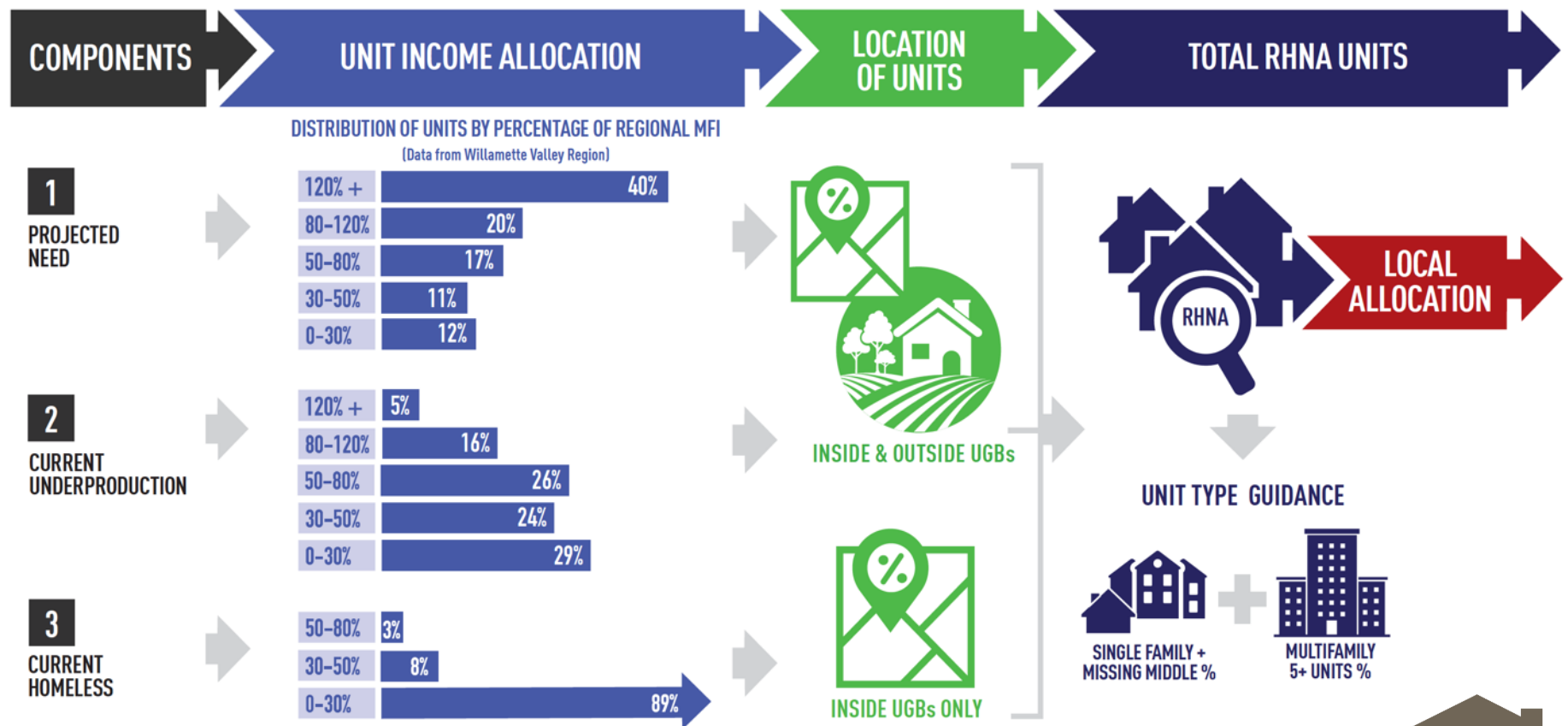# Regional Housing Needs Analysis (RHNA)

House Bill 2003 (2019) explored a new approach to housing planning in Oregon to better address insufficient housing supply and a history of federal, state, and local planning efforts that have harmed people of color, low-income households, and other marginalized communities in Oregon. HB 2003 directed Oregon Housing and Community Services (OHCS) to develop a methodology to estimate the number of households in each region and housing need for each income level now and over the next 20 years. The RHNA methodology allocates those housing units from the regional level to the city level. The result is an estimate of the number of homes needed by household income level for each of Oregon's 241 cities.

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Oregon's RHNA addresses geographic differences in the historic under-production of affordable housing, and considers the equitable distribution of publically supported housing. Currently local governments must each independently lead attempts to understand housing need, without benefit of understanding the regionality of jobs and housing markets or cross-jurisdictional equity in affordable housing production.

Key Components of the Oregon Methodology

Projected need begins with the population forecast from Portland State University's Population Research Center for each region. The population forecast is converted to a forecast of household growth, using Public Use Microdata Sample Census data for the current average number of people per household. The methodology uses a national ratio of 1.14 units needed for each household to allow for vacancy, demolition, and second home production, resulting in projection of the total number of units that are needed in each region over 20 years.

Underproduction or the lack of sufficient housing to meet demand, is a key reason that housing markets experience rising prices. Accounting for current underproduction is a key feature of the RHNA methodology that is not a part of current planning processes. This component accounts for the number of housing units that are not available in a region, but should be if the region met at least the national ratio of units to households of 1.14. If a region has less than 1.14 units per household, housing is too scarce and prices will rise. When this occurs, households with the lowest

incomes will struggle most to find scarce units, cost burdening will increase, and rates of homelessness may also increase. In other words, underproduction leads to cost burdening and can exacerbate rates of homelessness.

Housing for the homeless calculates homes needed for the population currently experiencing homelessness using the Point-in-Time Count and McKinney Vento data. Populations experiencing homelessness are generally not captured in foundational datasets derived from the Census, and are therefore not included in the projections of need. The current planning system used across the state does not address homelessness. Determining regional need for housing for people experiencing homeless requires particular attention, because available datasets have many known limitations.

Oregon's RHNA Results

| Region | New units for each of the following... | | | | |
	Projected Need	Underproduction	Housing for the Homeless	Total Units	% of Units
Portland Metro	224,683	59,488	10,683	294,853	51%
North Coast	14,731	295	2,309	17,335	3%
Willamette Valley	101,704	35,913	8,972	146,589	25%
Southwest	34,896	10,287	4,579	49,761	9%
Deschutes	49,856	4,837	1,194	55,887	10%
Northeast	16,731	-	899	17,630	3%
Southeast	965	-	538	1,503	0%
Oregon	443,566	110,819	29,174	583,559	100%
% of Units	76%	19%	5%	100%	

Read more about Oregon's RHNA