

**2007 - 2014**  
**Regional Housing**  
**Needs Allocation Plan**  
**for**  
**Stanislaus County**



prepared by the

**Stanislaus Council of  
Governments**

**Adopted September 2008**

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## **Introduction**

The Draft Regional Housing Needs Allocation (RHNA) Plan has been developed by the Stanislaus Council of Governments (StanCOG) in accordance with the requirements of the State of California (Government Code Section 65584). The RHNA Plan provides a draft allocation of the regional housing needs for each jurisdiction in Stanislaus County, including all of the incorporated cities as well as unincorporated county areas.

These housing allocations, once finalized and approved by the StanCOG Policy Board, will be used by each individual jurisdiction in the update of their Housing Element (also in accordance with State law requirements).

The methodology for the RHNA was developed at the direction of the StanCOG Policy Board with the assistance of the county Planning Directors, and the Local Area Formation Commission Executive Officer representing the political jurisdictions in the region.

The StanCOG Policy Board approved the release of a RHNA Draft allocation at their March 25, 2008 meeting. That Draft was reviewed by the jurisdictions in the region over a 60-day period. The StanCOG Citizens and Technical Advisory Committees are scheduled to review the RHNA at their July 30-31 meetings. The RHNA will go before the StanCOG Policy Board for adoption at their August 13, 2008 meeting.

## The RHNA Process

### State Housing Element Law

The State of California requires the Department of Housing and Community Development (HCD) to identify housing needs for each region of the State in response to projected population and household growth. State law (Government Code 65584 – See Appendix C) further mandates that each Council of Governments (COG) distribute the RHNA (as determined by the State) to each jurisdiction within the COG’s region. The Stanislaus Council of Governments (StanCOG) is the COG charged with overseeing the RHNA (RHNA) process for jurisdictions in Stanislaus County.

StanCOG is responsible for determining the “fair share” of regional housing need for each jurisdiction in Stanislaus County for the period from January 1, 2007 through June 30, 2014. The law states that “the share of a city or county of the regional housing needs includes the share of the housing need of persons at all income levels within the area significantly affected by a general plan of the city or county.”<sup>1</sup>

State law also requires StanCOG “determine the existing and projected housing need for its region” after considering several statutory requirements, as described in Chapter 2 of this report. State law further requires that the distribution of the RHNA seeks to “[allocate] 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.”<sup>2</sup>

Each COG is responsible for the details of the methodology used in the RHNA process, working in cooperation with HCD. StanCOG is required to provide HCD and each jurisdiction within its region “with data describing the assumptions and methodology used in calculating its fair share of regional housing need” (which is the purpose of this Draft RHNA Plan). After StanCOG approves the final allocation report, HCD has 30 days to ensure that the determination is consistent with statewide housing need, and may make necessary revisions.

State Housing Element Law sets forth a schedule and process for the RHNA distribution cycle. The process begins with the State’s determination of the regional housing need, followed by the COG’s determination of each jurisdiction’s allocation. A review period follows, whereby each jurisdiction is given 60 days following StanCOG’s release of a draft allocation report to propose any revisions to its share of regional housing need. Within 60 days after a city or county proposes a revision, StanCOG “shall accept the proposed revision, modify its earlier determination, or indicate,

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<sup>1</sup> California Code § 65584(a)(1)

<sup>2</sup> California Code § 65584(d)(4)

based upon available data and accepted planning methodology, why the proposed revision is inconsistent with the regional housing need.”<sup>3</sup>

This 60 day review period ran from March 27, 2008 through May 26, 2008. In accordance with the RHNA allocation, each jurisdiction must then update the Housing Element of its General Plan to demonstrate that it is meeting State law requirements, including accommodation of its fair share housing goal. Jurisdictions within Stanislaus County are required to submit adopted Housing Elements to HCD for final review on or before August 31, 2009.<sup>4</sup>

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<sup>3</sup> California Code § 65584.05(c)

<sup>4</sup> A legislative extension for the Monterey Bay area was signed by the Governor on October 14, 2007. The law will be effective from January 1, 2008, and provides for the Housing Element date shown here.

## Development of the RHNA 2007-2014

### Preparation of Draft Regional Housing Needs Allocation Methodology

July 24, 2007 – February 20, 2008

Regional efforts to prepare the 2007-2014 RHNA commenced in July 2007. The State Department of Housing and Community Development provided StanCOG with its determination of regional housing needs on July 24, 2007.

The collective process of developing the methodology for StanCOG's 2007-2014 Regional Housing Needs Allocation began on August 16, 2007, with the initial meeting of the county Planning Directors and LAFCO Executive Officer.

Working with the county Planning Directors and the Local Area Formation Commission (LAFCO) Executive Officer, StanCOG determined an allocation methodology based on the current number of housing units in each jurisdiction. In determining this methodology, StanCOG and the county Planning Directors took into consideration the State law requirements regarding required factors in determining the regional distribution of housing needs.

Over several meetings, the jurisdictions discussed strategies involving existing land use, housing capacities, under-developed parcels, specific/master plans under development, and development potential within each jurisdictions sphere of influence. Jurisdictions were surveyed to assess how best to proceed with the RHNA Methodology:

- Based on existing zoning and your best Allocation of vacant and under-developed parcels, how many units can be developed within your City or, for Stanislaus County, the unincorporated area? This estimate should include any recently adopted zoning ordinances or specific plans/master plans. If available, it would be helpful if the information could be delineated by single vs. multi-family housing units.
- For specific plans/master plans that are currently under development, list each plan, the projected housing unit capacity, and the anticipated date of adoption of the plan. It would be helpful if you would provide a graphic showing the boundary of these plans showing the area that would be incorporated into the City to determine if there is an impact on the County's ability to produce housing. Also, if possible, please break this information down by single-vs.-multi-family units.

Results of the survey were reviewed and analyzed by StanCOG staff and the county Planning Directors. The intent of the survey was to establish 'residential capacity potential' in each of the ten jurisdictions.

60 Day Comment Period  
December 31, 2007 – February 28, 2008

The Draft RHNA for 2007-2014 was provided for review to each of the StanCOG jurisdictions and members of the public for an additional 30 day period.

During the statutory 60-day review period, member jurisdictions could request a revision to the allocation of their share of the regional housing needs in accordance with the considerations set forth in Government Code §65584. Any proposed revisions must be based upon available data and accepted planning methodology, and be supported by adequate documentation. Furthermore, revisions to one jurisdiction's housing need determination would require a compensating revision to the housing need determination of one or more other jurisdictions, such that the total regional housing needs as determined by HCD would be maintained.

Public Hearing re: Draft Regional Housing Needs Allocation Methodology  
February 13, 2008

At their February 13, 2008 meeting, the StanCOG Policy Board held a Public Hearing for the purpose of receiving public comments on the Draft Regional Housing Allocation Methodology. No comments were received.

Review of regional Housing Needs Allocation Methodology by the Stanislaus Council of Governments Citizens and Technical Advisory Committees  
February 27-28, 2008

The Citizens and Technical Advisory Committees both unanimously recommended that the StanCOG Policy Board adopt the Regional Housing Allocation Methodology.

Adoption of Regional Housing Needs Allocation Methodology  
March 25, 2008

The StanCOG Policy Board unanimously adopted the RHNA Methodology.

Draft Regional Housing Needs Allocations to Member Agencies  
March 26, 2008

Draft Regional Housing Needs Allocations were distributed to all member agencies.

45 Day Public Comment Period  
March 27 – May 11, 2008

No public comments were received.

60 Day Member Agency Appeal Period  
March 27, 2008 – May 26, 2008

No member agencies appealed Housing Allocations

Review of Allocations by the Stanislaus Council of Governments Citizens and  
Technical Advisory Committees  
July 30-31, 2008

The StanCOG Advisory Committees are scheduled to review the RHNA at their July 30-31, 2008 meetings. All comments and recommendations will be forwarded to the StanCOG Policy Board for action at their August 13, 2008 meeting.

Adoption by the StanCOG Policy Board  
August 13, 2008

The StanCOG Policy Board is scheduled to take action on the RHNA at their August 13, 2008 meeting.

Following the additional 30 day review period, StanCOG staff will prepare a summary of any comments received and present these for review by the StanCOG Policy Board. As provided for under State law, the StanCOG Policy Board may either (a) accept a proposed revision(s); (b) modify its earlier allocation, or (c) indicate, based upon available data and accepted planning methodology, why the proposed revision would be inconsistent with the regional housing need.

Submittal to State Department of Housing and Community Development  
August 14, 2008

## **RHNA Working Group Members**

The methodology for preparing the 2007-2014 RHNA was developed with the assistance of the RHNA Working Group, consisting of the LAFCO Executive Officer and the Planning Directors from all nine cities and Stanislaus County. The Planning Directors and the LAFCO Executive Officer reviewed and commented on methodology related to the development of the RHNA allocation.

### Organization

- City of Ceres
- City of Hughson
- City of Modesto
- City of Newman
- City of Oakdale
- City of Patterson
- City of Riverbank
- City of Turlock
- City of Waterford
- County of Stanislaus
- Stanislaus Local Area Formation Commission

## **Local Housing Elements Updates**

In accordance with a legislative extension (AB 1259) recently signed by the Governor, adopted housing elements are due to HCD by August 31, 2009. Prior to adoption of their elements, each jurisdiction must also submit their Draft Housing Element to HCD for review and comment. HCD requires a 60-day review period for the draft elements. Final adopted Housing Elements must be submitted to HCD for a second review following adoption. HCD requires 90 days for the second review period, after which time an official determination of compliance with State Housing Element law will be issued to the local jurisdiction.

## **RHNA Methodology**

California Government Code §65584 requires StanCOG to distribute the regional housing needs (as determined by HCD) to each jurisdiction in Stanislaus County. This section of the code contains a set of guidelines that StanCOG must follow when developing its distribution methodology. These guidelines include two principle components, which are (1) to prepare a region-wide allocation of the State's "housing unit goals," as determined by HCD; and (2) to consider the planning factors identified by HCD when determining the allocation of need in the region by jurisdiction.

The StanCOG Projections 2003 represents the most regional comprehensive approved distribution of population, employment and housing forecasts to the regional in the Stanislaus region. Land use projections for the 2007-2014 time period were reviewed and considered as a potential source for projection data.

Ultimately, housing data from the California Department of Finance, Demographics Research Unit was utilized for the RHNA distribution.

## **Initial Sample Allocations**

Each jurisdiction's respective allocation was primarily determined by five factors. Each jurisdiction's pro rata share of:

1. Current Housing Stock
2. Current Residents Employed
3. Current Housing Stock and Resident Employed
4. Current Housing Stock, Residents Employed, with Small Cities Adjustment
5. Projected (2007 – 2014) housing growth based upon historical housing growth from 1990 to 2007.

To lessen the impact of new residential growth in the unincorporated areas of the County, and to not overburden the City of Modesto with the challenging task of planning for the vast majority of low-income housing, an "equity adjustment" was agreed upon:

1. It was determined that the 2007 population of the small and medium cities represented 34% of the total County population.
2. 34% of the County's share of the Regional Housing Allocation (1,842) was distributed back to the small and medium cities on a per-population basis.

The "equity adjustment" resulted in a slightly higher allocation for each of the eight small and medium cities, a 34% decrease in allocation for the unincorporated area of the County, and no change for the city of Modesto.