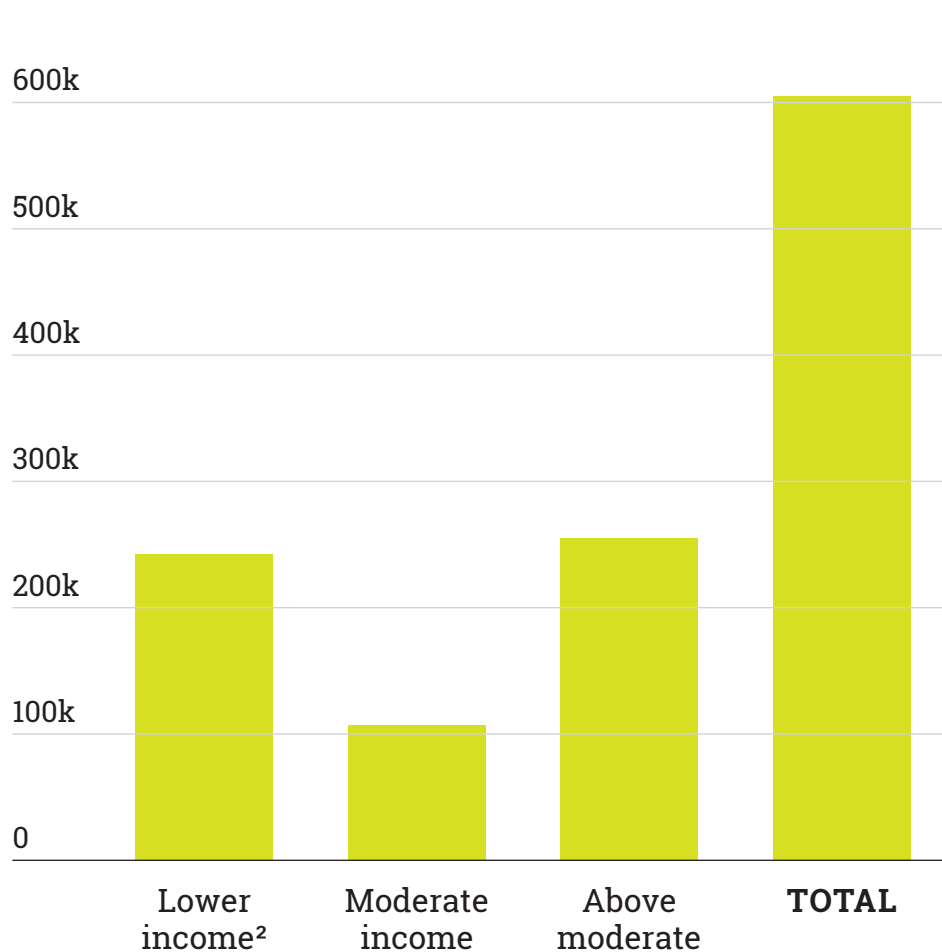


The Department of Community and Housing Development (HCD) sets regional targets for housing by income level. The rolled up totals for all 58 counties are shown below.

RHNA targets

Pro-rated 5th Cycle RHNA Targets: 58 Counties¹



The Department of Housing and Community Development (HCD) assesses housing need by income level for each region in California. To determine the need for a region, they use demographics from California's Department of Finance and factor in population growth, household size, household income, household formation rate, and the ratio of jobs to housing. Regional planning bodies give feedback to the state and then develop even more granular housing need estimates for their local cities and counties. These are known as the Regional Housing Allocation (RHNA) goals.

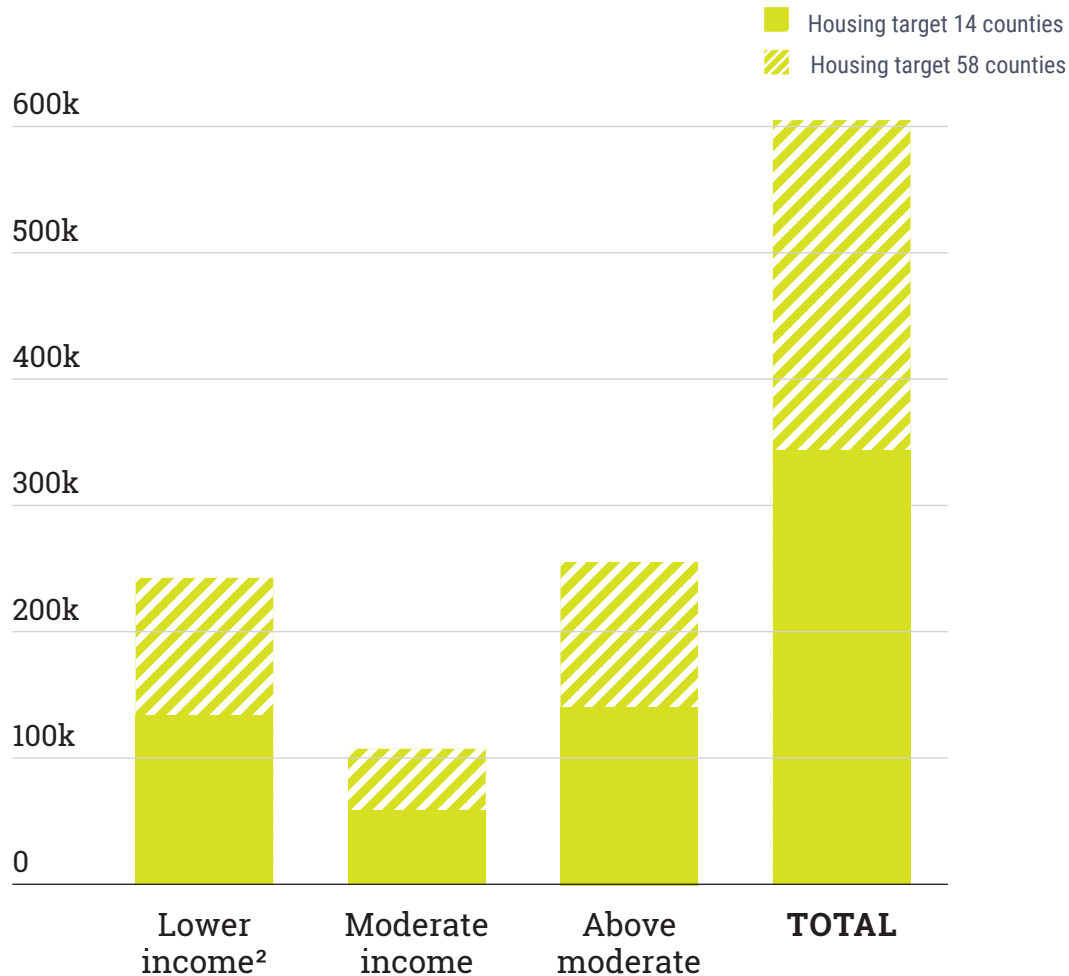
Every April the state then collects the number of housing permits granted. Some cities and counties are on a 5-year goal system, and others are on an 8-year goal system. The data presented here is based on the most recent available progress reports. City and county housing targets have been pro-rated, according to where each jurisdiction is in its 5-year or 8-year goal cycle.

¹ Pro-rated Regional Housing Need Assessments, California Department of Housing and Community Development (based percent completion of the 5th cycle, which differs for each county)

Approximately half of the entire state housing target is focused in 14 counties. These 14 counties are also the counties most impacted by the housing bills currently before the legislature.

RHNA targets

Pro-rated 5th Cycle RHNA Targets: 14 Counties¹



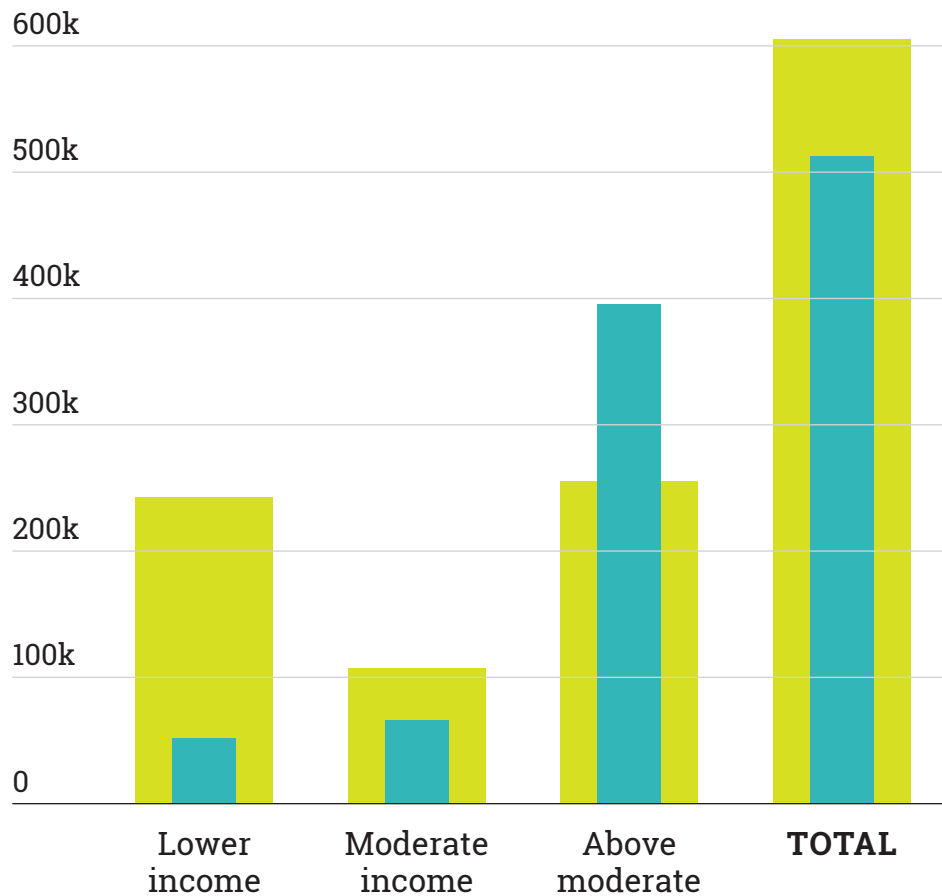
- The 14 Counties most impacted by SB-330 and SB-50**
- Alameda
 - Contra Costa
 - Los Angeles
 - Marin
 - Napa
 - Orange
 - San Diego
 - San Francisco
 - San Mateo
 - Santa Clara
 - Santa Cruz
 - Solano
 - Sonoma
 - Ventura

¹ Prorated Regional Housing Need Assessments, California Department of Housing and Community Development (based percent completion of the 5th cycle, which differs for each county)

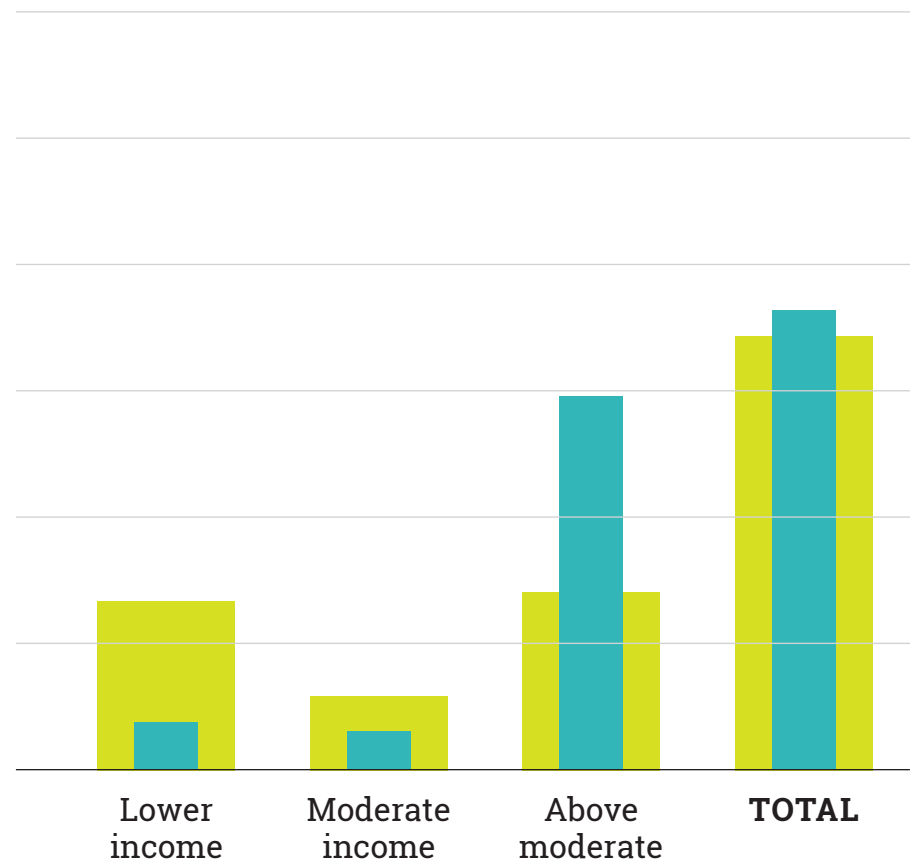
Contrary to popular thinking among some academics and legislators, that cities and counties refuse/fail to permit housing, the latest state numbers show that cities and counties are in fact keeping up. But they are far exceeding their market-rate housing targets, while falling far short on their affordable housing targets. The 14 counties have issued permits for nearly 300,000 new market-rate housing units, yet only about 140,000 were required by the state housing department.

RHNA targets

Pro-rated RHNA Targets and Permits: 58 Counties



Pro-rated RHNA Targets and Permits: 14 Counties



Since 2016, this mismatch has worsened, with a stark jump in market-rate housing permits seen alongside a corresponding dip in affordable housing unit permits. This shift correlates with the introduction of the state density bonus law, a law that was meant to boost affordable housing approvals. It may be too early to say, but it seems the density bonus incentives given under Government Code 65915–65918 may have actually exacerbated California’s mismatched housing supply. The percentage of affordable housing required to qualify for a density bonus may have been set too low, accelerating market-rate housing, while the need lies in affordable housing.

**RHNA
targets**

Permits in the 14 Counties

