



Final Regional Housing Needs Plan for Tulare County 2014-2023

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Executive Summary

State housing element law assigns the responsibility for preparing the Regional Housing Needs Assessment (RHNA) for the Tulare County region to the Tulare County Association of Governments (TCAG). TCAG, and other California councils of governments (COGs), undertake the RHNA process prior to each housing element cycle. The current RHNA is for the fifth housing element cycle and covers a 9.75-year projection period (January 1, 2014 to September 30, 2023). The Regional Housing Needs Plan (RHNP) describes the methodology developed to allocate the region's housing needs in four income categories (very low, low, moderate, and above moderate) among Tulare County's eight cities and the unincorporated county in accordance with the objectives and factors contained in State law.

The RHNA process begins with the RHNA Determination. The California Department of Housing and Community Development (HCD) issues a RHNA Determination to TCAG and all other COGs in California to identify housing needs for each region of the state. The TCAG RHNA Determination is the total number of

units that the jurisdictions within the Tulare County region must collectively plan for in their housing elements. The Determination, which is divided into four income categories, is based on Department of Finance (DOF) population projections and regional population forecasts. HCD provided the Tulare County region a final RHNA Determination on January 10, 2014, of 26,910 housing units. The RHNA Determination covers a planning period from January 1, 2014, to September 30, 2023.

The State-mandated RHNA process (Government Code Sections 65580 et seq.) requires TCAG to develop and adopt a methodology for allocating a portion of the RHNA Determination to each jurisdiction within the Tulare County region. Prior to adoption of the RHNA Methodology, TCAG staff consulted the TCAG RHNA Methodology Committee, comprised of representatives from each of the jurisdictions in the county, and the TCAG Board of Governors. Together, TCAG staff, the TCAG RHNA Methodology Committee, and the TCAG Board considered different methodologies to allocate a portion of the RHNA Determination to each jurisdiction. The Proposed RHNA Methodology (Methodology A1–Regional Income Parity by 2050) and five alternative methodologies were released for public review on September 25, 2013. The public, as well as the affected cities and the County were given the opportunity to comment on the methodologies during a 60-day review and comment period that ended on November 24, 2013.

The RHNA Methodology (Methodology A1–Regional Income Parity by 2050) was adopted by the TCAG Board of Governors on



December 9, 2013. An underlying principle of the RHNA Methodology is to ensure that affordable housing is equitably distributed throughout the region. The Methodology applies an adjustment factor based on disparities in household income across the TCAG region. The adjustment factor assigns a higher proportion of units affordable to lower-income households to jurisdictions that currently have a lower proportion of affordable households compared to the regional average, and assigns a lower proportion of affordable units to jurisdictions that currently have a higher proportion of affordable households than the regional average. The Methodology is intended to help the region achieve income parity (the same proportion of affordable units in each community) by 2050. Table 1 summarizes the overall allocation of units to each jurisdiction and the allocation by the four income categories. The RHNA Methodology is described in more detail in Section IV.

The Draft Regional Housing Needs Plan, which included the Draft Allocations using the adopted RHNA Methodology, was released for a 60-day public review period on March 13, 2014. Since TCAG did not receive any comments, the Final RHNP was adopted by the TCAG Board on June 30, 2014. Following adoption of the RHNA, each jurisdiction in the county must update its housing element consistent with the 2014-2023 RHNA and submit it to HCD for certification. The housing element must demonstrate that adequate sites and zoning are available during the planning period to accommodate the RHNA for all income categories. HCD reviews each jurisdiction's housing element for compliance with State law.

Key Terms

RHNA Determination. HCD issued an overall regionwide housing need called the RHNA Determination. The RHNA Determination is the total number of units that the jurisdictions within the Tulare County region must collectively plan to accommodate between January 1, 2014, and September 30, 2023.

RHNA Methodology. TCAG prepared a RHNA Methodology to allocate a portion of the RHNA Determination to each jurisdiction in the Tulare County region. The RHNA Methodology must reflect certain objectives of State law and be consistent with the SCS development pattern.

RHNA Allocations. Once the TCAG Board of Governors adopted the RHNA Methodology, TCAG released the RHNA Allocations in conjunction with the RHNP. The Allocations are each jurisdiction's share of the RHNA Determination.

Regional Housing Needs Plan. Once the TCAG Board of Governors adopts the RHNA Allocations, TCAG issues the Regional Housing Needs Plan (RHNP). The Final RHNP describes the RHNA process and officially assigns the allocations to each jurisdiction. The RHNP must be adopted by the TCAG Board of Governors.

Housing Elements. Each jurisdiction in the Tulare County region must adopt and submit a housing element to HCD for review and certification. The housing elements must show how each jurisdiction will accommodate its RHNA Allocation.

Table 1: 2014-2023 Final RHNA Allocations by Income Category

**Tulare County Region
January 1, 2014, to September 30, 2023**

	Total RHNA Allocation	Very Low-Income Allocation		Low-Income Allocation		Affordable Allocation (Combined Low- + Very Low-Income)		Moderate-Income Allocation		Above Moderate-Income Allocation	
		Units	Percent of Total RHNA	Units	Percent of Total RHNA	Units	Percent of Total RHNA	Units	Percent of Total RHNA	Units	Percent of Total RHNA
Dinuba	965	211	21.9%	163	16.9%	374	38.8%	121	12.5%	470	48.7%
Exeter	625	143	22.9%	125	20.0%	268	42.9%	85	13.6%	272	43.5%
Farmersville	466	74	15.9%	65	13.9%	139	29.8%	68	14.6%	259	55.6%
Lindsay	590	80	13.6%	80	13.6%	160	27.1%	82	13.9%	348	59.0%
Porterville	3,196	623	19.5%	576	18.0%	1,199	37.5%	566	17.7%	1,431	44.8%
Tulare	3,594	920	25.6%	609	16.9%	1,529	42.5%	613	17.1%	1,452	40.4%
Visalia	10,021	2,616	26.1%	1,931	19.3%	4,547	45.4%	1,802	18.0%	3,672	36.6%
Woodlake	372	71	19.1%	41	11.0%	112	30.1%	69	18.5%	191	51.3%
Unincorporated County	7,081	1,477	20.9%	1,065	15.0%	2,542	35.9%	1,169	16.5%	3,370	47.6%
Total	26,910	6,215	23.1%	4,655	17.3%	10,870	40.4%	4,575	17.0%	11,465	42.6%

Note: Percentages may not sum to 100 percent due to rounding.

Source: TCAG 2014

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Section I: Introduction

State housing element law assigns the responsibility for preparing the Regional Housing Needs Assessment (RHNA) for the Tulare County region to the Tulare County Association of Governments (TCAG). TCAG, and other California councils of governments (COGs), undertake the RHNA process prior to each housing element cycle. The current RHNA is for the fifth housing element cycle and covers a 9.75-year projection period (January 1, 2014 to September 30, 2023).

The RHNA process for the Tulare County region was initiated in January 2013, and is anticipated to be completed in June 2014, with the adoption of the Regional Housing Needs Plan (RHNP). The RHNP describes the methodology developed to allocate the region's housing needs in four income categories (very low, low, moderate, and above moderate) among the eight cities and the unincorporated county. The adopted methodology must be consistent with the following objectives of State housing element law (Government Code Section 65584(d)):

1. Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in all jurisdictions receiving an allocation of units for low-income and very low-income households.
2. Promoting infill development and socioeconomic equity, the protection of environmental and agricultural

resources, and the encouragement of efficient development patterns.

3. Promoting an improved intraregional relationship between jobs and housing.
4. 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 decennial United States census.

The RHNP assigns each jurisdiction part of the RHNA Determination, issued by HCD. The TCAG RHNA Determination is the total number of housing units that the jurisdictions within the Tulare County region must collectively plan to accommodate between January 1, 2014, and September 30, 2023. The RHNA Determination, which is divided into four income categories, is based on Department of Finance (DOF) population projections and takes into consideration a regional population forecast. Table 2 shows the breakdown of the RHNA Determination by the four income categories.

Table 2: Total RHNA Determination by Income Category

**Tulare County Region
January 1, 2014, to September 30, 2023**

Income Category	Housing Units	Percent
Very Low	6,215	23.1
Low	4,655	17.3
Moderate	4,575	17.0
Above Moderate	11,465	42.6
Total	26,910	100.0

Source: California Department of Housing and Community Development

Organization

The RHNP is organized into four sections:

- Section I, *Introduction*, provides background information on the RHNA process, the connection between the RHNA and SB 375, and public outreach.
- Section II, *Growth Projections*, describes how TCAG's 2040 Regional Forecast was used in the development of the RHNA Methodology.
- Section III, *RHNA Factors*, describes how TCAG considered each of the RHNA Methodology factors set forth in State law.
- Section IV, *Adopted RHNA Methodology*, provides a detailed description of the adopted RHNA Methodology.
- The appendices include the Regional Housing Needs Determination Letter from HCD, documents related to the development of the RHNA Methodology, and California Government Code Section 65584.

The RHNA Process

The RHNA process began in March 2013 when TCAG worked with HCD to develop the RHNA Determination. Between March 2013 and January 2014, HCD staff and TCAG staff exchanged information and worked together to refine the assumptions used to calculate the RHNA Determination (e.g., population projections, vacancy rates, household formation rates). HCD first provided a draft RHNA Determination to TCAG in August 2013. Staff

worked with HCD over the next several months to calculate a determination for the region that better reflected local demographic projections. While the original due date for HCD's final determination was September 30, 2013, the due date was extended into January 2014 to allow additional time to refine assumptions. HCD provided a final RHNA Determination on January 10, 2014, of 26,910 housing units for the 9.75-year RHNA period (see Appendix A for HCD letter to TCAG).

State law requires TCAG to release the Proposed RHNA Methodology for a 60-day public review and comment period. The comment period gives the public and each jurisdiction an opportunity to provide comments on the RHNA Methodology. The public review and comment period for the TCAG Proposed RHNA Methodology ran for 60 days from September 25, 2013, to November 24, 2013. The TCAG Board of Governors adopted the RHNA Methodology at their December 9, 2013, meeting. Based on the adopted RHNA Methodology, TCAG released the Draft RHNA Allocations as a part of the Draft RHNP on March 13, 2014 for a 60-day public review period that ended on March 12, 2014. Since TCAG did not receive any comments, the Final RHNP was adopted by the TCAG Board on June 30, 2014.

Once adopted, HCD has 30 days to review the Final RHNP for consistency with the objectives of State law. Each jurisdiction must then update its Housing Element to demonstrate that it is meeting State law requirements. Jurisdictions within Tulare County are required to adopt and submit housing elements to HCD for final review and certification 18 months after the adoption of the 2014 Regional

Transportation Plan (RTP) and Sustainable Communities Strategy (SCS). The RHNA

process and timeline is illustrated on the following page.

Placeholder for RHNA Process Timeline

SB 375: Integrating Land Use, Housing, and Transportation Planning to Reduce Greenhouse Gas Emissions

The Sustainable Communities and Climate Protection Act of 2008 (SB 375) was passed to support the State's climate action goals, as identified in Assembly Bill 32, to reduce greenhouse gas (GHG) emissions through coordinated transportation and land use planning. The bill mandates each of California's Metropolitan Planning Organizations (MPOs) to prepare a *sustainable communities strategy* (SCS) as a part of its regional transportation plan (RTP). The SCS contains land use, housing, and transportation strategies that, if implemented, would allow the region to meet its GHG reduction targets.

In the past, the RHNA was undertaken independently from the RTP. SB 375 requires that the RHNA and RTP/SCS processes be undertaken together to better integrate housing, land use, and transportation planning. The law recognizes the importance of planning for housing and land use in creating sustainable communities where residents of all income levels have access to jobs, services, and housing



using transit, or by walking and bicycling.

In addition to the RHNA requirements of State law (Government Code Section 65584), SB 375 requires TCAG to address the region's housing needs in the SCS of the RTP. SB 375 states that the SCS will:

- Consider the State housing goals (Government Code Section 65080 (b)(2)(B)(vi));
- Identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period for the RTP (out to 2040 for the 2040 RTP/SCS) taking into account net migration into the region, population growth, household formation, and employment growth (Government Code Section 65080 (b) (2)(B)(ii); and
- Identify areas within the region sufficient to house the regional housing needs for the region (Government Code Section 65080 (b)(2)(B)(iii)).

Public Outreach and Participation

State law (Government Code Section 65584.04 (c)(4)) states that "public participation and access shall be required in the development of the methodology and in the process of drafting and adopting the allocation of the regional housing needs." This includes participation by organizations other than local jurisdictions. TCAG made a diligent effort to achieve public participation of all economic segments of the community though the TCAG Board of

Governors Meetings, public noticing and review, and the SCS outreach program.

TCAG Board of Governors Meetings

The TCAG Board of Governors, comprised of one representative from each of the eight cities, the five members of the County Board of Supervisors, and three members-at-large, conducts meetings every month that are open to the public. Board meetings were the primary method of public outreach and participation for the RHNA Determination and Methodology. Six TCAG Board meetings from May 20, 2013, to December 9, 2013, included the RHNA as either a discussion or action item. At these meetings Board members and the general public were given opportunities to review, comment, and ask questions about the RHNA Determination and Methodology.

Public Noticing and Review

TCAG released the Proposed RHNA Methodology for 60 days of public review from September 25, 2013, to November 24, 2013. The Proposed RHNA Methodology included both a Proposed Methodology, recommended by TCAG staff, and five alternative methodologies. Written comments on the Proposed Methodology and alternatives were made a part of the record and were considered in the adoption of the Final RHNA Methodology on December 9, 2013. TCAG also provided the public with the opportunity to request to receive notices and information regarding Tulare County's SCS through the "Notify Me" feature on TCAG's website. This feature has allowed members of the public to provide an email address and other information for use in the database that TCAG used to send out notices.

TCAG RTP/SCS Outreach

The RHNP is part of the TCAG RTP/SCS in that SB 375 requires consistency between the RHNA and the development pattern outlined in the SCS. This requirement necessitated that the RHNA Methodology be developed in parallel with the SCS.

TCAG undertook significant outreach efforts to encourage active participation from a number of stakeholder groups. In October 2013 TCAG conducted workshops in Visalia, Dinuba, and Porterville, that covered issues related to the SCS.



Section II: Growth Projections for the RTP/SCS and RHNA

The 2040 Regional Forecast serves as the foundation for the RHNA Methodology and Allocations and for the 2040 Regional Transportation Plan and Sustainable Communities Strategy. The 2040 Regional Forecast is a locally-driven study that provides housing unit, employment, and population projections for each jurisdiction in the Tulare County region through the year 2040. TCAG developed a projection of growth in the Tulare County region that considered a variety of factors including, historical growth trends, pending development applications, entitlements, existing general plans/community plans, and employment trends. The 2040 Regional Forecast complies with all applicable statutes and regulations regarding the RTP, SCS, and RHNA from SB 375, and the California Transportation Commission's RTP Guidelines.

Difference between 2040 Regional Forecast and RHNA Determination

There is a difference between the housing units projected in the 2040 Regional Forecast and the RHNA Determination. The 2040 Regional Forecast estimates that 21,661 housing units, or about 2,222 units per year, will be built during the 9.75-year RHNA projection period. The RHNA Determination projects a need for 26,910 housing units, or 5,249 units (539 per year) more than the 2040 Regional Forecast for the same time period.

There are two main reasons why the projections are different: 1) the two projections

have different purposes and; 2) they were developed using different assumptions. The 2040 Regional Forecast is oriented toward actual housing production, whereas the RHNA Determination is focused on planning to meet anticipated housing demand. The 2040 Regional Forecast reflects the number of housing units that are likely to be built in the region based on market considerations and other policy factors.

The RHNA Determination is a projection of housing need based on demographic considerations (i.e., providing sufficient housing to accommodate population growth). State law (Government Code 65584.01 (b)) governs the process that HCD uses to calculate the Determination. The law states that the Determination “shall be based on population projections produced by the Department of Finance and regional population forecasts used in preparing regional transportation plans.” HCD is required to use Department of Finance projections, but to also consider local assumptions for anticipated household growth, household size, household formation rates, headship rates, vacancy rates, and other characteristics of the projected population. The final RHNA Determination reflects a blending of the Department of Finance projections and assumptions contained in TCAG's 2040 Regional Forecast.

Consistency with the RTP/SCS and Calculating Total RHNA

The pattern of growth projected in the 2040 Regional Forecast is the nexus between the RTP/SCS and the RHNA.

The growth projections for each jurisdiction from the 2040 Regional Forecast were used as the basis for distributing housing units and jobs in the RTP/SCS scenario development. The 2040 housing unit and employment growth projections for each jurisdiction acted as not-to-exceed targets, or control totals, for the development of land use scenarios. These scenarios mapped different alternatives for how Tulare County could grow through 2040. The scenarios assigned jurisdictions the same housing unit and employment growth totals from the 2040 Regional Forecast. However, the location, density, and pattern of development within the jurisdictions varied by scenario. These scenarios were linked to the

RTP transportation model and help to inform future transportation investments.

The housing unit control totals in the 2040 Regional Forecast were also the basis for the total RHNA Allocations to each jurisdiction. TCAG used the proportion of units allocated to each jurisdiction in the 2040 Regional Forecast to calculate the total RHNA Allocation for each jurisdiction for the 9.75-year period of January 1, 2014, to September 30, 2023. TCAG estimated the housing units on September 30, 2023, using the 2040 Regional Forecast and then scaled up the proportions until the total units allocated to the jurisdictions equaled the total RHNA Determination. See Appendix B for more information on the process TCAG used to calculate the Total RHNA in each jurisdiction. Table 3 shows each jurisdiction's Total RHNA.

Table 3: Total RHNA Allocation by Jurisdiction

Tulare County Region
January 1, 2014, to September 30, 2023

Jurisdiction	1/1/2014 Housing Unit Control Totals	2023 Housing Unit Control Totals	Estimated 9/30/2023 Housing Units		2024 Housing Unit Control Totals	Housing Units 9/30/2023 (Based on Allocation of 26,910 units)		
			Housing Units	Percent of Total		Total Housing Units	Percent of Total	Net New Housing Units 1/1/2014- 9/30/2023
	A	B	C	D	E	F	G	H
Dinuba	6,223	7,106	7,186	4.05%	7,212	7,188	4.05%	965
Exeter	3,803	4,305	4,426	2.50%	4,365	4,428	2.50%	625
Farmersville	2,878	3,253	3,343	1.89%	3,298	3,344	1.89%	466
Lindsay	3,384	3,858	3,972	2.24%	3,914	3,974	2.24%	590
Porterville	17,764	20,331	20,952	11.82%	20,639	20,960	11.82%	3,196
Tulare	20,022	22,908	23,606	13.32%	23,255	23,616	13.32%	3,594
Visalia	47,380	55,411	57,379	32.37%	56,386	57,401	32.37%	10,021
Woodlake	2,187	2,486	2,558	1.44%	2,521	2,559	1.44%	372
Unincorporated County	46,774	52,477	53,834	30.37%	53,151	53,855	30.37%	7,081
Total	150,415	172,134	177,255	100.00%	174,741	177,325	100.00%	26,910

Sources

Columns A, B, and E: TCAG 2040 Demographic Forecast (2013)

Column C: Estimated using trendline growth between Columns B and E

Column D: Column C divided by countywide total from Column C (177,225)

Column F: Proportionally scaled up from Column D to 9/30/2023 countywide total (177,325)

Column G: Column F divided by countywide total from Column F (177,325)

Column H: Column A subtracted from Column F

Section III: RHNA Methodology Factors

State law (Government Code 65584.04(d)) requires that TCAG, to the extent sufficient data is available, consider 10 unique factors in the development of the RHNA Methodology. TCAG directly addressed these factors in three ways: 1) as part of the process to develop the RHNA Determination and Methodology, 2) in the development of the 2040 Regional Forecast, and 3) in the development of the SCS. Several factors were also addressed by cities and counties with the Tulare County region through locally-adopted plans and regulations. These processes and how they related to the RHNA Methodology are described below:

The RHNA Methodology. A variety of planning objectives were used in the development of the RHNA Methodology (e.g., efficient land use patterns, a balance of jobs and housing, and socioeconomic equity). The adopted methodology adjusted the distribution of affordable units among jurisdictions based on differences in existing household incomes as a means of moving each jurisdiction towards regional parity. Other factors were considered as alternative methodologies.

The 2040 Regional Forecast. TCAG considered many of the required RHNA factors during the development of the 2040 Regional Forecast (e.g., jobs/housing balance, constraints to development, and opportunities for infill). As the foundation of the RHNA Methodology, the 2040 Regional Forecast was the basis for the total RHNA Allocations by jurisdiction. For more information on how the 2040 Regional Forecast was used in the RHNA Methodology, see Section II.

The Sustainable Communities Strategy. State law requires that the SCS be consistent with the RHNA. To accommodate this requirement, the RHNA Methodology and the Sustainable Communities Strategy were developed in parallel. As a part of the process to develop the SCS, TCAG prepared and evaluated four growth scenarios that showed potential future development patterns for the Tulare region. TCAG also prepared performance measures to help compare these scenarios. Many of these performance measures also address the RHNA Methodology factors.

Other Locally-Adopted Regulations. In some cases local regulations, ordinances, and plans addressed or will address RHNA Methodology Factors in ways that the RHNA Methodology could not (e.g., local jurisdictions will address the housing needs of farmworkers through their Housing Element updates).

The following section describes how TCAG addressed each of the 10 RHNA Methodology factors using one or more of the aforementioned processes. It is organized around each RHNA factor, as excerpted from State law.

1. Each member jurisdiction's existing and projected jobs and housing relationship.

The RHNA Methodology addressed this factor through the 2040 Regional Forecast and directly in the RHNA Methodology itself. A balance between jobs and housing was a consideration in the development of the 2040 Regional Forecast. The 2040 Regional Forecast used each jurisdiction's existing and projected jobs and housing to determine where job growth would likely occur and assigned new housing units to areas with expected increases

in jobs. The Proposed RHNA Methodology, released by TCAG on September 25, 2013, included an alternative methodology, entitled Methodology B – Jobs/Housing Adjustment, that directed more affordable housing to areas that are closer to jobs. While this methodology was not ultimately selected, it was considered as an alternative.

2. The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to Federal or State laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

The RHNA Methodology addressed this factor through the 2040 Regional Forecast and the SCS. Both the 2040 Regional Forecast and the SCS reflect planned residential densities included in local general plans and community plans. State law requires that each jurisdiction's general plan consider "public utilities and facilities" in its circulation and land use elements. Capacity for sewer and water service is included within public utilities and facilities. State law also requires that city/county infrastructure standards and plans be consistent with local general plans.

It should be noted that the RHNA Methodology did not cap a jurisdiction's overall allocation because of existing sewer or water capacity issues. As long as a jurisdiction was

planning for additional sewer and/or water capacity, no special adjustments were considered in the RHNA Methodology.

B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions.

The RHNA Methodology addressed this factor through the SCS. The SCS generally directs growth away from greenfield development and towards infill within downtowns and mixed-use neighborhoods. One of the primary goals of the RTP/SCS is to reduce vehicle miles traveled (VMT). The SCS land use scenario prioritizes infill development as a means of minimizing urban sprawl and reducing the distance between residence and workplace. The scenario did not limit its consideration of suitable housing sites to existing zoning ordinances. Based on input from local planning staff, strategic redevelopment sites that had potential for future rezoning/upzoning within the RTP/SCS horizon year were identified and incorporated into the scenario. In addition, the SCS assumes an increased share of multifamily housing units relative to historic trends.

(C) Lands preserved or protected from urban development under existing Federal or State programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis.

The RHNA Methodology addressed this factor through the SCS. The SCS categorizes land preserved or protected from urban development as constrained. Since this land is not projected to be developed in local land use plans, the SCS assumes no growth on these lands within the RHNA planning period.

(D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area.

The RHNA Methodology addressed this factor through the 2040 Regional Forecast and the SCS. The 2040 Regional Forecast took into consideration policies in the County General Plan intended to protect agricultural land. The preservation of prime farmland is one of the primary objectives of the SCS as well. TCAG used performance measures that assessed conversion of important farmland and critical habitat to compare the growth scenarios. The SCS took this performance measure into account.

3. The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.

The RHNA Methodology addressed this factor through the SCS. TCAG used an iterative

process to distribute housing and transportation facilities to mixed-use centers and along corridors to maximize the relationship between the two. TCAG used performance measures that assessed proximity to transit service to compare the growth scenarios. The SCS took these performance measures into account.

4. The market demand for housing.

The RHNA Methodology addressed this factor directly and through the 2040 Regional Forecast. The 2040 Regional Forecast is based on a market-based projection of housing. The distribution of housing growth within the 2040 Regional Forecast takes into consideration market indicators, including pending development applications, entitlements, and expected employment growth. There is not a significant difference in the market demand for housing between the jurisdictions in the county, and it was not treated as an affordable housing adjustment factor in the development of the methodology. The RHNA Determination for the Tulare County region as a whole did consider the market demand for housing by adjusting for regional vacancy rates and absorption of existing excess vacant units.

5. Agreements between a county and cities in a county to direct growth toward incorporated areas of the county.

The RHNA Methodology addressed this factor through the 2040 Regional Forecast and the SCS. The 2040 Regional Forecast took into consideration the Tulare County General Plan, which includes goals and policies that encourage growth within and around cities to minimize the conversion of farmland. This is consistent with the goals and objectives of the

Tulare County regional Blueprint. The SCS is based on a development pattern that emphasizes compact, infill development. TCAG used performance measures that assessed land consumption and conversion of important farmland to compare growth scenarios. The SCS took these performance measures into account.

6. The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.

Multiple programs and funding streams make it difficult for jurisdictions and other interest groups to compile accurate lists of the assisted properties in each jurisdiction, especially larger jurisdictions. As such, TCAG determined that the data available was insufficient and could not be incorporated into the RHNA Methodology in a consistent and rationale manner. State law requires housing elements to address the loss of assisted housing developments for lower-income households. TCAG will rely on each jurisdiction to address this factor when preparing their housing elements.

7. High housing cost burdens.

Overall, housing costs in Tulare County are lower than the large metropolitan and coastal regions in California. Within Tulare County the median income is \$43,550 and 40.40 percent of all units in the RHNA Determination are affordable (i.e., very low- and low-income). The income categories of the RHNA are relative to the median income of the region. Since the adopted RHNA Methodology is

based on regional income parity, planning for enough housing to meet each jurisdiction's very low- and low-income housing needs will address local housing cost burdens.

8. The housing needs of farmworkers.

The RHNA Methodology addressed this factor through the 2040 Regional Forecast. According to the California Employment Development Department (EDD), there were approximately 37,700 farmworkers in Tulare County in 2010. That number is projected to rise to 41,600 in 2020, an increase of 10.3 percent. The 2040 Regional Forecast takes these residents into account in its allocation of future growth. Further, the housing need of farmworkers is an issue that will be addressed by each jurisdiction when preparing their housing elements.

9. The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.

There are no large-scale private university, California State University, or University of California campuses in Tulare County. However, the SCS assumes appropriate development types adjacent to the College of the Sequoias and San Joaquin Valley College campuses in Visalia. Additional student housing considerations will likely be addressed in Visalia's Housing Element.

10. Any other factors adopted by the council of governments.

TCAG considered several factors in the development of the RHNA Methodology including regional income parity, jobs-housing balance, and proximity to transit. While the proposed RHNA Methodology and Allocation adjusts affordable allocations based only on existing regional income disparities, these

factors were considered as alternative methodologies and were released as part of the RHNA Methodology package for public comment (see Appendix B). These alternative methodologies provide options to emphasize specific local planning objectives, such as distributing more affordable housing to communities with more jobs or existing capacity for high-density development.

Section IV: Adopted Methodology and Allocations

This section describes the adopted RHNA Methodology for the period covering January 1, 2014, to September 30, 2023. The adopted Methodology, A1–Regional Income Parity, was selected out of six methodologies provided as a part of the Proposed RHNA Methodology package. Below is a step-by-step description of the RHNA Methodology. Table 4 corresponds to the description and shows the affordable allocations (i.e., low- and very low-income units) assigned to each jurisdiction. Table 5 further breaks down the allocations into the four State-mandated income categories.

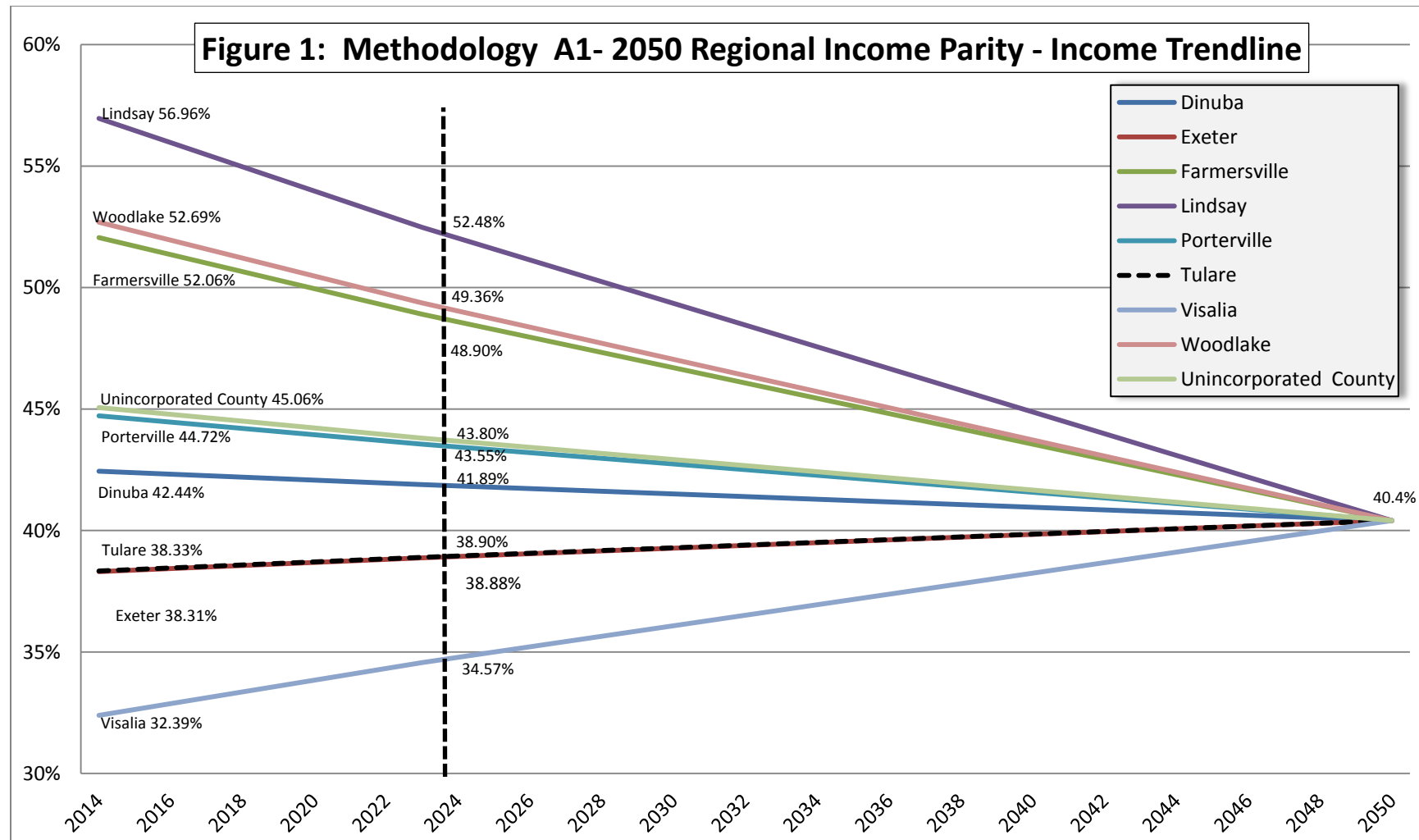
Methodology A1 – Regional Income Parity

The adopted RHNA Methodology reflects the underlying objectives of State housing law by being consistent with the SCS growth pattern and equitably distributing affordable housing among the jurisdictions in the region. It establishes a trendline for each jurisdiction to determine the percentage of new housing units that must be affordable in order for all jurisdictions to achieve “regional income parity” by 2050 (i.e., an equal percentage of lower income households in 2050) (see Figure 1 below). Jurisdictions that currently have a lower proportion of lower-income households compared to the current regional average, are expected to plan for a higher proportional share of affordable units compared to the average. Conversely, jurisdictions that currently have a higher share of lower-income households compared to the regional average are expected

to plan for a lower percentage of affordable units (see Figure 1). The following steps were used to calculate the affordable allocations for each jurisdiction (see Table 4). *(Note: The letters in parentheses correspond with the columns in Table 4):*

1. The 2014 total affordable units (E) were calculated by multiplying the 2014 total units (A) by the existing percentage of affordable households (D) in each jurisdiction based on the 2007-2011 American Community Survey (ACS) estimate of lower-income households. The Regional Income Parity (G) is based on the existing countywide average percentage of lower-income households from the 2007-2011 ACS.
2. The September 30, 2023, intersection of the income parity trendline (F) was calculated by establishing a trendline between each jurisdiction’s 2014 percentage of affordable households (D) and the 2050 income parity percentage of 40.4 percent (G) (i.e., the existing countywide average percentage of affordable households). This trendline is intersected at September 30, 2023, (i.e., 2023.75) (F) to determine what percentage of affordable households each jurisdiction should have by September 30, 2023, in order to be trending towards income parity by 2050.
3. Total affordable units on September 30, 2023, (H) were calculated by multiplying total housing units in September 30, 2023, (B) with the September 30, 2023, intersection of the income parity trendline (F).

4. The 2014-2023 affordable allocations (I) were calculated by subtracting the 2014 affordable units (E) from the total affordable units in September 30, 2023, needed to reach income parity (H) and then proportionally scaled to equal the countywide affordable allocation of 10,870 (net new housing units multiplied by 40.4 percent).



Sources

2014 affordable percentages: 2007-2011 American Community Survey

2050 income parity percentage: 2007-2011 ACS (existing countywide average)

2023 affordable percentages: Calculated by Mintier Hamish using a trendline between 2014 affordable percentage and 2050 income parity percentage

Table 4: Methodology A1- Income Parity by 2050

Tulare County Region
January 1, 2014, to September 30, 2023

	Total Housing Units 2014	Total Housing Units 2023	Net New Housing Units (2014-9/30/2012)	Existing Percentage of Affordable Units	2014 Affordable Units	9/30/2023 Intersection of 2050 Income Parity Trendline	Regional Parity	Total Affordable Units 2023 to Reach Income Parity	2014-2023 Affordable Allocation		Percent Affordable Allocation
									Units	Percent of Total	
	A	B	C	D	E	F	G	H	I	J	K
Dinuba	6,223	7,188	965	42.4%	2,641	41.9%	40.4%	3,011	374	3%	38.8%
Exeter	3,803	4,428	625	38.3%	1,457	38.9%	40.4%	1,721	268	2%	42.9%
Farmersville	2,878	3,344	466	52.1%	1,498	48.9%	40.4%	1,635	139	1%	29.8%
Lindsay	3,384	3,974	590	57.0%	1,928	52.5%	40.4%	2,085	160	1%	27.1%
Porterville	17,764	20,960	3,196	44.7%	7,944	43.5%	40.4%	9,128	1,199	11%	37.5%
Tulare	20,022	23,616	3,594	38.3%	7,675	38.9%	40.4%	9,184	1,529	14%	42.5%
Visalia	47,380	57,401	10,021	32.4%	15,348	34.6%	40.4%	19,838	4,547	42%	45.4%
Woodlake	2,187	2,559	372	52.7%	1,152	49.4%	40.4%	1,263	112	1%	30.1%
Unincorporated County	46,774	53,855	7,081	45.1%	21,076	43.8%	40.4%	23,586	2,542	23%	35.9%
Total	150,415	177,325	26,910	40.4%	60,758	40.4%	40.4%	71,628	10,870	100%	40.4%

Sources

Column A: TCAG 2040 Demographic Forecast (2013)

Column B: Estimated using trendline growth between 2023 and 2024 control totals in the TCAG 2040 Demographic Forecast

Column C: Column A subtracted from Column B

Column D: 2007-2011 American Community Survey

Column E: Column A multiplied by Column D

Column F: Calculated by Mintier Hamish using a trendline between Column D and Column G

Column G: 2007-2011 American Community Survey (existing countywide average)

Column H: Column B multiplied by Column F

Column I: Column E subtracted from Column H and then proportionally adjusted to add up to countywide total of 10,870.

Column K: Column I divided by Column C

Table 1: 2014-2023 Final RHNA Allocations by Income Category

**Tulare County Region
January 1, 2014 to September 30, 2023**

	Total RHNA Allocation	Very Low-Income Allocation		Low-Income Allocation		Affordable Allocation (Combined Low + Very Low-Income)		Moderate-Income Allocation		Above Moderate-Income Allocation	
		Units	Percent of Total RHNA	Units	Percent of Total RHNA	Units	Percent of Total RHNA	Units	Percent of Total RHNA	Units	Percent of Total RHNA
Dinuba	965	211	21.9%	163	16.9%	374	38.8%	121	12.5%	470	48.7%
Exeter	625	143	22.9%	125	20.0%	268	42.9%	85	13.6%	272	43.5%
Farmersville	466	74	15.9%	65	13.9%	139	29.8%	68	14.6%	259	55.6%
Lindsay	590	80	13.6%	80	13.6%	160	27.1%	82	13.9%	348	59.0%
Porterville	3,196	623	19.5%	576	18.0%	1,199	37.5%	566	17.7%	1,431	44.8%
Tulare	3,594	920	25.6%	609	16.9%	1,529	42.5%	613	17.1%	1,452	40.4%
Visalia	10,021	2,616	26.1%	1,931	19.3%	4,547	45.4%	1,802	18.0%	3,672	36.6%
Woodlake	372	71	19.1%	41	11.0%	112	30.1%	69	18.5%	191	51.3%
Unincorporated County	7,081	1,477	20.9%	1,065	15.0%	2,542	35.9%	1,169	16.5%	3,370	47.6%
Total	26,910	6,215	23.1%	4,655	17.3%	10,870	40.4%	4,575	17.0%	11,465	42.6%

Note: Percentages may not sum to 100 percent due to rounding

Appendix A: HCD Regional Housing Needs Determination Letter

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Appendix B: Proposed RHNA Methodology

Disclaimer: The Proposed RHNA Methodology and the alternative methodologies described in this appendix use a Draft RHNA Determination from HCD of 31,482. The Final RHNA Determination of 26,910 was received after the Proposed RHNA Methodology was released for public review, and is therefore not reflected in the following tables. The actual RHNA Allocations, which are based on the Final RHNA Determination, can be found on page iii and 19.

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Placeholder for Appendix B: RHNA Methodology

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Appendix C: California Government Code Section 65584 and 65584.04

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California Government Code Section 65584

(a) (1) For the fourth and subsequent revisions of the housing element pursuant to Section 65588, the department shall determine the existing and projected need for housing for each region pursuant to this article. For purposes of subdivision (a) of Section 65583, the share of a city or county of the regional housing need shall include that share of the housing need of persons at all income levels within the area significantly affected by the general plan of the city or county.

(2) While it is the intent of the Legislature that cities, counties, and cities and counties should undertake all necessary actions to encourage, promote, and facilitate the development of housing to accommodate the entire regional housing need, it is recognized, however, that future housing production may not equal the regional housing need established for planning purposes.

(b) The department, in consultation with each council of governments, shall determine each region's existing and projected housing need pursuant to Section 65584.01 at least two years prior to the scheduled revision required pursuant to Section 65588. The appropriate council of governments, or for cities and counties without a council of governments, the department, shall adopt a final regional housing need plan that allocates a share of the regional housing need to each city, county, or city and county at least one year prior to the scheduled revision for the region required by Section 65588. The allocation plan prepared by a council of governments shall be prepared pursuant to Sections 65584.04 and 65584.05 with the advice of the department.

(c) Notwithstanding any other provision of law, the due dates for the determinations of the department or for the councils of governments, respectively, regarding the regional housing need may be extended by the department by not more than 60 days if the extension will enable access to more recent critical population or housing data from a pending or recent release of the United States Census Bureau or the Department of Finance. If the due date for the determination of the department or the council of governments is extended for this reason, the department shall extend the corresponding housing element revision deadline pursuant to Section 65588 by not more than 60 days.

(d) The regional housing needs allocation plan shall be consistent with all of the following objectives:

(1) Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low and very low income households.

(2) Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns.

(3) Promoting an improved intraregional relationship between jobs and housing.

(4) 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 decennial United States census.

(e) For purposes of this section, "household income levels" are as determined by the department as of the most recent decennial census pursuant to the following code sections:

(1) Very low incomes as defined by Section 50105 of the Health and Safety Code.

(2) Lower incomes, as defined by Section 50079.5 of the Health and Safety Code.

(3) Moderate incomes, as defined by Section 50093 of the Health and Safety Code.

(4) Above moderate incomes are those exceeding the moderate income level of Section 50093 of the Health and Safety Code.

(f) Notwithstanding any other provision of law, determinations made by the department, a council of governments, or a city or county pursuant to this section or Section 65584.01, 65584.02, 65584.03, 65584.04, 65584.05, 65584.06, or 65584.07 are exempt from the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

California Government Code Section 65584.04

(a) At least two years prior to a scheduled revision required by Section 65588, each council of governments, or delegate subregion as applicable, shall develop a proposed methodology for distributing the existing and projected regional housing need to cities, counties, and cities and counties within the region or within the subregion, where applicable pursuant to this section. The methodology shall be consistent with the objectives listed in subdivision (d) of Section 65584.

(b) (1) No more than six months prior to the development of a proposed methodology for distributing the existing and projected housing need, each council of governments shall survey each of its member jurisdictions to request, at a minimum, information regarding the factors listed in subdivision (d) that will allow the development of a methodology based upon the factors established in subdivision (d).

(2) The council of governments shall seek to obtain the information in a manner and format that is comparable throughout the region and utilize readily available data to the extent possible.

(3) The information provided by a local government pursuant to this section shall be used, to the extent possible, by the council of governments, or delegate subregion as applicable, as source information for the methodology developed pursuant to this section. The survey shall state that none of the information received may be used as a basis for reducing the total housing need established for the region pursuant to Section 65584.01.

(4) If the council of governments fails to conduct a survey pursuant to this subdivision, a city, county, or city and county may submit information related to the items listed in subdivision (d) prior to the public comment period provided for in subdivision (c).

(c) Public participation and access shall be required in the development of the methodology and in the process of drafting and adoption of the allocation of the regional housing needs. Participation by organizations other than local jurisdictions and councils of governments shall be solicited in a diligent effort to achieve public participation of all economic segments of the community. The proposed methodology, along with any relevant underlying data and assumptions, and an explanation of how information about local government conditions gathered pursuant to subdivision (b) has been used to develop the proposed methodology, and how each of the factors listed in subdivision (d) is incorporated into the methodology, shall be distributed to all cities, counties, any subregions, and members of the public who have made a written request for the proposed methodology. The council of governments, or delegate subregion, as applicable, shall conduct at least one public hearing to receive oral and written comments on the proposed methodology.

(d) To the extent that sufficient data is available from local governments pursuant to subdivision (b) or other sources, each council of governments, or delegate subregion as applicable, shall include the following factors to develop the methodology that allocates regional housing needs:

(1) Each member jurisdiction's existing and projected jobs and housing relationship.

(2) The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

(A) Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.

(B) The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions. The determination of available land suitable for urban development may exclude lands where the Federal Emergency Management Agency (FEMA) or the Department of Water Resources has determined that the flood management infrastructure designed to protect that land is not adequate to avoid the risk of flooding.

- (C) Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis.
- (D) County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area.
- (3) The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.
- (4) The market demand for housing.
- (5) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county.
- (6) The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.
- (7) High-housing cost burdens.
- (8) The housing needs of farmworkers.
- (9) The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.
- (10) Any other factors adopted by the council of governments.
- (e) The council of governments, or delegate subregion, as applicable, shall explain in writing how each of the factors described in subdivision (d) was incorporated into the methodology and how the methodology is consistent with subdivision (d) of Section 65584. The methodology may include numerical weighting.
- (f) Any ordinance, policy, voter-approved measure, or standard of a city or county that directly or indirectly limits the number of residential building permits issued by a city or county shall not be a justification for a determination or a reduction in the share of a city or county of the regional housing need.
- (g) In addition to the factors identified pursuant to subdivision (d), the council of governments, or delegate subregion, as applicable, shall identify any existing local, regional, or state incentives, such as a priority for funding or other incentives available to those local governments that are willing to accept a higher share than proposed in the draft allocation to those local governments by the council of governments or delegate subregion pursuant to Section 65584.05.

(h) Following the conclusion of the 60-day public comment period described in subdivision (c) on the proposed allocation methodology, and after making any revisions deemed appropriate by the council of governments, or delegate subregion, as applicable, as a result of comments received during the public comment period, each council of governments, or delegate subregion, as applicable, shall adopt a final regional, or subregional, housing need allocation methodology and provide notice of the adoption of the methodology to the jurisdictions within the region, or delegate subregion as applicable, and to the department.

(i) (1) It is the intent of the Legislature that housing planning be coordinated and integrated with the regional transportation plan. To achieve this goal, the allocation plan shall allocate housing units within the region consistent with the development pattern included in the sustainable communities strategy.

(2) The final allocation plan shall ensure that the total regional housing need, by income category, as determined under Section 65584, is maintained, and that each jurisdiction in the region receive an allocation of units for low and very low-income households.

(3) The resolution approving the final housing need allocation plan shall demonstrate that the plan is consistent with the sustainable communities strategy in the regional transportation plan.

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Appendix D: Public Outreach and Participation Program

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Appendix E: Final RHNP Adoption Resolution