

How RHNA was weaponized:

A history of the 6th RHNA cycle at its midpoint for
the Southern California Council of Governments

a presentation for the Wakeup California
zoom meeting

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What is SB 35/423 Streamlined Ministerial Approval Process (SMAP)?

Senate Bill (SB) 423 amends the streamlined ministerial approval process for qualifying multifamily and mixed-use affordable housing projects generally known as the “SB 35” process. Local governments that have had insufficient progress towards their RHNA allocation are required to provide a streamlined ministerial review process (SMAP).

Ministerial projects can only be reviewed for consistency with objective design and development standards. Ministerial projects are not subject to CEQA and may not be subject to a conditional use permit or discretionary design review process.

To be eligible for the SB 35/423 SMAP, any project in a jurisdiction that had insufficient RHNA progress for above-moderate income units is required to dedicate a minimum of 10 percent of total number of units to households making at or below 50 percent of area median income (AMI).

If the jurisdiction has failed to meet its below-moderate targets a project is eligible for SMAP if it dedicates 50 percent of the total number of units to households making at or below 50 percent of AMI.

SB 35/423 requires developers to comply with certain wage and labor standards, including that all construction workers will be paid prevailing wages. These requirements do not apply to a project that consists of 10 or fewer units and is not a public work.



Playing the Housing Numbers Game



In the fall of 2017 the Bay Area Council's housing team met with state Senator Scott Wiener to discuss the ongoing housing crisis, its root causes and what needed to be done to fix things. One of those root causes is our inability to accurately predict how much new housing we will need to meet the growing demand. The state, through the Regional Housing Needs Allocation (RHNA) process, has consistently lowballed the numbers. The allocation the Bay Area gets every eight years is generally far less than the actual need and as a result, cities never plan for the growth that is coming.

Out of that meeting came SB 828 (Wiener), a law that makes the calculation process more scientific and accurate. Lo and behold, this year the Bay Area's RHNA allocation jumped from 188,000 units to 441,000 units. And this week, the Metropolitan Transportation Commission approved the methodology that will divide this number among our 101 cities. Those cities must now update their general plans and find more sites for new homes and upzone the ones they already have. This might seem like a nerdy numbers game but in the real world it is one of the most significant housing wins in recent years and it will have tangible benefits. To engage in the Council's housing policy work, [please contact Senior Vice President Matt Regan](#).

Housing approval and construction process

Application→Approval→Entitlement→

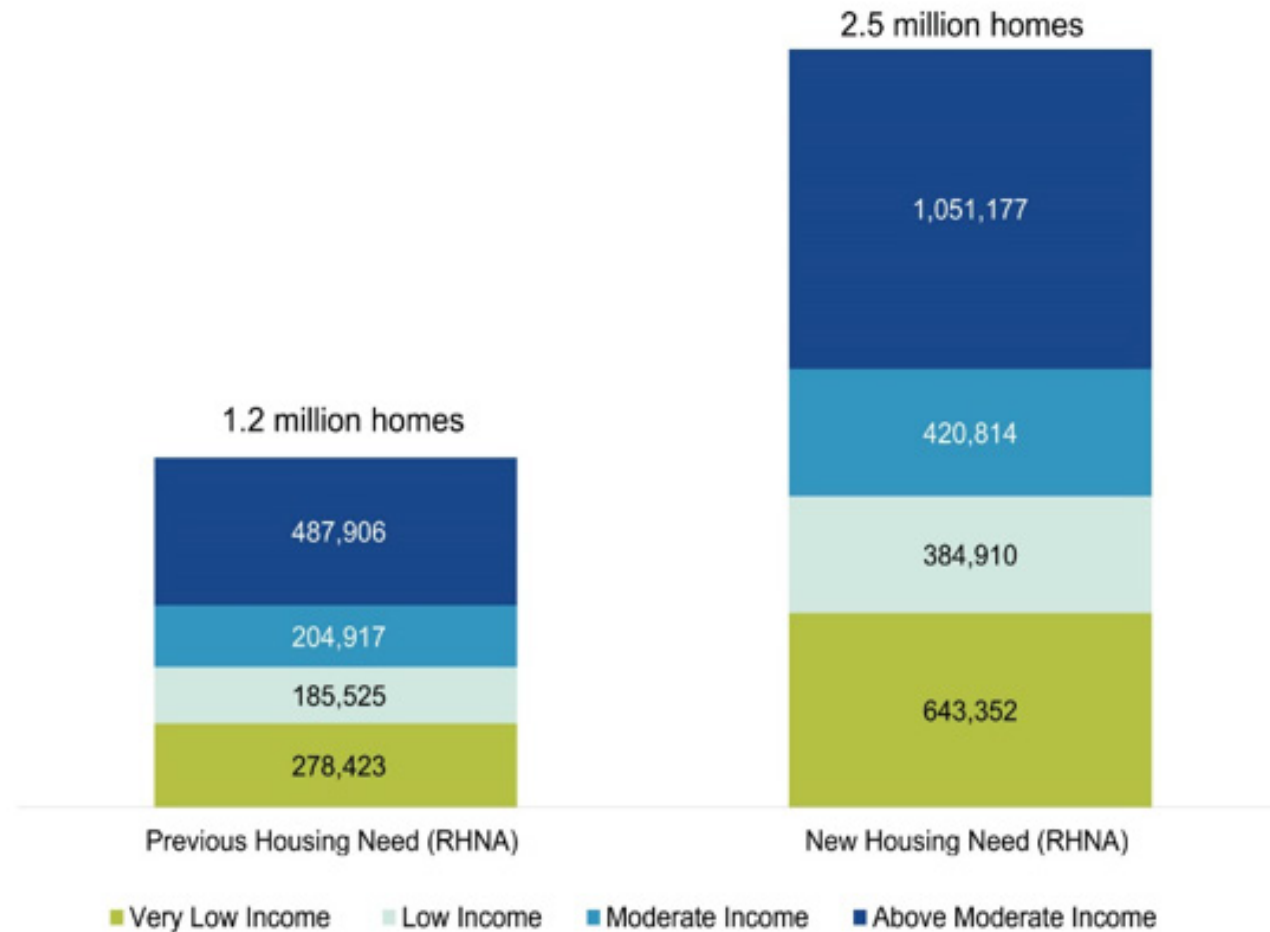
Building permit→Construction→

Certificate of occupancy→Occupancy

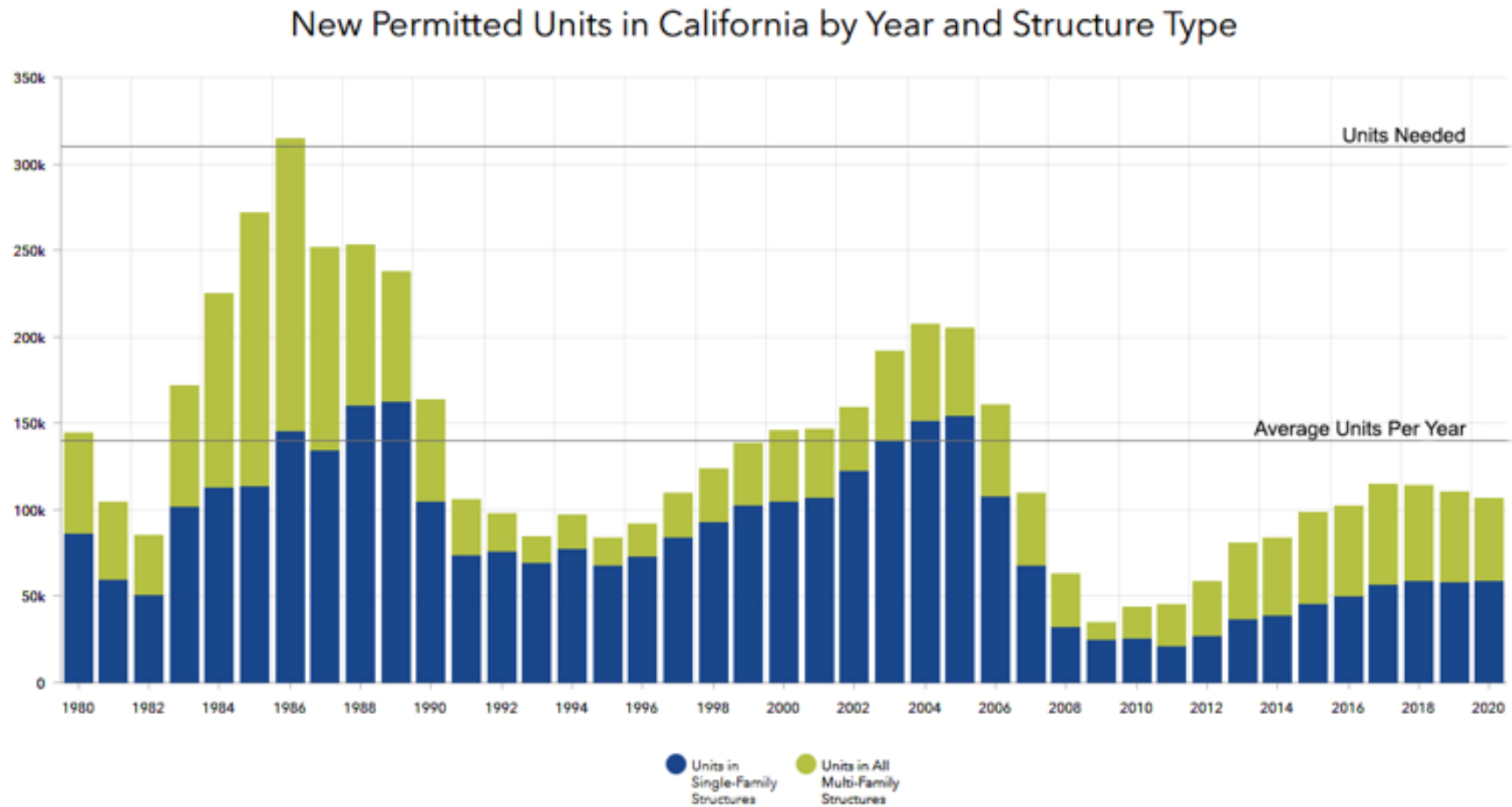
Jurisdiction controls items in blue

Developer controls items in red

Comparison of 5th and 6th cycle RHNA building permit targets



Residential building permits in California 1980 - 2020



California's Councils of Governments (COGs)



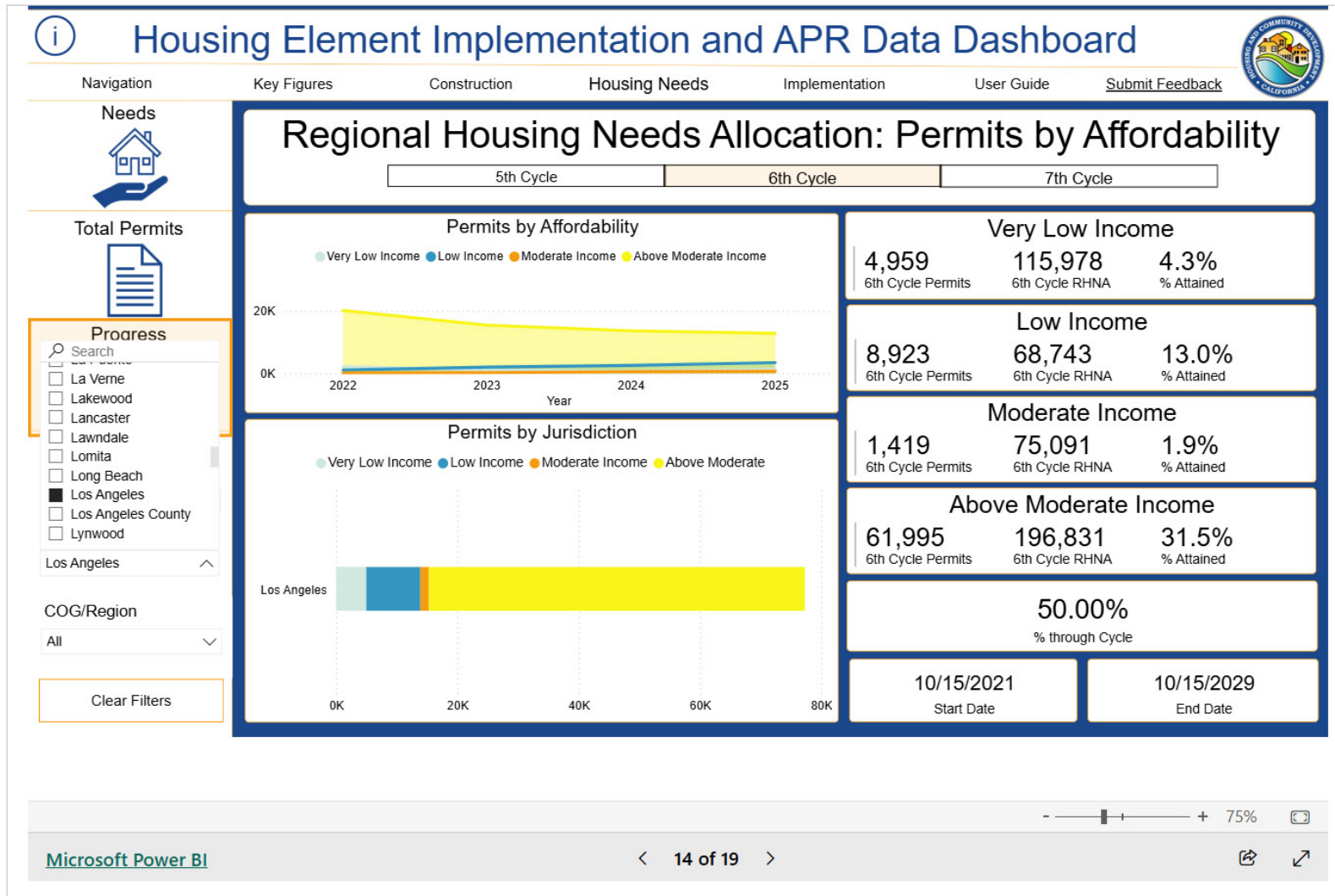
The four most populous COGs (SCAG, ABAG, SACOG and SANDAG) contain about 80 percent of California's population.

HCD 6th cycle RHNA determination for Southern California Council of Govts (SCAG)

SCAG: June 30 , 2021-October 15, 2020 (8.3 Years) HCD Determined Population, Households, & Housing Need				
1.	Population: DOF 6/30/2029 projection adjusted +3.5 months to 10/15/2029			20,455,355
2.	- Group Quarters Population : DOF 6/30/29 projection adjusted +3.5 months to 10/15/2029			-363,635
3.	Household (HH) Population: October 15, 2029			20,079,930
	Household Formation Groups	HCD Adjusted DOF Projected HH Population	DOF HH Formation Rates	HCD Adjusted DOF Projected Households
		20,079,660		6,801,760
	Under 15 years	3,292,955	#N/A	#N/A
	15 - 24 years	2,735,490	6.45%	176,500
	25 - 34 years	2,526,620	32.54%	822,045
	35 - 44 years	2,460,805	44.23%	1,088,305
	45 - 54 years	2,502,190	47.16%	1,180,075
	55 - 64 years	2,399,180	50.82%	1,219,180
	65 - 74 years	2,238,335	52.54%	1,176,130
	75 - 84 years	1,379,335	57.96%	799,455
	85+	544,750	62.43%	340,070
4.	Projected Households (Occupied Unit Stock)			6,801,760
5.	+ Vacancy Adjustment (2.63%)			2.63% 178,896
6.	+ Overcrowding Adjustment (6.76%)			6.76% 459,917
7.	+ Replacement Adjustment (.50%)			0.50% 34,010
8.	- Occupied Units (HHs) estimated (June 31, 2021)			-6,250,261
9.	+Cost Burden Adjustment (Lower Income: 10.63%, Mod. and Above Mod. Income: 9.28%)			9.60% 117,505
6th Cycle Regional Housing Need Assessment (RHNA)				1,341,827

HCD Annual Progress Report (APR) Dashboard

City of Los Angeles



Regional Housing Needs Assessment streamlining sanctions for the Southern California Council of Governments six-county region

RHNA sanction status	number of jurisdictions	jurisdictions population	percent of total region population
exempt	3	387,368	2.1%
low-income housing	51	2,671,113	14.3%
market-rate housing	143	15,676,277	83.7%
totals	197	18,734,758	100.0%

There are 29 SACOG jurisdictions. At their 2025 midpoint, 15 failed to meet their above-moderate targets, while 13 did meet the above-moderate targets, but failed to meet the lower-income targets. Only one jurisdiction, unincorporated Yolo County, met both targets and was exempt from SMAP.

There are 19 SANDAG jurisdictions. At their 2025 midpoint, 9 failed to meet their above-moderate targets, while 10 met the above-moderate targets, but failed to meet the lower-income targets. No jurisdictions met both targets.

The nine-county Bay Area's RHNA midpoint will be in July 2027, less than one year from now. The region houses 7.68 million people, almost 20 percent of the state's population. As in Southern California's SCAG region, most of the Bay Area's 101 cities and 9 counties will fail to meet the exaggerated RHNA goals.

Important dates in RHNA history

2nd cycle 1990-1998	SB 35 passed 9/15/2017
3rd cycle 2001-2009	SB 828 passed 8/30/2018
4th cycle 2009-2014	SB 423 passed 9/11/2023
5th cycle 2015-2023	
6th cycle 2023-2031	

Spring 2023: Sounding Board meetings.
HCD. “These meetings will not be open to the public, but the public is welcome to submit written public comments regarding the meeting agenda items.

April 2024: Result of Sounding Board meetings published as *California’s Housing Future 2040 The Next Regional Housing Needs Allocation*

SB7 introduced 12/5/2022
read first time in assembly 1/29/2024
6/10/2024 gut-and-amend
8/26/2024 back to senate
8/27/2024 committee hearing
8/28/2024 approved on senate floor
9/4/2024 presented to governor
9/19/2024 approved by governor
7/20/2026 HCD finalizing new SMAP guidelines

My take home message

If the seventh cycle targets and subsequent ones are as absurd as the current one, SCAG cities and counties will remain under streamlined ministerial approvals indefinitely, along with most of the rest of the state. Unless the legislature corrects the faults of Wiener's slovenly SB 828, or it allows SB 423 (2023) (the updated version of SB 35) to sunset in 2036, almost all California cities and counties will never regain control of their land use decisions.

Information Sources

For my recent article on these topics, see:

<https://48hills.org/2025/06/the-new-state-housing-numbers-the-yimbys-and-a-bit-of-econ-101/>

For DOF/Demographics data, see:

<https://dof.ca.gov/forecasting/demographics/estimates/>

For HCD APR dashboard, just google “HCD APR dashboard” and go to page 11:

<https://www.hcd.ca.gov/planning-and-community-development/housing-element-implementation-and-apr-dashboard>

For HCD SMAP dashboard, just google “HCD SMAP dashboard” and go to page 2:

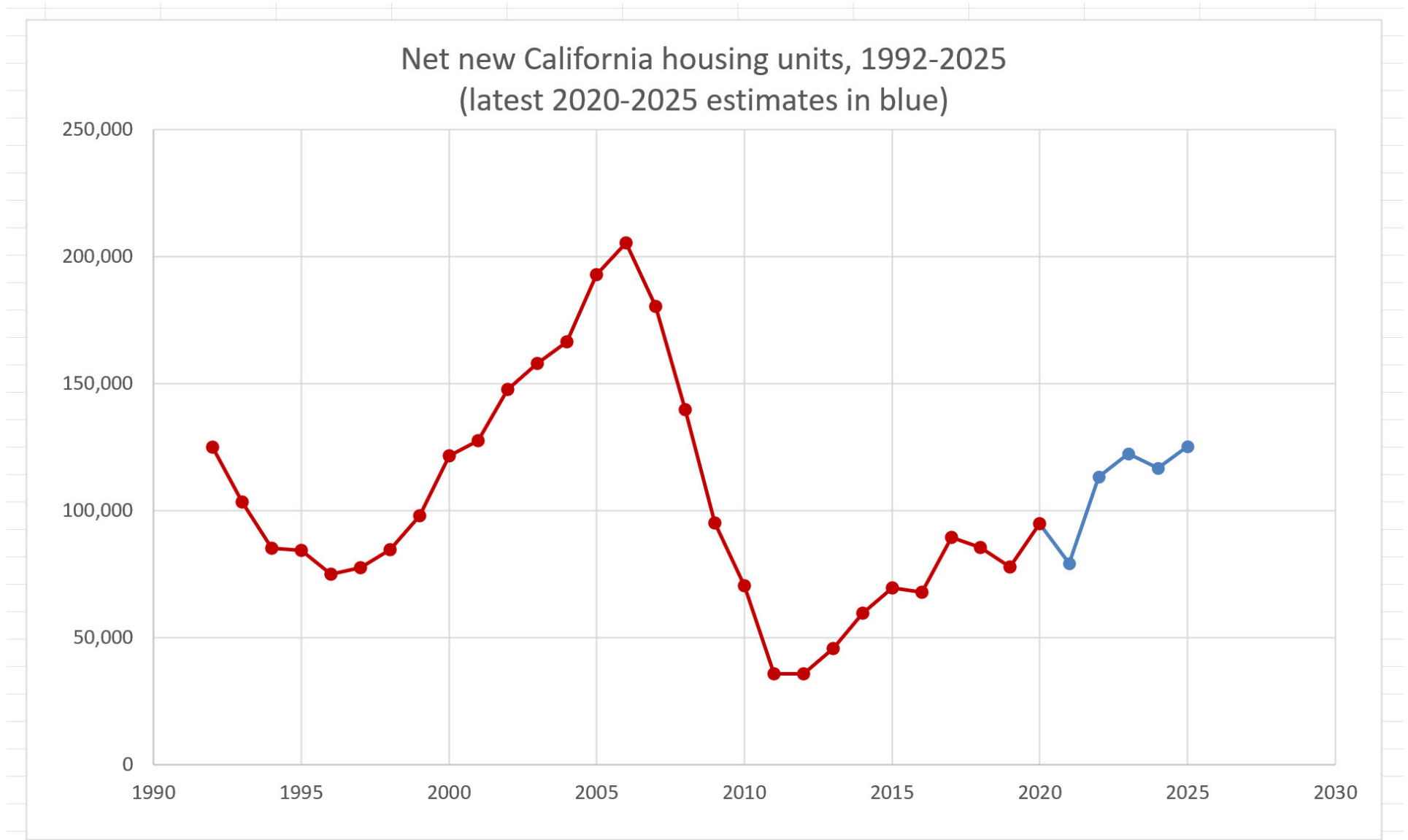
<https://www.hcd.ca.gov/planning-and-community-development/streamlined-ministerial-approval-process-dashboard>

It's déjà vu all over again

The so-called housing shortage, which plays such a great role in the press nowadays, does not consist of the fact that the working class generally lives in bad, overcrowded and unhealthy dwellings. ...What is meant today by housing shortage is the peculiar intensification of the bad housing conditions of the workers as the result of the often sudden rush of population to the big towns; a colossal increase in rents, a still further aggravation of overcrowding in the individual houses, and, for some, the impossibility of finding a place to live in at all. And this housing shortage gets talked of so much only because it does not limit itself to the working class but has affected the petty bourgeoisie also.

Frederich Engels, 1872

Net new California housing units, 1992-2025



Is there a built-in speed limit, as C. Murray suggests?

Dept of Finance Demographic data

Where is the California housing crisis?

CALIFORNIA

Table 1: E-5 County/State Population and Housing Estimates,1/1/2020-1/1/2025

	County	POPULATION			HOUSING UNITS							Vacancy Rate	Persons per Household
		Total	Household	Group Quarters	Total	Single Detached	Single Attached	Two to Four	Five Plus	Mobile Homes	Occupied		
2020	California	39,535,623	38,578,452	957,171	14,370,633	8,277,626	1,033,415	1,122,086	3,403,327	534,178	13,454,003	6.4%	2.87
2021	California	39,369,530	38,575,043	794,487	14,471,599	8,317,754	1,038,784	1,131,913	3,448,863	534,285	13,547,036	6.4%	2.85
2022	California	39,179,680	38,263,355	916,325	14,584,729	8,365,237	1,043,420	1,143,122	3,496,734	536,216	13,642,009	6.5%	2.80
2023	California	39,228,444	38,301,368	927,076	14,707,092	8,422,309	1,056,043	1,146,209	3,545,095	537,436	13,767,350	6.4%	2.78
2024	California	39,420,663	38,493,130	927,533	14,823,773	8,472,021	1,068,885	1,149,403	3,594,898	538,566	13,875,211	6.4%	2.77
2025	California	39,529,101	38,598,868	930,233	14,949,001	8,525,241	1,086,359	1,152,281	3,645,563	539,557	13,993,318	6.4%	2.76
Change from previous year													
2020	California	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A		
2021	California	-166,093	-3,409	-162,684	100,966	40,128	5,369	9,827	45,536	107	93,033		
2022	California	-189,850	-311,688	121,838	113,130	47,483	4,636	11,209	47,871	1,931	94,973		
2023	California	48,764	38,013	10,751	122,363	57,072	12,623	3,087	48,361	1,220	125,341		
2024	California	192,219	191,762	457	116,681	49,712	12,842	3,194	49,803	1,130	107,861		
2025	California	108,438	105,738	2,700	125,228	53,220	17,474	2,878	50,665	991	118,107		
Change from 2020 to 2025													
2020	California	39,535,623	38,578,452	957,171	14,370,633	8,277,626	1,033,415	1,122,086	3,403,327	534,178	13,454,003		
2025	California	39,529,101	38,598,868	930,233	14,949,001	8,525,241	1,086,359	1,152,281	3,645,563	539,557	13,993,318		
difference	California	-6,522	20,416	-26,938	578,368	247,615	52,944	30,195	242,236	5,379	539,315		

- 1) Population has returned.
- 2) Housing units have increased.
- 3) Vacancy rate is stable.
- 4) Persons per household has declined.

DOF population forecasts

