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MEETING OF THE REGIONAL HOUSING NEEDS ASSESSMENT (RHNA) SUBCOMMITTEE

*Members of the Public are Welcome to Attend
In-Person & Remotely*

**Monday October 26, 2026
2:00 p.m. – 4:00 p.m.**

To Attend In-Person:

**SCAG Main Office – Policy B Meeting Room
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017**

To Attend and Participate on Your Computer:

<https://scag.zoom.us/j/85410359225>

To Attend and Participate by Phone:

**Call-in Number: 1-669-900-6833
Meeting ID: 854 1035 9225**

PUBLIC ADVISORY

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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Instructions for Members of the Public Attending the Meeting

To Attend In-Person and Provide Verbal Comments: Go to the SCAG Main Office located at 900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017 or any of the remote locations noticed in the agenda. The meeting will take place in the Policy B Meeting Room on the 17th floor starting at 2:00 p.m.

Attend by Computer: Click the following link: <https://scag.zoom.us/j/85410359225>. If Zoom is not already installed on your computer, click “Download & Run Zoom” on the launch page and press “Run” when prompted by your browser. If Zoom has previously been installed on your computer, please allow a few moments for the application to launch automatically. Select “Join Audio via Computer.” The virtual conference room will open. If you receive a message reading, “Please wait for the host to start this meeting,” simply remain in the room until the meeting begins.

Attend by Phone: Call **(669) 900-6833** to access the conference room. Given high call volumes recently experienced by Zoom, please continue dialing until you connect successfully. Enter the **Meeting ID: 854 1035 9225**, followed by #. Indicate that you are a participant by pressing # to continue. You will hear audio of the meeting in progress. Remain on the line if the meeting has not yet started.

Instructions for Participating and Public Comments

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 Friday, October 23, 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; this option is offered as a convenience should you desire not to provide comments in real time as described below. Written comments received after 5pm on **Friday, October 23, 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.

In-Person: If participating in-person, you are invited but not required, to fill out and present a Public Comment Card to the Clerk of the Board or other SCAG staff prior to speaking. It is helpful to indicate whether you wish to speak during the Public Comment Period (Matters Not on the Agenda) and/or on an item listed on the agenda.

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*

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 Council Chamber 3191 Katella Avenue Los Alamitos, CA 90720	Margaret Finlay 2221 Rim Road Duarte, CA 91008
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
Vianey Lopez Ventura County Government Center Point Mugu Conference Room 4th Floor 800 S. Victoria Avenue Ventura, CA 93009	Steve Manos 53180 Odyssey Street Lake Elsinore, CA 92532	Rocky Rhodes City of Simi Valley - City Hall 2929 Tapo Canyon Road City Manager's Conference Room 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 – October 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 Rebolgar**
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
900 Wilshire Boulevard, Suite 1700 - Policy B Meeting Room
Los Angeles, CA 90017
Monday, October 26, 2026
2:00 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

Approval Items

1. Minutes of the Meeting – September 10, 2026 PG. 7

Receive and File

2. RHNA Subcommittee Topic Outlook PG. 23

ACTION ITEMS

3. Regional Housing Needs Determination for the SCAG Region PG. 27
(Kevin Kane, Planning Supervisor, SCAG)

RECOMMENDED ACTION:

Recommend that the CEHD and Regional Council object to the Regional Housing Needs Determination issued for the SCAG region on October 15, 2026, by the California Department of Housing and Community Development on the basis that their use of cost-burden data is not a reasonable application of the methodology and assumptions determined pursuant to Government Code Section 65584.01(b).

ADJOURNMENT



Southern California Association of Governments
October 26, 2026

**MINUTES OF THE MEETING
REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE
THURSDAY, SEPTEMBER 10, 2026**

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE REGIONAL HOUSING NEEDS ASSESSMENT SUBCOMMITTEE. A VIDEO RECORDING OF THE ACTUAL MEETING IS AVAILABLE ON THE SCAG WEBSITE AT: <http://scag.ig2.com/Citizens/>.

The Regional Housing Needs Assessment Subcommittee (RHNA) of the Southern California Association of Governments (SCAG) held its meeting virtually (telephonically and electronically). A quorum was present.

MEMBERS PRESENT

Hon. Rocky Rhodes (Chair)

Hon. Debbie Baker

Hon. Chelsea Byers

Hon. Tanya Doby

Hon. Margaret Finlay

Hon. John Gabbard

Hon. Gary Gardner

Hon. Mike Goodsell

Sup. Vianey Lopez

Hon. Steve Manos

Hon. David Shapiro

Hon. Helen Tran

Hon. Acquanetta Warren

Ventura County Representative

Orange County Representative

Los Angeles County Representative

Orange County Representative

Los Angeles County Representative

Orange County Representative

Riverside County Representative

Imperial County Representative

Ventura County Representative

Riverside County Representative

Los Angeles County Representative

San Bernardino County Representative

San Bernardino County Representative

MEMBERS NOT PRESENT

Hon. Cindy Allen

Hon. Patricia Lock Dawson

Sup. Curt Hagman

Hon. Gil Rebolgar

Los Angeles County Representative

Riverside County Representative

San Bernardino County Representative

Imperial County Representative

STAFF PRESENT

Elizabeth Carvajal, Deputy Director of Land Use

Ma'Ayn Johnson, Department Manager of Housing

Jeffery Elder, Chief Counsel

Richard Lam, Senior Deputy Legal Counsel
Maggie Aguilar, Clerk of the Board

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Chair Rhodes called the meeting to order at 1:02 p.m. and asked Regional Council Member Tanya Doby, Orange County Representative, to lead the Pledge of Allegiance.

PUBLIC COMMENT PERIOD

Chair Rhodes opened the Public Comment Period for persons to comment on any matter pertinent to SCAG's jurisdiction that were not listed on the agenda.

The Clerk of the Board acknowledged there was one written public comment received before the deadline, which was posted on the website and transmitted to members.

Seeing no public comment speakers, Chair Rhodes closed the Public Comment Period.

REVIEW AND PRIORITIZE AGENDA ITEMS

There were no requests to prioritize agenda items.

CONSENT CALENDAR

There were no public comments on the Consent Calendar.

Approval Items

1. Minutes of the Meeting – August 13, 2026

Receive and File

2. RHNA Subcommittee Topic Outlook

A MOTION was made (Finlay) to approve Consent Calendar Item No. 1; and Receive and File Item No. 2. Motion was SECONDED (Manos). The motion passed by the following roll call votes:

AYES: Baker, Byers, Doby, Finlay, Gabbard, Gardner, Goodsell, Lopez, Manos, Rhodes, and Tran (11)

NOES: None (0)

ABSTAINS: None (0)

ACTION ITEM

3. Election of Vice Chair – Verbal Report

There were no public comments for Item 3.

Richard Lam, Senior Deputy Legal Counsel, reported that two nominations for the RHNA Subcommittee Vice Chair had been received: Honorable John Gabbard of the City of Dana Point and Honorable Chelsea Byers of the City of West Hollywood. He outlined the nomination and election procedures, noting that additional nominations could be made from the floor, nominations did not require a second, self-nominations were permitted, and nominees could decline candidacy. He further explained that candidates would be given up to three minutes to address the subcommittee before the Clerk conducted the vote for Vice Chair.

Chair Rhodes open the floor for nominations. Seeing none, he closed the floor for nominations and proceeded to ask Regional Council Member Byers to provide her candidate statement, followed by Regional Council Member Gabbard.

Regional Council Member Chelsea Byers expressed she was honored for the opportunity to stand before the Subcommittee as a nominee for the Vice Chair role. She highlighted her experience in meeting facilitation and leadership roles, including serving as mayor and chairing regional committees, and emphasized her commitment to supporting the Chair, advancing the subcommittee's work, encouraging public engagement, and increasing community awareness of the RHNA process. She concluded by expressing appreciation for the opportunity and recognizing the qualifications of the other nominee.

Regional Council Member John Gabbard thanked the subcommittee and fellow nominee Chelsea Byers and highlighted his extensive leadership experience on regional boards and more than 40 years of experience in housing and construction. He noted his familiarity with housing issues throughout Southern California, referenced his service as Chair and Past Chair of the Orange County Council of Governments (OCCOG), and emphasized his experience facilitating meetings and advancing committee work efficiently. He concluded by expressing appreciation for the members' consideration and support.

Chair Rhodes thanked both candidates for their remarks and opened the election for RHNA Subcommittee Vice Chair. He instructed members to state their selected candidate's name when called upon and advised that the Clerk would tabulate the votes and announce the election results.

Regional Council Member John Gabbard, Orange County Representative was selected as Vice Chair of the RHNA Subcommittee by the following roll call votes:

Byers: Byers, Finlay, Gardner, Lopez, and Tran (5)

Gabbard: Baker, Doby, Gabbard, Goodsell, Manos, Rhodes, and Shapiro (7)

The Clerk noted that Regional Council Member Cindy Allen raised her hand to provide comment. The Clerk noted that Member Allen was not at a noticed location but if she wanted, she could provide public comment.

Regional Council Member Allen thanked both candidates for their willingness to serve as Vice Chair and acknowledged the importance of stepping forward for leadership responsibilities. She expressed support for whoever was elected and conveyed appreciation for their commitment to the RHNA Subcommittee.

4. 7th Cycle RHNA Survey Packet

Chair Rhodes reported that action on this item would be approval for staff to distribute the survey packet. He explained that as they begin developing the 7th Cycle RHNA methodology, this survey packet, which includes two separate surveys, was intended to help gather input from SCAG jurisdictions on key priorities and considerations. He noted that feedback received would help inform future discussions and support the development of the RHNA methodology.

Ma'Ayn Johnson, Housing Department Manager, presented an action item recommending approval to distribute the Local Planning Factor Survey and the Affirmatively Furthering Fair Housing (AFFH) Survey, both required under state law to support development of the RHNA methodology. She explained that the surveys would collect information from jurisdictions on local planning factors, housing needs, fair housing considerations, climate risks, homelessness, and related planning issues. Ms. Johnson noted that survey responses would help identify regional trends and inform the proposed RHNA methodology, with distribution planned for the following week, responses due by January 29, 2027, and results to be published and considered as staff developed recommendations for the subcommittee's review in March 2027.

Chair Rhodes opened the public comment period.

Jim Light inquired which city officials or departments would receive the RHNA surveys to help ensure community participation and follow-up. He also asked whether there would be an opportunity to provide input on the survey content or whether the survey questions had already been finalized.

Chair Rhodes thanked the speaker for his comments and, in the interest of time, indicated that questions would be addressed offline. He advised that the surveys would be distributed through city clerks and noted that the subcommittee's action on the item would determine approval of the survey content for distribution.

Ms. Johnson clarified that the surveys would be distributed to housing managers, community development directors, and planning managers at jurisdictions, as applicable. She stated that staff would coordinate with jurisdictions to ensure that only one survey response was submitted per jurisdiction. Ms. Johnson further noted that the RHNA Subcommittee was continuing to develop methodology components and that survey feedback received through March would be considered in the development of the proposed RHNA methodology.

Chair Rhodes clarified that the question pertained to whether the survey had already been finalized for distribution and whether there would be an opportunity to provide input on its content.

Ms. Johnson clarified that the proposed survey had been included in the agenda packet and made available online but had not yet been finalized. She stated that the RHNA Subcommittee could consider modifications or additions to the survey prior to taking action.

Chair Rhodes closed the public comment period.

Regional Council Member Vianey Lopez, Ventura County Representative, expressed concern that the survey questions may be subjective and requested additional clarification on their intent and how responses will ultimately influence RHNA allocation numbers.

Ms. Johnson explained that survey responses would be reviewed and incorporated into the development of a proposed regional methodology, though the specific methodology had not yet been created. She noted that survey results and findings would be shared publicly and referenced the sixth-cycle methodology as an example.

Regional Council Member Lopez asked whether jurisdictions would have an opportunity to provide further clarification or participate in a follow-up survey after responses were reviewed.

Ms. Johnson stated that staff could contact jurisdictions directly for clarification when needed but indicated that timing constraints made an additional survey unlikely.

Regional Council Member Tanya Doby, Orange County Representative, proposed adding first responder service capacity as a planning factor and requested explicit consideration of federal and state military base lands in the survey to avoid allocation issues experienced during the previous cycle.

Ms. Johnson responded that such additions could be made at the subcommittee's discretion and noted that she believed federal bases were already contemplated under existing factors.

Chair Rhodes sought clarification on whether fire or emergency services were already addressed in the survey factors.

Ms. Johnson clarified that emergency evacuation capacity was included as a factor, but emergency service capacity was not.

Mr. Lam advised that Regional Council Member Doby could make a motion to amend the survey recommendations if desired.

Regional Council Member Doby indicated her intent to pursue amendments addressing first responder service capacity and military base lands, distinguishing emergency services from evacuation capacity.

Chair Rhodes invited additional comments before considering amendments.

Regional Council Member Gabbard indicated he supported Regional Council Member Lopez's concerns regarding survey responses and suggested requiring city manager approval to ensure accountability and accuracy.

Ms. Johnson stated that staff could explore ways to include city manager acknowledgement or authorization within the online survey process.

Regional Council Member Gabbard emphasized that city manager approval would help prevent jurisdictions from later disputing survey responses based on staff error or misunderstanding.

Chair Rhodes noted that some jurisdictions may not have city managers and questioned how the requirement would apply.

Ms. Johnson suggested using "city manager or designee" language to address varying governmental structures.

Chair Rhodes acknowledged the suggested modification.

Regional Council Member Gabbard noted that county CEOs could serve a similar approving role for county jurisdictions.

Regional Council Member Margaret Finlay, Los Angeles County Representative, asked whether city councils were typically informed of or reviewed survey responses and suggested that broader awareness could be beneficial.

Ms. Johnson explained that there was no current requirement for city council review and noted that time constraints could limit such involvement.

Regional Council Member Acquanetta Warren, San Bernardino Representative, suggested incorporating an acknowledgement mechanism to ensure city councils were informed while recognizing the challenges that formal council approval could create.

Regional Council Member Byers requested clarification regarding proposed amendments related to emergency services and whether they would expand upon existing survey language concerning evacuation routes and climate-related impacts.

Regional Council Member Doby clarified that her proposal focused specifically on first responder service capacity and the ability of police and fire services to accommodate future growth.

Regional Council Member Byers asked whether the proposed amendment would specifically address the capacity of existing first responder services as a planning factor.

Regional Council Member Doby responded that both current capacity and the ability to expand services should be considered.

Regional Council Member Byers expressed concern that expanding the survey to include service capacity could broaden its scope significantly and asked staff to comment on potential limitations and implications.

Ms. Johnson noted that state law allows consideration of additional factors necessary to address significant health and safety conditions, provided they are properly justified and applied consistently.

Regional Council Member Lopez asked whether survey results would be brought back to the subcommittee for review before being incorporated into the methodology.

Ms. Johnson explained that a review meeting could be scheduled if survey deadlines were adjusted, though doing so would require changes to the project timeline.

Regional Council Member Lopez expressed support for reviewing survey results to promote transparency and careful interpretation of responses.

Elizabeth Carvajal, Deputy Director of Land Use, sought clarification on whether adjusting the schedule would require reducing the response period available to cities and counties.

Ms. Johnson confirmed that shortening the response timeframe would be necessary to accommodate a February review meeting.

Regional Council Member Lopez asked whether the survey could be distributed as early as the following week.

Ms. Johnson confirmed that an earlier distribution was possible.

Ms. Carvajal explained that staff would need sufficient time to process responses and prepare materials, requiring an earlier survey deadline if a February briefing were scheduled.

Chair Rhodes summarized his understanding that jurisdictions' responses could be compiled and shared, though there might not otherwise be sufficient time for Subcommittee feedback before methodology development.

Ms. Carvajal clarified that staff could provide survey results to the subcommittee before methodology development if timelines were adjusted accordingly.

Chair Rhodes stated that the proposed timeline adjustment appeared reasonable.

Regional Council Member Gary Gardner, Riverside County Representative, expressed concern about reducing the response period for cities, supported reviewing survey results, and asked whether disputes over survey submissions had been a problem in prior RHNA cycles.

Ms. Carvajal suggested maintaining the January 29 deadline while potentially adjusting future meeting dates to provide time for staff review and subcommittee consideration of survey results.

Regional Council Member Finlay emphasized the importance of ensuring city councils were informed of survey submissions to avoid future misunderstandings and communication issues.

Regional Council Member Gardner agreed that stronger local review procedures should be considered and suggested either city manager certification or formal city council approval.

Chair Rhodes noted that requiring council approval could increase the burden on cities and exceed statutory requirements, though it may offer political benefits.

Ms. Johnson reminded the Subcommittee that the survey had to be issued within the statutory six-month period preceding release of the proposed methodology, limiting scheduling flexibility.

Regional Council Member Steve Manos, Riverside County Representative, opposed adding first responder service capacity to the survey, arguing that cities were responsible for addressing service impacts through local planning. He supported releasing the survey promptly, cautioned against requiring council approval, suggested notifying elected officials directly, and supported providing survey results for subcommittee review.

Regional Council Member Gabbard expressed concern over requiring council approval due to timing concerns but supported executive-level review, as well as a February review of survey responses to improve transparency and regional understanding.

Mr. Lam asked whether Regional Council Member Doby's amendment regarding survey modifications remained under consideration.

Regional Council Member Doby withdrew her proposed amendment concerning first responder service capacity but maintained her request to explicitly identify military base lands within the survey.

Mr. Lam requested clarification regarding a proposed friendly amendment from Vice Chair Gabbard.

Regional Council Member Gabbard proposed requiring approval or acknowledgement of survey responses by each jurisdiction's chief executive officer to enhance accountability and transparency.

Ms. Johnson pointed out that an existing survey factor references lands protected from development under federal or state programs and asked whether that language sufficiently addressed concerns regarding military base lands.

Regional Council Member Doby stated that explicit reference to military base lands remained necessary because previous RHNA allocations had improperly counted such lands.

Ms. Carvajal asked whether an online acknowledgment by a city manager or chief executive would satisfy the proposed approval requirement.

Regional Council Member Gabbard indicated flexibility regarding the approval mechanism, emphasizing only that executive-level authorization be verified.

Chair Rhodes asked whether any clarification regarding survey due dates was needed for the motion.

Ms. Carvajal confirmed that the January 29 survey deadline would remain unchanged.

Regional Council Member Finlay reiterated the importance of informing city councils about the survey process to reduce future confusion and political concerns.

Chair Rhodes suggested that informing city councils should be handled locally rather than through the survey methodology process itself.

Regional Council Member Finlay agreed but recommended encouraging jurisdictions to notify city councils about the survey and its significance.

Chair Rhodes supported including such a recommendation when distributing the survey.

Regional Council Member Lopez requested clarification on whether a future review of survey results by the Subcommittee needed to be included in the motion.

Ms. Carvajal responded that a separate motion was not necessary, as staff had already received direction to reevaluate meeting dates and provide survey results to the Subcommittee before methodology discussions.

Regional Council Member Lopez thanked staff for considering the Subcommittee's concerns and supporting greater transparency in the process.

An amended MOTION was made (Doby) to explicitly identify military base lands within the survey, require approval or acknowledgement of survey responses by each jurisdiction's city manager or chief executive officer to enhance accountability and transparency, and to approve distribution of the 7th Cycle RHNA Survey Packet, inclusive of the Local Planning Factor Survey and the Affirmatively Furthering Fair Housing Survey. The amended motion was SECONDED (Gabbard) and passed by the following roll call votes:

AYES: Baker, Byers, Doby, Finlay, Gabbard, Gardner, Goodsell, Lopez, Manos, Rhodes, Shapiro, Tran, and Warren (13)

NOES: None (0)

ABSTAINS: None (0)

INFORMATION ITEMS

5. Overview of the 6th Cycle RHNA Methodology

Chair Rhodes noted that the previous month they had heard about the RHNA methodology process, which had been one of the Subcommittee's primary responsibilities to develop. He indicated that, due to time constraints, they had heard a brief overview of milestones and the various components that could be considered. He explained that SCAG staff would continue the overview and also provide an overview of the 6th cycle methodology. He emphasized that understanding the components and allocation formula of the 6th cycle methodology could help inform discussion of the various components that they would ultimately recommend for the 7th cycle methodology.

Ma'Ayn Johnson, Department Manager of Housing, provided an overview of the sixth-cycle RHNA methodology to inform future discussions regarding development of the seventh-cycle methodology. She reviewed the statutory requirements governing RHNA, including housing objectives, planning factors, and consistency with Connect SoCal. Ms. Johnson explained that the sixth-cycle methodology allocated housing need based on a combination of projected housing need and existing housing need, with existing need determined through factors such as job accessibility, transit accessibility, and regional equity considerations. She further described how social equity adjustments had been applied to promote fair housing objectives, avoid the overconcentration of lower-income households, and distribute housing need across income categories. She noted that staff had continued to work with the California Department of Housing and Community Development on the regional determination and had remained on schedule to present a proposed seventh-cycle methodology to the Subcommittee in March 2027.

Jim Light commented that the sixth-cycle RHNA methodology had resulted in inequitable housing allocations for certain jurisdictions. He cited the City of Redondo Beach as an example, noting that factors such as job accessibility and transit proximity did not fully reflect local conditions, including transit usage, jobs-to-housing balance, and limited opportunities for commercial-to-residential conversion. He expressed concern that the allocation had contributed to the displacement of jobs and increased commuting and encouraged consideration of these issues during development of the seventh-cycle RHNA methodology.

Regional Council Member Gabbard questioned whether the sixth-cycle RHNA methodology may have disproportionately allocated housing need to communities with high access to jobs and transit, including potentially disadvantaged areas. He acknowledged that the methodology had included

adjustments to reduce overconcentration in disadvantaged communities but emphasized the importance of carefully evaluating future methodology factors to avoid overburdening jurisdictions based solely on their proximity to jobs and transit. He urged the Subcommittee to keep these concerns in mind during development of the seventh-cycle methodology.

Chair Rhodes concurred that lessons learned from the previous RHNA cycle should inform development of the next methodology and emphasized the Subcommittee's role in evaluating past outcomes and new statutory requirements as part of that process.

There were no public comments for Item 5.

6. 7th Cycle RHNA Methodology Brainstorm: Social Equity Considerations

Chair Rhodes stated that as they began exploring potential components of the methodology, this discussion provided an opportunity to begin considering how equity-related objectives and outcomes might be incorporated into the allocation process. He noted that the presentation was intended as an initial brainstorming conversation and an opportunity for members to share perspectives before methodology development progressed further.

Ma'Ayn Johnson, Department Manager of Housing, presented an overview of how social equity was incorporated into the sixth-cycle RHNA methodology and outlined potential approaches for consideration in developing the seventh-cycle methodology. She explained that the prior methodology used social equity adjustments to further state housing objectives, including affirmatively furthering fair housing and reducing the overconcentration of lower-income households in disadvantaged communities. Ms. Johnson described how factors such as job access, transit access, disadvantaged community status, and opportunity indicators informed RHNA allocations and income-category distributions. She also reviewed relevant Connect SoCal social equity policies and presented several potential framework options for the next RHNA cycle, including refining the existing methodology, expanding fair housing considerations, emphasizing anti-displacement strategies, simplifying the social equity framework, or pursuing an alternative approach. She emphasized that the presentation was intended to provide background and solicit Subcommittee feedback to inform staff's development of a proposed seventh-cycle RHNA methodology.

Mr. Light commented that the sixth-cycle RHNA methodology created a cycle in which higher-cost coastal communities received increasingly larger affordable housing allocations due to existing housing market conditions. He argued that because local jurisdictions had limited ability to require affordable housing at levels exceeding state requirements, new development often resulted in a greater proportion of market-rate units than affordable units. Mr. Light expressed concern that this dynamic could perpetuate higher future housing allocations without substantially increasing

affordable housing production and suggested that the methodology may not have effectively achieved its intended equity objectives in high land-value communities.

Marle Chen, California State Council on Developmental Disabilities, highlighted the importance of increasing housing accessibility for individuals with disabilities, including persons receiving regional center services and older adults. She noted ongoing collaboration with HCD and emphasized the need to incorporate the housing needs of people with disabilities into RHNA-related discussions. Ms. Chen expressed support for expanding affordable and accessible housing opportunities for underserved populations, offered the Council as a resource to the Subcommittee, and encouraged continued collaboration with SCAG on accessible housing, transportation accessibility, and mobility issues affecting individuals with disabilities.

Jake Pierce, a resident of Los Angeles, expressed support for expanding the social equity framework and encouraged consideration of the option that would incorporate a broader range of opportunity-based factors into the RHNA methodology. He suggested that factors such as access to education, health outcomes, and climate resilience could help promote equitable housing opportunities and improve access to resources throughout the region. Mr. Pierce acknowledged the benefits of simplifying the methodology but recommended doing so without reducing consideration of key equity factors. He also expressed concerns regarding approaches that would focus primarily on anti-displacement measures or require a complete redesign of the methodology, stating that such options could either fall outside the RHNA framework or unnecessarily complicate the process.

Regional Council Member Doby thanked staff for the presentations and encouraged consideration of additional demographic and socioeconomic factors in future RHNA methodology discussions. She highlighted the growing senior population in many communities and noted that increasing home values might not accurately reflect the financial circumstances of older residents who chose to age in place. Member Doby expressed concern that existing indicators, such as median home value and poverty measures, might not fully capture local conditions and urged further evaluation of factors affecting senior residents, housing affordability, and community-level economic realities to ensure the methodology reflected current housing challenges.

Regional Council Member Manos questioned whether the social equity adjustments used in the prior RHNA methodology effectively addressed the housing needs of disadvantaged communities. While acknowledging the goal of avoiding concentrations of affordable housing, he expressed concern that redistributing housing need away from disadvantaged areas could limit affordable housing opportunities for residents who needed them most. Member Manos emphasized the importance of providing affordable housing near employment centers, transit, and accessible community amenities, and noted the practical challenges of developing affordable housing in high-cost coastal communities. He also encouraged consideration of housing affordability and rental

costs as part of future methodology discussions and indicated support for expanding opportunity-based factors within the RHNA framework.

Regional Council Member Gardner asked how county-level income categories used in the RHNA methodology accounted for significant economic differences among communities within large and geographically diverse counties. He noted that income conditions could vary substantially between jurisdictions within the same county and questioned how such local variations were reflected when determining low-, very low-, and other income-level allocations. He emphasized that the treatment of income categories was a key component of the RHNA methodology and sought clarification on how these disparities were addressed.

Ms. Johnson explained that state housing law required income categories used in the RHNA methodology to be based on county median income, regardless of variations among communities within a county. She noted that while county median income was a statutory requirement for establishing income levels, other methodology components developed by SCAG, such as the residual need redistribution process, were discretionary and could be modified as part of the Subcommittee's consideration of future RHNA methodology options.

Regional Council Member Gardner suggested that access to healthcare be considered as a factor in evaluating social equity within the RHNA methodology. He noted that residents in his community had to travel significant distances to access healthcare services and that such services could become inaccessible during severe weather events. Member Gardner emphasized that access to healthcare was an important component of community well-being and recommended that healthcare accessibility be considered when evaluating housing allocations and social equity outcomes.

Ms. Johnson responded that access to healthcare was not a factor included in the social equity indicators used for the sixth-cycle RHNA methodology. She stated that staff would review the current California Tax Credit Allocation Committee (TCAC) opportunity indicators to determine whether healthcare access had been incorporated in more recent updates and noted that it had not been part of the factors considered during the previous RHNA cycle.

Regional Council Member Gardner recommended that access to healthcare be considered as a factor in the development of the seventh-cycle RHNA methodology. He requested that staff evaluate healthcare accessibility as part of its ongoing methodology development efforts, noting that it was an important component of community well-being and social equity. He expressed support for including healthcare access among the factors reviewed as staff refined and developed future RHNA methodology options.

Regional Council Member Lopez expressed appreciation for the discussion and feedback provided on the social equity framework. She stated that she had concerns regarding the inclusion of the

residual housing need adjustment within the existing methodology and requested additional information on potential alternatives. Member Lopez also raised questions about the role of high-quality transit areas in the methodology, including how current transit service levels, future transit plans, and input from local transit agencies were considered. She encouraged further discussion regarding how transit accessibility was evaluated and how it might influence future RHNA allocations.

Ms. Johnson explained that the sixth-cycle RHNA methodology relied on the applicable Connect SoCal plan, which incorporated data and forecasting developed through coordination with county transportation commissions and local agencies. She stated that the methodology considered both existing and planned transit investments when evaluating transit accessibility and identifying High-Quality Transit Areas (HQTAs). Ms. Johnson noted that HQTAs were no longer the primary transit planning designation and had since been replaced by other transportation and mobility planning frameworks. She advised that staff would provide a more detailed discussion of transit-related factors and methodologies at a future RHNA Subcommittee meeting focused specifically on transportation considerations.

Regional Council Member Lopez noted that the sixth-cycle methodology relied on projected 2045 transit investments and expressed interest in understanding how those projections compared with current transit capacity and service levels. She suggested that evaluating both planned and existing transit conditions could help inform future RHNA methodology discussions.

Regional Council Member Goodsell stated that his county met many of the characteristics associated with disadvantaged communities and expressed support for Option B as the preferred approach for the seventh-cycle RHNA methodology. He concurred with comments that access to healthcare should be considered as a social equity indicator and noted ongoing local efforts to establish a valley-wide healthcare district. He stated his support for incorporating healthcare access into future methodology discussions.

ADJOURNMENT

Chair Rhodes reported that staff had held their first full consultation meeting with HCD on September 2, which was the first exchange of data and approaches that would inform the RHND. He stated that as had been shared at their first meeting, state law listed the required factors HCD had to consider in its RHND and also outlined that HCD was required to consult with the COG and the California Department of Finance as part of the process. He shared that HCD appeared to have similar data and approaches as SCAG staff had outlined at the August RHNA Subcommittee meeting. He further noted that HCD appeared eager to consider SCAG's recommended approaches. He reported that staff had committed to biweekly meetings until October 15, which was HCD's deadline to issue a determination. He explained that at the first RHNA Subcommittee meeting after

that date, staff would share the RHND and the Subcommittee would decide whether to recommend that the CEHD and RC object to HCD's determination.

Kevin Kane, Supervisor of the Demographics and Growth Vision Program, described the initial consultation with HCD as constructive and stated that staff was cautiously optimistic about the process. He noted that HCD had committed to additional discussions and was considering SCAG's input regarding regional planning assumptions and methodology approaches.

Chair Rhodes thanked the members for their participation. He noted that to ensure they would be able to review and take potential action on the RHND, the October meeting had been rescheduled to Monday, October 26, from 2:00 p.m. to 4:00 p.m. He stated that staff would send confirmation to Subcommittee members.

There being no further business, Chair Rhodes adjourned the Regional Housing Needs Assessment Subcommittee meeting at 2:44 p.m.

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE REGIONAL HOUSING NEEDS ASSESSMENT
SUBCOMMITTEE]

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AGENDA ITEM 2

REPORT

Southern California Association of Governments
October 26, 2026

To: RHNA - Regional Housing Needs Assessment Subcommittee

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Kaitlin McCafferty, Associate Regional Planner LT (H)
213-630-1538, mccaafferty@scag.ca.gov

Kome Ajise

Subject: RHNA Subcommittee Topic Outlook

RECOMMENDED ACTION:

Receive and File

STRATEGIC PRIORITIES:

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

EXECUTIVE SUMMARY:

The attachment contains a schedule of upcoming meetings of the RHNA Subcommittee and an outline of topics and actions for its future meetings. The schedule also includes major anticipated CEHD and Regional Council actions based on recommendations of the RHNA Subcommittee. The schedule and future meeting topics are subject to change. SCAG staff will continue to update this outlook and update the RHNA Subcommittee on these changes, as needed.

BACKGROUND:

The RHNA Subcommittee held its first meeting on August 13, 2026 to start the 7th RHNA cycle process. The Subcommittee is responsible for developing a proposed RHNA methodology and making recommendations to the CEHD Committee and Regional Council on the draft and final methodologies. It will also hear and determine appeals filed on the draft RHNA allocation, and then will make recommendations to the CEHD Committee and Regional Council on the proposed final RHNA allocation plan.

The attachment contains a schedule of upcoming meetings of the RHNA Subcommittee and an outline of topics and actions for its future meetings. The schedule also includes major anticipated CEHD and Regional Council actions based on recommendations of the RHNA Subcommittee. The schedule and future meeting topics are subject to change. SCAG staff will continue to update this outlook and update the RHNA Subcommittee on these changes, as needed.



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. RHNA Subcommittee Topic Outlook

RHNA Subcommittee Topic Outlook
Aug 2026 – April 2028

RHNA Subcommittee Mtg /CEHD/RC		Proposed Date*	Subject*	Action
August	Mtg 1	Aug 13, 2026	Overview of RHNA process and legislation; introduction to the regional determination process; Subcommittee charter; Introduction to RHNA methodology	Recommend Subcommittee charter to CEHD/RC
September	CEHD	Sept 3, 2026	Subcommittee charter	Recommend RC approve RHNA Subcommittee charter
	RC	Sept 3, 2026	Subcommittee charter	Approve RHNA Subcommittee charter
	Mtg 2	Sept 10, 2026	Election of Vice Chair; release local planning factor/AFFH survey; RHND updates RHNA methodology: social equity	Approve release of RHNA local planning factor and AFFH survey
October	Mtg 3	Oct 26, 2026	Updates to RHND process and final RHND (<i>objections must be submitted within 30 days of HCD transmittal</i>)	
November	Mtg 4	Nov 12, 2026	RHNA methodology: transit access; job access	
January	Mtg 5	Jan 14, 2027	Subregional delegation guidelines Reminder to complete methodology survey RHNA methodology: Other factors	Recommend CEHD approve subregional delegation guidelines
February	CEHD	Feb 4, 2027	Subregional delegation guidelines	Recommend RC approve subregional delegation guidelines
	RC	Feb 4, 2027	Subregional delegation guidelines	Approve subregional delegation guidelines
	Mtg 6	TBD Date	Evaluation of survey results	

*Dates and
subject to

Meeting		Proposed Date*	Subject	Action
March	Mtg 7	Mar 11, 2027	Proposed RHNA methodology	Recommend proposed RHNA Methodology for public comment period
April	Public Hearing(s) on Proposed RHNA Methodology (public comment period Mar– Apr 2027)			
June	Mtg 8	Jun 2027	Draft RHNA methodology; approve RHNA appeals guidelines	Recommend CEHD approve draft RHNA methodology; approve RHNA appeals guidelines
July	CEHD	Jul 2027	Draft RHNA methodology	Recommend RC approve draft RHNA methodology; recommend RC approve RHNA appeals guidelines
	RC	Jul 2027	Draft RHNA methodology	Approve submittal of draft RHNA methodology to HCD; approve RHNA appeals guidelines
September	Mtg 9	Sept 2027 (ad hoc)	Review final RHNA methodology; action to release draft allocation	Recommend release of draft RHNA allocation
October	CEHD	Oct 2027	Final RHNA methodology	Recommend RHNA methodology adoption to RC; recommend release of draft RHNA allocation
	RC	Oct 2027	Final RHNA methodology	Adopt RHNA methodology; approve release of draft RHNA allocation
	Public hearing and determination on appeals (Dec 2027-Feb 2028)			
February	Mtg 10	Feb 2028	Review and ratify the decisions on appeals	Issue written decisions regarding appeals; Recommend to CEHD proposed Final RHNA Allocation Plan
March	CEHD	Mar 2028	Final RHNA Allocation Plan	Recommend to RC to adopt final RHNA plan
April	RC	Apr 2028	Final RHNA Allocation Plan	Adopt final RHNA plan and submit to HCD

topics are
change.



AGENDA ITEM 3

REPORT

Southern California Association of Governments

October 26, 2026

To: RHNA - Regional Housing Needs Assessment Subcommittee

**EXECUTIVE DIRECTOR'S
APPROVAL**

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

Kevin Kane

Subject: Regional Housing Needs Determination for the SCAG Region

RECOMMENDED ACTION:

Recommend that the CEHD and Regional Council object to the Regional Housing Needs Determination issued for the SCAG region on October 15, 2026, by the California Department of Housing and Community Development on the basis that their use of cost-burden data is not a reasonable application of the methodology and assumptions determined pursuant to Government Code Section 65584.01(b).

STRATEGIC PRIORITIES:

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

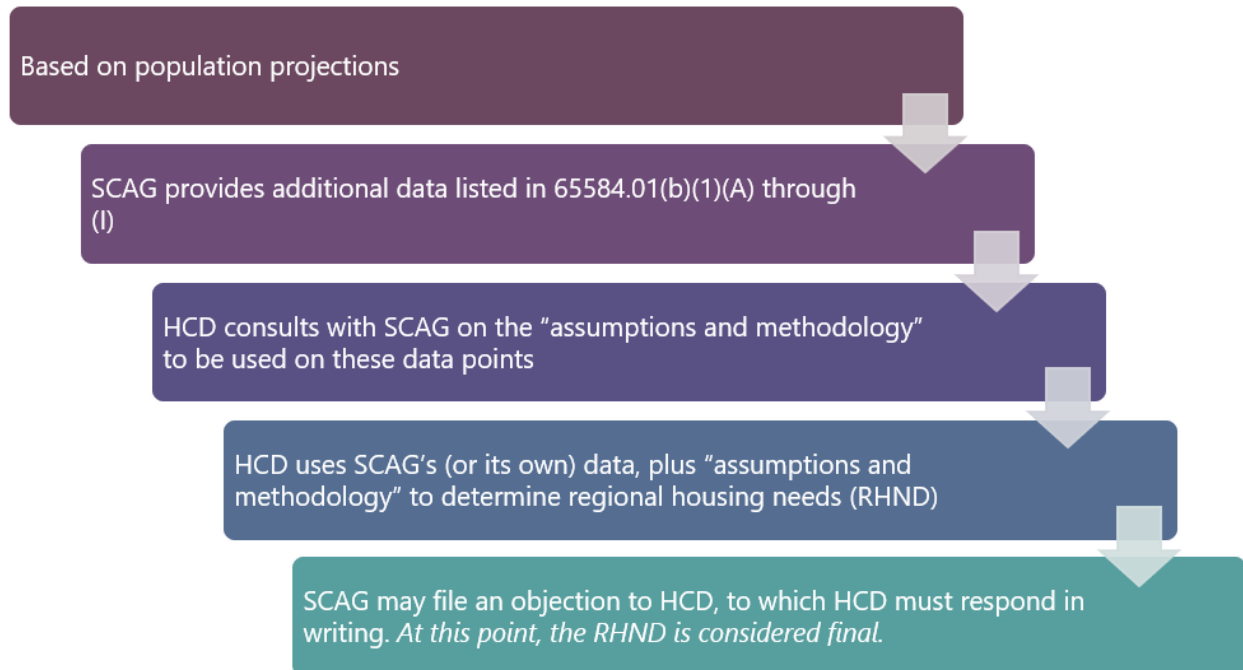
EXECUTIVE SUMMARY:

On October 15, 2026, the California Department of Housing and Community Development (HCD) issued its determination of the SCAG region's housing need for the 7th cycle Regional Housing Needs Assessment (RHNA) pursuant to Government Code Section 65584.01 et seq. The department's Regional Housing Needs Determination (RHND) for the region is 1,359,750 housing units, spread across six income categories.

The RHND follows several weeks of staff-level consultation. While the RHND reflects a clear, high-quality, data-driven approach, there is one unresolved component related to the consideration of cost-burden that staff considers an "unreasonable application of the methodology and assumptions" per Section 65584.01(b), meriting an objection from SCAG. To accurately assess cost burden requires economic analysis and modeling that are currently unavailable. In the absence of these tools, HCD adds an additional housing unit supply target to the RHND, but one that does not establish a clear connection to reducing this important indicator of pent-up demand. Staff recommends an objection on this point and presents options to the subcommittee for a proposed alternative RHND, which is a required part of the objection.

BACKGROUND:

The process for determining the SCAG region's housing need is described in Government Code Section 65584.01, which states that "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" and is summarized in the figure below:



SCAG staff met with HCD staff on September 2, September 17, September 28, October 8, and October 12 as part of the ongoing consultation and shared a wide range of data elements and projections related to our planning process, our region's demographics, growth, and housing market, and the use of data to understand our region.

There were several data elements and factors upon which SCAG and HCD staff were able to reach consensus. These included:

1. Data and counts for the new homelessness adjustment.
2. In the new state of emergency adjustment, crediting units permitted (not just units completed) in the Eaton and Palisades fire areas.
3. The use of a slightly shorter 8.3-year projection period for the 7th cycle RHND (July 1, 2029 to October 15, 2037 rather than extending into 2038).

4. Use of single-year 2024 American Community Survey data, rather than 2020-2024 five-year samples. More recent data for factors such as household overcrowding reflects the fact that housing construction has continued despite flat population growth, and accounts for the improvement in existing conditions in recent years.
5. A clear delineation of need due to projected population changes (i.e. growth, and growth by age category) versus existing need.
6. Avoids double-counting households in Census Bureau-derived data measures.
7. Use of correct data vintages and geographic coverages.
8. Detailed discussion and understanding of household formation rates and population projections.

Items 5 through 8 above reflected specific improvements to HCD’s approach compared to SCAG’s 6th cycle RHND. In addition, SCAG staff requested that HCD consider using a 5 percent standard for healthy renter market vacancy, which would have a modest reduction in the region’s RHND.

HCD did use a 7 percent assumption; however, during the consultation they provided additional citations and rationale to support their assumption, which is based on the approach they had developed in their April 2024 report, *California Housing Futures 2040*¹.

While this exceeds the long-run average (2005-2024) US rental vacancy rate of 6.64 percent, the difference is modest and SCAG staff believe it would be very difficult to demonstrate that this constitutes an “unreasonable application of the methodology and assumptions,” which is required in order to substantiate an objection.

Population Projections in the RHND

A foundational component of the RHND, which has remained unchanged for several housing element cycles, is described in Government Code Section 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.

Details of Connect SoCal 2050’s preliminary projections were shared with the CEHD committee in March 2026² and the Joint Policy Committee in April 2026. 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—within the bounds specified in statute.

¹ See <https://www.hcd.ca.gov/rhna/ca-housing-future>

² See <https://scag.ca.gov/sites/default/files/2026-02/CEHD030526fullpacket.pdf#page=51>

However, during the consultation, SCAG staff instead recommended the use of DOF's population projections because they were more consistent with the statewide approach to RHNDs being taken by HCD.

For regional transportation planning purposes, guided by state and federal statute, SCAG produces a balanced projection of population, household, and employment growth that achieves certain targets.⁵ This is a technically reasonable projection produced under the guidance of a Demographic Panel of Experts. Furthermore, its underlying assumptions about population growth, household formation, and employment growth envision a future that fully accommodates the region's housing need in the long-run.

However, HCD's practice under Government Code Section 65584.01, specifically the use of adjustments listed under Section 65584.01(b)(3), differs from this approach. During consultation with HCD, it became apparent that the use of SCAG's population and household projections, which explicitly assume a balance with future employment growth expectations and consider the effects of future housing policy on household formation behavior, would muddy the interpretation of these adjustments and likely count certain policy targets more than once, potentially resulting in "double counting."

The key difference is HCD's approach to adding adjustments which, if the specified number of units were built, could result in a region whose characteristics reached a certain target (e.g. adding units so that rental vacancy hits a healthy level, overcrowding drops to the national level, and homelessness reaches zero). For these individual, "supply-target" adjustments to each be distinct, they must be added to a projection of population alone; ideally one that reflects "business-as-usual" projection assumptions as closely as possible. This contrasts to the construction of an RTP forecast—for example, SCAG's population projection includes a higher share of working-age residents to accommodate future expected job growth and SCAG's household projection assumes a significant increase in future household formation rates.

As a result, SCAG staff recommended and HCD accepted the use of the population projection produced by the Department of Finance in lieu of SCAG's projection.

Cost Burden Adjustment

A household is considered "cost burdened" when it spends more than 30 percent of its income on housing. Under HCD's methodology, differences in housing cost burden between the SCAG region and the nation account for **37 percent of the region's total RHND (504,627 units)**.

⁵ For details about the projection associated with Connect SoCal 2024, see Section 1.2 of <https://scag.ca.gov/sites/default/files/2024-05/23-2987-tr-demographics-growth-forecast-final-040424.pdf>

State law requires HCD to consider housing cost burden when determining a region's housing need. During consultation, SCAG and HCD discussed how that requirement should be measured. Standard Census tables do not provide sufficient information to measure cost burden at the income levels specified in state law, so SCAG analyzed the underlying Census survey data and provided that analysis to HCD.⁷

Housing cost burden is a ratio that compares housing cost relative to household income. This is a significant issue in Southern California. In the SCAG region, the median home value is **8.46 times median household income**, compared with **6.02 times income in the Sacramento region**. SCAG's analysis also found that an estimated **57 percent of the cost-burden adjustment comes from moderate- and above-moderate-income households**.

The central question is therefore not whether high housing costs are a problem. **The question is how much additional housing should reasonably be added to the RHND to address that problem**, especially when the data point measuring it covers a very broad group of households.

Other adjustments in HCD's determination have a relatively clear numerical target. Even though a lot of behavioral and market factors affect whether these outcomes happen, HCD can estimate how many homes would be needed to:

- Increase supply enough to reach a healthier vacancy rate
- Increase supply enough to provide housing for all people experiencing homelessness
- Increase supply enough to reduce overcrowding to the national level.

The cost-burden adjustment works differently. HCD adds housing units based on the number of households experiencing higher cost burdens, but the methodology does not estimate **how much new housing would be needed to reduce cost burden by a particular amount**.

Economic theory tells us that more housing supply can help moderate housing prices and improve affordability. But the relationship is not one-for-one: **adding one home does not necessarily eliminate cost burden for one household**. Housing costs and household incomes are influenced by many factors. HCD has acknowledged that it would require extensive economic analysis and modeling to understand how supply affects cost burden.⁸ In the absence of this modeling, SCAG's

⁷ The American Community Survey (ACS) provides raw microdata and preformatted tables based on a 1 percent annual survey of the American population. ACS Table B25140: Housing Costs as a Percentage of Household Income in the Past 12 Months is used by HCD and indicates the share of households in a given area spending more than 30 percent or more than 50 percent of their income on housing cost. Reference to the cost-burden measure appears in Government Code Section 65584.01(b)(1)(H) references the 30 percent threshold, for very low, low, moderate, and above moderate-income households. Unfortunately, preformatted ACS tables are unable to fulfill the statutory requirement to assess cost burden at a region's specific income levels.

⁸ See page 78 of <https://www.hcd.ca.gov/rhna/ca-housing-future>

concern is that the cost-burden adjustment identifies a genuine problem but does not establish a clear connection to its solution.

Lower Income Cost Burden Only

Given uncertainty in the numerical relationship between cost burden and additional supply, SCAG also explored with HCD a narrower approach focusing the adjustment on **very-low- and low-income households**, where RHNA provides additional tools that can help support affordable housing development. For example, when local jurisdictions identify sites for their lower-income RHNA, state housing law includes additional requirements intended to make affordable housing more feasible such as appropriate densities, streamlined approvals, and supportive programs. This creates a more direct connection between the housing need identified through RHNA and the affordability problem the adjustment is intended to address.

Using raw Census microdata, SCAG calculated cost burden specifically for very-low- and low-income households. To avoid double counting, households already included in the overcrowding adjustment were removed.¹¹ SCAG then compared the remaining level of cost burden in the region with the national level. This approach produced a **cost-burden adjustment of 226,803 additional housing units: 80,942 for very-low-income households and 145,861 for low-income households.**

While HCD reviewed SCAG's approach and was able to replicate the calculation, they ultimately did not adopt it. Instead, HCD applied the cost-burden adjustment to all households in the region, including moderate- and above-moderate-income households. HCD calculated the difference between the SCAG region's cost-burden rate (43.19 percent) and the national rate (31.45 percent) and applied that **11.74 percentage-point difference** to the region's roughly 6.5 million households. That amount was then added to the RHND (504,627 units).

Staff Recommendation and Proposed Alternative Determination

Staff recommend the RHNA Subcommittee recommend to the CEHD and Regional Council to object to the RHND on the basis that the cost burden adjustment is not a reasonable application of the methodology and assumptions determined in statute. SCAG may file an objection within 30 days of the notice of the determination (i.e. November 14, 2026). The objection would be based on and substantiate the following:

"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

¹¹ This follows HCD's existing approach in RHND line item 12.

application of the methodology and assumptions determined pursuant to subdivision (b)."
Government Code Section 65584.01(c)(2)(B)

Through the above discussion on cost burden, staff propose that, should the subcommittee, CEHD, and RC wish to file an objection to the RHND, they decide on one of two alternative determinations based on the cost-burden adjustment discussed above.

The first approach would be that a lower-income-only cost-burden adjustment is a more reasonable application of the methodology and assumptions in statute. This approach leverages the lower-income RHNA requirements to create a more direct connection between the housing need identified and the affordability problem the adjustment is intended to address.

The second is to remove the cost burden adjustment entirely because accurately assessing the additional housing supply needed to reduce cost burden requires economic analysis and modeling that is currently unavailable. In the absence of this modeling, HCD adds another supply target to the RHND, but in this case, one that does not establish a clear connection to its solution, particularly in the SCAG region.

FISCAL IMPACT:

None.

ATTACHMENT(S):

1. PowerPoint Presentation - 7th Cycle RHND
2. SCAG 7th Cycle Final Determination Letter
3. SCAG 7th Cycle RHND Workbook - Table of Contents
4. SCAG 7th Cycle RHND Workbook - TABLE 2
5. GOV_65584.01

7th Cycle Regional Housing Needs Determination (RHND)

Kevin Kane, PhD

Program Manager, Demographics and Growth Vision

October 2026

RHNA Subcommittee

WWW.SCAG.CA.GOV

RHND Process

Population projections

SCAG provides additional
required data

HCD consults with SCAG on
assumptions and methodology

HCD calculates the Regional Housing
Needs Determination (RHND)

SCAG may object; HCD issues a written
response; RHND is considered final

RHND Process



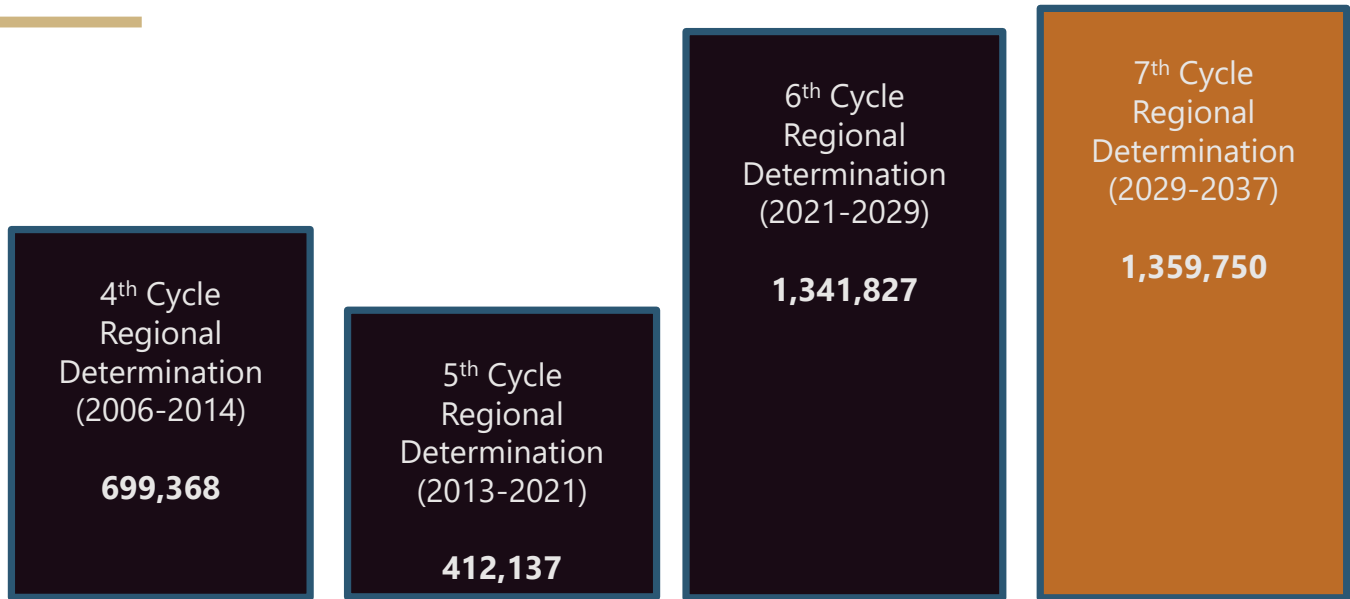
Southern California Association of Governments: June 30, 2029 - October 15, 2037 (8 Years) HCD Determined Population, Households, & Housing Need		
Ref. No.	Steps Taken to Calculate Regional Housing Need	Amount
1	Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037	18,792,495
2	- Group Quarters Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037	(394,638)
3	= Preliminary Household (HH) Population: 10/15/2037	18,397,857
5	Preliminary Projected Households (Occupied Unit Stock)	6,888,555
7	+ Projected Apartment Style Student Households	708
8	Total Projected Households	6,889,263
9	+ Vacancy Adjustment for Projected Households	16,275
	+ Vacancy Adjustment for Existing Households	131,589
10	+ Overcrowding Adjustment	398,400
11	+ Cost-burden Adjustment	764,476
12	- Adjustment to account for HHs that experience both overcrowding and cost-burden	(259,849)
13	+ Replacement Adjustment Demolitions	6,889
14	+ Jobs Housing Relationship Adjustment	9,467
15	+ Homelessness Adjustment	38,646
16	+ State of Emergency Adjustment	8,056
17	- Occupied Units (HHs) estimated projected June 30, 2029	(6,643,462)
18	Preliminary Regional Housing Need	1,359,750
19	+ Replacement Adjustment Seasonal, Recreational, and Occasional Use	0
20	+ Feasible Jobs/Housing Balance Adjustment	0
Total	7th Cycle Regional Housing Need Determination (RHND)	1,359,750

Projected Need

Existing Need

Total RHND

Regional Determination



RHND by Income Category

INCOME CATEGORY	PERCENT	HOUSING UNIT NEED
Acutely Low	10.4%	141,930
Extremely Low	13.3%	180,582
Very Low	14.0%	189,752
Low	19.0%	257,749
Moderate	9.2%	124,839
Above Moderate	34.2%	464,898
Total	100.0%	1,359,750

SCAG's RHND & Consultation Assessment

Strengths

- Commitment to a high quality, data-driven approach
- Clear documentation and explanations
- Addresses several challenges experienced in 6th cycle
- Recognizes the distinction between regional housing forecasts and planning for regional housing needs (CG 65584.01)

Areas of Differing Interpretation

- Greater emphasis on statewide consistency than SCAG's understanding of GC 65584.01
- More piecemeal, item-by-item approach compared with SCAG's integrated long-range forecast of population, households, and employment
 - Reflects differing perspectives on how market dynamics and regional planning objectives should inform RHND

7

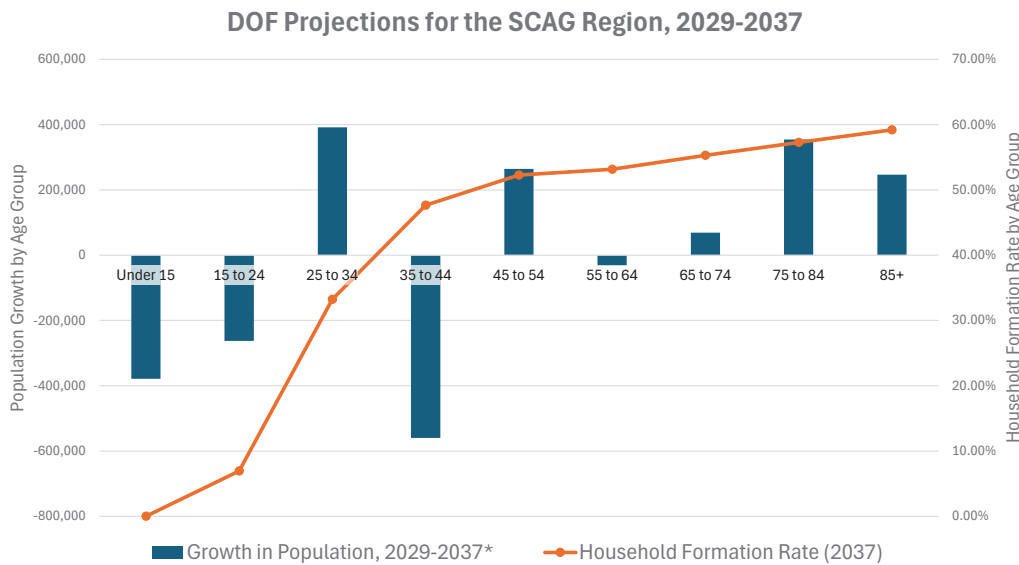


BREAKING DOWN HCD'S RHND FOR THE SCAG REGION

What is the region's *total housing need* over July 1, 2029 to October 15, 2038 (8.3 years)?

Population growth + changing age structure

"The department's determination shall be based on population projections..." GC 65584.01(a)



Data Source: DOF P3 Projections and Connect SoCal 2050 Preliminary Projections

- DOF projects total population will grow by 94,705
- Because growth is at high ages with high formation rates,
- this corresponds to an increase of 245,093 households

SCAG staff assessment of prior cycles' RHNDs

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
97% of total	35% of total	18% of total

Ensure that *future households* have enough "slack" in the market



- Per DOF + HCD, region will add 245,093 **households**, but to maintain a healthy vacancy rate, it needs slightly more **housing units**:
- HCD standard for renter market: 7 percent (*statutory minimum of 5 percent*)
- HCD standard for owner market: 2 percent
- Add 16,275 units

Note: Image generated by ChatGPT.

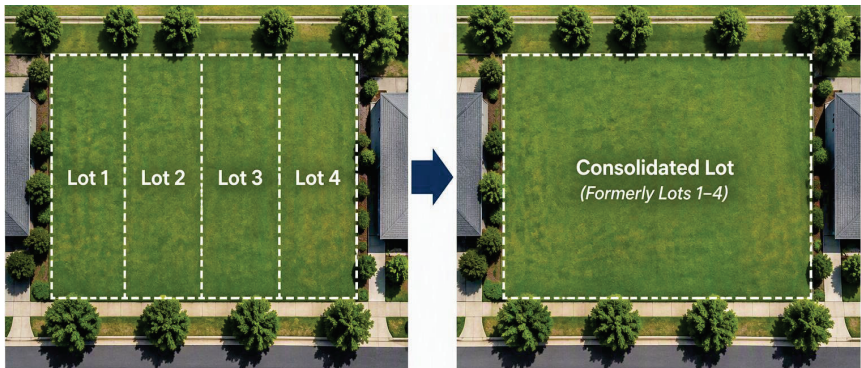
Add apartment-style student housing that is expected to be built in the region



- DOF surveys several regional universities' plans
- Census Bureau considers all student housing as "group quarters"
- Added to RHND so that when apartment-style student housing is built, cities can include them for RHNA purposes
- 708 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	0%	0.05%

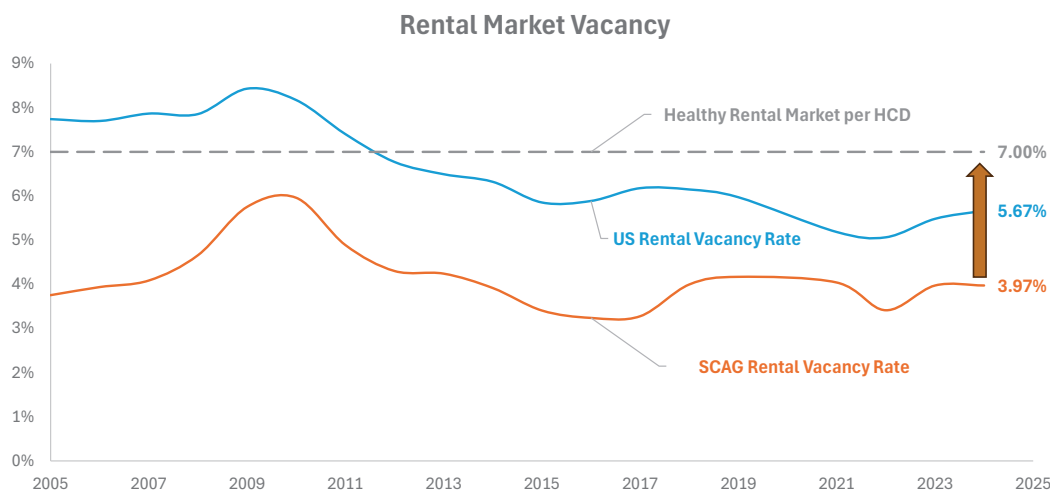
Add an estimate of how many units will be demolished, or consolidated, 2029-2038



- City gets +1 for each unit built, but losses have no effect
- Increase RHND by an estimate of what this will be in the future
- HCD uses DOF demolition survey data (2017-2026)
- 6,889 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0.6%	2.5%	0.5%

Get SCAG's vacancy rate up enough so there's enough "slack" in the market

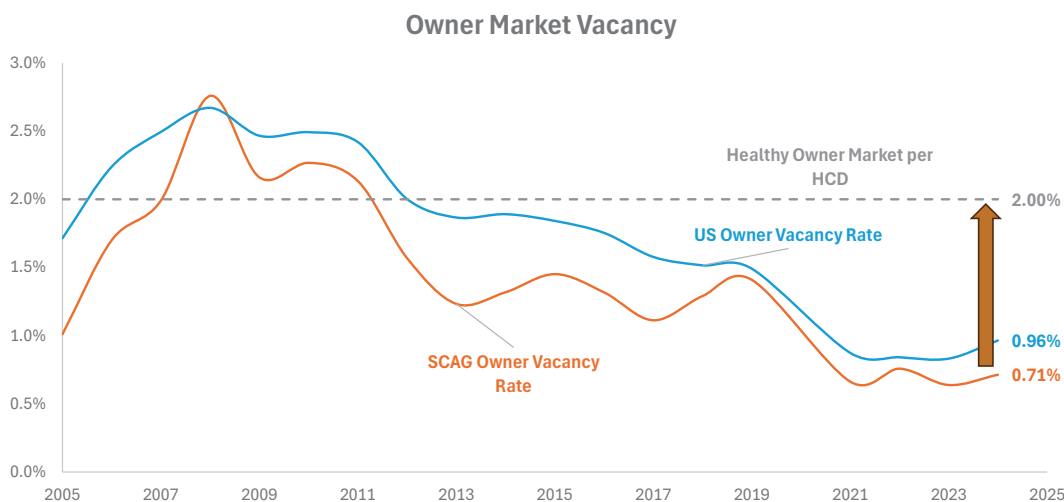


Data Source: For rent and for sale vacancy, US Census American Community Survey 1-Year Estimates, 2005-2024.

- Region's vacancy rate considered too low for housing market health
- More supply → hit target
- HCD standard for renter market: 7 percent (*statutory minimum of 5 percent*)
- HCD standard for owner market: 2 percent
- Add 131,589 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
3%	13%	11%

Get SCAG's vacancy rate up enough so there's enough "slack" in the market



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

- Region's vacancy rate considered too low for housing market health
- More supply → alleviate condition
- HCD standard for renter market: 7 percent (*statutory minimum of 5 percent*)
- HCD standard for owner market: 2 percent
- Add 131,589 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
3%	13%	11%

Correct for inter-regional imbalances in *where the jobs* → *sleep at night*:

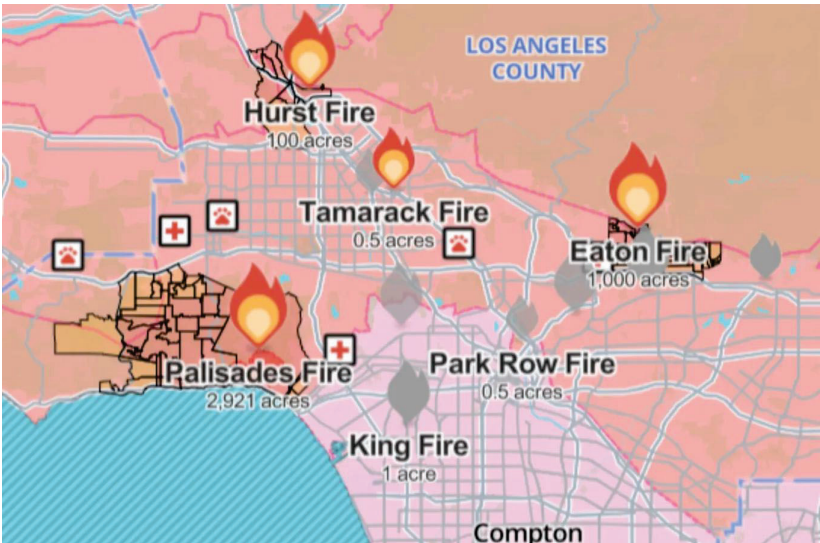


*than vice-versa
Data Source: LEHD Origin-Destination Employment Statistics, 2023

- New HCD adjustment to account for jobs-housing balance **between** regions
- SCAG is large and has very slightly more primary jobs than resident workers:
 - 7,602,382 primary jobs
 - 7,588,181 resident workers
- Add 9,467 units

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	0%	0.7%

State of emergency losses that haven't yet been rebuilt



- Ensure the region replaces recent emergency losses
- Use past 8 years
- 97% of losses are Palisades & Eaton Fires (LA County)
- 8,056 units reflects those lost, but not yet rebuilt **or** re-permitted (*as of RHND issuance*)

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	0%	0.6%

Homelessness adjustment

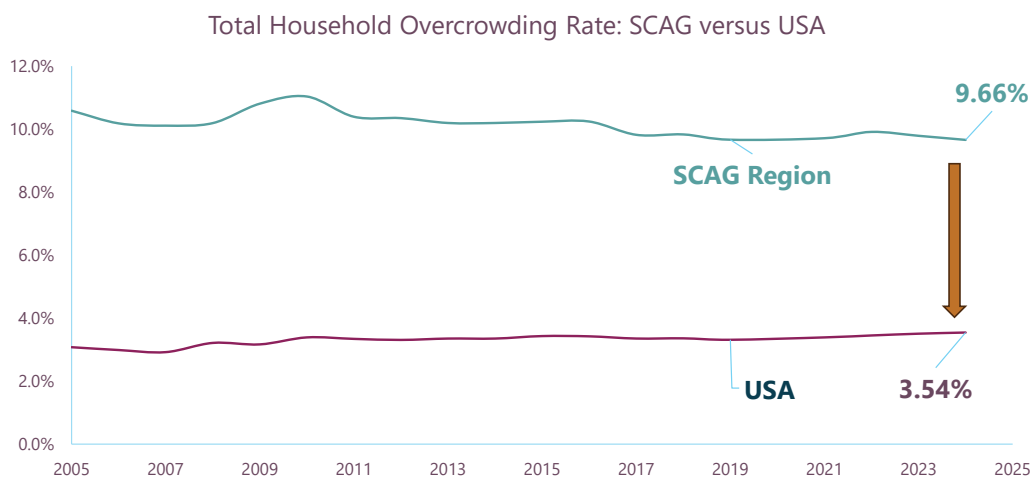


- Uses Jan/Feb 2025 “point in time” counts
- 91,310 unhoused people in SCAG region
- Multiply by household formation rate
- Add 38,646 units
- Only added to Acutely Low and Extremely Low income categories

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	0%	2.8%

Data Source: HUD Continuum of Care (CoC), 2025

Household overcrowding

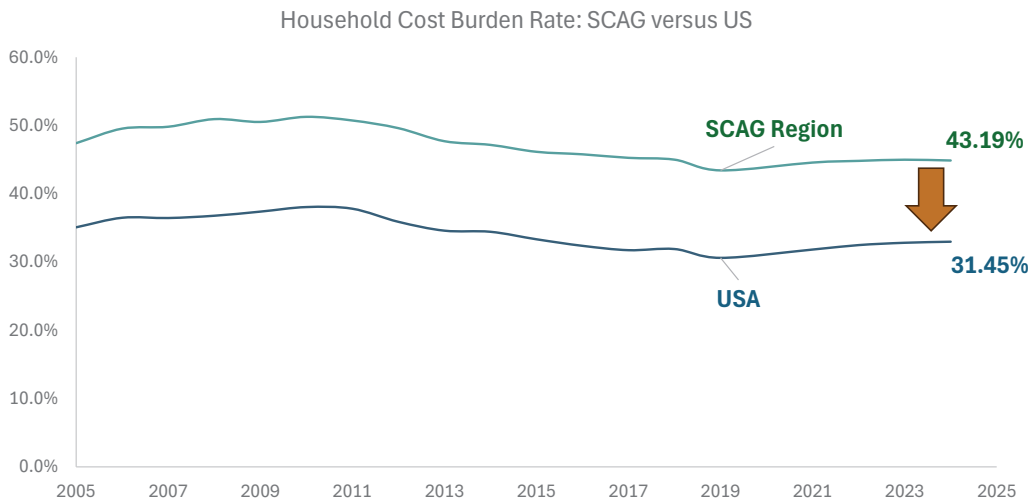


- Percent of households with more than 1.0 occupants per room
- Adding 398,400 units to help unbundle, e.g.:
 - Multiple families in single unit
 - Grown children living with parents
 - More roommates than desired
- Would these moves happen? Maybe; depends on many factors.
- Adding supply is one step.
- HCD adjustment reflects how many extra units this step would take.

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	34%	29%

Data Source: American Community Survey 1-year Estimates, 2005-2024

Household cost burden



- Percent of households spending more than 30 percent of income on housing cost
- Compare to national level
- Difference is 11.74%
- Multiply by the region's total households (6.5 million)
- Add 504,627 extra units to RHND

5th Cycle RHND:	6th Cycle RHND:	7th Cycle RHND:
0%	9%	37%

Data Source: American Community Survey 1-year Estimates, 2005-2024

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Comparing major indicators of housing need

Major RHND Component	Data exist	Data indicate number of units	Explanation
Projected Population Growth, 2029-2037	✓	✓	DOF population projections
Projected Population Change <i>Higher per-capita housing consumption, i.e. aging</i>	✓	✓	Household formation rates
Losses due to demolition & emergency	✓	✓	Two separate adjustments
Healthy market vacancy	✓	✓	Two separate adjustments. Within existing stock, supply target: sufficient to reach 2% owner, 7% renter vacancy rate
Homelessness	✓	✓	Supply target: sufficient to reach zero homelessness
Households with more than 1.0 person per room <i>Overcrowding</i>	✓	✓	Supply target: sufficient to reach national overcrowding level
Households paying >30% of income on housing <i>Cost-burden</i>	✓	✗	A key indicator of pent-up demand*

*California's Housing Future 2040: The Next RHNA, p. 77

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Staff Findings & Recommendations

- Staff finds HCD's determination of **projected housing need** to be a reasonable application of Government Code 65584.01.
 - This is reflective of both population growth, and the additional housing demands posed by an aging population.
- Staff finds *most* of HCD's assessments of **existing housing need** to be reasonable.
 - High-quality data
 - Sufficiently clear relationship between target and additional units (supply)
- Staff does not believe HCD's assessment of cost burden is a reasonable application of Government Code 65584.01

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Objection & Proposed Alternative Determination

"The regional housing need determined by the department is not a reasonable application of the methodology and assumptions determined pursuant to subdivision (b)."GC 65584.01(c)(2)(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)." GC 65584.01(b)(1)(A)(i)*

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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

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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Sacramento, CA 95811
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October 15, 2026

Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017

Dear Kome Ajise:

RE: Final 7th Cycle Regional Housing Need Determination

This letter provides the Southern California Association of Governments (SCAG) its final Regional Housing Need Determination (RHND). Pursuant to state Housing Element Law (Gov. Code, § 65584, et seq.), the California Department of Housing and Community Development (HCD) is required to provide the determination of the region's existing and projected housing need.

From August 2026 to October 2026, HCD and SCAG staff completed a consultation process covering the methodology, assumptions, data sources, and timeline for HCD's determination of SCAG's regional housing need. To inform this process, HCD also consulted the California Department of Finance (DOF) Demographic Research Unit.

Attachment 1 displays the RHND of **1,359,750** total units among six income categories for SCAG to distribute among the region's local governments. Attachment 2 explains the methodology and assumptions applied pursuant to Government Code section 65584.01. To determine the region's housing need, HCD considered all the information specified in Government Code section 65584.01, subdivision (b).

SCAG is responsible for adopting a methodology for the Regional Housing Needs Allocation (RHNA) and a RHNA Plan for the *projection* period beginning June 30, 2029, and ending October 15, 2037. Pursuant to Government Code section 65584, subdivision (d), the methodology to prepare SCAG's RHNA Plan must further the following objectives:

1. Increasing the housing supply and mix of housing types, tenure, and affordability
2. Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns
3. Promoting an improved intraregional relationship between jobs and housing
4. Balancing disproportionate household income distributions
5. Affirmatively furthering fair housing

Pursuant to Government Code section 65584.04, subdivision (e), to the extent data is available, SCAG shall consider including the factors listed in Government Code section 65584.04, subdivision (e) to develop its RHNA Plan. Also, pursuant to Government Code section 65584.04, subdivision (f), SCAG must explain in writing how each of these factors was incorporated into the RHNA Plan methodology and how the methodology furthers the statutory objectives described above. Pursuant to Government Code section 65584.04, subdivisions (h)-(i), SCAG must submit its draft methodology to HCD for review and a determination of consistency with the statutory objectives.

Government Code section 65588, subdivision (e)(6) specifies the RHNA *projection* period begins December 31 or June 30, whichever date most closely precedes the previous projection period end date. SCAG's local governments in Orange County, Riverside County, San Bernardino County, and Ventura County are responsible for updating their housing elements for the *planning* period beginning October 15, 2029, and ending October 15, 2037, to accommodate their share of the regional housing need for each income category. SCAG's local governments in Imperial County and Los Angeles County are responsible for updating their housing elements for the *planning* period beginning April 15, 2030, and ending April 15, 2038, to accommodate their share of the regional housing need for each income category.

The housing elements for local jurisdictions in Orange County, Riverside County, San Bernardino County, and Ventura County are due on October 15, 2029. The housing elements for jurisdictions in Imperial County and Los Angeles County are due on April 15, 2030. Please note, a jurisdiction authorized to permit residential development may take RHNA credit for new units approved, permitted, and/or built since the start date of the RHNA *projection* period (June 30, 2029).

As specified in Government Code section 65584.01, subdivision (c), a council of governments may, within 30 days from the date of this letter, file an objection to HCD's determination of the regional housing need.

HCD encourages all of SCAG's local governments to consider the many affordable housing and community development resources available to local governments. HCD's programs can be found at <https://www.hcd.ca.gov/grants-and-funding>.

HCD commends SCAG's leadership in fulfilling their important role in advancing the state's housing, transportation, and environmental goals. HCD would especially like to thank Sarah Jepson, Ma'Ayn Johnson, Kevin Kane, Elizabeth Carvajal, Michael Dietz, and Philip Law for their significant efforts and assistance. HCD looks forward to continued partnership with the region and assisting in planning efforts to accommodate the region's share of the housing need.

If HCD can provide any additional assistance, or if you or your staff have any questions, please contact Balaji Balaganesan, Senior Housing Specialist, at Balaji.Balaganesan@hcd.ca.gov, or Samantha Wu Rose, Housing Specialist, at Samantha.WuRose@hcd.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Zach McRae". The signature is fluid and cursive, with the first name "Zach" being more prominent and the last name "McRae" following in a similar style.

Zach McRae
Assistant Deputy Director, Fair Housing and Tribal Affairs

Enclosures

cc: David Zisser, Deputy Director, Division of Housing Policy Development,
Department of Housing and Community Development
Marisa Prasse, Fair Housing Section Chief, Department of Housing and
Community Development
Sarah Jepson, Chief Planning Officer, Southern California Association of
Governments
Ma'Ayn Johnson, Manager, Southern California Association of Governments
Kevin Kane, Program Manager, Southern California Association of Governments
Elizabeth Carvajal, Deputy Director, Southern California Association of
Governments
Michael Dietz, Planning Manager, Southern California Association of
Governments
Philip Law, Deputy Director, Southern California Association of Governments

ATTACHMENT 1
HCD REGIONAL HOUSING NEED DETERMINATION
Southern California Association of Governments (SCAG):
June 30, 2029 through October 15, 2037

INCOME CATEGORY	PERCENT	HOUSING UNIT NEED
Acutely Low	10.4%	141,930
Extremely Low	13.3%	180,582
Very Low	14.0%	189,752
Low	19.0%	257,749
Moderate	9.2%	124,839
Above Moderate	34.2%	464,898
Total	100.0%	1,359,750

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code Section 50063.5, et. seq. Percentages are derived based on Census/ACS reported household income brackets and county median income as determined by HCD.

ATTACHMENT 2
HCD REGIONAL HOUSING NEED DETERMINATION:
Southern California Association of Governments
(SCAG): June 30, 2029 through October 15, 2037

Methodology

Southern California Association of Governments: June 30, 2029 - October 15, 2037 (8 Years) HCD Determined Population, Households, & Housing Need		
Ref. No.	Steps Taken to Calculate Regional Housing Need	Amount
1	<i>Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037</i>	18,792,495
2	<i>- Group Quarters Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037</i>	(394,638)
3	<i>= Preliminary Household (HH) Population: 10/15/2037</i>	18,397,857
5	Preliminary Projected Households (Occupied Unit Stock)	6,888,555
7	+ Projected Apartment Style Student Households	708
8	Total Projected Households	6,889,263
9	+ Vacancy Adjustment for Existing Households	16,275
	+ Vacancy Adjustment for Projected Households	131,589
10	+ Overcrowding Adjustment	398,400
11	+ Cost-burden Adjustment	764,476
12	- Adjustment to account for HHs that experience both overcrowding and cost-burden	(259,849)
13	+ Replacement Adjustment Demolitions	6,889
14	+ Jobs Housing Relationship Adjustment	9,467
15	+ Homelessness Adjustment	38,646
16	+ State of Emergency Adjustment	8,056
17	<i>- Occupied Units (HHs) estimated projected June 30, 2029</i>	(6,643,462)
18	Preliminary Regional Housing Need	1,359,750
19	+ Replacement Adjustment Seasonal, Recreational, and Occasional Use	0
20	+ Feasible Jobs/Housing Balance Adjustment	0
Total	7th Cycle Regional Housing Need Determination (RHND)	1,359,750

Detailed background data for this table is available upon request.

Explanation and Data Sources

Projection period: Government Code section 65588, subdivision (f), specifies the RHNA projection period start is December 31 or June 30, whichever date most closely precedes the end of the previous RHNA projection period end date. SCAG's projection period starts June 30, 2029, and ends October 15, 2037.

- 1-5. Population, Group Quarters, Household Population, and Projected Households: Pursuant to Government Code section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc., that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
7. Projected Apartment-Style Student Households: DOF provides projections of the student population expected to reside in apartment-style student housing by the end of the projection period. Under the US Census Bureau definitions, all student housing owned, leased, or managed by a college or university, including apartment-style units, are classified as group quarters rather than as part of the household population. Because DOF household projections exclude the group quarters population, projected changes in the number of students living in apartment-style student housing are not captured in the baseline household forecast. HCD accounts for this by subtracting the student population residing in apartment-style student housing at the beginning of the projection period (2029) from the projected population at the end of the projection period (2037). The resulting net change in student population living in apartment-style student housing (10,195) is then converted into projected households using the age 15-24 headship rate of 6.94% percent, resulting in an adjustment of 708 projected households.
8. Total Projected Households at the end of the projection period (October 15, 2037).
9. Vacancy Adjustment: Pursuant to Government Code section 65584.01, subdivision (b)(1)(E), HCD applies a vacancy adjustment based on the region's current vacancy percentage to promote healthy market vacancies that facilitate housing availability and resident mobility. Healthy vacancy rates are 2% for owners and 7% for renters for metropolitan planning organization (MPO) regions (6% for renters in non-MPO regions). There are two methodologies utilized to calculate this adjustment. The first methodology is to calculate the vacancy adjustment for existing households. The adjustment for existing households is the difference between the healthy rate of 2% and 7% vacancy rates and the region's current vacancy rates based on the 2024 5-year American Community Survey (ACS) data. That difference is then multiplied by the number of existing households by tenure based on the most recent occupied household estimates from DOF (existing households multiplied by current rates of renters and owners). For SCAG, the existing household owner vacancy rate (0.78%) is below the healthy standard, resulting in a 1.22% adjustment. The existing household renter vacancy rate (4.07%) is also below the healthy standard, resulting in a 2.93% adjustment. The second methodology is to calculate the vacancy adjustment for projected households. The projected household vacancy adjustment is obtained by applying the standard 2% and 7% vacancy rates to the projected owner and renter households. The healthy vacancy rates (2% and 7%) are then multiplied by the number of projected households

by tenure (projected households multiplied by current rates of renters and owners). Data is from the 2024 5-year ACS and DOF 2026 E-5 Population Estimates. Note: 2024 1-year ACS summary tables (B25004 and B25003) were not available for all the counties in the SCAG region, thus the 2025 5-year ACS summary tables were used.

10. **Overcrowding Adjustment:** Pursuant to Government Code section 65584.01, subdivision (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. In regions where the overcrowding rate is greater than the U.S. national average overcrowding rate (3.54%), HCD applies an adjustment based on the amount the region's overcrowding rate exceeds the U.S. overcrowding rate. For SCAG, the region's overcrowding rate (9.66%) is higher than the national average (3.54%), resulting in a 6.12% adjustment. HCD then applies the 6.12% adjustment to total occupied households in the region (6,514,134). Per SCAG's request, data is from the 2024 1-year ACS (B25014) and DOF 2026 E-5 Population Estimates. HCD received satisfactory evidence that the 2024 1-Year ACS data is not anomalous and has a relatively low margin of error given SCAG's large size. As a result, HCD utilized the applicable 2024 1-Year ACS summary tables throughout the RHND calculations where feasible.
11. **Cost Burden Adjustment:** Pursuant to Government Code section 65584.01, subdivision (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. In regions where the cost burden rate is greater than the U.S. national average rate (31.45%), HCD applies an adjustment based on the amount the region's cost burden rate exceeds the U.S. rate. For SCAG, the region's cost burden rate (43.19%) is higher than the national average (31.45%), resulting in an 11.74% adjustment. HCD then applies the 11.74% adjustment to total occupied households in the region (6,514,134). Data is from the 2024 1-year ACS (B25140) and DOF 2026 E-5 Population Estimates.
12. **Overcrowding and Cost Burden Adjustment:** To minimize double counting the housing needs of households that are both overcrowded and cost burdened, HCD has implemented an additional overcrowding and cost burden adjustment. For regions with an adjustment for both overcrowding and cost burden, a downward adjustment is applied based on the number of households that are estimated to be both overcrowded and cost burdened according to an analysis of 2024 1-year ACS Public Use Microdata Sample File data (PUMS) provided by DOF. If the DOF data for this adjustment exceeds the individual adjustments for overcrowding or cost burden, then this adjustment is limited to the lesser of the two. This double counting consideration resulted in a 259,849-unit reduction.
13. **Replacement Adjustment (Demolitions):** HCD applies a replacement adjustment between 0.10% to 5% to the total housing stock based on the current 10-year average percent of demolitions (January 1, 2017, to January 1, 2026) in the region's local government annual reports to DOF. Units lost during a state of emergency declaration are not included. For SCAG, the 10-year average was 0.022%, so the minimum adjustment of 0.10% is applied to the projected occupied households. The data for demolitions is from DOF-DRU's 2026 custom tabulations of Annual Housing Unit Survey Results and DOF 2026 E-5 Population Estimates.

14. Jobs Housing Relationship Adjustment: HCD applies an adjustment based on the number of in-commuters to a region. The adjustment is calculated by dividing the number of in-commuters to the region by HCD's jobs/housing standard of 1.5. In SCAG, the number of employed residents was below the number of people employed in the region, resulting in an adjustment of 9,467. Data is from the US Census Bureau LEHD Origin-Destination Employment Statistics, 2023.
15. Homelessness Adjustment: HCD applies an adjustment based on the housing needs of individuals and families experiencing homelessness. For non-COG regions and COGs that do not provide their own data, by default, HCD uses the most recent Point-in-Time counts from the region's Continuums of Care and DOF household formation rates. SCAG's Continuums of Care include Imperial County, Los Angeles City and County, Santa Ana, Anaheim/Orange County CoC, Riverside City and County, San Bernardino City and County, Oxnard, San Buenaventura/Ventura County CoC, Long Beach CoC, Pasadena CoC, and Glendale CoC. An adjustment of 38,646 units was applied to SCAG using data from the HUD 2025 Point-in-Time Count and DOF household formation rates. This adjustment is allocated to the acutely low- and extremely low-income categories, with 75% of the adjustment allocated to the acutely low-income category and 25% allocated to the extremely low-income category.
16. State of Emergency Adjustment: HCD uses data provided by the California Governor's Office of Emergency Services (CalOES) and the California Department of Forestry and Fire Protection (CAL FIRE) pursuant to Government Code section 65584.01, subdivision (b)(1)(I), to calculate the number of units lost due to a declared state of emergency during the previous planning period (since 2021) and which have not been rebuilt or replaced. CalOES and CAL FIRE inspection data was retrieved by HCD in August 2026. HCD defines a rebuilt or replaced unit as the issuance of a building permit in the affected area, as reported in the Annual Progress Report or other local data sources, and subtracts the number of building permits from the count of units lost. To estimate the percentage of units lost that were originally occupied, HCD uses 2024 5-year ACS data (B25004) to calculate the percentage of units in the region that are temporarily occupied by persons with a usual residence elsewhere. The occupancy rate is then applied to the net units lost due to a state of emergency. For SCAG, this resulted in an adjustment of 8,056 units to the RHND. HCD uses the California Franchise Tax Board and CalOES list of disasters and emergency proclamations to ensure that only units destroyed by a Governor-declared State of Emergency in the region are utilized when calculating this adjustment.
17. Occupied Units: Reflects DOF's projected occupied units at the start of the projection period (June 30, 2029).
18. Preliminary Regional Housing Need Determination: Housing need calculated after applying calculations 1-17. This preliminary RHND is used to evaluate feasible balance between jobs and housing and the Replacement Adjustment (Seasonal, Recreational, and Occasional Use).
19. Replacement Adjustment (Seasonal, Recreational, and Occasional Use Housing Units): In addition to the demolition replacement adjustment, HCD also applies a replacement adjustment to account for housing units that are not available for permanent year-round occupancy. This adjustment is calculated based on the change in the percentage of

housing units that are for seasonal, recreational, and occasional use per ACS data. There are two methodologies utilized to calculate this adjustment, depending on changes in the housing stock over the period of analysis. If both the total number of seasonal, recreational, and occasional use housing units and the overall housing stock increased over the relevant 8-year period, HCD calculates the adjustment based on the proportion of newly added housing units used for seasonal, recreational, or occasional purposes during that time frame. This proportion is then applied as a percentage increase to the preliminary housing need assessment. If, however, the overall housing stock decreased, HCD instead compares the change in the share of seasonal, recreational, occasional use housing units to total housing units. For SCAG, the total number of recreational housing decreased and total housing units increased from 2016 to 2024; therefore, HCD used the first option. From 2016 to 2024, seasonal, recreational, occasional use housing units decreased (-11,110) while there was new housing unit growth (+341,030). Since there was a decrease in seasonal, recreational, occasional use housing units, no adjustment was applied. Note: Data is from the 2016 and 2024 ACS 5-year estimates (B25004), as 2024 1-year ACS data was not available for the necessary tables for all the counties in the SCAG region.

20. Feasible Jobs/Housing Balance Adjustment: According to statute, 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” (Gov. Code § 65584.01, subd. (c)(1)). After applying the adjustments noted above, HCD compared the 7th cycle RHNA determination and the region’s total occupied housing units to employment projections in Caltrans’ Long-Term Socio-Economic Forecast to determine whether a feasible balance was achieved. This analysis resulted in a jobs housing balance of 1.11 (0.9 housing units for every projected job). Because this is below the healthy rate of 1.5, no additional adjustment is needed. Data is from Caltrans’ 2026 Long-Term Socio Economic Forecast as prepared by DOF.

Table of Contents				
Title	Source	Sheet Name	Statutory Reference	Description
Table 1 : Regional Housing Need by Income	US Census Bureau (ACS 1 Year, 2024): B19001 & B19013;HCD State Income Limits 2026 (4-person household);HUD MFI Methodology; HUD Per Capita Wage Inflation FY 2025 Medians ;Table 2 : Regional Housing Needs	RHND by Incomes	65584(a)(1), 65584(f)	Distributes the total regional housing need by the income category distributions calculated on the income calculator tab
Table 2 : Regional Housing Needs	Summary of all Data sources utilized in this workbook	RHN Determination	65584.01	Calculation of the regional housing need
Table 3: DOF E5 Existing Households	DOF E-5 Population and Housing Estimates for Cities, Counties, and the State, 2026	DOF Existing	65584.01(a)	DOF estimates of the existing population and households
Table 4: DOF Projections	DOF Population and Household Projections, 2026	DOF Projections	65584.01(a)	Estimates projected households for the region using DOF headship rates and population
Table 5(A): DOF Regional Projections Calculator	DOF Population and Household Projections, 2026	DOF Projections Calculator	65584.01(a), 65584.01(b)(1)	Population, Household, Group Quarters, person per HH summary for the region
Table 6: Vacancy Rate Adjustment (Existing & Projected Households)	US Census Bureau (ACS 5 Year, 2024): B25001, B25003, B25004 (<i>ACS 1 year is missing data for Imperial County</i>); DOF, E-5 Population and Housing Estimates for Cities, Counties, and the State, 2026	Vacancy Adj.	65584.01(b)(1)	Regional and national vacancy rates by tenure
Table 7: Overcrowding Adjustment	US Census Bureau (ACS 1 Year, 2024): B25014	Overcrowding Adj.	65584.01(b)(1)	Regional and national overcrowding rates
Table 8: Cost Burden Adjustment	US Census Bureau (ACS 1 Year, 2024): B25140	Cost Burden Adj.	65584.01(b)(1)	Regional and national cost burden rates
Table 9: Adjustment To Account for Households Experiencing Both Overcrowding And Cost-burden	Households Experiencing Overcrowding and Cost burden, DOF 2025; US Census Bureau (ACS 1 Year, 2024): B01003	Overcrowding & Cost-Burden Adj.	65584.01(b)(1)	Adjustment to minimize the risk of potentially double counting of households that experience both cost-burden and overcrowding
Table 10: Replacement Adjustment Demolitions	DOF Demographic Research Unit, Housing Unit Change Survey - Demolition Data 2008-2025; Housing Unit Change Survey E-5 & E-8	Replacement (Demolitions) Adj.	65584.01(b)(1)	Consideration of replacement housing needs stemming from demolitions
Table 11: Replacement Adjustment Seasonal, Recreational, And Occasional Use Housing	US Census Bureau (ACS 5 Year, 2016 & 2024) B25003, B25004 (ACS 1 year is missing data for Imperial County)	Replacement (Seasonal) Adj.	65584.01(b)(1)	Consideration of replacement housing needs stemming from seasonal, recreational, and occasional use housing units
Table 12: Units Lost During A Governor-Declared State Of Emergency	CalOES DINS Data, 2013 - 2026; US Census Bureau (ACS 5 Year, 2024): B25004 ; Franchise Tax Board	Units Lost due to SOE Adj.	65584.01(b)(1)	Units lost during a Governor-declared state of emergency that have yet to be rebuilt
Table 13: Homelessness Adjustment	HUD Point in Time Count data 2025; DOF 2025	Homelessness Adj.	65584.01(b)(1)	Housing needs of people experiencing homelessness
Table 14: Relationship Between Jobs And Housing (Existing Jobs)	LEHD Origin-Destination Employment Statistics, 2023	Jobs Housing Balance Adj.	65584.01(b)(1)	Commuting inflow/outflow used as measure of relationship between jobs and housing
Table 15: Feasible Jobs/Housing Balance (Employment Projections)	Caltrans Long Term Socio Economic Survey, Department of Finance, 2026 OR 'RTP' Employment Projections	Jobs Housing Projections Adj.	65584.01(c)(1)	Adjustment to ensure a feasible jobs/housing balance at the end of the projection period
Table 16: Income Calculator - Region	US Census Bureau (ACS 1 Year, 2024): B19001 & B19013;HCD State Income Limits 2026 (4-person household);HUD MFI Methodology; HUD Per Capita Wage Inflation FY 2025 Medians	Income Calculator - Region	65584(f)	Calculates income category distribution for the region

Table 2 : Regional Housing Needs

Southern California Association of Governments: June 30,2029 - October 15,2037 (8 Years) HCD Determined Population, Households, & Housing Need					
	POPULATION AND HOUSEHOLD PROJECTIONS				
1	+ Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037				18,792,495
2	- Group Quarters Population: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037				(394,638)
3	= Preliminary Household (HH) Population: 10/15/2037 (Not Including Student Population in Apartment Style Student Housing)				18,397,857
4	Household Formation Groups	DOF Projected HH Population	Formation Rates	DOF Projected Households	
	under 15 years	2,524,715	n/a	n/a	
	15 - 24 years	2,288,236	6.94%	158,878	
	25 - 34 years	2,483,176	33.25%	825,587	
	35 - 44 years	2,141,869	47.66%	1,020,918	
	45 - 54 years	2,623,077	52.28%	1,371,473	
	55 - 64 years	2,181,043	53.16%	1,159,458	
	65 -74 years	2,026,409	55.29%	1,120,473	
	75 - 84 years	1,510,644	57.29%	865,521	
	85+	618,691	59.20%	366,247	
5	+ Preliminary Projected Households (Occupied Unit Stock)				6,888,555
6	Student Population in Apartment Style Student Housing: DOF 6/30/2037 Projection Adjusted 3.5 months to 10/15/2037				134,642
7	+ Projected Apartment Style Student Households	Growth in Student Population	15-24 Age HH Formation Rate		708
		10,195	6.94%		
8	Total Projected Households				= 6,889,263
	ADJUSTMENTS				
9	Vacancy Adjustment (Healthy Housing Market Vacancy % vs. Region ACS %)	Owner	Renter		+ 16,275
	+ Vacancy Adjustment for Projected Households	3,994	12,281		
	+ Vacancy Adjustment for Existing Households (Healthy Housing Market Vacancy % vs. Region ACS %)	42,469	89,120		
10	+ Overcrowding Adjustment (National Average % vs Region ACS %)	National Average	Regional Average	Difference	+ 398,400
		3.54%	9.66%	6.12%	
11	+ Cost-burden Adjustment (National Average % vs Region ACS %)	31.45%	43.19%	11.74%	+ 764,476
12	- Adjustment to Account for HHs that Experience Both Overcrowding and Cost-burden (DOF data)				- (259,849)
13	+ Replacement Adjustment Demolitions (.1% min, 5% max, vs. % DOF Demolitions)	Adjustment Range	Rate of Demolitions	Minimum Adjustment	+ 6,889
		0.10 - 5%	0.022%	0.10%	
14	+ Relationship Between Jobs and Housing (HCD Standard of 1.5 housing Units Per Job)	Jobs in Region	Workers in Region	Net Inflow	+ 9,467
		7,602,382	7,588,181	14,201	
15	+ Homelessness Adjustment				+ 38,646
16	+ Units Lost During a Governor-Declared State of Emergency in the Prior Planning Period				+ 8,056
17	- Occupied Units (HHs) Projected June 30, 2029 (from DOF Data)				- (6,643,462)
18	= Preliminary Regional Housing Need After Steps (8) Through (17)				= 1,359,750
19	+ Replacement Adjustment Seasonal, Recreational, and Occasional Use Housing Units (2016 vs. 2024)			0.00%	+ -
20	+ Feasible Jobs/Housing Balance (Employment Projections / RHND <= 1.5 Jobs Per Housing Unit)	Employment Projections 2035	Preliminary RHND + Total Occupied Units	Ratio	+ -
		8,899,593	8,003,212	1.11	

7th Cycle Regional Housing Need Determination (RHND):				=	1,359,750
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	Projection period: Government Code section 65588, subdivision (f), specifies the RHNA projection period start is December 31 or June 30, whichever date most closely precedes the end of the previous RHNA projection period end date. SCAG's projection period starts June 30, 2029, and ends October 15, 2037.
1-5	Population, Group Quarters, Household Population, and Projected Households: Pursuant to Government Code section 65584.01, projections were extrapolated from Department of Finance (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institution, military, etc., that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age-groups, to form households at different rates based on Census trends.
6-7	Projected Apartment-Style Student Households: DOF provides projections of the student population expected to reside in apartment-style student housing by the end of the projection period. Under the US Census Bureau definitions, all student housing owned, leased, or managed by a college or university, including apartment-style units, are classified as group quarters rather than as part of the household population. Because DOF household projections exclude the group quarters population, projected changes in the number of students living in apartment-style student housing are not captured in the baseline household forecast. HCD accounts for this by subtracting the student population residing in apartment-style student housing at the beginning of the projection period (2029) from the projected population at the end of the projection period (2037). The resulting net change in student population living in apartment-style student housing (10,195) is then converted into projected households using the age 15-24 headship rate of 6.94% percent, resulting in an adjustment of 708 projected households.
8	Total Projected Households at the end of the projection period (October 15, 2037).
9	Vacancy Adjustment: Pursuant to Government Code section 65584.01, subdivision (b)(1)(E), HCD applies a vacancy adjustment based on the region's current vacancy percentage to promote healthy market vacancies that facilitate housing availability and resident mobility. Healthy vacancy rates are 2% for owners and 7% for renters for metropolitan planning organization (MPO) regions (6% for renters in non-MPO regions). There are two methodologies utilized to calculate this adjustment. The first methodology is to calculate the vacancy adjustment for existing households. The adjustment for existing households is the difference between the healthy rate of 2% and 7% vacancy rates and the region's current vacancy rates based on the 2024 5-year American Community Survey (ACS) data. That difference is then multiplied by the number of existing households by tenure based on the most recent occupied household estimates from DOF (existing households multiplied by current rates of renters and owners). For SCAG, the existing household owner vacancy rate (0.78%) is below the healthy standard, resulting in a 1.22% adjustment. The existing household renter vacancy rate (4.07%) is also below the healthy standard, resulting in a 2.93% adjustment. The second methodology is to calculate the vacancy adjustment for projected households. The projected household vacancy adjustment is obtained by applying the standard 2% and 7% vacancy rates to the projected owner and renter households. The healthy vacancy rates (2% and 7%) are then multiplied by the number of projected households by tenure (projected households multiplied by current rates of renters and owners). Data is from the 2024 5-year ACS and DOF 2026 E-5 Population Estimates. Note: 2024 1-year ACS summary tables (B25004 and B25003) were not available for all the counties in the SCAG region, thus the 2025 5-year ACS summary tables were used.
10	Overcrowding Adjustment: Pursuant to Government Code section 65584.01, subdivision (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. In regions where the overcrowding rate is greater than the U.S. national average overcrowding rate (3.54%), HCD applies an adjustment based on the amount the region's overcrowding rate exceeds the U.S. overcrowding rate. For SCAG, the region's overcrowding rate (9.66%) is higher than the national average (3.54%), resulting in a 6.12% adjustment. HCD then applies the 6.12% adjustment to total occupied households in the region (6,514,134). Per SCAG's request, data is from the 2024 1-year ACS (B25014) and DOF 2026 E-5 Population Estimates. HCD received satisfactory evidence that the 2024 1-Year ACS data is not anomalous and has a relatively low margin of error given SCAG's large size. As a result, HCD utilized the applicable 2024 1-Year ACS summary tables throughout the RHND calculations where feasible.
11	Cost Burden Adjustment: Pursuant to Government Code section 65584.01, subdivision (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. In regions where the cost burden rate is greater than the U.S. national average rate (31.45%), HCD applies an adjustment based on the amount the region's cost burden rate exceeds the U.S. rate. For SCAG, the region's cost burden rate (43.19%) is higher than the national average (31.45%), resulting in an 11.74% adjustment. HCD then applies the 11.74% adjustment to total occupied households in the region (6,514,134). Data is from the 2024 1-year ACS (B25140) and DOF 2026 E-5 Population Estimates.
12	Overcrowding and Cost Burden Adjustment: To minimize double counting the housing needs of households that are both overcrowded and cost burdened, HCD has implemented an additional overcrowding and cost burden adjustment. For regions with an adjustment for both overcrowding and cost burden, a downward adjustment is applied based on the number of households that are estimated to be both overcrowded and cost burdened according to an analysis of 2024 1-year ACS Public Use Microdata Sample File data (PUMS) provided by DOF. If the DOF data for this adjustment exceeds the individual adjustments for overcrowding or cost burden, then this adjustment is limited to the lesser of the two. This double counting consideration resulted in a 259,849-unit reduction.
13	Replacement Adjustment (Demolitions): HCD applies a replacement adjustment between 0.10% to 5% to the total housing stock based on the current 10-year average percent of demolitions (January 1, 2017, to January 1, 2026) in the region's local government annual reports to DOF. Units lost during a state of emergency declaration are not included. For SCAG, the 10-year average was 0.022%, so the minimum adjustment of 0.10% is applied to the projected occupied households. The data for demolitions is from DOF-DRU's 2026 custom tabulations of Annual Housing Unit Survey Results and DOF 2026 E-5 Population Estimates.
14	Jobs Housing Relationship Adjustment: HCD applies an adjustment based on the number of in-commuters to a region. The adjustment is calculated by dividing the number of in-commuters to the region by HCD's jobs/housing standard of 1.5. In SCAG, the number of employed residents was below the number of people employed in the region, resulting in an adjustment of 9,467. Data is from the US Census Bureau LEHD Origin-Destination Employment Statistics, 2023.
15	Homelessness Adjustment: HCD applies an adjustment based on the housing needs of individuals and families experiencing homelessness. For non-COG regions and COGs that do not provide their own data, by default, HCD uses the most recent Point-in-Time counts from the region's Continuums of Care and DOF household formation rates. SCAG's Continuums of Care include Imperial County, Los Angeles City and County, Santa Ana, Anaheim/Orange County CoC, Riverside City and County, San Bernardino City and County, Oxnard, San Buenaventura/Ventura County CoC, Long Beach CoC, Pasadena CoC, and Glendale CoC. An adjustment of 38,646 units was applied to SCAG using data from the HUD 2025 Point-in-Time Count and DOF household formation rates. This adjustment is allocated to the acutely low- and extremely low-income categories, with 75% of the adjustment allocated to the acutely low-income category and 25% allocated to the extremely low-income category. ☐
16	State of Emergency Adjustment: HCD uses data provided by the California Governor's Office of Emergency Services (CalOES) and the California Department of Forestry and Fire Protection (CAL FIRE) pursuant to Government Code section 65584.01, subdivision (b)(1)(I), to calculate the number of units lost due to a declared state of emergency during the previous planning period (since 2021) and which have not been rebuilt or replaced. CalOES and CAL FIRE inspection data was retrieved by HCD in August 2026. HCD defines a rebuilt or replaced unit as the issuance of a building permit in the affected area, as reported in the Annual Progress Report or other local data sources, and subtracts the number of building permits from the count of units lost. To estimate the percentage of units lost that were originally occupied, HCD uses 2024 5-year ACS data (B25004) to calculate the percentage of units in the region that are temporarily occupied by persons with a usual residence elsewhere. The occupancy rate is then applied to the net units lost due to a state of emergency. For SCAG, this resulted in an adjustment of 8,056 units to the RHND. HCD uses the California Franchise Tax Board and CalOES list of disasters and emergency proclamations to ensure that only units destroyed by a Governor-declared State of Emergency in the region are utilized when calculating this adjustment.
17	Occupied Units: Reflects DOF's projected occupied units at the start of the projection period (June 30, 2029).
18	Preliminary Regional Housing Need Determination: Housing need calculated after applying calculations 1-17. This preliminary RHND is used to evaluate feasible balance between jobs and housing and the Replacement Adjustment (Seasonal, Recreational, and Occasional Use).
19	Replacement Adjustment (Seasonal, Recreational, and Occasional Use Housing Units): In addition to the demolition replacement adjustment, HCD also applies a replacement adjustment to account for housing units that are not available for permanent year-round occupancy. This adjustment is calculated based on the change in the percentage of housing units that are for seasonal, recreational, and occasional use per ACS data. There are two methodologies utilized to calculate this adjustment, depending on changes in the housing stock over the period of analysis. If both the total number of seasonal, recreational, and occasional use housing units and the overall housing stock increased over the relevant 8-year period, HCD calculates the adjustment based on the proportion of newly added housing units used for seasonal, recreational, or occasional purposes during that time frame. This proportion is then applied as a percentage increase to the preliminary housing need assessment. If, however, the overall housing stock decreased, HCD instead compares the change in the share of seasonal, recreational, occasional use housing units to total housing units. For SCAG, the total number of recreational housing decreased and total housing units increased from 2016 to 2024; therefore, HCD used the first option. From 2016 to 2024, seasonal, recreational, occasional use housing units decreased (-11,110) while there was new housing unit growth (+341,030). Since there was a decrease in seasonal, recreational, occasional use housing units, no adjustment was applied. Note: Data is from the 2016 and 2024 ACS 5-year estimates (B25004), as 2024 1-year ACS data was not available for the necessary tables for all the counties in the SCAG region.
20	Feasible Jobs/Housing Balance Adjustment: According to statute, 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" (Gov. Code § 65584.01, subd. (c)(1)). After applying the adjustments noted above, HCD compared the 7th cycle RHNA determination and the region's total occupied housing units to employment projections in Caltrans' Long-Term Socio-Economic Forecast to determine whether a feasible balance was achieved. This analysis resulted in a jobs housing balance of 1.11 (0.9 housing units for every projected job). Because this is below the healthy rate of 1.5, no additional adjustment is needed. Data is from Caltrans' 2026 Long-Term Socio Economic Forecast as prepared by DOF.

Housing Units	
EXISTING NEED	1,090,785
+ Vacancy Adjustment for Existing Households (Healthy Housing Market Vacancy % vs. Region ACS %)	131,589
+ Overcrowding Adjustment (National Average % vs Region ACS %)	398,400
+ Cost-burden Adjustment (National Average % vs Region ACS %)	764,476
- Adjustment to Account for HHs that Experience Both Overcrowding and Cost-burden (DOF data)	(259,849)
+ Relationship Between Jobs and Housing (HCD Standard of 1.5 housing Units Per Job)	9,467
+ Homelessness Adjustment	38,646
+ Units Lost During a Governor-Declared State of Emergency in the Prior Planning Period	8,056

PROJECTED NEED	268,965
+ Preliminary Projected Households (Occupied Unit Stock)	6,888,555
+ Projected Apartment Style Student Households	708
+ Vacancy Adjustment for Projected Households	16,275
+ Replacement Adjustment Demolitions (.1% min, 5% max, vs. % DOF Demolitions)	6,889
+ Replacement Adjustment Seasonal, Recreational, and Occasional Use Housing Units (2016 vs. 2024)	-
+ Feasible Jobs/Housing Balance (Employment Projections / RHND <= 1.5 Jobs Per Housing Unit)	-
- Occupied Units (HHs) Projected June 30, 2029 (from DOF Data)	(6,643,462)

7th Cycle Regional Housing Need Determination (RHND):	1,359,750
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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.)