Regional Housing Needs Allocation (RHNA) Cycle 7: 2029-2037
FAQ #1: RHNA Basics

This Frequently Asked Questions (FAQ) document addresses the Cycle 7 Regional Housing Needs Allocation (RHNA) process for the SACOG region. This document will be periodically updated and the most recent version will be available on the SACOG RHNA webpage at: [Regional Housing Needs Allocation (RHNA) | SACOG].

What is the Regional Housing Needs Allocation (RHNA)?

Since 1969, California has required all local governments to adequately plan to meet the housing needs of everyone in the community. Every eight (8) years, the California Department of Housing and Community Development (HCD) issues a Regional Determination of housing need for the six-county Sacramento region, which is an estimate of the number of new homes the region must plan for across several income categories to address current and future housing conditions. This state requirement is called the Regional Housing Needs Allocation (RHNA) process.

HCD calculates SACOG's Regional Determination using information from the California Department of Finance's population forecasts. SACOG's Cycle 7 RHNA planning period will cover an eight-year period from May 15, 2029 to May 15, 2037.

What is SACOG's role in the RHNA process?

MPOs and COGs[1] play an important role in the RHNA process. As the federally designated MPO for the region, SACOG is responsible for developing a methodology for allocating the State-issued Regional Determination to all the jurisdictions in our region (22 cities and six counties). The allocation assigns a number of new homes that each jurisdiction needs to plan for the next eight years. The allocation also divides the total number of homes into six income categories: the Acutely-Low, Extremely-Low, Very Low, Low, Moderate, and Above Moderate groups.

What does this mean for cities and counties in California?

California law requires local governments to adopt plans and regulatory processes that do not unduly constrain housing development. Local governments do not build housing, but they must plan for future housing and ensure that their policies and processes facilitate space for new homes.

How does RHNA relate to Housing Elements?

Once a jurisdiction receives its RHNA from SACOG, it must update its General Plan, specifically the Housing Element[2], to show how their community will meet its RHNA targets. Local governments are required to update their Housing Elements every five to eight years. The Housing Element describes how each city and county is developing and preserving an adequate supply of housing, including housing affordable to seniors, families, and workers.

1 Metropolitan Planning Organizations (MPOs)/Councils of Governments (COGs) are federally designated entities charged with coordinating transportation planning for urban populations with over 50,000 people. MPOs/COGs play a critical role in determining how federal and state transportation funds are allocated, ensuring that projects reflect local priorities while addressing broader regional goals and needs.

2 The Housing Element is one section of a local government's General Plan. General Plans are long-range policy and planning documents and serve as the local government's "blueprint" for growth and land use, reflecting how a city or county will develop over a longer planning horizon.

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Local governments that fail to meet their RHNA obligations may lose access to state funding, be subject to fines, or face legal action. HCD was granted increased oversight and authority to enforce state housing laws, beginning with Cycle

Have there been changes to State law since the last cycle of RHNA that impact Cycle 7?

Yes, there have been several changes to state law. Notably, the inclusion of the Acutely-Low and Extremely-Low income categories are new to Cycle 7. Other changes include greater emphasis on planning for the housing needs of persons experiencing homelessness, strengthened public outreach requirements during the development of the RHNA methodology, and accelerated timeframes for when HCD is required to consult on and provide COGs their Regional Determinations.

What are the RHNA income category distributions?

The number of new homes a jurisdiction must plan for is divided into the following categories:

- Acutely Low-Income: 0-15% of the Area Median Income (AMI)[3]
- Extremely Low-Income: 15-30% of AMI
- Very Low Income: 30-50% of AMI
- Low Income: 50-80% of AMI
- Moderate Income: 80-120% of AMI
- Above Moderate Income: +120% of AMI

How does SACOG develop the RHNA methodology?

SACOG develops the methodology by convening a RHNA Technical Advisory Committee (TAC), comprised of local planning representatives from each jurisdiction, in addition to other housing partners that represent the lived experiences of special needs groups, including older adults, farmworkers, persons experiencing homelessness, persons with disabilities, and single-headed households. The TAC is the primary forum for the region to build consensus on how to distribute the State-issued Regional Determination across our 28 member jurisdictions.

SACOG's TAC will kickoff this process in August 2026. For more information on project timelines, please see the SACOG RHNA webpage.

Is there a relationship between SACOG's Blueprint (or MTP/SCS) and RHNA?

Yes, the Metropolitan Transportation Plan/ Sustainable Communities Strategy (better known as the Blueprint) plans for the projected growth in the region by 2050 and where it will occur. State law requires that the Blueprint be consistent with RHNA. The Cycle 7 RHNA

3 The Area Median Income (AMI) is the midpoint of all household incomes in a specific geographic area. AMI is calculated by the U.S. Department of Housing and Urban Development annually using data from the Census Bureau's American Community Survey and is used to assess eligibility for HUD programs.

outlines how the region can accommodate projected growth between 2029-2037, using data and projections from the 2025 Blueprint. SACOG's most recent Blueprint was adopted in November 2025.

What are the statutory RHNA Objectives that must be included in the methodology?

The RHNA Objectives provide the guiding framework for how SACOG must develop its methodology. SACOG is required to demonstrate how its methodology "furthers" each of the five statutory objectives below:

- Increase housing supply and a mix of housing types
- Promote infill, equity, and the environment
- Promote jobs housing balance
- Promote regional income parity
- Affirmatively further fair housing

What are the statutory RHNA Factors that must be included in the methodology?

The RHNA Factors include a longer list of considerations that must be incorporated into the methodology, to the extent that sufficient data is available. These include:

- Jobs and housing relationship
- Opportunities and constraints to additional housing development:
- Lack of sewer and water capacity
- Availability/suitability of land for urban development
- Lands preserved or protected from urban development
- County policies to preserve prime agricultural land
- Emergency evacuation route capacity
- Opportunities to maximize transit and existing transportation infrastructure
- Policies directing growth toward incorporated areas
- Loss of units in assisted housing developments
- High housing cost burden
- Rate of overcrowding
- Housing needs of farmworkers
- Housing needs of UC and CSU students
- Housing needs of persons experiencing homelessness
- Loss of units during an emergency
- SB 375 greenhouse gas reduction targets
- SCS forecasted development pattern
- Other factors adopted by a Council of Governments