Regional Housing Need Assessment/Allocation (RHNA) Overview

California Department of Housing & Community Development
Division of Housing Policy Development

Statutory Objectives of RHNA

• Increase housing supply & mix of housing types, tenure & affordability in an equitable manner
• Promote infill development & socioeconomic equity, protect environmental & ag 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 high income RHNA to lower income areas and vice-versa)
• Affirmatively furthering fair housing

Source: Government Code 65584(d)
Understanding RHNA

RHNA is . . .

A projection of additional housing units needed to accommodate projected household growth of all income levels from the start until the end date of the projection period.

RHNA is not . . .

- A prediction of building permit, construction, or housing activity
- A ceiling of potential housing market demand or production
- Limited due to existing land use capacity or growth control (rezoning often necessary to accommodate RHNA)

The RHNA Process

RHNA Determination/Assessment

HCD Determines RHNA consulting with DOF & COG (New Factors!)

RHNA Distribution/Allocation

COG develops RHNA Plan
HCD Reviews (New!)
(4-Multi County Regions w/ 23 Counties w/ 353 jurisdictions + 15 Single-County COGs w/ 128 jurisdictions)

HCD acts as COG
(20 Predominantly Rural Counties w/ 58 jurisdictions)

RHNA Planning

Local Governments (539 jurisdictions)

Housing Elements and APRs (HCD Reviews)

~1 year

~1-2 years
Statutory Timeline: RHNA for jurisdictions on an 8 year housing element cycle

RHNA Determination Factors (HCD to COG)

1. (DOF) Projected Population at end of cycle (Demographic Research Unit).
2. (DOF) Convert Projected Population to Projected Households
3. (HCD) Adjustment increase for average housing unit replacement, unhealthy vacancy rate (below 5%), jobs housing imbalance, cost burden and overcrowding factors
4. Less: Occupied Units Projection Period Start (DOF)
5. (HCD) RHNA Determination

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Very Low Income</th>
<th>Low Income</th>
<th>Moderate Income</th>
<th>Above Moderate Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;50% Area Median Income</td>
<td>50-80% Area Median Income</td>
<td>80%-120% Area Median Income</td>
<td>&gt;120% Area Median Income</td>
<td></td>
</tr>
</tbody>
</table>

Source: Government Code 65584.01
COG RHNA Distribution Methodology
[GC 65584.04(d)]

COG must consider these factors:
1. Existing and projected jobs and housing relationship
2. Housing opportunities and constraints (inadequate capacity of infrastructure/services) (availability of suitable land) (preserved/protected/prime agricultural land)
3. Distribution of household growth assumed for comparable period of RTP
4. County-city agreement to direct growth toward city
5. Loss of publicly assisted housing units
6. High housing cost burdens
7. Overcrowding
8. Farmworker housing needs
9. Housing need generated from private or public university
10. Loss of units during a state of emergency
11. Greenhouse gas emissions targets
12. Other factors adopted by the COG that further or at minimum do not conflict with statutory objectives

More Information

http://www.hcd.ca.gov/community-development/housing-element/index.shtml

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