, recreational, and occasional use homes, relationship between jobs and housing, homelessness, units lost during a state of emergency
3.	HCD subtracts occupied units at the start of the projection period
4.	HCD issues RHND to COG (by income category)

Source: Government Code section 65584.01



Regional Housing Needs Allocation (COG Leads)

- Once the final Determination is issued to the region, the COG leads the allocation methodology development process, following requirements laid out in state law, and HCD reviews and approves.
- The COG is responsible for allocating the Determination to the local governments in the region

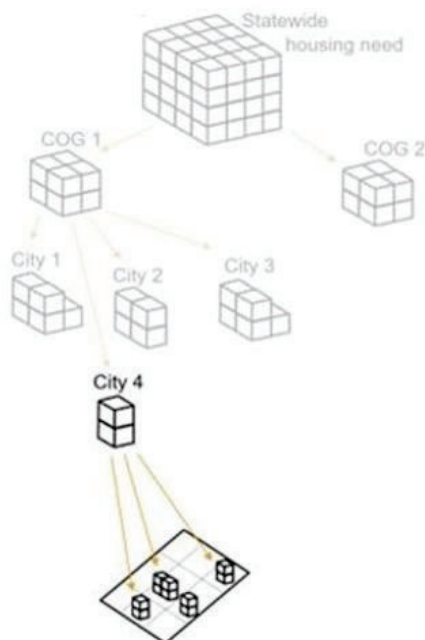


Allocation - Five Statutory Objectives of RHNA

- **Increase housing supply & mix of housing types**, tenure, & affordability in an equitable manner.
- **Promote infill development & socioeconomic equity**, protect environmental & agricultural resources, & encourage efficient development patterns (the State “planning priorities”).
- Promote improved intraregional jobs-housing relationship including **jobs-housing fit**.
- **Balance disproportionate household income distributions** (more lower income RHNA to higher income areas).
- **Affirmatively furthering fair housing** (AFFH).



Housing Elements (Local Government Leads)



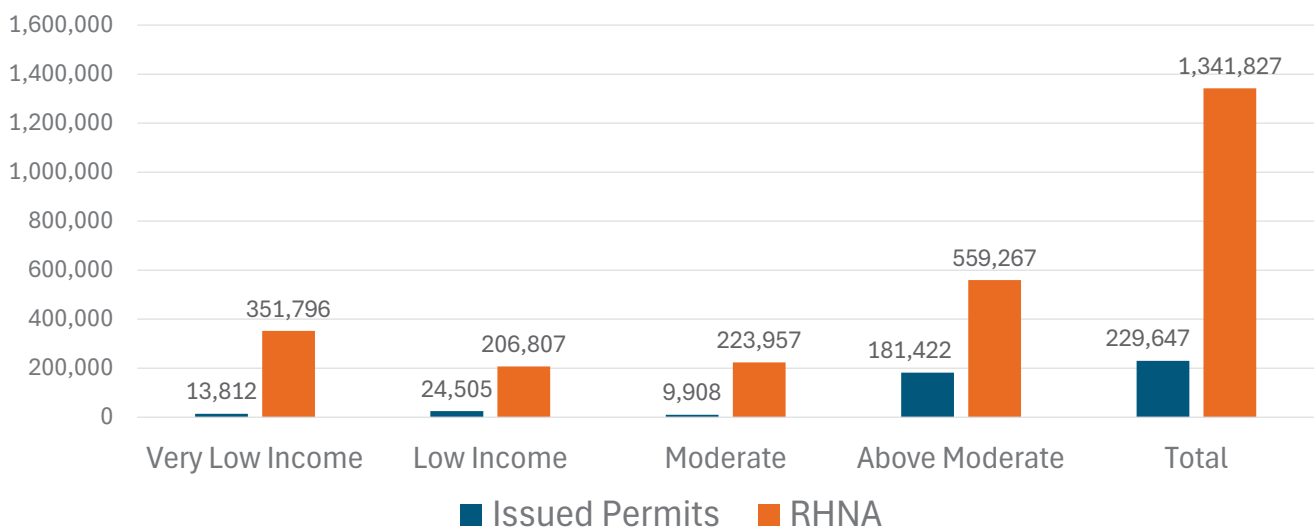
- Jurisdictions update their Housing Elements to accommodate the RHNA and facilitate the development of housing (can start before receiving final RHNA)
- Housing Elements require jurisdictions to plan for housing at all income levels



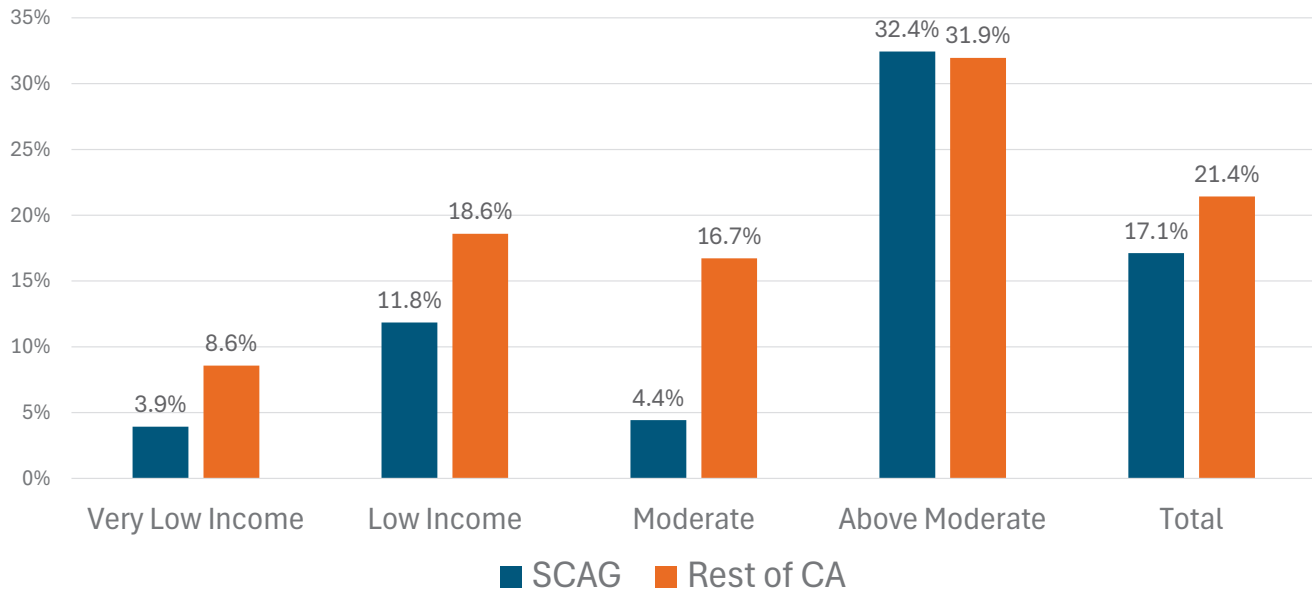
Moving from 6th to 7th Cycle



SCAG Region 6th Cycle Progress



6th Cycle Progress SCAG vs. Rest of the State



Reminder – Jurisdictions can reuse 6th cycle sites

- For 7th cycle housing elements, a jurisdiction may reuse any sites from the 6th cycle not yet developed to meet the RHNA. This includes sites rezoned in the 6th or previous cycles.
- However, if a jurisdiction is reusing a site to meet their 7th cycle *lower income* need:
 1. *non-vacant* sites in the 6th cycle housing element must be by-right for projects proposing 20% affordable to lower-income;
 2. *vacant* sites identified in the 5th and 6th cycle housing elements must be by-right for projects proposing 20% affordable to lower-income.
- In other words, the 7th cycle housing element should be a much simpler update than the 6th cycle.

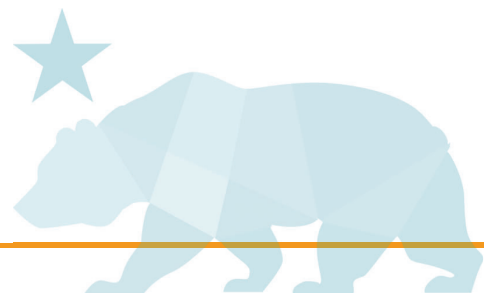


7th Cycle Housing Element Technical Assistance

- Stakeholder feedback – Housing Element Working Group
- Updating technical assistance resources (e.g., Pre-approved data, ADU methodology, AFFH, SB 457)
- Collaborating with SCAG on regional technical assistance and trainings similar to previous cycles



Questions



Thank you!

