



SOUTHERN CALIFORNIA
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900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017
(213) 236-1800
www.scag.ca.gov

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MEETING OF THE

REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) SUBCOMMITTEE

Remote Participation Only
Thursday, August 13, 2026
1:00 p.m. – 3:00 p.m.

To Participate on Your Computer:
<https://scag.zoom.us/j/85410359225>

To Participate by Phone:
Call-in Number: 1-669-900-6833
Meeting ID: 854 1035 9225

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If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Maggie Aguilar at (213) 630-1420 or via email at aguilarm@scag.ca.gov. Agendas & Minutes are also available at: <https://scag.ca.gov/meetings-subcommittees>.

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Members of the public can participate in the meeting via written or verbal comments.

In Writing: Written comments can be emailed to: ePublicComment@scag.ca.gov. Written comments received by 5pm on **Wednesday, August 12, 2026** will be transmitted to members of the legislative body and posted on SCAG’s website prior to the meeting. You are **not** required to submit public comments in writing or in advance of the meeting. Written comments received after 5pm on **Wednesday, August 12, 2026**, will be announced and included as part of the official record of the meeting. Any writings or documents provided to a majority of this committee regarding any item on this agenda (other than writings legally exempt from public disclosure) are available at the Office of the Clerk, at 900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017 or by phone at (213) 630-1420, or email to aguilarm@scag.ca.gov.

Remotely: If participating in real time via Zoom or phone, please wait for the presiding officer to call the item for which you wish to speak and use the “raise hand” function on your computer or *9 by phone and wait for SCAG staff to announce your name/phone number.

General Information for Public Comments

Verbal comments can be presented in real time during the meeting. Members of the public are allowed a total of 3 minutes for verbal comments. The presiding officer retains discretion to adjust time limits as necessary to ensure efficient and orderly conduct of the meeting, including equally reducing the time of all comments.

For purpose of providing public comment for items listed on the Consent Calendar, please indicate that you wish to speak when the Consent Calendar is called. Items listed on the Consent Calendar will be acted on with one motion and there will be no separate discussion of these items unless a member of the legislative body so requests, in which event, the item will be considered separately.

In accordance with SCAG’s Regional Council Policy, Article VI, Section H and California Government Code Section 54957.9, if a SCAG meeting is “willfully interrupted” and the “orderly conduct of the meeting” becomes unfeasible, the presiding officer or the Chair of the legislative body may order the removal of the individuals who are disrupting the meeting.



REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) SUBCOMMITTEE

TELECONFERENCE AVAILABLE AT THESE ADDITIONAL LOCATIONS*

Cindy Allen City of Long Beach - City Hall 411 W. Ocean Boulevard, 11th Floor Long Beach, CA 90802	Debbie Baker City of La Palma - City Hall 7822 Walker Street La Palma, CA 90623	Chelsea Byers City of West Hollywood – City Hall 8300 Santa Monica Boulevard 3rd Floor Conference Room West Hollywood, CA 90069
Tanya Doby City of Los Alamitos - City Hall 3191 Katella Avenue Los Alamitos, CA 90720	Margaret Finlay 2221 Rim Road Duarte, CA 91008	John Gabbard City of Dana Point - City Hall 33282 Golden Lantern Dana Point, CA 92629
Gary Gardner 65925 Buena Vista Avenue Desert Hot Springs, CA 92240	Mike Goodsell SCAG Imperial County Regional Office 1503 N. Imperial Avenue, Suite 104 El Centro, CA 92243	Curt Hagman District Office 14010 City Center Drive Chino Hills, CA 91709
Patricia Lock Dawson City of Riverside - City Hall 7th Floor Conference Room 3900 Main Street Riverside, 92522	Vianey Lopez County of Ventura Government CEO Rincon Room, 4th Floor 800 S. Victoria Avenue Ventura, CA 93009	Steve Manos 53180 Odyssey Street Lake Elsinore, CA 92532
Gil Rebollar SCAG Imperial County Regional Office 1503 N. Imperial Avenue, Suite 104 El Centro, CA 92243	Rocky Rhodes City of Simi Valley - City Hall 2929 Tapo Canyon Road Simi Valley, CA 93063	David J. Shapiro City of Calabasas - City Hall 100 Civic Center Way Calabasas, CA 91302
Helen Tran City of San Bernardino - City Hall 290 North D Street 3rd Floor - Mayor's Office San Bernardino, CA 92401	Acquanetta Warren 8491 Sierra Avenue Fontana, CA 92335	

* Under the teleconferencing rules of the Brown Act, members of the body may remotely participate at any location specified above.



REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE

RHNA Subcommittee ***Members – August 2026***

- 1. Hon. Rocky Rhodes (Chair)**
Ventura County Representative
- 2. Hon. Cindy Allen**
Los Angeles County Representative
- 3. Hon. Debbie Baker**
Orange County Representative
- 4. Hon. Chelsea Byers**
Los Angeles County Representative
- 5. Hon. Tanya Doby**
Orange County Representative
- 6. Hon. Margaret Finlay**
Los Angeles County Representative
- 7. Hon. John Gabbard**
Orange County Representative
- 8. Hon. Gary Gardner**
Riverside County Representative
- 9. Hon. Mike Goodsell**
Imperial County Representative
- 10. Sup. Curt Hagman**
San Bernardino County Representative
- 11. Hon. Patricia Lock Dawson**
Riverside County Representative
- 12. Sup. Vianey Lopez**
Ventura County Representative
- 13. Hon. Steve Manos**
Riverside County Representative
- 14. Hon. Gil Rebollar**
Imperial County Representative



REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE

- 15. Hon. David J. Shapiro**
Los Angeles County Representative
- 16. Hon. Helen Tran**
San Bernardino County Representative
- 17. Hon. Acquanetta Warren**
San Bernardino County Representative



REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE AGENDA

Southern California Association of Governments
Remote Participation Only
Thursday, August 13, 2026
1:00 PM

The Regional Housing Needs Assessment (RHNA) Subcommittee may consider and act upon any of the items on the agenda regardless of whether they are listed as Information or Action items.

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

(The Honorable Rocky Rhodes, Chair)

PUBLIC COMMENT PERIOD (Matters Not on the Agenda)

This is the time for public comments on any matter of interest within SCAG's jurisdiction that is **not** listed on the agenda. For items listed on the agenda, public comments will be received when that item is considered. Although the committee may briefly respond to statements or questions, under state law, matters presented under this item cannot be discussed or acted upon at this time.

REVIEW AND PRIORITIZE AGENDA ITEMS

CONSENT CALENDAR

Receive and File

1. Transmittal of RHNA Statute PG. 7

ACTION ITEMS

2. 7th Cycle RHNA Subcommittee Charter PG. 27
(Richard Lam, Senior Deputy Legal Counsel, SCAG)

RECOMMENDED ACTION:

Review and provide input to staff on the attached draft charter (see Attachment 1).

INFORMATION ITEMS

3. Overview of RHNA PG. 34
(Ma'Ayn Johnson, Department Manager of Housing, SCAG)
4. Regional Housing Needs Determination (RHND)—Primer and Conditions in the SCAG Region PG. 49
(Kevin Kane, Planning Supervisor, SCAG)
5. RHNA Methodology PG. 66
(Ma'Ayn Johnson, Department Manager of Housing, SCAG)

ADJOURNMENT



AGENDA ITEM 1

REPORT

Southern California Association of Governments
August 13, 2026

To: RHNA - Regional Housing Needs Assessment Subcommittee

EXECUTIVE DIRECTOR'S
APPROVAL

From: Michael Dietz, Planning Supervisor (H)
213-630-1592, dietz@scag.ca.gov

Kome Ajise

Subject: Transmittal of RHNA Statute

RECOMMENDED ACTION:

Receive and File

STRATEGIC PRIORITIES:

This item supports the following Strategic Priorities: 2: Be a cohesive and influential voice for the region and 3: Spur innovation and action through leadership in research, analysis and information sharing.

EXECUTIVE SUMMARY:

Government Code Sections 65584 through 65584.05, also known as Regional Housing Needs Assessment (RHNA) statute, are the California state laws that govern the RHNA process.

BACKGROUND:

The RHNA process is codified in Government Code Sections 65584 through 65584.05. Below is an outline of the key sections relevant to the 7th Cycle RHNA for the Southern California Association of Governments (SCAG):

Gov. Code Section	Issues
65584	RHNA framework and statutory objectives
65584.01	Determining regional housing need
65584.03	Subregional delegation
65584.04	RHNA methodology
65584.05	RHNA allocation; Appeals procedure

The code sections referenced above have been provided as attachments to this staff report.

FISCAL IMPACT:

Work associated with this item is included in the FY27 Overall Work Program (800.0160.03): Regional Housing Needs Assessment (RHNA).



ATTACHMENT(S):

1. Government Code Section 65584
2. Government Code Section 65584.01
3. Government Code Section 65584.03
4. Government Code Section 65584.04
5. Government Code Section 65584.05

State of California

GOVERNMENT CODE

Section 65584

65584. (a) (1) For the fourth and subsequent revisions of the housing element pursuant to Section 65588, the department shall determine the existing and projected need for housing for each region pursuant to this article. For purposes of subdivision (a) of Section 65583, the share of a city or county of the regional housing need shall include that share of the housing need of persons at all income levels within the area significantly affected by the general plan of the city or county.

(2) It is the intent of the Legislature that cities, counties, and cities and counties should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, and reasonable actions should be taken by local and regional governments to ensure that future housing production meets, at a minimum, the regional housing need established for planning purposes. These actions shall include applicable reforms and incentives in Section 65582.1.

(3) The Legislature finds and declares that insufficient housing in job centers hinders the state's environmental quality and runs counter to the state's environmental goals. In particular, when Californians seeking affordable housing are forced to drive longer distances to work, an increased amount of greenhouse gases and other pollutants are released and puts in jeopardy the achievement of the state's climate goals, as established pursuant to Section 38566 of the Health and Safety Code, and clean air goals.

(b) (1) (A) The department, in consultation with each council of governments, shall determine each region's existing and projected housing need pursuant to Section 65584.01 at least three years prior to the scheduled revision required pursuant to Section 65588, except in the following circumstances:

(i) For regions with a scheduled housing element revision due date in the 2027 calendar year, the department shall determine the region's housing need at least two years prior to the scheduled revision.

(ii) For regions with a scheduled housing element revision due date in the 2028 calendar year or the first 6 months of the 2029 calendar year, the department shall determine the region's housing need at least 32 months prior to the scheduled revision.

(B) For cities and counties without a council of governments, the department shall determine each region's existing and projected housing need pursuant to Section 65584.01 at least 24 months prior to the scheduled revision required pursuant to Section 65588.

(2) The appropriate council of governments, or for cities and counties without a council of governments, the department, shall adopt a final regional housing need

plan that allocates a share of the regional housing need to each city, county, or city and county at least one year prior to the scheduled revision for the region required by Section 65588. The allocation plan prepared by a council of governments shall be prepared pursuant to Sections 65584.04 and 65584.05.

(c) Notwithstanding any other provision of law, the due dates for the determinations of the department or for the council of governments, respectively, regarding the regional housing need may be extended by the department by not more than 60 days if the extension will enable access to more recent critical population or housing data from a pending or recent release of the United States Census Bureau or the Department of Finance. If the due date for the determination of the department or the council of governments is extended for this reason, the department shall extend the corresponding housing element revision deadline pursuant to Section 65588 by not more than 60 days.

(d) The regional housing needs allocation plan shall further all of the following objectives:

(1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low income households. The regional housing needs allocation plan shall allocate units for extremely low and acutely low income households in a manner that is roughly proportional to, and within a range of 3 percent of, the housing need for very low income households.

(2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.

(3) Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.

(4) Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.

(5) Affirmatively furthering fair housing.

(e) For purposes of this section, "affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, 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.

(f) (1) Subject to paragraph (2), for purposes of this section with respect to revisions of the housing element through the sixth revision, “household income levels” are as determined by the department pursuant to the following code sections:

(A) Very low incomes, as defined by Section 50105 of the Health and Safety Code.

(B) Lower incomes, as defined by Section 50079.5 of the Health and Safety Code.

(C) Moderate incomes, as defined by Section 50093 of the Health and Safety Code.

(D) Above moderate incomes are those exceeding the moderate-income level of Section 50093 of the Health and Safety Code.

(2) For purposes of this section with respect to the seventh and subsequent revisions of the housing element, “household income levels” are as determined by the department in accordance with the definitions of acutely low, extremely low, very low, low, moderate, and above moderate income in Section 65582.

(g) Notwithstanding any other provision of law, determinations made by the department, a council of governments, or a city or county pursuant to this section or Section 65584.01, 65584.02, 65584.03, 65584.04, 65584.05, 65584.06, 65584.07, or 65584.08 are exempt from the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(Amended by Stats. 2025, Ch. 593, Sec. 1. (AB 1275) Effective January 1, 2026.)

State of California

GOVERNMENT CODE

Section 65584.01

65584.01. For the fourth and subsequent revision of the housing element pursuant to Section 65588, the department, in consultation with each council of governments, where applicable, shall determine the existing and projected need for housing for each region in the following manner:

(a) The department's determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments. If the total regional population forecast for the projection year, developed by the council of governments and used for the preparation of the regional transportation plan, is within a range of 1.5 percent of the total regional population forecast for the projection year by the Department of Finance, then the population forecast developed by the council of governments shall be the basis from which the department determines the existing and projected need for housing in the region. If the difference between the total population projected by the council of governments and the total population projected for the region by the Department of Finance is greater than 1.5 percent, then the department and the council of governments shall meet to discuss variances in methodology used for population projections and seek agreement on a population projection for the region to be used as a basis for determining the existing and projected housing need for the region. If agreement is not reached, then the population projection for the region shall be the population projection for the region prepared by the Department of Finance as may be modified by the department as a result of discussions with the council of governments.

(b) (1) Subject to the applicable deadline specified in paragraph (2), and prior to developing the existing and projected housing need for a region, the department shall meet and consult with the council of governments regarding the assumptions and methodology to be used by the department to determine the region's housing needs. The council of governments shall provide data assumptions from the council's projections, including, if available, the following data for the region:

(A) (i) Anticipated household growth associated with projected population increases.

(ii) The Department of Finance shall consider changes in enrollment levels at campuses of the University of California or the California State University in the region, as forecasted by the University of California and the California State University pursuant to paragraph (9) of subdivision (e) of Section 65584.04, when preparing the anticipated household growth associated with projected population increases.

(B) Household size data and trends in household size.

(C) The percentage of households that are overcrowded within the region and the percentage of households that are overcrowded throughout the nation. For purposes of this subparagraph, the term “overcrowded” means more than one resident per room in each room in a dwelling.

(D) The rate of household formation, or headship rates, based on age, gender, ethnicity, or other established demographic measures.

(E) The vacancy rates in existing housing stock, and the vacancy rates for healthy housing market functioning and regional mobility, as well as housing replacement needs. For purposes of this subparagraph, the vacancy rate for a healthy rental housing market shall be considered no less than 5 percent.

(F) Other characteristics of the composition of the projected population.

(G) The relationship between jobs and housing, including any imbalance between jobs and housing.

(H) The percentage of households that are cost burdened within the region and the percentage of households that are cost burdened throughout the nation. For the purposes of this subparagraph, the term “cost burdened” means the share of very low, low-, moderate-, and above moderate-income households that are paying more than 30 percent of household income on housing costs.

(I) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the data request.

(J) The housing needs of individuals and families experiencing homelessness.

(i) The data used by the council of governments shall align with homelessness data best practices as determined by the department.

(ii) Sources of homelessness data may include the Homeless Data Integration System administered by the Interagency Council on Homelessness, the homeless point-in-time count, or other sources deemed appropriate by the department.

(2) The deadline for the department to meet and consult with each council of governments pursuant to paragraph (1) shall be as follows:

(A) For the fourth, fifth, and sixth revisions of the housing element, at least 26 months prior to the scheduled revision pursuant to Section 65588.

(B) For the seventh revision of the housing element, the applicable of the following:

(i) With respect to the following councils of governments, at least 26 months prior to the scheduled revision pursuant to Section 65588:

(I) The Humboldt County Association of Governments.

(II) The Lake Area Planning Council.

(III) The Mendocino Council of Governments.

(IV) The County of Nevada.

(ii) With respect to the following councils of governments, at least 34 months prior to the scheduled revision pursuant to Section 65588:

(I) The San Luis Obispo Council of Governments.

(II) The Sacramento Area Council of Governments.

(iii) With respect to all councils of governments other than those specified in clauses (i) and (ii), at least 38 months prior to the scheduled revision pursuant to Section 65588.

(C) For the eighth and subsequent revisions of the housing element, at least 38 months prior to the scheduled revision pursuant to Section 65588.

(3) The department may accept or reject the information provided by the council of governments or modify its own assumptions or methodology based on this information. After consultation with the council of governments, the department shall make determinations in writing on the assumptions for each of the factors listed in subparagraphs (A) to (I), inclusive, of paragraph (1) and the methodology it shall use and shall provide these determinations to the council of governments. The methodology submitted by the department may make adjustments based on the region's total projected households, which includes existing households as well as projected households.

(c) (1) After consultation with the council of governments, the department shall make a determination of the region's existing and projected housing need based upon the assumptions and methodology determined pursuant to subdivision (b). The region's existing and projected housing need shall reflect the achievement of a feasible balance between jobs and housing within the region using the regional employment projections in the applicable regional transportation plan. Within 30 days following notice of the determination from the department, the council of governments may file an objection to the department's determination of the region's existing and projected housing need with the department.

(2) The objection shall be based on and substantiate either of the following:

(A) The department failed to base its determination on the population projection for the region established pursuant to subdivision (a), and shall identify the population projection which the council of governments believes should instead be used for the determination and explain the basis for its rationale.

(B) The regional housing need determined by the department is not a reasonable application of the methodology and assumptions determined pursuant to subdivision (b). The objection shall include a proposed alternative determination of its regional housing need based upon the determinations made in subdivision (b), including analysis of why the proposed alternative would be a more reasonable application of the methodology and assumptions determined pursuant to subdivision (b).

(3) If a council of governments files an objection pursuant to this subdivision and includes with the objection a proposed alternative determination of its regional housing need, it shall also include documentation of its basis for the alternative determination. Within 45 days of receiving an objection filed pursuant to this section, the department shall consider the objection and make a final written determination of the region's existing and projected housing need that includes an explanation of the information upon which the determination was made.

(4) In regions in which the department is required to distribute the regional housing need pursuant to Section 65584.06, no city or county may file an objection to the regional housing need determination.

(d) Statutory changes enacted after the date the department issued a final determination pursuant to this section shall not be a basis for a revision of the final determination.

(Amended by Stats. 2025, Ch. 593, Sec. 2.5. (AB 1275) Effective January 1, 2026.)

State of California

GOVERNMENT CODE

Section 65584.03

65584.03. (a) At least 28 months prior to the scheduled housing element update required by Section 65588, at least two or more cities and a county, or counties, may form a subregional entity for the purpose of allocation of the subregion's existing and projected need for housing among its members in accordance with the allocation methodology established pursuant to Section 65584.04. The purpose of establishing a subregion shall be to recognize the community of interest and mutual challenges and opportunities for providing housing within a subregion. A subregion formed pursuant to this section may include a single county and each of the cities in that county or any other combination of geographically contiguous local governments and shall be approved by the adoption of a resolution by each of the local governments in the subregion as well as by the council of governments. All decisions of the subregion shall be approved by vote as provided for in rules adopted by the local governments comprising the subregion or shall be approved by vote of the county or counties, if any, and the majority of the cities with the majority of population within a county or counties.

(b) Upon formation of the subregional entity, the entity shall notify the council of governments of this formation. If the council of governments has not received notification from an eligible subregional entity at least 28 months prior to the scheduled housing element update required by Section 65588, the council of governments shall implement the provisions of Sections 65584 and 65584.04. The delegate subregion and the council of governments shall enter into an agreement that sets forth the process, timing, and other terms and conditions of the delegation of responsibility by the council of governments to the subregion.

(c) At least 25 months prior to the scheduled revision, the council of governments shall determine the share of regional housing need assigned to each delegate subregion. The share or shares allocated to the delegate subregion or subregions by a council of governments shall be in a proportion consistent with the subregion's share of the current adopted final regional housing need allocation plan. Prior to allocating the regional housing needs to any delegate subregion or subregions, the council of governments shall hold at least one public hearing, and may consider requests for revision of the proposed allocation to a subregion. If a proposed revision is rejected, the council of governments shall respond with a written explanation of why the proposed revised share has not been accepted.

(d) Each delegate subregion shall fully allocate its share of the regional housing need to local governments within its subregion. If a delegate subregion fails to complete the regional housing need allocation process among its member jurisdictions in a

manner consistent with this article and with the delegation agreement between the subregion and the council of governments, the allocations to member jurisdictions shall be made by the council of governments.

(Amended by Stats. 2025, Ch. 593, Sec. 3. (AB 1275) Effective January 1, 2026.)

State of California

GOVERNMENT CODE

Section 65584.04

65584.04. (a) At least two years before a scheduled revision required by Section 65588, each council of governments, or delegate subregion as applicable, shall develop, in consultation with the department, a proposed methodology for distributing the existing and projected regional housing need to cities, counties, and cities and counties within the region or within the subregion, where applicable pursuant to this section. The methodology shall further the objectives listed in subdivision (d) of Section 65584.

(b) (1) No more than six months before the development of a proposed methodology for distributing the existing and projected housing need, each council of governments shall survey each of its member jurisdictions to request, at a minimum, information regarding the factors listed in subdivision (e) that will allow the development of a methodology based upon the factors established in subdivision (e).

(2) With respect to the objective in paragraph (5) of subdivision (d) of Section 65584, the survey shall review and compile information that will allow the development of a methodology based upon the issues, strategies, and actions that are included, as available, in an Analysis of Impediments to Fair Housing Choice or an Assessment of Fair Housing completed by any city or county or the department that covers communities within the area served by the council of governments, and in housing elements adopted pursuant to this article by cities and counties within the area served by the council of governments.

(3) The council of governments shall seek to obtain the information in a manner and format that is comparable throughout the region and use readily available data to the extent possible.

(4) The information provided by a local government pursuant to this section shall be used, to the extent possible, by the council of governments, or delegate subregion as applicable, as source information for the methodology developed pursuant to this section. The survey shall state that none of the information received may be used as a basis for reducing the total housing need established for the region pursuant to Section 65584.01.

(5) If the council of governments fails to conduct a survey pursuant to this subdivision, a city, county, or city and county may submit information related to the items listed in subdivision (e) before the public comment period provided for in subdivision (d).

(c) The council of governments shall electronically report the results of the survey of fair housing issues, strategies, and actions compiled pursuant to paragraph (2) of subdivision (b). The report shall describe common themes and effective strategies

employed by cities and counties within the area served by the council of governments, including common themes and effective strategies around avoiding the displacement of lower income households. The council of governments shall also identify significant barriers to affirmatively furthering fair housing at the regional level and may recommend strategies or actions to overcome those barriers. A council of governments or metropolitan planning organization, as appropriate, may use this information for any other purpose, including publication within a regional transportation plan adopted pursuant to Section 65080 or to inform the land use assumptions that are applied in the development of a regional transportation plan.

(d) Public participation and access shall be required in the development of the methodology and in the process of drafting and adoption of the allocation of the regional housing needs. Participation by organizations other than local jurisdictions and councils of governments shall be solicited in a diligent effort to achieve public participation of all economic segments of the community as well as members of protected classes under Section 12955 and households with special housing needs under paragraph (7) of subdivision (a) of Section 65583. The proposed methodology, along with any relevant underlying data and assumptions, an explanation of how information about local government conditions gathered pursuant to subdivision (b) has been used to develop the proposed methodology, how each of the factors listed in subdivision (e) is incorporated into the methodology, and how the proposed methodology furthers the objectives listed in subdivision (d) of Section 65584, shall be distributed to all cities, counties, any subregions, and members of the public who have made a written or electronic request for the proposed methodology and published on the council of governments', or delegate subregion's, internet website. The council of governments, or delegate subregion, as applicable, shall conduct at least one public hearing to receive oral and written comments on the proposed methodology.

(e) To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall consider including the following factors in developing the methodology that allocates regional housing needs:

(1) Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.

(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

(C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to nonagricultural uses.

(E) Emergency evacuation route capacity, wildfire risk, sea level rise, and other impacts caused by climate change.

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

(4) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(5) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

(6) The percentage of existing households at each of the income levels listed in subdivision (f) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.

(7) The rate of overcrowding.

(8) The housing needs of farmworkers.

(9) (A) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction, the distribution of those students among jurisdictions within the

region, and for a campus of the California State University or the University of California, the optimization of transit, pedestrian, and other nonvehicle trip efficiency by students to the campus, including off-campus facilities.

(B) (i) No more than six months before the development of the methodology, the Regents of the University of California are requested to, and the Trustees of the California State University shall, provide to each council of governments a forecast of changes in enrollment levels at its campuses, including off-campus facilities, within the region, based on factors including, but not limited to, (I) cohort progression projections, (II) improvements in the percentage of California residents meeting university admission and transfer standards, and (III) improvements in degree completion by noncohort students. The forecast shall not be limited to students who will be recent high school graduates. The Regents of the University of California are requested to, and the Trustees of the California State University shall, provide copies of the forecast to the Director of Finance, the Director of Housing and Community Development, and the Chairperson of the Joint Legislative Budget Committee.

(ii) Clause (i) shall apply to the seventh and each subsequent housing element cycle, except as specified in clause (iii).

(iii) With respect to all of the following councils of governments, clause (i) shall apply to the eighth and each subsequent housing element cycles:

(I) The Humboldt County Association of Governments.

(II) The Lake Area Planning Council.

(III) The Mendocino Council of Governments.

(C) The Regents of the University of California are requested to, and the Trustees of the California State University shall, provide trip and travel data to the council of governments upon request.

(10) The housing needs of individuals and families experiencing homelessness. If a council of governments has surveyed each of its member jurisdictions pursuant to subdivision (b) on or before January 1, 2020, this paragraph shall apply only to the development of methodologies for the seventh and subsequent revisions of the housing element.

(11) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.

(12) The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.

(13) The development pattern set forth in the region's sustainable communities strategy of its regional transportation plan.

(14) Any other factors adopted by the council of governments, that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the

additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section 65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions.

(f) The council of governments, or delegate subregion, as applicable, shall explain in writing how each of the factors described in subdivision (e) was incorporated into the methodology and how the methodology furthers the objectives listed in subdivision (d) of Section 65584. The methodology may include numerical weighting. This information, and any other supporting materials used in determining the methodology, shall be posted on the council of governments', or delegate subregion's, internet website.

(g) The following criteria shall not be a justification for a determination or a reduction in a jurisdiction's share of the regional housing need:

(1) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county.

(2) Prior underproduction of housing in a city or county from the previous regional housing need allocation, as determined by each jurisdiction's annual production report submitted pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.

(3) Stable population numbers in a city or county from the previous regional housing needs cycle.

(h) Following the conclusion of the public comment period described in subdivision (d) on the proposed allocation methodology, and after making any revisions deemed appropriate by the council of governments, or delegate subregion, as applicable, as a result of comments received during the public comment period, and as a result of consultation with the department, each council of governments, or delegate subregion, as applicable, shall publish a draft allocation methodology on its internet website and submit the draft allocation methodology, along with the information required pursuant to subdivision (e), to the department.

(i) Within 60 days, the department shall review the draft allocation methodology and report its written findings to the council of governments, or delegate subregion, as applicable. In its written findings the department shall determine whether the methodology furthers the objectives listed in subdivision (d) of Section 65584. If the department determines that the methodology is not consistent with subdivision (d) of Section 65584, the council of governments, or delegate subregion, as applicable, shall take both of the following actions:

(1) Revise the methodology, in consultation with the department, to further the objectives listed in subdivision (d) of Section 65584 within 45 days.

(2) Receive department acceptance that the revised methodology furthers the objectives listed in subdivision (d) of Section 65584 and adopt a final regional, or subregional, housing need allocation methodology.

(j) If the department's findings are not available within the time limits set by subdivision (i), the council of governments, or delegate subregion, may act without them.

(k) After taking action pursuant to subdivision (i), the council of governments, or delegate subregion, shall provide notice of the adoption of the methodology to the jurisdictions within the region, or delegate subregion, as applicable, and to the department, and shall publish the adopted allocation methodology, along with its resolution and any adopted written findings, on its internet website.

(l) The department may, within 45 days, review the adopted methodology and report its findings to the council of governments, or delegate subregion.

(m) (1) It is the intent of the Legislature that housing planning be coordinated and integrated with the regional transportation plan. To achieve this goal, the allocation plan shall be informed by the development pattern included in the sustainable communities strategy.

(2) (A) The final allocation plan shall ensure that the total regional housing need, by income category, as determined under Section 65584, is maintained, and that each jurisdiction in the region receive an allocation of units for low- and very low income households.

(B) For the seventh and subsequent revisions of the housing element, the allocation to each region required under subparagraph (A) shall also include an allocation of units for acutely low and extremely low income households.

(3) The resolution approving the final housing need allocation plan shall demonstrate that the plan is informed by the sustainable communities strategy in the regional transportation plan and furthers the objectives listed in subdivision (d) of Section 65584.

(n) This section shall become operative on January 1, 2025.

(Amended by Stats. 2025, Ch. 593, Sec. 4.1. (AB 1275) Effective January 1, 2026.)

State of California

GOVERNMENT CODE

Section 65584.05

65584.05. (a) At least one and one-half years before the scheduled revision required by Section 65588, each council of governments and delegate subregion, as applicable, shall distribute a draft allocation of regional housing needs to each local government in the region or subregion, where applicable, and the department, based on the methodology adopted pursuant to Section 65584.04 and shall publish the draft allocation on its internet website. The council of governments may additionally distribute the draft allocation plan upon adoption of the final methodology reviewed and accepted by the department pursuant to paragraph (2) of subdivision (i) of Section 65584.04. The draft allocation shall include the underlying data and methodology on which the allocation is based, and a statement as to how it furthers the objectives listed in subdivision (d) of Section 65584. It is the intent of the Legislature that the draft allocation should be distributed before the completion of the update of the applicable regional transportation plan. The draft allocation shall distribute to localities and subregions, if any, within the region the entire regional housing need determined pursuant to Section 65584.01 or within subregions, as applicable, the subregion's entire share of the regional housing need determined pursuant to Section 65584.03.

(b) Within 30 days following receipt of the draft allocation, a local government within the region or the delegate subregion, as applicable, or the department may appeal to the council of governments or the delegate subregion for a revision of the share of the regional housing need proposed to be allocated to one or more local governments. Appeals shall be based upon comparable data available for all affected jurisdictions and accepted planning methodology, and supported by adequate documentation, and shall include a statement as to why the revision is necessary to further the intent of the objectives listed in subdivision (d) of Section 65584. An appeal pursuant to this subdivision shall be consistent with, and not to the detriment of, the development pattern in an applicable sustainable communities strategy developed pursuant to paragraph (2) of subdivision (b) of Section 65080. Appeals shall be limited to any of the following circumstances:

(1) The council of governments or delegate subregion, as applicable, failed to adequately consider the information submitted pursuant to subdivision (b) of Section 65584.04.

(2) The council of governments or delegate subregion, as applicable, failed to determine the share of the regional housing need in accordance with the information described in, and the methodology established pursuant to, Section 65584.04, and in a manner that furthers, and does not undermine, the intent of the objectives listed in subdivision (d) of Section 65584.

(3) A significant and unforeseen change in circumstances has occurred in the local jurisdiction or jurisdictions that merits a revision of the information submitted pursuant to subdivision (b) of Section 65584.04. Appeals on this basis shall only be made by the jurisdiction or jurisdictions where the change in circumstances has occurred.

(c) At the close of the period for filing appeals pursuant to subdivision (b), the council of governments or delegate subregion, as applicable, shall notify all other local governments within the region or delegate subregion and the department of all appeals and shall make all materials submitted in support of each appeal available on a publicly available internet website. Local governments and the department may, within 45 days, comment on one or more appeals. If no appeals are filed, the draft allocation may be adopted pursuant to subdivision (g).

(d) No later than 30 days after the close of the comment period, and after providing all local governments within the region or delegate subregion, as applicable, at least 10 days prior notice, the council of governments or delegate subregion shall conduct one public hearing to consider all appeals filed pursuant to subdivision (b) and all comments received pursuant to subdivision (c).

(e) No later than 45 days after the public hearing pursuant to subdivision (d), the council of governments or delegate subregion, as applicable, shall do all of the following:

(1) Make a final determination that either accepts, rejects, or modifies each appeal for a revised share filed pursuant to subdivision (b). Final determinations shall be based upon the information and methodology described in Section 65584.04 and whether the revision is necessary to further the objectives listed in subdivision (d) of Section 65584. The final determination shall be in writing and shall include written findings as to how the determination is consistent with this article. The final determination on an appeal may require the council of governments or delegate subregion, as applicable, to adjust the share of the regional housing need allocated to one or more local governments that are not the subject of an appeal.

(2) Issue a proposed final allocation plan.

(3) Submit the proposed final allocation plan to the department.

(4) Set a date for a public hearing to adopt a final allocation plan pursuant to subdivision (g).

(f) In the proposed final allocation plan, the council of governments or delegate subregion, as applicable, shall adjust allocations to local governments based upon the results of the appeals process. If the adjustments total 7 percent or less of the regional housing need determined pursuant to Section 65584.01, or, as applicable, total 7 percent or less of the subregion's share of the regional housing need as determined pursuant to Section 65584.03, then the council of governments or delegate subregion, as applicable, shall distribute the adjustments proportionally to all local governments. If the adjustments total more than 7 percent of the regional housing need, then the council of governments or delegate subregion, as applicable, shall develop a methodology to distribute the amount greater than the 7 percent to local governments. The total distribution of housing need shall not equal less than the regional housing need, as determined pursuant to Section 65584.01, nor shall the subregional distribution

of housing need equal less than its share of the regional housing need as determined pursuant to Section 65584.03.

(g) Within 45 days after the issuance of the proposed final allocation plan by the council of governments and each delegate subregion, as applicable, the council of governments shall hold a public hearing to adopt a final allocation plan. To the extent that the final allocation plan fully allocates the regional share of statewide housing need, as determined pursuant to Section 65584.01 and has taken into account all appeals, the council of governments shall have final authority to determine the distribution of the region's existing and projected housing need as determined pursuant to Section 65584.01. The council of governments shall submit its final allocation plan to the department within three days of adoption. Within 15 days after the department's receipt of the final allocation plan adopted by the council of governments, the department shall determine if the final allocation plan is consistent with the existing and projected housing need for the region, as determined pursuant to Section 65584.01. The department may revise the determination of the council of governments if necessary to obtain this consistency.

(h) Any authority of the council of governments to review and revise the share of a city or county of the regional housing need under this section shall not constitute authority to revise, approve, or disapprove the manner in which the share of the city or county of the regional housing need is implemented through its housing program.

(i) Any time period in subdivision (d) or (e) may be extended by a council of governments or delegate subregion, as applicable, for up to 30 days. Any time period in subdivision (b), (c), (d), (e), or (g) may be reduced by a council of governments or delegate subregion, as applicable, to facilitate earlier adoption of the final allocation plan. No time period shall be reduced to fewer than a minimum of 10 days.

(j) The San Diego Association of Governments may follow the process in this section for the draft and final allocation plan for the sixth revision of the housing element notwithstanding such actions being carried out before the adoption of an updated regional transportation plan and sustainable communities strategy.

(Amended by Stats. 2024, Ch. 572, Sec. 1.5. (AB 2597) Effective January 1, 2025.)



AGENDA ITEM 2

REPORT

Southern California Association of Governments

August 13, 2026

To: RHNA - Regional Housing Needs Assessment Subcommittee

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Richard Lam, Senior Deputy Legal Counsel
213-630-1510, lam@scag.ca.gov

Kome Ajise

Subject: 7th Cycle RHNA Subcommittee Charter

RECOMMENDED ACTION:

Review and provide input to staff on the attached draft charter (see Attachment 1).

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority: 1: Establish and implement a regional vision for a sustainable future, 2: Be a cohesive and influential voice for the region, and 3: Spur innovation and action through leadership in research, analysis and information sharing.

EXECUTIVE SUMMARY:

To guide the RHNA Subcommittee efforts, staff has developed a draft RHNA Subcommittee charter which outlines the Subcommittee's purpose and responsibilities, among other matters. The attached draft charter was modeled after the charter used in prior SCAG RHNA cycles. The draft charter has been updated from the version used in the 6th cycle RHNA process to reflect the Subcommittee's revised composition and clarify its meeting and voting procedures. The Subcommittee is asked to review the draft charter and provide input to staff. Thereafter, the final version of the charter will be presented to the CEHD Committee and the Regional Council for review and approval.

BACKGROUND:

Similar to past RHNA cycles, a charter has been developed for the RHNA Subcommittee to guide its work for the SCAG 7th cycle RHNA process. The attached draft charter outlines the Subcommittee's purpose, authority, membership structure, meeting and voting procedures, and responsibilities.

The draft charter is substantially based on the charter adopted for the 6th Cycle RHNA process (see Attachment 2). It has been updated to reflect Regional Council direction regarding the Subcommittee's composition, applicable SCAG governance requirements, and lessons learned from the previous cycle. The most noteworthy changes are as follows:

-
- Revises the composition of the Subcommittee, as directed by the Regional Council, to provide greater proportionality in county representation based on population differences across the SCAG region.
 - Establishes procedures for declaring and filling vacancies and clarifies that the Subcommittee may continue conducting business while a vacancy exists, provided that a quorum can be achieved.
 - Aligns the quorum and voting requirements with the Regional Council Policy Manual and clarifies that an appeal is rejected if it does not receive the required affirmative majority vote, including in the event of a tie.
 - Requires a Subcommittee member to recuse themselves from the discussion and vote on an appeal involving their jurisdiction, replacing the discretionary recusal provision used during the previous cycle.

Staff seeks the Subcommittee's review and input of the draft charter, which once finalized, will be presented to the CEHD Committee and Regional Council for review and approval.

FISCAL IMPACT:

None.

ATTACHMENT(S):

1. Draft 7th Cycle RHNA Subcommittee Charter
2. Final 6th Cycle RHNA Subcommittee Charter

RHNA SUBCOMMITTEE CHARTER

Purpose of the Subcommittee

The purpose of the RHNA Subcommittee is to review in-depth the various policy considerations necessary to the development of SCAG's Regional Housing Needs Assessment (RHNA), and to make critical decisions throughout the RHNA process, including but not limited to the following: the RHNA methodology, the draft and final RHNA allocations, and appeals related to draft RHNA allocations. The decisions of the RHNA Subcommittee shall serve as recommendations to SCAG's Community, Economic, and Human Development (CEHD) Committee and the Regional Council, except that the RHNA Subcommittee shall make the final decisions regarding all appeals of draft RHNA allocations.

Authority

Authorized by the Regional Council, the RHNA Subcommittee serves as a subcommittee of the CEHD Committee and reports to the CEHD Committee. All actions by the RHNA Subcommittee, except for actions pertaining to appeals of draft RHNA allocations, are subject to the review and approval of the CEHD Committee and the Regional Council. The Regional Council's action establishing the RHNA Subcommittee expressly authorized the RHNA Subcommittee to serve as the final hearing body for RHNA appeals and its appeal determinations shall not be subject to further review or action by the CEHD Committee or Regional Council. In recognition of the significant amount of work undertaken by the RHNA Subcommittee, the CEHD Committee and the Regional Council will rely on the policy judgments of the RHNA Subcommittee. The RHNA Subcommittee shall be dissolved as of the date on which the final RHNA allocation is adopted by the Regional Council.

Composition

The RHNA Subcommittee will consist of seventeen (17) members to represent the six (6) counties of the SCAG region. In order to account for the differences in population between the various counties, membership shall be dispersed amongst the following number of representatives:

- Los Angeles County: 4 members
- Orange County: 3 members
- Riverside County: 3 members
- San Bernardino County: 3 members
- Ventura County: 2 members
- Imperial County: 2 members

The SCAG President appointed the members of the RHNA Subcommittee and selected one of the members to serve as the Chair of the RHNA Subcommittee. Appointees must be selected from Regional Councilmembers who also serve on the CEHD Committee. In the absence of a

sufficient number of potential appointees who serve on both bodies, appointees may instead be selected from Regional Councilmembers who do not serve on the CEHD Committee.

If a member resigns from their position on the RHNA Subcommittee or is required to be removed by federal or state statutes or regulations or is removed in accordance with the SCAG Bylaws or Regional Council Policy Manual, their membership in the RHNA Subcommittee may be declared vacant by the President. In the event of a vacancy on the RHNA Subcommittee, the RHNA Subcommittee may request the SCAG President appoint a replacement member. Any vacancy shall not affect the authority of the RHNA Subcommittee to continue conducting its business, provided that a quorum can still be achieved.

Meetings and Voting

The meetings of the RHNA Subcommittee will occur during the applicable period when SCAG is developing the RHNA. The RHNA Subcommittee shall have the authority to convene meetings as circumstances require. A meeting quorum shall be established when there is attendance by fifty percent of the RHNA Subcommittee membership, not including vacant positions, regardless of the counties those representatives represent.

All RHNA Subcommittee members are expected to attend each meeting to the extent possible. All meetings of the RHNA Subcommittee are subject to the Brown Act. Members may participate by teleconference or videoconference only in accordance with the Brown Act and applicable SCAG policies and procedures. The Chair of the RHNA Subcommittee shall preside over all meetings and the Subcommittee may select another Subcommittee member to serve as the Vice-Chair in the Chair's absence. The RHNA Subcommittee will invite SCAG staff or others to attend meetings and provide pertinent information, as necessary. Meeting agendas will be prepared and provided in advance to RHNA Subcommittee members, along with appropriate briefing materials and reports, in accordance with the Brown Act. Minutes of each meeting will be prepared.

For purposes of voting, each Subcommittee member, including the Chair of the RHNA Subcommittee, shall be entitled to one (1) vote. All actions of the RHNA Subcommittee shall require the affirmative vote of a majority of the membership present and voting with a quorum in attendance. When the Subcommittee acts in its capacity as the RHNA Appeals Board, accepting or modifying an appeal requires the affirmative vote of a majority of the members present and voting, provided that a quorum is in attendance. If an appeal does not receive the required affirmative vote, including in the event of a tie vote, the appeal shall be rejected. In the case of an appeal of an allocation submitted on behalf of a Subcommittee member's individual local jurisdiction, the Subcommittee member shall recuse themselves from the discussion and shall not participate in any vote by the RHNA Subcommittee regarding such appeal. Recused members are not counted as present for quorum purposes for that specific appeal.

Responsibilities

The RHNA Subcommittee will carry out the following responsibilities:

- Review information useful to the development of the RHNA Plan;
- Review and make policy decisions related to the RHNA process, including policies for the RHNA methodology, the RHNA methodology itself, and the draft and final RHNA allocations, and forward such decisions to the CEHD Committee and Regional Council for review and approval.;
- Review and make decisions regarding guidelines for the RHNA process, including guidelines related to subregional delegation, and forward such decisions to the CEHD Committee and Regional Council for review and approval; and
- Review and make the final decisions regarding appeals related to the jurisdiction's draft RHNA allocation. In this capacity, the RHNA Subcommittee shall be known as the "RHNA Appeals Board." These final decisions by the RHNA Appeals Board shall not be reviewable by the CEHD Committee or by the Regional Council.

RHNA SUBCOMMITTEE CHARTER – 6th Cycle

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Purpose of the Subcommittee

The purpose of the RHNA Subcommittee is to review in-depth the various policy considerations necessary to the development of SCAG's Regional Housing Needs Assessment (RHNA), and to make critical decisions throughout the RHNA process, including but not limited to the following: the RHNA methodology, the draft and final RHNA allocations, and appeals related to draft RHNA allocations. The decisions of the RHNA Subcommittee will serve as recommendations to SCAG's Community, Economic and Human Development (CEHD) Committee and the Regional Council, except that the RHNA Subcommittee will make the final decisions regarding all appeals of draft RHNA allocations.

Authority

Authorized by the Regional Council, the RHNA Subcommittee serves as a subcommittee of the CEHD Committee, and will be reporting to the CEHD Committee. All actions by the RHNA Subcommittee, except for actions pertaining to appeals of draft RHNA allocations, are subject to the review and approval of the CEHD Committee and the Regional Council. Recognizing the significant amount of work undertaken by the RHNA Subcommittee, the CEHD Committee and the Regional Council will rely on the policy judgments of the RHNA Subcommittee. The RHNA Subcommittee shall be dissolved as of the date in which the final RHNA allocation is adopted by the Regional Council.

Composition

The RHNA Subcommittee will consist of twelve (12) members of the Regional Council or the CEHD Committee to represent the six (6) counties of the SCAG region. Each county shall have a primary member and an alternate member to serve on the RHNA Subcommittee. The SCAG President will appoint the members of the RHNA Subcommittee and will select one of the members to serve as the Chair of the RHNA Subcommittee. Membership of the RHNA Subcommittee may also include as non-voting members serving as stakeholder representatives appointed by the SCAG President.

Meetings and Voting

The meetings of the RHNA Subcommittee will occur during the applicable period when SCAG is developing the RHNA. The RHNA Subcommittee shall have the authority to convene meetings as circumstances require. A meeting quorum shall be established when there is attendance by at least one representative (either a primary member or an alternate member) from each of the six (6) counties. Stakeholder representatives serving as non-voting members of the RHNA Subcommittee are not counted for purposes of establishing a meeting quorum.

All RHNA Subcommittee members are expected to attend each meeting, to the extent feasible. RHNA Subcommittee members may attend meetings by teleconference or video-conference. All meetings of the RHNA Subcommittee are subject to the Brown Act. The Chair of the RHNA Subcommittee shall preside over all meetings and the Subcommittee may select another

RHNA SUBCOMMITTEE CHARTER – 6th Cycle

Page 2 of 2

Subcommittee member to serve as the Vice-Chair in the Chair's absence. The RHNA Subcommittee will invite SCAG staff or others to attend meetings and provide pertinent information, as necessary. Meeting agendas will be prepared and provided in advance to RHNA Subcommittee members, along with appropriate briefing materials and reports, in accordance with the Brown Act. Minutes of each meeting will be prepared.

For purposes of voting, each county shall be entitled to one (1) vote to be cast by either the primary member or alternate member representing the respective county. In the event of a tie vote, the Chair of the Subcommittee may vote to break the tie except if the Chair of the Subcommittee has casted a vote as a Subcommittee member. In that exception, the Vice Chair of the Subcommittee may break the tie vote. In the case of an appeal submitted on behalf of a Subcommittee member's individual local jurisdiction, the Subcommittee member may elect not to participate in the discussion and vote by the RHNA Subcommittee regarding such appeal.

Responsibilities

The RHNA Subcommittee will carry out the following responsibilities:

- Review information useful to the development of the RHNA Plan;
- Review and make policy decisions related to the RHNA process including policies for the RHNA methodology, the RHNA methodology, and the draft and final RHNA allocations, and forward such decisions to the CEHD Committee for review and approval. In making its policy decisions, the RHNA Subcommittee should consider the integration of the RHNA with the Regional Transportation Plan/Sustainable Communities Strategy;
- Review and make decisions regarding guidelines for the RHNA process including guidelines related to subregional delegation, and forward such decisions to the CEHD Committee for review and approval; and
- Review and make the final decisions regarding appeals related to the jurisdiction's draft RHNA allocation. In this capacity, the RHNA Subcommittee shall be known as the "RHNA Appeals Board." These final decisions by the RHNA Appeals Board shall not reviewable by the CEHD Committee or by the Regional Council.



AGENDA ITEM 3

REPORT

Southern California Association of Governments

August 13, 2026

To: RHNA - Regional Housing Needs Assessment Subcommittee

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Ma Ayn Johnson, Department Manager
213-236-1975, johnson@scag.ca.gov

Kome Ajise

Subject: Overview of RHNA

RECOMMENDED ACTION:

Information Only - No Action Required

STRATEGIC PRIORITIES:

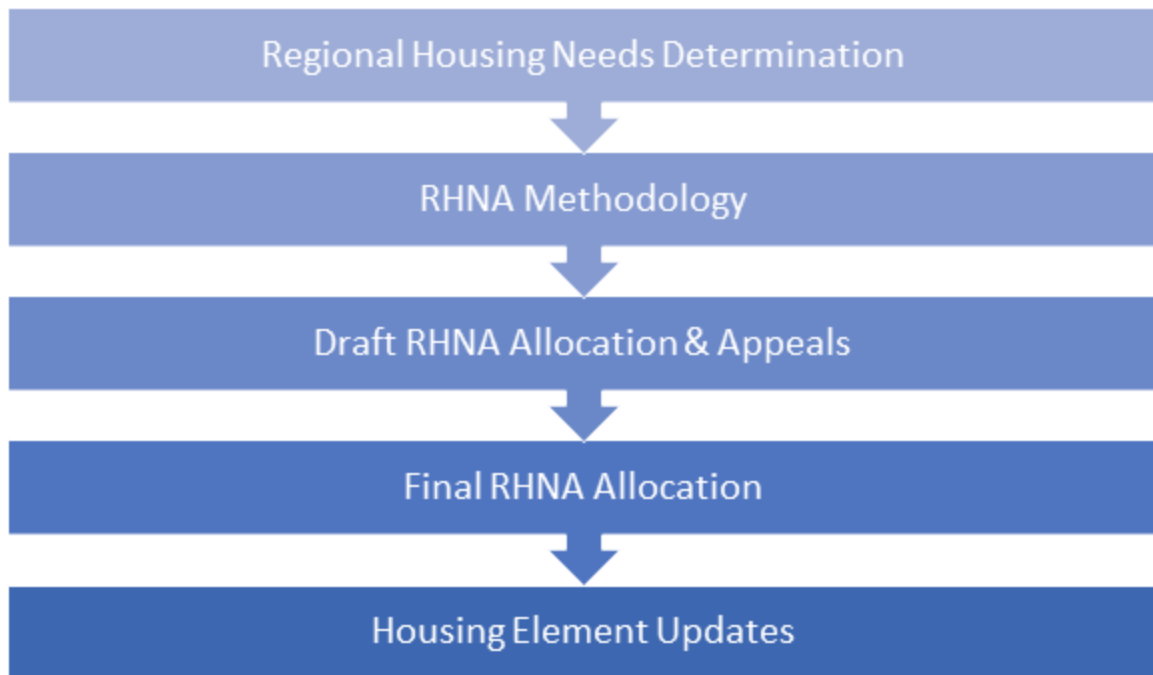
This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future.

EXECUTIVE SUMMARY:

State housing law requires that SCAG conduct the Regional Housing Needs Assessment (RHNA) process every 8 years. SCAG is initiating the 7th Cycle RHNA process by convening the RHNA Subcommittee to build a shared understanding of RHNA law, the role of the RHNA Subcommittee, and the overall timeline for 7th Cycle. Staff will provide an overview of the RHNA process, clarify the responsibilities of the California Department of Housing and Community Development (HCD) and SCAG, and identify opportunities for the RHNA Subcommittee, local jurisdictions, and the public to participate in the process and influence the development of the RHNA methodology.

BACKGROUND:

The Regional Housing Needs Assessment (RHNA) is a state-mandated planning process authorized under California Government Code Section 65584. The RHNA process occurs in eight-year planning cycles and is intended to ensure that local governments plan for adequate housing to meet current and future demand at all income levels. Cities and counties are responsible for planning for their assigned housing need through their Housing Element.



At the start of each RHNA cycle, the California Department of Housing and Community Development (HCD) issues a Regional Housing Needs Determination (RHND) to each Council of Government (COG). In making the regional determination, HCD consults with the relevant COG and the California Department of Finance (DOF) and considers a range of factors set forth in statute, including population projections, household growth, vacancy rates, overcrowding, housing cost burden, and the relationship between jobs and housing. HCD is responsible for determining the total housing need for the region, while the COG is responsible for developing and adopting a methodology to allocate that regional need among individual jurisdictions.

For the current 6th RHNA cycle, covering the planning period from October 2021 through October 2029, HCD determined a total regional housing need of 1,341,827 units for the SCAG region. The RHND for the upcoming 7th RHNA cycle has not yet been issued and is expected to be provided to SCAG by HCD by October 2026.

Once the regional determination is received, SCAG develops an allocation methodology to distribute the housing need to cities and counties throughout the region. The methodology adopted by the COG can vary by cycle and differ from methodologies adopted by other COGs. Following approval of the final methodology, SCAG will release draft RHNA allocations to jurisdictions and begin the appeals process.

The appeals process begins after SCAG distributes the draft RHNA allocation to jurisdictions. Jurisdictions may file an appeal on the draft allocation of their own jurisdiction or on any other jurisdiction. HCD may also file an appeal on a draft allocation. Filed appeals will be reviewed and determined by the RHNA Subcommittee as part of a public hearing. Decisions made by the RHNA Subcommittee are considered final and are not subject to further action by the CEHD Committee and Regional Council. Per statute, any reductions granted from successful appeals must be reallocated back to the region to ensure that the final RHNA allocation by income levels are maintained for the region.

Changes from the appeals process and any associated reallocation of units will be folded into the final RHNA allocation. The final RHNA allocation will be ultimately adopted by the Regional Council and then transmitted to HCD for final approval. Jurisdictions will then be required to plan and zone for their assigned housing need through their Housing Elements for the 2029–2037 planning period.

Jurisdictions are required to update their Housing Element to accommodate their RHNA allocation through sites and zoning analysis and other programs. Jurisdictions are not directly penalized if the units are not built during the planning period, though they must ensure that the sites are available for development and ensure adequate sites to accommodate RHNA through the end of the planning period.

The final RHNA allocation is anticipated to be adopted in April 2028 by the SCAG Regional Council. Housing elements for jurisdictions in Riverside, Orange, San Bernardino, and Ventura Counties are due in October 2029. Due to recent legislation, Housing Elements for jurisdictions in Los Angeles and Imperial Counties are due in April 2030.

Concurrent to SCAG’s RHNA process, Government Code 65584.03 allows for two or more jurisdictions (two or more cities or unincorporated counties or any combination of them) that are geographically contiguous to form a subregional entity for RHNA purposes, also known as subregional delegation. The “subregion” would be assigned a share of SCAG’s regional housing need determination. It then develops its own methodology, subject to HCD approval, and conducts its own appeals process. Its final RHNA allocations for the subregion are then folded back into SCAG’s final RHNA allocation. Subregional delegation is subject to the same requirements of RHNA statute as the COG, including furthering statutory objectives and HCD review and approval of the methodology. SCAG staff will provide more information about subregional delegation at an upcoming RHNA Subcommittee meeting.

Legal Framework and Statutory Requirements

Legal Framework: What State Law Requires

California Government Code Section 65584 establishes the legal framework for the RHNA process. The statute assigns responsibility to HCD to determine each region's housing need, and requires COGs to develop a methodology for allocating that need to local jurisdictions. The RHNA methodology and resulting allocation plan must be developed in a manner that is consistent with state law and that advances all five of the following statutory objectives:

1. *Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low-income households. The regional housing needs allocation plan shall allocate units for extremely low and acutely low-income households in a manner that is roughly proportional to, and within a range of 3 percent of, the housing need for very low-income households.*
2. *Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.*
3. *Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.*
4. *Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.*
5. *Affirmatively furthering fair housing.*

Required Methodology Factors

State law does not provide SCAG with unlimited discretion to develop a RHNA methodology. It requires COGs to develop the methodology in consultation with HCD and consider factors in Government Code Section 65584.04(e) such as jobs-housing relationships, projected household and employment growth, access to transit and existing transportation infrastructure, availability of land suitable for residential development, infill and increased-density opportunities, infrastructure constraints, environmental and agricultural resource constraints, climate-related risks, fair housing, and access to opportunity where sufficient data is available.

State law also restricts considering several factors as a basis for reducing a jurisdiction's RHNA allocation. These include local ordinances or standards that limit the number of residential building permits issued, underproduction of housing from previous RHNA cycles, and stable population numbers. The methodology must further the statutory RHNA objectives and be applied uniformly across the region. After developing a proposed methodology with the RHNA Subcommittee and conducting a public comment process, SCAG will develop a draft methodology and submit it to HCD

for review. After HCD's review and SCAG revising the draft methodology with any necessary revisions to receive HCD's approval, the final methodology will be considered through SCAG's committee process, including review and approval by the RHNA Subcommittee, CEHD Committee, and Regional Council.

Additional information regarding the RHNA methodology process and allocation factors is included in the "RHNA Methodology" item later in the Subcommittee's August 13, 2026 agenda packet.

Statutory Changes for the 7th Cycle

Since adoption of the 6th Cycle RHNA allocation plan, the Legislature has enacted several statutory changes that will affect the development of the 7th Cycle RHNA process. These changes influence the RHND, RHNA methodology, and overall timeline:

- **Earlier RHND** - HCD is now required to determine a region's housing need three years prior to the statutory housing element deadline, rather than two years prior as required in previous cycles (AB 1275).
- **Homelessness** - State law now requires HCD to consider the housing needs of individuals and families experiencing homelessness when determining the RHND. SCAG is required to provide this information on homelessness to inform HCD's determination (AB 3093).
- **Cost Burdened and Overcrowded Households** – HCD will now compare the percentage of cost burdened and overcrowded households to national rates, rather than to comparable regional housing markets, when determining the RHND (AB 130).
- **New Income Categories** – RHNDs, RHNA allocations, and housing elements must include separate categories for acutely low-income and extremely low-income households. As a result, jurisdictions will now plan for six income categories rather than the traditional four categories used in prior RHNA cycles (AB 3093).
- **Student Housing** - Recent legislation requires consideration of enrollment growth at University of California (UC) and California State University (CSU) campuses as part of both the RHND and RHNA processes (SB 486).
- **Climate Factors** – State law requires SCAG to consider including climate-related factors, such as wildfire risk, evacuation constraints, and sea-level rise, when developing the RHNA methodology (AB 1445).
- **Sustainable Communities Strategy** - Whereas prior law required RHNA allocations to be consistent with the development pattern in the Sustainable Communities Strategy (SCS), the 7th Cycle only requires that the RHNA plan is informed by the SCS (AB 1275).
- **Subregional Allocation** - Changes to state law require that subregions receive a share of the regional housing need that is proportional to their share of the adopted RHNA plan from the previous cycle (AB 1275).

- **Expanded HCD Oversight** – If HCD determines that SCAG’s proposed methodology fails to further RHNA objectives, SCAG must revise its methodology in consultation with HCD before proceeding (AB 1275).
- **Streamlined RHNA Timelines** - HCD's review period for an adopted RHNA methodology has been reduced from 90 days to 45 days, and its review period for the final RHNA allocation plan has been reduced from 30 days to 15 days. Additionally, the timeframe for jurisdictions to file RHNA appeals has been reduced from 45 days to 30 days, and the public notice period for RHNA appeal hearings has been reduced from 21 days to 10 days (SB 7).

Roles and Responsibilities

HCD

HCD is responsible for determining the total regional housing need that must be accommodated during each RHNA planning cycle. In developing the RHND, HCD consults with SCAG and DOF and evaluates demographic and housing data. HCD also reviews the proposed RHNA methodology developed by SCAG to ensure that it is consistent with statutory requirements and furthers all five statutory objectives. Once SCAG adopts a final RHNA Allocation Plan, HCD oversees local Housing Element compliance and reviews jurisdictions' Housing Element updates.

SCAG

SCAG is responsible for allocating the region's housing need among its member jurisdictions. Following receipt of the RHND, SCAG develops a RHNA methodology in consultation with HCD and in accordance with state law, including obtaining HCD approval of the methodology. The methodology must further the statutory RHNA objectives and consider the methodology factors identified in Government Code Section 65584.04. SCAG conducts public outreach, solicits input from jurisdictions and stakeholders, develops a draft allocation plan, administers the appeals process, and ultimately adopts the final RHNA Allocation Plan for the region.

RHNA Subcommittee

The RHNA Subcommittee will play a key role in SCAG’s RHNA process by providing policy guidance, reviewing key materials, supporting robust and transparent public discussions, and shaping recommendations to SCAG’s CEHD Committee and Regional Council. Its primary responsibilities will include developing the proposed RHNA methodology, overseeing the release of the draft and proposed final RHNA allocations, and hearing appeals related to draft RHNA allocations. The Subcommittee may not modify HCD's RHND or override statutory requirements governing the RHNA process. Decisions made by the RHNA Subcommittee will serve as recommendations to SCAG’s CEHD Committee and Regional Council, except the RHNA Subcommittee will make the final decisions regarding all appeals of draft RHNA allocations.

As SCAG begins the 7th Cycle RHNA process, the first RHNA Subcommittee meeting will provide a RHNA 101 overview to help establish a shared understanding of statutory requirements, roles and responsibilities, and the major steps in the process. This discussion is intended to address common questions and misconceptions about what RHNA is, the roles of HCD and SCAG, how the regional determination and allocation methodology are developed, which formulas and statutory requirements guide the process, and what discretion SCAG has within state law. This will also help clarify what SCAG can and cannot consider in developing a methodology that applies uniformly across the region, including how potential factors, data sources, statutory objectives, and regional policy considerations may be evaluated.

Local Jurisdictions

Local jurisdictions influence the RHNA process by participating in surveys to develop the proposed methodology and public comment opportunities. Jurisdictions also have the opportunity to review the proposed methodology and provide feedback during the public review process. Following release of the draft RHNA Allocation Plan, local jurisdictions may file appeals consistent with the procedures established in state law. Once SCAG adopts a final RHNA Allocation Plan, each jurisdiction is responsible for updating its Housing Element to accommodate its assigned share of the region's housing need across all income levels during the planning period.

What SCAG Can Influence vs. What SCAG Must Follow

SCAG is responsible for developing a RHNA methodology that distributes the region's housing need among local jurisdictions. In carrying out this responsibility, SCAG must comply with state housing law by advancing the statutory RHNA objectives, utilizing the final RHND, following required public participation and appeals procedures, and addressing HCD comments on the proposed methodology. SCAG can appeal to reduce the RHND, but HCD has the responsibility of making the final determination. SCAG cannot disregard statutory requirements, or adopt a methodology that is contrary to state law or applied inconsistently across the region.

Within these requirements, however, SCAG has discretion in how it designs the RHNA methodology. This includes selecting and applying data sources, determining the weighting of methodology factors, incorporating public and local jurisdiction feedback, and deciding how statutory objectives are reflected in the allocation approach. SCAG may also help inform the RHND through consultation with HCD before the regional determination is finalized.

RHNA Timeline:

The major milestones of the 7th RHNA schedule are outlined below. Actual dates are subject to change, and staff will keep the RHNA Subcommittee and the public informed as additional information becomes available.

Date	Milestone
August 2026	RHNA Subcommittee Kickoff Meeting/Consultations with HCD
October 2026	Deadline for HCD to issue the RHND
September 2026 - March 2027	Development of Proposed RHNA allocation Methodology
Early Spring 2027	RHNA Methodology Hearings and Public Comment Period
July 2027	Send Draft RHNA Methodology to HCD
October 2027	Release of Draft RHNA Allocation Plan
Early Winter 2028	RHNA Appeals Hearings
April 2028	Adoption of Final RHNA Allocation Plan

Next Steps

Following the kickoff meeting, staff will continue to brief the RHNA Subcommittee on statutory requirements, the regional determination process, data inputs, and potential methodology considerations. After HCD issues SCAG's Regional Housing Needs Determination, staff will begin development of the proposed RHNA methodology, including opportunities for Subcommittee discussion, public input, and coordination with HCD.

FISCAL IMPACT:

Work associated with this item is included in the FY27 General Fund (800.0160.03): Regional Housing Needs Assessment (RHNA).

ATTACHMENT(S):

1. PowerPoint Presentation - RHNA Subcommittee Overview of RHNA

Overview of RHNA

August 13, 2026

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1

What is RHNA?

- State-mandated planning process to determine the existing and projected housing need in California
- Occurs in eight-year planning cycles and allocates housing need across income categories
- Not a building quota – RHNA requires jurisdictions to plan for new housing capacity through updates to Housing Elements

RHNA Objectives



- 1 To increase the housing supply and mix of housing types, tenure and affordability within each region in an equitable manner
- 2 Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns
- 3 Promoting an improved intraregional relationship between jobs and housing
- 4 Allocating a lower proportion of housing need in income categories in jurisdictions that have a disproportionately high share in comparison to the county distribution
- 5 Affirmatively furthering fair housing (AFFH)

RHNA Process



What's New For 7th Cycle?

Topic	Change
RHND start	HCD consultation and determination are now 12 months earlier
Income Categories	Increase from 4 to 6 categories
Homelessness	Now included in RHND and methodology considerations
HCD methodology review	COG must obtain HCD approval of methodology
RHND and Methodology factors	Additional considerations include factors related to climate impacts, student housing, and cost-burdened and overcrowded households

Regional Determination

HCD provides a regional determination in consultation with SCAG and the Department of Finance

4th Cycle
Regional
Determination
(2006-2014)

699,368

5th Cycle
Regional
Determination
(2013-2021)

412,137

6th Cycle
Regional
Determination
(2021-2029)

1,341,827

7th Cycle
Regional
Determination
(2029-2037)

TBD

Methodology

- Allocates a portion of the RHND to each jurisdiction and can vary by cycle and COG
- Must consider a number of factors at the regional level
- Public comment period including public hearing(s)
- Draft must be reviewed and approved by HCD prior to adoption by SCAG

Draft Allocation/Appeals

- Draft allocation is distributed after methodology applied to RHND
- Jurisdictions and HCD may appeal a draft allocation
- Limited bases for appeals

Draft Allocation/Appeals

- All appeals are reviewed and determined by the RHNA Subcommittee at a public hearing
 - *RHNA Subcommittee is final hearing body for appeals*
- Reduction from successful appeals must be reallocated back to the region

Final Allocation and Housing Elements

- Final RHNA allocation adopted by Regional Council after conclusion of appeals process
- Must be approved by HCD after adoption
- Jurisdictions must update housing elements by October 2029
 - Los Angeles County and Imperial County jurisdiction due date April 2030

RHNA Responsibilities



HCD

Determines regional housing need in SCAG region



SCAG

Develops methodology to allocate housing need and considers appeals



Local Jurisdictions

Plan for new housing through Housing Element updates

Role of the RHNA Subcommittee



Develop a RHNA methodology

- Release of proposed methodology



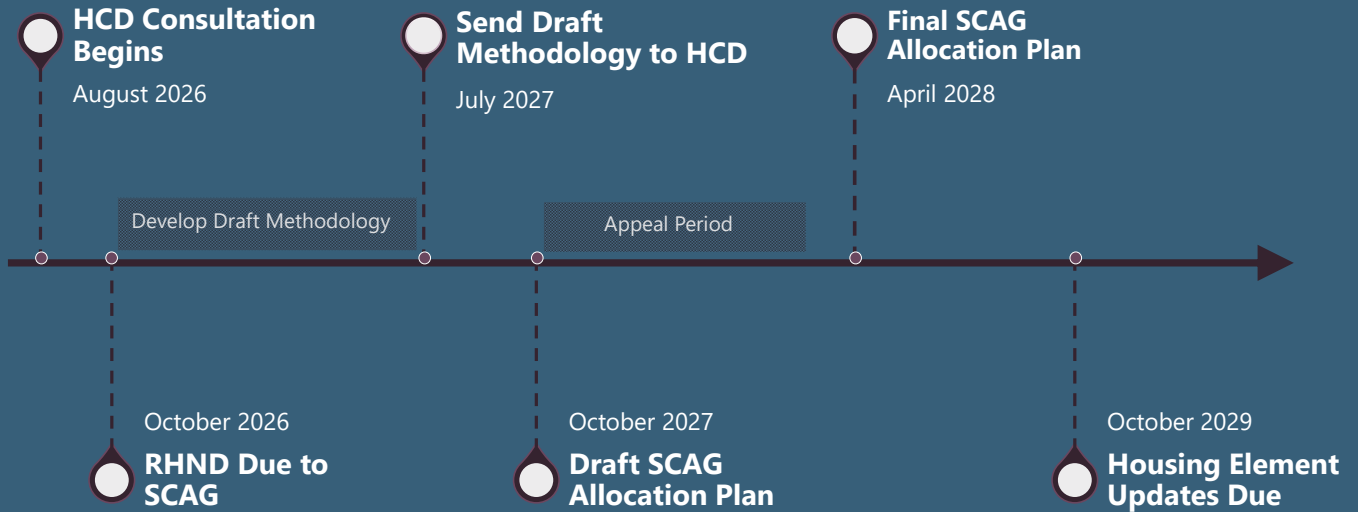
Make recommendations to CEHD Committee and Regional Council

- Draft methodology
- Final methodology
- Proposed final RHNA allocation



Conduct hearings and make final decisions on RHNA appeals

RHNA Timeline



THANK YOU!

For more information, please visit:

<https://scag.ca.gov/housing>

To subscribe for updates, please visit:

<https://scag.ca.gov/subscribe-updates-0>



AGENDA ITEM 4

REPORT

Southern California Association of Governments

August 13, 2026

To: RHNA - Regional Housing Needs Assessment Subcommittee

From: Kevin Kane, Planning Supervisor (M and F)
213-236-1828, kane@scag.ca.gov

Subject: Regional Housing Needs Determination (RHND)—Primer and Conditions
in the SCAG Region

EXECUTIVE DIRECTOR'S
APPROVAL

Kevin Kane

RECOMMENDED ACTION:

Information Only – No Action Required

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future. 2: Be a cohesive and influential voice for the region. 3: Spur innovation and action through leadership in research, analysis and information sharing.

EXECUTIVE SUMMARY:

Government Code 65584.01 et seq. describes the process whereby the California Department of Housing and Community Development (HCD) is to determine, in consultation with SCAG, the existing and projected housing need for the region. This report will provide a primer on this process as well as share key growth projections and socioeconomic data in the SCAG region that are used as inputs to the Regional Housing Needs Determination (RHND).

At the time of this writing, HCD has reached out to schedule an initial RHND consultation kick-off meeting with SCAG technical staff. SCAG staff will update the RHNA Subcommittee as more information becomes available.

BACKGROUND:

The Regional Housing Needs Assessment (RHNA) is a process that determines the existing and projected housing need for each jurisdiction in California. This housing need, also known as the RHNA allocation, covers an 8-year period and requires each jurisdiction, defined as cities and unincorporated communities within counties, to plan for this need in their housing elements.

RHND Process

The first step, described in Government Code Section 65584.01 et seq., is for HCD to determine, in consultation with SCAG, the existing and projected housing need for the region.

RHND Basis: RTP Population Forecast

A foundational component of the RHND, which has remained unchanged for several housing element cycles, is described in 65584.01(a) and underscores that the basis of the RHND is a population projection.

Specifically, statute requires that SCAG’s regional population forecast used in preparing regional transportation plans (RTPs) “shall be the basis” of the RHND so long as the total regional population forecast for the projection year is within a range of 1.5 percent of the total regional population forecast for the projection year by the Department of Finance.

Comparison of total regional population projections for the SCAG Region

As of July 1:	2029	2037	2050
Preliminary Connect SoCal 2050 Projection	18,710,886	18,791,893	18,448,362
California Department of Finance. Demographic Research Unit. Report P-2A: Total Population Projections, California Counties, 2020-2070 (Baseline 2024 Population Projections; Vintage 2026 Release). Sacramento: California. March 2026.	18,685,365	18,783,009	18,501,727

Details of Connect SoCal 2050’s preliminary projections were shared with the CEHD committee in March 2026 and the Joint Policy Committee in April 2026. Per the above table, SCAG’s total regional population projection for the 7th cycle RHNA’s horizon year in 2037 is 0.05 percent above DOF’s most recent projection series and should be used.

Data, Assumptions, and Methodology

65584.01(b)(1)(A) through (I) describes a list of additional “data assumptions” that SCAG is to provide to HCD associated with the projections. This includes a wide range of factors directly used in the RTP forecast process (e.g. the rate of household formation), other factors that are explicitly delineated elsewhere (e.g. that the term “overcrowded” means more than one resident per room in each room in a dwelling), and further factors that are much less clearly defined (e.g. “other characteristics of the composition of the projected population”).

By the end of August 2026, HCD shall meet and consult with SCAG regarding the assumptions and methodology they will use to determine the region’s housing needs. Statutory language provides substantial leeway in how the consultation is to take place, reflecting the wide range of size and complexity across the state’s regions. The only prescription is that HCD must detail their assumptions prior to issuing an RHND – a practice they have hewed to in past cycles using a fairly consistent format. Importantly, statute allows HCD to “accept or reject the information provided by SCAG or modify its own assumptions or methodology based on this information,” providing wide latitude to HCD so long

as it can ground its approach with data, a written explanation, and do so publicly upon formally issuing a region's RHND.

Statute does provide SCAG an opportunity to file an objection based either on the use of the correct population projection as basis, or if HCD's RHND is "not a reasonable application of the methodology and assumptions" described in statute. HCD is required to review the objection and respond in writing. Statute does not outline any other process to appeal HCD's decision once they make a final determination to the RHND. At this point in the process, the RHND is considered final and unappealable.

Expansion of Existing Need in the RHND

In RTP/SCS cycles prior to 2020, SCAG produced what was called an integrated forecast with household growth totals matching the RHNA housing unit allocations. However, state legislative changes beginning in 2017 changed the relationship between long-range forecasts and the housing planning requirement in RHNA. In particular SB 828 (Weiner, 2018) changed 65584.01(b) to explicitly include measures of household overcrowding, cost burden, and healthy market vacancy rates to capture units required to address "existing need" that is above and beyond the units needed to accommodate population growth.

In the 5th cycle and prior RHNDs, HCD already had wide latitude in its "data, assumptions, and methodology" to make upward adjustments. RHNAs dating back to the 1980s included statutory references to "existing need," and 65584.01(b)(1)(F) allowed HCD to consider "other characteristics of the composition of the projected population." However, HCD made no such large-scale methodological changes until the 6th cycle RHND, the result of which was a housing planning target that far exceeded the RTP projections, which SCAG is required to develop in a manner that is also compliant with the US Clean Air Act.^[1]

^[1] A principal requirement of the RTP is that the U.S. Environmental Protection Agency's Transportation Conformity Regulations are complied with at the regional level. Specifically, the Clean Air Act section 176(c)(1)(B)(iii) states: "[t]he determination of conformity shall be based on the most recent estimates of emissions and such emissions shall be determined from the most recent population, employment, travel, and congestion estimates as determined by the MPO or other agency authorized to make such estimates."

Table showing the percent of the total RHND based on major components (SCAG interpretation of HCD's RHND methodology)

Component	5th Cycle RHND	6th Cycle RHND	7 th Cycle RHND
Anticipated household growth associated with projected population increases	97%	35%	?
Vacancy rates	3%	13%	?
Household overcrowding	0%	34%	?
Housing cost burden	0%	9%	?

Additional RHND Insights from HCD's Housing Future 2040 Report

Pursuant to AB 101 (2019) and following a 2022 state auditor's report, in April 2024 HCD published a postmortem report following the 6th cycle of RHNA titled *California's Housing Future 2040: The Next RHNA* (<https://www.hcd.ca.gov/rhna/ca-housing-future>). Portions of this report have previously been reported to CEHD committee and SCAG staff were, at various points, consulted by HCD regarding specific data or methodological points.

While the report does not examine the SCAG region in detail, it makes numerous findings and recommendations related to the RHND, some of which have been enacted through subsequent legislation, and others which are anticipated to be included in HCD's RHND "methodology and assumptions" as consistently as possible across the entire state.

Several additional adjustment factors, rooted in 65584.01(b) data elements, are likely to be considered by HCD in their "methodology and assumptions," including:

- Student housing
- Seasonal housing
- Homelessness
- Inter-regional jobs-housing balance
- State of emergency

Other components of HCD's "methodology and assumptions" are anticipated to change in advance of the 7th cycle RHNDs. Legislative changes have changed the basis of cost burden and overcrowding

measures from “comparable regions” to a national average. This partially clarifies the state’s policy objective regarding existing housing need. During the 6th cycle, HCD accepted some COGs use of comparable regions, but in other cases such as SCAG’s, elected to use national averages instead. These two (generally large) adjustments rely on Census/ACS data – households experiencing *both* these conditions can now be identified and removed from the RHND in order to avoid double-counting.

Additionally, AB 1275 (2025) required HCD to provide its RHND 38 months prior to the housing element deadline rather than 26 months prior, allowing for an additional year for the subsequent steps of SCAG’s 7th cycle RHNA including methodology development, appeals, and housing elements.

Conclusion

HCD is required to reach out to SCAG before the end of August to begin the RHND consultation process in earnest. Staff’s objective during the consultation process will be to recognize that while HCD ultimately retains statutory authority to issue an RHND, the process is a meaningful opportunity for data sharing, knowledge transfer, and a starting point for collaboration during the 7th RHNA cycle. As such, and as representatives of nearly half the state’s population and housing, SCAG can assume a technical leadership role as the state establishes the 7th cycle RHND process while also sharing what is distinct about our region with HCD.

At the time of this writing, HCD has reached out to schedule an initial RHND consultation kick-off meeting with SCAG technical staff. SCAG staff will update the RHNA Subcommittee as more information becomes available.

FISCAL IMPACT:

Work for this item is covered under OWP item 055-4856-01 Regional Growth and Policy Analysis.

ATTACHMENT(S):

1. PowerPoint Presentation – RHND
2. Complete RHND Statute – Government Code 65584.01

7th Cycle Regional Housing Needs Determination (RHND)

Primer and conditions in the SCAG region

Kevin Kane, PhD

Program Manager, Demographics and Growth Vision

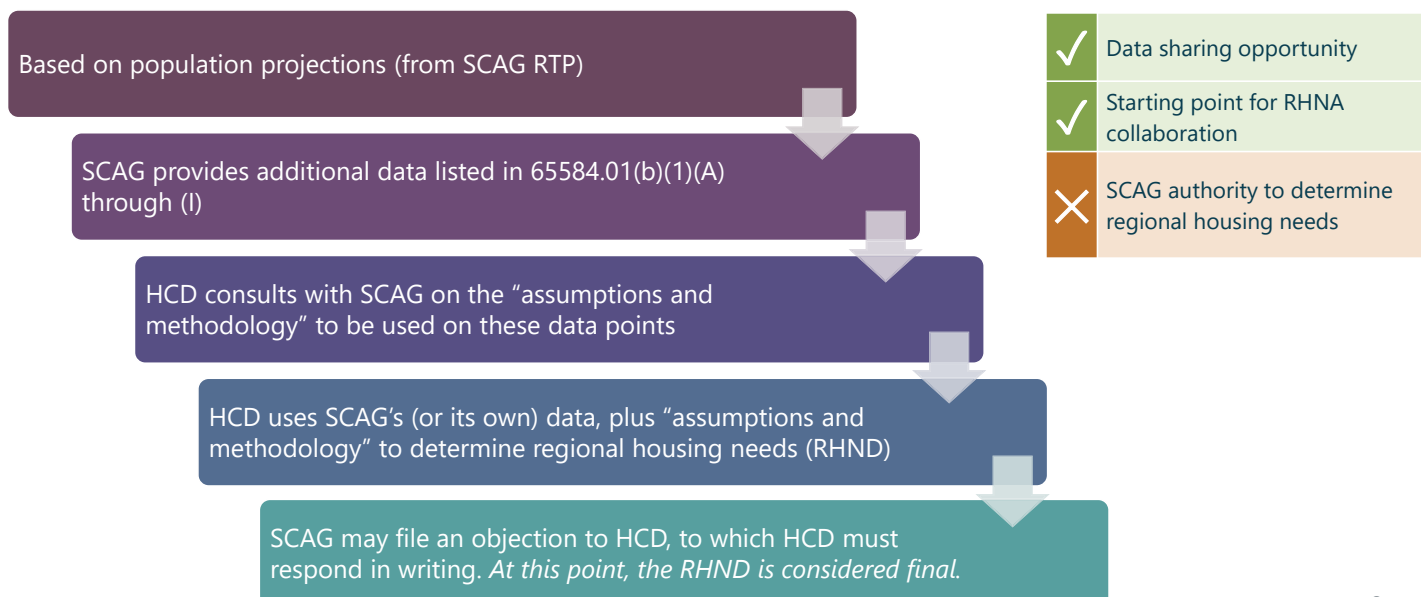
August 2026

RHNA Subcommittee

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RHND process in a nutshell

"... the department, in consultation with each council of governments, where applicable, shall determine the existing and projected need for housing in each region in the following manner:" GC 65584.01





GROWTH FORECASTING AND THE RHND

Conventional foundations

Conventional foundation of the RHND

*"Anticipated house**hold** growth associated with projected population increases" GC 65584.01(b)(1)(A)(i)*

Age group	ILLUSTRATION of population growth, 2029-2037		2037 household formation rate		ILLUSTRATION of household growth
Under 15	-475,000	x	0%	=	0
15 to 24	-174,000	x	6%	=	-10,000
25 to 34	164,000	x	33%	=	54,000
35 to 44	-352,000	x	51%	=	-180,000
45 to 54	214,000	x	55%	=	118,000
55 to 64	10,000	x	53%	=	5,000
65+	658,000	x	54%	=	353,000
TOTAL	45,000				340,000

*"... the population forecast developed by the COG shall be the basis from which HCD determines the existing and projected need for housing in the region" GC 65584.01(a)**

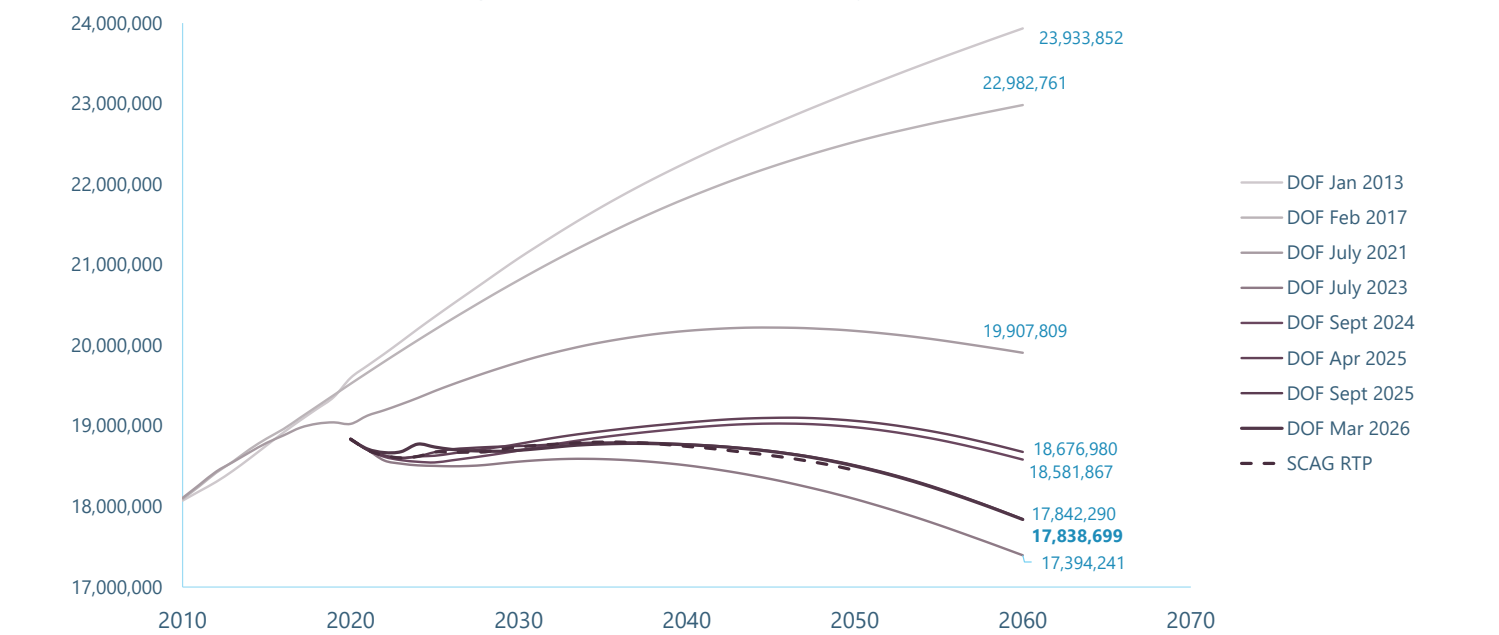
SCAG staff assessment of prior cycles' RHNDs

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
97% of total	35% of total	?

* Conditional upon SCAG's projection being within 1.5 percent of the state Department of Finance projection, as further detailed in statute. Currently, this criteria appears to be met.

Expectation for population growth has consistently slowed

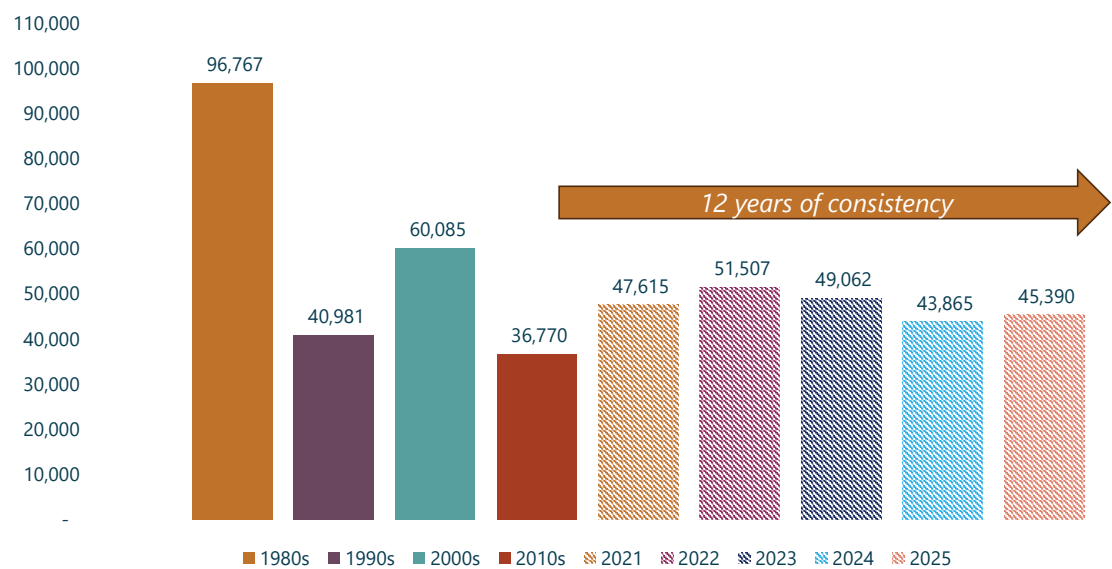
SCAG region total population projection, 2013-2026



Source: State of California, Department of Finance, P-3 Projections, collected by SCAG from 2013 through Vintage 2026, plus SCAG Connect SoCal 2050 Preliminary Projections, released March 2026.

Comparing recent housing production to prior decades

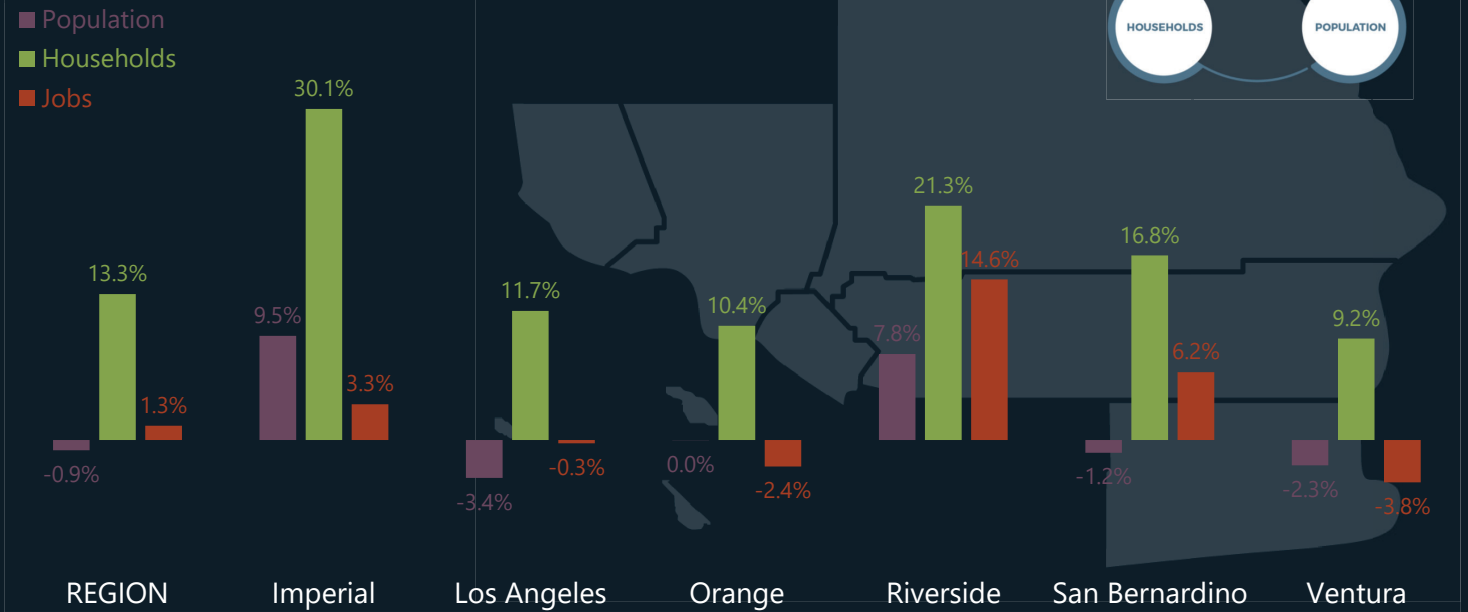
New housing units from permits, SCAG Region



Source: CIRB New Units from permits to 2020; Census Building Permit Survey (BPS) 2021-Present

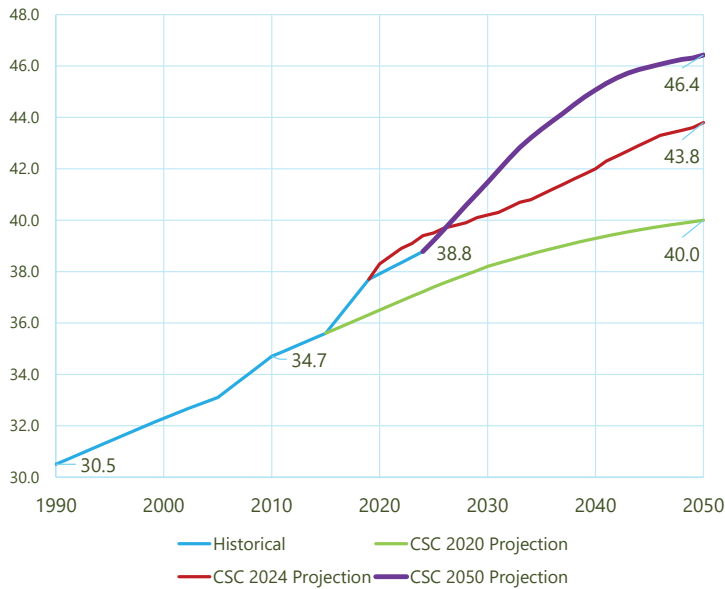
Preliminary Connect SoCal 2050 County Projections

Percent Change 2024-2050

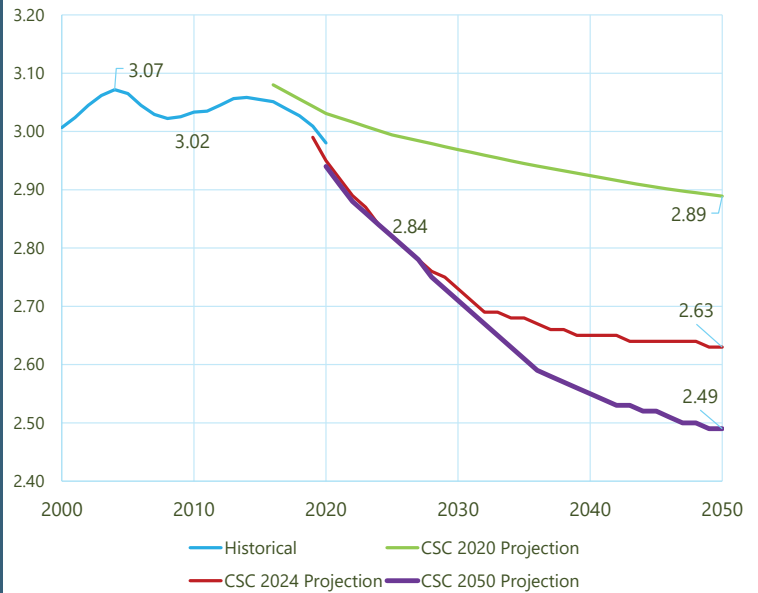


Some implications of forecast updates

SCAG Region Median Age



SCAG Region Average Household Size



Notes: Historical values interpolated from 5-year intervals. CSC ("Connect SoCal") 2020 refers to SCAG's 2020 Regional Transportation Plan/Sustainable Communities Strategy adopted in May-September 2020. CSC 2024 refers to SCAG's 2024 RTP/SCS adopted in April 2024. CSC 2050 refers to SCAG's in-development RTP/SCS scheduled for adoption in Spring 2028.

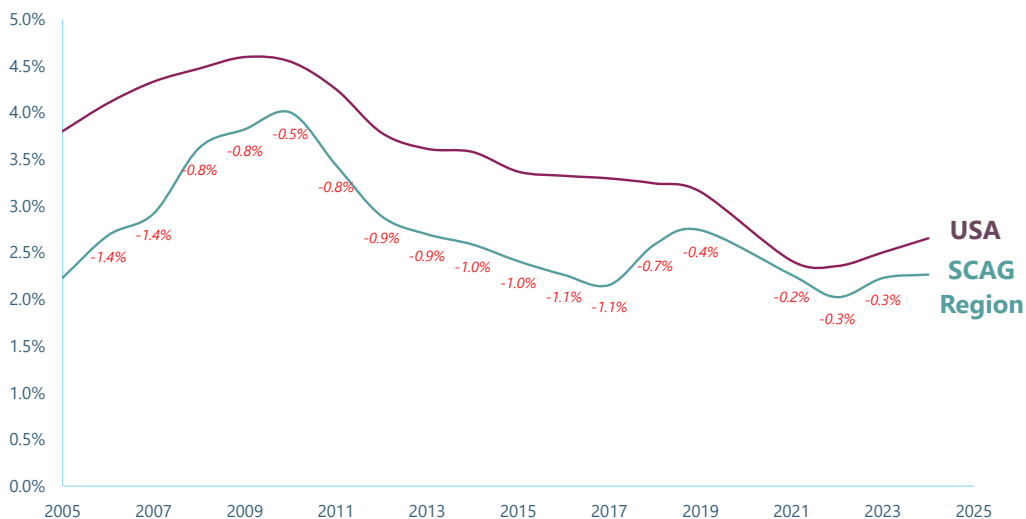


6TH CYCLE RHND & EXPANSION OF EXISTING NEED

New laws, new state practices

Healthy market vacancy

Total Vacancy Rate: SCAG versus USA (difference)

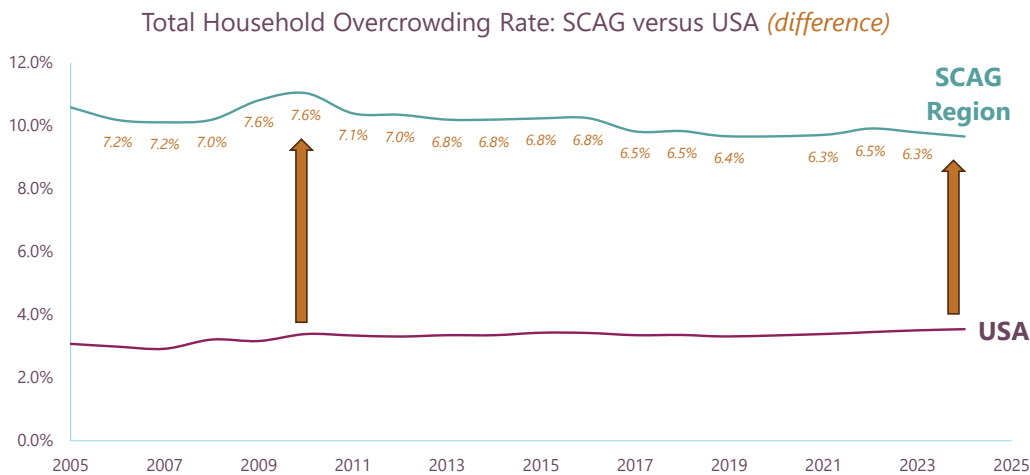


- HCD standard for renter market: 7 percent (*statutory minimum of 5 percent*)
 - HCD standard for owner market: 2 percent
 - Ensure existing housing stock rises to this level, plus
- Increase household growth to ensure enough future vacancy

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
3%	13%	?

Data Source: For rent and for sale vacancy, US Census American Community Survey 1-Year Estimates, 2005-2024.

Household overcrowding



- Percent of households with more than 1.0 occupants per room
- SCAG region greatly exceeds US; gap narrowing
- Statutory data point, “versus national average”
- Indicates state goal to plan for enough units to reach the national average
 - i.e., add ~6 percent to the region’s housing stock

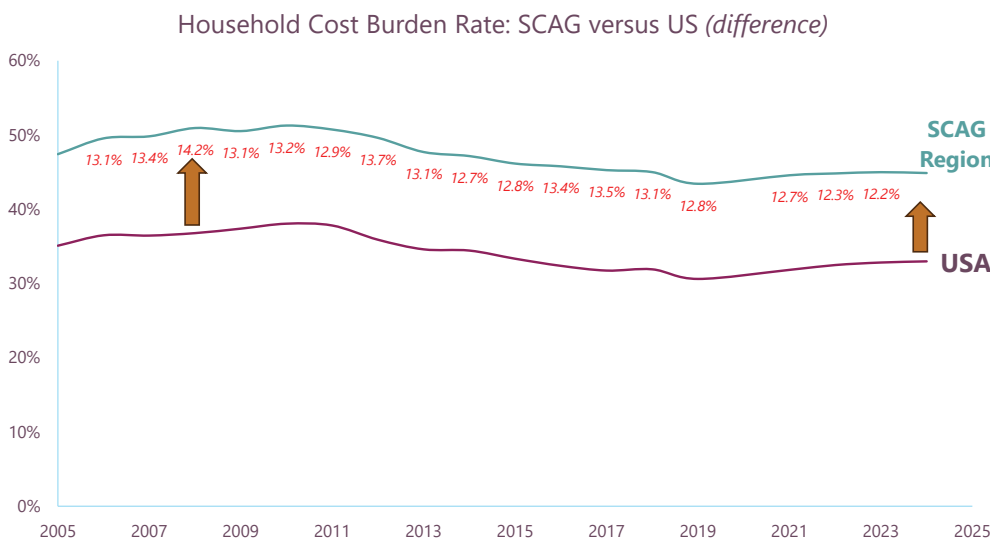
Data Source: Pursuant to Government Code section 65584.01(b)(1)(C), HCD uses ACS data to consider the percentage of households that are overcrowded in the region compared to the United States national average of households that are overcrowded..

We use 1-year ACS with the exception of 5-year ACS in some instances where Imperial County data are unavailable due to small sample sizes.

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	34%	?

11

Housing Cost Burden



- Statute allows HCD to consider conventional cost burden threshold
 - Based on 30 percent of gross income on housing cost
- Statutory data point compares this “versus national average”
- State goal appears to suggest increased quantity supplied will (directly) reduce housing cost
- Has been applied in various ways in prior cycles & other regions stock

Data Source: Pursuant to Government Code section 65584.01(b)(1)(H), HCD uses ACS data to consider the percentage of households that are cost burdened in the region compared to the United States national average of households that are cost burdened.

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	9%	?

12



7TH CYCLE – ANTICIPATED ADDITIONS

HCD report plus information received to date

- Student housing
- Seasonal housing
- Homelessness
- Inter-regional jobs-housing balance
- Units lost in a state of emergency



Summary and Key Considerations

Regional Housing Needs Determination -- Likely Components	Typical Data Source(s)
Household Growth:	SCAG (preliminary Connect SoCal 2050) and DOF (vintage 2026) population projections; SCAG/DOF household formation rate assumptions
due to population change	
attributable to aging/unbundling/formation rates	DOF and/or SCAG survey
Adjustment related to replacement need	
Vacancy	Census/ACS + threshold for healthy markets (renter minimum in statute)
correct for unhealthy existing vacancy level	
adjust new household need for healthy market vacancy	Census/ACS
Overcrowded households (compared to US)	
less overcrowded households double-counted w/cost-burdened households	Census/ACS
Adjustment related to regional & national cost-burden data	
Projected growth in apartment-style student housing	DOF, SCAG, Other
Adjustment related to seasonal housing (% of new units; estimate based on prior period)	Census/ACS
Adjustment related to homelessness data	County point-in-time counts, Other
Adjustment related to inter-regional jobs-housing balance	Census LEHD LODES
Adjustment related to units lost in prior period state of emergency	CalOES DINS

There are many “assumptions and methodologies” that can be applied to the same data point but show different housing needs.

Some adjustments are clearly distinct. Others can be shown to be counting the same households (more than once).

Some adjustments directly count housing need. Others’ relationship to supply is less clear.

Red indicates new element anticipated for 7th cycle RHND



THANK YOU!

For more information, please visit:

<https://scag.ca.gov/housing>

Kevin Kane, PhD

Program Manager, Demographics and Growth Vision

kane@scag.ca.gov

State of California

GOVERNMENT CODE

Section 65584.01

65584.01. For the fourth and subsequent revision of the housing element pursuant to Section 65588, the department, in consultation with each council of governments, where applicable, shall determine the existing and projected need for housing for each region in the following manner:

(a) The department's determination shall be based upon population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans, in consultation with each council of governments. If the total regional population forecast for the projection year, developed by the council of governments and used for the preparation of the regional transportation plan, is within a range of 1.5 percent of the total regional population forecast for the projection year by the Department of Finance, then the population forecast developed by the council of governments shall be the basis from which the department determines the existing and projected need for housing in the region. If the difference between the total population projected by the council of governments and the total population projected for the region by the Department of Finance is greater than 1.5 percent, then the department and the council of governments shall meet to discuss variances in methodology used for population projections and seek agreement on a population projection for the region to be used as a basis for determining the existing and projected housing need for the region. If agreement is not reached, then the population projection for the region shall be the population projection for the region prepared by the Department of Finance as may be modified by the department as a result of discussions with the council of governments.

(b) (1) Subject to the applicable deadline specified in paragraph (2), and prior to developing the existing and projected housing need for a region, the department shall meet and consult with the council of governments regarding the assumptions and methodology to be used by the department to determine the region's housing needs. The council of governments shall provide data assumptions from the council's projections, including, if available, the following data for the region:

(A) (i) Anticipated household growth associated with projected population increases.

(ii) The Department of Finance shall consider changes in enrollment levels at campuses of the University of California or the California State University in the region, as forecasted by the University of California and the California State University pursuant to paragraph (9) of subdivision (e) of Section 65584.04, when preparing the anticipated household growth associated with projected population increases.

(B) Household size data and trends in household size.

(C) The percentage of households that are overcrowded within the region and the percentage of households that are overcrowded throughout the nation. For purposes of this subparagraph, the term “overcrowded” means more than one resident per room in each room in a dwelling.

(D) The rate of household formation, or headship rates, based on age, gender, ethnicity, or other established demographic measures.

(E) The vacancy rates in existing housing stock, and the vacancy rates for healthy housing market functioning and regional mobility, as well as housing replacement needs. For purposes of this subparagraph, the vacancy rate for a healthy rental housing market shall be considered no less than 5 percent.

(F) Other characteristics of the composition of the projected population.

(G) The relationship between jobs and housing, including any imbalance between jobs and housing.

(H) The percentage of households that are cost burdened within the region and the percentage of households that are cost burdened throughout the nation. For the purposes of this subparagraph, the term “cost burdened” means the share of very low, low-, moderate-, and above moderate-income households that are paying more than 30 percent of household income on housing costs.

(I) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the data request.

(J) The housing needs of individuals and families experiencing homelessness.

(i) The data used by the council of governments shall align with homelessness data best practices as determined by the department.

(ii) Sources of homelessness data may include the Homeless Data Integration System administered by the Interagency Council on Homelessness, the homeless point-in-time count, or other sources deemed appropriate by the department.

(2) The deadline for the department to meet and consult with each council of governments pursuant to paragraph (1) shall be as follows:

(A) For the fourth, fifth, and sixth revisions of the housing element, at least 26 months prior to the scheduled revision pursuant to Section 65588.

(B) For the seventh revision of the housing element, the applicable of the following:

(i) With respect to the following councils of governments, at least 26 months prior to the scheduled revision pursuant to Section 65588:

(I) The Humboldt County Association of Governments.

(II) The Lake Area Planning Council.

(III) The Mendocino Council of Governments.

(IV) The County of Nevada.

(ii) With respect to the following councils of governments, at least 34 months prior to the scheduled revision pursuant to Section 65588:

(I) The San Luis Obispo Council of Governments.

(II) The Sacramento Area Council of Governments.

(iii) With respect to all councils of governments other than those specified in clauses (i) and (ii), at least 38 months prior to the scheduled revision pursuant to Section 65588.

(C) For the eighth and subsequent revisions of the housing element, at least 38 months prior to the scheduled revision pursuant to Section 65588.

(3) The department may accept or reject the information provided by the council of governments or modify its own assumptions or methodology based on this information. After consultation with the council of governments, the department shall make determinations in writing on the assumptions for each of the factors listed in subparagraphs (A) to (I), inclusive, of paragraph (1) and the methodology it shall use and shall provide these determinations to the council of governments. The methodology submitted by the department may make adjustments based on the region's total projected households, which includes existing households as well as projected households.

(c) (1) After consultation with the council of governments, the department shall make a determination of the region's existing and projected housing need based upon the assumptions and methodology determined pursuant to subdivision (b). The region's existing and projected housing need shall reflect the achievement of a feasible balance between jobs and housing within the region using the regional employment projections in the applicable regional transportation plan. Within 30 days following notice of the determination from the department, the council of governments may file an objection to the department's determination of the region's existing and projected housing need with the department.

(2) The objection shall be based on and substantiate either of the following:

(A) The department failed to base its determination on the population projection for the region established pursuant to subdivision (a), and shall identify the population projection which the council of governments believes should instead be used for the determination and explain the basis for its rationale.

(B) The regional housing need determined by the department is not a reasonable application of the methodology and assumptions determined pursuant to subdivision (b). The objection shall include a proposed alternative determination of its regional housing need based upon the determinations made in subdivision (b), including analysis of why the proposed alternative would be a more reasonable application of the methodology and assumptions determined pursuant to subdivision (b).

(3) If a council of governments files an objection pursuant to this subdivision and includes with the objection a proposed alternative determination of its regional housing need, it shall also include documentation of its basis for the alternative determination. Within 45 days of receiving an objection filed pursuant to this section, the department shall consider the objection and make a final written determination of the region's existing and projected housing need that includes an explanation of the information upon which the determination was made.

(4) In regions in which the department is required to distribute the regional housing need pursuant to Section 65584.06, no city or county may file an objection to the regional housing need determination.

(d) Statutory changes enacted after the date the department issued a final determination pursuant to this section shall not be a basis for a revision of the final determination.

(Amended by Stats. 2025, Ch. 593, Sec. 2.5. (AB 1275) Effective January 1, 2026.)



AGENDA ITEM 5

REPORT

Southern California Association of Governments
August 13, 2026

To: RHNA - Regional Housing Needs Assessment Subcommittee

EXECUTIVE DIRECTOR'S
APPROVAL

From: Ma Ayn Johnson, Department Manager
213-236-1975, johnson@scag.ca.gov

Kome Ajise

Subject: RHNA Methodology

RECOMMENDED ACTION:

Information Only - No Action Required

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future.

EXECUTIVE SUMMARY:

As part of the Regional Housing Needs Assessment (RHNA) process, SCAG is required to develop a draft and final methodology that allocates regional housing need to each of its jurisdictions. SCAG develops a proposed methodology under the guidance of the RHNA Subcommittee and using surveys to jurisdictions on local planning factors and affirmatively further fair housing. After a public comment period on the proposed methodology, SCAG develops a draft methodology to submit to the California Department of Housing and Community Development (HCD), which reviews and approves the methodology before SCAG can adopt it as the final methodology.

The 7th cycle RHNA has additional statutory requirements from the 6th RHNA cycle on the methodology. SCAG staff will present on several factors for consideration by the RHNA Subcommittee over the next several meetings to eventually develop a proposed methodology for RHNA Subcommittee review and approval to release for public comment.

BACKGROUND:

Methodology Process

The RHNA is a process that determines the existing and projected housing need for each jurisdiction in California. This housing need, also known as the RHNA allocation, covers an 8-year period and requires each jurisdiction, defined as cities and unincorporated communities within counties, to plan for this need in their housing elements.

As the Council of Governments (COG) for Southern California, SCAG is responsible for developing an allocation methodology per Government Code Section 65584.04 to distribute a RHNA need for each of its 191 cities and six counties. RHNA methodologies can differ each cycle, but once adopted the methodology is applied to the Regional Housing Need Determination (RHND) provided by the California Department of Housing and Community Development (HCD) to determine each jurisdiction's draft RHNA allocation.

The methodology process can be divided into three phases.

- Proposed RHNA methodology
- Draft RHNA methodology
- Final RHNA methodology

Proposed RHNA methodology

The proposed RHNA methodology must be developed by SCAG no later than 26 months prior to the October 2029 housing element due date. The proposed methodology will be developed by the RHNA Subcommittee over the course of several meetings, with different factors and proposals shared and recommended by SCAG staff between September 2026 and March 2027. Based on feedback from the Subcommittee, SCAG staff will develop a recommended proposed methodology for the Subcommittee's action which will be to *release the proposed RHNA methodology for public review and comment*.

Government Code 65584.04(d) requires that SCAG hold at least one public hearing to receive verbal and written comment on the proposed methodology and to publish it on its website, but does not specify any other requirements regarding public outreach. It is recommended that the public comment period be 45 days to allow for sufficient time to submit comments while ensuring sufficient time for SCAG staff to review comments and consider them to develop the draft RHNA methodology.

As part of the development of the proposed RHNA methodology, SCAG must distribute a survey of local planning factors to its jurisdictions no earlier than six months prior to the release of the proposed methodology. Per Government Code 65584.04(b), the survey must inquire about the specific factors listed in section (e) (attachment 2) to allow the development of a proposed methodology based upon those factors.

To further the objective listed in Government Code Section 65584 (d)(5) to further affirmatively further fair housing (AFFH), the survey must include questions on how the jurisdiction furthers AFFH based upon the issues, strategies, and actions that are included, as available, in an Analysis of Impediments to Fair Housing Choice or an Assessment of Fair Housing completed by any city or county or the department that covers communities within the area served by the council of governments, and in adopted housing elements.

After the survey is completed, SCAG must electronically report the results of the survey of fair housing issues, strategies, and actions compiled. The report must describe common themes and effective strategies employed by cities and counties within the area served by SCAG, including common themes and effective strategies around avoiding the displacement of lower income households. SCAG must also identify significant barriers to affirmatively furthering fair housing at the regional level and may recommend strategies or actions to overcome those barriers.

SCAG staff has begun drafting the survey packet and will review its contents with the RHNA Subcommittee at its next scheduled meeting for approval to distribute to jurisdictions. Details regarding its due date and other information will be shared as part of the report to the Subcommittee.

SCAG staff must also consult with HCD on the proposed methodology per Government Code 65584.04(h), though it does not specify a process to do so or any requirements.

Draft and Final RHNA methodology

After the public comment period, SCAG staff will review all submitted comments and evaluate whether to recommend further changes to the proposed methodology. After any revisions, SCAG staff will present the methodology, referred to as the “draft methodology” to the RHNA Subcommittee to recommend that the CEHD and Regional Council recommend and approve submission to HCD. SCAG anticipates the draft methodology being ready for RHNA Subcommittee action by June 2027.

For the 6th RHNA cycle, it was required that HCD review the draft methodology but SCAG was not required to obtain their approval to adopt it as a final methodology. However, due to recent legislative changes, SCAG is now required to submit its draft methodology to HCD for review and approval. HCD has 60 days to provide comment on the draft methodology and determine whether it furthers the five RHNA objectives in Government Code Section 65584(d).

If HCD determines that SCAG’s draft methodology is not consistent with the five objectives, SCAG must revise its methodology within 45 days. If this were to occur, SCAG staff would develop a revised methodology and provide recommendations for RHNA Subcommittee, CEHD, and Regional Council review and approval.

SCAG must also receive acceptance from HCD that the revised methodology furthers the objectives. After receiving acceptance from HCD of the methodology, SCAG must adopt a final RHNA methodology. If HCD does not accept the revised methodology, SCAG must again revise the methodology and receive acceptance. However, the law is unclear as to how long HCD has to provide its determination on the draft and revised draft methodologies.

It is unknown at this point in time whether HCD will accept SCAG's draft methodology without requiring revisions or how long it will take to receive acceptance of a revised methodology. To allow for flexibility, SCAG staff has assumed that HCD will require SCAG to revise its draft methodology and will provide acceptance within a few weeks. This would place the anticipated final RHNA methodology adoption by the Regional Council on October 2027.

Subsequent to the adoption of the final RHNA methodology, SCAG will release the draft RHNA allocation and begin appeals process.

6th RHNA Cycle Process

SCAG's initiated the 6th cycle RHNA methodology in February 2019. The RHNA Subcommittee reviewed various factors over the course of several meetings prior to taking action to release a proposed methodology comprising of three options in August 2019. Subsequent to the release, SCAG conducted a public outreach process through September 2019 that included four public hearings and public information session. Almost 250 written comments were submitted during this period and over 35 verbal comments were shared at the public hearings.

Based on comments received, SCAG recommended a combination of the three options and prepared a draft RHNA methodology, which was reviewed and recommended by the RHNA Subcommittee and CEHD Committee, and ultimately approved by the Regional Council to send to HCD in November 2019. HCD completed their statutory review in January 2020 and after review and recommendation by the RHNA Subcommittee and CEHD Committee, the Regional Council adopted the final RHNA methodology in March 2020. After the adoption of the methodology, SCAG applied the methodology to the Regional Housing Need Determination of 1,341,827 units to determine each jurisdiction's draft RHNA allocation.

6th cycle RHNA Methodology

The 6th RHNA methodology was formulaic and consistently applied the same steps to determine the draft allocation for each of SCAG's 197 jurisdictions. Below is a simplified step-by-step approach to determine a draft RHNA allocation using the adopted methodology. A full explanation of terminology and other information is available [online](https://scag.ca.gov/sites/default/files/2024-05/scag-final-rhna-methodology-030520.pdf) (<https://scag.ca.gov/sites/default/files/2024-05/scag-final-rhna-methodology-030520.pdf>).

1. Determine a jurisdiction's projected housing need
 - a. Assign household growth based on the corresponding Connect SoCal Growth Forecast
 - b. Calculate future vacancy need
 - c. Assign a replacement need based on share of net replacement need and adjusted with information from the replacement need survey

2. Determine a jurisdiction's projected existing need
 - a. Assign need based on a jurisdiction's share of transit access
 - b. Assign need based on a jurisdiction's share of job access
 - c. For extremely disadvantaged jurisdictions, determine existing residual need that exceeded projected household growth between 2020 and 2045
 - d. Reallocate residual need to non-disadvantaged jurisdictions within the same county
3. Determine total RHNA need by adding existing and projected need
4. Determine four RHNA income categories
 - a. Use a minimum 150% social equity adjustment (see next section for mechanism)
 - b. Modify the social equity adjustment based on jurisdiction's level of access to resources

RHNA Methodology Requirements

There are a number of requirements that the RHNA methodology must include as part of its development described throughout Government Code Section 65584.04. The methodology:

- Shall further the five statutory objectives (GC 65584.04 (a))
- Shall consider planning opportunities and constraints in developing the methodology, as described in GC 65584.04 (e) (see attachment 2)
- Shall be informed by the development pattern included in the sustainable communities strategy (GC 65584.04(m))

The methodology can include numerical weighting and may also include factors unrelated to furthering the five objectives as long as they do not undermine them and are applied equally across all household income levels, and that SCAG finds that the factor is necessary to address significant health and safety concerns.

Per Section (g), SCAG cannot consider the following factors as a justification for a determination or a reduction in a jurisdiction's share of the regional housing need:

- (1) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county.*
- (2) Prior underproduction of housing in a city or county from the previous regional housing need allocation, as determined by each jurisdiction's annual production report submitted pursuant to subparagraph (H) of paragraph (2) of subdivision (a) of Section 65400.*

(3) Stable population numbers in a city or county from the previous regional housing needs cycle.

Furthering the Five Objectives of GC 65584

Government Code Section 65584.04(a) requires that the RHNA methodology furthers the following five objectives of the Regional Housing Needs Assessment:

1. *Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low and very low-income households.*
2. *Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.*
3. *Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.*
4. *Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.*
5. *Affirmatively furthering fair housing.*
 - *Per statute, this means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, 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. individual jurisdictions.*

SCAG must in writing explain how the methodology furthers these objectives. HCD will review SCAG's draft methodology and determine whether or not it furthers these objectives. If HCD determines it is not consistent, SCAG must revise the draft methodology within 45 days and receive department acceptance that the revised methodology furthers the objectives prior to adopting a final methodology.

Informed by the Development Pattern Included in the SCS

Government Code 65584.04 (m) law requires that the RHNA allocation be coordinated and integrated with the Regional Transportation Plan (RTP) and to do so, must be informed by the development pattern envisioned in the region's Sustainable Communities Strategy (SCS). In prior cycles, statute had slightly different language and required that the RHNA allocation be consistent with the development pattern of the SCS. The current text allows for flexibility for COGs such as SCAG to determine the level of integration between both regional plans, though SCAG is still required to demonstrate how its methodology furthers the five objectives of State housing law.

Potential factors for consideration

The RHNA Subcommittee will review different components of the RHNA methodology over the course of several meetings so they can be discussed in-depth. The intention is to allow Subcommittee members to provide input on different factors for consideration and how they should be weighted in the methodology. Based on the input from the Subcommittee and results of the methodology survey, SCAG staff will prepare a proposed RHNA methodology. It is anticipated that SCAG staff will present the proposed methodology at the March 2027 RHNA Subcommittee meeting and will seek approval of the Subcommittee to distribute to the public and begin the public comment period.

Local Planning Factors, Opportunities, and Constraints

Per Government Code Section 65584.04 (e), SCAG is required to consider a list of factors in developing the methodology. The factors will also be included in the methodology survey to jurisdictions, which will be shared with the RHNA Subcommittee at its next meeting along with a recommended action to release with jurisdictions.

The list below is a summary of the factors listed in housing law.

Jobs-Housing Relationship: Existing and projected relationship between jobs and housing in each jurisdiction. Estimates of low-wage jobs and housing affordable to low-wage workers. Projected job growth and household growth by income level during the planning period.

Opportunities and Constraints to Housing Development

- Sewer and water infrastructure capacity limitations due to regulatory or service provider constraints.
- Availability of land for urban development, residential conversion, infill development, and increased densities. Availability of underutilized land and potential for alternative zoning and land use policies. Flood risk limitations where flood protection infrastructure is inadequate.
- Lands protected from development through federal, state, or local conservation, open space, farmland, habitat, or natural resource programs. Land that are designated for protection or

preservation and subject to a local ballot measure approved by local voters that prohibits or restricts conversion to nonagricultural uses.

- County policies to preserve prime agricultural land within unincorporated areas. Land within unincorporated areas that are designated for protection or preservation and subject to a local ballot measure approved by local voters that prohibits or restricts conversion to nonagricultural uses.
- Emergency evacuation capacity, wildfire risk, sea level rise, and other climate change impacts.

Household Growth and Transportation

- Distribution of household growth assumed in regional transportation plans. Opportunities to maximize use of public transit and existing transportation infrastructure.

County-City Growth Agreements

- Agreements directing growth toward incorporated areas. Land within unincorporated areas that are designated for protection or preservation and subject to a local ballot measure approved by local voters that prohibits or restricts conversion to nonagricultural uses.

Loss of Assisted Housing Units

- Loss of affordable housing due to mortgage prepayment, subsidy expiration, or termination of affordability restrictions.

Housing Cost Burden

- Percentage of households by income level paying more than 30% and more than 50% of income toward rent.

Overcrowding

- Rate of household overcrowding.

Farmworker Housing Needs

- Housing needs of farmworkers.

University and College Housing Needs

- Housing demand generated by private universities and California State University (CSU) or University of California (UC) campuses. Distribution of students among jurisdictions within the region. Optimization of transit, pedestrian, and non-vehicle travel efficiency for students.

Homelessness Housing Needs

- Housing needs of individuals and families experiencing homelessness.

Disaster-Related Housing Loss

- Housing units lost during a Governor-declared state of emergency that have not yet been rebuilt or replaced.

Greenhouse Gas Emissions Targets

- Regional greenhouse gas reduction targets established by the State Air Resources Board.

Sustainable Communities Strategy

- Development patterns identified in the region's Sustainable Communities Strategy (SCS) and Regional Transportation Plan (RTP).

Other Council-Adopted Factors

- Additional factors adopted by the Council of Governments that further RHNA statutory objectives. Other factors that are unrelated to furthering the five objectives may be included provided they do not undermine RHNA objectives and are applied equitably across all income levels, and that they are necessary to address significant health and safety conditions.

While the methodology is required to consider the factors, the COG is not required to assign a specific formula or use weighting based on any individual factor. For example, the 6th RHNA methodology did not have a specific allocation factor that weighted open space and agricultural land protection. However, this factor was considered and incorporated by way of the use of the growth forecast that was used as a basis for the RHNA and corresponding RTP/SCS. The growth forecast relied on jurisdictional input and review of projected growth to consider these local factors.

Weighting of Factors

In addition to the selection of factors, the development of the methodology should also consider the weighting of factors. For example, in the 6th cycle methodology 50% of existing housing need was distributed to jurisdictions with a certain level of access to transit and the assignment based on this need was dependent on that jurisdiction's percentage share of regional transit access. Not all jurisdictions received assignments based on this factor. SCAG staff highly encourages transit access to be one of the factors in the allocation methodology due to the need to further the RHNA objective of achieving greenhouse gas emission targets, but how much this factor should be weighted and by what measure should be included in the proposed methodology discussions with the RHNA Subcommittee.

Social Equity Adjustments

To further the RHNA objectives of avoiding overconcentration of income groups and affirmatively furthering fair housing, consideration of disadvantaged jurisdictions and communities will need to be

included in the methodology. In prior cycles, SCAG included a “social equity adjustment” in the methodology, which was applied after determining a jurisdiction’s total RHNA allocation to determine the allocation for each income category. This was a formulaic approach in which a jurisdiction’s concentration of income groups was compared to the county distribution and then adjusted by certain percentages. The 7th RHNA methodology can consider using the same percentages as the 6th cycle, or it can adjust them, or it can use a different method entirely to further the RHNA objectives. An analysis and examples will be provided at the next RHNA Subcommittee meeting to allow for full discussion of the topic.

Next Steps

To ensure that sufficient time is allocated for discussion of the various factors and consideration to develop the proposed methodology, SCAG staff will focus on specific topics at each RHNA Subcommittee meeting. The next RHNA Subcommittee meeting is scheduled for September 10, 2026. It is anticipated that the next meeting agenda will review the RHNA methodology survey and consider if there are any other factors that should be included in the survey prior to the Subcommittee’s approval to distribute the survey. SCAG staff will also begin discussion on social equity considerations and review of 6th cycle allocation factors.

FISCAL IMPACT:

Work associated with this item is included in the FY 26-27 SCAG General Fund (800-0160.03 - Regional Housing Needs Assessment).

ATTACHMENT(S):

1. PowerPoint Presentation - RHNA Subcommittee Methodology Presentation
2. Planning Factors in GC 65584.04(e)

RHNA Methodology Process

August 13, 2026

WWW.SCAG.CA.GOV

Overview

- Introduce the RHNA methodology process
- Review statutory requirements for developing the methodology
- Begin discussion of factors to consider in the 7th Cycle methodology

RHNA Objectives



- 1 To increase the housing supply and mix of housing types, tenure and affordability within each region in an equitable manner
- 2 Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns
- 3 Promoting an improved intraregional relationship between jobs and housing
- 4 Allocating a lower proportion of housing need in income categories in jurisdictions that have a disproportionately high share in comparison to the county distribution
- 5 Affirmatively furthering fair housing (AFFH)

RHNA Process



Methodology Process



Statutory Requirements

Methodology MUST

- Further the (5) Five Objectives
- Informed by the Development Pattern Included in the SCS
- Consider planning opportunities and constraints

Statutory Requirements

Methodology CANNOT consider

- Local measures limiting growth
- Prior RHNA underproduction
- Stable production from prior cycle

Sustainable Communities Strategy (SCS)

6th Cycle	7th Cycle	Key Change
RHNA was required to be consistent with development patterns identified in the SCS	RHNA must simply demonstrate how it was informed by the SCS while continuing to further RHNA objectives.	Greater flexibility in how RHNA relates to the SCS while maintaining consistency with regional transportation planning

Local Planning Factors, Opportunities, and Constraints



Sustainable Communities Strategy



Growth Agreements & Other Council Adopted Factors



Household Growth & Transportation



Loss of Assisted Housing Units



Farmworker Housing Needs



Greenhouse Gas Emissions Targets



Jobs-Housing Relationship

Local Planning Factors, Opportunities, and Constraints



Disaster Related Housing Loss



Homelessness Housing Needs



Opportunities and Constraints



Overcrowding



University & College Housing Needs



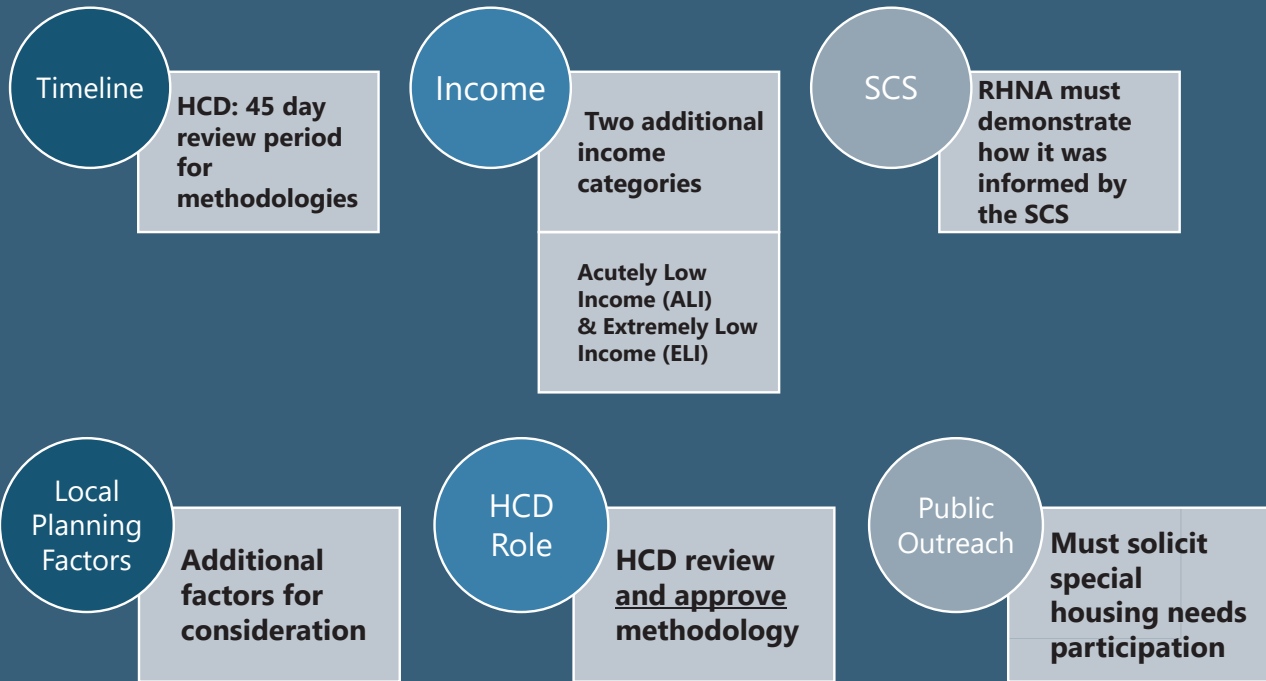
Housing Cost Burden



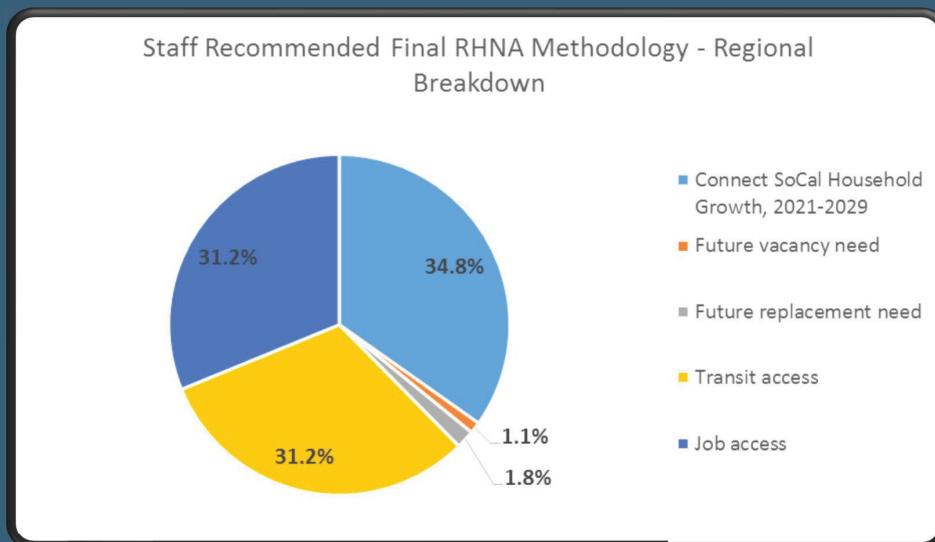
Climate Infrastructure
Land Availability
Protected/Preserved Lands
Emergency Evacuation



What's New for 7th Cycle?



Weighting Distribution Factors



Looking Back: 6th Cycle Methodology

Projected Housing Need (x Weights)

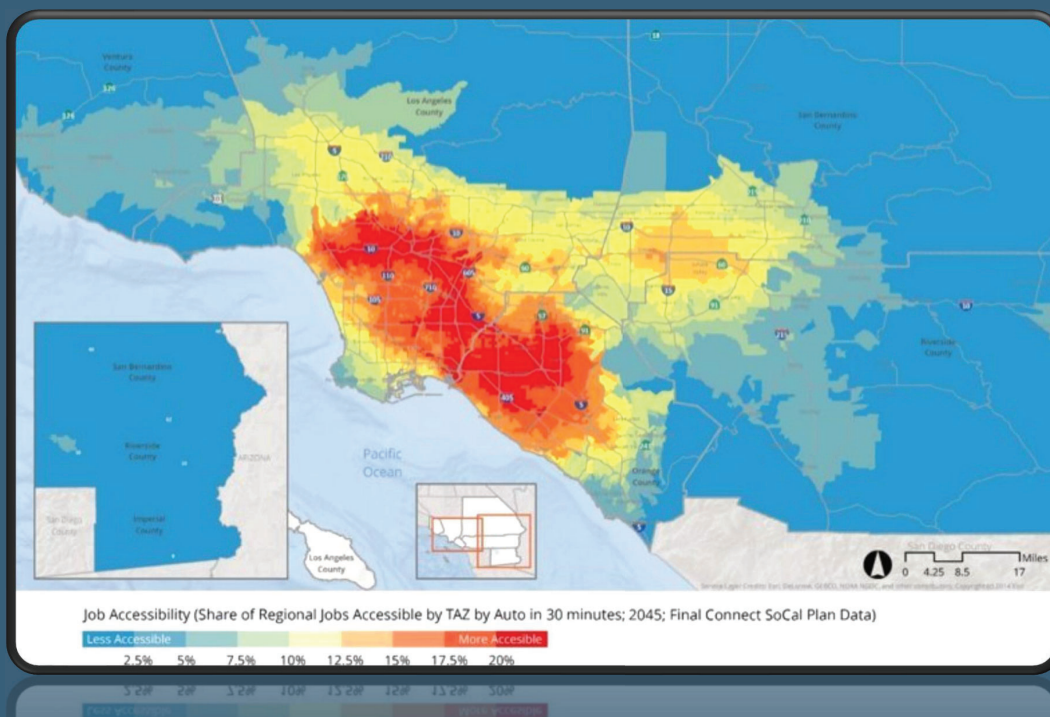
- + Growth Forecast
- + Future Vacancy Need
- + Replacement Need

Existing Need (x Weights)

- + Transit Access
- + Job access
- + Needs reallocation

**Total RHNA Need (Social Equity Adjustment) =
Draft RHNA allocation**

Job Accessibility Using Final Connect SoCal Data



Methodology Timeline



Next Steps for Methodology:





THANK YOU!

For more information, please visit:

<https://scag.ca.gov/housing>

To subscribe for updates, please visit:

<https://scag.ca.gov/subscribe-updates-0>

List of Planning Opportunities and Constraints
Government Code Section 65584.04(e)

(1) Each member jurisdiction's existing and projected jobs and housing relationship. This shall include an estimate based on readily available data on the number of low-wage jobs within the jurisdiction and how many housing units within the jurisdiction are affordable to low-wage workers as well as an estimate based on readily available data, of projected job growth and projected household growth by income level within each member jurisdiction during the planning period.

(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

(C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis, including land zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of that jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot

measure that was approved by the voters of that jurisdiction that prohibits or restricts its conversion to nonagricultural uses.

(E) Emergency evacuation route capacity, wildfire risk, sea level rise, and other impacts caused by climate change.

(3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

(4) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county and land within an unincorporated area zoned or designated for agricultural protection or preservation that is subject to a local ballot measure that was approved by the voters of the jurisdiction that prohibits or restricts conversion to nonagricultural uses.

(5) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

(6) The percentage of existing households at each of the income levels listed in subdivision (f) of Section 65584 that are paying more than 30 percent and more than 50 percent of their income in rent.

(7) The rate of overcrowding.

(8) The housing needs of farmworkers.

(9) (A) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction, the distribution of those students among jurisdictions within the region, and for a campus of the California State University or the University of California, the optimization of transit, pedestrian, and other nonvehicle trip efficiency by students to the campus, including off-campus facilities.

(B) (i) No more than six months before the development of the methodology, the Regents of the University of California are requested to, and the Trustees of the California State University shall, provide to each council of governments a forecast of changes in enrollment levels at its campuses, including off-campus facilities, within the region, based on factors including, but not limited to, (I) cohort progression projections, (II) improvements in the percentage of California residents meeting university admission and transfer standards, and (III) improvements in degree completion by noncohort students. The forecast shall not be limited to students who will be recent high school graduates. The Regents of the University of California are requested to, and the

Trustees of the California State University shall, provide copies of the forecast to the Director of Finance, the Director of Housing and Community Development, and the Chairperson of the Joint Legislative Budget Committee.

(ii) Clause (i) shall apply to the seventh and each subsequent housing element cycle, except as specified in clause (iii).

(iii) With respect to all of the following councils of governments, clause (i) shall apply to the eighth and each subsequent housing element cycles:

(I) The Humboldt County Association of Governments.

(II) The Lake Area Planning Council.

(III) The Mendocino Council of Governments.

(C) The Regents of the University of California are requested to, and the Trustees of the California State University shall, provide trip and travel data to the council of governments upon request.

(10) The housing needs of individuals and families experiencing homelessness. If a council of governments has surveyed each of its member jurisdictions pursuant to subdivision (b) on or before January 1, 2020, this paragraph shall apply only to the development of methodologies for the seventh and subsequent revisions of the housing element.

(11) The loss of units during a state of emergency that was declared by the Governor pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2), during the planning period immediately preceding the relevant revision pursuant to Section 65588 that have yet to be rebuilt or replaced at the time of the analysis.

(12) The region's greenhouse gas emissions targets provided by the State Air Resources Board pursuant to Section 65080.

(13) The development pattern set forth in the region's sustainable communities strategy of its regional transportation plan.

(14) Any other factors adopted by the council of governments, that further the objectives listed in subdivision (d) of Section 65584, provided that the council of governments specifies which of the objectives each additional factor is necessary to further. The council of governments may include additional factors unrelated to furthering the objectives listed in subdivision (d) of Section 65584 so long as the additional factors do not undermine the objectives listed in subdivision (d) of Section 65584 and are applied equally across all household income levels as described in subdivision (f) of Section

65584 and the council of governments makes a finding that the factor is necessary to address significant health and safety conditions.