Regional Housing Needs Assessment (RHNA)

A Primer

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SOUTHERN CALIFORNIA ASSOCIATION of GOVERNMENTS

Regional Housing Needs Assessment (RHNA)

• The Regional Housing Needs Assessment is required by California state law

• Councils of Governments such as SCAG are required to allocate assigned RHNA units for each income category to their jurisdictions

• Every jurisdiction’s housing element must be updated to demonstrate appropriate zoning for the allocated RHNA units
Goals of RHNA

• Increase the housing supply and mix of housing types, tenure and affordability in an equitable manner

• Promote infill development and socioeconomic equity and encouragement of efficient development patterns

Goals of RHNA

• Promoting an improved intraregional relationship between jobs and housing

• Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share compared to the countywide distribution
Flowchart of RHNA Process

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

- RHNA Allocation =
  + Projected household growth
  + Healthy market vacancy need
  + Housing replacement need

- Should be consistent with 2012 RTP/SCS Integrated Growth Forecast

Proposed RHNA Methodology

- Healthy market vacancy need will use 1.5% owner vacancy rate and 4.5% renter vacancy rate

- Replacement need will be determined by applying a jurisdiction’s regional share to HCD’s determination of 2,500 for the region
Proposed RHNA Methodology

- Excess vacancy credit will be applied
- Social equity adjustment of 110% using the median county income to determine allocation by each income category

AB 2158: Local Planning Factors

- Factors include:
  - Jobs-housing balance
  - Lack of sewer or water service external decisions beyond the city’s control
  - Availability of land suitable for urban development or conversion to residential use
  - Lands protected by state or federal programs
  - County policies to preserve prime agricultural land in unincorporated areas
AB 2158: Local Planning Factors

• Factors also include:
  – The distribution of household growth used in the RTP and opportunities to maximize transit infrastructure
  – Market demand for housing
  – Agreements between a county and cities to direct growth towards incorporated areas
  – Loss of low-income units
  – High housing cost burdens
  – Farmworker housing needs
  – Housing needs generated by universities
  – Other factors adopted by SCAG

Housing Elements

• Housing element due date: October 2013

• Housing element cycle extended from 5 to 8 years

• 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.
Housing Element Requirements

- If more than 120 days late for the 5th cycle, jurisdictions revert to a 4 year housing element cycle.
- If HCD does not approve a housing element, the jurisdiction must redo the appropriate rezoning within 3 years after its adoption, or 90 days after it received comments from HCD, whichever comes first.

Next Steps

- **November 2011:** Adoption of RHNA Methodology
- **March 2012:** Draft RHNA Allocation
- **October 2012:** Final RHNA Allocation
- **October 2013:** Housing Element Due Date
For more information please contact

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