

**Regional Housing Needs Assessment (RHNA)
FAQ Sheet (Updated January 2014)**

San Joaquin Council of Governments

This Frequently Asked Questions (FAQ) sheet addresses the Regional Housing Needs Assessment (RHNA) process for the San Joaquin County region. This document will be periodically updated and the most recent version will be available on the SJCOG/RHNA Website:

Background Information

What is the Regional Housing Needs Assessment (RHNA) and the 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 for the San Joaquin County region for the 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, SJCOG must develop a Regional Housing Needs Allocation Methodology and a Regional Housing Needs Plan. These state-mandated documents allocate a projected share of the regional determination to each of the cities and the unincorporated area of San Joaquin County. The RHNA establishes the total number of housing units that each city and county must plan for within the prescribed 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 planning period. This is to be completed 18 months after the adoption of the Regional Transportation Plan in June 2014.

What is SJCOG's role in the RHNA Process?

California's Housing Element Law (Government Code, §§ 65580 *et seq.*) mandates that SJCOG develop and approve a RHNA for the region. It is SJCOG's responsibility to coordinate with HCD prior to its determination of the regional housing need. Once SJCOG 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 that SJCOG ultimately adopts.

What are the two types of allocations in the RHNA?

1. Overall Allocation: SJCOG receives a total housing unit number for growth during the planning period for the SJCOG region from HCD. The final countywide RHNA target is 40,360. SJCOG is required to distribute this regional housing growth number to the jurisdictions within the region for the period from January 1, 2014 to December 31, 2023.

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 SJCOG 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.

Procedural Questions

What's the RHNA timeline?

The timelines for the RHNA process changed after the State of California passed Senate Bill 375 in 2008. One key goal of SB 375 is to better coordinate transportation planning with land use and housing planning. For this reason, the RHNA process is now tied to the adoption of every two cycles of the Regional Transportation Plan (RTP). Essentially, as a result, RHNAs must be adopted every eight years, following the adoption of the update of the RTP. This also means that each city and county will update its Housing Element every eight years instead of every five years, as it was before SB 375. Because of the transition period created by SB 375, this RHNA period will be for a 10-year period in order to sync with future RTP's.

The SJCOG RTP is scheduled to be adopted June 26, 2014 by the SJCOG Board. Under SB 375, this date determines the related RHNA timeline.

Generally, what factors are used to determine the RHNA?

State law requires SJCOG 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;
- 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 SJCOG.

Where is the RHNA process now and what's next?

The DOF recently released new population forecasts in late January 2013. The RHNA targets to be provided to COG's are based on:

1. State Department of Finance (DOF) population projections; or,
2. If within 3% of the DOF forecast, the COG's regional population forecasts used in preparing Regional Transportation Plans (RTP).

SJCOG is within the 3% margin; therefore, the RHNA housing targets will be based on the same population growth assumptions being used to develop the RTP which will assist in maintaining consistency between the two (2) efforts. SJCOG Staff have completed the full consultation process involves the following:

Government Code	Consultation Requirements (paraphrased): Assumptions / Methodology / Data Elements
65584.01(b)	Population projections - DOF - Regional Transportation Plan forecast
65584.01(c)(1)(A)	Anticipated household growth associated with projected population increases
65584.01(c)(1)(B)	Household size data and trends in household size
65584.01(c)(1)(C)	The rate of household formation, or headship rates, based on: - age, - gender, - ethnicity, - other established demographic measures
65584.01(c)(1)(D)	- the vacancy rates in existing housing stock - the vacancy rates for healthy housing market functioning and regional mobility - housing replacement needs
65584.01(c)(1)(E)	Other characteristics of the composition of the projected population
65584.01(c)(1)(F) (d)(1)	The relationship between jobs and housing, including any imbalance between jobs and housing Region's existing and projected need reflecting the achievement of a feasible balance between jobs and housing using employment projections in applicable regional transportation plan

The final RHNA target for San Joaquin County is 40,360. The next step involves developing and having the SJCOG Board of Directors approve a RHNA Allocation Methodology designed to equitably distribute the countywide RHNA across each jurisdiction. The detailed RHNA schedule is as follows:

<i>SJCOG RHNA Time Line</i>			
	Key Tasks Outline	Government Code	Date
A	<i>Enter Planned RTP Adoption Date: MM/DD/YYYY</i>	06/26/2014	
B	COG Notifies HCD & Caltrans of RTP Adoption Date	65588(e)(5)	06/25/2013
C	Housing Element Due Date (within 18 mos. of RTP adoption)	65588(e)(2)	12/27/2015
D	HCD - COG consultation re: Regional RHNA. Consultation meeting (65584 c 1) is 26 months (Feb. 2013) prior to the housing element due date. HCD issues RHNA Determination.	65584 (b) & (c) 65584.02(a)(1)	12/25/2013
E	COG issues proposed RHNA methodology	65584.04(a)	12/25/2013
F	COG adopts RHNA Methodology	65584.04 (h)	02/24/2014
G	COG issues DRAFT Allocation of RHNA	65584.05 (a)	04/27/2014
H	COG/MPO releases DRAFT RTP w/SCS accommodating RHNA	65080(b)(2)(F)(iv)	05/01/2014
I	Local jurisdictions may request revision of Draft RHNA Allocations	65584.05 (b)	06/26/2014
J	COG accepts, modifies or rejects the local jurisdiction's revision request	65584.05 (c)	08/25/2014
K	Jurisdictions may APPEAL (revised)	65584.05 (d) & (e)	11/22/2014
L	COG responds TO APPEALS of Draft RHNA and holds concurrent hearings	65584.05 (e)	11/22/2014
M	COG issues proposed FINAL RHNA Plan concurrent with Response	65584.05 (f) & (h)	01/21/2015
N	COG adopts Final RHNA (consistent w/SCS development pattern), either: (a) upon completion of request for revisions if none received, OR	65584.05 (h)	07/29/2014
	(b) within 45 days after "T" AND		03/07/2015
	at least one year prior to H.E. due date (Row 'E')	65584 (b)	12/26/2014
O	HCD review/approval of Final RHNA Plan within 60 days of adoption	65584.05(h) (a)	09/27/2014
	(a) is the date if adopted without revisions & appeals, and (b) is the date if adopted after revisions/appeals	(b)	05/06/2015