

STAFF REPORT

SUBJECT: Regional Housing Needs Allocation (RHNA)

MEETING DATE: March 20, 2008

AGENDA ITEM: 10

STAFF CONTACT: Brian Bresolin, Michael Powers

RECOMMENDATION:

Consider recommendation of Technical Planning Advisory Committee and approve Regional Housing Needs Allocation (RHNA) Scenario and Income Distribution.

SUMMARY:

In February, your board reviewed a Regional Housing Needs Allocation scenario recommended by TPAC and after considerable discussion referred this item back to TPAC directing that TPAC develop a consensus on a preferred allocation scenario. TPAC has met twice since the board meeting in attempting to develop a consensus and is recommending approval of a revised scenario that weights existing jobs by 50%, job growth by 25%, and housing growth by 25% (Table 1). TPAC also approved a methodology to allocate this housing need by income group.

DISCUSSION:

RHNA Allocation Scenario

In February, your board reviewed a Regional Housing Needs Allocation scenario recommended by TPAC (the Technical Planning Advisory Committee composed of representatives from your local planning departments and SBCAG staff) and after considerable discussion redirected this item back to TPAC to reach consensus on a preferred allocation scenario. TPAC met on February 28 and March 12 and after considerable discussion, spanning a total of 6 hours approved a scenario that weighted existing jobs by 50%, job growth by 25%, and housing growth by 25% (Table 1). This recommendation was adopted by an 8 – 2 vote (Santa Barbara City and Santa Barbara County representatives voted in opposition, Lompoc representative was listening in via. conference phone but was unable to vote due to Brown Act Noticing requirements). Other scenarios were considered and rejected by TPAC, some by informal agreement, some by vote. There was extensive discussion and debate among all members of TPAC and a variety of scenarios were considered including some hybrid scenarios which averaged two allocation methods in an attempt to reach a compromise (Attachment 1).

Member Agencies

Buellton ■ Carpinteria ■ Goleta ■ Guadalupe ■ Lompoc ■ Santa Barbara ■ Santa Maria ■ Solvang ■ Santa Barbara County

Although TPAC has devoted considerable time and effort, it is clear that there is no single scenario that is going to receive unanimous support by the members. The board may wish to approve the TPAC recommendation or will need to provide direction on an alternative.

Table 1
Recommended TPAC Regional Housing Needs Allocation

Region/Jurisdiction	TPAC Recommendation 2007-2014 RHNA Allocation
South County	5,406
Carpinteria City	343
Santa Barbara City	3,039
Goleta City	1,443
Unincorporated South Coast	581
Santa Ynez Region	705
Solvang	170
Buellton	292
Unincorporated Santa Ynez Valley	243
Lompoc Region	1,200
Lompoc City	919
Unincorporated Lompoc Valley	281
Santa Maria Region	4,289
Santa Maria City	3,472
Guadalupe City	175
Unincorporated Santa Maria Valley	642
Unincorporated Total	1,747
County Total	11,600

RHNA Income Distribution

Once an allocation methodology is approved, the next step in the RHNA process is to allocate the recommended household growth by household income level. The household income categories are based on the year 2000 census distributions and adjusted to address those areas that have a higher proportion of very low and low income household. This is done in an attempt to compensate for impaction of very low and low income households in any one jurisdiction. The method is the same as the one developed for the prior 2002 RHNA Plan. TPAC agreed (with City of Santa Barbara abstaining) to support use of this income distribution formula, after considering this and another formula proposed by Lompoc city staff, at its meeting on March 12. Table 2 shows the income distribution for each jurisdiction using the TPAC recommended allocation methodology.

The methodology is described below:

- Income groups are adjusted to equal the countywide average of very low and low proportions.

- For example, if very low or low is less than countywide average, then additional proportion of units are added (If higher, then subtract).
- Example: City of Carpinteria - Very low is 19, Countywide - Very low is 23.
Result: (23-19=4)
Add 4 percent to Carpinteria very low so it equals countywide average.
- The same is done for the low Income category.
- The very low and low is then added/subtracted out of moderate/above moderate proportionately so the total equals 100 percent.
- After the aforementioned process was completed, the countywide totals for each income level needed some minor adjustments to equal the countywide HCD allocation by income level.
- There were several hundred households too many which were allocated to the very low and too few in the above moderate income levels. To adjust for this an equal proportion of households for each jurisdiction were subtracted from the very low and allocated to the above moderate category.

Table 2
TPAC Recommended Household Income Distribution

Region/ Jurisdiction	TPAC Recomm. 25% Job Growth 50% Existing Jobs 25% Hslid. Growth	Income Distribution							
		Very Low		Low		Moderate		Above Moderate	
		Units	Percent	Units	Percent	Units	Percent	Units	Percent
South County Region									
Total	5,406	1,243	23	919	17	823	15	2,421	45
Carpinteria City	343	79	23	58	17	60	18	145	42
Santa Barbara City	3,039	699	23	517	17	504	17	1,319	43
Unincorporated South County	581	134	23	99	17	62	11	287	49
Goleta City	1,443	332	23	245	17	196	14	669	46
Santa Ynez Region									
Total	705	162	23	120	17	93	13	330	47
Solvang City	170	39	23	29	17	25	15	77	45
Buellton City	292	67	23	50	17	47	16	128	44
Unincorporated Santa Ynez Valley	243	56	23	41	17	21	9	125	51
Lompoc Region									
Total	1,200	276	23	204	17	270	23	450	37
Lompoc City	919	211	23	156	17	212	23	339	37
Unincorporated Lompoc/VAFB	281	65	23	48	17	58	21	111	39
Santa Maria Region									
Total	4,289	985	23	730	17	1,017	24	1,558	36
Santa Maria City	3,472	799	23	590	17	858	25	1,229	35
Guadalupe City	175	40	23	30	17	40	23	65	37
Unincorporated Santa Maria Valley	642	146	23	110	17	120	19	263	41
Unincorporated Total	1,747	400	23	298	17	261	15	786	45
County Total	11,600	2,666	23	1,973	17	2,203	19	4,759	41

A conceptual example of the methodology is provided below:

Income Distribution Adjustment

Future distribution of new Very low and Low income households compared to countywide average and adjusted down if too high or up if too low.

Example:

	Jurisdiction A	Countywide	Down Adjustment
Very Low	41%	24%	-17%
Low	25%	17%	-8%
	Jurisdiction B		Adjustment Up
Very Low	12%	24%	+12%
Low	15%	17%	+2%

Table 2 applies this methodology to the TPAC Recommended Scenario 50:25:25. Column 2 provides the initial year 2000 Census income group distributions (which provide the basis for the adjusted household allocations), column 3 the result, and in column 4, for comparison purposes, the prior 2002 RHNA income group distributions.

Next Steps

Staff will work with TPAC in preparing a draft Plan for consideration by your board in April. This Plan will undergo public review and comment at the April meeting and then be revised accordingly and distributed to the cities, county, and public for a 60-day review period. Table 3 provides an updated schedule.

COMMITTEE REVIEW

As indicated above, TPAC met on February 28 and March 12 and engaged in protracted discussions about this issue before adopting recommendations on the allocation scenario and income distribution.

ATTACHMENT

- I. Table comparing the various RHNA Scenarios considered by TPAC is attached
- II. Income Group Adjustment Methodology Applied to TPAC Recommendation 50% Existing Jobs, 25% Job Growth, 25% Hsld Growth

Table 3
Regional Housing Needs Plan Timeline, 2008

Nov. 12, 2007	Final SBCAG Regional Housing Need Allocation by HCD
Nov. 07 – Feb. 08	Development of RHNA Allocation Methodology
Feb. 21	Board consideration of draft allocation methodology
March 20	SBCAG Board consideration of proposed allocation methodology and income distribution
April 17	SBCAG approves allocation methodology and releases methodology and draft plan (60 day review)
April – June	Local agency and public review of draft plan
June 26	Est. Deadline for local agency request for revision
July 17	Board holds hearing and approves (Proposed) final plan if no local appeals, if appeals
August 21	If appeal submitted by local agency, Board holds hearing and approves final RHNA (60-day HCD review)
Nov. 2008	Deadline for HCD consistency determination

Attachment 1
Comparison of TPAC Recommendation and Other Allocation Scenario's
Considered at February and March TPAC Meetings

Region/ Jurisdiction	TPAC Recomm.	One Third	County	Average		Average
	25% Job Growth 50% Existing Jobs 25% Hsl. Growth	33% Job Growth 33% Existing Jobs 33% Hsl. Growth	80% Job Growth 10% Existing Jobs 10% Hsl. Growth	TPAC Recom. and County	Lompoc Proposal	TPAC Recom. and County 2/27 Letter Attachment A
South County Region Total	5,406	4,820	5,054	5,230	5,370	6,824
Carpinteria City	343	293	324	334	272	305
Santa Barbara City	3,039	2,737	2,920	2,980	3,222	4,388
Unincorporated South County	581	435	230	406		291
Goleta City	1,443	1,355	1,580	1,512	1,876	1,841
Santa Ynez Region Total	705	753	698	702	506	628
Solvang City	170	153	78	124	174	228
Buellton City	292	312	441	367	332	279
Unincorporated Santa Ynez Valley	243	288	179	211		122
Lompoc Region Total	1,200	1,186	1,215	1,208	654	800
Lompoc City	919	950	1,129	1,024	654	516
Unincorporated Lompoc/VAFB	281	236	86	184		284
Santa Maria Region Total	4,289	4,841	4,633	4,461	4,159	3,349
Santa Maria City	3,472	3,793	3,731	3,602	4,008	2,941
Guadalupe City	175	185	61	118	151	88
Unincorporated Santa Maria Valley	642	863	841	742		321
Unincorporated Total	1,747	1,822	1,336	1,542	908	1,017
County Total	11,600	11,600	11,600	11,600	11,597	11,600

Column 2: TPAC Recommendation: 50/25/25

Column 3: The 1/3 scenario was the first TPAC recommendation advanced in February.

Column 4: The County Recommendation

Column 5: The mid-point of the TPAC recommendation and the County Recommendation

Column 6: Lompoc City proposal

Column 7: Scenario developed at March 12 TPAC meeting which was the mid-point of an earlier County scenario and the TPAC recommendation

Attachment 2
Income Group Adjustment Methodology Applied to TPAC Recommendation
50% Existing Jobs, 25% Job Growth, 25% Hsld Growth

Region- Jurisdiction	RHNA Allocation	Income Distribution Adjustment				Prior RHNA Income Group Distribution
		Census 2000 Income Group Distributions	(%)	Adjusted Household Allocation	(%)	
South County Region	5,406	Very Low	22	1,243	23	1,434
		Low	15	919	17	1,016
		Moderate	17	823	15	874
		Above Moderate	46	2,421	45	2,652
		Total	100	5,406	100	5,977
Carpinteria City	343	Very Low	19	79	23	18
		Low	18	58	17	13
		Moderate	20	60	18	14
		Above Moderate	43	145	42	31
		Total	100	343	100	75
Santa Barbara City	3,039	Very Low	23	699	23	560
		Low	16	517	17	397
		Moderate	18	504	17	397
		Above Moderate	43	1,319	43	980
		Total	100	3,039	100	2,333
Unincorporated South County (Includes Montecito, Mission/Toro Canyon, Summerland and UCSB)	581	Very Low	23	134	23	284
		Low	12	99	17	201
		Moderate	14	62	11	130
		Above Moderate	51	287	49	567
		Total	100	581	100	1,181
Goleta City	1,443	Very Low	16	332	23	573
		Low	15	245	17	406
		Moderate	19	196	14	334
		Above Moderate	50	669	46	1,074
		Total	100	1,443	100	2,388
Santa Ynez Region	704	Very Low	19	162	23	380
		Low	15	120	17	269
		Moderate	16	93	13	202
		Above Moderate	50	330	47	733
		Total	100	704	100	1,585
Solvang City	170	Very Low	23	39	23	78
		Low	18	29	17	55
		Moderate	15	25	15	49
		Above Moderate	44	77	45	143
		Total	100	170	100	325
Buellton City	292	Very Low	23	67	23	129
		Low	17	50	17	91
		Moderate	17	47	16	88
		Above Moderate	43	128	44	228
		Total	100	292	100	536
Unincorporated Santa Ynez Valley	243	Very Low	15	56	23	174
		Low	14	41	17	123
		Moderate	15	21	9	65
		Above Moderate	56	125	51	362
		Total	100	243	100	725

Attachment 2, Continued

		Income Distribution Adjustment				
Region-Jurisdiction	RHNA Allocation	Census 2000 Income Group Distributions	(%)	Adjusted Household Allocation	(%)	Prior RHNA Income Group Distribution
Lompoc Region		Very Low	24	276	23	483
		Low	20	204	17	342
		Moderate	20	270	23	445
	1,200	Above Moderate	36	450	37	742
Total		Total	100	1,200	100	2,012
Lompoc City (Includes FCI)		Very Low	29	211	23	214
		Low	21	156	17	151
		Moderate	19	212	23	209
	919	Above Moderate	31	339	37	316
		Total	100	919	100	890
Unincorporated Lompoc (Includes VAFB)		Very Low	13	65	23	269
		Low	19	48	17	191
		Moderate	22	58	21	236
	281	Above Moderate	46	111	39	426
		Total	100	281	100	1,122
Santa Maria Region		Very Low	26	985	23	1,904
		Low	19	730	17	1,349
		Moderate	20	1,017	24	1,804
	4,289	Above Moderate	35	1,558	36	2,878
Total		Total	100	4,290	100	7,935
Santa Maria City		Very Low	30	799	23	1,161
		Low	21	590	17	822
		Moderate	20	858	25	1,209
	3,472	Above Moderate	29	1,229	35	1,645
		Total	100	3,472	100	4,837
Guadalupe City		Very Low	36	40	23	20
		Low	21	30	17	14
		Moderate	15	40	23	19
	175	Above Moderate	28	65	37	30
		Total	100	175	100	83
Unincorporated Santa Maria		Very Low	17	146	23	723
		Low	17	110	17	512
		Moderate	20	120	19	576
	642	Above Moderate	46	263	41	1,203
		Total	100	642	99	3,014
Unincorp. Total		Very Low	19	400	23	1,455
		Low	14	298	17	1,031
		Moderate	17	261	15	1,013
	1,747	Above Moderate	50	786	45	2,566
		Total	100	1,744	100	6,065
County Total	11,600	Very Low	24	2,666	23	4,207
	11,600	Low	17	1,973	17	2,980
		Moderate	19	2,203	19	3,331
		Above Moderate	40	4,759	41	7,012
		Total	100	11,600	100	17,531