

2019 HUMBOLDT COUNTY REGIONAL HOUSING NEEDS ASSESSMENT PLAN



2018 - 2027

Sixth Housing Element Cycle

Adopted

March 21, 2019



HUMBOLDT COUNTY ASSOCIATION OF GOVERNMENTS

Regional Transportation Planning Agency

Humboldt County Local Transportation Authority

Service Authority for Freeway Emergencies

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Introduction

The Humboldt County Association of Governments (HCAOG) is a Joint Powers Authority (JPA). Membership includes Humboldt County and the cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell and Trinidad. As directed in State Government Code Section 65584, the Department of Housing and Community Development (HCD) determines the existing and projected housing need for distinct regions in the state. In consultation with HCD, HCAOG is required to adopt a Regional Housing Needs Plan (RHNP) that allocates a share of the regional housing need to each city and county.

HCAOG has prepared this Regional Housing Needs Allocation (RHNA) Plan to fulfill its mandated requirement to allocate by income category, each jurisdiction’s “fair share” of projected housing needs for the period of December 31, 2018 through August 31, 2027. This period is the 6th RHNA cycle since the requirements began in 1981. Housing allocations are important components of the Housing Element updates of the County and seven cities in Humboldt County.

Cities and Counties are not required to provide housing designated by the RHNA process. The RHNA is a distribution of housing capacity that each city and county must zone for in a planning period. It is not a construction need allocation.

6th RHNA Cycle Allocations

Development of this plan began with discussions with HCD in June of 2018. HCAOG’s received a final RHNA determination in August 27, 2018 (provided in Appendix A). HCAOG staff met with planning representatives on a regular basis from June through December. The HCAOG Board discussed the RHNA process and methodology in monthly meetings beginning in October. HCAOG’s methodology was adopted at a public hearing on December 20, 2018.

As indicated in the final determination from HCD, the 8.7-year projection period begins December 31, 2018 and ends August 31, 2027. The allocation is based on the California Department of Finance projections. The state-mandated RHNA process (Government Code Sections 65580 *et seq.*) requires HCAOG to develop a methodology that determines how to divide and allocate an overall allocation that the region receives from the state to local jurisdictions. HCD’s housing need determination is as follows:

HCD Final RHNA Determination for Humboldt County

Income Category	Percent	Housing Unit Need
Very Low*	24.4%	829
Low	15.7%	532
Moderate	18.1%	613
Above Moderate	41.8%	1,416
Total	100.0%	3,390
*Extremely-Low	12.3%	Included in Very-Low Category

At a noticed public hearing, the HCAOG Board adopted a RHNA methodology at their December 20, 2019 Board meeting. The methodology utilized available population and employment data using equal weighting. The final allocations are summarized as follows:

Final 2019 Overall RHNA

Jurisdiction	EDD Employment Data	DOF Population (1/1/2018)	Jobs Distribution	Population Distribution	Jobs-Pop 50-50 Split Allocation %	RHNA
Arcata	10,362	18,398	22.5%	13.5%	18.0%	610
Blue Lake	182	1,280	0.4%	0.9%	0.7%	23
Eureka	16,956	26,362	36.8%	19.4%	28.1%	952
Ferndale	422	1,367	0.9%	1.0%	1.0%	33
Fortuna	3,819	12,042	8.3%	8.9%	8.6%	290
Rio Dell	246	3,348	0.5%	2.5%	1.5%	51
Trinidad	387	340	0.8%	0.2%	0.5%	18
Unincorporated Area	13,754	72,865	29.8%	53.6%	41.7%	1,414
Totals	46,128	136,002	100.0%	100.0%	100.0%	3,390

Final 2019 RHNA by Income Category

Jurisdiction	Very Low Income Allocation	Low Income Allocation	Moderate Income Allocation	Above Moderate Allocation	Proposed Total RHNA Allocation
Arcata	142	95	111	262	610
Blue Lake	7	4	5	7	23
Eureka	231	147	172	402	952
Ferndale	9	5	6	13	33
Fortuna	73	46	51	120	290
Rio Dell	12	8	9	22	51
Trinidad	4	4	3	7	18
Unincorporated Area	351	223	256	583	1413
RHNA TARGETS	829	532	613	1416	3390

Allocation Comparisons

The methodology used by HCD in determining the overall RHNA determination is based on projected population and projected households for Humboldt County. HCD applies additional units to correct for overcrowding, low vacancy rates, and demolition rates. A more detailed explanation is included in HCD's RHNA Determination letter provided in Appendix A.

Of note, although HCD has cited a projected population increase of only 4,978 residents over the next 8.7 years, their methodology calls for the planning of 3,390 housing units in the planning period. HCD's required allocation percentage for Very Low Income and Low Income housing units have not changed since the 5th cycle in 2013 and have slightly decreased since the 4th cycle in 2009. A comparison of HCAOG's RHNA Determination for the last three cycles are provided below.

Comparison of HCAOG's RHNA Allocations

RHNA Cycle	Very Low		Low		Moderate		Above Moderate		Total Allocation
	%	Allocation	%	Allocation	%	Allocation	%	Allocation	
4 th	24.8%	1175	16.0%	762	17.4%	825	41.8%	1985	4747
5 th	24.4%	500	15.7%	320	17.0%	350	42.9%	890	2060
6 th	24.4%	829	15.7%	532	18.1%	613	41.8%	1416	3390

The sixth cycle allocation has not significantly increased since the 5th cycle allocation on an annualized basis.

Comparison of RHNA Cycle Planning Periods

RHNA Cycle	Planning Period (PP)	HCD Allocation/PP	Annualized RHNA
Cycle 2	12/31/90-06/30/97	5,984/6.5 years	921/year
Cycle 3	12/31/00-06/30/08	3,975/7.5 years	530/year
Cycle 4	12/31/06-06/30/14	4,747/7.5 years	633/year
Cycle 5	12/31/13-06/30/19	2,060/5.5 years	375/year
Cycle 6	12/31/18-08/31/27	3,390/8.7 years	390/year

RHNA Progress

HCAOG's RHNA Plan establishes housing development targets for member city and county state-mandated Housing Element Updates. Each of the seven incorporated cities and the County of Humboldt unincorporated area are required to update their Housing Element to accommodate adequate general plan and zoning capacity for their allocation by income. It is up to each local government to plan where and how the allocated housing units will be developed in their communities.

A look all of the housing elements previously submitted by Humboldt's local governments, only minor zoning and land use changes may be required for the cities of Arcata and Eureka. The information provided in the following tables were compiled by reviewing adopted or draft housing elements, in addition information readily available on HCD's website.

Comparison of RHNA Cycle Planning Periods

Jurisdiction	Year of Housing Element	Previously Reported Residential Housing Inventory	Reported Permits Since 5 th RHNA Cycle as of 2017
Arcata	2014 (Adopted)	887	287
Blue Lake	2018 (Draft)	95	No Reports Submitted
Eureka	2014 (Adopted)	1075	104
Ferndale	2014 (Adopted)	256	No Reports Submitted
Fortuna	2018 (Adopted)	807	9
Rio Dell	Due		No Reports Submitted
Trinidad	Due		No Reports Submitted
Humboldt County	2014 (Adopted)	4847	430

All California cities and counties are required by Government Code (Sections 65580-65590) to adopt housing elements as part of their general plans. Two cities in Humboldt County are currently out of compliance. HCD is required to review RHNA plans and housing elements. Agencies found not in compliance at the time of assignment of the new RHNA allocation must accommodate both the current and prior allocations in their update. Housing elements must be revised and updated to reflect their assigned RHNA each cycle. A city or county that does not adopt its housing element within 120 days after the due date (August 31, 2019) will be required to revise its housing element every four years on time, rather than every eight for at least two consecutive revisions (Section 65588(e)(4)). Cities and counties that have not yet adopted a housing element in the current cycle can also not disapprove an affordable housing development that does not comply with the general plan and zoning (Section 65589.5(d)(5)).

Progress made toward RHNA, by income category, since the last RHNA cycle is provided for those agencies that have reported their permit history to HCD, as of 2017. Four out of Humboldt’s eight jurisdictions have reported permit history by income level to HCD.

City of Arcata	Permits	2013 RHNA
Very Low Income	43	85
Low Income	5	56
Moderate Income	218	62
Above Moderate Income	21	160

City of Eureka	Permits	2013 RHNA
Very Low Income	0	145
Low Income	55	96
Moderate Income	8	104
Above Moderate Income	41	264

City of Fortuna	Permits	2013 RHNA
Very Low Income	0	39
Low Income	0	24
Moderate Income	4	27
Above Moderate Income	5	71

County of Humboldt	Permits	2013 RHNA
Very Low Income	31	212
Low Income	43	135
Moderate Income	195	146
Above Moderate Income	161	366

State Housing Law

State law requires each city and county to adopt a general plan. The housing element is one of the seven mandated elements of the local general plan. Housing element law, enacted in 1969, mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The housing elements of all general plans are reviewed by HCD to ensure compliance with State law. The allocation of housing need to a jurisdiction is a key component of the housing element. The State is required to allocate the region's share of the statewide housing need to Councils of Governments (COG) based on Department of Finance population (DOF) projections and regional population forecasts used in preparing regional transportation plans. The region's COG, HCAOG in Humboldt County, is then required to develop a RHNA Plan to describe the region's allocation method and determine a final allocation of housing need to the jurisdictions in the region (Government Code, Sections 65584 et seq). Recently passed Assembly Bills 1771 and 2238, effective January 1, 2019, amended RHNA legislation that will affect the 7th RHNA cycle. HCAOG's methodology was approved consistent with legislation of 2018.

State law requires that the final RHNA Plan shall be consistent with 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.

Consistent with these objectives, the adopted methodology utilized in this plan seeks to increase housing opportunity with a mix of housing types, tenure and affordability in all jurisdictions within the region by allocating units to each jurisdiction in each income category. Each jurisdiction's allocation is trended towards the regional income category average, thus working to improve imbalances in the income distributions within the region. Existing data of income categories for each jurisdiction, compiled by HCD, is provided in Appendix B. Jurisdictions must plan and zone accordingly for different levels of density, thus making different product types available for development. Higher density zoning offers the option of providing more affordable units.

Methodology

The mandated 60-day Public Notice for the 6th Regional Housing Needs Methodology began on October 14, 2018. The HCAOG Board discussed the methodology at their meeting in October and held a noticed Public Hearing on November 15, 2018. Planning representative coordinated this cycle from June through December 2018. The final methodology was adopted at their December 20, 2018 meeting. All jurisdictions were notified of the draft RHNA on January 1, 2019. There were no appeals submitted during the appeal period.

Consistent with California Government Code Section 65584.04(b), HCAOG surveyed each member jurisdiction to request information regarding the factors listed in California Government Code Section 65584.04(d), provided below. In accordance with the law, HCAOG sought to obtain the survey information in a manner and format that is comparable throughout the region and utilize readily available data to the extent possible. The law also states that none of the information received in response to the survey may be used as a basis for reducing the total housing need established for the region. Two out of the eight jurisdictions in the region (Ferndale and the County) responded to the survey. Discussions with planning staff from jurisdictions in the region emphasized that similar to prior RHNA cycles, the only readily available data comparable throughout the region are population and employment data. The source information for this data used in the methodology alternatives is posted on HCAOG's website and will be provided to anyone upon request.

California Government Code Section 65584.04(d) indicates that the following factors be considered in developing the methodology:

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

The City of Ferndale has a high percentage of retirees which supports their comment that a high population does not necessarily indicate that a significant percentage is employed. This situation should be taken into account when considering the jobs/population balance with respect to the final methodology. The County of Humboldt commented that their higher density residential zoning is centered around the more urban areas of the unincorporated areas to plan for improved jobs/housing balances in the future.

- (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.

No jurisdiction cited lack of capacity for sewer or water service due to laws or regulations. In discussions, most cities have cited issues with increased capacity, but as stated above, there is no action that would “preclude the jurisdiction from providing necessary infrastructure for additional development.”

- (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.

Both the City of Ferndale and the County of Humboldt cited significant limitations due to resource lands and prime agricultural soils. That being said, the high RHNA allocation in 2013 (1,357 more units than the current determination), lends to the fact that Humboldt’s jurisdictions should have available residential land inventories. Of our eight jurisdictions, five are in compliance with HCD regarding their Housing Elements. Of the other three, one has submitted a draft this month and is currently being reviewed.

- (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.

Jurisdictions currently exclude such lands in their housing element’s residential land inventories.

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

To preserve prime agricultural land, the County’s zoning ordinance and general plan limit the allowed uses and residential densities on prime agricultural land through its Agriculture Exclusive zoning designation. The County also implements a Williamson Act Agricultural Preserve program which keeps prime agricultural land in agricultural use.

- (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.

Transit systems serve seven of the region’s eight jurisdictions. Infill development opportunities are along existing transit routes. The response from the City of Ferndale emphasized that their city limit boundary is one square mile, that most goods and services within the City are accessible by walking or biking. Although no adjustments to the methodology based on this factor were included in the methodology, HCAOG recommends that inclusion of this need be considered in all housing element updates.

- (4) The market demand for housing.

The City of Ferndale cited a healthy housing market trend. The County of Humboldt indicated that the market demand will continue to encourage less expensive, more affordable homes in areas with full urban services.

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

There are no formal agreements offered for the methodology, although Section 66584.07 does allow a transfer between a City and the County between adoption of the final RHNA Plan and the due date of the housing element under certain conditions.

- (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.

No jurisdiction submitted information regarding the number of units at risk for the next cycle. Each individual jurisdiction should consider this category of need in their respective housing elements.

- (7) High-housing cost burdens.

High-housing cost burdens are a region-wide problem and therefore, no adjustments to the methodology based on this factor were considered.

- (8) The housing needs of farmworkers.

As defined by the California Employment Development Department (EDD), regular (year round) farmworkers are those working 150 or more days for the same employer. Seasonal workers are those who work less than 150 days annually for the same employer. Migrant seasonal workers are defined as those who travel more than 50 miles across county lines to obtain agriculture employment. The RHNA Plan concentrates on determining a needed increase in housing available for year round occupancy. It is assumed that seasonal and migrant workers will continue to be housed in non-year round units. No net increase in seasonal or migrant housing is anticipated. Regular farmworker housing has been addressed, in part, in the allocation for very low and low-income housing.

- (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.

The City of Arcata accommodates the majority of the student housing needs based on its proximity to Humboldt State University (HSU). No data or statistical information was provided to be incorporated into the RHNA methodology.

- (10) Any other factors adopted by the council of governments.

No additional factor has been considered this cycle.

The HCAOG Board considered three methodology alternatives. Data used to determine the total share to each jurisdiction was developed by the Department of Finance (population projections) and by the Labor Market Information Division of the California Employment Development Department (quarterly workforce indicators). The following table summarizes this data and outcome:

Alternative 1: Weighting jobs at 40% and population at 60%

Jurisdiction	EDD Employment Data	DOF Population (1/1/2018)	Jobs Distribution	Population Distribution	Jobs-Pop Allocation %	RHNA
Arcata	10,362	18,398	22.5%	13.5%	17.1%	580
Blue Lake	182	1,280	0.4%	0.9%	0.7%	24
Eureka	16,956	26,362	36.8%	19.4%	26.3%	893
Ferndale	422	1,367	0.9%	1.0%	1.0%	33
Fortuna	3,819	12,042	8.3%	8.9%	8.6%	292
Rio Dell	246	3,348	0.5%	2.5%	1.7%	57
Trinidad	387	340	0.8%	0.2%	0.5%	16
Unincorporated Area	13,754	72,865	29.8%	53.6%	44.1%	1,494
Totals	46,128	136,002	100.0%	100.0%	100.0%	3,390

Alternative 2: Weighting jobs at and population at 50%

Jurisdiction	EDD Employment Data	DOF Population (1/1/2018)	Jobs Distribution	Population Distribution	Jobs-Pop Allocation %	RHNA
Arcata	10,362	18,398	22.5%	13.5%	18.0%	610
Blue Lake	182	1,280	0.4%	0.9%	0.7%	23
Eureka	16,956	26,362	36.8%	19.4%	28.1%	952
Ferndale	422	1,367	0.9%	1.0%	1.0%	33
Fortuna	3,819	12,042	8.3%	8.9%	8.6%	290
Rio Dell	246	3,348	0.5%	2.5%	1.5%	51
Trinidad	387	340	0.8%	0.2%	0.5%	18
Unincorporated Area	13,754	72,865	29.8%	53.6%	41.7%	1,414
Totals	46,128	136,002	100.0%	100.0%	100.0%	3,390

Alternative 3: Weighting jobs at 60% and population at 40%

Jurisdiction	EDD Employment Data	DOF Population (1/1/2018)	Jobs Distribution	Population Distribution	Jobs-Pop Allocation %	RHNA
Arcata	10,362	18,398	22.5%	13.5%	18.9%	640
Blue Lake	182	1,280	0.4%	0.9%	0.6%	21
Eureka	16,956	26,362	36.8%	19.4%	29.8%	1011
Ferndale	422	1,367	0.9%	1.0%	1.0%	32
Fortuna	3,819	12,042	8.3%	8.9%	8.5%	288
Rio Dell	246	3,348	0.5%	2.5%	1.3%	44
Trinidad	387	340	0.8%	0.2%	0.6%	20
Unincorporated Area	13,754	72,865	29.8%	53.6%	39.3%	1,333
Totals	46128	136,002	100.0%	100.0%	100.0%	3,390

The HCAOG Board fully considered Alternatives 2 and 3 at their November and December meetings. Alternative 2, the methodology utilizing an equal 50/50 jobs/population weighting was adopted as the methodology for the 6th RHNA cycle. The following tables show the most recent data of income categories by jurisdiction (Appendix B), with the regional average at the bottom. The adopted methodology takes the differences into consideration in allocation the RHNA by income category to move all jurisdictions towards the regional averages.

Percentage of Households by Income Category by Jurisdiction per 2012-2016 Census					
	Very Low (<50% MHI)	Low (50-80% MHI)	Moderate (80-120% MHI)	Above Moderate (>120% MHI)	TOTAL UNITS
Arcata	36.99%	16.32%	16.57%	30.12%	610
Blue Lake	18.53%	19.27%	13.47%	48.73%	23
Eureka	25.85%	18.36%	18.31%	37.48%	952
Ferndale	21.84%	20.96%	22.76%	34.44%	33
Fortuna	21.32%	15.28%	22.60%	40.79%	290
Rio Dell	27.88%	13.96%	16.47%	41.70%	51
Trinidad	22.25%	8.11%	22.58%	47.06%	18
Unincorporated Area	21.27%	14.51%	17.70%	46.51%	1413
HCD Regional Targets	24.45%	15.69%	18.08%	41.77%	3390

Source: 2012-2016 American Communities Survey Table DP03. Median Household Income (MHI) = \$42,682

The following series of tables show the methodology proposed to bring each city closer to HCD's regional targets. Using the same methodology from the last RHNA cycle, each city's percentage was adjusted by 10% towards the regional target. When the total units ended up less than HCD's regional target, an additional unit was added to the agency with the 2012-16 ACS data farthest away from the regional target. The following examples show the methodology for both Arcata, with the highest percentage of very low income units, and Blue Lake, with the lowest percentage of very low income units in the region:

Arcata: $36.99\% - (36.99\% - 24.45\%) \times 110\% = 23.20\%$ 23.20% of 610 units = 142 units

Blue Lake: $18.53\% - (18.53\% - 24.45\%) \times 110\% = 25.04\%$ 25.04% of 23 units = 7 units. A final adjustment of one unit was then added to Blue Lake's very low income category to meet HCD's Very Low Income RHNA target.

VERY LOW					
Jurisdiction	Very Low Income (<50% MHI)	110% Adjustment towards Regional Goal of 24.45%	Income Allocation using adjusted %	Jurisdictional adjustment to meet HCD target	Income Level Allocation
Arcata	36.99%	23.20%	142		142
Blue Lake	18.53%	25.04%	6	+1	7
Eureka	25.85%	24.31%	231		231
Ferndale	21.84%	24.71%	8	+1	9
Fortuna	21.32%	24.76%	72	+1	73
Rio Dell	27.88%	24.11%	12		12
Trinidad	22.25%	24.67%	4		4
Unincorporated Area	21.27%	24.77%	350	+1	351
RHNA TARGETS	829 Units		825	+4	829

LOW					
Jurisdiction	Low Income (50-80% MHI)	110% Adjustment towards Regional Goal of 15.69%	Income Allocation using adjusted %	Jurisdictional adjustment to meet HCD target	Income Level Allocation
Arcata	16.32%	15.63%	95		95
	19.27%	15.34%	4		4
Eureka	18.36%	15.43%	147		147
Ferndale	20.96%	15.17%	5		5
Fortuna	15.28%	15.73%	46		46
Rio Dell	13.96%	15.87%	8		8
Trinidad	8.11%	16.45%	3	+1	4
Unincorporated Area	14.51%	15.81%	223		223
RHNA TARGETS	532 Units		531	+1	532

MODERATE					
Jurisdiction	Moderate (80-120% MHI)	110% Adjustment towards Regional Goal of 18.08%	Income Allocation Using Adjusted %	Jurisdictional adjustment to meet HCD target	Income Level Allocation
Arcata	16.57%	18.24%	111		111
Blue Lake	13.47%	18.55%	4	+1	5
Eureka	18.31%	18.06%	172		172
Ferndale	22.76%	17.62%	6		6
Fortuna	22.60%	17.64%	51		51
Rio Dell	16.47%	18.25%	9		9
Trinidad	22.58%	17.64%	3		3
Unincorporated Area	17.70%	18.13%	256		256

RHNA TARGETS	613 Units		612	+1	613
	ABOVE MODERATE INCOME				
Jurisdiction	Above Moderate Income (>120% MHI)	110% Adjustment towards Regional Goal of 41.77%	Income Allocation using adjusted %	Jurisdictional adjustment to meet HCD target	Income Level Allocation
Arcata	30.12%	42.93%	262		262
Blue Lake	48.73%	41.07%	9	-2	7
Eureka	37.48%	42.20%	402		402
Ferndale	34.44%	42.50%	14	-1	13
Fortuna	40.79%	41.87%	121	-1	120
Rio Dell	41.70%	41.77%	21	+1	22
Trinidad	47.06%	41.24%	7		7
Unincorporated Area	46.51%	41.29%	583		583
RHNA TARGETS	1416 Units		1419	-3	1416

The jurisdictional adjustments in the Above Moderate Income table were applied to meet the total RHNA allocations by income category determined by HCD. The following table summarizes proposed 50/50 jobs/population split RHNA allocations by income category for the region:

Jurisdiction	Very Low Income Allocation	Low Income Allocation	Moderate Income Allocation	Above Moderate Allocation	Proposed Total RHNA Allocation
Arcata	142	95	111	262	610
Blue Lake	7	4	5	7	23
Eureka	231	147	172	402	952
Ferndale	9	5	6	13	33
Fortuna	73	46	51	120	290
Rio Dell	12	8	9	22	51
Trinidad	4	4	3	7	18
Unincorporated Area	351	223	256	583	1413
RHNA TARGETS	829	532	613	1416	3390

Appendix A

Final Determination Letter from the State of California Department of Housing and Community Development

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



August 27, 2018

Ms. Marcella Clem, Executive Director
Humboldt County Association of Governments
611 I Street, Suite B
Eureka, CA 95501

Dear Ms. Clem:

RE: Final 6th Cycle Regional Housing Need Determination

This letter provides Humboldt County Association of Governments (HCAOG) its Regional Housing Need Assessment (RHNA) for the projection period starting December 31, 2018 and ending August 31, 2027). Pursuant to state housing element law, Government Code section 65584, et seq., the Department of Housing and Community Development (HCD) is required to determine each region's housing need.

The December 2018 projection start date is based on Gov. Code section 65584(e)(6) that specifies December 31 or June 30, whichever date most closely precedes the end date of the current housing element cycle date, that is June 2019 for Humboldt County governments. The August 2027 end date, pursuant to Gov. Code section 65584(e)(3), reflects the end date of local government's new 6th cycle 8-year housing element.

In assessing HCAOG's regional housing need, the Department and HCAOG's staff completed a consultation process covering the Department's methodology, data sources, and timeline for both the Department's RHNA Determination and HCAOG's RHNA Plan. The Department also consulted with Mr. Walter Schwarm of the California Department of Finance (DOF) Demographic Research Unit.

Attachment 1 displays minimum RHNA of **3,390** total units among four income categories for HCAOG to distribute among its local governments. Attachment 2 explains methodology applied pursuant to Gov. Code section 65584.01. In finalizing HCAOG's housing need, HCD considered information specified in Gov. Code section 65584.01(c).

The Department, pursuant to Gov. Code section 65584(c), extended HCAOG's 6th cycle regional housing need determination by 60 days to consider updated Department of Finance information and therefore extended the local government's housing element adoption due date to August 31, 2019. The Department received HCAOG's required notification in December 2016 identifying a December 2017 estimated RTP adoption date for HCD to provide its RHNA determination by June 30, 2017. The Department appreciates the cooperation of HCAOG and local governments to submit HCAOG's RHNA plan before December 31, 2018 for HCD approval and for local governments to submit their adopted housing element before August 31, 2019.

Page 2

Pursuant to Gov. Code section 65584(d), the methodology to prepare HCAOG's RHNA plan must be consistent with the following objectives:

- (1) Increasing the housing supply and mix of housing types, tenure, and affordability
- (2) Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns
- (3) Promoting an improved intraregional relationship between jobs and housing
- (4) Balancing disproportionate household income distributions

Pursuant to Gov. Code section 65584.04(d), to the extent data is available, HCAOG should include the factors listed in Gov. Code section 65584.04(d)(1-10) to develop its RHNA plan, and pursuant to Gov. Code section 65584.04(e), HCAOG must explain in writing how each of these factors was incorporated into the RHNA plan methodology.

The Department commends HCAOG for its leadership in fulfilling its important role in advancing the state's housing, transportation, and environmental goals. The Department especially thanks Marcella Clem for her significant efforts and assistance. The Department looks forward to its continued partnership with HCAOG and its member jurisdictions and assisting HCAOG in its planning efforts to accommodate the region's share of housing need.

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Megan Kirkeby, Assistant Deputy Director for Fair Housing, at (916) 263-7428 or megan.kirkeby@hcd.ca.gov, or Tom Brinkhuis, Housing Policy Analyst at 916-263-6651 or tom.brinkhuis@hcd.ca.gov.

Sincerely,



Zachary Olmstead
Deputy Director

Enclosures

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION

Humboldt County Association of Governments
December 31, 2018 through August 31, 2027

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	24.4%	829
Low	15.7%	532
Moderate	18.1%	613
Above-Moderate	41.8%	1416
Total	100.0%	3390
* Extremely-Low	12.3%	Included in Very-Low Category

Notes:

Income Distribution:

Income categories are prescribed by California Health and Safety Code (Section 50093, et. seq.). Percents are derived based on Census/ACS reported household income brackets and County median income.

ATTACHMENT 2

**HCD REGIONAL HOUSING NEED DETERMINATION:
Humboldt COAG December 31, 2018 – August 31, 2027**

Methodology

Humboldt County: December 31, 2018 – August 31, 2027 (8.7 years) HCD Determined Population, Households, & Housing Unit Need				
1.	Population: Population: August 31, 2027 – DOF June 30, 2028 projection adjusted minus 10 months			140,980
2.	- Group Quarters Population: August 31, 2027– DOF June 30, 2028 projection adjusted minus 10 months			-6,090
3.	Household (HH) Population			134,890
	Household Formation Groups	HCD Adjusted DOF Projected HH Population	DOF HH Formation Rates	HCD Adjusted DOF Projected Households
		134,890		59,185
	under 15 years	21,825	n/a	n/a
	15 – 24 years	21,375	20.51%	4,385
	25 – 34 years	15,600	48.24%	7,526
	35 – 44 years	14,365	52.50%	7,542
	45 – 54 years	16,530	56.99%	9,420
	55 – 64 years	13,925	63.07%	8,783
	65 – 74 years	16,750	66.72%	11,176
	75 – 84 years	11,370	69.65%	7,920
	85+	3,150	77.20%	2,433
4.	Projected Households (Occupied Unit Stock)			59,185
5.	+ Vacancy Adjustment (1.55%)			915
6.	+ Overcrowding Adjustment (0.41%)			245
7.	+ Replacement Adjustment (0.35%)			205
8.	- Occupied Units (HHs) estimated January 1, 2019			-57,160
6th Cycle Regional Housing Need Assessment (RHNA)				3,390

Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Government Code Section 65584.01, projections were extrapolated from (DOF) projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institute, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons, by age groups, to form households at different rates based on Census trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment (standard 4% maximum to total housing stock) and adjusts the percentage based on the County's current "for rent and sale" vacancy percentage to provide healthy market vacancies to facilitate housing availability and resident mobility. Adjustment is difference between standard 4% vacancy rate and County's current vacancy rate based on the 2012-2016 American Community Survey (ACS) data.
6. Overcrowding Adjustment: In Counties where overcrowding is greater than the U.S. overcrowding rate of 3.34%, HCD applies an adjustment based on the amount the County's overcrowding rate exceeds the U.S. overcrowding rate. Data is from the 2012-2016 ACS.
7. Replacement Adjustment: HCD applies a replacement adjustment up to 5% of total housing stock based on the current 10-year annual average percent of demolitions, applied to length of the projection period. Data is from County local government housing survey reports to DOF.
8. Occupied Units: This figure reflects DOF's estimate of occupied units at the start of the January closest to the projection period start date, per DOF E-5 report.

Appendix B

Housing Data provided by the State of California Department of Housing and Community Development

Determination of County's Number/Percentage of Households By Income Category

ACS 2012-2016

Arcata

Income Limits in Each Category:

Median Household Income 42,685

Max % of Median	Starting	Highest
Extremely low (30%)	-	\$ 12,806
Very Low (50%)	\$ 12,807	\$ 21,343
Low (80%)	\$ 21,344	\$ 34,148
Moderate (120%)	\$ 34,149	\$ 51,222
Above Moderate	\$ 51,223	all else

Households in Bracket	Income Brackets		Extreme Low	carryover	Very Low	carryover	Low	carryover	Moderate	carryover	Above Moderate
1,234	\$ -	\$ 10,000	1,234	1	-						
807	\$ 10,000	\$ 14,999	453	354	354						
929	\$ 15,000	\$ 24,999	-	-	589	340	340				
897	\$ 25,000	\$ 34,999	-	-	-	-	821	76	76		
1,061	\$ 35,000	\$ 49,999	-	-	-	-	-	-	1,061		
838	\$ 50,000	\$ 74,999	-	-	-	-	-	-	41	797	797
549	\$ 75,000	\$ 99,999	-	-	-	-	-	-	-	-	549
476	\$ 100,000	\$ 149,999	-	-	-	-	-	-	-	-	476
184	\$ 150,000	\$ 199,999	-	-	-	-	-	-	-	-	184
136	\$ 200,000	\$ 999,999	-	-	-	-	-	-	-	-	136
7,111			1,687		2,630		1,160		1,178		2,142
100.00%			23.72%		36.99%		16.32%		16.57%		30.12%

Note: "carryover" column reflects calculation of households (ratio) counted in next income group. Group Income is calculated by multiplying county median income against percentage (50%/80%/120%) representing income category

Source: 2012-2016 American Communities Survey DP03 Data

http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?_afpt=table

Determination of County's Number/Percentage of Households By Income Category

ACS 2012-2016

Blue Lake

Income Limits in Each Category:

Median Household Income 42,685

Max % of Median	Starting	Highest
Extremely low (30%)	-	\$ 12,806
Very Low (50%)	\$ 12,807	\$ 21,343
Low (80%)	\$ 21,344	\$ 34,148
Moderate (120%)	\$ 34,149	\$ 51,222
Above Moderate	\$ 51,223	all else

Households in Bracket	Income Brackets		Extreme Low	carryover	Very Low	carryover	Low	carryover	Moderate	carryover	Above Moderate
36	\$ -	\$ 10,000	36	1	-						
26	\$ 10,000	\$ 14,999	15	11	11						
39	\$ 15,000	\$ 24,999	-	-	25	14	14				
83	\$ 25,000	\$ 34,999	-	-	-	-	76	7	7		
52	\$ 35,000	\$ 49,999	-	-	-	-	-	-	52		
81	\$ 50,000	\$ 74,999	-	-	-	-	-	-	4	77	77
73	\$ 75,000	\$ 99,999	-	-	-	-	-	-	-	-	73
63	\$ 100,000	\$ 149,999	-	-	-	-	-	-	-	-	63
11	\$ 150,000	\$ 199,999	-	-	-	-	-	-	-	-	11
4	\$ 200,000	\$ 999,999	-	-	-	-	-	-	-	-	4
468			51		87		90		63		228
100.00%			10.81%		18.53%		19.27%		13.47%		48.73%

Note: "carryover" column reflects calculation of households (ratio) counted in next income group. Group Income is calculated by multiplying county median income against percentage (50%/80%/120%) representing income category

Source: 2012-2016 American Communities Survey DP03 Data

<http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

Determination of County's Number/Percentage of Households By Income Category

ACS 2012-2016

Eureka

Income Limits in Each Category:

Median Household Income 42,685

Max % of Median	Starting	Highest
Extremely low (30%)	-	\$ 12,806
Very Low (50%)	\$ 12,807	\$ 21,343
Low (80%)	\$ 21,344	\$ 34,148
Moderate (120%)	\$ 34,149	\$ 51,222
Above Moderate	\$ 51,223	all else

Households in Bracket	Income Brackets		Extreme Low	carryover	Very Low	carryover	Low	carryover	Moderate	carryover	Above Moderate
657	\$ -	\$ 10,000	657	1	-						
1,034	\$ 10,000	\$ 14,999	580	454	454						
1,801	\$ 15,000	\$ 24,999	-	-	1,142	659	659				
1,480	\$ 25,000	\$ 34,999	-	-	-	-	1,354	126	126		
1,786	\$ 35,000	\$ 49,999	-	-	-	-	-	-	1,786		
1,957	\$ 50,000	\$ 74,999	-	-	-	-	-	-	96	1,861	1,861
1,123	\$ 75,000	\$ 99,999	-	-	-	-	-	-	-	-	1,123
794	\$ 100,000	\$ 149,999	-	-	-	-	-	-	-	-	794
126	\$ 150,000	\$ 199,999	-	-	-	-	-	-	-	-	126
204	\$ 200,000	\$ 999,999	-	-	-	-	-	-	-	-	204
10,962			1,237		2,833		2,013		2,008		4,108
100.00%			11.29%		25.85%		18.36%		18.31%		37.48%

Note: "carryover" column reflects calculation of households (ratio) counted in next income group. Group Income is calculated by multiplying county median income against percentage (50%/80%/120%) representing income category

Source: 2012-2016 American Communities Survey DP03 Data

<http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

Determination of County's Number/Percentage of Households By Income Category

ACS 2012-2016

Ferndale

Income Limits in Each Category:

Median Household Income 42,685

Max % of Median	Starting	Highest
Extremely low (30%)	-	\$ 12,806
Very Low (50%)	\$ 12,807	\$ 21,343
Low (80%)	\$ 21,344	\$ 34,148
Moderate (120%)	\$ 34,149	\$ 51,222
Above Moderate	\$ 51,223	all else

Households in Bracket	Income Brackets		Extreme Low	carryover	Very Low	carryover	Low	carryover	Moderate	carryover	Above Moderate
44	\$ -	\$ 10,000	44	1	-						
26	\$ 10,000	\$ 14,999	15	11	11						
119	\$ 15,000	\$ 24,999	-	-	75	44	44				
105	\$ 25,000	\$ 34,999	-	-	-	-	96	9	9		
138	\$ 35,000	\$ 49,999	-	-	-	-	-	-	138		
95	\$ 50,000	\$ 74,999	-	-	-	-	-	-	5	90	90
55	\$ 75,000	\$ 99,999	-	-	-	-	-	-	-	-	55
43	\$ 100,000	\$ 149,999	-	-	-	-	-	-	-	-	43
14	\$ 150,000	\$ 199,999	-	-	-	-	-	-	-	-	14
27	\$ 200,000	\$ 999,999	-	-	-	-	-	-	-	-	27
666			59		145		140		152		229
100.00%			8.80%		21.84%		20.96%		22.76%		34.44%

Note: "carryover" column reflects calculation of households (ratio) counted in next income group. Group Income is calculated by multiplying county median income against percentage (50%/80%/120%) representing income category

Source: 2012-2016 American Communities Survey DP03 Data

<http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

**Determination of County's Number/Percentage of Households By Income Category
ACS 2012-2016**

Fortuna

Income Limits in Each Category:

Median Household Income 42,685

Max % of Median	Starting	Highest
Extremely low (30%)	-	\$ 12,806
Very Low (50%)	\$ 12,807	\$ 21,343
Low (80%)	\$ 21,344	\$ 34,148
Moderate (120%)	\$ 34,149	\$ 51,222
Above Moderate	\$ 51,223	all else

Households in Bracket	Income Brackets		Extreme Low	carryover	Very Low	carryover	Low	carryover	Moderate	carryover	Above Moderate
201	\$ -	\$ 10,000	201	1	-						
372	\$ 10,000	\$ 14,999	209	163	163						
590	\$ 15,000	\$ 24,999	-	-	374	216	216				
506	\$ 25,000	\$ 34,999	-	-	-	-	463	43	43		
921	\$ 35,000	\$ 49,999	-	-	-	-	-	-	921		
817	\$ 50,000	\$ 74,999	-	-	-	-	-	-	40	777	777
532	\$ 75,000	\$ 99,999	-	-	-	-	-	-	-	-	532
369	\$ 100,000	\$ 149,999	-	-	-	-	-	-	-	-	369
99	\$ 150,000	\$ 199,999	-	-	-	-	-	-	-	-	99
35	\$ 200,000	\$ 999,999	-	-	-	-	-	-	-	-	35
4,442			410		947		679		1,004		1,812
100.00%			9.22%		21.32%		15.28%		22.60%		40.79%

Note: "carryover" column reflects calculation of households (ratio) counted in next income group. Group Income is calculated by multiplying county median income against percentage (50%/80%/120%) representing income category

Source: 2012-2016 American Communities Survey DP03 Data

<http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

Determination of County's Number/Percentage of Households By Income Category

ACS 2012-2016

Rio Dell

Income Limits in Each Category:

Median Household Income 42,685

Max % of Median	Starting	Highest
Extremely low (30%)	-	\$ 12,806
Very Low (50%)	\$ 12,807	\$ 21,343
Low (80%)	\$ 21,344	\$ 34,148
Moderate (120%)	\$ 34,149	\$ 51,222
Above Moderate	\$ 51,223	all else

Households in Bracket	Income Brackets		Extreme Low	carryover	Very Low	carryover	Low	carryover	Moderate	carryover	Above Moderate
92	\$ -	\$ 10,000	92	1	-						
156	\$ 10,000	\$ 14,999	88	68	68						
223	\$ 15,000	\$ 24,999	-	-	141	82	82				
124	\$ 25,000	\$ 34,999	-	-	-	-	113	11	11		
205	\$ 35,000	\$ 49,999	-	-	-	-	-	-	205		
296	\$ 50,000	\$ 74,999	-	-	-	-	-	-	14	282	282
197	\$ 75,000	\$ 99,999	-	-	-	-	-	-	-	-	197
94	\$ 100,000	\$ 149,999	-	-	-	-	-	-	-	-	94
10	\$ 150,000	\$ 199,999	-	-	-	-	-	-	-	-	10
0	\$ 200,000	\$ 999,999	-	-	-	-	-	-	-	-	-
1,397			180		389		195		230		583
100.00%			12.85%		27.88%		13.96%		16.47%		41.70%

Note: "carryover" column reflects calculation of households (ratio) counted in next income group. Group Income is calculated by multiplying county median income against percentage (50%/80%/120%) representing income category

Source: 2012-2016 American Communities Survey DP03 Data

<http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

Determination of County's Number/Percentage of Households By Income Category

ACS 2012-2016

Trinidad

Income Limits in Each Category:

Median Household Income 42,685

Max % of Median	Starting	Highest
Extremely low (30%)	-	\$ 12,806
Very Low (50%)	\$ 12,807	\$ 21,343
Low (80%)	\$ 21,344	\$ 34,148
Moderate (120%)	\$ 34,149	\$ 51,222
Above Moderate	\$ 51,223	all else

Households in Bracket	Income Brackets		Extreme Low	carryover	Very Low	carryover	Low	carryover	Moderate	carryover	Above Moderate
4	\$ -	\$ 10,000	4	1	-						
7	\$ 10,000	\$ 14,999	4	3	3						
23	\$ 15,000	\$ 24,999	-	-	15	8	8				
1	\$ 25,000	\$ 34,999	-	-	-	-	1	0	0		
25	\$ 35,000	\$ 49,999	-	-	-	-	-	-	25		
18	\$ 50,000	\$ 74,999	-	-	-	-	-	-	1	17	17
13	\$ 75,000	\$ 99,999	-	-	-	-	-	-	-	-	13
9	\$ 100,000	\$ 149,999	-	-	-	-	-	-	-	-	9
3	\$ 150,000	\$ 199,999	-	-	-	-	-	-	-	-	3
12	\$ 200,000	\$ 999,999	-	-	-	-	-	-	-	-	12
115			8		26		9		26		54
100.00%			6.89%		22.25%		8.11%		22.58%		47.06%

Note: "carryover" column reflects calculation of households (ratio) counted in next income group. Group Income is calculated by multiplying county median income against percentage (50%/80%/120%) representing income category

Source: 2012-2016 American Communities Survey DP03 Data

<http://factfinder2.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

Determination of County's Number/Percentage of Households By Income Category

ACS 2012-2016

Humboldt County

Income Limits in Each Category:

Median Household Income **42,685**

Max % of Median	Starting	Highest
Extremely low (30%)	-	\$ 12,806
Very Low (50%)	\$ 12,807	\$ 21,343
Low (80%)	\$ 21,344	\$ 34,148
Moderate (120%)	\$ 34,149	\$ 51,222
Above Moderate	\$ 51,223	all else

Households in Bracket	Income Brackets		Extreme Low	carryover	Very Low	carryover	Low	carryover	Moderate	carryover	Above Moderate
1,926	\$ -	\$ 10,000	1,926	1	-						
1,901	\$ 10,000	\$ 14,999	1,067	834	834						
3,535	\$ 15,000	\$ 24,999	-	-	2,242	1,293	1,293				
3,112	\$ 25,000	\$ 34,999	-	-	-	-	2,847	265	265		
4,524	\$ 35,000	\$ 49,999	-	-	-	-	-	-	4,524		
5,353	\$ 50,000	\$ 74,999	-	-	-	-	-	-	262	5,091	5,091
3,330	\$ 75,000	\$ 99,999	-	-	-	-	-	-	-	-	3,330
3,027	\$ 100,000	\$ 149,999	-	-	-	-	-	-	-	-	3,027
953	\$ 150,000	\$ 199,999	-	-	-	-	-	-	-	-	953
867	\$ 200,000	\$ 999,999	-	-	-	-	-	-	-	-	867
28,528			2,993		6,069		4,140		5,051		13,268
100.00%			10.49%		21.27%		14.51%		17.70%		46.51%

Note: "carryover" column reflects calculation of households (ratio) counted in next income group. Group Income is calculated by multiplying county median income against percentage (50%/80%/120%) representing income category

Source: 2012-2016 American Communities Survey DP03 Data

http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?_afpt=table