

Sacramento Area Council of Governments (SACOG)

Regional Housing Needs Allocation (RHNA)

FAQ Sheet

(Updated: October 30, 2012)

This Frequently Asked Questions (FAQ) sheet addresses the Regional Housing Needs Allocation (RHNA) for the SACOG region. This document will be periodically updated and the most recent version will be available on the SACOG RHNA Website: <http://www.sacog.org/rhnp/rhna.cfm>

Background Information

What are the Regional Housing Needs Allocation (RHNA) and Regional Housing Needs Plan (RHNP)?

The State of California, through the Housing and Community Development Department (HCD), will issue a Regional Housing Needs Determination to SACOG's six-county region for the January 1, 2013 to October 31, 2021 planning period. HCD calculates the regional determination using information provided by the California Department of Finance. The regional determination includes an overall housing need number, as well as a breakdown of the number of units required in four income distribution categories, as further defined below.

Based on the regional determination provided by HCD, SACOG must develop a Regional Housing Needs Allocation (RHNA) and a Regional Housing Needs Plan (RHNP). These state-mandated documents allocate a projected share of the regional determination to each of the cities and counties in SACOG's six-county region. The RHNA establishes the total number of housing units that each city and county must plan for within the eight-year planning period. Based on the adopted RHNA, each city and county must update its housing element to demonstrate how the jurisdiction will meet the expected growth in housing need over the eight-year planning period.

What is SACOG's role in the RHNA Process?

California's Housing Element Law (Government Code, §§ 65580 *et seq.*) mandates that SACOG develop and approve a RHNA and RHNP for its six-county region, including the counties of El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba, and their 22 cities. The RHNA and RHNP must also include the Tahoe Basin portions of El Dorado and Placer counties, and the city of South Lake Tahoe, which are not normally within SACOG's planning area.

It is SACOG's responsibility to coordinate with HCD prior to its determination of the regional housing need. Once SACOG receives the regional determination, including the overall need number and the income category distribution, it must adopt a methodology for distributing the regional growth number throughout the region. The methodology is the basis for the final RHNA and RHNP that SACOG ultimately adopts.

What are the two types of allocations in the RHNA?

The Regional Housing Needs Allocation has two parts as required by state law:

- 1. Overall Allocation:** SACOG receives a total housing unit number for growth during the planning period in the six-county SACOG region, including the Tahoe Regional Planning Area, from HCD. SACOG is required to distribute this regional housing growth number to the jurisdictions within the region for the period from January 1, 2013, to October 31, 2021.

- 2. Income Category Distributions:** HCD also provides a household income distribution of the total regional housing unit number. As defined by state law, four income categories make up this distribution: very low income (less than 50 percent median family income [MFI]); low income (50 to 80 percent MFI); moderate income (80 to 120 percent MFI); and above moderate income (above 120 percent MFI). The total housing unit growth SACOG allocates to each jurisdiction must be further allocated into the four household income categories.

What are the four income categories and what do they mean for cities and counties?

The four economic categories, as listed above, must be addressed in a jurisdiction's housing element. Specifically, accommodations must be made to ensure that the jurisdiction provides sufficient zoning capacity to accommodate the projected housing need in each income category.

It is important to note that each jurisdiction is responsible for providing sufficient zoning capacity for the units allocated to all four economic income categories, but is NOT responsible for the construction of these units. The intent of the Housing Element Law is to ensure that jurisdictions do not impede the construction of housing in any income category. Other factors, such as market forces, are well beyond a jurisdiction's control and have considerable influence over whether or not housing units in each income category are actually constructed.

Generally, what factors are used to determine the RHNA?

State law requires SACOG to consider the following factors, to the extent sufficient data is available, when developing its RHNA methodology:

- Existing and projected jobs and housing relationship;

- Opportunities and constraints to development of additional housing, including:
 - Lack of capacity for sewer and water due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period;

 - 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 (SACOG may not limit its consideration based on the jurisdiction's existing zoning ordinances and land use restrictions);

- 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;
 - County policies to preserve prime agriculture lands within an unincorporated area;
 - Distribution of household growth assumed for a comparable period in the regional transportation plan and opportunities to maximize the use of public transportation and existing transportation infrastructure;
- Market demand for housing;
 - Agreements between a county and cities in the county to direct growth toward incorporated areas of the county;
 - Loss of units contained in assisted housing developments;
 - High housing cost burdens;
 - Housing needs of farmworkers;
 - Housing needs generated by the presence of a private university or a campus of the California State University or the University of California; and
 - Any other relevant factors, as determined by SACOG.

When was the RHNA Adopted?

The SACOG Board of Directors approved the Regional Housing Needs Plan, which contains the Regional Housing Needs Allocation, on September 20, 2012. Prior to that board action, here is a summary of the actions taken up to that date: During the summer and fall of 2011, SACOG worked with HCD on the RHNA determination, which is the number of units the overall regional allocation. SACOG received the RHNA determination on September 28, 2011. Simultaneously, SACOG worked with its member jurisdictions and interested parties in developing different RHNA methodologies for consideration. Five methodologies were submitted to the Board for review and selection. On December 15, 2011, the SACOG Board approved Methodology B.

On April 19, 2012, the SACOG Board released the draft allocations associated with the approved methodology. Jurisdictions had until June 18, 2012 to submit a formal request for revision; none were received, thereby closing the process for changing the draft associated allocations. The draft Regional Housing Needs Plan (RHNP) was developed by staff and released for public comment by the SACOG Board on August 16. Public comments could be received up until the time of the SACOG Board's meeting on September 20, 2012, and none were received. The SACOG Board unanimously adopted the RHNP at

this meeting. Subsequently the California Housing and Community Development Department reviewed and accepted the RHNP. With the adoption of the plan, the cities and counties the six-county SACOG region will have until October 31, 2013 to adopt the updated housing elements.

Where can I find the 2013-21 RHNP?

The current 2013-21 RHNP is available on SACOG's website at: <http://www.sacog.org/rhnp/rhna.cfm>.