



HOUSING ELEMENT UPDATE

Date: September 23, 2020
To: Vanessa Reynoso, City of Alhambra
From: Chris Blakney, Madeline Baron, ECONorthwest
Subject: Memorandum summarizing RHNA methodology and appeals process

This memo provides a brief summary of frequently asked questions and information clarifying the Regional Housing Needs Allocation (RHNA) process in the Southern California Association of Governments (SCAG) region. It draws from materials published by SCAG and the California Department of Housing and Community Development (HCD).

What is RHNA?

As required by State housing law, RHNA is a process that determines the projected and existing housing need for all jurisdictions (city or unincorporated county) in California over a period of time. A jurisdiction's RHNA is the number of new housing units that HCD and SCAG have determined the jurisdiction must accommodate through planning changes, over the planning period. The RHNA separates out the number of housing units needed by different income levels. It is important to note that **RHNA is NOT a mandate to build units**, but a requirement that the jurisdiction must plan for the capacity to accommodate these units.

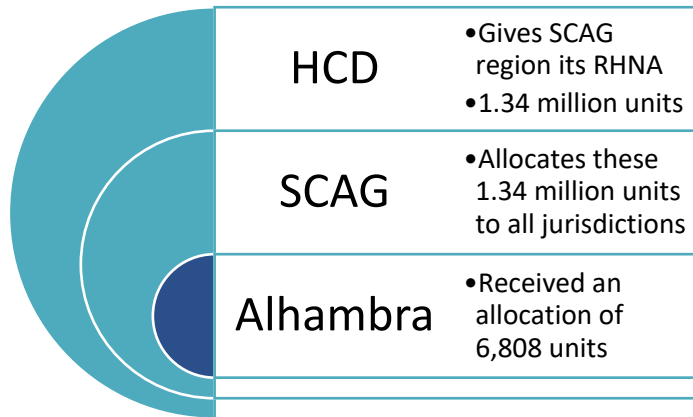
Jurisdictions in SCAG are currently in the 6th RHNA cycle, which will cover the planning period from October 2021 through October 2029. State law requires that every jurisdiction must update the Housing Element of its General Plan to ensure it has enough sites and zoned land to accommodate its RHNA number.

The City of Alhambra updated and adopted its General Plan in 2019, but the update to the Housing Element of the General Plan is just getting underway. The Housing Element is the only element of the General Plan that requires review and approval from the State. Housing Elements are approved by HCD.

How are RHNA's determined?

HCD allocated 1.34 million units to the SCAG region, and SCAG allocated these units to all the jurisdictions in the region.

SCAG's allocation methodology considers both projected and existing need. Projected need is based on future growth, while existing need is based on access to transit and jobs. A complete methodology can be found on SCAG's website.



Where are we in the RHNA process?

Determining each jurisdiction's RHNA takes time and careful consideration. SCAG has a detailed timeline of its RHNA process online. Key dates and outcomes for the 6th Cycle RHNA are listed here:

Date	Milestone
August 2019	HCD determines that the SCAG region will receive an allocation of 1.34 million units for the 6 th Cycle RHNA. This is the number of units SCAG jurisdictions must collectively plan for.
September 2019	SCAG formally objected to HCD's RHNA determination.
October 2019	HCD responded to SCAG's objection but did not make meaningful adjustments to the regional allocation. This response finalized SCAG's RHNA determination.
March 2020	SCAG adopted its final RHNA methodology, allocating its 1.34 million units to local jurisdictions. The methodology was developed over the previous year, including public participation and HCD approval.
September 2020	SCAG issued its draft RHNA number to local jurisdictions. Local jurisdictions are able to appeal their RHNA number through October 26, 2020. (See detail on appeals below).
December 2020	RHNA allocation appeals hearings
February 2021	SCAG final adoption of jurisdiction RHNA allocations.
October 15, 2021	Deadline for Housing Element completion.

What is Alhambra’s RHNA allocation?

Income Level	Alhambra RHNA
Very Low Income	1,769
Low Income	1,033
Moderately Low Income	1,077
Above Moderate Income	2,929
Total:	6,808

The City of Alhambra received an allocation of 6,808 units for its 6th Cycle. This allocation is further broken down by income level, as shown to the left. SCAG’s methodology considered both projected and existing need in determining each jurisdiction’s RHNA. Generally speaking, Alhambra has low projected need and high existing need in its total need.

On a percentage basis, Alhambra’s 6,808 units represents 22 percent of existing households. Alhambra’s allocation is in-line with its peers in the region.

Jurisdiction	Current HHs	RHNA	Total % of HHs
Alhambra	30,304	6,808	22%
El Monte	28,172	8,481	30%
Glendale	75,577	13,393	18%
Monterey Park	20,370	5,245	26%
Pasadena	57,819	9,408	16%
San Gabriel	12,992	3,017	23%

Does Alhambra need to build 6,808 units?

NO. Alhambra’s RHNA is **NOT a mandate for development.** Through the Housing Element of the General Plan, the City is required to provide realistic zoned capacity to accommodate its RHNA over the 2021-2029 planning period.

The Housing Element Does Not	The Housing Element Does
Authorize or mandate actual development	Identify projected and existing housing needs in the community
Make changes to ordinances or zoning	Provide an inventory or sites with the zoned capacity to meet or exceed its RHNA allocation
Provide funding for construction of housing	Create policies and programs to remove constraints and meet state requirements

Can Alhambra appeal it’s RHNA number?

Yes. The appeal period opened with the release SCAG’s draft allocations on September 11, 2020, and lasts through October 26, 2020. A timeline of the appeals process is included below, while additional details can be found on SCAG’s website. Appeals must follow specific procedures that have been adopted by SCAG. Appeals can only be based on three factors:

- 1) **Methodology.** That SCAG’s allocation methodology was not applied correctly.
- 2) **Local Planning Factors.** That SCAG failed to consider new, relevant information submitted by the jurisdiction.
- 3) **Changed Circumstances.** That significant and unforeseen changes in circumstances have occurred since April 30, 2019 warranting a revision in the RHNA allocation.

Date	Milestone
Sept 11, 2020	Local jurisdictions receive their draft RHNA, opening the appeals period.
Oct 26, 2020	Deadline for local jurisdictions to file appeals based upon application of SCAG's methodology, local planning factors or changed circumstances.
Oct 26 – Dec 9, 2020	45-day period for local jurisdictions and HCD to comment on filed appeals.
Dec 10, 2020 – Jan 10, 2021*	30-day period for public hearing(s) on appeals. Hearings are anticipated to occur in late December and early to mid-January 2021 depending on the number of appeals received.
*or Feb 9, 2021	*Per statute this may be extended for 30 additional days to February 9, 2021.
Mid-January 2021	RHNA Appeals Board concludes processes and issues a proposed final plan recommended for approval.
Feb 4, 2021	Deadline to approve final plan.
	*Date contingent upon use of the 30-day extension of the public hearing period.

What happens if Alhambra does not meet its RHNA and adopt an approved Housing Element?

If the City fails to have an approved and adopted Housing Element meeting its RHNA, the following consequences may apply:



The 4-year penalty

- Alhambra would be required to update its Housing Elements every 4-years instead of 8-years.



RHNA Rollover

- The RHNA allocation from the 6th Cycle would be added to the next housing element cycle



Loss of State Funding

- The City would become ineligible for some state funding



Legal Challenges

- A non-compliant Housing Element means the General Plan is incomplete, increasing the risk of legal challenges from the public
- The state has new authority to take direct legal action against the City