

Fresno COG RHNA Subcommittee Meeting 4**Summary****Date: June 24, 2021****Time: 9:00 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; Renee Mathis, Community Development Director; Kevin Colin, Consultant; and Lily Cha, Planning Assistant

City of Firebaugh: Karl Schoettler, Contract Planner

City of Fowler: Dawn Marple, Contract Planner and Thomas Gaffery, Community Development Director

City of Fresno: Sophia Pagoulatos, Planner

County of Fresno: Bernard Jiminez, Deputy Director of Public Works & Planning; Yvette Quiroga, Senior Staff Analyst; and Glenn Allen, Division Manager for Water and Natural Resources

City of Kerman: Jesus Orozco, Community Development Director and John Jansons, City Manager

City of Kingsburg: Greg Collins, Contract Planner

City of Parlier: Jeff O'Neal, Contract Planner

City of Reedley: Ellen Moore, Planner

City of Sanger: David Brletic, Planner

City of San Joaquin: Matt Flood, Assistant City Manager

City of Selma: Fernando Santillan, Community Development Director

Fresno County Housing Authority: Michael Duarte, Planning Director

Leadership Council for Justice and Accountability: Karla Martinez, Policy Advocate; Grecia Elenes, Regional Policy Manager

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

Robert Phipps, 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

Tristan Suire, Contract Planner with the Cities of Firebaugh and Kingsburg

MAY MEETING REVIEW

Subcommittee Meeting #3 was briefly summarized. Subcommittee members and other attendees were referred to the [Project Website](#), where Meeting 3 Slides and Summary are posted.

PRESENTATION: METHODOLOGY TOOL REVIEW

PlaceWorks reviewed the excel-based Allocation Tool, which allocates housing units from the total Regional Determination to each jurisdiction according to the factors and their respective weights entered by the Tool user. PlaceWorks also summarized the narrowed-down options for the base allocation and set of allocation adjustment factors resulting from Subcommittee Meeting 4 and asked Subcommittee members to communicate their preferred base allocation and adjustment factor(s) during the discussion. The base allocations options were numbered and are referred to by number in the following comments, these base allocation options are:

Base Allocation 1: Existing Population (2020, with SOI)

Base Allocation 2: Projected Population (2050, with SOI)

Base Allocation 3: Base Allocation 3: Share of Projected Growth (2020 – 2050, with SOI)

Base Allocation 4: Share of Previous 8-Year Growth (2012 – 2020, No SOI)

Base Allocation 5: Existing Population (2021, No SOI)

There were 11 factors considered for inclusion in the methodology during the meeting:

1. Percent Non-Vacant Housing Units
2. Percent Cost-Burdened Households
3. Percent Overcrowded Households
4. TCAC Opportunity Score
5. AARP Livability Score
6. Percent of Children Living Above Poverty
7. Regional Share of Jobs (2020)

8. Regional Share of Projected Job Growth (2020 – 2035)
9. Regional Share of Residents Employed in Agriculture, Forestry, and Fishing
10. Percent of Unconstrained Land (land that excludes important agriculture, sensitive habitat lands, and environmental hazards like flooding, erosion, fire, and earthquake.)
11. Growth Over Previous 8-Year Period

DISCUSSION: BASE ALLOCATION

Comment (City of Fresno): Fresno initially prefers base allocation 5. The second initial preference is base allocation 4.

Comment (County of Fresno): The County does not initially support base allocation 5 because every city's intent is to grow, so it would not be realistic to assume that jurisdictions will not annex more land into their city limits, and it puts more housing burden on the County. The County initially prefers base allocation 4: share of previous 8-year growth. They also shared concerns about using projections given inaccuracy of past population projections.

Comment (Sanger): Sanger initially prefers option 5. Sanger also voiced concerns about using previous 8-year growth, recognizing that in Fresno County, all real growth will include annexations into jurisdictions

Response (Fresno COG): Fresno COG projections of population include annexations of SOI land into city limits, so the understanding behind those population estimates is that the city limit boundaries grow over time, and each new projections report that the COG produces has a different city limit that is being compared. If you use a base allocation that looks at growth or differences, then it does not matter as much whether SOI boundaries or city limit boundaries are used.

Response (PlaceWorks): in Fresno, or the Central Valley, much of the cities' residential growth occurs through annexation and expansion of the jurisdiction. This is not the case in other places like the Bay Area, but it is largely the case in the Central Valley. Any base allocation that measures 'growth' would necessarily need to include the SOI. However, either base allocation option 1 or 5 would be appropriate for measures of current population.

Comment (County of Fresno): The County's tax-sharing MOUs with the cities dictate that most growth will occur within the city SOIs. The County does not have MOUs with all jurisdictions, but in these cases most of the time development in unincorporated County but within an SOI is eventually annexed because the neighboring city provides utilities (the County does not provide sewer or water).

Response (PlaceWorks): Other factors can be used to direct more units out of the unincorporated County and within incorporated jurisdictions, like the unconstrained land factor.

Comment (Clovis): Clovis initially prefers Base Allocation 5. Base allocation 1 makes sense if we want to look at the sphere, but we agree with others that base 5 is the best for jurisdictions. We are concerned about using base allocation 4. This rewards cities that have not done a good job of adding more households.

Response (PlaceWorks): PlaceWorks facilitator summarized that there are concerns about using base allocation number 5 because it does not include jurisdiction SOIs and therefore may run counter to the objective to direct growth into jurisdictions and not into unincorporated County.

Response (Fresno COG): Using base allocation 5 would also run counter to the objective of achieving GHG reductions, which we are required to consider during this RHNA cycle, because it would direct more growth in the unincorporated County, which would generate more VMT than the same amount of growth within the incorporated jurisdictions.

Comment (Sanger): Even if we were to use base allocation option 5, couldn't we still direct development into annexed areas within SOIs?

Response (County of Fresno): Yes, but the problem is that the jurisdiction would be able to count development in annexed land as meeting their RHNA, whereas the County would not, and, in most cases, development occurring in a jurisdiction's SOI must become annexed because the jurisdiction provides utilities.

Comment (Parlier): regarding GHGs, you also find the same GHG issues by directing growth into the small jurisdictions that have no jobs. We also need to keep in mind that in the previous (5th) RHNA cycle, 'horse-trading' was allowed where the cities took units from the County to reduce the County's allocation. We cannot do that in this cycle.

Response (PlaceWorks): During this cycle, HCD is discouraging 'horse-trading' because they want objective, duplicable methodologies. However, for the Unincorporate County only, it is possible to reduce the allocation that results from the Tool and redistribute these units to incorporated jurisdictions using a statutorily compliant methodology.

Comment (City of Fresno): The City of Fresno would also be willing to accept base allocation 1.

Comment (County of Fresno): The County also prefers base allocation 1 to base allocation 5, because it includes the SOI, but would ask for manual adjustments or an appropriate combination of factor adjustments to further reduce the County's allocation because it is still too high for the County to be able to complete the Housing Element.

Comment (Fresno COG): It is difficult for rural areas to overcome the VMT issue. This can stop new developments. It's hard for small cities and the County to pass the SB743 'test' of VMT. In addition, the water issue and SGMA is a big problem for growth in rural areas.

Comment (Sanger): Looking at previous growth is important, but only looking at the past eight years does not adequately smooth the statistical noise. The eight-year period shows a lot of divergence between jurisdictions that historically have grown at the same rates but that have different variation in growth over smaller periods. The City of Sanger prefers base allocation 1 and cannot support base allocation 4.

Comment (Reedley): We agree that base allocation option 4 should not be the base allocation, but it should be included as one of the adjustment factors.

Comment (County of Fresno): We could blend base allocation options 1 and 4 together (50/50 weight)

Comment (Fresno COG): Allocations 3 and 4 result in similar allocations to the County--would the County be amenable to blending base factors 1 and 3 rather than blend 1 and 4?

Comment (Count of Fresno): Yes, The County would agree to a blended base allocation of options 1 and 3 with equal weight.

Comment (City of Fresno): The City of Fresno would prefer to blend base allocation options 5 and 1. The City of Fresno does not support blending options 3 and 1.

Comment (Reedley): The City of Reedley supports base allocation 6 (blending 1 and 3 with equal weights)

Comment (Kingsburg): The City of Kingsburg is in support of base allocation option 6

Comment (Selma): The City of Selma is in favor of only using base allocation 1 rather than the blended base allocation. Including the SOI incorporates growth in a way already, so it seems like it would be 'double-counting' growth if we blend a measure that includes the SOI with a growth measure.

Response (PlaceWorks): In some cases, the SOIs in Fresno County are mostly undeveloped, so the population included in the SOI would not be counted for very much. Some SOIs are more populous than others, however.

Question (Fresno COG): How would the group feel about combining base factors 3 (projected growth) and 5 (current pop with no SOI) as 'Option 8?'

Comment (Selma): The City of Selma supports base allocation option 8.

Comment (Reedley): The City of Reedley supports option 8.

Comment (County of Fresno): The County does not support allocation 8 and still prefers allocation 6.

Comment (Clovis): The City of Clovis supports option 8

Comment (Fresno COG): Option 8 is a good midway point given that additional allocation factors will have the effect of moving growth away from the unincorporated County.

Formal Vote on Base Allocation Option 8, which combines base allocation 3 (projected growth) with base allocation 5 (current population with no SOI) with equal weights.

Dave Merchen, Clovis motions to vote. Greg Collins, Kingsburg seconds

Clovis: Yes

Firebaugh: Yes

Fowler: Yes

City of Fresno: Yes

Fresno County: No

City of Kerman: No

City of Kingsburg: Yes

City of Parlier: No

City of Reedley: Yes

City of Sanger: Yes

City of San Joaquin: No

City of Selma: Yes

Fresno Housing: No

Leadership Council: Yes

Results: 9 yes, 5 no.

DISCUSSION: ADJUSTMENT FACTORS AND WEIGHTS

Comment: The City of Fresno tried to select one factor from each category. We chose vacancy in the housing category because HCD warned against using overcrowding and cost burden. We chose TCAC as the best representation of opportunity. For jobs, we thought it was important for housing and jobs to match up to reduce VMT, so we blended all the jobs factors together and weighted the entire category slightly higher than the other two factors. Fresno County prefers the following combination of adjustment factors and weights: non-vacant units: 30%, TCAC: 20%, regional share of jobs: 15%, regional share of job growth: 15%, unconstrained land: 10%, population growth: 10%.

Comment (Fresno COG): Coalinga and the Building Industry Association (BIA) were not able to attend this meeting, but sent their preferences for the base allocation, adjustment factors, and weights over email. They understand that per Subcommittee charter, their preferences sent over email do not constitute a formal vote. Coalinga prefers the following combination of adjustment factors and weights: non-vacant units: 10%, cost-burdened households: 5%; overcrowded households: 8%, TCAC score: 15%; children living above poverty: 5%, regional share of jobs: 12%; regional share of projected job growth 2020-2035: 20%; share of residents employed in agriculture: 15%; Unconstrained Land: 10%. BIA expressed preference for allocation factors 7 and 8 (current jobs and projected job growth).

Comment (PlaceWorks): PlaceWorks facilitator summarized that all jurisdictions who have voiced a preference would weight previous 8-year growth lower and unconstrained land lower.

Comment (Reedley): Reedley prefers the following combination of adjustment factors: vacancy, TCAC, children living in poverty (with a lower weight than TCAC), current regional share of jobs, and percent of unconstrained land with the lowest weight. Reedley weighted each category equally (housing, jobs, opportunity) so that if there are multiple factors included in a category, the factors in the category receive lower weights. Reedley is amenable to weighting unconstrained land and previous growth at a lower weight than the others.

Comment (City of Fresno): The City of Fresno prefers the following combination of adjustment factors and weights: Vacant units: 35%, TCAC 35%, each jobs factor at 10% each, and 5% each for all other factors.

Comment (PlaceWorks): Clovis gets an increase of 50% over its base case under this allocation, because Clovis has a high TCAC score and a low vacancy rate, so putting more weight on those two scores raises the Clovis allocation. The allocation to Clovis decreases with higher weights applied to both jobs factors as well as to the base allocation. Clovis receives a higher allocation with higher weights applied to TCAC scores and Unconstrained lands.

Comment (County of Fresno): The County would like to increase the weight on unconstrained lands. Could we reduce TCAC to 15% and then move the 5% to unconstrained land?

Comment (Clovis): None of the options stated are reasonable in terms of the allocation to Clovis. Multiple categories have a specific impact on Clovis, so weighting them higher compounds the allocation to Clovis. When we use a wider distribution of factors, the impact on Clovis is lessened. 35% weight is not a reasonable weight for vacancy. TCAC is important. We should weight the factors related to jobs more heavily.

Comment (PlaceWorks): Factor weighting does not have to total to 100%. It is feasible to apply 50% to all the allocation factors combined and attribute 50% weight to the base case.

Comment (Kerman): The City of Kerman would like to see higher weights applied to factors related to jobs. Kerman prefers the following set of factors and weights: 25% each for both job factors, 20% for vacant units, 20% for the TCAC score, and 10% to growth over previous 8-years.

Comment (Fresno Housing): We should discuss which principles are most important and not the resulting allocations. I think the vacancy rates and TCAC are important because they represent demand and market feasibility (e.g. where developers will invest). Unconstrained land is also important.

Comment (Kerman): jobs is an important factor based on the ability to provide housing based on job-housing balance.

Comment (Parlier): Clovis is large, well-resourced, and has experienced most of the growth in the last 8 years. For these reasons, it should not be unreasonable for Clovis to have a higher allocation.

Comment (Selma): The City of Selma prefers to give less weight to projected job growth and more weight to the current share of jobs because projections have been unreliable in the past. The proportionate reduction in projected job growth should be applied to the TCAC score. TCAC should be weighted at 20%, the regional share of jobs at 25%, and projected job growth at 15%.

NEXT STEPS

A base allocation was selected, combining base allocation 3 (projected growth) with base allocation 5 (current population with no SOI), each with equal weights. No clear consensus emerged on one preferred set of adjustment factors and associated weights though there were five factors that received limited support for inclusion in the methodology and will therefore not be considered further: percent cost-burdened households, percent overcrowded households, AARP livability score, percent of children living above poverty, and regional share of residents employed in agriculture, forestry and fishing. Of the seven options introduced by Subcommittee members during the meeting two options emerged as the top two preferred combinations. These are:

Methodology Option 4 — Vacancy: 35%, TCAC Score: 20%, Regional Share of Jobs (2020): 10%, Regional Share of Projected Job Growth (2020-2035): 10%, Constrained lands: 20%, Previous 8-Year Growth: 5%

Methodology Option 7 — Vacancy: 20%, TCAC Score: 20%, Regional Share of Jobs (2020): 25%, Regional Share of Projected Job Growth (2020-2035): 15%, Constrained lands: 10%, Previous 8-Year Growth: 10%

Methodology Option 4 received slightly more support than option 7. The meeting concluded in agreement that Meeting #5 in August will be devoted to finalizing a preferred set of RHNA adjustment factors and weights.

FOLLOW-UP ITEMS

Subcommittee members were asked to prepare for RHNA Subcommittee Meeting 5 by choosing their preferred combination of adjustment factors and weights. Subcommittee members expressed initial support for a set of three narrowed-down options: option 4, option 7, and an option that uses the average weight between options 4 and 7, resulting in the following: Vacancy: 27.5%, TCAC Score: 20%, Regional Share of Jobs (2020): 17.5%, Regional Share of Projected Job Growth (2020-2035): 12.5%, Constrained lands: 15%, and Previous 8-Year Growth: 7.5%.