

Regional Housing Need Assessment/Allocation (RHNA) Overview

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





5th Cycle Progress Toward RHNA Santa Clara County Jurisdictions – July 2019

Name	VLI_PERMIT	LI_PERMITS	MOD_PERMIT	Above Mod Permits	Total Permits
Campbell	4%	3%	11%	95%	43%
Cupertino	5%	0%	26%	71%	25%
Gilroy	27%	304%	6%	204%	141%
Los Altos	1%	28%	2%	441%	96%
Los Altos Hills	17%	11%	9%	180%	34%
Los Gatos	0%	2%	19%	44%	17%
Milpitas	1%	0%	0%	268%	94%
Monte Sereno	126%	8%	8%	150%	80%
Morgan Hill	29%	116%	208%	396%	204%
Mountain View	17%	35%	0%	274%	113%
Palo Alto	6%	13%	15%	52%	22%
San Jose	11%	4%	26%	83%	42%
Santa Clara	0%	0%	6%	212%	84%
Santa Clara County	291%	0%	30%	811%	129%
Saratoga	0%	34%	6%	20%	13%
Sunnyvale	5%	2%	18%	81%	35%



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)

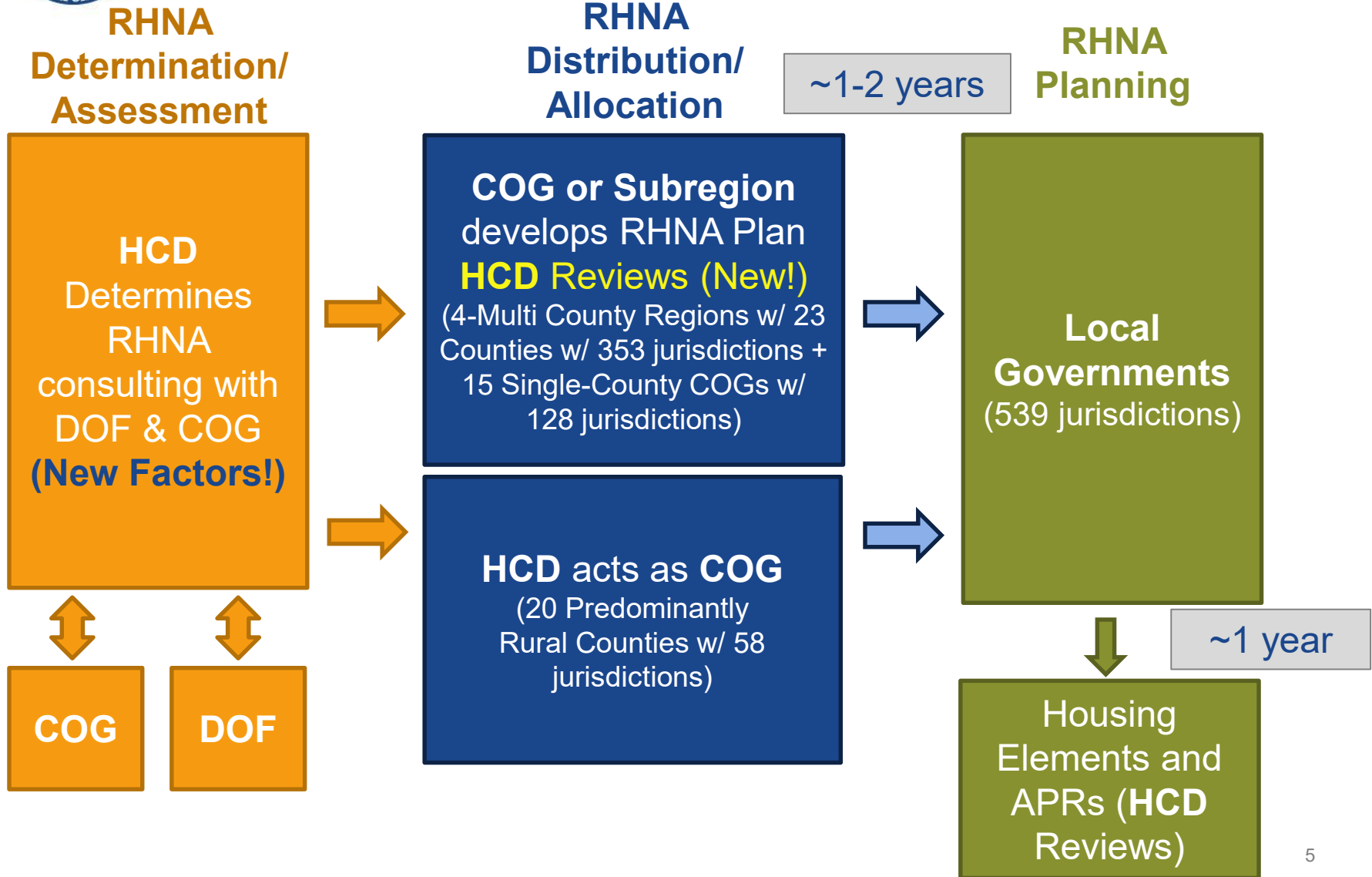


Statutory Objectives of RHNA

- 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**



The RHNA Process





6th Housing Element Cycle Timeframes

2019

2030

Nevada/Lake/Mono/Mendocino
August 2019

San Diego Association of Governments
April 2021

Southern California Association of Governments
October 2021

Sacramento Association of Governments
October 2021

Association of Bay Area Governments
January 2023

Monterey Bay Area Governments
December 2023



ABAG RHNA Calendar (Simplified)

- 6th Cycle Projection Period Starts
6/30/2022
- 6th Cycle Projection Period Ends
1/15/2031
- 6th Cycle Planning Period Starts
(Estimate) 1/15/2023
- 6th Cycle Planning Period Ends
(Estimate) 1/15/2031
- Subregion formation by September
2020



RHNA Determination Factors (HCD to COG)

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

Very Low Income	Low Income	Moderate Income	Above Moderate Income
<50% Area Median Income	50-80% Area Median Income	80%-120% Area Median Income	>120% Area Median Income



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**



New Housing Element Requirements: AB 1397

Jurisdiction Identifies Sites with Potential for Development

Do sites have appropriate zoning?

- Analysis or default density for lower-Income RHNA
- Housing for a variety of types
- Affirmatively Furthering Fair Housing (2021)

Are sites suitable for development?

- Use of site in previous cycles
- Infrastructure and environmental constraints
- Non-vacant site analysis
- Small or large site size

How much development capacity is realistic?

- Minimum Density or Analysis

If shortfall = rezone program with at least 20% set-aside for affordable housing



New Requirements: AB 686

Requires all public agencies (State and Local) to administer programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and to not take any action that is materially inconsistent with this obligation.

Part 1: Looking at existing programs

Part 2: New requirements in RHNA

Part 3: Housing Element changes including sites inventory (2021)

- **Summary of fair housing issues, an assessment of fair housing enforcement and outreach capacity**
- **An analysis of data, integration and segregation patterns and trends, racially or ethnically concentrated areas of poverty (R/ECAPs), disparities in access to opportunity, and disproportionate housing needs including displacement risk**
- **Identify fair housing priorities and goals, giving highest priority to those that limit or deny fair housing choice or access to opportunity, or negatively impact fair housing or civil rights compliance**
- **Ensure sites identified in the inventory affirmatively furthers fair housing**



Plug for Funding Programs: Planning Grants

- **NOFA.** Application released March 28, 2019.
<http://www.hcd.ca.gov/grants-funding/active-funding/planning-grants.shtml>
- **Submission.** Applications can be submitted April 1 to November 30, 2019. (*may be extended*)
- **Technical Assistance Program.**
March 28 to June 30, 2021



More Information

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



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