
UNFINISHED BUSINESS

Bill No: SB 233
Author: Seyarto (R), et al.
Amended: 9/4/25
Vote: 21

SENATE HOUSING COMMITTEE: 10-0, 3/18/25

AYES: Wahab, Seyarto, Arreguín, Cabaldon, Cortese, Durazo, Gonzalez,
Grayson, Ochoa Bogh, Padilla

NO VOTE RECORDED: Caballero

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SENATE FLOOR: 35-0, 4/10/25 (Consent)

AYES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear,
Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez,
Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar,
Padilla, Pérez, Richardson, Rubio, Stern, Strickland, Umberg, Valladares,
Wahab, Weber Pierson, Wiener

NO VOTE RECORDED: Niello, Ochoa Bogh, Reyes, Seyarto, Smallwood-
Cuevas

ASSEMBLY FLOOR: 78-0, 9/8/25 - See last page for vote

SUBJECT: Regional housing need: determination: consultation with councils of
governments

SOURCE: Author

DIGEST: This bill revises deadlines for the Department of Housing and
Community Development (HCD) to meet and consult with each council of
governments (COG) in the regional housing needs determination (RHND) process.

Assembly Amendments address chaptering conflicts with AB 650 (Papan), AB
1275 (Elhawary), and SB 486 (Cabaldon); additional amendments add the County
of Nevada, and the Sacramento Area Council of Governments, to the list of

jurisdictions that HCD must consult with on an alternative timeframe in the seventh housing element cycle.

ANALYSIS:

Existing law:

- 1) Provides that each community's fair share of housing be determined through the RHND and the subsequent Regional Housing Needs Allocation (RHNA) plan for the region. Establishes the RHND/RHNA process as follows: (a) Department of Finance (DOF) and HCD develop regional housing needs estimates; (b) COGs allocate housing within each region based on these determinations, and where a COG does not exist, HCD conducts the allocations; and (c) cities and counties incorporate these allocations into their housing elements.
- 2) Requires HCD, in consultation with each COG, to determine the RHND for each region using population projections produced by DOF and regional population forecasts used in preparing Regional Transportation Plan (RTP) updates, in consultation with each COG.
- 3) Requires HCD, at least 26 months prior to the housing element adoption deadline for the region and prior to developing the existing and projected housing need for a region, to meet and consult with the COG regarding the assumptions and methodology to be used by HCD to develop the RHND. Requires the COG to provide data assumptions from their projections, as specified.
- 4) Requires HCD, after consultation with the COG, to make a determination of the region's existing and projected housing need based upon the assumptions and methodology determined in 3). Requires the RHND to reflect the achievement of a feasible balance between jobs and housing within the region using the regional employment projections in the applicable regional transportation plan.
- 5) Requires each COG or delegate subregion, at least two years before a scheduled revision of the housing element, to develop, in consultation with HCD, a proposed methodology for distributing the RHNA to cities, counties, and cities and counties within the region or subregion.
- 6) Requires each COG or delegate subregion, at least one and one-half years before a scheduled revision of the housing element, to distribute a draft RHNA allocation plan to each local government in the region or subregion, and HCD,

based on the methodology in 5) above, and publish the draft allocation on its website.

This bill:

- 1) Requires HCD, commencing with the seventh housing element cycle, to meet with COGs at least 38 months rather than 26 months prior to the housing element due date for jurisdictions within that COG.
- 2) For COGs that have a seventh housing element revision due in 2028 or earlier, provides an alternative schedule for HCD consultation until the eight housing element cycle.

Background

Housing elements. Every city and county in California is required to develop a general plan that outlines the community's vision of future development through a series of policy statements and goals. A community's general plan lays the foundation for all future land use decisions, as these decisions must be consistent with the plan. General plans are comprised of several elements that address various land use topics. State law mandates seven elements: land use, circulation (*e.g.*, traffic), housing conservation, open-space, noise, and safety.

Each community's general plan must include a housing element, which outlines a long-term plan for meeting the community's existing and projected housing needs. The housing element demonstrates how the community plans to accommodate its "fair share" of its region's housing needs. In general, a housing element must identify and analyze existing and project housing needs, identify adequate sites with appropriate zoning to meet its share of the RHNA, and ensure that regulatory systems provide opportunities for, and do not unduly constrain, housing development.

RHND/RHNA Methodology. The RHND/RHNA process is used to determine how many new homes, and the affordability level of those homes, each local government must plan for in its housing element to cover the duration of the next eight-year planning cycle. The RHND is assigned at the COG level, while RHNA is allocated to subregions of the COG or directly to local governments.

Comments

Author's Statement. "California is currently in the midst of a crippling housing affordability crisis. According to the Legislative Analyst's Office, in December 2024 monthly payments for a mid-tier home and bottom-tier home had increased by 84% and 88% respectively since January 2020. That is more than 5 times the rate of inflation. Consequently, polling done in September 2024 showed 56% of Californians have considered leaving the state due to high cost of living. Clearly, this affordability crisis demands the Legislature's immediate attention and urgent action. Over the last several years, California has aggressively expanded housing production goals as well as various mandates on local governments to achieve them. However, these local jurisdictions have seen little added support in complying with the state's new housing aspirations. SB 233 recognizes the myriad of recent changes to housing element requirements and seeks to help local government's better plan to meet our state's housing goals by requiring the state to provide regional need information 12 months earlier than current practice."

California's Housing Future 2040. Last year, HCD published California's Housing Future 2040: The Next Regional Housing Needs Allocation pursuant to statutory directive to develop recommendations to improve the RHNA process and methodology that promotes and streamlines housing development and substantially addresses California's housing shortage following a stakeholder engagement process. One of the recommendations HCD adopted in the report recommends moving up the RHND consultation process by one year. Specifically, HCD includes a recommendation in the report that recommends, "Moving up the date by which the RHND must be provided by one year." HCD additionally noted in its report that requiring the consultation to take place three years prior to the housing element due date will foster more alignment between the housing element cycle and the RTP and Sustainable Community Strategy planning cycles.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Assembly Committee on Appropriations:

HCD anticipates minor and absorbable costs to meet and consult one year earlier with each COG during the RHND process.

SUPPORT: (Verified 9/8/25)

Association of California Cities - Orange County
California Apartment Association

City of Los Alamitos
Housing Action Coalition
New Livable California DbA Livable California
Orange County Council of Governments
San Diego Association of Governments
Southern California Association of Governments

OPPOSITION: (Verified 9/8/25)

None received

Ayes: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

Noes:

No Vote Recorded: Lee, Nguyen

Prepared by: Hank Brady / HOUSING / (916) 651-4124
9/8/25 19:36:04

**** END ****