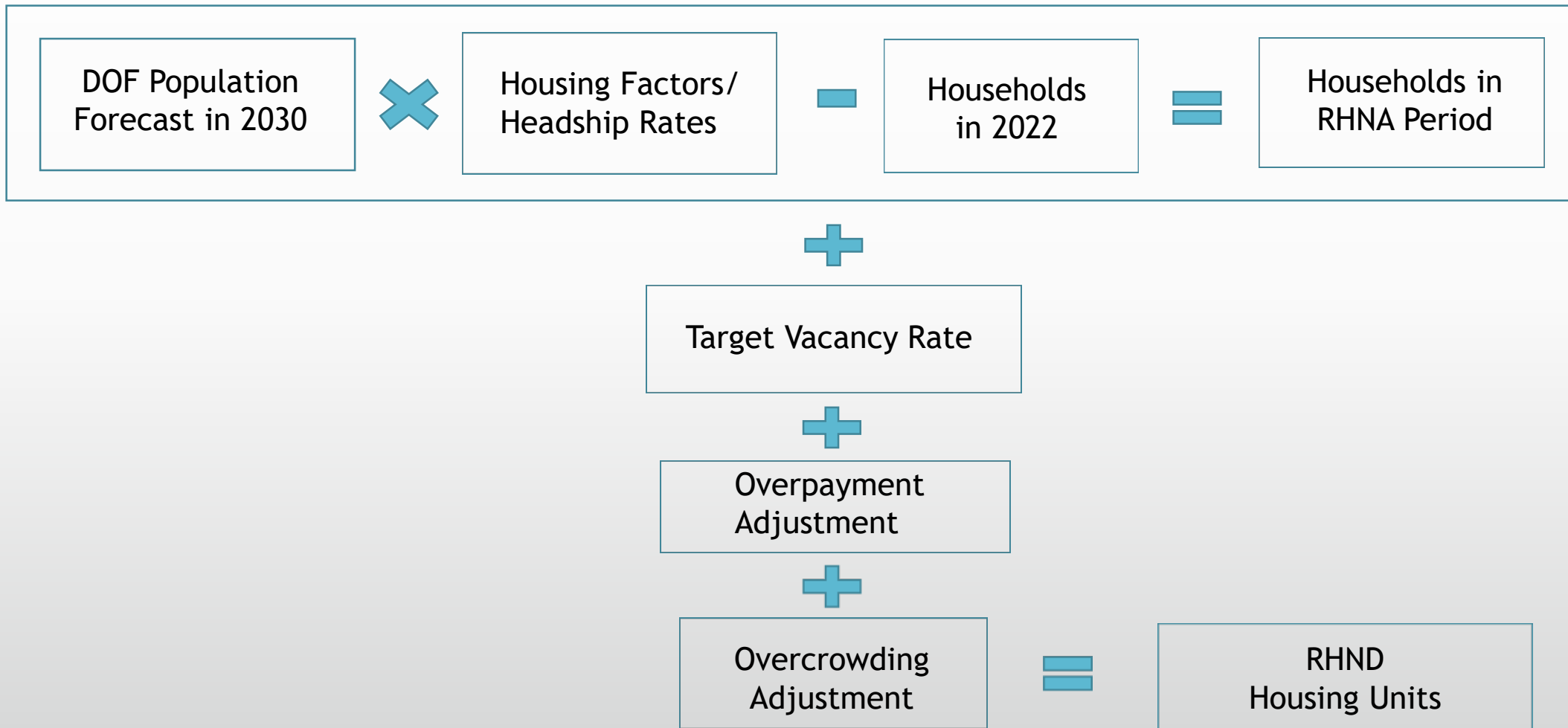# Regional Housing Needs Determination (RHND): Cycle 6

ABAG Executive Board
June 18, 2020

What is the RHND?

- Identification of the Regional Housing Needs Determination (RHND) is a key step in the Regional Housing Need Allocation (RHNA) process.

- The RHND is **the number of housing units assigned to the region which must be allocated among individual jurisdictions** for this eight-year RHNA cycle.

- The RHND is assigned housing units according to four different income categories: very-low, low, moderate, and above-moderate income.

- Before the determination was received, ABAG/MTC staff consulted with HCD to provide statutorily-required information.
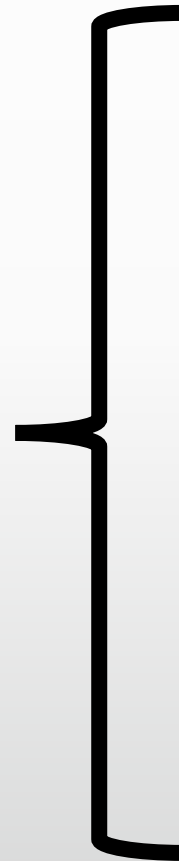
How does HCD calculate the RHND?

DOF Population Forecast in 2030 ✕ Housing Factors/ Headship Rates − Households in 2022 = Households in RHNA Period

+

Target Vacancy Rate

+

Overpayment Adjustment

+

Overcrowding Adjustment = RHND Housing Units

What is the RHND identified by HCD?

441,176
housing units
between 2022 and 2030

114,442 affordable to **very-low income** households **(25.9%)**

65,892 affordable to **low income** households **(14.9%)**

72,712 affordable to **moderate income** households **(16.5%)**

188,130 affordable to **above-moderate income** households **(42.6%)**

Comparison of RHNDs

- The Bay Area's Cycle 6 RHND is 135% higher than Cycle 5; this is due primarily to vacancy rate, overcrowding, and overpayment adjustments, most of which is new to Cycle 6.

- Southern California's (SCAG) Cycle 6 RHND is 229% higher than Cycle 5; this was due primarily to a higher baseline forecast and the use of national instead of comparable regions for overcrowding and overpayment adjustments.

- Other regions have seen a range of changes, with some seeing less dramatic increases given that they do not have a comparable housing crisis to the coastal metro areas.

- The RHND, with adjustments is a somewhat larger number than the early years of the Final Regional Growth Forecast for Plan Bay Area 2050.

Next Steps

- The Executive Board can object to the determination within 30 days of receipt, prior to July 10, 2020. The objection can only be filed under one of two specified grounds listed in law.

- As HCD have accepted most of the information provided as part of the RHND calculation, including the use of DOF forecast as the baseline population input, and no technical inaccuracies in the RHND calculation have been identified, staff recommends accepting the notice of determination.

- The Bay Area still faces a housing crisis, even in the face of the coronavirus pandemic, and the region needs significant additions to its housing stock to address decades of rising affordability challenges.

- Staff will move forward with the RHNA process through the HMC this summer and fall.

RHNA Timeline

Milestone	Deadline
HCD Regional Housing Need Determination	June 2020
Plan Bay Area 2050 Draft Blueprint	July 2020
Proposed RHNA methodology, draft subregion shares	Fall 2020
Plan Bay Area 2050 Final Blueprint	December 2020
Final subregion shares	December 2020
Draft RHNA methodology to HCD for review	Winter 2021
Final RHNA methodology, draft allocation	Spring 2021
RHNA appeals	Summer 2021
Final Plan Bay Area 2050	September 2021
Final RHNA allocation	Winter 2021
Housing Element due date	January 2023