

# Draft Regional Housing Needs Assessment Plan

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January 26, 2012

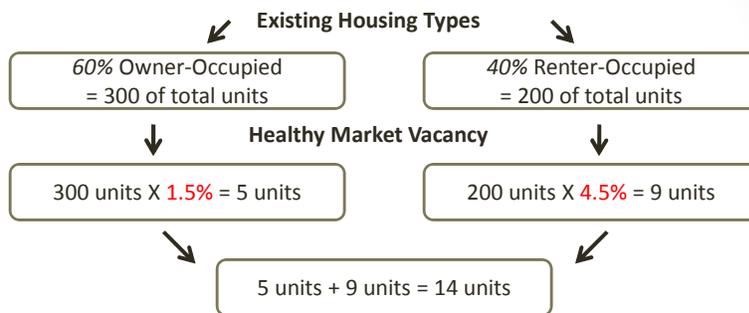
## HCD Determination



- The total regional need, by income category, must be met in the final RHNA allocation
- Projection period: 2014-2021
- Final regional determination:
  - 409,060 to 438,030

## Proposed RHNA Methodology: Example

City A = 500 units of Projected Household Growth



500 units + 14 units =  
**514 units of Growth and Vacancy Need**

## Proposed RHNA Methodology: Sample

514	Growth and vacancy need
+	
6	Replacement need
<hr/>	
520	Growth + vacancy need + replacement need

## Current Market Excess Vacancy Credit



- Two types
  - Effective Vacancy Credit
    - For sale and for rent units
    - Healthy market assumption depends on existing housing stock
    - Regional credit: 69,105
  - "Other" Vacant Units Credit
    - Vacant due to legal disputes, "shadow inventory", unknown, etc.
    - Regional credit: 6,286
    - Healthy market assumption of 1.28% across the region

## Effective Vacancy Credit: City A

283	Total vacant units for rent and for sale (Census)
-14	Healthy market vacancy need
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269	Surplus vacant units above healthy market need



### Calculate City A's share of excess vacancy:

269	Surplus vacant units
÷	
<b>86,864</b>	Total regional excess vacancy [fixed]
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0.31%	City A's regional share



## Effective Vacancy Credit: City A

### Determine share of regional credit:

0.31%      City A's regional share

X

**69,105**      Regional credit [fixed]

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216      Excess effective vacancy credit

## Excess "Other" Vacant Unit Credit: City A

### Determine normal market condition share:

5,000      City A's total housing units (Census)

X

**1.28%**      Percentage of units that are "other"[fixed]

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64      Normal market condition assumption

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77      City A's total "other" vacant units (Census)

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64      Normal market condition assumption

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13      "Other" vacant units above normal market

## Excess "Other" Vacant Unit Credit: City A

### Calculate City A's share of excess vacancy:

13	"Other" vacant units above normal market
÷	
<b>21,478</b>	Total regional excess vacancy [fixed]
0.06%	City A's regional share



### Determine share of regional credit:

0.06%	City A's regional share
X	
<b>6,286</b>	Regional credit [fixed]
4	Excess other vacancy credit

## Total Excess Vacancy Credit: City A

216	Excess effective vacancy credit
+	
4	Excess "other" vacancy credit
220	Total excess vacancy credit

# Proposed Methodology: City A

520	Growth + vacancy need + replacement need
-	
220	Total excess vacancy credit
<hr/>	
300	City A Total Draft RHNA Allocation

# Income Categories

Income Category	Percentage of Median County Income
Very Low	Less than 50%
Low	50-80%
Moderate	80-120%
Above Moderate	More than 120%



## RHNA Household Allocation (Adjusted for Equity)

### Existing Conditions:

Household Income Level	City A	County Distribution
Very Low Income	30.1%	22.9%
Low Income	27.9%	16.8%
Moderate Income	23.5%	18.5%
Above Moderate Income	18.5%	41.8%

To mitigate the over-concentration of income groups each jurisdiction will move 110% towards county distribution in all four categories:

Household Income Level	City A Adjusted Allocation
Very Low Income	$30.1\% - [(30.1\% - 22.9\%) \times 110\%] = 22.2\%$
Low Income	$27.9\% - [(27.9\% - 16.8\%) \times 110\%] = 15.7\%$
Moderate Income	$23.5\% - [(23.5\% - 18.5\%) \times 110\%] = 17.9\%$
Above Moderate Income	$18.5\% - [(18.5\% - 41.8\%) \times 110\%] = 44.2\%$

## Final RHNA Allocation

Income Category	City A Adjusted Distribution	RHNA Allocation (units)
Very Low	22.2%	67
Low	15.7%	47
Moderate	17.9%	54
Above Moderate	44.2%	132
Total	100%	300



## Next Steps

### Revision requests and Appeals

	Revision Requests	Appeals
Basis for filing*	Local planning factors only	Local planning factors, change of circumstance, RHNA methodology
Successful filings	Deducted from regional RHNA total	Reallocated back to the region on a proportional basis
First day to file	February 9, 2012	April 23, 2012
Filing Deadline	March 15, 2012	May 29, 2012

\*SCAG cannot reduce a jurisdiction's allocation based on any ordinance, policy, or voter-approved measure that limits the number of residential building permits issued

## Trade and Transfer

- Jurisdictions may elect to “trade and transfer” their RHNA with one or more jurisdictions
- Revision requests and transfers are not needed to do a trade and transfer
- A written agreement between the parties with the modified allocations must be submitted to SCAG prior to August 17

## Trade and Transfer

- The draft RHNA total of the parties combined must be maintained
- All members of the transfer group must be geographically contiguous
- All members of the group must retain an allocation of very-low and low-income units. SCAG advises a minimum of 20% of the original allocations of affordable units be retained.
- The transfer must be consistent with existing housing law.

## Housing Elements

- 5<sup>th</sup> RHNA cycle housing elements must be adopted by October 31, 2013
- Jurisdictions that have failed to rezone or identify sufficient sites in the 4th cycle must meet the unmet need in the first year of the 5th cycle, in addition to meeting the need for the 5th cycle (AB 1233)



## Key Dates

March 15, 2012	Last day to file a revision request
May 29, 2012	Last day to file an appeal
July 9-13	Public hearing on appeals
August 17	Last day to submit a trade and transfer
October 4	Public hearing on Final RHNA
October 31, 2013	Housing Element due date