Regional Housing Needs Assessment Draft Methodology

Overview

On July 26, 2019, the Board of Directors voted to release the Draft 6th Cycle Regional Housing Needs Assessment (RHNA) Methodology for public review. The draft methodology was posted to the SANDAG website and notice was sent to each jurisdiction, housing stakeholders, and other interested parties on July 26, 2019.

The public review period opened on July 26, 2019, and closes on September 6, 2019, when the Board will hold a public hearing on the draft methodology. Public comments received as of August 23, 2019 at 5 p.m. and received between August 23, 2019, at 5:01 p.m. and August 28, 2019, at 5 p.m. have been posted on the SANDAG website.

Key Considerations

State law requires the methodology further five objectives; however, state law does not dictate how those objectives should be prioritized. SANDAG staff solicited input from the Board on an approach for the methodology in September 2018. The Board expressed a desire to take a different approach than the previous 5th Cycle RHNA Methodology by not relying on existing housing capacities as a starting point. The Board also expressed interest in playing a bigger role in the development of the methodology, and in December 2018 formed the RHNA Subcommittee to provide input and guidance on potential policy and technical options for developing the methodology.

The RHNA Subcommittee first met in February 2019 and was asked to complete a survey prioritizing the objectives and factors in state law to form a basis for the methodology. Survey results showed that a majority of the RHNA Subcommittee members sought to prioritize increasing transit use, improve the jobs and housing relationship, promote social equity, and reduce greenhouse gas emissions. The RHNA Subcommittee also emphasized a goal to be transparent and develop a methodology that is not overly complicated and can be easily understood by the public.

Through continued outreach with the RHNA Subcommittee and Regional Planning Technical Working Group in the spring and summer of 2019, these priorities were refined to the transit and jobs components and social equity adjustment used in the draft methodology that was released by the Board on July 26, 2019.

The draft methodology released for public review includes the following components.

1. Of the total housing units, 65% will be allocated to jurisdictions with access to transit, including rail stations, Rapid stations, and major transit stops. Significant investments in transit have been made throughout the region, and the methodology prioritizes housing growth in those areas with access to transit. Encouraging housing growth near transit can help the allocation to promote infill development (developing vacant or under-used land within existing urban areas that are already largely...
developed) and preserve open space, as most transit is located in urbanized areas. Improved access to transit also can lower the vehicle miles traveled in a car and reduce greenhouse gas emissions.

2. **Within the housing units allocated for jurisdictions with access to transit, 75% of the units will be allocated to jurisdictions with rail stations and Rapid stations and 25% should be allocated to jurisdictions with major transit stops.** To ensure future growth is located near transit, the methodology prioritizes 75% of the housing units in areas with rail and Rapid stations. Rail stations and Rapid stations usually are located along fixed routes that require significant capital investment to construct. Unlike bus stops or routes, rail and Rapid stations routes are not amended or eliminated on a regular basis.

The remaining 25% of the housing units would be allocated in jurisdictions with major transit stops. Major transit stops, as defined in state law, have two intersecting bus routes that arrive at 15-minute intervals during peak commute hours.

3. **Of the total housing units, 35% will be allocated to jurisdictions based on the total number of jobs in their jurisdiction.** Jurisdictions should plan for housing to provide opportunities for more residents to live near their place of employment, promoting infill development, and improving the intraregional relationship between jobs and housing.

4. **The allocation applies an equity adjustment.** The RHNA Determination made by the State Department of Housing and Community Development (HCD) divided the number of housing units needed in the region into four income categories based on the region’s current percentages of households in each income category. The equity adjustment includes a calculation of the existing households in each jurisdiction in each income category. To promote equity and fair housing, the methodology would allocate more housing units within each income category to jurisdictions with a percentage of households in that same category that is lower than the regional percentage.

At the July 26, 2019, Board meeting, Board members requested staff provide additional information during the public comment period on potential modifications to the draft methodology. This information was provided to the Board and posted on the SANDAG website for public review on August 23, 2019. Public comments received prior to mail out of this report are categorized with a summary response from staff on the SANDAG website. Public comments on the draft methodology received between the date this report is mailed and September 4, 2019, will be posted on the SANDAG website and provided to Board at the meeting.

Any amendments to the methodology made during the meeting will be at the discretion of the Board and would need to further the objectives in state RHNA laws.

**Next Steps**

The draft methodology must be sent to HCD for a 60-day review period. If no changes to the methodology are required by HCD, the Board will be asked to adopt the final methodology and release a draft version of the allocation resulting from the methodology for a 45-day appeal period. Attachment 1 shows an estimated allocation of housing units to each jurisdiction if no changes are made to the draft RHNA Methodology. Local governments will have until April 2021 to update their housing elements to accommodate the housing unit allocations.

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Attachment: 1. Draft 6th Cycle RHNA Methodology and Estimated Allocation
The RHNA Determination, provided by the Department of Housing and Community Development (HCD) in July 2018, requires the San Diego region to plan for 171,685 housing units in the 6th Housing Element Cycle (2021-2029). The draft methodology, released by the Board of Directors for public review on July 26, 2019, allocates the housing units to each jurisdiction in the region based on the priorities discussed by the SANDAG Board of Directors and its RHNA Subcommittee.

The estimated allocation is provided for discussion purposes only. Pending authorization from the Board of Directors, the draft methodology will be submitted to the HCD for its 60-day review. Following HCD’s review, the Board of Directors will be asked to approve a final methodology and a draft allocation will be released at that time.