

Fresno COG RHNA Subcommittee Meeting 1

Summary

Date: January 21, 2021
Time: 10:00 a.m. to 12:00 p.m.
Place: Via zoom

SUBCOMMITTEE MEMBERS, ALTERNATES, AND OTHER FRESNO COG MEMBER JURISDICTIONAL STAFF PRESENT

City of Clovis: Dave Merchen, Planner and Renee Mathis, Community Development Director

City of Coalinga: Sean Brewer, Community Development Director

City of Firebaugh: Karl Schoettler, Contract Planner and Ben Gallegos, City Manager

City of Fowler: Dawn Marple, Contract Planner and Jeanie Davis, Former City Manager

City of Fresno: Jennifer Clark, Planning Director and Sophia Pagoulatos, Planner

County of Fresno: Bernard Jiminez, Deputy Director of Public Works & Planning and Yvette Quiroga, Senior Staff Analyst

City of Kerman: John Jansons, City Manager

City of Kingsburg: Greg Collins, Contract Planner

City of Mendota: Cristian Gonzales, City Manager

City of Orange Cove: Rudy Hernandez, City Manager

City of Parlier: Jeff O'Neal, Contract Planner and Sonia Hall, City Manager

City of Reedley: Ellen Moore, Planner

City of Sanger: David Brletic, Planner

City of San Joaquin: Matt Flood, Assistant City Manager

City of Selma: Teresa Galavan, City Manager

Building Industry Association of Fresno and Madera Counties: Mike Prandini, Executive Director

Leadership Council for Justice and Accountability: Karla Martinez, Policy Advocate

Note: though some agencies may have multiple representatives present at Subcommittee meetings, per the Subcommittee Charter, each member agency shall have a single vote on all decision points and recommendations.

STAFF AND CONSULTANTS PRESENT

Fresno COG

Kristine Cai, Deputy Director
Meg Prince, Senior Regional Planner
Seth Scott, Senior Regional Planner
Trai Her-Cole, Associate Regional Planner

PlaceWorks

David Early, Principal-in-Charge
Andrea Howard-Project Manager
Allison Giffin, Assistant Project Manager

MEMBERS OF THE PUBLIC PRESENT

Janine Nkosi, Faith in the Valley

PRESENTATION

PlaceWorks, the consultant team supporting Fresno COG's 6th Cycle RHNA development, provided a presentation on the purpose and process of RHNA, role of the Subcommittee, planned approach for the Fresno COG 6th Cycle RHNA methodology development, and project workplan and schedule, as detailed below.

General Overview of RHNA

Background

The provision of housing, particularly affordable housing, is an important State objective, so RHNA laws exist to help ensure that housing supply meets the need specific to each region.

RHNA requires jurisdictions to provide available sites where allocated housing units could be built. RHNA does not require those units to be built.

The RHNA Plan covers an eight-year growth period and is updated every eight years; the 6th Cycle RHNA Plan will cover the planning period from December 2023 to December 2031.

HCD's Role

The California Department of Housing and Community Development (HCD) assigns overall housing need to each region in the state by income tier. Income tiers are based on percentages of the Area Median Income (AMI) for each region: very low (less than 50% of AMI), low (50-80% of AMI), moderate (80-120% of AMI), and above moderate (over 120% of AMI). The number of housing units assigned is based on anticipated population growth and other factors.

Fresno COG's Role

Regional Planning bodies, either Metropolitan Planning Organizations (MPOs) or Councils of Governments (COGs) are generally responsible for developing a methodology to allocate the overall housing need by income tier, determined by HCD, to each jurisdiction in the region.

Once the process is complete, it is up to local jurisdictions to prepare housing elements to fulfill RHNA requirements by identifying suitable sites within the jurisdiction that can accommodate the RHNA allocations. Housing is then built, primarily by the private sector.

As the region's Metropolitan Planning Organization, Fresno COG is responsible for developing the region's RHNA Plan.

RHNA Plan Requirements

All RHNA Plans must address five objectives required by State law:

- Increased Supply and Affordability—Increase housing supply and mix of housing types, tenure, and affordability in all cities and counties in an equitable manner.
- Environmental Justice—Promote infill development and socioeconomic equity, protect environmental and agricultural resources, encourage efficient development patterns, and achieve GHG reduction targets.
- Jobs-Housing Balance—Promote improved intraregional jobs-housing relationship, including balance between low-wage jobs and affordable housing.
- Affordability Balance—Balance disproportionate household income distributions (more high-income RHNA to lower-income areas and vice-versa).
- Affirmatively Further Fair Housing—promote fair housing choice and foster inclusive communities that are free from discrimination.

In addition, several factors must be considered while developing the RHNA Plan, some of which are new for the 6th Cycle RHNA:

- Lack of capacity for sewer or water service due to decisions outside jurisdiction's control
- Availability of land suitable for urban development
- Lands protected from urban development under existing federal or State programs
- County policies to preserve prime agricultural land
- Distribution of household growth in the Regional Transportation Plan and opportunities to maximize use of transit and existing transportation infrastructure
- Agreements to direct growth toward incorporated areas
- Loss of deed-restricted affordable units
- Housing needs of farmworkers
- Housing needs generated by a university within the jurisdiction

- Existing and projected jobs and housing relationship, particularly low-wage jobs and affordable housing (the focus on the relationship between low-wage jobs and affordable housing is new to the 6th Cycle)
- Households paying more than 30 percent and more than 50 percent of their income in rent (new to the 6th Cycle)
- The rate of overcrowding (new to the 6th Cycle)
- Units lost during a state of emergency that have yet to be replaced (new to the 6th Cycle)
- The region's greenhouse gas targets (new to the 6th Cycle)

Fresno COG must survey each of its member jurisdictions to request, at a minimum, information regarding the required factors that will allow the development of a methodology based upon those factors.

This process must also involve stakeholder input. Project staff is seeking information from Subcommittee members about other stakeholder organization to contact for stakeholder workshops.

Draft Determination

HCD has provided an initial draft determination of housing units by income tier for the Fresno COG region of 62,456 units, which is approximately 1.5 times (or 50 percent greater than) the Fresno COG region's allocation in the 5th RHNA Cycle. This increase is comparable to that of the Sacramento Area Council of Governments (SACOG) and Butte County Association of Governments (BCAG). The Association of Bay Area Governments (ABAG) received an allocation approximately 3 times its 5th Cycle.

Subcommittee Role

The role of the Fresno COG RHNA Subcommittee is primarily to serve as technical advisers to RHNA methodology and Plan development. This involves supporting data collection efforts by reviewing data, ensuring all relevant data related to the required factors are considered, and facilitating selection of appropriate factors as inputs to the RHNA methodology. The Subcommittee will make recommendations to the Fresno COG Transportation Technical Committee (TTC), Policy Advisory Committee (PAC), and Policy Board for official action. The RHNA Subcommittee is an advisory body; the Fresno COG Policy Board will make the final decisions.

Methodology and Data Collection

The process we will use for preparing the regional RHNA methodology will start by establishing a base allocation to establish an initial allocation for each jurisdiction. Example base allocations include the proportion of existing units, projected future units, or projected future growth.

The second step is to modify the base allocation to account for selected factors which make a jurisdiction more or less suitable for additional housing. The subcommittee will guide project staff in identifying potential factors that appear to be most appropriate for the Fresno COG region.

We will then use the income-shift methodology (used in the 5th Cycle) to assign units by income tier. The income-shift methodology compares the share of each jurisdiction's households by income tier with the share of households in each income tier for the entire region, and assigns units by income tier to each jurisdiction in a way that works to balance the difference between the region's overall share and each jurisdiction's share of households in each income tier. As a result, jurisdictions which currently have a disproportionately high share of low-income housing units would be assigned fewer low-income units, relative to their total allocation, and vice versa.

Work Plan and Schedule

The second Subcommittee meeting will be held on April 15, 2021. During the interim period, project staff will be collecting and analyzing data related to factors to present to the Subcommittee and seeking recommendations for which factors seem most relevant to include in the RHNA allocation methodology.

QUESTIONS AND COMMENTS

Question: The building industry would never be able to build these numbers of units during an 8-year period, so why would the State allocate that many units?

Answer: As part of the State's effort to respond to the housing crisis, the State wants to make sure that their ambitious goals for housing production are at least possible and not constrained by things like lack of planning or too much regulation. The State wants to make sure that they get built if the market is there, recognizing that there are other constraints to building these numbers of units during an 8-year period.

Question: Does the 'regional need' by income category calculated by HCD consider the existing number of households in each income category for the region?

Answer: Yes, the State uses existing households in each income category as well as projected households in each income category.

Question: How are RHNA units from the previous cycle that haven't been built treated in the current cycle, and have there been any significant changes in this regard for the 6th Cycle?

Answer: For the most part, the unmet RHNA from the previous cycle is not addressed in the next cycle and jurisdictions essentially start over every 8 years. The exception is if the jurisdiction failed to re-zone a site (e.g. to allow housing or to increase allowable residential densities) that was identified as suitable for housing in the jurisdiction's previous cycle Housing Element. In this case, the jurisdiction would have to add those units to the next cycle.

Question: What is the relationship of density and the RHNA units by income category and how is this relationship treated in the RHNA process?

Answer: HCD assumes that density is important for achieving affordability. HCD requires for most jurisdictions (including those in Fresno County), that 20 units per acre is the allowed density for suitable sites to achieve affordability targets at the very low- and low-income thresholds. This is not part of the RHNA allocation process (for which Fresno COG is responsible) but is a necessary component of each jurisdiction's subsequent Housing Element once the allocation of units by income tier has been assigned to each jurisdiction by the region's RHNA. In the past, some jurisdictions have successfully argued that they could achieve their affordability and unit-number targets with lower densities.

Question: Are there factors we are required to include in the RHNA methodology by law? Or are the factors we include in the methodology entirely up to the Fresno COG Policy Board?

Answer: There are no factors that are required to use as inputs into the methodology, as long as the COG demonstrates (in the RHNA Plan document) that all factors were considered, and that the required Objectives are actively furthered by the methodology, but there is not any one particular factor required by law to include in the methodology.

Comment: The State issues conflicting mandates in some cases. The goal of increasing housing production is at odds with goals to reduce groundwater consumption, reduce VMT, and conserve agricultural resources, for example.

Response: Understood. However, in some cases, for example with groundwater, there may be differences across the region in terms of which jurisdictions are more water scarce than others. This is something the RHNA could address. VMT too would suggest that more housing units would ideally be located in more urbanized areas with amenities closer to housing and better public transit. So, we can at least allocate units in areas where these factors are less of an issue than others.

ACTION ITEM: REVIEW AND ADOPT SUBCOMMITTEE CHARTER

At the conclusion of a thoughtful discussion, the RHNA Subcommittee Charter was approved with some modifications from what was initially proposed as described below.

- Amendment to change Item 5.B from 3 to 4 members.
 - Motion: Leadership Counsel. No second.
- Amendment to change Item XII from specifying that voting on decision points and recommendations shall be made by a simple majority of all subcommittee members present, to specifying that voting will be made by a simple majority of Subcommittee members present, and that this must include a majority of Fresno COG member agencies.
 - Motion: County of Fresno, Second: Building Industry Association – Approved 13:1 (no: Leadership Counsel)
- Approve Charter.
 - M County, 2: Building Industry Association – Approved 12:1 (no: Leadership Counsel)

The approved RHNA Subcommittee Charter is now available on the Fresno COG RHNA webpage.

FOLLOW-UP ITEMS

In follow-up to the January Subcommittee meeting, members were asked to do the following:

- Review and provide comment on Draft Member Agency Survey by February 12
- Respond to Survey (after survey publication in February)
- Suggest any additional data to be collected
- Notify Project staff of any additional stakeholder organizations to contact for stakeholder outreach (including contact information if possible)
- Respond to the RHNA data request for information on the following:
 - Development Capacity (from General Plan)
 - Sewer and Water Capacity
 - Farmworker Housing Needs
 - Existing Affordable Housing Stock