RHNA REFORM

July 19, 2022

WWW.SCAG.CA.GOV
• During the 6th RHNA cycle, a number of issues were raised by jurisdictions and stakeholders
  • Calculation of regional determination
  • Factors used to determine housing distribution in the methodology
  • Role of Connect SoCal household projections
  • And more!

• SCAG has committed to review these issues and facilitate conversations with HCD to reform RHNA
State RHNA Reform

- AB 101 (2019) requires the California Department of Housing and Community Development (HCD) to "develop a recommended improved RHNA allocation process and methodology that promotes and streamlines housing development and substantially addresses California's housing shortage"

- Includes statewide stakeholder participation

- Limited to RHNA (Government Code 65584 through 65584.2)
  - Does not include zoning or housing element issues

- HCD must submit a report to the Legislature by December 31, 2023
## SCAG RHNA Reform

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Regional Housing Needs Assessment (RHNA)

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

8-year planning period
Not a building quota

5th cycle: 2013-2021
6th cycle: 2021-2029
6th Cycle RHNA Timeline

- HCD Regional Determination: Summer 2019
- Draft RHNA Allocation: Sep 2020
- Appeals: Fall 2020/Winter 2021
- Final RHNA Allocation: Mar 2021
- Local Housing Element Update: Oct 2021- Oct 2029
HCD provides a regional determination in consultation with SCAG and the Department of Finance (DOF)

4th Cycle regional determination (2006-2014) 699,368

5th Cycle regional determination (2013-2021) 412,137

6th Cycle regional determination (2021-2029) 1,341,827
## Regional Determination

### 5th cycle calculation

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

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<tr>
<td>Existing + Projected households</td>
<td>6,801,760</td>
</tr>
<tr>
<td>+ Vacancy need</td>
<td>178,896</td>
</tr>
<tr>
<td>+ Overcrowding, 6.7% <em>(new!)</em></td>
<td>459,917</td>
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<tr>
<td>+ Replacement need, 0.5%</td>
<td>34,010</td>
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<tr>
<td>- Occupied Units</td>
<td>-6,250,261</td>
</tr>
<tr>
<td>= Subtotal</td>
<td>1,224,352</td>
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<tr>
<td>+ Cost burden <em>(new!)</em></td>
<td>117,505</td>
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<tr>
<td>= Regional determination</td>
<td>1,341,827</td>
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SCAG: 10.1%
US avg: 3.4%
RHNA Methodology: Primary Factors

Based on:

- Share of household growth
- Job Accessibility
- Transit Accessibility
- Social Equity Adjustment
  - Household income distribution
  - Other indicators of resources (environment, education, economy)
Job Accessibility
(Share of Regional Jobs Accessible by TAZ by Auto in 30 minutes; 2045; Final Connect SoCal Plan Data)
Final RHNA Allocation

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

• There should be a panel of experts to review the regional determination by HCD before its finalized.

• HCD did not reflect all required factors in State housing law when providing a regional determination.

• The regional determination should have been a range as in prior cycles.

• The 6th cycle determination was not sufficient to meet SCAG housing needs.
Comment highlights

• “Consistent with the development pattern of the SCS” should be more clearly defined

• More weight and emphasis should be put on transit accessibility and jobs access

• Transit and job access factors should be based on the planning period, not long-term

• Distribution methodology factors should include:
  • High wildfire risk
  • Exceeding prior RHNA need
  • Density
  • High median rents
  • Vacant office space and remote employee market
  • Aging infrastructure and cost of development
RHNA Reform Input Session: July 6

Comment highlights

• More time should be provided for jurisdictions appealing their RHNA

• Trade and transfer of RHNA units should be allowed between jurisdictions, maybe with parameters
• Trade and transfer of RHNA units should not be allowed between jurisdictions

• Subregional delegation should not be made available
Discussion: General Outline

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

• How do we minimize double counting for factors, such as overcrowding and cost-burden?
  • Should the factors be reordered in the calculation of regional determination?

• What are your thoughts on a panel of experts reviewing individual regional determinations from HCD before they are finalized?
  • Who should be on this panel? What role could it have?
Discussion: Methodology/Distribution

• What other factors should be included in the RHNA methodology?
  • Should these additional factors be codified statewide or at the discretion of the COGs?
  • What should be the basis year for the factors? Current, short-term, long-term?

• How can we continue furthering the objective of affirmatively furthering fair housing?
Discussion: Other

• How can the appeals process be less cumbersome for jurisdictions (and stakeholders)?

• Should trade and transfer of RHNA units be allowed?
  • When could this be applied during the process?
  • Should there be parameters, such as only applying to market rate units?

• Should the requirement for the methodology to be “consistent with the development pattern of the SCS” be further defined in State housing law?
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For more information, please visit:
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