



## IV. RPAC

October 6, 2021

TO: Regional Planning Advisory Committee

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SUBJECT: REGIONAL PLANNING ADVISORY COMMITTEE AGENDA ITEM: IV.  
REGIONAL HOUSING NEEDS ALLOCATION (RHNA) DEVELOPMENT UPDATE –  
DRAFT RHNA METHODOLOGY

### DESCRIPTION:

The 6<sup>th</sup> Cycle Regional Housing Needs Allocation (RHNA) Plan is scheduled to be completed in July 2022. The draft RHNA Methodology framework report is attached for review.

### DISCUSSION:

#### **Background**

The California Department of Housing and Community Development (HCD) is required to allocate the region's share of the statewide housing need to Councils of Governments (COG) based on Department of Finance (DOF) population projections and regional population forecasts used in preparing regional transportation plans. Kern COG has the responsibility of developing the state-mandated RHNA Plan.

The RHNA process will identify the number of housing units that each local government must accommodate in the Housing Element of its General Plan (Government Code §65584). As part of the region's planning efforts, Kern COG works with local governments and stakeholders on the RHNA Plan to identify areas within the region sufficient to house an eleven-year projection of the regional housing need. Additionally, the RHNA allocates housing units within the region consistent with the development pattern included in the Sustainable Communities Strategy (SCS) and is part of the Regional Transportation Plan (RTP). The development of 6<sup>th</sup> Cycle RHNA Plan will happen in tandem with the Kern COG's 2022 RTP/SCS. The 6<sup>th</sup> Cycle RHNA Plan is scheduled to be completed in July 2022.

#### **Activities**

June 2021 - Kern COG began the RHNA determination consultation with HCD

- July 2021 - Kern COG contracted with Regional Government Services Authority (RGS), Rincon Consultants, Inc. and Mintier Harnish Planning Consultants to assist with the development of the 6th Cycle RHNA Plan.
- August 2021 - Staff presented the RHNA development timeline and RHNA objectives during the RTP/SCS Community Stakeholder Meeting #2, Kern COG requested an early RHNA determination from HCD, and the Member Jurisdiction Survey was emailed to member agencies.
- Sept. 2021 - Staff and RHNA consultants presented an overview of the RHNA methodology during the RPAC meeting and will meet with HCD for consultation on the RHNA methodology on September 28th.

***Draft RHNA Methodologies***

One of the RHNA statutory tasks Kern COG is responsible for is to develop and propose a RHNA methodology for distributing the existing and projected housing regional housing need to the cities and counties within the region. There were several recent legislation changes in the development of the RHNA for this 6<sup>th</sup> cycle. One includes the addition of the 5<sup>th</sup> objective, the requirement of the RHNA plan to “affirmatively further fair-housing.” Which means “taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics... transforming racially and ethnically concentrated areas of poverty into areas of opportunity and fostering and maintaining compliance with civil rights and fair housing laws,” (Government Code 65584(e)).

During the September 1<sup>st</sup> RPAC meeting, Thomas Pogue of the University of the Pacific, presented an overview of the draft RHNA methodology and discussed the objectives and factors for this RHNA cycle. The attached Draft RHNA Methodology Framework report provides the detailed steps and explanation of the factors applied in the draft RHNA methodology. The report also includes the final RHNA determination by HCD (Table 1 of the Attachment). The Kern COG Final Regional Determination for Cycle 6 RHNA (2024-2032) is 57,650 units. That final RHNA Determination was received on August 31, 2021, and includes adjustments for vacancy, replacement, overcrowding, and cost burden as required by state law.

Kern COG, with input from elected officials, local staff, and stakeholders, must develop a methodology that quantifies and distributes the number of housing units assigned to each local government to meet the total regional housing need. Staff is seeking input on the draft methodology from the committee. In addition, Kern COG is planning a Public Roundtable Meeting on November 3<sup>rd</sup> to seek community stakeholder input.

Kern COG RHNA development updates and information is available on:

<https://www.kerncog.org/regional-housing-needs/>

If you have any questions or comments regarding the RHNA process, please contact Rochelle Invina-Jayasiri at [rinvina@kerncog.org](mailto:rinvina@kerncog.org).

**ACTION:** Information.

Attachment 1: Draft RHNA Methodology Framework Report

# Kern Council of Governments Draft Methodology Framework Description: 2024- 2032 Regional Housing Needs Allocation – Cycle 6

Administrative Draft

28 September 2021

DRAFT

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## Table of Contents

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Table of Contents.....	2
List of Tables.....	2
Glossary of Acronyms.....	3
Introduction.....	4
Overview.....	4
Implications of RHNA for Local Governments.....	4
RHNA Objectives.....	5
Base RHNA Calculation.....	6
Lower Income Housing Units Adjustment Factors.....	8
Adjustment Factor One: Jobs-Housing Fit Factor.....	9
Adjustment Factor Two: Regional Income Parity Factor.....	10
Adjustment Factor Three: Affirmatively Furthering Fair Housing Factor.....	10
Application of the Adjustment Factors.....	11
Draft Factor Adjusted RHNA Determination.....	12
Appendix: Alternative Base Jurisdictional Allocations.....	16

## List of Tables

---

Table 1 Final HCD RHNA Determination for Kern COG.....	4
Table 2 RTP/SCS Forecast Population Growth by Jurisdiction 2024-2032.....	6
Table 3 Initial RHNA Allocation by Jurisdiction and Calibration to Final HCD RHNA Determination.....	7
Table 4 Draft Adjusted RHNA Housing Unit Determination Calibrated to Jurisdictional Household Income Levels.....	8
Table 5 RHNA Objectives and Allocation Adjustment Factors.....	9
Table 6 Jobs-Housing Fit Factor Jurisdictional Variance.....	9
Table 7 Regional Income Parity Factor Jurisdictional Variance.....	10
Table 8 Affirmatively Furthering Fair Housing Factor Jurisdictional Variance.....	11
Table 9 Jurisdictions’ Lower Income Factor Adjustment Allocations.....	12
Table 10 Factor Adjusted Allocations Calibrated to Final HCD RHNA Determination.....	13
Table 11 Draft Factor Adjusted RHNA Housing Unit Determination.....	13
Table 12 Impact of Adjustment Factors on Housing Units by Income.....	14
Table 13 Comparison of Housing Unit Structure from Factor Adjustments.....	14
Table 14 Draft Adjusted RHNA Housing Unit Determination and Vacant Land Capacity for Housing Units.....	15
Table 15 Alternative Base Jurisdictional Allocations from RTP/SCS Forecast.....	16

## Glossary of Acronyms

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ACS	American Community Survey
AFFH	Affirmatively Furthering Fair Housing
CHAS	Comprehensive Housing Affordability Strategy
COG	Council of Governments
GIS	Geographic Information System
HAMFI	HUD Area Median Family Income
HCD	California Department of Housing and Community Development
HUD	U.S. Department of Housing and Urban Development
RHNA	Regional Housing Needs Assessment
RTP/SCS	Regional Transportation Plan/Sustainable Communities Strategy
TCAC	California Tax Credit Allocation Committee

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# Introduction

## Overview

The Regional Housing Needs Allocation (RHNA) is a state-required process that seeks to ensure cities and counties are planning for enough housing to accommodate all economic segments of the community. The process is split into three steps:

1. **Regional Determination:** The State Department of Housing and Community Development (HCD) provides each region a Regional Determination of housing need, which includes a total number of units split into four income categories. Kern COG received its Final Regional Determination for Cycle 6 RHNA (2024-2032) in August of 2021.
2. **RHNA Methodology:** Councils of Governments are responsible for developing a RHNA Methodology for allocating the Regional Determination to each jurisdiction in the region. This methodology must further a series of State objectives.
3. **Housing Element Updates:** Each jurisdiction must then adopt a housing element that demonstrates, among other things, how the jurisdiction can accommodate its assigned RHNA number through its zoning. The state reviews each jurisdiction’s housing element for compliance.

This document describes a Draft Methodology Framework for Kern County’s 2024-2032 RHNA Cycle 6. The Kern COG Final Regional Determination for Cycle 6 RHNA (2024-2032) is 57,650 units. That final RHNA Determination was received on August 31, 2021 and includes adjustments for vacancy, replacement, overcrowding, and cost burden as required by state law. In development of this Draft Methodology Framework, efforts on other Cycle 6 Methodologies were reviewed and incorporated as their demonstration of best practices warranted. To these ends particular focus was given to the Cycle 6 RHNA Methodology used by the Sacramento Area Council of Governments (SACOG) and that under development by Fresno COG.

## Implications of RHNA for Local Governments

California requires that all local governments (cities and counties) adequately plan to meet the housing needs of everyone in the community. The RHNA quantifies the need for housing at all income levels and informs local land use planning in addressing existing and future housing needs resulting from population, employment, and household growth. As such, in addition to the total overall housing need number of 57,650 units, the Final RHNA Determination includes units required to meet housing needs across four income categories which are defined in terms of area median household income (AMHI). These housing needs by income level are reported in Table 1.

**Table 1 Final HCD RHNA Determination for Kern COG**

<b>Income Category</b>	<b>Income Limits</b>	<b>Percent</b>	<b>Housing Unit Need</b>	<b>Broad Income Category</b>	<b>Income Limits</b>	<b>Percent</b>	<b>Housing Unit Need</b>
Very Low	<50% AMHI	25.4%	14,658	Lower Income	<80% AMHI	41.6%	23,986
Low	50%-80% AMHI	16.2%	9,328				
Moderate	80%-120% AMHI	16.1%	9,299	Higher Income	>80% AMHI	58.4%	33,664
Above Moderate	>120% AMHI	42.3%	24,365				
<b>Total</b>		<b>100.0%</b>	<b>57,650</b>			<b>100.0%</b>	<b>57,650</b>

Kern COG, with input from elected officials, local staff, and stakeholders, must develop a methodology that quantifies and distributes the number of housing units assigned to each local government to meet the total regional housing need. The allocation must meet statutory objectives identified in California Housing Element Law and be consistent with the forecasted development pattern from the Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS). The RHNA methodology allows for some discretion; however, state law, such as in Government Code § 65584(d) and Government Code §65584.04(e), requires Kern COG to further a series of objectives as well as consider several additional factors. This draft Methodology Framework Report develops that RHNA methodology, presenting a Draft RHNA Methodology for RHNA Cycle 6 that addresses the statutory objectives while considering the other factors as well.

Following the development and adoption of the RHNA methodology, the Regional Housing Needs Plan (RHNP) formalizes the RHNA process into a planning document, establishing the total number of housing units that each city and county must plan for within the eight-year planning period. California Housing Element Law requires local governments to adopt plans and regulatory systems that provide opportunities for, and do not unduly constrain, housing development. Following the adoption of the RHNP, each local jurisdiction must then update the housing element of its general plan to demonstrate how zoning will accommodate its share of RHNA.

If a jurisdiction does not issue enough housing permits to be consistent with the RHNA building goals in its housing element, HCD may revoke housing element compliance. If noncompliance is determined a range of penalties and consequences are possible. These include finding, because of its noncompliant housing element, that the jurisdiction's General Plan is inadequate and is therefore invalid, in which case the jurisdiction can no longer make permitting decisions. Jurisdictions with noncompliant housing elements are also vulnerable to litigation from housing rights' organizations, developers, and HCD, which may lead to mandatory compliance orders, suspension of local building control, and court approval of housing developments.

## RHNA Objectives

State statute requires Kern COG to demonstrate how its methodology "furthers" the five RHNA objectives shown below. This not only requires consistency, but proactive inclusion of each objective into the methodology. Each objective in Government Code § 65584(d) is described below.<sup>1</sup>

### OBJECTIVE 1. INCREASE HOUSING SUPPLY AND MIX OF HOUSING TYPES

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.

### OBJECTIVE 2. PROMOTE INFILL, EQUITY, AND ENVIRONMENT

Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, the encouragement of efficient development patterns, and the achievement of the region's greenhouse gas reductions targets provided by the State Air Resources Board pursuant to Section 65080.

### OBJECTIVE 3. ENSURE JOBS HOUSING BALANCE AND FIT

Promoting an improved intraregional relationship between jobs and housing, including an improved balance between the number of low-wage jobs and the number of housing units affordable to low-wage workers in each jurisdiction.

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<sup>1</sup> Descriptions are taken from:

[https://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?sectionNum=65584.&lawCode=GOV](https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65584.&lawCode=GOV) accessed on 8/31/2021.

#### OBJECTIVE 4. PROMOTE REGIONAL INCOME PARITY

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 American Community Survey.

#### OBJECTIVE 5. AFFIRMATIVELY FURTHER FAIR HOUSING

Affirmatively furthering fair housing means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

## Base RHNA Calculation

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The first step in the RHNA methodology is to determine each jurisdiction's total RHNA before it is divided into four income categories. The Draft RHNA Methodology determines each jurisdiction's total RHNA number by multiplying the HCD RHNA Determination by the proportion of population growth attributed to a jurisdiction in the forecast for the RTP/SCS between 2024 and 2032. (These values are reported in the final column of Table 2.) For example, if a jurisdiction's RTP/SCS 2024-2032 population growth represented 10% of the county's forecasted growth and the county's RHNA Determination was 100 units, that jurisdiction would be allocated 10 total units (10% x 100 units).

**Table 2 RTP/SCS Forecast Population Growth by Jurisdiction 2024-2032**

Jurisdiction	Population Growth	Share of Growth
Arvin	2,189	2.46%
Bakersfield	55,437	62.31%
California City	921	1.04%
Delano	3,932	4.42%
Maricopa	13	0.01%
McFarland	661	0.74%
Ridgecrest	1,889	2.12%
Shafter	4,665	5.24%
Taft	669	0.75%
Tehachapi	1,366	1.54%
Wasco	2,108	2.37%
Unincorporated	15,118	16.99%
Total Kern County	88,968	100%

*Source: Kern COG Draft RTP/SCS – 08/20/2021*

The second step aligns jurisdictional allocations by income category to those specified in the RHNA Determination (see Table 1). The RHNA Determination is detailed across four income categories based on the County's existing distribution of household income and then HCD adjusts those allocations for divergence from the national rate of cost burden. Those adjustments, combined with the jurisdictional allocations being based on forecast population growth shares rather than the existing distribution of households, lead to differences across the sum of jurisdictions by income category when compared with the Determination values. That divergence is corrected by comparing the sum of the jurisdictional allocations by income category to the respective RHNA allocations. Those percentage differences in the totals are then applied to each of the initial jurisdictional allocations to align their allocations with the

Determination values. For example, if the cost burden adjusted RHNA Determination for the lower income category of a county was 50, but the sum of the county’s initial lower income category allocations was 45, then each jurisdiction would adjust their initial allocation up by 11% ((50-45)/45). So, if a jurisdiction had an initial allocation of 9 lower income housing units, then that allocation would increase by one unit to 10 (9 units x 11%). When repeated for each jurisdiction and income category, the adjustments ensure the jurisdictional allocations equal the RHNA Determination by income category.

Table 3 details this process for Kern County. In Column A the jurisdictions’ share of population growth from Table 2 is carried forward and multiplied by the County’s total housing unit need, 57,650, to get the base total RHNA determination by jurisdiction in Column B. The share of lower income households in each jurisdiction (Column C) is then multiplied by their base total RHNA determination (Column B) to get each jurisdiction’s base lower income RHNA determination in Column D.<sup>2</sup> As mentioned above, the sum of lower income RHNA housing units in Column D, 23,935, is slightly less than the 23,986 lower income housing units from Final HCD RHNA Determination for Kern County. Therefore, that difference of 0.21% at the County level (Column E) is applied to each jurisdiction’s base lower income RHNA determination (Column D) to get in Column F an adjusted lower income housing unit allocation by jurisdiction calibrated to the Final HCD RHNA Determination for Kern County.

**Table 3 Initial RHNA Allocation by Jurisdiction and Calibration to Final HCD RHNA Determination**

Jurisdiction	A	B	C	D	E	F	G	H	I	J
	% of Growth	RHNA	Lower HH (%)	Lower RHNA	% Adj Lower RHNA	Adj Lower RHNA	Higher HH (%)	Higher RHNA	% Adj Higher RHNA	Adj Higher RHNA
Arvin	2.46%	1,419	65%	929	0.21%	931	35%	490	-0.15%	489
Bakersfield	62.31%	35,923	36%	12,897	0.21%	12,925	64%	23,026	-0.15%	22,990
California City	1.04%	597	48%	289	0.21%	290	52%	308	-0.15%	307
Delano	4.42%	2,548	57%	1,456	0.21%	1,459	43%	1,092	-0.15%	1,090
Maricopa	0.01%	8	61%	5	0.21%	5	39%	3	-0.15%	3
McFarland	0.74%	428	69%	296	0.21%	297	31%	132	-0.15%	132
Ridgecrest	2.12%	1,224	35%	428	0.21%	429	65%	796	-0.15%	795
Shafter	5.24%	3,023	56%	1,688	0.21%	1,692	44%	1,335	-0.15%	1,333
Taft	0.75%	433	45%	197	0.21%	197	55%	237	-0.15%	236
Tehachapi	1.54%	885	42%	374	0.21%	375	58%	511	-0.15%	510
Wasco	2.37%	1,366	60%	819	0.21%	821	40%	547	-0.15%	546
Unincorporated	16.99%	9,797	47%	4,556	0.21%	4,566	53%	5,241	-0.15%	5,233
<b>Kern County</b>	<b>100%</b>	<b>57,650</b>	<b>43%</b>	<b>23,935</b>	<b>0.21%</b>	<b>23,986</b>	<b>57%</b>	<b>33,715</b>	<b>-0.15%</b>	<b>33,664</b>

This process is then repeated for the higher income housing unit allocations. The share of higher income households (Column G) is multiplied by the jurisdiction’s base total RHNA determination (Column B) to get their base higher income RHNA determination in Column H.<sup>3</sup> Since the sum of higher income RHNA housing units in Column H (33,715), is slightly higher than the 33,664 higher income housing units from Final HCD RHNA Determination for Kern County that difference of -0.15% at the County level (Column I) is applied to each jurisdiction’s base higher income RHNA determination (Column H) to get in Column J an adjusted higher income housing unit allocation by jurisdiction

<sup>2</sup> In this report, the percentage of lower income households is based on the number of households with median family income reported as 80% or less HUD Area Median Family Income (HAMFI) by jurisdiction in the U.S. Department of Housing and Urban Development’s Comprehensive Housing Affordability Strategy (CHAS) data from the 2013-2017 American Community Survey 5-year average estimates.

<sup>3</sup> In this report, the percentage of higher income households is based on the number of households with median family income reported as greater than 80% of HAMFI by jurisdiction in the U.S. Department of Housing and Urban Development’s Comprehensive Housing Affordability Strategy (CHAS) data from the 2013-2017 American Community Survey 5-year average estimates.

calibrated to the Final HCD RHNA Determination for Kern County. Table 4 presents the draft jurisdictional allocations aligned to the Adjusted RHNA Housing Unit Determination by broad income level.

**Table 4 Draft Adjusted RHNA Housing Unit Determination Calibrated to Jurisdictional Household Income Levels**

Jurisdiction	Lower Income (0-80%)	Higher Income (80+%)	Base RHNA Allocation
Arvin	931	489	<b>1,420</b>
Bakersfield	12,925	22,990	<b>35,915</b>
California City	290	307	<b>597</b>
Delano	1,459	1,090	<b>2,549</b>
Maricopa	5	3	<b>8</b>
McFarland	297	132	<b>429</b>
Ridgecrest	429	795	<b>1,223</b>
Shafter	1,692	1,333	<b>3,024</b>
Taft	197	236	<b>433</b>
Tehachapi	375	510	<b>885</b>
Wasco	821	546	<b>1,367</b>
Unincorporated	4,566	5,233	<b>9,798</b>
<b>Kern County</b>	<b>23,986</b>	<b>33,664</b>	<b>57,650</b>

Using the RTP/SCS forecast as the basis for total RHNA calculations ensures consistency between these two planning efforts. Since the RTP/SCS forecast is built from local plans, it incorporates a variety of regulatory, market, and performance factors. The RTP/SCS growth forecast has also been thoroughly vetted by local planning staff and represents a County-wide agreement on growth and its path to attaining climate and quality of life goals. While the RTP/SCS forecast of population growth during the 6<sup>th</sup> RHNA cycle from 2024-2032 has been used in this Draft RHNA Methodology, the RTP/SCS also generates county-wide and jurisdictional forecasts of households. A range of elements in RTP/SCS forecast could potentially be employed as the basis for the total RHNA calculations. These include using the jurisdictional composition of population/households in 2032 and using the shares of population/household growth rates through the RTP/SCS forecast period of 2046. Although the 2024-2032 RTP population growth shares have been selected, an overview of some of these additional RTP/SCS base allocations by jurisdiction of the RHNA Determination are presented in Table 15 in the Appendix.

## Lower Income Housing Units Adjustment Factors

The framework for the RHNA methodology is oriented around furthering each of the statutory RHNA objectives. In Table 5, the five RHNA objectives are listed by row and the adjustment factors used to further those objectives are listed by column. As described above, the first two objectives are furthered through the total RHNA calculation relying on the development pattern in the RTP/SCS (step one). Those objectives are also intrinsically addressed through the assignment of housing units at different income categories to each jurisdiction across the county (step two). The three other objectives are not inherently furthered by the RTP/SCS. Therefore, three separate adjustment factors are used to further each of these objectives. As a result of these adjustments, each jurisdiction will receive a different proportion of lower-income units from the initial distribution reported in Table 4.

**Table 5 RHNA Objectives and Allocation Adjustment Factors**

<i>RHNA Objectives (rows)/ RHNA Adjustment Factors (columns)</i>	Baseline RTP/SCS Forecast	Affirmatively Furthering Fair Housing Factor	Income Parity Factor	Jobs-Housing Fit Factor
Increasing the housing supply and mix of housing types, tenure, and affordability	Furthers	Supports	Supports	Supports
Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns	Furthers	Supports		Supports
Promoting an improved intraregional relationship between jobs and housing	Supports			Furthers
Balancing disproportionate household income distributions		Supports	Furthers	
Affirmatively furthering fair housing		Furthers	Supports	

### Adjustment Factor One: Jobs-Housing Fit Factor

This factor addresses the objective to improve the intraregional relationship between jobs and housing, including explicit consideration of the balance between the number of low-wage jobs and the number of units affordable to low-wage jobs in the jurisdiction. While the RTP/SCS addresses the overall jobs-housing balance, it does not separate the lower income work-housing balance issue. Therefore, this factor considers the existing ratio of low-wage workers to units affordable to low-wage workers. Jurisdictions with a higher-than-average ratio receive an upward adjustment of lower income RHNA units and those with a lower-than-average ratio receive a downward adjustment of lower income RHNA units.

**Table 6 Jobs-Housing Fit Factor Jurisdictional Variance**

Jurisdiction	Affordable Housing Units	Low-Wage Jobs	Jobs-Housing Fit Ratio	% Adjustment from County Ratio [2.32]
Arvin	1,789	2,592	1.45	-37.5%
Bakersfield	27,064	84,241	3.11	34.2%
California City	1,564	734	0.47	-79.8%
Delano	4,141	9,970	2.41	3.8%
Maricopa	171	90	0.53	-77.3%
McFarland	1,211	5,660	4.67	101.5%
Ridgecrest	2,961	4,396	1.48	-36.0%
Shafter	1,866	6,644	3.56	53.5%
Taft	1,263	1,732	1.37	-40.9%
Tehachapi	874	2,445	2.80	20.6%
Wasco	2,116	3,217	1.52	-34.5%
Unincorporated	30,796	54,155	1.76	-24.2%

Table 6 reports the jobs-housing fit adjustment factors by jurisdiction for Kern County. It uses the number of jobs by jurisdiction that pay \$3,333 per month or less as the measure of low-wage jobs.<sup>4</sup> Given that HCD considers households who spend more than 30% of their income on housing to be cost burdened, data on units for rent at less

<sup>4</sup> In this report, 2018 jobs by jurisdiction data are used from the U.S. Census Bureau’s Longitudinal Employer-Household Dynamics (LEHD) program.

than \$1,000 a month (30% of \$3,333 income) are used to estimate the number of affordable housing units by jurisdiction.<sup>5</sup> The percentage difference between the overall county ratio of 2.32 and the jurisdictions' ratios is then used to proportionally adjust the jurisdictions' allocated affordable housing units. Through this process jurisdictions with higher ratios of low-wage workers to affordable housing units are encouraged to zone for more affordable housing.

### Adjustment Factor Two: Regional Income Parity Factor

This factor addresses the objective to balance disproportionate household income distributions. Using the existing share of lower-income households, jurisdictions with a lower-than-average share receive an upward adjustment of lower income RHNA units and those with a higher-than-average share receive a downward adjustment of lower income RHNA units.

**Table 7 Regional Income Parity Factor Jurisdictional Variance**

Jurisdiction	Lower Income Households	Total Households	Lower Income Share	Adjustment from County Share [42.9%]
Arvin	3,100	4,735	65.5%	-22.6%
Bakersfield	41,415	115,355	35.9%	7.0%
California City	1,995	4,120	48.4%	-5.5%
Delano	6,410	11,215	57.2%	-14.3%
Maricopa	245	400	61.3%	-18.4%
McFarland	2,090	3,020	69.2%	-26.3%
Ridgecrest	3,865	11,055	35.0%	7.9%
Shafter	2,605	4,665	55.8%	-13.0%
Taft	1,190	2,620	45.4%	-2.5%
Tehachapi	1,375	3,250	42.3%	0.6%
Wasco	3,295	5,495	60.0%	-17.1%
Unincorporated	46,070	99,065	46.5%	-3.6%

Table 7 reports the regional income parity adjustment factors by jurisdiction for Kern County. It uses the number of households with income 80% or less than the area median income divided by total number of households in the area to estimate the lower income share.<sup>6</sup> The percentage difference between the overall county share of 42.9% lower income households and the jurisdictions' shares are then used to proportionally adjust the jurisdictions' allocated affordable housing units. By allocating more affordable housing unit zoning to jurisdictions with lower shares of lower-income households and vice versa, over time this factor intends to move jurisdictions towards a similar proportion of lower-income households across the County.

### Adjustment Factor Three: Affirmatively Furthering Fair Housing Factor

This factor addresses the objective to take meaningful actions to address disparities in housing needs and in access to opportunity, such as employment, higher performing schools, health care, and transportation. Using the share of existing homes in higher opportunity areas, this factor seeks to open high opportunity jurisdictions to all economic segments of the community by giving jurisdictions with a higher-than-average share of high opportunity housing units an upward adjustment of lower income RHNA units and those with a lower-than-average share a downward adjustment of lower income RHNA units.

<sup>5</sup> In this report, Contract Rent reported by jurisdiction in the U.S. Census Bureau's American Community Survey Table# B25056, 2019 5-Year Estimates is used to estimate affordable housing units.

<sup>6</sup> In this report, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data produced by the U.S. Department of Housing and Urban Development (HUD) is used to estimate the number of area households by income level.

**Table 8 Affirmatively Furthering Fair Housing Factor Jurisdictional Variance**

Jurisdiction	Housing Units in High/Highest Resource Areas	Total Housing Units	Higher Opportunity Share	Adjustment from County Share [31.1%]
Arvin	0	5,130	0%	-31.1%
Bakersfield	60,872	124,478	48.9%	17.8%
California City	0	4,836	0%	-31.1%
Delano	2,293	12,518	18.3%	-12.8%
Maricopa	0	462	0%	-31.1%
McFarland	0	3367	0%	-31.1%
Ridgecrest	11,006	12,403	88.7%	57.6%
Shafter	0	5,383	0%	-31.1%
Taft	0	3,504	0%	-31.1%
Tehachapi	0	3,616	0%	-31.1%
Wasco	0	6,469	0%	-31.1%
Unincorporated	18,594	115,951	16.0%	-15.1%

Table 8 reports the Affirmatively Furthering Fair Housing (AFFH) adjustment factors by jurisdiction for Kern County. It uses the number of housing units a jurisdiction has that are in higher opportunity areas divided by total number of housing units in that jurisdiction to estimate the share of higher opportunity areas.<sup>7</sup> The percentage difference between the overall county share of 31.1% higher opportunity units and the jurisdictions’ shares are then used to proportionally adjust the jurisdictions’ allocated affordable housing units. Through this process jurisdictions with larger shares of higher opportunity housing units are asked to zone for more affordable housing. In so doing, this factor intends to open high opportunity jurisdictions to all economic segments.

### Application of the Adjustment Factors

The third step applies the three adjustment factors to each jurisdictions’ lower income units according to their respective factor weights and then uses the sum of those factors to increase or decrease the jurisdictions’ total lower income units. The lower income allocations from Table 4 are adjusted by the factors, these units are also reported in Column A of Table 9. Each of the adjustment factors is weighted equally, so each factor is allocated one-third of the initial lower income housing unit allocation. The jurisdictions’ adjustments for each factor are then applied and the sum of these adjustments gives the Factor Adjusted Lower Income Housing Unit Allocation. For example, if a jurisdiction had an initial Lower Income Housing Unit Allocation of 99 units and it had a 3% upward adjustment in each of the three factors, its Factor Adjusted Lower Income Housing Unit Allocation would be 102. Since each factor would receive 33 units, the Jobs-Housing Fit Factor is then increased by 3%, which leads to one additional unit (33 units times 3% = 1 unit), the Income Parity Factor would also add another unit (33 units times 3% = 1 unit), and the AFFH Factor would add a further unit (33 units times 3% = 1 unit). As a result, each factor would have 34 units for a Factor Adjusted Lower Income Housing Unit Allocation of 102.

Table 9 details the factor adjustment process for Kern County. The first step is to take the respective factor weights and multiply them by the lower income housing unit allocation by jurisdiction (Column A). Doing this results in unadjusted factor weighted lower income housing units in Columns B, E, and H for each of the factors. The next step is to apply each of the factor adjustments. The percentage adjustment from Factor One, the Jobs-Housing Fit Factor,

<sup>7</sup> In this report the census tracts identified as high and highest resource in the 2021 Statewide Summary Table of the TCAC/HCD Opportunity Area Maps are used to identify the higher opportunity areas by jurisdiction. The associated housing units in those census tracts are then estimated from the U.S. Census Bureau’s American Community Survey Table# DP04, 2019 5-Year data.

from Table 6 is reported in Column C. The value in Column C is multiplied by the unadjusted factor weighted shares from Column B and then added to Column B to get the factor adjusted jobs-housing fit lower income housing unit allocation by jurisdiction in Column D. Next, the percentage adjustment from Factor Two, the Income Parity Factor, from Table 7 is reported in Column F and multiplied by the unadjusted factor weighted shares from Column F and then added to Column F to get the factor adjusted income parity lower income housing unit allocation by jurisdiction in Column G. Similarly, the percentage adjustment from Factor Three, the Affirmatively Furthering Fair Housing (AFFH) Factor, from Table 8 is reported in Column I and multiplied by the unadjusted factor weighted shares from Column H and then added to Column H to get the factor adjusted AFFH lower income housing unit allocation by jurisdiction in Column J. The sum of Column D, G, and J then form a factor adjusted lower income housing unit allocation by jurisdiction in Column K.

**Table 9 Jurisdictions’ Lower Income Factor Adjustment Allocations**

Jurisdiction	A	B	C	D	E	F	G	H	I	J	K
	Lower Income RHNA	Factor 1 Weight = 33%	Factor 1 % Adjust	Factor 1 Jobs-Housing	Factor 2 Weight = 33%	Factor 2 % Adjust	Factor 2 Income Parity	Factor 3 Weight = 33%	Factor 3 % Adjust	Factor 3 AFFH	Factor Adj Lower Income
Arvin	931	310	-38%	194	310	-23%	240	310	-31%	214	648
Bakersfield	12,925	4,308	34%	5,781	4,308	7%	4,609	4,308	18%	5,074	15,464
California City	290	97	-80%	20	97	-6%	91	97	-31%	67	177
Delano	1,459	486	4%	505	486	-14%	417	486	-13%	424	1,346
Maricopa	5	2	-77%	0	2	-18%	1	2	-31%	1	3
McFarland	297	99	101%	199	99	-26%	73	99	-31%	68	341
Ridgecrest	429	143	-36%	91	143	8%	154	143	58%	225	471
Shafter	1,692	564	53%	865	564	-13%	491	564	-31%	388	1,745
Taft	197	66	-41%	39	66	-3%	64	66	-31%	45	148
Tehachapi	375	125	21%	151	125	1%	126	125	-31%	86	363
Wasco	821	274	-34%	179	274	-17%	227	274	-31%	188	595
Unincorporated	4,566	1,522	-24%	1,154	1,522	-4%	1,467	1,522	-15%	1,292	3,913
Kern County	23,986	7,996		9,178	7,996		7,960	7,996		8,072	25,214

*Note: Due to rounding, numbers presented in this table may not add up precisely to the totals provided.*

## Draft Factor Adjusted RHNA Determination

The fifth, and final, step is re-aligning the jurisdictional factor adjusted housing unit allocations by income category to those specified in the RHNA Determination. In order for Kern County to retain the county-wide RHNA Determination across each of the income categories, it is necessary to correct the factor adjusted housing units by income category to the respective RHNA allocations. Like in Step Two, percentage differences in the totals across the income levels are applied to each of the jurisdictional factor adjusted housing unit allocations to align the jurisdictional allocations to the Determination values.

Table 10 details this adjustment process. In Column A, the jurisdictions’ factor adjusted lower income housing unit allocation from Table 9 is carried forward. Since the sum of lower income RHNA housing units in Column A, 25,214, is higher than the 23,986 in the Final HCD RHNA Determination for lower income housing units, it is necessary to adjust downward the allocations in Column A. Therefore, the percentage difference of -4.87% at the County level (Column B) is applied to each jurisdiction’s factor adjusted lower income housing unit allocation (Column A) to get the factor adjusted lower income housing unit allocation by jurisdiction calibrated to the Final HCD RHNA Determination for Kern County in Column C. Given these adjustments, it is necessary to make complementary adjustments to the jurisdiction’s higher income housing unit allocations. Those adjustments are made by subtracting the calibrated factor

adjusted lower income housing units (Column C) from the base total RHNA allocation (Column D), which results in calibrated factor adjusted higher income housing units in Column E. Table 11 reorganizes the data in Table 10 to summarize the Draft Factor Adjusted RHNA Housing Unit Determination by income level.

**Table 10 Factor Adjusted Allocations Calibrated to Final HCD RHNA Determination**

	A	B	C	D	E
Jurisdiction	Factor Adjusted Lower Income RHNA	Lower Income RHNA % Adjustment	Calibrated Factor Adjusted Lower Income RHNA	Base Total RHNA Allocation	Calibrated Factor Adjusted Higher Income RHNA
Arvin	648	-4.87%	616	1,418	802
Bakersfield	15,464	-4.87%	14,711	35,936	21,225
California City	177	-4.87%	168	604	436
Delano	1,346	-4.87%	1,280	2,529	1,249
Maricopa	3	-4.87%	3	8	5
McFarland	341	-4.87%	324	415	91
Ridgecrest	471	-4.87%	448	1,229	781
Shafter	1,745	-4.87%	1,660	2,988	1,328
Taft	148	-4.87%	141	437	296
Tehachapi	363	-4.87%	345	887	542
Wasco	595	-4.87%	566	1,367	801
Unincorporated	3,913	-4.87%	3,723	9,831	6,108
<b>Kern County</b>	<b>25,214</b>	<b>-4.87%</b>	<b>23,986</b>	<b>57,650</b>	<b>33,664</b>

*Note: Due to rounding, numbers presented in this table may not add up precisely to the totals provided.*

Differences with the pre-factor adjusted RHNA allocations are reported in Table 12. It highlights the influence the three adjustment factors have in promoting transformative housing opportunities in Kern County. Table 13 also shows the impact of the adjustment factors comparing the percentage of housing units by income under the baseline allocation with the percentage of housing units after accounting the factor adjustments.

**Table 11 Draft Factor Adjusted RHNA Housing Unit Determination**

Jurisdiction	Factor Adjusted Lower Income (0-80%)	Factor Adjusted Higher Income (80+%)	Base RHNA Allocation
Arvin	616	801	<b>1,418</b>
Bakersfield	14,712	21,225	<b>35,936</b>
California City	169	436	<b>604</b>
Delano	1,281	1,249	<b>2,529</b>
Maricopa	3	6	<b>8</b>
McFarland	324	91	<b>415</b>
Ridgecrest	448	781	<b>1,229</b>
Shafter	1,660	1,328	<b>2,988</b>
Taft	141	296	<b>437</b>
Tehachapi	345	542	<b>887</b>
Wasco	566	802	<b>1,367</b>
Unincorporated	3,722	6,108	<b>9,831</b>
<b>Kern County</b>	<b>23,986</b>	<b>33,664</b>	<b>57,650</b>

*Note: The Final RHNA Determination by income level and in total is reported in the Kern County row. Due to rounding, numbers presented in this table may not add up precisely to the totals provided.*

Context regarding existing residential unit capacity and the Draft Adjusted RHNA Housing Unit Determination is presented in Table 14. Following a summary of existing housing units by jurisdiction, Table 14 compares existing medium, high, and mixed-use density residential unit capacity to the lower income Draft Adjusted RHNA Housing Unit Determination. It then compares existing very low- and low-density residential unit capacity to the higher income Draft Adjusted RHNA Housing Unit Determination. The final two columns in Table 14 compares total existing residential unit capacity to the total Draft Adjusted RHNA Housing Unit Determination for each jurisdiction. Those values illustrate that each jurisdiction in Kern County has enough existing residential unit capacity to meet their respective total Draft Adjusted RHNA Housing Unit Determination resulting from this Draft Methodology.

**Table 12 Impact of Adjustment Factors on Housing Units by Income**

Jurisdiction	Lower Income (0-80%)		Higher Income (80+%)	
	Unit Change	% Change	Unit Change	% Change
Arvin	-315	-34%	312	64%
Bakersfield	1,787	14%	-1,766	-8%
California City	-121	-42%	128	42%
Delano	-179	-12%	159	15%
Maricopa	-2	-45%	2	73%
McFarland	27	9%	-40	-31%
Ridgecrest	19	5%	-14	-2%
Shafter	-32	-2%	-5	0%
Taft	-56	-29%	60	25%
Tehachapi	-30	-8%	32	6%
Wasco	-255	-31%	255	47%
Unincorporated	-843	-18%	875	17%

**Table 13 Comparison of Housing Unit Structure from Factor Adjustments**

Jurisdiction	Lower Income (0-80%)			Higher Income (80+%)		
	Baseline	Factor Adjusted	Difference	Baseline	Factor Adjusted	Difference
Arvin	66%	43%	-22%	34%	57%	22%
Bakersfield	36%	41%	5%	64%	59%	-5%
California City	49%	28%	-21%	51%	72%	21%
Delano	57%	51%	-7%	43%	49%	7%
Maricopa	61%	36%	-26%	39%	64%	26%
McFarland	69%	78%	9%	31%	22%	-9%
Ridgecrest	35%	36%	1%	65%	64%	-1%
Shafter	56%	56%	0%	44%	44%	0%
Taft	46%	32%	-13%	54%	68%	13%
Tehachapi	42%	39%	-3%	58%	61%	3%
Wasco	60%	41%	-19%	40%	59%	19%
Unincorporated	47%	38%	-9%	53%	62%	9%
Kern County	42%	42%		58%	58%	

**Table 14 Draft Adjusted RHNA Housing Unit Determination and Vacant Land Capacity for Housing Units**

Jurisdiction	Existing Housing Units (2020)	Residential Unit Capacity (Vacant): Medium, High, and Mixed-Use Density	Lower Income Draft Factor Adjusted RHNA Allocation	Residential Unit Capacity (Vacant): Very Low and Low Density	Higher Income Draft Factor Adjusted RHNA Allocation	Total Residential Units Capacity (Vacant)	Total Draft Factor Adjusted RHNA Allocation
Arvin	4,884	536	616	1,025	801	1,561	1,418
Bakersfield	132,697	27,524	14,712	64,870	21,225	92,394	35,936
California City	5,196	48,354	169	34,947	436	83,301	604
Delano	11,572	1,303	1,281	3,493	1,249	4,796	2,529
Maricopa	3,412	-	3	253	6	253	8
McFarland	432	82	324	449	91	531	415
Ridgecrest	12,359	1,784	448	3,543	781	5,328	1,229
Shafter	5,412	1,303	1,660	19,713	1,328	21,015	2,988
Taft	2,596	1,065	141	4,289	296	5,354	437
Tehachapi	3,784	460	345	2,305	542	2,765	887
Wasco	6,366	242	566	3,029	802	3,272	1,367
Unincorporated	301,009	229,230	3,722	147,711	6,108	376,940	9,831
<b>Kern County</b>	112,299	311,883	23,968	285,627	33,664	597,511	57,650

*Note: The residential unit capacity was estimated by Kern COG using a GIS analysis of each jurisdiction's latest general plan information (2020) outside urban/built-up areas and demonstrates sufficient existing capacity to accommodate a variety of density ranges to meet each jurisdiction's housing need.*

## Appendix: Alternative Base Jurisdictional Allocations

**Table 15 Alternative Base Jurisdictional Allocations from RTP/SCS Forecast**

Jurisdiction	Base Allocation 1: RTP/SCS Population Growth to RHNA (2024-32)	Base Allocation 2: RTP/SCS Population in 2032	Base Allocation 3: RTP/SCS Population Growth (2024-46)	Base Allocation 4: RTP/SCS Household Growth to RHNA (2024-32)	Base Allocation 5: RTP/SCS Households in 2032	Base Allocation 6: RTP/SCS Household Growth (2024-46)
Arvin	1,457	1,273	1,309	1,204	1,009	955
Bakersfield	35,541	26,698	38,911	37,061	27,022	38,252
California City	581	876	524	416	871	473
Delano	2,646	3,256	1,760	1,772	2,294	1,419
Maricopa	9	61	13	13	75	17
McFarland	450	864	889	2,397	868	492
Ridgecrest	1,209	1,688	1,478	1,419	2,190	1,734
Shafter	3,164	1,544	3,846	3,443	1,328	3,794
Taft	423	513	421	492	475	470
Tehachapi	897	839	821	914	749	849
Wasco	1,417	1,710	1,237	1,124	1,271	1,052
Unincorporated	9,855	18,328	6,441	7,395	19,497	8,142
<b>Total</b>	<b>57,650</b>					
<i>Note: Due to rounding, numbers presented in this table may not add up precisely to the totals provided.</i>						