

## Frequently Asked Questions about RHNA

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## REGIONAL HOUSING NEEDS ALLOCATION (RHNA) OVERVIEW

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### What is RHNA?

Local housing is enshrined in state law as a matter of “vital statewide importance” and, since 1969, the State of California has required that all local governments (cities, towns and counties, also known as local jurisdictions) adequately plan to meet the housing needs of everyone in our communities. To meet this requirement, each city or county must develop a Housing Element as part of its General Plan (the local government’s long-range blueprint for growth) that shows how it will meet its community’s housing needs. There are many laws that govern this process, and collectively they are known as [Housing Element Law](#).

The Regional Housing Need Allocation (RHNA) process is the part of Housing Element Law used to determine how many new homes, and the affordability of those homes, each local government must plan for in its Housing Element. This process is repeated every eight years, and for this cycle the Bay Area is planning for the period from 2023 to 2031.

### How does RHNA assist in addressing the Bay Area’s housing crisis?

The Bay Area’s housing affordability crisis is decades in the making. State law is designed to match housing supply with demand—particularly for affordable homes. Each new RHNA cycle presents new requirements to address dynamic housing markets, which in recent years have seen demand dramatically outstrip supply across all affordability levels.

RHNA provides a local government with a minimum number of new homes across all income levels for which it must plan in its Housing Element. The Housing Element must include sites zoned for enough capacity to meet the RHNA goals as well as policies and strategies to expand housing choices and increase housing affordability.

## Who is responsible for RHNA?

Responsibility for completing RHNA is shared among state, regional, and local governments:

- The **role of the State** is to identify the total number of homes for which each region in California must plan in order to meet the housing needs of people across the full spectrum of income levels, from housing for very low-income households all the way to market rate housing. This is developed by the [California Department of Housing and Community Development \(HCD\)](#) and is known as the Regional Housing Need Determination (RHND).
- The **role of the region** is to allocate a share of the RHND to each local government in the region. As the Council of Governments (COG) for the nine-county Bay Area, the Association of Bay Area Governments (ABAG) is responsible for developing the methodology for sharing the RHND among all cities, towns, and counties in the region. ABAG does this in conjunction with a committee of elected officials, city and county staff, and stakeholders called [the Housing Methodology Committee \(HMC\)](#).
- The **role of local governments** is to participate in the development of the allocation methodology and to update their Housing Elements and local zoning to show how they will accommodate their share of the RHND, following the adoption of the RHNA methodology.

## What are the steps in the RHNA process?



Conceptually, RHNA starts with the Regional Housing Needs Determination provided by HCD, which is the total number of housing units the Bay Area needs, by income group. The heart of ABAG's work on RHNA is developing the methodology to allocate a portion of housing needs to each city, town, and county in the region. ABAG has convened a [Housing Methodology Committee](#) made up of local elected officials and staff and stakeholders to advise staff on the proposed methodology that ABAG will release for public comment in fall 2020. Following that milestone, ABAG will then develop a draft methodology to send to HCD for its review in early 2021.

After ABAG adopts the final methodology in spring 2021, it is used to develop a draft allocation for every local government in the Bay Area. A local government or HCD can appeal any local government’s allocation. After ABAG takes action on the appeals, it will issue the final allocation by the end of 2021. Local governments must update Housing Elements by January 2023, including identifying sites that are zoned with enough capacity to meet the RHNA allocation. ABAG’s role in the RHNA process ends once it has allocated a share of the Regional Housing Needs Determination (RHND) to each local government in the Bay Area; HCD reviews and approves local Housing Elements.

**What’s the timeline for completing RHNA?**

The RHNA process is currently underway and will be complete by the end of 2021. Local governments will then have until January 2023 to update their Housing Elements. The proposed timing for the key milestones in the RHNA process is shown below:

<b>ABAG 2023-2031 RHNA and Plan Bay Area 2050 Key Milestones</b>	<b>Proposed Deadline</b>
Housing Methodology Committee kick-off	October 2019
Subregions form	February 2020
HCD Regional Housing Needs Determination	June 2020
Proposed RHNA methodology, draft subregion shares	Fall 2020
Final subregion shares	December 2020
Draft RHNA methodology to HCD for review	Winter 2021
Final RHNA methodology, draft allocation	Spring 2021
RHNA appeals	Summer 2021
Final RHNA allocation	End of 2021
Housing Element due date	January 2023

**This is the 6th cycle for RHNA. What’s different this time?**

Recent legislation will result in the following key changes for this RHNA cycle:

- It is expected there will be a higher total regional housing need. HCD’s identification of the region’s total housing needs has changed to account for unmet existing need, rather than only projected housing need. HCD now must consider overcrowded households, cost burdened households (those paying more than 30% of their income for housing), and a target vacancy rate for a healthy housing market (with a minimum of 5%).

- RHNA and local Housing Elements must affirmatively further fair housing. According to HCD, achieving this objective includes preventing segregation and poverty concentration as well as increasing access to areas of opportunity. HCD has mapped [Opportunity Areas](#) and has developed guidance for jurisdictions about [how to address affirmatively furthering fair housing in Housing Elements](#). As required by Housing Element Law, ABAG has surveyed local governments to understand [fair housing issues, strategies, and actions across the region](#).
- There will be greater HCD oversight of RHNA. ABAG and subregions must now submit the draft allocation methodology to HCD for review and comment. HCD can also appeal a jurisdiction's draft allocation.
- Identifying Housing Element sites for affordable units will be more challenging. There are new limits on the extent to which jurisdictions can reuse sites included in previous Housing Elements and increased scrutiny of small, large, and non-vacant sites when these sites are proposed to accommodate units for very low- and low-income households.

### **How can I be more involved in the RHNA process?**

Public participation is encouraged throughout the RHNA process especially at public meetings and during official public comment periods following the release of discussion documents and board decisions. Visit the ABAG website to:

- Learn about the [Housing Methodology Committee](#)
- View [upcoming meetings](#)
- Sign up for the [RHNA mailing list](#)

### **Is ABAG's prior RHNA available to review?**

Yes, you can find more information about the [2015-2023 RHNA](#) on the ABAG website. You can also view documents from the [2007-2014 RHNA](#) and [1999-2006 RHNA](#).

## **REGIONAL HOUSING NEEDS DETERMINATION (RHND) FROM HCD**

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### **What is the Regional Housing Needs Determination?**

The California Department of Housing and Community Development (HCD) identifies the total number of homes for which each region in California must plan in order to meet the housing needs of people at all income levels. The total number of housing units from HCD is separated into four income categories that cover everything from housing for very low-income households all the way to market rate housing. ABAG is responsible for developing a methodology to allocate a portion of this housing need to every local government in the Bay Area.

The four income categories included in the RHND are:

- Very Low Income: 0-50% of Area Median Income
- Low Income: 50-80% of Area Median Income
- Moderate Income: 80-120% of Area Median Income
- Above Moderate Income: 120% or more of Area Median Income

**What will the actual RHND and RHNA numbers look like this cycle?**

In a [letter dated June 9, 2020](#), the California Department of Housing and Community Development (HCD) provided ABAG with the Regional Housing Needs Determination (RHND) for use in this cycle of RHNA in the Bay Area.

***Regional Housing Needs Determination from HCD: San Francisco Bay Area***

<b>Income Category</b>	<b>Percent</b>	<b>Housing Unit Need</b>
Very Low	25.9%	114,442
Low	14.9%	65,892
Moderate	16.5%	72,712
Above Moderate	42.6%	188,130
<b>Total</b>	<b>100%</b>	<b>441,176</b>

The methodology which will determine each local government’s share of the overall regional housing needs is currently being developed and is slated for release in fall 2020.

**How did HCD develop the RHND?**

HCD is responsible for determining the number of housing units for which each region must plan, known as the Regional Housing Needs Determination (RHND). The RHND is based on a population forecast for the region from the California Department of Finance (DOF) and the application of specific adjustments to determine the total amount of housing needs for the region.

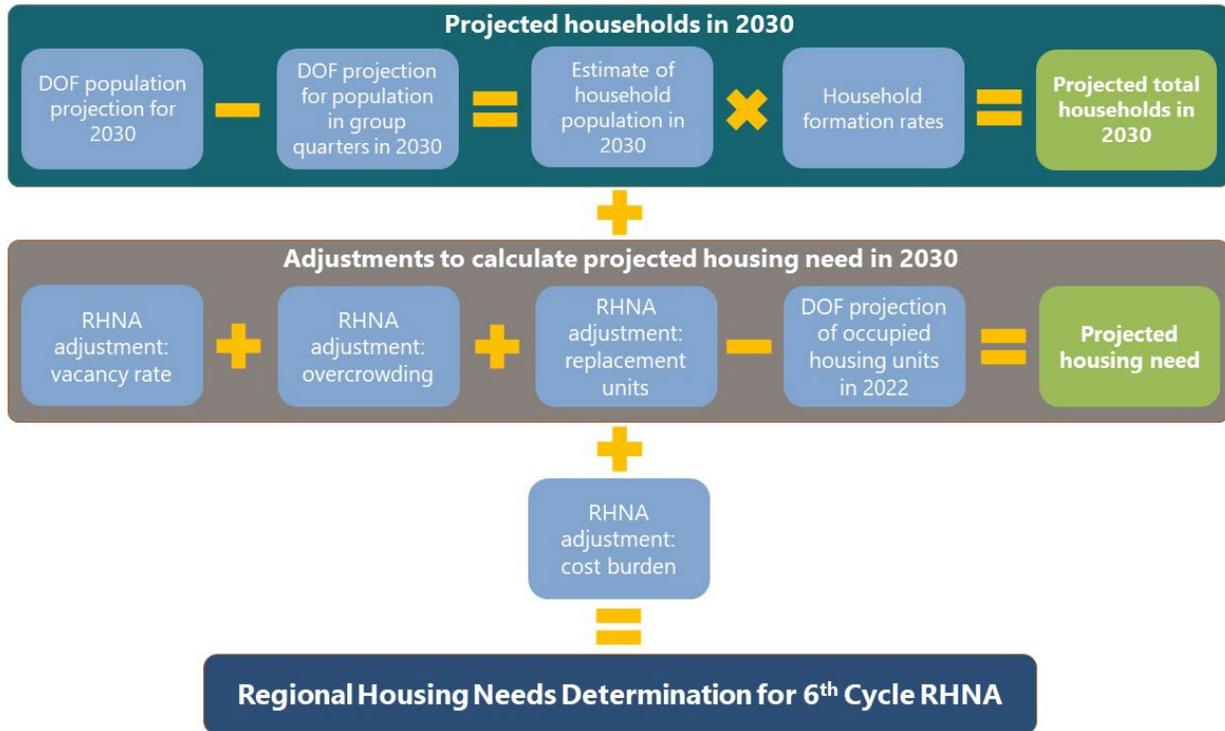
The adjustments are a result of recent legislation that sought to incorporate an estimate of existing housing need by applying factors related to:

- A target vacancy rate for a healthy housing market (defined as no less than 5 percent),
- The rate of overcrowding, which is defined as having more than one person per room in each room in a dwelling.
- The share of cost burdened households, which is defined as households paying more than 30% of household income on housing costs.

The RHNA process only considers the needs of the population in households who are housed in the regular housing market, and excludes the population living in group quarters, which are non-household dwellings, such as jails, nursing homes, dorms, and military barracks. HCD uses the age cohorts of the forecasted population to understand the rates at which people are expected to form households, which can vary for people at different stages of life. This results in

the estimate of the total number of households that will need a housing unit in 2030 (which is the end date of the projection period for the Bay Area’s RHNA cycle).

### HCD Process for Identifying Regional Housing Needs Determination (RHND)



The total number of projected households is then adjusted using the factors related to vacancy rate, overcrowding, and an estimate of the need for replacement housing for units that were demolished or lost. This results in a forecast of the number of housing units that will be needed to house all households in the region in 2031. The number of existing occupied housing units is subtracted from the total number of housing units needed, which results in the number of additional housing units necessary to meet the housing need. The final step is an adjustment related to cost-burdened households, which results in the RHND for the region.

## RHNA METHODOLOGY

### What is the RHNA methodology?

At its core, RHNA is about connecting regional housing needs with the local planning process and ensuring local Housing Elements work together to address regional housing challenges. Working with the [Housing Methodology Committee](#), ABAG develops a methodology, or formula, that shares responsibility for accommodating the Bay Area’s Regional Housing Needs Determination (RHND) by quantifying the number of housing units, separated into four income categories, that will be assigned to each city, town, and county to incorporate into its Housing Element.

The four income categories included in the RHND are:

- Very Low Income: 0-50% of Area Median Income
- Low Income: 50-80% of Area Median Income
- Moderate Income: 80-120% of Area Median Income
- Above Moderate Income: 120% or more of Area Median Income

The allocation formula is made up of factors that use data for each jurisdiction in the region to determine each jurisdiction's share of the total housing need. The allocation formula assigns units based on relative relationships between jurisdictions within the region. For example, if there is a factor to allocate units based on access to jobs, then a jurisdiction with many jobs will be allocated more units and a jurisdiction with fewer jobs will be allocated fewer units.

**What are the objectives and factors that must be considered in the RHNA methodology?**

The RHNA objectives provide the guiding framework for how ABAG must develop the methodology. ABAG is required to demonstrate how its methodology furthers each of the objectives. The RHNA factors include a longer list of considerations that must be incorporated into the methodology to the extent that sufficient data is available.

Summary of RHNA objectives [from [Government Code §65584\(d\)](#)]:

1. Increase housing supply and mix of housing types, with the goal of improving housing affordability and equity in all cities and counties within the region.
2. Promote infill development and socioeconomic equity; protect environmental and agricultural resources; encourage efficient development patterns; and achieve greenhouse gas reduction targets.
3. Improve intra-regional jobs-to-housing relationship, including the balance between low-wage jobs and affordable housing units for low-wage workers in each jurisdiction.
4. Balance disproportionate household income distributions (more high-income allocation to lower-income areas, and vice-versa)
5. Affirmatively further fair housing

Summary of RHNA factors [from [Government Code §65584.04\(d\)](#)]:

1. Existing and projected jobs and housing relationship, particularly low-wage jobs and affordable housing
2. Lack of capacity for sewer or water service due to decisions outside a jurisdiction's control
3. The availability of land suitable for urban development
4. Lands protected from urban development under existing federal or state programs
5. County policies to preserve prime agricultural land

6. The distribution of household growth assumed for regional transportation plans and opportunities to maximize use of public transportation and existing transportation infrastructure
7. Agreements between a county and cities in a county to direct growth toward incorporated areas of the county
8. The loss of units in assisted housing developments as a result of expiring affordability contracts.
9. The percentage of existing households paying more than 30 percent and more than 50 percent of their income in rent
10. The rate of overcrowding
11. The housing needs of farmworkers
12. The housing needs generated by the presence of a university within the jurisdiction
13. The housing needs of individuals and families experiencing homelessness
14. The loss of units during a state of emergency that have yet to be rebuilt or replaced at the time of the analysis
15. The region's greenhouse gas emissions targets provided by the State Air Resources Board

**What does it mean to “affirmatively further fair housing”?**

For the 2023-2031 RHNA, recent legislation added a new objective that requires the RHNA plan to “affirmatively further fair housing.” According to [Government Code Section 65584\(e\)](#), 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.”

In addition to this requirement for promoting fair housing as an outcome for RHNA, statutes required ABAG to collect information about [fair housing issues, strategies, and actions](#) in its survey of local jurisdictions about data to inform the development of the RHNA allocation methodology.

Lastly, a local jurisdiction's Housing Element must also affirmatively further fair housing and include a program that establishes goals and actions to do so. HCD has developed guidance for jurisdictions about [how to address affirmatively furthering fair housing in Housing Elements](#).

**Does RHNA dictate how local governments meet their communities' housing needs or where new housing goes within a given city or town?**

It is important to note the primary role of the RHNA methodology is to encourage a pattern of housing growth for the Bay Area. The final result of the RHNA process is the allocation of housing units by income category to each jurisdiction. It is in the local Housing Element that decisions about where future housing units could be located and the policies and strategies for addressing a community's specific housing needs are made. Local governments will include strategies related to issues such as addressing homelessness, meeting the needs of specific populations, affirmatively furthering fair housing, or minimizing displacement when they develop their Housing Elements. Although the RHNA methodology may include factors that conceptually assign housing to a particular geography, such as near a transit stop or in proximity to jobs, the resulting allocation from ABAG goes to the jurisdiction as a whole. It is up to local governments to use their Housing Elements to select the specific sites that will be zoned for housing.

The following table distinguishes between the narrow scope of RHNA and the broader requirements for jurisdictions' Housing Elements:

RHNA	LOCAL HOUSING ELEMENTS
<p>Determines how many new homes each local jurisdiction must plan for in its Housing Element.</p>	<p>Includes goals, policies, quantified objectives, financial resources, and constraints for the preservation, improvement, and development of housing for all income levels.</p>
<p>Housing allocation is for an entire jurisdiction – housing is not allocated to specific sites or geographies within a jurisdiction.</p>	<p>Identifies sites for housing and provides an inventory of land suitable and available for residential development, including vacant sites and sites having potential for redevelopment.</p>
<p>A jurisdiction's housing allocation is divided across four income groups: very low-, low-, moderate-, and above moderate-income.</p>	<p>Analyzes special housing needs, such as those of the elderly; persons with disabilities, including a developmental disability; large families; farmworkers; families with female heads of households; and families and persons in need of emergency shelter.</p>
<p>Beyond allocation of housing units by income group, does not address housing needs of specific population groups nor include policy recommendations for addressing those needs.</p>	<p>Must demonstrate local efforts to remove governmental and nongovernmental constraints that hinder locality from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters.</p>
	<p>Analyzes existing affordable units at risk of converting to market-rate due to expiring subsidies or affordability contracts.</p>
	<p>Assesses existing fair housing issues and strategies for affirmatively furthering fair housing.</p>

## ABAG HOUSING METHODOLOGY COMMITTEE

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### What is the Housing Methodology Committee?

For the past several RHNA cycles, ABAG has convened an ad-hoc [Housing Methodology Committee \(HMC\)](#) to advise ABAG staff on the RHNA allocation methodology. The HMC for the 6<sup>th</sup> Cycle was convened in October 2019. The HMC is comprised of local elected officials and staff from every county in the Bay Area as well as stakeholder representatives selected by ABAG staff from a diverse applicant pool:

- 9 local government elected officials (one from each Bay Area county)
- 12 local government housing or planning staff (at least one from every county)
- 16 regional stakeholders representing diverse perspectives, from equity and open space to public health and public transit
- 1 partner from state government

View the HMC roster at [https://abag.ca.gov/sites/default/files/hmc\\_roster\\_06\\_16\\_2020\\_0.pdf](https://abag.ca.gov/sites/default/files/hmc_roster_06_16_2020_0.pdf).

### Why is the Housing Methodology Committee important?

ABAG's Housing Methodology Committee approach stands out compared to most other large Councils of Governments, going beyond the legal requirements by convening a forum where local elected officials, local government staff, stakeholder representatives, and the public can talk about the process together to inform the housing methodology.

The Housing Methodology Committee and its large stakeholder network is a key part of ABAG's approach to creating the RHNA allocation methodology. Through the HMC, ABAG staff seek to facilitate dialogue and information-sharing among local government representatives and stakeholders from across the Bay Area with crucial expertise to enable coordinated action to address the Bay Area's housing crisis. As ABAG strives to advance equity and affirmatively further fair housing, the agency seeks to ensure that a breadth of voices is included in the methodology process.

## CONNECTIONS BETWEEN RHNA AND PLAN BAY AREA 2050

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### How are RHNA and Plan Bay Area 2050 related?

[Plan Bay Area 2050](#) is the Bay Area's next long-range regional plan for transportation, housing, the economy, and the environment, focused on resilient and equitable strategies for the next 30 years. Anticipated to be adopted in fall 2021, Plan Bay Area 2050 will establish a blueprint for future growth and infrastructure. Plan Bay Area 2050 must meet or exceed a wide range of federal and state requirements, including a per-capita greenhouse gas reduction target of 19 percent by 2035. Upon adoption by MTC and ABAG, it will serve as the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) for the San Francisco Bay Area.

By law, the RHNA Plan is required to be consistent with the development pattern from Plan Bay Area 2050. These two planning processes seek to address the Bay Area's housing needs over different time horizons: Plan Bay Area 2050 has a planning horizon of 2050, while the 6<sup>th</sup> cycle of RHNA addresses the need to address short-term housing needs, from 2023 to 2031. To achieve the required consistency, both the overall housing growth for the region, as well as housing growth on a more localized level, must be greater in the long-range plan than over the eight-year RHNA cycle.

### **Is Plan Bay Area 2050 used as part of the RHNA process?**

In past RHNA cycles, ABAG used its long-range housing, population, and job forecast as an input into the RHNA methodology. However, this approach is not required by Housing Element Law. For the 6<sup>th</sup> cycle of RHNA, the [Housing Methodology Committee \(HMC\)](#) is still considering whether or not to incorporate data from the Plan Bay Area 2050 Blueprint into the RHNA methodology. Some of the options the HMC has discussed are:

1. Using the forecasted development pattern from the Blueprint as a baseline input into the RHNA methodology
2. Using a hybrid approach that uses the forecasted development pattern from the Blueprint along with additional factors to represent policy goals that are underrepresented in the Blueprint to direct RHNA allocations
3. Not using forecasted data from the Blueprint, but include factors that align with the policies and strategies in the Blueprint to direct RHNA allocations.

HMC members expressed interest and some concerns in considering use of the Plan in the methodology. While the strategies integrated into the Draft Blueprint were adopted in February 2020, the Draft Blueprint forecasted outcomes were released in July 2020. The HMC continued to consider the potential role of the Blueprint, if any, in achieving consistency with Plan Bay Area 2050 in summer 2020. If the Blueprint is not directly integrated, the HMC may need to adjust factors and weights to achieve consistency under Option 3 above.

## **RHNA SUBREGIONS**

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### **What is a subregion?**

Housing Element Law allows two or more jurisdictions to form a "subregion" to conduct a parallel RHNA process to allocate the subregion's housing need among its members. The subregion process allows for greater collaboration among jurisdictions, potentially enabling RHNA allocations that are more tailored to the local context as well as greater coordination of local housing policy implementation. A subregion is responsible for conducting its own RHNA process that meets all of the statutory requirements related to process and outcomes, including developing its own RHNA methodology, allocating a share of need to each member jurisdiction,

and conducting its own appeals process. The subregion's final allocation must meet the same requirements as the regional allocation: it must further the statutory objectives, have considered the statutory factors, and be consistent with the development pattern of the SCS.

### **What subregions have formed for the 6<sup>th</sup> Cycle of RHNA in the Bay Area?**

ABAG has received notification of formation of two subregions:

1. **Napa County:** includes City of American Canyon, City of Napa, Town of Yountville, and the County of Napa (*does not include City of Calistoga or City of St. Helena*)
2. **Solano County:** includes City of Benicia, City of Dixon, City of Fairfield, City of Rio Vista, City of Suisun City, City of Vacaville, City of Vallejo, and County of Solano

### **Can a jurisdiction withdraw from a subregion?**

Consistent with ABAG's approach for previous RHNA cycles, a jurisdiction may withdraw from a subregion without causing the dissolution of the entire subregion. If a jurisdiction withdraws from the subregion, the subregion's share of housing needs will be reduced by the number of units the withdrawing jurisdiction would receive from the most current version of ABAG's methodology available at the time when the jurisdiction decides to withdraw. The withdrawing member will then become part of the region's RHNA process, and it would receive its allocation based on the methodology adopted by ABAG.

## **RHNA AND LOCAL JURISDICTIONS**

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### **How are local jurisdictions involved in RHNA? Do they help create the housing methodology?**

Elected officials and staff from each county are on the [Housing Methodology Committee \(HMC\)](#) to represent the jurisdictions in that county. The HMC will make recommendations about the allocation methodology to the [ABAG Regional Planning Committee \(RPC\)](#), and the RPC will make recommendations to the [ABAG Executive Board](#), which will take action at key points in the RHNA process. Local governments will have the opportunity to comment on the proposed and draft methodology, both in written comments and at public meetings. There will also be an opportunity for local governments to file appeals on the draft allocations.

### **How does RHNA impact local jurisdictions' general plans? What is a Housing Element?**

California's [Housing Element Law](#) states that "designating and maintaining a supply of land and adequate sites suitable, feasible, and available for the development of housing sufficient to meet the locality's housing need for all income levels is essential to achieving the state's housing goals." Once a city, town or county receives its RHNA allocation, it must then update the Housing Element of its general plan and zoning to demonstrate how it will accommodate all of the units assigned for each income category. General plans serve as a local government's blueprint for how the city, town or county will grow and develop. There are seven elements that

all jurisdictions are required to include in the General Plan: land use, transportation, conservation, noise, open space, safety, and housing.

### **What agency is responsible for the certification of Housing Elements?**

ABAG's role in the RHNA process ends once it has allocated a share of the Regional Housing Needs Determination (RHND) to each local government in the Bay Area. The [California Department of Housing and Community Development](#) (HCD) reviews and approves Housing Elements and is responsible for all other aspects of [enforcing Housing Element Law](#).

### **Is there any funding and technical assistance available to assist local jurisdictions in creating their Housing Elements?**

In the 2019-20 Budget Act, Governor Gavin Newsom allocated \$250 million for all regions, cities, and counties to do their part by prioritizing planning activities that accelerate housing production to meet identified needs of every community. With this allocation, HCD established the [Local Early Action Planning Grant Program \(LEAP\)](#) with approximately \$25.6 million expected to come to cities and counties in the Bay Area and the [Regional Early Action Planning Grant Program \(REAP\)](#) with \$23.9 million expected to come to ABAG. The LEAP program augments HCD's [SB2 Planning Grants](#) which have provided approximately \$24 million in funding to localities in the Bay Area. ABAG is currently designing its REAP program to provide in-depth technical assistance to localities.

### **Some individuals in the Bay Area view their jurisdictions as "built out." How might communities with little to no vacant land meet their respective housing allocations?**

Large and small communities throughout the Bay Area have successfully identified under-utilized, infill sites for housing development. In past RHNA cycles, numerous Bay Area communities were able to meet their housing allocation exclusively through the identification of infill sites to provide for future housing needs. Encouraging the development of Accessory Dwelling Units (ADUs) is another strategy many Bay Area communities have used to add more housing choices for residents.

### **Will my jurisdiction be penalized if we do not plan for enough housing?**

State [Housing Element Law](#) requires that jurisdictions plan for all types of housing based on the allocations they receive from the RHNA process. The state requires this planning, in the form of having a compliant housing element, and submitting housing element annual progress reports, as a threshold or points-related requirement for certain funding programs (SB 1 Sustainable Community Planning Grants, SB 2 Planning Grants and Permanent Local Housing Allocation, etc.). Late submittal of a housing element can result in a jurisdiction being required to submit a four-year update to their housing element.

HCD [may refer jurisdictions to the Attorney General](#) if they do not have a compliant housing element, fail to comply with their HCD-approved housing element, or violate housing element

law, the housing accountability act, density bonus law, no net loss law, or land use discrimination law. The consequences of those cases brought by the Attorney General are up to the courts, but can include financial penalties.

In addition, as the housing element is one of the required components of the general plan, a jurisdiction without a compliant housing element, may risk legal challenges to their general plan from interested parties outside of HCD.

Local governments must also implement their commitments from the housing element, and the statute has several consequences for the lack of implementation. For example, failure to rezone in a timely manner may impact a local government's land use authority and result in a carryover of RHNA to the next cycle. Failure to implement programs can also influence future housing element updates and requirements, such as program timing. HCD may investigate any action or lack of action in the housing element.

### **Will my jurisdiction be penalized if we do not build enough housing?**

For [jurisdictions that did not issue permits for enough housing](#) to keep pace consistent with RHNA building goals, a developer can elect to use a ministerial process to get project approval for residential projects that meet certain conditions. This, in effect, makes it easier to build housing in places that are not on target to meet their building goals.

## **GLOSSARY OF ACRONYMS**

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ABAG - Association of Bay Area Governments

AMI – Area Median Income

DOF - California Department of Finance

HCD - California Department of Housing and Community Development

HMC - Housing Methodology Committee

MTC - Metropolitan Transportation Commission

RHNA - Regional Housing Need Allocation

RHND - Regional Housing Need Determination

RTP/SCS - Regional Transportation Plan/Sustainable Communities Strategy

TCAC - California Tax Credit Allocation Committee