



POB 1703, Mill Valley, CA 94942
CatalystsCA.org 415-686-4375

California's Housing Future 2040: The Next Regional Housing Needs Allocation

CA Dept. of Housing and Community Development, April 2024
Recommendations to Legislators re: 7th Cycle RHNA (2032-2040)

Will we let democracy slip through our fingers or take action to protect against state overreach?

Guiding Principles of CA's Housing Future 2040, p 16

1. Fully and accurately account for the pent-up housing demands of the existing population as well as the housing needs of future households.
2. Ensure RHNA is a fair, transparent, objective, and streamlined process for identifying housing need.
 - a. Fair in terms of advancing equity, racial justice and inclusion, and environmental justice in a manner that ensures all jurisdictions plan for their fair share of the region's housing need.
 - b. Transparent in terms of open and accessible public processes; proactive engagement, and making materials available online.
 - c. Objective in terms of maintaining a data-driven process.
 - d. Streamlined in terms of ensuring a logical flow of steps with the cost efficient process available to accomplish meaningful outcomes.
 - e. Strategically plan for the needs of households of all income levels while promoting in fill development, the protection of natural resources, and efficient development patterns.
 - f. Account for future climate risk with the goal of ensuring communities and vulnerable populations are not unduly exposed to climate risks, including but not limited to drought, flooding, sea level rise, and wildfire.
 - g. Encourage increased development to substantially address CA's housing shortage and affordability issues.
 - h. Improve compliance and outcomes through incentives and enforcement.
 - i. Enhance and protect RHNA's role in Affirmatively Furthering Fair Housing (AFFH) so that all cities plan for their fair share of growth and future planning does not further entrench segregated living patterns.

Timeframe: targeted actions for lawmakers to implement prior to 2025

Structure of the Report

Section 1: Recommendations to the Legislature.

Section 2: Policy Considerations for the Legislature.

Section 3: HCD Future implementation Efforts.

Section 1: Recommendations to the Legislature

1. Determination-Related Recommendations to the Legislature
 - a. Topic #1: Account for the housing needs of people experiencing homelessness
 - b. Topic #2: Tie the RHND more closely to the DOF household projections



POB 1703, Mill Valley, CA 94942
CatalystsCA.org 415-686-4375

- c. Topic #3: Adjust how populations living in group quarters are treated in the determination and credit a wider range of housing types in APRs
- d. Topic #4: Replace the comparable regions option with a comparison to the national average.
2. Allocation-Related Recommendations to the Legislature
 - a. Topic #5: Further and balance the five statutory objectives of RHNA
 - b. Topic #6: Revise the Allocation methodology factors to increase clarity and improve outcomes.
 - c. Topic #7: Revise the Local Data Survey requirements.
 - d. Topic #8: Refine the appeals process to increase clarity and efficiency
 - e. Topic #9: Promote equitable public participation during the allocation methodology development process.
3. Process-Related Recommendations to the Legislature
 - a. Topic #10: Improve RHNA and RIP/SCS alignment.

Section 2: Policy Considerations for the Legislature

1. #1: Determination Policy: Adjust the income distribution to better address the housing needs of all regions
2. #2: Allocation Policy: Explore assigning units lost during a State of Emergency Declaration to the overall allocation
3. #3: Process Policy: Explore ways to clarify the RHNA process and simplify language in statute.

Section 3: HCD Future implementation Efforts

1. Determination-Related HCD Implementation Efforts
 - a. Effort #1: Apply the cost burdened and overcrowded determination adjustment factors to existing households.
 - b. Effort #2: Improve the precision of the vacancy rate determination adjustment factor.
 - c. Effort #3: Refine the jobs/housing determination adjustment factor.
 - d. Effort #4: Account for housing lost to vacation homes and short-term rentals.
 - e. Effort #5: Increase transparency during the determination process.
 - f. Effort #6: Adjust the income distribution to better address the housing needs of all regions.
 - g. Effort #7: Adjust how populations living in group quarters are treated in the determination and credit a wider range of housing types in APRs.
2. Allocation-Related HCD Implementation Efforts
 - a. Effort #8: Reduce allocation to unincorporated areas outside of population centers
 - b. Effort #9: Improve technical assistance for the subregion process

Conclusion – These are targeted actions for lawmakers to implement prior to 2025 to improve the efficacy and efficiency of our statewide housing planning process.



POB 1703, Mill Valley, CA 94942
CatalystsCA.org 415-686-4375