

Association of Bay Area Governments

Executive Board

May 18, 2023

Agenda Item 12.a.

Regional Housing Needs Allocation (RHNA)

Subject:

California's Housing Future 2040: The Next Regional Housing Needs Allocation

Discussion of issues related to the Regional Housing Needs Determination (RHND) and Regional Housing Needs Allocation (RHNA) processes to inform the analysis being conducted by HCD for [California's Housing Future 2040: The Next Regional Housing Needs Allocation](#).

Background:

RHNA is the state-mandated¹ process to identify the number of housing units (by affordability level) that each jurisdiction must accommodate in the Housing Element of its General Plan. As part of this process, the California Department of Housing and Community Development (HCD) identifies the total number of units across all income groups, for which a region must plan over an eight-year period. This is known as the Regional Housing Needs Determination (RHND).

ABAG must then develop a methodology, consistent with the requirements of State law, to allocate a share of the region's housing need, by income, to each jurisdiction in the Bay Area. This is known as the Regional Housing Needs Allocation (RHNA) process. Each local government must then revise its Housing Element and zoning to show how it plans to accommodate its portion of the region's housing needs.

Issues:

[AB 101 \(2019\)](#) directs HCD, in collaboration with the Office of Planning and Research (OPR) and after engaging in stakeholder participation, to develop recommendations related to the RHNA process and methodology that promote and streamline housing development and substantially address California's housing shortage. HCD is required to submit a report on its findings and recommendations to the Legislature by the end of 2023.

HCD kicked off its engagement for the California's Housing Future 2040: The Next Regional Housing Needs Allocation initiative with an [informational webinar](#) on March 9, 2023. In this webinar, HCD emphasized the initiative will be limited to recommendations about the RHND and RHNA processes — not guidelines for development or review of Housing Elements. More specifically, the stakeholder engagement will focus on the following questions:

¹ See California [Government Code § 65584](#).

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- How can RHNA Cycle 7 better capture existing and projected housing needs?
- What potential process changes to save staff time & resources, increase transparency, and increase accountability could be implemented as part of RHNA Cycle 7?
- What strategies could be pursued to build on the important adjustments made for RHNA Cycle 6 that contributed to a more equitable RHNA?

Some of the key engagement activities HCD is conducting this Spring include:

- **Sounding Board:** meetings of approximately 30 stakeholders to address technical questions. The committee will not be a decision-making body. Members of the public can comment on the topics covered at Sounding Board meetings.
- **Public Survey:** open from late March to May 12, 2023.
- **Dedicated Email:** HCD will consider feedback throughout the process at CAHousingFuture2040@hcd.ca.gov (HCD appreciates comments by Sept. 15, 2023).

On May 1, 2023, ABAG/MTC staff held a webinar for local jurisdiction staff that provided an overview of HCD's initiative, with an emphasis on ways jurisdictions can provide input to HCD. There were approximately 30 attendees. In its presentation, ABAG/MTC staff provided an overview of the topics covered in HCD's public survey to highlight the areas where HCD is seeking input. **Attachment A** shows the full set of questions included in the survey.

Staff also summarized some of the key ideas for potential changes to RHNA identified by members of the ABAG Administrative Committee and Executive Board at the conclusion of the RHNA Cycle 6 process. Staff included the specific issues that align with HCD's focus on the RHND and RHNA processes, as well as changes that would require changes to State Law. The full memo from the discussion with the Executive Board in March 2022 is included as **Attachment B**.

Staff's presentation to the Executive Board (**Attachment C**) will cover similar topics as the one for the webinar.

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Recommended Action:

Information

Attachments:

- A. Questions from HCD's California's Housing Future 2040 Survey
- B. "Reflecting on the RHNA Process," memo to ABAG Executive Board, March 17, 2022
- C. Presentation

Reviewed:



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