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# MEETING

**Agenda:** Kings County Association of Governments  
RHNA Advisory Committee Meeting #4

**Place:** Kings County Association of Governments  
339 W. "D" Street, Suite B, Lemoore, CA

Participants may also attend remotely via Zoom or telephone:

<https://us06web.zoom.us/j/87886890803?pwd=TXMyTzNyemRQM2VzbzVHT3F2bnBIZz09>

Or dial at (720) 707-2699

Meeting ID: 874 0653 4312  
Passcode: 262587

*Attention: Please mute your microphone unless speaking*

**Time:** Wednesday, May 11, 2022 (2:00 p.m. or immediately following the KCAG TAC meeting)

<u>ITEM</u>	<u>PAGE</u>	<u>ACTION</u>
<b>I. CALL MEETING TO ORDER</b>		
A. Unscheduled Appearances		
B. Meeting Minutes		
1. Minutes of April 13, 2022	1	Approval
<b>II. DISCUSSION ITEMS</b>		
A. Preliminary RHNA Methodology	3	Discussion
<b>III. NEXT STEPS</b>		
A. Post Draft RHNA Methodology for public review		
B. KCAG Commission Public Hearing – RHNA Methodology		
<b>IV. ADJOURNMENT: Next meeting scheduled for June 11, 2022</b>		



## **MEETING NOTES**

### **KCAG RHNA Subcommittee Meeting Wednesday, April 13<sup>th</sup>, 2022 Via Zoom**

#### **Participants Present**

Terri King, KCAG  
Kevan Rolfness, Housing Policy Specialist, HCD  
Chuck Kinney, County of Kings, Kings County Development Agency  
Noelle Tomlinson, County of Kings, Kings County Development Agency  
Kevin Tromborg, City of Corcoran, Community Development  
Sandra Lerma, City of Hanford  
Kristi Baley, City of Lemoore  
Delfina Lupian, City of Corcoran  
Gabrielle Myers, City of Hanford  
Kao Yang, City of Avenal  
John Douglas, JHD Planning, LLC  
Edith Medina, Civic Solutions

#### **I. INTRODUCTIONS**

Terri King calls meeting to order. John Douglas leads the meeting.

A. **Unscheduled Appearances.**

None.

B. **Meeting Minutes.**

Without objection, the meeting minutes of March 9, 2022 were approved with no changes.

#### **II. DISCUSSION ITEMS**

A. **Jurisdiction Survey Forms**

Douglas encouraged jurisdictions who have not completed the RHNA surveys to complete them as soon as possible. Information in the surveys will be used in the development of the RHNA methodology.

B. **RHNA Stakeholders**

Douglas noted that that a stakeholder list has been compiled and will be sent to the committee for review and suggestions for any stakeholders to add to the list. Preference on getting e-mails, if possible.

#### C. Preliminary RHNA Methodology

Douglas led a discussion of the RHNA methodology, including legal requirements, statutory objectives and planning factors, as described in previous reports to the Committee.

### III. Next Steps

- Douglas noted that the next few weeks are a critical stage of the process. Potential scenarios on the RHNA allocation will be considered at the next meeting.
- Jurisdictions are encouraged to complete the survey forms if they have not done so yet.
- We will continue to engage with HCD on potential factors and algorithms to make sure the methodology is consistent with state law.
- Terri King provided the following updates:
  - With the use of REAP grant fund, many Valley-wide projects/services are available to jurisdictions free of charge. Examples include:
    - Urban footprint GIS scenario tool, coordination with jurisdictions on all GIS files available for consultant to use to create tool.
    - ADU template and implementation services. Available next month. Designs/graphics. Announcement will be made.
    - Guide to recent housing laws and policies. 130 laws covered in guidebook. Bills that impact housing production.
    - Impact of water on housing production. Hasn't been started yet.
    - Affordable housing issue is a priority for many. Asking HCD to provide examples of models for their housing elements.
    - Technical assistance available. The Valley REAP site is available to ask for assistance.
- Douglas noted that we will follow up with each jurisdiction on questions related to the RHNA surveys and methodology.
- The meeting was adjourned to the next Committee meeting on May 11<sup>th</sup> following the KCAG TAC meeting.

DATE: May 11, 2022

Agenda Item #II.A

TO: KCAG RHNA Advisory Committee

FROM: John Douglas, AICP  
JHD Planning LLC

SUBJECT: RHNA Methodology

## OVERVIEW

At the April 13<sup>th</sup> meeting, the Committee reviewed State requirements for the RHNA methodology and potential options for the RHNA allocations. Since then KCAG's RHNA team has continued to investigate various options and examples of methodologies other councils of governments have used in developing their RHNA plans. Please refer to the April 13, 2022 agenda packet for background information regarding State law regarding the RHNA process.

## POTENTIAL FACTORS TO BE CONSIDERED FOR USE IN THE RHNA METHODOLOGY

Attachment 1 includes demographic data and trends regarding population, housing units, employment, vacancy rates and opportunity ratings developed by the State Tax Credit Allocation Committee (TCAC). While these factors are typically used in RHNA methodologies, there are many other potential factors that could be used, and an infinite variety of permutations could be designed using these or other factors. The fundamental requirement is that the factors selected must further the objectives described in State law. The data described in Attachment 1 are considered to be appropriate for use in the KCAG RHNA methodology and are summarized below.

### Population and housing trends

Population growth creates demand for housing in a community. In addition, the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) utilizes a growth forecast for determining future transportation needs. State law requires that planning for housing needs must be coordinated and integrated with the RTP. To achieve this requirement, the RHNA plan must allocate housing units within the region consistent with the development pattern included in the RTP/SCS. A typical way this requirement is met is by using the same socio-economic data and assumptions in both the RTP/SCS and the RHNA. It should be noted that state law does not provide a specific definition for the term "development pattern" and KCAG has discretion over what would constitute consistency between the RHNA and the development pattern described in the RTP/SCS.

Attachment 1 shows population data for 2010 from the U.S. Census and the most recent population and housing units estimates for 2022 from the California Department of Finance (DOF) as well as the 2050 horizon year forecast of housing units used in the 2022 KCAG RTP/SCS. The population data presented in Attachment 1 reflects population living in households and excludes population living in group quarters such as the state prisons and military quarters.

### Employment trends

The availability and location of jobs is an important consideration in planning for housing, since adequate housing is needed for employees, and adequate housing near jobs minimizes travel time, vehicle miles traveled (VMT) and greenhouse gas emissions.

The employment data shown in Attachment 1 are those used in the KCAG 2022 RTP/SCS update. Base Year 2015 employment data were derived from an employer inventory from InfoUSA, supplemented by manual research and adjustments to conform to California Employment Development Department data. Projected employment growth rates are based on the population growth rate from Department of Finance demographic projections.

### Access to opportunity

Access to opportunity is essential in providing lower-income households and disadvantaged persons greater possibilities for economic and social mobility. One of the RHNA statutory objectives – affirmatively furthering fair housing – can be addressed by allocating more housing in areas with greater opportunity.

The Department of Housing and Community Development (HCD) and the Tax Credit Allocation Committee (TCAC) have created a statistical tool for evaluating access to opportunity. HCD/TCAC Opportunity Maps provide opportunity scores at the census block group level using 21 indicators: Income, Adult Educational Attainment, Labor Force Participation, Job Proximity, Median Home Value, 12 environmental health/pollution indicators, 4th Grade Math Proficiency, 4th Grade Reading Proficiency, High School Graduation Rate, and Students Living Above the Federal Poverty Level.

Attachment 1 shows average TCAC opportunity scores for each of the jurisdictions in Kings County.

### Housing vacancy rates

Some housing vacancy is necessary to ensure opportunities for mobility and to maintain a healthy balance between housing supply and demand. When vacancy rates are very low, mobility is restricted and prices and rents are driven up by competition for insufficient housing units. Recent vacancy rates in Kings County as reported by DOF are shown in Appendix 1. Vacancy data was used as one factor in determining the total countywide RHNA allocation and may also be used as a factor in the RHNA allocation methodology by assigning more units in jurisdictions with vacancy rates that are lower than the county average.

### Factor weighting

Following the selection of appropriate factors, the draft methodology will assign a relative weight to each factor. These weights establish what percentage of the total allocation will be distributed based on that factor. KCAG has discretion in assigning the factor weights based upon an assessment of the relationship between each factor and the statutory RHNA objectives.

### Income equity adjustment

The regional housing allocation assigned to KCAG by HCD includes both a total number of housing units and a distribution of those housing units to four affordability categories: very-low-

income, low-income, moderate-income, and above moderate-income. The income categories for the countywide allocation are based on the current income distribution of all households in Kings County.

After the total housing allocation is determined for each jurisdiction, the allocations are distributed among the four income categories. The total of the allocations in each income category for the five jurisdictions must equal the regional total for that income category.

One of the statutory RHNA objectives is “Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.” The purpose of this objective is to address disparities in housing needs and access to opportunity in order to overcome past patterns of segregation.

A common method for addressing this objective is through the use of an “Income-Shift” approach to adjust the assigned number of units by income category in each jurisdiction. The Income-Shift approach adjusts each jurisdiction’s total housing allocation in the four income categories based on the relationship between the percentage of households in an income category for the entire county and each jurisdiction’s existing proportion of households in that income category based on Census estimates. The goal of the income shift process is to facilitate a more even distribution of housing units by income category among jurisdictions over time.

The percentage of each jurisdiction’s distribution among the four income categories is first determined using the countywide median income as a benchmark (see Attachment 1). Each jurisdiction’s income distribution is then compared to the county’s overall household income distribution. For example, if a jurisdiction currently has 30% very-low-income households while the county has only 20%, the jurisdiction is considered as having an overconcentration of very-low-income households compared to the total county. A social equity adjustment ensures that the jurisdiction will be assigned a smaller percentage of very-low-income households for its RHNA allocation than the countywide average in order to reduce its current overconcentration of lower-income households.

Income equity adjustments are expressed in percentages, such that a “100% equity adjustment” means that a jurisdiction would be assigned an allocation equal to the countywide average. In the hypothetical jurisdiction with 30% very-low-income households and a countywide ratio of 20% very-low-income households, a 100% equity adjustment would assign this city 20% of its total RHNA allocation in the very-low-income category.

HCD recommends the equity adjustment factor be set at a minimum of 150%. In this example, a 150% adjustment would result in this city receiving an allocation of 15% of its total units in the very-low-income category.

## NEXT STEPS

At the May 11<sup>th</sup> meeting the RHNA Committee will consider a preliminary allocation methodology based on the data described above, or other relevant factors. If the Committee reaches a consensus on an appropriate methodology, the next step would be additional consultation with HCD and publication of the draft RHNA methodology for public review and scheduling a public hearing for the KCAG Commission to review the draft methodology.

### Attachment 1

Household Population 2010			Household Population 2022			Household Population Growth 2010-2022		
Jurisdiction	Population	% of total	Jurisdiction	Population	% of total	Jurisdiction	Net Growth	% of total
Avenal	9,082	6.9%	Avenal	9,347	6.8%	Avenal	265	5.2%
Corcoran	12,573	9.6%	Corcoran	13,470	9.9%	Corcoran	897	17.6%
Hanford	53,068	40.4%	Hanford	57,226	41.9%	Hanford	4,158	81.5%
Lemoore	24,514	18.7%	Lemoore	27,041	19.8%	Lemoore	2,527	49.5%
County unincorporated	32,165	24.5%	County unincorporated	29,420	21.6%	County unincorporated	(2,745)	-53.8%
<b>TOTAL</b>	<b>131,402</b>	<b>100.0%</b>	<b>TOTAL</b>	<b>136,504</b>	<b>100.0%</b>	<b>TOTAL</b>	<b>5,102</b>	<b>100.0%</b>
Source: US Census; DOF			Source: DOF, 5/2022			Source: DOF, 5/2022		
Housing Units 2022			Housing Forecast 2050			Housing Growth 2022-2050		
Jurisdiction	Units	% of total	Jurisdiction	Units	% of total	Jurisdiction	Net Growth	% of total
Avenal	2,591	5.5%	Avenal	2,287	4.3%	Avenal	(304)	-4.8%
Corcoran	4,264	9.1%	Corcoran	3,887	7.3%	Corcoran	(377)	-6.0%
Hanford	20,171	43.2%	Hanford	21,945	41.4%	Hanford	1,774	28.3%
Lemoore	9,608	20.6%	Lemoore	9,792	18.5%	Lemoore	184	2.9%
County unincorporated	10,095	21.6%	County unincorporated	15,089	28.5%	County unincorporated	4,994	79.6%
<b>TOTAL</b>	<b>46,729</b>	<b>100.0%</b>	<b>TOTAL</b>	<b>53,000</b>	<b>100.0%</b>	<b>TOTAL</b>	<b>6,271</b>	<b>100.0%</b>

**Attachment 1 (continued)**

<b>Employment 2015</b>			<b>Employment 2022</b>			<b>Employment Growth 2015-2022</b>		
<b>Jurisdiction</b>	<b>Employment</b>	<b>% of total</b>	<b>Jurisdiction</b>	<b>Employment</b>	<b>% of total</b>	<b>Jurisdiction</b>	<b>Net Growth</b>	<b>% of total</b>
Avenal	2,464	5.3%	Avenal	2,470	5.1%	Avenal	6	0.3%
Corcoran	4,076	8.8%	Corcoran	4,133	8.5%	Corcoran	57	2.7%
Hanford	18,266	39.4%	Hanford	19,894	41.0%	Hanford	1,628	77.5%
Lemoore	4,770	10.3%	Lemoore	5,093	10.5%	Lemoore	323	15.4%
County unincorporated	16,824	36.3%	County unincorporated	16,911	34.9%	County unincorporated	87	4.1%
<b>TOTAL</b>	<b>46,400</b>	<b>100.0%</b>	<b>TOTAL</b>	<b>48,500</b>	<b>100.0%</b>	<b>TOTAL</b>	<b>2,100</b>	<b>100.0%</b>
Source: KCAG			Source: KCAG					

<b>Employment 2050</b>			<b>Employment Growth 2022-2050</b>		
<b>Jurisdiction</b>	<b>Employment</b>	<b>% of total</b>	<b>Jurisdiction</b>	<b>Net Growth</b>	<b>% of total</b>
Avenal	2,497	4.3%	Avenal	27	0.3%
Corcoran	4,382	7.6%	Corcoran	249	2.7%
Hanford	27,024	46.8%	Hanford	7,131	77.5%
Lemoore	6,508	11.3%	Lemoore	1,415	15.4%
County unincorporated	17,290	30.0%	County unincorporated	378	4.1%
<b>TOTAL</b>	<b>57,700</b>	<b>100.0%</b>	<b>TOTAL</b>	<b>9,200</b>	<b>100.0%</b>
Source: KCAG					

<b>Access to Opportunity</b>	<b>TCAC Index</b>	<b>Jurisdiction</b>	<b>Vacancy Rate</b>
Avenal	0.18	Avenal	4.2%
Corcoran	0.19	Corcoran	5.1%
Hanford	0.39	Hanford	3.8%
Lemoore	0.67	Lemoore	3.6%
County unincorporated	0.42	County unincorporated	9.7%
<b>TOTAL</b>		<b>TOTAL</b>	<b>5.2%</b>
Source: Tax Credit Allocation Committee		Source: DOF, 2022	



**Attachment 1 (continued)**

<b>Household Income Distribution</b>				
<b>Jurisdiction</b>	<b>VL</b>	<b>Low</b>	<b>Moderate</b>	<b>Above Mod</b>
Avenal	0.352	0.250	0.065	0.335
Corcoran	0.357	0.187	0.151	0.305
Hanford	0.195	0.153	0.084	0.568
Lemoore	0.186	0.134	0.126	0.554
Uninc	0.221	0.195	0.093	0.490
County total	0.222	0.167	0.100	0.511
Source: Census ACS; HUD				