

Regional Housing Need Allocation (RHNA)

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Understanding RHNA

RHNA is . . .

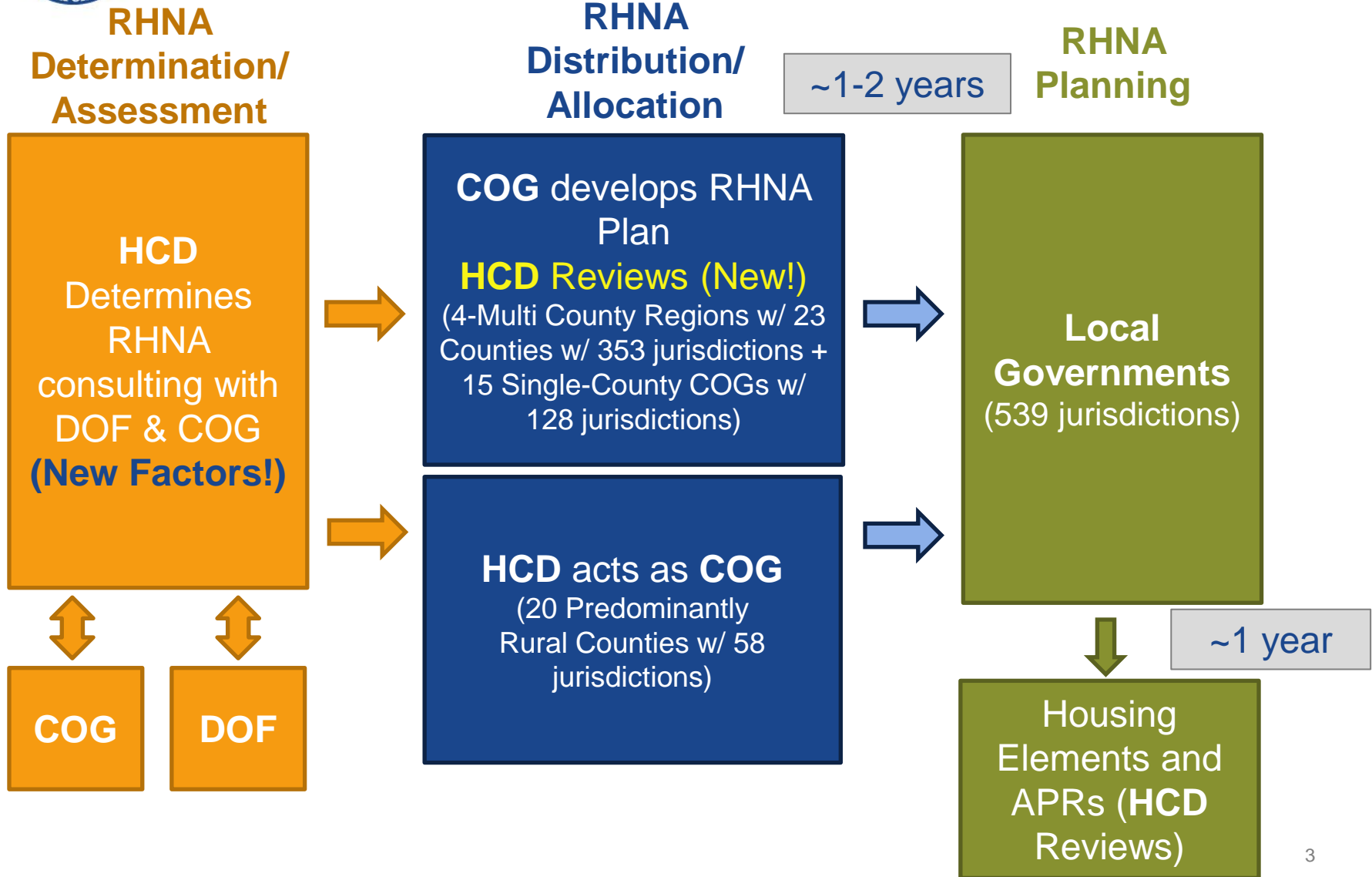
Planning for of additional housing units in order to accommodate existing and projected household needs of all income levels from the start until the end date of the projection period.

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)

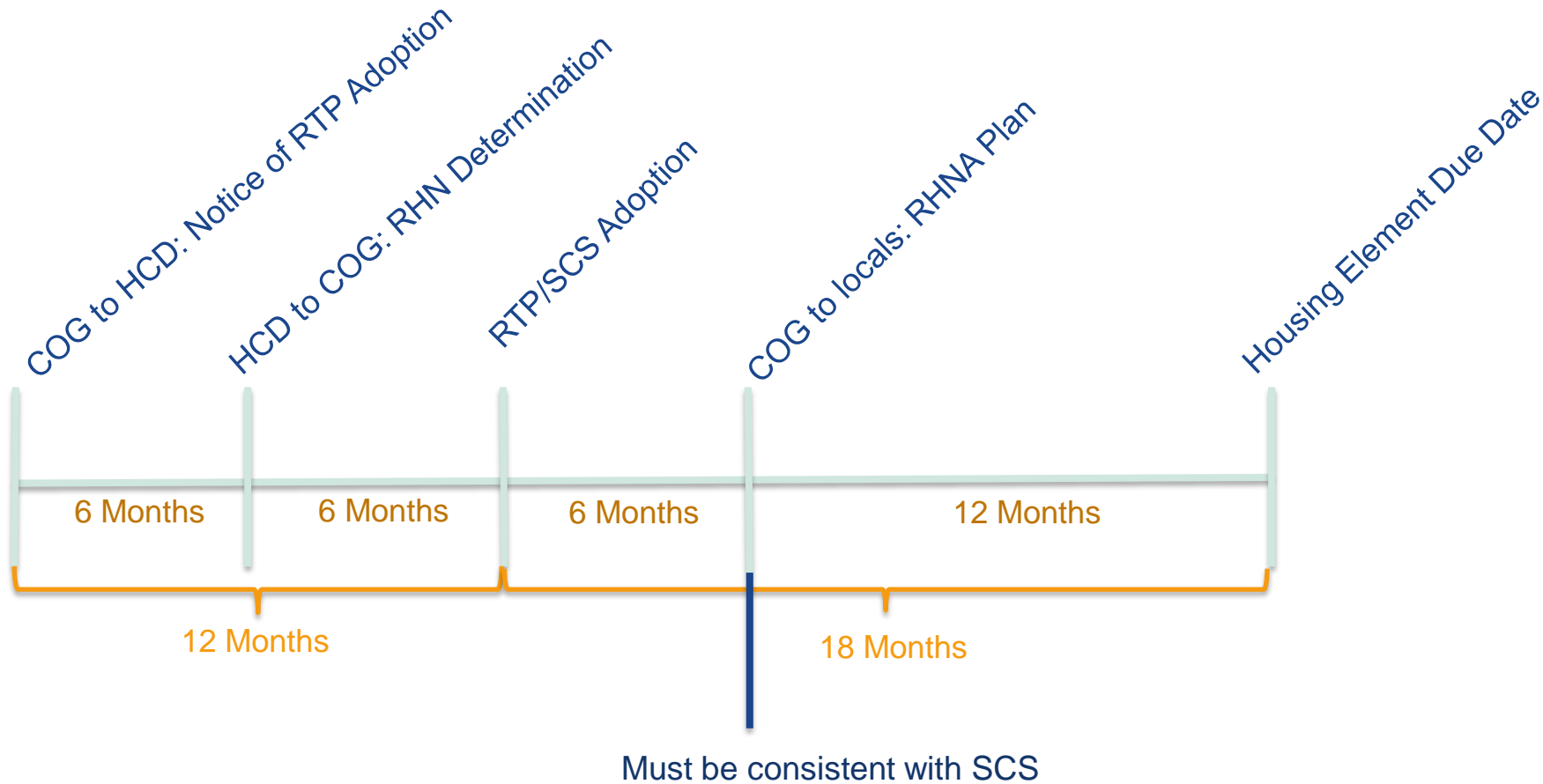


The RHNA Process





Statutory Timeline: RHNA for Jurisdictions on an 8-year Housing Element Cycle





Factors HCD is required to consider

- Population and household projections from Department of Finance and San Benito COG
- Overcrowded Households
- Vacancy Rates
- Replacement Need
- Cost-Burdened Households
- Jobs/Housing Relationship
- Units lost during State of Emergency



RHNA Determination (HCD to COG)

RHNA Determination Factors	
1	(DOF/COG) Projected Population at end of cycle, less group quarters population (<u>Demographic Research Unit</u>).
2	(DOF/COG) Convert Projected Population to Projected Households
3	(HCD) <i>Adjustment increase for average housing unit replacement, unhealthy vacancy rate (below 5%), 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



San Benito COG's Regional Housing Need Determination Data and Calculations

San Benito COG: June 30, 2023 - December 15 2031 (8.4 Years) HCD Determined Population, Households, & Housing Need				
Population: <i>DOF 6/30/2023 projection adjusted +5.5 months to 12/15/2031</i>				74,904
<i>- Group Quarters Population: DOF 6/30/2023 projection adjusted +5.5 months to 12/15/2031</i>				480
Household (HH) Population: December 15, 2031				74,424
Household Formation Groups	HCD Adjusted SBCOG HH Population	SBCOG HH Formation Rates	HCD Adjusted SBCOG Households	
	74,424		23,020	
under 15 years	74,424	n/a	n/a	
15 - 24 years	12,470	2.5%	204	
25 - 34 years	8,171	28.1%	3,107	
35 - 44 years	11,064	40.8%	4,647	
45 - 54 years	11,394	44.7%	3,575	
55 - 64 years	8,006	46.8%	3,718	
65 -74 years	7,951	47.9%	4,043	
75 - 84 years	8,447	51.9%	2,692	
85+	5,184	54.5%	946	
Projected Households (Occupied Unit Stock)				22,932
+ Vacancy (Maximum Standard 5% vs. Region ACS %)	5.00%	0.79%	4.21%	966
+ Overcrowding (Comp Region avg % vs. Region ACS %)	4.70%	7.65%	2.95%	677
+ Replacement Adj (.5% min, 5% max, vs. % DOF Demolitions)	.5 - 5%	0.30%	0.50%	115
<i>- Occupied Units (HHs) projected June 30, 2023 (from DOF data)</i>				-20,115
+ Cost-burden Adjustment (Comp Region Avg vs. Region CHAS)				430
6th Cycle Regional Housing Need Assessment (RHNA)				5,005



Income Category Breakdown

Attachment 1

HCD Regional Housing Need Allocation (RHNA) Determination

San Benito COG

June 30, 2023 through December 15, 2031

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low *	22.2%	1,110
Low	17.8%	890
Moderate	18.9%	947
Above-Moderate	41.1%	2,058
Total	100.0%	5,005
* Extremely-Low	10.3%	included in Very-Low Category



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
- Promote improved intraregional jobs-housing relationship **including jobs housing fit**
- Balance disproportionate household income distributions (lower income RHNA to higher income areas and vice-versa)
- **Affirmatively furthering fair housing**



Affirmatively Furthering Fair Housing (AFFH)

*“Affirmatively furthering fair housing” means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, **replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity**, and fostering and maintaining compliance with civil rights and fair housing laws.*

***Increase Access to Opportunity in High Resource Areas
AND
Increase Opportunity in Low Resource Areas***



COG RHNA Distribution Methodology

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. **Housing needs of those experiencing homelessness**
11. **Loss of units during a state of emergency**
12. **Greenhouse gas emissions targets**
13. Other factors adopted by the COG that further or at minimum do not conflict with statutory objectives



6th Cycle RHNA Takeaways

RHNA Determination Changes

- New adjustments to overcrowding (**AB 1086, 2017**); and cost burden adjustments and resulted in capturing existing and projected need resulting in higher RHNA's (**SB 828, 2018**).
- **Application of adjustment factors can address both existing and projected housing need**

RHNA Allocation Changes

- New requirements for transparency in the development of methodology
- Addition of Affirmatively Furthering Fair Housing factor to the RHNA objectives
- Establishing jobs housing fit (not balance) as a RHNA objective;
- Adding HCD review of COG methodologies and ability to appeal allocations (**AB 1771, 2018**)



6th Housing Element Cycle Timeframes

2019

2032

North State Counties (2019 - 2027) – 24 Jurs.

5-year Counties (2019 - 2024) – 17 Jurs.

Shasta, Colusa, San Luis Obispo (2020 - 2028)- 15 Jurs

San Diego, Sacramento, and Southern California Association of Governments, other small Counties (2021 - 2029)- 266 Jurs.

Association of Bay Area Governments, Butte County, Del Norte 2023 - (2023 – 2031) 117 Juris

Central Coast, San Joaquin, and Stanislaus Council Governments (2023-2031) – 48 Jurs.

→ Central Valley Jurisdictions (2024 – 2032) 52 Juris.



RHNA Hot Topics

- **What counts as housing**
- **Cost burden adjustment**
- **RHNA appeals process**
- **What happens if a juris can't adopt a compliant HE?**
- **RHNA consistency with SCS**
- **Should planning and building RHNA be the same number?**
- **How RHNA income targets are set**
- **Better jobs housing fit data statewide**



Questions?

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