



How much housing do we need?



Since 1969, California has required cities and counties to plan for their housing needs. The **Regional Housing Need Allocation (RHNA)** process, part of Housing Element Law, determines the number and affordability of new homes each area must plan for every eight years. For the 2023-2031 cycle, the Bay Area must plan for 441,176 new units, with San Francisco needing 82,069. The process considers current and projected needs, including factors like population and job growth, overcrowding, and homelessness.

San Francisco's RHNA allocation is set through a [State and regional process](#)¹ and cannot be changed once adopted. The State sets the overall target for the Bay Area, and a formal regional process chartered by the state, which includes representation from governments and stakeholders throughout the region, creates a methodology that allocates portions of the regional target to each city and county.

After receiving our RHNA allocation at the end of 2021, the San Francisco Planning Department updated the Housing Element portion of our General Plan to show how we will meet local housing needs; the updated Housing Element was adopted in January 2023.

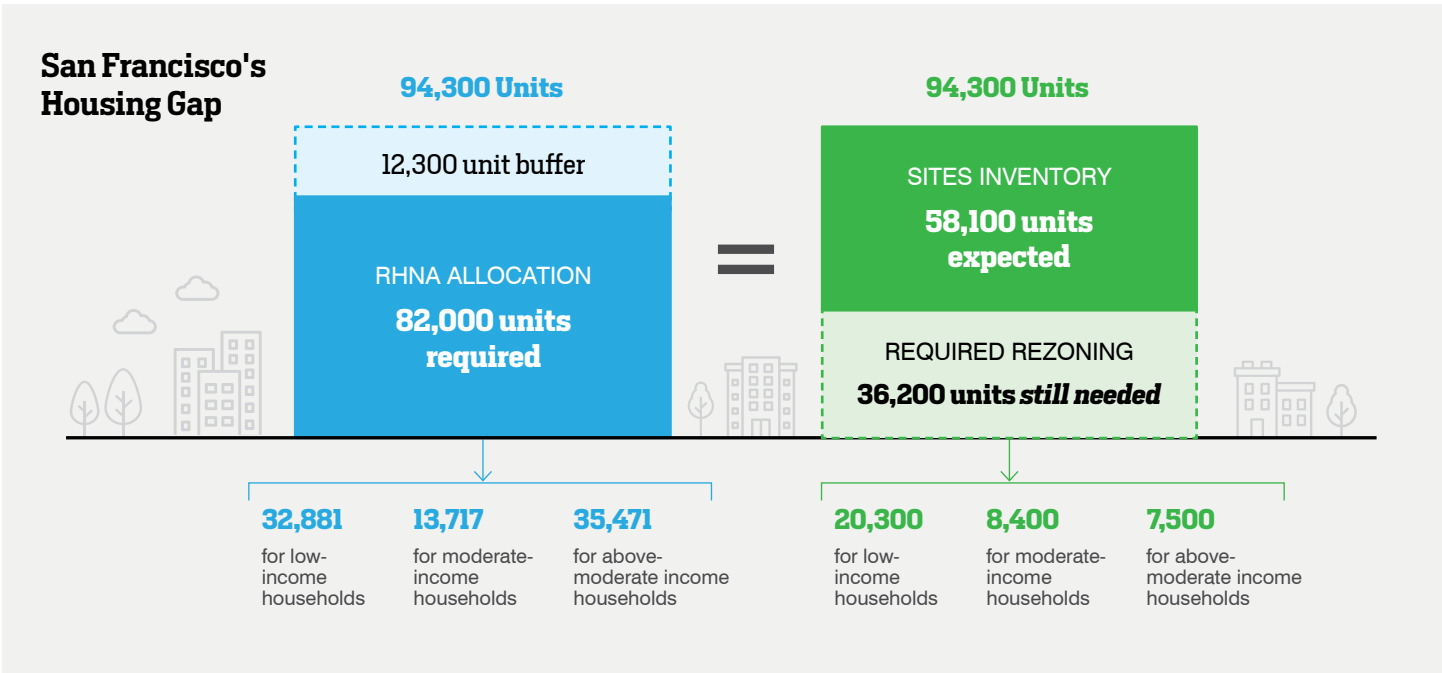
Requirements

Our legal obligation is to demonstrate we are creating capacity to meet our RHNA, but since we do not build housing, the state will not decertify us if the housing is not built. Instead, the failure to produce enough units may result in other actions. The City's role lies in demonstrating that it can accommodate the 82,069 units over the RHNA period (2023 – 2031) accounting for both known development projects projected to be built during the period and the number of units that could be built on reasonably available parcels based on zoning rules. State guidelines necessitate that we plan for at least 15% more capacity than our RHNA production target, or about 94,300 units. The buffer is intended to account for uncertainty on the included sites.

Expected Development

Under existing zoning rules and planned developments, we could count 58,100 units in San Francisco toward our RHNA capacity, based on data from our development pipeline and other expected projects, assuming favorable economic conditions. This total is comprised of a number of anticipated sources of development:





- **Residential Development Pipeline:** The [Sites Inventory](#)² of the 2022 Housing Element Update calculates a residential development pipeline of ~43,000 units based on planned projects that are under formal review and have already received some degree of approval – such as a planning approval or a building permit. Some units in very large master planned developments, both approved and proposed, could not be counted since they are anticipated to be built well after 2031.
- **Non-site-specific development:** Development dispersed throughout the city, such as Accessory Dwelling Units and acquisition of residential buildings for permanent affordable housing, is expected to account for ~3,900 units.
- **Underutilized and vacant sites:** Sites throughout San Francisco that are either vacant or are not built out close to the full extent of their capacity are expected to account for ~11,300 units.

Our total RHNA allocation (plus the 15% buffer) of 94,300, minus the 58,100 units that we can expect under our existing pipeline and zoning regulations, leaves a shortfall of 36,200 units. That means we need to change our zoning rules to add at least 36,200 additional units.

Summary of calculations to determine homes needed through rezoning

Calculation	Number of Homes
RHNA Allocation to San Francisco (state process through ABAG/MTC)	82,000
15% Buffer: 82,000 * 0.15 =	12,300
RHNA + Buffer: 82,000 + 12,300 =	94,300
Expected Development From Housing Element Sites Inventory	58,100
(RHNA + Buffer) minus Expected Development: 94,300 – 58,100 =	36,200
Capacity needed through rezoning	36,200

Next Steps

The City of San Francisco has until January 2026 to complete the rezoning effort, although the Mayor’s Office and City agencies are working to implement the changes sooner, given the urgency of addressing San Francisco’s housing crisis ([Housing for All](#))³. Earlier adoption will also give us more time for new housing to help meet our permitting targets; our Housing Element establishes that if permits are less than anticipated by halfway through the RHNA cycle (2027) additional rezoning or further reduction of other development constraints may be required. For more information on the rezoning process, and what happens if we do not fulfill our rezoning obligations, please see the “What Happens If We Don’t Rezone” two-pager.

1. Final Regional Housing Needs Allocation (RHNA) Plan: San Francisco Bay Area, 2023-2031 https://abag.ca.gov/sites/default/files/documents/2021-12/Final_RHNA_Allocation_Report_2023-2031-approved_0.pdf
2. SF Housing Element Update 2022. Appendix B: Sites Inventory and Rezoning Program https://sfplanning.org/sites/default/files/documents/citywide/housing-choice/housingchoice_element_appendixB_sites_inventory.pdf
3. Mayor London Breed Launches Housing for All Plan <https://www.sf.gov/news/mayor-london-breed-launches-housing-all-plan>

