



Winters City Council Meeting  
City Council Chambers  
318 First Street  
Tuesday, July 3, 2007  
7:30 p.m.  
**AGENDA**

*Members of the City Council*

*Woody Fridae, Mayor  
Mike Martin, Mayor Pro Tempore  
Harold Anderson  
Cecilia Curry  
Tom Stone*

*John W. Donlevy, Jr., City Manager  
John Wallace, City Attorney  
Nanci Mills, City Clerk*

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PLEASE NOTE – The numerical order of items on this agenda is for convenience of reference. Items may be taken out of order upon request of the Mayor or Councilmembers. Public comments time may be limited and speakers will be asked to state their name.

Roll Call

Pledge of Allegiance

Approval of Agenda

**PUBLIC COMMENTS**

At this time, any member of the public may address the City Council on matters, which are not listed on this agenda. Citizens should reserve their comments for matter listed on this agenda at the time the item is considered by the Council. An exception is made for members of the public for whom it would create a hardship to stay until their item is heard. Those individuals may address the item after the public has spoken on issues that are not listed on the agenda. Presentations may be limited to accommodate all speakers within the time available. Public comments may also be continued to later in the meeting should the time allotted for public comment expire.

**CONSENT CALENDAR**

All matters listed under the consent calendar are considered routine and non-controversial, require no discussion and are expected to have unanimous Council support and may be enacted by the City Council in one motion in the form listed below. There will be no separate discussion of these items. However, before the City Council votes on the motion to adopt, members of the City Council, staff, or the public may request that specific items be removed from

the Consent Calendar for separate discussion and action. Items(s) removed will be discussed later in the meeting as time permits.

- A. Minutes of the Regular Meeting of the Winters City Council held on June 19, 2007 (pp 1-6)
- B. Minutes of the Workshop of the Winters City Council and Winters Planning Commission Regarding Winters Sports Park and Linear Park Master Plan held on May 14, 2007 (pp 7-9)
- C. Minutes of the Special Meeting of the Winters City Council held on May 29, 2007 Regarding City of Winters Inter-City YOLOBUS Service Changes (pp 10-12)
- D. Minutes of the Special Meeting of the Winters City Council held on June 27, 2007 Regarding City of Winters and Community Development Agency Budget of Revenues and Estimated Expenditures for Fiscal Year 2007-2008 (pp 13-14)

## PRESENTATIONS

## DISCUSSION ITEMS

- 1. Public Hearing and approval of Resolution 2007-33 authorizing the submittal of a joint application, along with the City of West Sacramento and Yolo County, for up to \$60,000 in CDBG General Allocation PTA funds for the development of a ten year plan to address homelessness; approving a Joint Powers Agreement for administration of the PTA grant; and allocating up to \$1,000 for grant cash match. (pp 15-24)

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## COMMUNITY DEVELOPMENT AGENCY

- 1. Resolution 2007-32 approving up to \$1,000 in redevelopment agency low and moderate income housing funds for CDBG General Allocation PTA grant cash match. (pp 25-26)

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## CITY MANAGER REPORT

## COUNCIL/STAFF COMMENTS

## INFORMATION ONLY

1. Current development projects list (pp 27-29)
2. 2006-2013 Regional Housing Needs Allocation (RHNA) (pp 30-61)

## EXECUTIVE SESSION

### ADJOURNMENT

I declare under penalty of perjury that the foregoing agenda for the July 3, 2007, regular meeting of the Winters City Council was personally delivered to each Councilmember's mail boxes in City Hall and posted on the outside public bulletin board at City Hall, 318 First Street on June 28, 2007, and made available to the public during normal business hours.

*Nancy Jensen, Records Clerk, for Nanci G. Mills, City Clerk*  
Nanci G. Mills, City Clerk

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*Staff recommendations are guidelines to the City Council. On any item, the Council may take action, which varies from that recommended by staff.*

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Winters Library – 201 First Street

City Clerk's Office – City Hall – 318 First Street

During Council meetings – Right side as you enter the Council Chambers

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Wednesday at 10:00 a.m.

Videotapes of City Council meetings are available for review at the Winters Branch of the Yolo County Library.



Minutes of the Regular Meeting of the  
Winters City Council  
Held on Tuesday, June 19, 2007

Council Member Anderson called the meeting to order at 7:30 p.m.

Those present were Council Members Aguiar-Curry, Anderson, and Stone. Also present were City Manager John Donlevy, Fire Chief Scott Dozier, Planning Manager Kate Kelly, Grant Writer Dawn Van Dyke, Director of Financial Management Shelly Gunby, Management Analyst Carol Scianna, Community Development Director Dan Sokolow, and City Clerk Nanci Mills.

**PUBLIC COMMENTS:** None

**CONSENT CALENDAR**

- A. Minutes of the Regular Meeting of the Winters City Council Held on Tuesday, June 5, 2007
- B. Request for Street Closure by Anthony E. Wilson for July 4<sup>th</sup> Block Party – North Main Street from Ivy Loop to the end of Main Street
- C. Amplified Music Permit –Gazebo Concerts to be held July 5,12,19, & 26 from 7:00 –9:00 pm Requested by Friends of the Library
- D. Accept bid from McLellan Equipment Co. Inc. in the amount of \$83,355.77 of for the purchase of Stellar Crane and Ford 550 Truck Package
- E. Agreement with the County of Yolo for County Surveyor Services

City Manager Donlevy gave an overview. Council Member Aguiar-Curry made a motion to approve the consent items. Seconded by Council Member Stone. Motion carried with the following roll call:

**AYES:** Council Members Aguiar-Curry, Anderson and Stone  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Council Member Martin and Mayor Fridae

**PRESENTATIONS**

**Certificates of Recognition of Community Members Becoming U.S. Citizens**

Residents Celerina Alvaro de Martinez, Janie Baylor, Maria Eugenia Cruz de Borges, Guadalupe Garibay, Jaime Hernandez, Ernestina Robles, Jesus Robles and Rafael Robles were not present to accept their certificates. But while acting as Mayor, Council Member Anderson requested their names be read into record in recognition of their persistence, hard work, and discipline in becoming U.S. citizens.

### **Proclamations Recognizing Four Winters Residents for Outstanding Public Service in the Rescue of a Trapped Individual From a Burning Residence**

Fire Chief Scott Dozier praised Winters residents Manuel Guzman, Manuel Guzman Jr., Juan Carlos Guzman and Antonio Murillo for their unselfish heroism while evacuating residents from a burning residence.

### **Update on Winters Highlands Project from Granite Bay Holdings, LLC**

Tyler Wade, Development Manager for Granite Bay Holdings, LLC was present to give an update on the Winters Highlands Project and the commercial project @ Grant & East Streets. Regarding the Winters Highlands project, GBH is working on the engineering for the grading plan as well as the infrastructure for Phase I. Plans have been submitted to the City and are currently being reviewed by the City Engineer. Landscaping plans have been completed by their consultants and will be submitted to the City shortly. Architecturally, the design review will be presented to the Planning Commission on June 26, 2007, and will include 8 floor plans. They are currently moving towards getting a grading permit.

## **DISCUSSION ITEMS**

### **1. Water and Sewer Rate Increase Effective 7-1-07**

City Manager Donlevy gave an overview of the rate increase resulting from Resolutions 2005-48 and 2005-49 establishing the fees, rates and charges for the City's Water and Sewer Systems. The rates approved included increases for January 1, 2006 and July 1, 2007 for the Water System and January 1, 2006, July 1, 2007 and July 1, 2008 for the Sewer System. The current utility bill is \$63.50 per month for non-metered water connections. Beginning July 1, 2007, the bill will be \$78.53 per month for all non-metered water connections, an increase of \$15.03 per month. No other action was taken on this item.

**2. Second reading and adoption of Ordinance 2007-05, Development Agreement for the Anderson Place Tentative Subdivision Map Project (723 Railroad Avenue, APN 003-220-22)**

Community Development Director Sokolow gave an overview. Council Member Stone made a motion to waive the second reading and adopt Ordinance 2007-05, Development Agreement for the Anderson Place Tentative Subdivision Map Project, 723 Railroad Avenue, APN 003-220-22. Seconded by Council Member Aguiar-Curry. Motion carried with the following roll call:

**AYES:** Council Members Aguiar-Curry, Anderson and Stone  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Council Member Martin and Mayor Fridae

**3. Continued public hearing and consideration of Development Agreement for the Mary Rose Gardens Tentative Subdivision Map Project (415 West Grant Avenue, APN 003-524-19)**

Staff has recommended that the City Council continue this item to the July 3, 2007 City Council meeting.

**4. Presentation and adoption of the Yolo County Water Resources Association (WRA) Integrated Regional Water Management Plan**

Jacques DeBra, Chair of the Water Resources Association (WRA) Technical Committee and WRA member agency representative for the City of Davis, gave an overview of the IRWMP, Integrated Regional Water Management Plan. Council Member Aguiar-Curry made a motion to adopt the Integrated Regional Water Management Plan for Yolo County. Seconded by Council Member Stone. Motion carried with the following roll call:

**AYES:** Council Members Aguiar-Curry, Anderson and Stone  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Council Member Martin and Mayor Stone

**5. Update on Monticello Redevelopment Project**

Council Member Anderson recused himself due to a possible conflict of interest. City Manager Donlevy indicated this is an informational item only, and gave a brief update. Staff and the project applicant met on Tuesday, June 12, 2007, to discuss the draft development disposition agreement, which can be anticipated in July or August. The overall site plan and property layout was also discussed, as was the timeline issues regarding the development. An agreement on access, parking and reciprocal maintenance easements with neighboring property owners has been completed and will be presented to the Agency in July. No action was taken on this item.

Council Member Anderson returned to the dais at this time.

**6. Establish Cesar Chavez Day as a City Holiday, Commencing in 2008, to be celebrated on March 31**

City Clerk Mills indicated the establishment of this City Holiday must be included in the Memorandums of Understanding and brought back before the City Council as a Resolution to be adopted. This Resolution will be included on the July 3, 2007 agenda, following the Budget Workshop scheduled for June 27, 2007 @ 6:30 p.m. This City Holiday will be recognized on March 31<sup>st</sup> of each year; when this date falls between Monday and Friday, the City employees will receive the day off. When it falls on Saturday or Sunday, the City employees will not receive the day off.

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**COMMUNITY DEVELOPMENT AGENCY**

**1. Resolution 2007-28, Approving a Grant of \$200,000 in Low and Moderate Income Housing Funds for the Affordable Housing Component of the Anderson Place Subdivision Project (723 Railroad Avenue, APN 003-220-22) and Authorizing Staff to Prepare Housing Agreement and Documents**

Community Development Director Dan Sokolow gave an overview. Agency Member Aguiar-Curry made a motion to adopt Resolution 2007-28, approving a grant of \$200,000 in low and moderate income housing funds for the affordable housing component of the Anderson Place Subdivision Project @ 723 Railroad Avenue, APN 003-220-22) and authorizing staff to prepare a housing agreement and documents.

Seconded by Agency Member Stone. Motion carried with the following roll call:

**AYES:** Agency Members Aguiar-Curry, Anderson and Stone  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** Agency Chairman Martin and Agency Member Fridae

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**CITY MANAGER REPORT:** City Manager Donlevy reminded everyone that the 2007 Fireworks Celebration will be dedicated to Gloria Marion, long-time Winters resident and singer of the National Anthem at numerous events, who passed away on July 16, 2006. Donation cans have been distributed around town at various locations to solicit donations from the community. Dave Kidder will be the pyro-technician, and Katelyn Hill will be singing the National Anthem. The total cost of the fireworks is \$8,500. He also reminded everyone of the Pancake Breakfast sponsored by the Winters Fire Department, where all profits will be donated to the Fireworks Fund.

**COUNCIL/STAFF COMMENTS:** Council Member Anderson confirmed the date and time of the upcoming Budget Workshop, which will take place on Wednesday, June 27, 2007 @ 6:30 p.m. at City Hall. He also asked for a status of the roundabout on the commercial project. City Manager Donlevy indicated a site plan will be submitted by the end of the month. Council Member Anderson asked if there was an interim or alternate solution? City Manager will discuss these options with the City Engineer, Nick Ponticello, and will report back.

Council Member Aguiar-Curry inquired about the sidewalks on Hemenway. City Manager Donlevy indicated the work will be done on the west side of Hemenway and not the east side as originally discussed. Also, the North Valley Sponsoring Committee and Winters Health Care will be sponsoring an informative seminar regarding Affordable Health Insurance to be held at St. Anthony's Parish Hall on July 5<sup>th</sup>, 2007 at 6:30 p.m. and urged everyone to attend.

**INFORMATION ONLY:** None

**EXECUTIVE SESSION:** Conference with Labor Negotiator, City Manager Pursuant to Government Code Section 54957.6.

Staff has recommended that the City Council continue this item to the July 3, 2007 City Council meeting.

**ADJOURNMENT:** The meeting was adjourned at 9:05 p.m.

\_\_\_\_\_  
Woody Fridae, MAYOR

ATTEST:

\_\_\_\_\_  
Nanci G. Mills, City Clerk



Minutes for the Workshop of the Winters City Council  
and Planning Commission

Regarding Winters Sports Park  
and Linear Park Master Plan

City Council Chambers  
318 First Street

Monday, May 14, 2007 @ 4:00 p.m.

The workshop was called to order at 4:00 p.m. Present were Council Members Aguiar-Curry, Anderson, Martin and Stone and Mayor Fridae. Also present were Planning Commissioners Cowan, Guelden and Graf, City Manager John Donlevy, Community Development Director Dan Sokolow, Project Manager Alan Mitchell and City Clerk Nanci Mills.

**DISCUSSION ITEMS**

**1. Introduction**

City Manager Donlevy gave a brief overview and then introduced John Nicholas and Bill Roach of HLA Group, Landscape Architects & Planners, Inc.

**2. Sports Park Master Plan Overview**

**3. Q & A – Sports Park**

**4. Proposed Phase 1 Project**

They indicated that the Winters Sports Park requires an environmental review, which is nearly complete and includes 25 acres of developable ground and 5 acres of un-developable ground, which is the site of the former landfill. This 5-acre area will remain undisturbed and unimproved, per the requirements of the decommissioning report. Bill Roach then described each item within the Preliminary Master Plan of the Winters Sports Park, including three to four baseball/softball diamonds, turf fields for soccer and football, a multi-use sports barn with lights, which could accommodate basketball, indoor soccer and street hockey, and a variety of other accommodations, including 215 designated parking stalls.

## **5. Linear Park Master Plan**

The Winters Linear Park is comprised of approximately 11 acres nearly one half mile long and has been designed into three sections, which will accommodate two tennis courts, a gazebo, four horseshoe pits, a covered picnic area, and an informal play area. Some of the feedback received indicated the need for a dog park, which has been designated in the first section.

## **6. Q & A – Linear Park**

In response to Council Member Aguiar-Curry's question about whether electricity would be available in the gazebo, John Nicholas and Bill Roach responded there would be electricity available there as well as in the picnic areas. Council Member Martin asked about fencing along the dog park area. The area will include fencing at varying heights so that the small dogs and large dogs can be fenced separately. Planning Commissioner Guelden inquired about the bike paths; there will be 10-foot wide, Class I bike paths around the edge of the park. There will also be on-street parking, with dedicated diagonal stalls between each section of the park, and lights with timers will be installed at the tennis courts, with master power controls that can be regulated by the City. In response to Council Member's Martin inquiry, the total number of dedicated parking spaces was not known.

City Manager Donlevy pointed out that the Linear Park is a neighborhood park, which is 1-1/2 times the park area than the existing park space, while the Sports Park could accommodate large community events. Planning Commission asked if two tennis courts were a necessity, and City Manager John Donlevy responded by saying the courts would see a lot of use. He also added the desire to re-establish a rose garden. Resident Elliot Landes inquired about the possibility of sand volleyball. Planning Commissioner Guelden inquired about adult softball, which could be played on the Little League fields. John Nicholas and Bill Roach of HLA Group, Landscape Architects and Planners, Inc., indicated that due to state regulations, the prior landfill area is not to be disrupted during the construction of the Linear Park and Sports Park. Council Members Aguiar-Curry and Stone thought both parks looked great. Mayor Fridae asked all attendees if there were any objections, and there were none.

## **7. Schedule for Adoption of Master Plans**

## **8. Final Comments**

Regarding the Linear Park, City Manager Donlevy indicated the environmental impact report was not needed in order to move forward. Regarding the Sports Park, the negative declaration will go before the City Council. Project Manager Mitchell stated the Preliminary Master Plans will be available for public review for 45 days. City Manager Donlevy indicated that land grading would be completed

to a finished grade during the next twelve months as part of the agreement with Winters Highlands. He also added that the all-inclusive design cost for the Sports Park was \$6 million. Council Member Curry requested that infrastructure be completed first. City Manager Donlevy indicated that the groundwork will be laid within one year, and should be completed over a three-year period. Council Member Anderson requested the large ball field be completed during the first construction phase.

**ADJOURNMENT:** The meeting was adjourned at 5:15 p.m.

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Woody Fridae, Mayor

ATTEST:

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Nanci G. Mills, City Clerk



Minutes of the Special Meeting of the Winters City Council  
Held on Tuesday, May 29, 2007 to Discuss the Proposed  
City of Winters Inter-City YOLOBUS Service Changes

Mayor Fridae called the meeting to order at 7:30 p.m.

Those present were Council Members Aguiar-Curry, Anderson, Martin, Stone and Mayor Fridae. Also present were City Manager John Donlevy, Management Analyst Carol Scianna, and Planning Manager Kate Kelly.

**PUBLIC COMMENTS**

Jeff Tenpas, 24 E. Main Street, requested that the City Council adopt a resolution to support the restoration of Putah Creek. He also presented a petition to stop the removal of the Percolation Dam, or Little Rock.

**DISCUSSION ITEMS**

1. **Public Hearing and consideration of proposed City of Winters intercity YOLOBUS service changes and new local service for Winters**

City Manager John Donlevy gave a brief overview and introduced Terry Bassett, Executive Director of Yolo County Transportation, who recommended a concurring vote by the City Council members following the public hearing. Terry Bassett went on to describe suggested City summer and non-summer schedules.

Council Member Martin inquired about the total time to ride the entire Inter-City route, which is 24 minutes. He also asked whether local businesses might be able to place ads on the bus, which can be expensive, but can be an option. City Manager Donlevy wants to target youth, seniors and disabled residents, summer park groups and the residents of Yolo Housing.

Executive Director Bassett indicated the total annual cost for the Inter-City bus is \$128,000, less \$61,000 in Grant income, as well as a 20% contribution of the total cost by the County of Yolo.

Council Member Aguiar-Curry confirmed the summer fares and asked if there was a combined bus/swimming pool discount, and at this point there is not.

Mayor Fridae inquired if the proposed schedules can be operational by June 1<sup>st</sup>? The proposed changes will take effect on June 18, 2007. Council Member Anderson inquired about the Senior Discount Pass, which will cost \$42.50 from the regular price of \$60. Executive Director Bassett expressed concern for residents from Yolo Housing who may be using pull carts for their groceries. He suggested distributing movie passes to encourage riders and said in the event they could not adhere to the proposed schedule, they may have to 'tweak' the schedule.

Council Member Aguiar-Curry voiced her concern for wet riders boarding the bus from the swimming pool. It is necessary to educate the children about wearing shoes to avoid slip and falls and asked if a fact sheet could be posted at the pool.

Council Member Martin inquired how much the fares collected defrayed the cost? Executive Director Bassett replied 4% in the first year, with a goal of 10%.

Mayor Fridae opened the Public Hearing at 8:15 p.m. and closed the Public Hearing at 8:15 p.m.

In response to Council Member Stone's question, the Inter-City Route Schedule will become effective June 18, 2007. Mayor Fridae mentioned the closing date of June 4<sup>th</sup> for the photo contest, where the winning photos will be posted on the sides and rear of the bus. The winners of the contest will receive a summer pass to the swimming pool, with the Grand Prize of a Buckhorn gift certificate.

Council Member Anderson made a motion to approve the proposed City of Winters Inter-City YOLOBUS service changes and the new local service for Winters. Seconded by Council Member Aguiar-Curry. Motion carried by the following roll call:

**AYES:** Council Members Aguiar-Curry, Anderson, Martin, Stone and Mayor Fridae  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

**CITY MANAGER REPORT:** Services were held recently at the Winters Fire Department for Mariani Nut Company employee, resident and longtime volunteer firefighter Wayne Valley. Bob & Terry Karlen, Robbie Rubio, Brad Lopez, Art Mendoza and the entire Fire Department staff did an outstanding job in recognizing Wayne's numerous contributions to the City of Winters.

**COUNCIL/STAFF COMMENTS:** Council Member Aguiar-Curry noted the recent Planning Commission meeting held on May 22, 2007, where it was recommended that the Eagle Drug building expansion move forward to the next

phase and was concerned about the applicant devoting time and cost to proceed. She asked if additional senior subsidized housing is desired. City Manager Donlevy indicated the preliminary site plan will go before the Planning Commission

**INFORMATION ONLY:** None

**EXECUTIVE SESSION:** None

**ADJOURNMENT:** Mayor Fridae adjourned the meeting at 8:30 p.m. in memory of Wayne Valley.

\_\_\_\_\_  
Woody Fridae, MAYOR

ATTEST:

\_\_\_\_\_  
Nanci G. Mills, City Clerk



Minutes of the Special Meeting of the  
Winters City Council  
Held on Wednesday, June 27, 2007

Mayor Fridae called the meeting to order at 6:30 p.m.

Those present were Council Members Aguiar-Curry, Anderson, Martin, Stone and Mayor Fridae. Also present were City Manager John Donlevy, Director of Financial Management Shelly Gunby, Grant Writer Dawn Van Dyke, Fire Chief Scott Dozier, Police Chief Bruce Muramoto, Planning Manager Kate Kelly, Housing Manager Dan Maguire, and City Clerk Nanci Mills.

**PUBLIC COMMENTS:** None

**DISCUSSION ITEMS**

1. **Adoption of Resolution 2007-30, A Resolution of the City Council of the City of Winters Approving and Adopting a Budget of Revenues and Estimated Expenditures for Fiscal Year 2007-2008**

City Manager Donlevy gave a brief overview and reviewed for the Mayor and City Council members slides of each department and their respective budget. Director of Financial Management Gunby also provided an overview.

Council Member Aguiar-Curry made a motion to adopt Resolution 2007-30, approving a budget of revenues and estimated expenditures for Fiscal Year 2007-2008. Seconded by Council Member Stone. Motion carried with the following roll call:

<b>AYES:</b>	Council Members Aguiar-Curry, Anderson, Martin, Stone and Mayor Fridae
<b>NOES:</b>	None
<b>ABSTAIN:</b>	None
<b>ABSENT:</b>	None

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**COMMUNITY DEVELOPMENT AGENCY**

1. **Adoption of Resolution 2007-31, A Resolution of the City of Winters Community Development Agency Approving and Adopting a Budget of Revenues and Estimated Expenditures for Fiscal Year 2007-2008**

Agency Member Stone made a motion to adopt Resolutio2007-30, approving a budget of revenues and estimated expenditures for Fiscal Year 2007-2008. Seconded by Agency Member Aguiar-Curry. Motion carried with the following roll call:

**AYES:** Agency Members Aguiar-Curry, Anderson, Stone, Fridae, and Agency Chairman Martin.  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

Agency Chairman Martin adjourned to Executive Session at 7:10 p.m.

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**CITY MANAGER REPORT:** None

**COUNCIL/STAFF COMMENTS:** None

**INFORMATION ONLY:** None

**EXECUTIVE SESSION:** Conference with Labor Negotiator, City Manager Pursuant to Government Code Section 54957.6.

**ADJOURNMENT:** The meeting was adjourned at 7:35 p.m.

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Woody Fridae, MAYOR

ATTEST:

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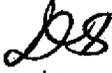
Nanci G. Mills, City Clerk



**CITY COUNCIL STAFF REPORT**

July 3, 2007

TO: Honorable Mayor and Council Members

THROUGH: John W. Donlevy, Jr. – City Manager 

FROM: Dan Sokolow – Community Development Director

**SUBJECT: Public Hearing and approval of Resolution 2007-33 authorizing the submittal of a joint application, along with the City of West Sacramento and Yolo County, for up to \$60,000 in CDBG General Allocation PTA funds for the development of a ten year plan to address homelessness; approving a Joint Powers Agreement for administration of the PTA grant; and allocating up to \$1,000 for grant cash match.**

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**RECOMMENDATION:** Staff recommends that the City Council take the following actions.

1. Receive the staff report;
2. Conduct the public hearing; and
3. Adopt Resolution No. 2007-32 authorizing the submittal of a joint application, along with the City of West Sacramento and Yolo County, for up to \$60,000 in General Allocation PTA (Planning and Technical Assistance) funds through the Community Development Block Grant (CDBG) program for the development of a ten year plan to address homelessness; approving a Joint Powers Agreement (JPA) for administration of the PTA grant; and allocating up to \$1,000 for the PTA grant cash match.

**BACKGROUND:** Homeless service providers in Yolo County have received over \$1.4 million in Continuum of Care (CoC) grants from the U.S. Department of Housing and Urban Development (HUD) over the past four years. Providers in Yolo County are losing points on CoC funding applications because a Ten Year Plan is not in place for our region and HUD has indicated that a Ten Year Plan may be a requirement for future CoC funding. The loss of CoC funding would be devastating to homeless service providers in our community. Davis and Woodland receive CDBG funds directly from HUD and are not eligible for a State PTA application. However, they have indicated a willingness to pay for their portion of the Ten Year Plan if we receive PTA funding for our portion. The proposed application for the Ten Year Plan was developed in coordination with the City of West Sacramento, Yolo County and local homeless service providers.

The City's required cash match is \$1,000. West Sacramento and Yolo County will also request

\$20,000 each, for a total grant request of \$60,000. The CDBG program requires a Joint Powers Agreement (JPA) for the administration of a joint application. The City of West Sacramento will function as the lead agency for the application. This means that if funded, West Sacramento will be responsible for procurement of the consultant and all CDBG reporting.

**FISCAL IMPACT:** The City will incur a cost of up to \$1,000 for the required cash match; this amount represents Winters' share of the total joint application commitment of local cash match. Staff purposes that this cost be funded through the redevelopment agency's (Winters Community Development Agency) low and moderate income housing funds. A separate resolution of the CDA, Resolution No. 2007-32, authorizes redevelopment funds.

**ATTACHMENTS:**

1. JPA for Administration of the Ten Year Homeless Plan PTA Grant
2. City Council Resolution No. 2007-33

CDBG 2007/CC Stf Rpt 3Jul07

**JOINT POWERS AGREEMENT BETWEEN THE CITY OF WEST SACRAMENTO,  
THE CITY OF WINTERS AND THE COUNTY OF YOLO FOR THE ADMINISTRATION OF A  
2007/2008 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
GENERAL ALLOCATION PLANNING AND TECHNICAL ASSISTANCE (PTA) GRANT  
FOR THE DEVELOPMENT OF A TEN YEAR PLAN  
TO REDUCE HOMELESSNESS IN YOLO COUNTY**

THIS AGREEMENT, dated \_\_\_\_\_, is made by and between the City of West Sacramento, a political subdivision of the State of California; the City of Winters, a political subdivision of the State of California; and the County of Yolo, a political subdivision of the State of California, hereinafter together called "Parties".

WHEREAS, long-range planning to address issues contributing to poverty and homelessness is critical to reducing the incidence of homelessness in Yolo County; and

WHEREAS, the development of a successful ten-year plan to reduce homelessness in Yolo County ("10 Year Plan") may be administered in the most cost-effective manner through the cooperative efforts of the Parties; and

WHEREAS, the Parties intend to submit a joint 2007/2008 General Allocation PTA funding application to the State of California CDBG Program for the development of a 10 Year Plan to reduce the incidence of homelessness in Yolo County; and

WHEREAS, Section 7060(c) of Title 25 of the California Code of Regulations requires a Joint Powers Agreement which meets the requirements of Article I, Chapter 5 of Title 1, commencing with Section 6500 of the Government Code, in order to submit a joint application for the State Community Development Block Grant Program.

NOW, THEREFORE, the Parties hereto agree as follows:

1. General

This agreement is subject to the terms and requirements of Article I, Chapter 5 of Title 1 (commencing with Section 6500) of the Government Code and Subchapter 2 of Chapter 7 of Title 25 of the California Code of Regulations.

2. Purpose

This agreement sets forth the relationship and responsibilities of the Parties for the purpose of applying for and, if successful, the administration and implementation of funding from the State Community Development Block Grant Program. The Parties shall be responsible for the activities designated below.

3. CDBG PTA Grant Application

- a. The City of West Sacramento shall be responsible for writing and submitting the complete non-specific planning grant application.
- b. The City of West Sacramento shall be responsible for drafting the Joint Powers Agreement for review and approval by the legal counsel of the Parties, to be included in the grant application.

- c. The County of Yolo and the City of Winters shall provide documentation for inclusion in the grant application including, but not limited to: income data, need for the study, verification that the jurisdiction does not have a growth control measure in effect, program income status and Housing Element status.
- d. Each party shall execute this agreement and the Application Summary Form; prepare and adopt a Resolution authorizing the grant submittal and approving the required Cash Match; execute a Statement of Assurances and compliance certification for OMB Circular A-133; provide documentation of citizen participation including any letters received from citizens and the responses; and execute the required environmental certification and Section 504 Self-Evaluation. These documents will be included as part of the grant application.

4. CDBG PTA Contract Management

- a. If the grant funds are awarded the City of West Sacramento shall be the lead agency and be responsible for the management of the CDBG grant agreement executed with the State of California for the purpose of receiving CDBG PTA funds. The responsibilities of the lead agency shall include, but are not limited to:
  - i. Set up any cash depositories, if required, in accordance with 25 Code of Regulations 7098.
  - ii. Bonding and insurance, if required, in accordance with 25 Code of Regulations 7100 and Section 6505.1 of the Government Code.
  - iii. Recordkeeping as required by 25 Code of Regulations 7102.
  - iv. Program income requirements, if applicable, in accordance with 25 Code of Regulations 7104.
  - v. Financial management in conformance with the requirements of 25 Code of Regulations 7106.
  - vi. Financial reporting as required by 25 Code of Regulations 7108.
  - vii. Performance reports as required by 25 Code of Regulations 7110.
  - viii. Any revisions pursuant to 25 Code of Regulations 7114.
  - ix. The grant closeout procedures of 25 Code of Regulations 7116.
  - x. Property management and procurement, if required, in conformance with 25 Code of Regulations Sections 7118 and 7120.
  - xi. Audit requirements of 25 Code of Regulations 7122.
- b. The allowable CDBG grant administration funds (5% of the grant, if received) will be drawn by the City of West Sacramento for the cost of the activities indicated in sections 4(a)i through 4(a)xi above.

5. Grant Implementation

- a. The City of West Sacramento, the City of Winters and the County of Yolo shall be responsible for the implementation of the program contained in the grant application for the State CDBG PTA funds. Implementation responsibilities include, but are not limited to:

- i. Citizen participation as required by 25 Code of Regulations 7080 and the Housing and Community Development Act of 1974, including amendments.
- ii. Environmental reviews as required by 25 Code of Regulations 7082.
- iii. Labor standards as required by 25 Code of Regulations 7088 and 7096.
- iv. Project design, work write-ups, bid processes, change orders and other related project implementation steps required for the successful completion of the project.
- v. All other project requirements as set forth in Subchapter 2 of Chapter 7 of Title 25 of the Code of Regulations, known as the State Community Development Block Grant Program regulations.

6. Additional Responsibilities

In addition to the aforesaid delegations of responsibilities, the Parties hereto, pursuant to Section 6504 of the Government Code, also agree as follows:

- a. All Parties shall participate in the determination of the scope of work and desired qualifications for the consultant paid with CDBG PTA grant funds to develop the 10 Year Plan.
- b. Project expenses in excess of the CDBG PTA grant received from the State and the Cash Match committed by the Parties may not be incurred without the express written consent of all Parties.
- c. The required Cash Match shall be the extent of the financial obligations of the Parties to the 10 Year Plan, unless the Parties consent as provided in section 6(b) of this agreement.
- d. Each of the Parties may elect to use an amount equivalent to its required Cash Match to cover salary and benefits for staff support of the development of the 10 Year Plan. These staff support activities will be reflected in the application's activity budget.
- e. The City of West Sacramento will provide all contracts and subrecipient agreements necessary to carry out the activities of the grant to the contact persons noted in Section 8 of this agreement for review and approval.
- f. The City of West Sacramento shall provide to the City of Winters and the County of Yolo one (1) copy of the CDBG Program Standard Agreement; all CDBG reports, including but not limited to fund requests, financial accomplishment reports, grantee performance reports; consultant contracts to provide services, draft and final 10 Year Plan; and grant closeout reports.
- g. The City of West Sacramento will inform the City of Winters and the County of Yolo regarding the progress of the 10 Year Plan and invite comments.

7. Personnel

- a. Personnel used in the grant application shall be under the supervision of the City of West Sacramento Director of Housing and Community Investment, the City of Winters \_\_\_\_\_ and the County of Yolo \_\_\_\_\_.

b. Personnel used in the management of the grant and the implementation of the project shall be under the supervision of the City of West Sacramento Director of Housing and Community Investment, the City of Winters and the County of Yolo \_\_\_\_\_ for the sole purpose of accomplishing the tasks set forth in the application for the State CDBG PTA funds.

8. Notifications

All notifications, documents or other written correspondence required for the submission of the CDBG PTA grant application or for grant administration shall be forwarded to the attention of:

CITY OF WEST SACRAMENTO  
Louise Collis  
Housing and Community Investment  
1110 West Capitol Avenue  
West Sacramento, CA 95691

COUNTY OF YOLO  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CITY OF WINTERS  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. Use of Property, Equipment and Utilities

The City of West Sacramento shall provide all property, equipment and utilities for the purpose of implementing the State CDBG Program.

10. Duration of this Agreement

This agreement shall be effective upon the date that the application is submitted. Upon notice that the application is funded by the State CDBG Program, the City of West Sacramento shall be responsible for the execution of all grant documents necessary for the administration of the program. If funded, this agreement shall remain in effect until such time as the grant agreement had been successfully closed out by the State. In the event the joint CDBG PTA application is not funded, this agreement may be terminated by any of the Parties by submitting a written 14 day notice to all Parties.

11. Disposition of Acquired Property or Assets

All property, real or personal, acquired during the administration of this program shall be disposed of in accordance with the provisions of Title 25 of the Code of Regulations, Sections 7116 and 7118. Any surplus funds contributed to the program by the Parties to this agreement and remaining on hand after the completion of the program shall be returned in proportion to the contributions made.

12. Amendments

Any amendments or modifications to this agreement must have the prior approval of the State of California CDBG Program and may not materially affect the State's responsibilities for administering this program.

13. Provision of Insurance

The Parties to this agreement shall maintain comprehensive general and automobile liability insurance during the term of the agreement. The amount of insurance coverage shall not be less than \$1,000,000 per occurrence.

14. Worker's Compensation

The Parties to this agreement shall maintain Worker's Compensation insurance during the term of the agreement.

15. Indemnity

Each party shall indemnify, defend, and hold harmless all other Parties, their officers, officials, agents, and employees and volunteers from and against any and all claims, damages, demands, liability, costs, losses and expenses, including without limitation court costs and reasonable attorneys' fees, arising in any manner by reason of negligent acts or negligent failure to act, errors, omissions or willful misconduct incident to the performance of this agreement. The provisions of this paragraph shall survive termination or suspension of this agreement.

16. Assurances

Parties to this agreement agree to be bound by any and all assurances required pursuant to 25 Code of Regulations, Section 7070(c)(3).

17. Resolutions

This agreement shall be accompanied by certified resolutions from each Party authorizing its execution.

IN WITNESS WHEREOF, the Parties hereto have caused this agreement to be executed and attested by their proper officer hereunder, duly authorized, and their official seals be hereto affixed, as of the day and year first above written.

CITY OF WEST SACRAMENTO

COUNTY OF YOLO

\_\_\_\_\_  
By: Christopher Cabaldon  
Title: Mayor

\_\_\_\_\_  
By:  
Title:

ATTEST:

ATTEST:

\_\_\_\_\_  
By: Kyrss Rankin  
Title: City Clerk

\_\_\_\_\_  
By:  
Title:

APPROVED AS TO FORM:

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By: Robert Murphy  
Title: City Attorney

APPROVED AS TO FORM:

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By:  
Title:

CITY OF WINTERS

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By:  
Title:

ATTEST:

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By:  
Title:

APPROVED AS TO FORM:

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By:  
Title:

**RESOLUTION NO. 2007-33**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WINTERS APPROVING THE SUBMITTAL OF A 2007/2008 APPLICATION FOR GENERAL ALLOCATION PLANNING AND TECHNICAL ASSISTANCE (PTA) FUNDING TO THE STATE OF CALIFORNIA COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM; EXECUTION OF A JOINT POWERS AGREEMENT; AND, IF FUNDED, EXECUTION OF A GRANT AGREEMENT AND COMMITMENT OF LOCAL FUNDS AS LEVERAGE FOR THE APPLICATION**

**WHEREAS**, the City of Winters, the City of West Sacramento and the County of Yolo desire to submit a joint 2007/2008 CDBG General Allocation PTA funding application to the State of California CDBG Program to receive funding for a ten year plan to reduce the incidence of homelessness in Yolo County; and

**WHEREAS**, the City Council of the City of Winters has reviewed and approves the funding application; and

**WHEREAS**, the City of Winters has determined that CDBG citizen participation requirements have been met by conducting two properly noticed public hearings on May 21, 2007 and July 3, 2007 to provide information to residents, property owners, and other interested persons concerning available CDBG funding and to receive comments regarding potential activities and the advisability of submitting an application to the State of California CDBG Program.

**NOW THEREFORE BE IT RESOLVED** that the City Council of the City of Winters hereby authorizes the City Manager to execute a joint powers agreement for administration of the grant, and to execute and submit a 2007/2008 CDBG General Allocation PTA application for the following eligible activities:

- |   |                               |
|---|-------------------------------|
| <b>1. General Administration</b>  | <b>Not to exceed \$1,000</b>  |
| This amount represents Winters' share of the total joint application request of \$3,000 for general administration. |                               |
| <b>2. Development of a ten year plan to reduce the Incidence of homelessness in Yolo County</b>                     | <b>Not to exceed \$19,000</b> |
| This amount represents Winters' share of the total joint application request of \$57,000 for plan development.      |                               |
| <b>Total CDBG PTA funding request</b>   | <b>Not to exceed \$20,000</b> |
| This amount represents Winters' share of the total joint application request of \$60,000.                           |                               |

**BE IT FURTHER RESOLVED** that, if the grant is approved, the City Council:

1. Authorizes local leverage of cash match from the redevelopment agency's (Winters Community Development Agency) low and moderate income housing funds not to exceed \$1,000. This amount represents Winters' share of the total joint application commitment of local cash match.
2. Authorizes and directs the City Manager or his designee to act on the City of Winters' behalf in all matters pertaining to this application; including the statement of assurances, the OMB-133 certification, and the grant agreement and any amendments thereto, with the State of California.

**PASSED AND ADOPTED** by the City Council of the City of Winters, County of Yolo, State of California, on the 3rd day of July, 2007 by the following vote:

**AYES:**  
**NOES:**  
**ABSENT:**  
**ASTAIN:**

\_\_\_\_\_  
Woody Fridae, Mayor

**ATTEST:**

\_\_\_\_\_  
Nanci G. Mills, City Clerk

**RESOLUTION NO. 2007-32**

**RESOLUTION OF THE CITY OF WINTERS COMMUNITY  
DEVELOPMENT AGENCY APPROVING THE EXPENDITURE OF UP  
TO \$1,000 IN LOW AND MODERATE INCOME HOUSING FUNDS AS  
THE GRANT CASH MATCH FOR A CDBG GENERAL ALLOCATION  
PTA GRANT APPLICATION TO DEVELOP A TEN YEAR PLAN TO  
ADDRESS HOMELESSNESS**

WHEREAS, the City of Winters (the "City") will be submitting a joint application, along with the City of West Sacramento and Yolo County, for up to \$60,000 in General Allocation PTA (Planning and Technical Assistance) funds through the Community Development Block Grant (CDBG) program for the development of a ten year plan to address homelessness; and

WHEREAS, the City will request \$20,000 in PTA grant funds and its required cash match is \$1,000 or five percent of the request; and

WHEREAS, the ten year plan to address homelessness will address critical issues for assisting the homeless including housing; and

WHEREAS, the Agency desires to provide said low and moderate income housing funds.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Winters Community Development Agency Board of Directors as follows:

Section 1. The foregoing recitals are true and correct and are incorporated as if set forth in full here at.

Section 2. The Agency hereby approves the expenditure of up to \$1,000 in low and moderate income housing funds as the grant cash match for a CDBG General Allocation PTA Grant application to develop a ten year plan to address homelessness.

PASSED AND APPROVED by the Winters Community Development Agency at a regular meeting held on July 3, 2007.

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Mike Martin, Chairman of the Winters  
Community Development Agency

ATTEST:

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Nanci G. Mills, Secretary for the Winters Community  
Development Agency

I, Nanci G. Mills, Secretary of the Winters Community Development Agency do hereby certify that the foregoing Resolution was introduced and adopted by the City Council of the City of Winters at a meeting held on the 3rd day of July, 2007 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

---

Secretary of the Winters Community Development  
Agency

CDBG 2007/CDA Res on Grant Cash Match 3Jul07

**CITY OF WINTERS COMMUNITY DEVELOPMENT DEPARTMENT**  
**Current Projects List as of June 26, 2007**  
**(530) 795-4910, extension 112, www.cityofwinters.org**

PROJECT	DESCRIPTION & PROCESS	LAST ACTION	NEXT ACTION
(1) Winters Highlands, Granite Bay Holdings, LLC, Larry John (916) 960-1656	Proposal to develop 413 single-family and 30 multi-family residential units in northwestern part of city. Application is being processed TSM, focused EIR (specific biological aspects), GPA, Zoning Amendment, PD Overlay, PD Permit, Inclusionary Housing agreement.	City Council approved Tentative Subdivision Map on April 4, 2006.	City Council approval of Final Map.
(2) Winters Village, Bob Thompson (West project) (707) 372-9355 and John Siracusa (East project) (530) 795-0213	Proposal to develop 15 attached single-family residences on the southwest and southeast corners of East Main and East Baker Streets.	Building permit submitted for West project (10 units) in April 2006. East project (5 units) nearing completion.	Issuance of building permit for West project.
(3) Callahan Estates, Winters Investors LLC, John Peterson (925) 682-4830	Proposal to develop 120 single-family residential lots in northwest part of city.	Planning Commission approved Site Plan (landscaping) on December 21, 2005.	City Council approval of Final Map.
(4) Creekside Estates, Tim Ruff (530) 758-7008	Proposal to develop 40 single-family residential lots at southwest part of city.	City Council approved Tentative Subdivision Map on April 19, 2005.	City Council approval of Final Map.
(5) Hudson-Ogando, Winters Investors LLC, John Peterson (925) 682-4830	Proposal to develop 72 single-family residential lots in northwest part of city.	Planning Commission approved Site Plan (landscaping) on December 21, 2005.	City Council approval of Final Map.
(6) Cottages at Carter Ranch Phase 2, Sacramento Pacific Development, Mark Wiese (916) 853-9800	Proposal to develop 6 single-family residential affordable lots (moderate-income households) north of Rancho Arroyo Detention Facility.	Planning Commission approved Tentative Subdivision Map on November 23, 2004.	City Council approval of Final Map.
(7) Casitas at Winters, Napa Canyon LLC, Mark Power (707) 253-1339	Proposal to develop 16 attached single-family residences at a site on West Grant Avenue east of Tomat's restaurant. Tentative Subdivision Map, Conditional Use Permit, Planned Development Overlay, Site Plan, and Development Agreement.	City Council on November 21, 2006 in response to a request from the applicant directed that the project be sent back to the Planning Commission in order to allow the applicant to redesign the project.	Applicant submittal of redesigned project.

**CITY OF WINTERS COMMUNITY DEVELOPMENT DEPARTMENT**

**Current Projects List as of June 26, 2007**

**(530) 795-4910, extension 112, [www.cityofwinters.org](http://www.cityofwinters.org)**

<p>(8) Dunmore Commercial, Dunmore Communities, Rad Bartlam (916) 676-1115</p>	<p>Proposal to construct hotel, two retail outlets, three fast food restaurants, and gas station on the south side of East Grant Avenue adjacent to the Interstate 505 southbound on-ramp. General Plan Amendment, Rezone, Conditional Use Permit, Amendment/Update to Gateway Master Plan, and Site Plan.</p>	<p>Application submitted on April 12, 2005.</p>	<p>City staff determination of application completeness.</p>
<p>(9) Winters II, Community Housing Opportunities Corporation, Ben Rosen (530) 757-4444</p>	<p>Proposal to develop 34-unit apartment complex for low- and very low-income households at 110 East Baker Street.</p>	<p>Building permit issued and construction began in October 2006.</p>	<p>Completion of construction.</p>
<p>(10) Village on the Park, Village Partners, LLC, Mark Walther (310) 798-5656</p>	<p>Proposal to develop 75 attached single-family residences on Railroad Avenue south of NC Foliage (1029 Railroad). Tentative Subdivision Map, Conditional Use Permit, Planned Development Overlay, and Development Agreement.</p>	<p>City Council on January 16, 2007 discussed policy issues and directed staff to continue to process project based on staff's recommendations on policy issues.</p>	<p>City staff determination of application completeness.</p>
<p>(11) Mary Rose Gardens, DAS Homes, Inc., Dave Snow (530) 666-0506</p>	<p>Proposal to develop 26 single-family homes and one duplex unit on the north side of West Grant Avenue west of Cemetery Lane. Tentative Subdivision Map, Inclusionary Housing Agreement, and Development Agreement.</p>	<p>City Council at its June 19, 2007 meeting continued the public hearing and consideration of the development agreement to the July 3, 2007 meeting.</p>	<p>City Council approval of development agreement.</p>
<p>(12) Anderson Place, Eva Brzeski (415) 887-9300</p>	<p>Proposal to develop up to 30 mostly attached single-family residences and 9 commercial spaces at 723 Railroad Avenue. Tentative Subdivision Map, Planned Development Overlay, PD Permit, Rezone, Conditional Use Permit, Inclusionary Housing Agreement, and Development Agreement.</p>	<p>City Council at its June 19, 2007 meeting took final action on the project by approving the project development agreement.</p>	<p>City Council approval of Final Map.</p>
<p>(13) Pearse Subdivision, Thomas Pearse (530) 795-5901</p>	<p>Proposal to develop 5 single-family residential lots at the south end of Third Street.</p>	<p>December 15, 2006 completeness letter sent, additional information needed.</p>	<p>City staff determination of application completeness.</p>

# CITY OF WINTERS COMMUNITY DEVELOPMENT DEPARTMENT

Current Projects List as of June 26, 2007

(530) 795-4910, extension 112, [www.cityofwinters.org](http://www.cityofwinters.org)

(14) Winters Commercial, Granite Bay Holdings, LLC, Tyler Wade (916) 580-1855	Proposal to develop 4.52 acres on south side of Grant Avenue directly west of Round Table Pizza complex for 49,500 square feet of commercial and office uses. Site Plan.	Conceptual site plan review held at the Planning Commission on February 27, 2007.	City staff determination of application completeness.
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## AFFORDABLE HOUSING UNITS

**Project #1:** 26 units for very low-income, 25 units for low-income, and 15 units for moderate-income households.

**Project #2:** 3 units for low-income households.

**Project #3:** 7 units for very low-income, 7 units for low-income, and 4 units for moderate-income households.

**Project #4:** 1 unit for very low-income, 2 units for low-income, and 1 unit for moderate-income households.

**Project #5:** 11 units for very low-income households.

**Project #6:** 6 units for moderate-income households.

**Project #7:** Not known at this time.

**Project #9:** 34 units for very low-income and low-income households.

**Project #10:** 4 units for very low-income and 7 units for low-income and moderate-income households.

**Project #11:** 2 units for very low-income, 1 unit for low-income, and 1 unit for moderate-income households.

**Project #12:** 2 units for very low-income, 1 unit for low-income, and 1 unit for moderate-income households.

**Project #13:** 1 unit for low-income household.



**CITY COUNCIL  
STAFF REPORT**

**TO:** Honorable Mayor and Councilmembers  
**DATE :** July 3, 2007  
**THROUGH:** John W. Donlevy, Jr., City Manager   
**FROM:** Kate Kelly, Planning Manager   
**SUBJECT:** 2006-2013 Regional Housing Needs Allocation (RHNA)

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**RECOMMENDATION:** Staff recommends the City Council receive and file this report.

**BACKGROUND:** The State mandated Regional Housing Needs Allocation (RHNA) process requires Council of Governments to develop a methodology that allocates the number of housing units that each jurisdiction must zone for during the RHNA cycle from January 1, 2006 through June 30, 2013. Each jurisdiction receives an overall allocation which includes four sub-allocations by income distribution. The income distribution allocations are the number of units to be provided within each of the four income categories defined by State law. By June 30, 2008 each jurisdiction must adopt its Housing Element that describes how it will meet these allocation numbers. The California Department of Housing and Community Development will review these elements for compliance.

The Sacramento Area Council of Governments (SACOG) has been developing the RHNA methodology in conjunction with extensive consultation with the Planners Committee which is made up of planning staff from SACOG's 28 member Cities and Counties. In May 2007 SACOG released their draft methodology for the 2006-2013 RHNA and the preliminary allocation numbers for each jurisdiction. The schedule for the review and adoption of the methodology and proposed allocations is included in the attached information packet from SACOG.

The proposed 2006 – 2013 RHNA for the City of Winters is:

<b>Income Level</b>	<b>Number</b>	<b>Percent</b>
Very Low (less than 50% of Median Household Income)	137	23.9
Low (50 - 80% of Median Household Income)	91	15.9
Moderate (120% of Median Household Income)	96	16.8
Above Moderate (120 + % Median Household Income)	248	43.4
<b>Total</b>	<b>572</b>	<b>100</b>

This represents a 25.8% reduction in the allocation from the 2000-2007 RHNA period.

The City will be circulating an RFP for a consultant to update our Housing Element and anticipate beginning work on the Housing Element by September. Staff will monitor SACOG's RHNA process and as necessary and appropriate incorporate the results into the Housing Element over the next year.

**FISCAL IMPACT:** None



May 18, 2007

John Donlevy  
City Manager  
City of Winters  
318 1<sup>st</sup> Street  
Winters, CA 95694

Dear Mr. Donlevy:

The Sacramento Area Council of Governments (SACOG) Board of Directors took action on May 17 to release a draft methodology for the 2006-2013 Regional Housing Needs Allocation (RHNA).

As you may know, by State Law, SACOG receives an overall housing unit for the six county region – El Dorado, Placer, Sacramento, Sutter, Yolo and Yuba Counties. SACOG must then develop a methodology to distribute the region's units to each city and county within the region. Each jurisdiction will receive one "overall" household allocation and four "income category" allocations, which add up to the overall number. Each jurisdiction is required by state law to adopt a housing element by June 30, 2008 to show how it will accommodate zoning for housing unit allocations. Since mid-2006, SACOG staff has been working to develop this methodology with the Planners Committee, which is comprised of the local governments' planning directors or appointed staff members.

The following documents will provide more background:

- (1) Executive Summary;
- (2) RHNA Schedule (including opportunities for comment to the SACOG Board);
- (3) Frequently Asked Questions on RHNA;
- (4) Narrative Description of Methodology #2;
- (5) Table 1 on Associated "Overall" Calculations to Methodology #2; and
- (6) Table 2 on Associated "Income Distribution" Calculations to Methodology #2.

If you have questions about the RHNA process or any of the materials in the packet, or would like to receive a briefing for your elected body, please contact SACOG's RHNA project manager, Greg Chew at (916) 340-6227 or [gchew@sacog.org](mailto:gchew@sacog.org).

Sincerely,

Mike McKeever  
Executive Director

MM:ef

Attachments

S:\Projects 06-07\0605-RHN\Citymanager\trs.051807.doc

Auburn  
Citrus Heights  
Colfax  
Davis  
El Dorado County  
Elk Grove  
Folsom  
Galt  
Isleton  
Lincoln  
Live Oak  
Loomis  
Marysville  
Placer County  
Placerville  
Rancho Cordova  
Rocklin  
Roseville  
Sacramento  
Sacramento County  
Sutter County  
West Sacramento  
Wheatland  
Winters  
Woodland  
Yolo County  
Yuba City  
Yuba County

## Regional Housing Needs Allocation (RHNA)

### EXECUTIVE SUMMARY

(Draft May 18, 2007)

*This document provides a very brief summary of the Regional Housing Needs Allocation (RHNA), and where SACOG is in the process of developing and adopting it.*

**State Requirements:** The state-mandated RHNA process requires SACOG to develop a methodology that allocates to each jurisdiction in the six-county Sacramento region – including the Tahoe Basin of El Dorado and Placer Counties – the number of housing units it must zone for during the RHNA cycle from January 1, 2006, through June 30, 2013. Each jurisdiction receives one “overall” allocation, and four allocations by “income distribution”. The income distribution allocation is the number of units within each of four state law-defined economic categories (these four categories must add up to the overall allocation). By June 30, 2008, each jurisdiction must adopt its Housing Element that describes how it will meet these five allocation numbers. The California Dept. of Housing and Community Development will review these elements for compliance. The attached FAQ provides more background information about the RHNA.

**RHNA Methodology:** SACOG staff has been developing the RHNA methodology since mid-2006 with extensive consultation of the Planners Committee, which is comprised of planning staff from SACOG’s 28 member cities and counties. Methodology #2 is essentially very similar to the methodology used for the 2000-2007 RHNA cycle. The proposed methodology for each jurisdiction’s overall allocation is based on the Metropolitan Transportation Plan (MTP) projections that SACOG developed in collaboration with each jurisdiction. The allocations by income distribution are also based on trending each jurisdiction towards a long-term regional average in each income category; Methodology #2 proposes a 50-year trend line (2000-2050) as opposed to a 35-year horizon based on the MTP horizon year (a 30-year line was used in the 2000-2007 RHNA). (Methodology #2 is explained in detail in the Methodology #2 Narrative, and its corresponding calculations are also shown in the associated tables).

**Issues Raised on Income Distribution Methodology:** The Planners Committee did not have suggested changes or comments on the “overall” allocation of Methodology #2. However, three issues were raised regarding the income distribution methodology:

- "Issue A" is if a shorter horizon is used, such as a 35-year trend line (from 2000-2035), some jurisdictions would have to significantly change the composition of their income distributions in a very short time period from 2006 to 2013.
- "Issue B" is that a 50-year trend line results in those jurisdictions that have been providing a higher share of affordable units in the past continuing to do so. Some perceive that those jurisdictions that have had a relatively lower proportion of affordable units in the past would only gradually elevate their share of low and very low-income units.

- "Issue C" relates to the impact of imposing a 30% ceiling. As in the methodology used in the adopted 2000-2007 RHNA, Methodology #2 imposes a cap so that no jurisdiction receives an allocation of more than 30% of its total allocation in each of the two lowest economic income categories (called the "very low" and "low"). Jurisdictions that do not hit a 30% ceiling pick up more of these units because some jurisdictions reach the 30% limit and cannot accept more units, even if their individual trend line is higher than 30%.

**Non-Methodological Means to Address Issues:** Issue A is directly addressed in Methodology #2; Issues B and C are not. SACOG examined a number of methodological alternatives and variations to address all three issues and could not find one that it felt could be regionally balanced and equitable. However, the SACOG Board directed staff to further develop two non-methodological means that would address Issues B and C, as described below:

- **RHNA Incentive Program:** First, a dedicated funding program could be established modeled after the Housing Incentive Program (HIP) program from the Metropolitan Transportation Commission (MTC) in the Bay Area, which gives financial incentives (approximately \$2000-\$3000 per built residential unit) to local jurisdictions to be used for transportation projects that support the MTC's transportation program. Likewise, the SACOG program could provide financial incentives to those jurisdictions receiving units that are reallocated because of Issues B and C. SACOG staff calculated that approximately 1800 units are reallocated because of these two issues. The program would pay jurisdictions direct funding for the reallocated low and very low-income units that are BUILT. The program would be administered as part of the Community Design Program.
- **RHNA Trading System:** A second means that is being forwarded to the Board to address Issues B and C is to allow for a trading system within the affordable categories. Jurisdictions could trade a number of units within the low and very low-income categories to jurisdictions willing to accept them. They would determine the terms of the trade. There are restrictions proposed by staff and required in state law that are addressed in FAQ #16.

**Process Update:** The SACOG Board released Methodology #2 for public review. If the Board releases this methodology at the May 17 meeting, the earliest it could adopt the Regional Housing Needs Plan is February, 2008 (see schedule). Changes could still be made to the methodology and associated calculations during the process if approved by the Board. The calculations may also change because of federal requirements in the Tahoe Basin and FEMA review of flood levees (see FAQ #17 for a more detailed explanation).

## **Draft Schedule for RHNA for SACOG**

(Updated May 18, 2007)

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### **2007**

- Feb 21            Planners Committee reviewed draft methodology #1
- March 5           SACOG's Land Use, Housing and Air Quality Committee reviewed methodology #1, and recommended staff continue considering other methodological approaches
- April 18           Planners Committee reviewed Methodology #2, discussed updated information.
- May 7            LUHAQ Committee recommended to Board to accept Methodology #2 and begin the public review process
- May 17            SACOG Board officially released Methodology #2 and initiated the public hearing process
- June 21:           Public hearing on draft RHNA.
- July 19:           Board to consider approval of Methodology #2 and releases draft RHNA.
- Sept 19:           Deadline for requests for revision.
- Oct. 18:           SACOG to accept or reject requests for revision.
- Nov. 15:           SACOG Board to accept or reject revisions and to set date to file appeals.
- Dec. 14:           Appeals due.
- Dec. 20:           Notify appellants of hearing.

### **2008**

- Jan. 17:           SACOG Board to hold public hearing on appeals.
- Feb. 21:           Public Hearing and RHNA adoption.
- June 30:           All jurisdictions must adopt Housing Elements

**SACRAMENTO AREA COUNCIL OF GOVERNMENTS  
FREQUENTLY ASKED QUESTIONS  
Regional Housing Needs Allocation**

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**(Updated May 18, 2007)**

This document serves as a frequently asked question (FAQ) sheet for the update of the Regional Housing Needs Allocation (RHNA). This FAQ sheet will be updated occasionally, so please check the SACOG website for updates. This version was updated following the May 17 SACOG Board meeting, when that body released Methodology #2 for public review.

This FAQ sheet is divided into three sections:

- (1) Basic Background Information
- (2) RHNA Timeline and Process
- (3) Methodology, Draft Allocations and Implications.

**BASIC BACKGROUND INFORMATION**

**1. What is the Regional Housing Needs Plan (RHNP) and Regional Housing Needs Allocation (RHNA)?**

The Regional Housing Needs Plan (RHNP) is the plan document that allocates to SACOG cities and counties their “fair share” of the region’s projected housing needs. The SACOG Board of Directors must adopt an update of the plan every five years. Each city and county in the RHNP will receive a Regional Housing Needs Allocation (RHNA) of total number of housing units that it must plan for within a 7.5 year time period. Within the total number of units, allocations are also made for the number of units within four economic categories: very low, low, moderate and above moderate incomes.

**2. What is SACOG’s role in the RHNP?**

State law mandates that council of governments develop the RHNP. The Sacramento Area Council of Governments is lead agency in developing the RHNP for the six counties and 22 cities that it serves. The plan will also include the Tahoe Basin portions that within El Dorado and Placer counties, and city of South Lake Tahoe. It is SACOG’s responsibility to coordinate with the California Department of Housing and Community Development (HCD) to determine a regional housing needs projection. Then SACOG will allocate the share each jurisdiction will receive.

**3. What time period does the RHNP cover?**

The update of the RHNP that SACOG is undertaking covers the 7.5 year period from January 1, 2006 through June 30, 2013. However, the allocations cover a five-year period for each jurisdiction’s housing element.

**4. What is the overall housing needs allocation for the region?**

HCD issued a regional allocation of 169,476 to the six-county region from 2006-2013. This number was based on a compromise between the California's Department of Finance's projection and SACOG's Blueprint Project calculations. Subcategory allocations by economic category were also issued:

- Very low income (less than 50% median household income [MFI]): 38,013 or 22.4%
- Low Income (50 to 80% MFI) 28,518 or 16.8% of total allocation
- Moderate (80 to 120% MFI) 32,974 or 19.5%
- Above Moderate (above 120% MFI) 69,971 or 41.3%

**RHNA TIMELINE AND PROCESS**

**5. What is the overall timeline for the development of the RHNP?**

There are a number of requirements in state law that SACOG will need to perform before the SACOG Board of Directors can adopt the updated RHNP. Following a series of statutory procedures, February 2008 is the earliest the SACOG Board could adopt the RHNP. Cities and counties are directed by statute to have their individual Housing Elements adopted by June 30, 2008 (see FAQ#7 for further information). The individual steps and associated timeline are shown in the Draft RHNA Schedule (updated May 18, 2007).

**6. What is the current status of the RHNA?**

The SACOG Board at its May 17 meeting released Methodology #2 for public review and initiated the public review process. At the June 21 Board meeting, public comments may be made about the draft methodology. At the July 19 meeting, the Board will deliberate whether to approve the methodology. If approved, requests may be made for revisions up to September 19, and further revisions or appeals may be made throughout the remainder of 2008 at SACOG Board meetings.

**7. What is the timeline that local governments need to meet? Is there any extension for local governments' Housing Element deadline?**

State of California statutes direct that each of the 29 jurisdictions within SACOG's RHNP have its Housing Element revised by June 30, 2008. State law includes limited provisions for requesting an administrative extension for Housing Element revisions. As of this writing, HCD has informally indicated that it does NOT, in this instance, have the authority extend the date of the Housing Elements for the affected jurisdictions. SACOG continues to evaluate its arguments that it may formally submit to request for the extension. SACOG advises all jurisdictions to plan and prepare for their Housing Elements to be adopted by June 30, 2008.

**8. How have local governments and interested parties been involved or how can they get involved in the development of the RHNP?**

The SACOG Planners Committee meetings are the main forum for local government staff to hear and discuss updates in the RHNA process. The RHNA has been discussed at all of the Planners Committee meetings since mid-2006. This Committee is comprised of the Planning Directors and/or their assigned staff and is primarily a technical planning committee. This body also has served and will continue to serve as the main forum for discussions on the Blueprint Project. All are welcome to attend these meetings, but the chairs at the table are reserved first for Planning Directors or their designee. If you wish to receive email notice to the Planners Committee meetings, please email [gchew@sacog.org](mailto:gchew@sacog.org).

In addition, SACOG staff invited all jurisdictions for meetings at the county level to discuss individual jurisdictional matters related to the RHNA. Jurisdictions have been very directly involved in developing the Metropolitan Transportation Plan (MTP) projections, which are the basis for the RHNA projections.

**9. Can SACOG provide notice of meetings with other stakeholder groups to SACOG jurisdictions?**

SACOG staff will inform local governments of updates to other stakeholder groups (e.g., development industry, affordable housing advocates, neighborhood groups) as it seems appropriate. Staff will use its judgment when to invite local governments to discuss the RHNP depending the purpose of the meeting, the audience and other factors.

**10. Can SACOG provide an online forum for discussion so other jurisdictions can see what comments it is receiving?**

Yes, anyone may go the SACOG webportal (<http://www.sacog.org/cgi-bin/cgi-bin/yabb/YaBB.cgi?board=rhna>) for an online discussion about any issue regarding the RHNA. SACOG jurisdictions and others may also provide written comments on the RHNA methodology for the public record.

## **METHODOLOGY #2 AND DRAFT ALLOCATIONS**

*To follow the questions in this section below, please be sure to view the most current versions of the documents on methodology and projections. All questions in this section refer to Methodology #2.*

**11. What are the fundamental differences between Methodology #1 and Methodology #2?**

Generally speaking, the main problems with Methodology #1 (released on February 21, 2007) were that it was difficult to explain, it relied partially on a growth projection that was outside of the 2006-2013 RHNA period, and the income distribution categories resulted in some dramatic changes in a relatively short period of time for some jurisdictions. The Planners Committee generally agreed that Methodology #2 is superior to Methodology #1.

**12. What is the method for allocation in the proposed Methodology#2?**

The Regional Housing Needs Allocation (RHNA) has two steps as required by state law. The first step allocates a total number of housing units for which zoning capacity must be provided from January 1, 2006 through June 30, 2013. Step 1 is referred to as the “overall allocation”. The second step allocates the same total number of units within four income categories; the sum of the housing units within the four categories must add up to the total overall number of units. Step 2 is referred to as the “income category distribution”.

For step 1, or the Overall Allocation, Methodology #2 takes each jurisdiction’s draft percentage share of the growth forecasted by SACOG in cooperation with local jurisdictions for use in the Metropolitan Transportation Plan 2035 for the period from 2005 to 2013, and multiplies that percentage by the overall RHNA allocation mandated by HCD (169,476 minus the Tahoe Basin allocation). The resulting number is the total unit allocation for each jurisdiction (or overall allocation). This is similar to the process used in 2001 in the last RHNA allocation except that the forecasts benefit from the sophisticated tools that were developed through the Blueprint Project.

In step 2, or the income category distribution, each jurisdiction progresses along a trend line drawn from its year 2000 household income distribution, to the 2050 regional household income distribution. This is based on the 2050 housing unit forecasts from the Blueprint Project (approved by the SACOG Board in December 2004) and the income distributions prescribed by HCD. The 2013 point along that trend line indicates the amount of housing in each income category a jurisdiction must zone for in order to move towards the 2050 regional household income distribution. This is similar to the process used in 2001 in the last RHNA allocation except that it uses a 50-year rather than a 30-year trend line. Also, Comprehensive Housing Affordability Strategy (CHAS) data are used to determine current household income distribution in jurisdictions.

The document Draft Methodology #2 provides more detailed information.

**13. How is the Tahoe Basin treated in the RHNA?**

There are three local jurisdictions in the Tahoe Basin that are within the six-county RHNA area – the city of South Lake Tahoe, and unincorporated Placer and El Dorado Counties. For clarifying purposes, all calculations for Placer and El Dorado County are separated into Tahoe Basin areas, and other areas.

The Tahoe Basin jurisdictions must be treated differently than the other 28 jurisdictions. The basin is subject to federal law and a bi-state (with Nevada) compact on growth allocations. Thus, the overall allocations for these three jurisdictions are determined by the Tahoe Regional Planning Agency, not Methodology #2.

- 14. In the April 18 Planners Committee meeting, some concerns were raised regarding the Methodology #2 income distribution recommendation. What were those concerns?**

To recap, Methodology #2 has all jurisdictions (except for the Tahoe Basin) trending over 50 years towards the regional average in each income category. The 2000-07 RHNA cycle used a 30-year trend line. Three issues were raised in the April Planners Committee meeting and subsequent communications from local planning staff members:

"Issue A" is if a 35-year trendline (from 2000-2035) was used, some jurisdictions would have to significantly change the composition of their income distributions in a very short time period from 2006 to 2013. Methodology #2 directly addresses this issue by using a 50-year trendline (from 2000-2050).

"Issue B" is, based on other comments, that a 50-year trend line results in those jurisdictions that have been providing a higher share of affordable units in the past continuing to do so. And some perceive that those jurisdictions that have had a relatively lower proportion of affordable units in the past would only gradually elevate their share of low and very low-income units.

"Issue C" relates to the impact of imposing a 30% ceiling (for low and very low income categories). Jurisdictions that do not hit a 30% ceiling pick up more units because some jurisdictions reach the 30% limit and cannot accept more units, even if their individual trendline is higher than 30%. Those units that are not allocated to jurisdictions reaching the ceiling must be re-distributed to the other jurisdictions. SACOG calculated that to be about 1100 to 1200 units, or between 1.7% and 1.8% of all low and very low units in the 2006-2013 allocation.

- 15. The Planners Committee asked SACOG staff to look into different methods to address these three issues in #14. Was SACOG staff able to find an alternative that could address all three issues?**

Staff developed a number of methodologies looking for ways to reach an equitable methodology using different variables. The staff believes that none of these alternatives could provide balance between those different concerns. After running several different scenarios, the existing Methodology #2 is the one that staff believes has the most regional equity.

However, the SACOG Board directed staff to further develop two other non-methodology-related means proposed by the SACOG staff that address these issues. They are described in the next question.

- 16. The SACOG Board conceptually approved and directed staff to more fully develop two staff-proposed non-methodological means to address the issues identified in #14. What are these two programs?**

Two non-methodology-related ways to address Issues B and C are:

1) RHNA Incentive Program: To address Issues B and C, a dedicated funding program could be established. The program could be modeled after the Housing Incentive Program (HIP) program from the Metropolitan Transportation Commission (MTC) in the Bay Area, which gives financial incentives (approximately \$2000 to \$3000 per built residential unit) to local jurisdictions to be used for transportation projects that support the MTC's transportation program. Likewise, the SACOG program could provide financial incentives to jurisdictions that promote the Blueprint Principles as it relates to the RHNA; this means the jurisdictions that assume the some of the approximately 1800 units SACOG staff calculated that result from Issues B and C. The program would pay jurisdictions direct funding for the low and very low-income units that are BUILT that are "overages" many jurisdictions receive in Issue C. The funding program would be capped but dedicated to provide such incentives to these jurisdictions.

2) RHNA Trading System: A second means to address Issues B and C is to allow for a trading system within the affordable categories. Jurisdictions could trade the number of units within the low and very low-income categories to jurisdictions willing to accept them. They would determine the terms of the trade.

There would be two conditions that the SACOG staff and LUHAQ Committee recommends are placed on this:

- a) the jurisdiction giving the units away could not go below the regional average in its housing unit allocation for the low and very low income categories combined, which is 39.2%; and
- b) the jurisdiction willing to receive the units could not exceed to total number of higher density units in its 2035 MTP allocation. The Southern California Associations of Governments (SCAG) uses a similar system.

In addition, state law requires the following additional conditions placed on this trading system:

- c) the transferring jurisdiction must have met, in the current or previous housing element cycle, at least 15% of its existing share of the region's affordable housing needs in the low and very low income category, and in no event can the jurisdiction transfer more than 500 dwelling units in a housing element cycle;
- d) the jurisdiction must transfer its regional housing needs in the same proportion by income group as the jurisdiction has met its regional housing needs;
- e) the transfer can only be between jurisdictions that are contiguously situated or between a receiving jurisdiction that is within 10 miles of the transferring jurisdiction, and if both jurisdictions are counties, they must be in the same housing market;
- f) both jurisdictions must have adopted and be implementing a housing element; and

- g) both jurisdictions must have provided HCD an annual report, as required by section 65400(b).

There are also requirements regarding the findings that both jurisdictions must make after public hearings on the transfer, and the submission of the written agreement between the jurisdictions to the COG and HCD. If the transferred units are not built within 3 years of the transfer, they may be reassigned to the transferring jurisdiction.

**17. Are there situations that SACOG or its local governments have no control over that could change the RHNA numbers?**

Yes, there are two situations that all parties should be aware of that could change the allocations and SACOG and its local governments have no ability to change.

First, the Tahoe Basin's growth allocations are guided by federal and bi-state regulations. Because those growth numbers are unknown at the time of the allocations using Methodology #2 were calculated, they may change before the SACOG Board adopts the RHNA. If those allocations change for the city of South Lake Tahoe, or the Tahoe Basin portions of El Dorado or Placer Counties, then the allocations for all other 28 jurisdictions must be recalculated.

Second, the Federal Emergency Management Agency is reviewing the suitability of flood levees throughout the region. If flood zone designations are changed and local jurisdictions receive a mandate to stop residential development in these areas, the SACOG will have to reallocate the entire RHNA, even if this happens after it is adopted.

**18. The RHNA addressed planned units, and the MTP has built units. What's the difference?**

The Metropolitan Transportation Plan (MTP) is required to show the most likely forecast of how the region will grow between now and 2035. Within the forecast, there are interim years that lead up to 2035. Each forecast year shows the placement of the number of units that are projected to be built by the end of that year. These estimates are based on local governments' General Plans and Specific Plans, and their anticipated changes to those plans in response to the Blueprint vision.

HCD requires cities and counties to show through their Housing Elements how they can accommodate their projected housing allocation by planning and zoning enough residential land. The RHNA does not necessarily mean that these zoned residential lands will be built by end of the RHNP period.

**19. How are median incomes used for the income distributions?**

The Median Income variable is used by HCD to determine the regional housing need distribution. This distribution dictates the percentage of the total number of housing units that must be zoned for in each category during the RHNA cycle. The four income categories are very low income – 50% of median income; low income – 50-80% median

income; moderate income – 80-120% median income and above moderate 120%+ median income. SACOG explored three different methods for defining median income in the region and these are described in the next three questions below. Note that all three methods rely on data from the 2000 Census.

**20. How did the California Department of Housing and Community Development (HCD) calculate its median incomes?**

HCD used Department of Finance (DOF) estimates that are calculated with 2000 Census data using individual County level median household income to determine the percentage of households that were present in each of the four income categories in 2000. This is done by allocating each household in each county to one of the four income categories based on the household income regardless of household size, summing the households in each income category from each of the six counties and then calculating each income category's share of the total regional households. This is a rough rounding method that then applies those regional shares to the total RHNA allocation for the region.

**21. If SACOG did not use HCD median incomes, how did it calculate current income distributions by jurisdiction?**

SACOG staff used Comprehensive Housing Affordability Strategy (CHAS) data – a special run of the 2000 Census raw data requested nationally from HUD especially for housing planners that adjusts income levels according to household size which is a more refined way of determining which income category a household belongs in. Each individual jurisdiction's households are placed in each of the four income categories based on the median household income of the MSA within which that jurisdiction resides. The Yuba City MSA covers all jurisdictions within Yuba and Sutter counties, the Yolo MSA covers all jurisdictions within Yolo county and the Sacramento MSA covers all jurisdictions within El Dorado, Placer and Sacramento Counties. The share of households that fall within each income category in each jurisdiction is then compared to the regional share originally provided by HCD as our regional target. Because the cities of Elk Grove and Rancho Cordova were incorporated after the 2000 Census was conducted, the CHAS data does not have their specific city limit distributions available. The CHAS income splits were collected for the Elk Grove and Laguna CDPs for Elk Grove and the Rancho Cordova CDP for Rancho Cordova. In all other cases, the city limits as of 2000 were used.

**22. Why did SACOG choose CHAS MSA median incomes?**

The main reason that SACOG did not use County Median Income as determined by DOF (HCD's source) is due to the large discrepancy between County median incomes within our Region. Yuba County is the lowest at \$30,460 while Placer County is the highest at \$57,535. If County Median Income is used to determine household placement within each income category, a household in Yuba County earning less than 50% or \$15,230 would be placed in the very low income category while a very low income household in

Placer County could earn almost double that amount as 50% of Placer County's threshold is \$28,767.

SACOG did not use a 6-county regional median income based on all 6 counties income for that same reason – it would disproportionately affect the jurisdictions located within the highest and lowest income counties. For example, jurisdictions in Yuba County would have a larger share of households placed in the very low and low income categories while Placer County jurisdictions would have a much smaller share of very low and low income households.

Using the CHAS dataset with MSA median incomes provides us with a compromise. While the Yuba City MSA is still the lowest median income at \$34,658 and the Sacramento MSA is the highest at \$46,602, a more reasonable assessment of households by income can be conducted.

Once each jurisdiction's individual 'starting point' or household income distribution for each jurisdiction (percentages in each category) has been determined, that distribution becomes the 2000 base distribution. That base distribution is then placed on a trajectory with the goal of causing each jurisdiction to meet the HCD provided regional income splits over a period of time. (For this RHNA, SACOG used a 50-year period, from 2000-2050).

**Sacramento Area Council of Governments (SACOG)**

**PUBLIC REVIEW DRAFT**

**DESCRIPTION OF METHODOLOGY #2  
FOR  
REGIONAL HOUSING NEEDS ALLOCATION (RHNA)  
(Released May 18, 2007)**

This document describes the methodology that the SACOG Board released for public comment on the Regional Housing Needs Allocation (RHNA). The RHNA period covers January 1, 2006 to June 30, 2013. For those readers who need some background on the RHNA, please see the FAQ sheet on the SACOG website:  
<http://www.sacog.org/rhnp/rhna.cfm>

**SUMMARY OF PROPOSED METHODOLOGY #2**

Here are the key points of this proposed methodology:

- The methodology takes each jurisdiction's draft percentage share of the growth forecasted by SACOG in cooperation with local jurisdictions for use in the Metropolitan Transportation Plan 2035 for the period from 2005 to 2013, and multiplies that percentage by the overall RHNA allocation mandated by HCD (169,476 minus the Tahoe Basin allocation). The resulting number is the total unit allocation for each jurisdiction. This is similar to the process used in 2001 in the last RHNA allocation except that the forecasts benefit from the sophisticated tools that were developed through the Blueprint Project.
- The distribution of the total unit allocation into income categories for each jurisdiction progresses along a trend line drawn from its year 2000 household income distribution, to the 2050 regional household income distribution, which is based on the 2050 housing unit forecasts from the Blueprint Project (approved by the SACOG Board in December 2004) and the income distributions prescribed by HCD. The 2013 point along that trend line indicates the amount of housing in each income category a jurisdiction must zone for in order to move towards the 2050 regional household income distribution. This is similar to the process used in 2001 in the last RHNA allocation except that it uses a 50-year rather than a 30-year trend line. Also, Comprehensive Housing Affordability Strategy (CHAS) data are used to determine current household income distribution in jurisdictions.
- Two "non-methodological" means of addressing regional equity are proposed: (1) a financial incentive program for jurisdictions that receive "reallocated units" due to the income distribution methodology; and (2) a trading system for any willing jurisdictions.



## DETAILED DESCRIPTION OF METHODOLOGY #2

### Two Allocation Types

There are two main components in any RHNA process to determining each jurisdiction's allocation:

1. **Overall Allocation:** SACOG receives from the California State Housing and Community Development Department (HCD) a total housing unit number for the 6-county SACOG region plus the Tahoe Regional Planning Area. SACOG then must distribute this regional number among each of the 29 jurisdictions in the region. Each jurisdiction receives a total new housing allocation for the period from Jan 1, 2006 to June 30, 2013.
2. **Income Category Distributions:** SACOG also receives from HCD a household income distribution of the total regional housing unit number. Four income categories make up this distribution and as defined by state law, are as follows: very low, low, moderate, and above moderate. The total housing unit number SACOG allocates to each jurisdiction must be further allocated into the four household income categories.

#### 1. Overall Allocation

The basis of the total new housing units for each jurisdiction (i.e. the "overall" number) will be the Metropolitan Transportation Plan (MTP) land use allocation for the MTP interim year period 2005-2013 (this set of numbers is currently in draft state<sup>1</sup>). Although this set of numbers is based on a slightly longer growth period and represents a slightly different amount of growth than the HCD target allocation, it does reflect the rate and general magnitudes of growth expected to occur in the region's cities and counties by 2013. There is an important difference between the MTP allocation and the RHNA allocations. The housing unit growth for the MTP is the number of units expected to be built during this time period. The RHNA allocation is the number of units for which zoning capacity must be provided by the jurisdictions.

The following method is proposed for adjusting the MTP 2005-2013 housing unit growth projection to a 2006-2013 Regional Housing Needs Allocation:

- 1) Determine Percentage of Regional Growth: The MTP 2005-2013 allocation for each jurisdiction is divided by the total number of new housing units projected for the region between 2005 and 2013. This percentage represents the jurisdiction's share of the projected regional growth. The MTP allocation process is described in Appendix A.

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<sup>1</sup> "Draft state" assumes SACOG will vet the draft allocation with cities and counties and that these numbers will likely move around somewhat during that review. For the MTP schedule, these interim year allocations must be approved by the SACOG Board in May 2007.

- 2) Multiply percent of regional growth by HCD's Regional Allocation: The regional growth percentage is then multiplied by the overall HCD target allocation (the difference of 169,476 minus the Tahoe Basin allocations). The resulting number is each jurisdiction's total housing unit number. Collectively, all jurisdictions' allocations, including those in the Tahoe Basin, will add to 169,476 units.

## 2. Allocation by Income Category

In the previous RHNA cycle (from the 2001 to June 30, 2007) the methodology to determine income distribution for each jurisdiction was a "forced trend." That methodology assumed that all jurisdictions moved toward the regional average for each of the four income categories over a thirty-year period (during the 2001 cycle that period was 1990 to 2020). This meant that each jurisdiction had a trend line reaching the regional average distribution by the end of the thirty years.

For this RHNA cycle, SACOG staff is proposing to update that methodology with our current projections and the 2000 census. Starting from a base-year income distribution, each jurisdiction will approach HCD's regional average household income distribution over a 50-year time period (2000-2050). This period is recommended because it fits into the MTP projection period and allows for a significant period of time to move towards regional parity. The following details the steps in that formula:

- a. **Income Categories** -- HCD requires SACOG to develop a RHNA methodology based on four income categories that are developed using California Department of Finance Projections and 2000 Census data. HCD uses Median Household Income to define the four income categories, then assigns households in each jurisdiction to each income category. The four income categories are:
  - i. Very Low - Less than or equal to 50% of Median household income;
  - ii. Low - More than 50% but less than 80% of Median household income;
  - iii. Moderate - More than 80% but less than 120% of Median household income;
  - iv. Above Moderate - More than 120% of Median household income.
  
- b. **Proposed Income Distribution for Base Year (2006)** – SACOG staff proposes using household size-adjusted Comprehensive Housing Affordability Strategy (CHAS) data to determine current household income distribution in jurisdictions. The CHAS data are a special run of the 2000 Census data requested by HUD specifically for housing planners to more accurately assess issues such as affordable housing. SACOG staff believes this dataset would provide the best picture of current income

distribution for two reasons: it is more accurate in assessing income distribution because it takes into account household size and secondly, because it is based on Metropolitan Statistical Area (MSA) median incomes it provides a regional picture of income distribution. There are three MSAs within the SACOG 6-county region. Sutter and Yuba Counties are the Yuba City MSA; Yolo County is the Yolo MSA; and El Dorado, Placer and Sacramento are in the Sacramento MSA. The median household incomes for the three MSAs are: Yuba City MSA - \$34,658; Yolo PMSA - \$40,769; Sacramento PMSA - \$46,602. The differences in the median incomes are a necessary compromise to a fully regional analysis, but this method is still much better than a county-based analysis.

- c. **Jurisdiction household income distribution moves towards HCD-defined regional household income distribution** – SACOG staff replicated the part of the 2001 RHNA Method described above that allocated housing units by income type to each jurisdiction and then moves each jurisdiction's income distribution from its current (2000 Census) distribution towards the regional income distribution over a period of time (2000-2050).
- d. **Floor/Ceiling Adjustment to jurisdiction-level income distribution** – **These adjustments are carried over from the last RHNA cycle.** A minimum of 4% in all categories and a maximum of 30% of housing units in the very low and low-income categories will be applied to each jurisdiction's income distribution. The minimum is to ensure that at least some units are allocated in all categories as required by state law. The maximum is intended to mitigate against unrealistically large changes in community character over the relatively short RHNA time period. After this adjustment is applied to relevant jurisdictions, any housing units added or removed from the very low or low categories within the jurisdiction will roll into or from the above moderate category. The distribution for the city of South Lake Tahoe is over the 30%, as requested by the city staff.
- e. **Adjustment factor to meet Targets in RHNA Income Categories** – After the floor and ceiling adjustments have been made to the income allocations, any regional surplus or deficit of housing units in each of the income categories is corrected by applying an adjustment factor (positive or negative) to the housing unit number of each jurisdiction that is not constrained by a floor or ceiling to match the HCD regional income targets.

## NON-METHODOLOGICAL MEANS TO ADDRESS METHODOLOGICAL ISSUES

Local jurisdictions raised concerns about the impacts of the income distribution methodology. To recap, Methodology #2 has all jurisdictions (except for the Tahoe Basin) trending over 50 years towards the regional average in each income category. The 2000-07 RHNA cycle used a 30-year trend line. Local government planners raised three issues:

"Issue A" is if a 35-year trend line (from 2000-2035) was used, some jurisdictions would have to significantly change the composition of their income distributions in a very short time period from 2006 to 2013. Methodology #2 directly addresses this issue by using a 50-year trend line (from 2000-2050).

"Issue B" is, based on other comments, that a 50-year trend line results in those jurisdictions that have been providing a higher share of affordable units in the past continuing to do so. And some perceive that those jurisdictions that have had a relatively lower proportion of affordable units in the past would only gradually elevate their share of low and very low-income units.

"Issue C" relates to the impact of imposing a 30% ceiling (for low and very low income categories). Jurisdictions that do not hit a 30% ceiling pick up more units because some jurisdictions reach the 30% limit and cannot accept more units, even if their individual trend line is higher than 30%. Those units that are not allocated to jurisdictions reaching the ceiling must be re-distributed to the other jurisdictions.

The combined number of reallocated units as a result of Issues B and C is approximately 1800. This represents 2.7% of the region's low and very low income allocations.

The SACOG Board has directed staff to further develop two non-methodology-related ways to address Issues B and C. The two non-methodological means are described below:

1) **RHNA Incentive Program**: To address Issues B and C, a dedicated funding program could be established. The program could be modeled after the Housing Incentive Program (HIP) program from the Metropolitan Transportation Commission (MTC) in the Bay Area, which gives financial incentives (approximately \$2000 to \$3000 per built residential unit) to local jurisdictions to be used for transportation projects that support the MTC's transportation program. Likewise, the SACOG program could provide financial incentives to jurisdictions that promote the Blueprint Principles as it relates to the RHNA; this means the jurisdictions that assume the approximately 1800 reallocated units resulting from Issues B and C. The program would pay jurisdictions direct funding for the reallocated low and very low-income units that are BUILT that are many jurisdictions receive in Issue C. The funding program would be capped but dedicated to provide such incentives to these jurisdictions.

2) **RHNA Trading System**: A second means to address Issues B and C is to allow for a trading system within the affordable categories. Jurisdictions could trade the number of units within the low and very low-income categories to jurisdictions willing to accept them. They would determine the terms of the trade.

There would be two conditions that the SACOG staff and LUHAQ Committee recommends are placed on this:

- a) the jurisdiction giving the units away could not go below the regional average in its housing unit allocation for the low and very low income categories combined, which is 39.2%; and
- b) the jurisdiction willing to receive the units could not exceed to total number of higher density units in its 2035 MTP allocation. The Southern California Associations of Governments (SCAG) uses a similar system.

In addition, state law requires the following additional conditions placed on this trading system:

- c) the transferring jurisdiction must have met, in the current or previous housing element cycle, at least 15% of its existing share of the region's affordable housing needs in the low and very low income category, and in no event can the jurisdiction transfer more than 500 dwelling units in a housing element cycle;
- d) the jurisdiction must transfer its regional housing needs in the same proportion by income group as the jurisdiction has met its regional housing needs;
- e) the transfer can only be between jurisdictions that are contiguously situated or between a receiving jurisdiction that is within 10 miles of the transferring jurisdiction, and if both jurisdictions are counties, they must be in the same housing market;
- f) both jurisdictions must have adopted and be implementing a housing element; and
- g) both jurisdictions must have provided HCD an annual report, as required by section 65400(b).

There are also requirements regarding the findings that both jurisdictions must make after public hearings on the transfer, and the submission of the written agreement between the jurisdictions to the COG and HCD. If the transferred units are not built within 3 years of the transfer, they may be reassigned to the transferring jurisdiction.

## **POLICY OBJECTIVES OF METHODOLOGY #2**

The methodology seeks to increase housing supply and the mix of housing types, tenure and affordability by allocating distributions in each income category. For each income category, each jurisdiction's allocation is trended towards the long-range regional mean, thus removing imbalances of incomes distributions within the region. For allocations in each category, jurisdictions must zone accordingly for different levels of density, thus making different product types available. Higher density zoning offers the option of providing more affordable units.

Infill is encouraged because vacant lands are increasingly more difficult to develop, and the market is changing to a higher proportion of movement into the region's urban core areas. As infill and higher density development is more prevalent, land is more efficiently utilized. SACOG has provided a great deal of incentives, planning assistance and educational activities to jurisdictions to help promote infill development.

Jobs/housing balance is an inherent policy objective in the MTP's projected growth, which, in turn, is reflected in the RHNA methodology. The growth assumptions in the MTP reflect the region's desire to reduce imbalances by the commitment of most jurisdictions to regional planning goals. By removing imbalances, there is a higher probability that people will live closer to where they work, thus reducing vehicle miles traveled, which is the ultimate goal of the MTP.

The methodology addresses balancing all jurisdictions in each income category towards the regional average by use of the 50-year trend line from 2000-2050. Each jurisdiction is compared to where it was in terms of distribution of income categories in 2000 according to the US Census. A 50-year line is drawn to the regional averages for each category. Each jurisdiction's line is bisected at 2013, therefore providing the percent allocation that will lead each jurisdiction towards the 50-year regional average in each category.

## **APPENDIX A**

### **SUMMARY DESCRIPTION OF METROPOLITAN TRANSPORTATION PLAN (MTP) 2005-2013 PROJECTIONS**

The basis of SACOG's RHNA methodology is the projections developed for the Metropolitan Transportation Plan (MTP).

Each time SACOG adopts an MTP it must first adopt a long-range growth forecast for the region and a land use allocation that specifies its best estimate of the most likely places where that growth will occur (i.e. how much and what type of growth will go to each city and county over the MTP planning period).

SACOG worked in collaboration with each jurisdiction on its growth projections for the MTP period 2005 to 2013. Each jurisdiction within the six-county area (excluding the Tahoe Basin) helped provide data on their growth projections for this timeframe. All jurisdictions were asked to take into account the key factors that affect growth during this period, including:

- Jobs and housing relationship
- Lack of capacity for sewer and water due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period;
- Availability of land suitability for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities;
- 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;
- County policies to preserve prime agriculture lands within an unincorporated area;
- Distribution of household growth assumed for a comparable period in the regional transportation plan and opportunities to maximize the use of public transportation and existing transportation infrastructure;
- Market demand for housing;
- Loss of units contained in assisted housing developments;

- High housing cost burdens;
- Housing needs of farmworkers;
- Housing needs generated by a California State or UC campus; and
- Other factors that may affect growth

Local government planners used their direct knowledge of how these factors relate to their jurisdictions, and SACOG developed growth scenarios for each jurisdiction. Each jurisdiction then reviewed the MTP projection, offered modifications, and ultimately, the MTP projection was developed. SACOG discussed these growth factors again during its meetings with individual jurisdictions at the outset of the RHNA process.

In 2005, the SACOG Board of Directors adopted a long-range forecast of population, housing, and jobs at the outset of the 2035 MTP update and SACOG staff has developed a land use allocation for the MTP planning period of 2005-2035. The land use allocation was developed over two years (2005-2007) using the following information:

- Housing permit data collected from each jurisdiction to estimate existing conditions and identify a recent growth rate for each jurisdiction.
- Development activity information from each jurisdiction, including at a minimum, information on major projects (generally specific plans). When available, infrastructure constraint factors such as flood control, water supply, road capacity and sewer capacity were also considered in development of projections. This information was generally provided at the project or sub-jurisdictional level. In some cases, jurisdictions were able to provide parcel-by-parcel development activity information. In other cases, estimates of capacity were provided by sub-jurisdictional geographies.

Staff used the information provided on existing and anticipated growth in conjunction with the regional growth forecast to estimate how much growth was likely to occur in each jurisdiction by 2035. Local jurisdictions were asked to comment on draft allocations during the development of the 2035 data set.

As part of the development of the MTP projections, staff must also develop several land use allocation data sets for interim periods between 2005 and 2035. These interim years include 2008, 2011, 2013, 2014, 2017, 2018, 2020, and 2025. Like the 2035 dataset, these interim projections must represent the best estimate of the most likely places where growth will occur, within the context of a regional forecast of population, housing and jobs.

A 2005-2018 draft land use allocation was the first of these interim data sets to be developed. A 2005-2013 draft land use allocation was developed subsequently. The 2018 data set has been circulating for comment from cities and counties since October 2006 and the 2013 data set has been circulating for comment since February 2007. Both data sets were developed using the above-specified information plus the context of the 2035 projections.

An additional step of analysis was conducted to determine what areas of a jurisdiction were more likely to develop relative to other areas. This was done by analyzing the amount of 2035 growth in a jurisdiction by four categories: “infill,” “redevelopment,” “entitled greenfield” and “planned greenfield.”

- “Entitled Greenfield:” It was assumed that entitled greenfields, or areas where new development was recently approved and buildings are currently being constructed, would build out faster than any of the other four categories.
- “Infill:” Relative to this, infill, or growth that would occur on scattered vacant parcels within an existing urban area, was assumed to occur at a slower rate than entitled greenfield growth, unless recent building activity indicated otherwise.
- “Redevelopment:” Still slower than that, “redevelopment,” or development in areas where buildings currently exist but may be added to or replaced, was expected to occur even more slowly than infill. In most places where active redevelopment is not yet occurring, we did not assume any redevelopment occurs before 2018.
- “Planned greenfield:” This type of development was evaluated based on how far along each development was in the planning and entitlement process and relative to all other planned greenfield developments in the region. (Regional comparisons, or, cross-jurisdictional comparisons, are made in the event that local governments individually plan for growth that when summed as a region equal less than or more than the forecasted regional growth for that time period.)

## Appendix B: RHNA Factors

In developing the proposed methodology establishing the Regional Housing Needs Allocation (RHNA), SACOG utilized available data on the following factors, as explained below:

**□ Each jurisdiction's existing and projected jobs and housing relationship.**

SACOG reviewed the jobs and housing balance of all jurisdictions, except the Tahoe Basin. SACOG's Metropolitan Transportation Plan (MTP) projections consider areas where there are significant imbalances in jobs and housing today and the likelihood of those imbalances improving in the future given the recent market conditions and jurisdictions' local efforts to improve imbalances. Since the MTP projections must represent the most likely growth pattern to occur, it was used as the basis for the overall RHNA distributions.

**□ Lack of capacity for sewer or water service due to federal or state law, regulations or regulatory actions, or supply and distribution decisions made by service providers other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.**

Some jurisdictions indicated that they would be running out of sewer and/or water capacity during the 2006-2013 RHNA cycle. However, the RHNA methodology proposed by SACOG staff did not cap a jurisdiction's overall allocation because of diminishing sewer or water capacity (Gov Code 65584.04 (A)(2)). As long as a jurisdiction can continue to plan for additional sewer and/or water capacity, no special adjustments were considered in the RHNA methodology. The only case where a jurisdiction is allowed an adjustment is where federal or state regulations prohibit a jurisdiction from providing necessary infrastructure for additional development. This only applies in the Tahoe Basin jurisdictions, which are excluded from this methodology for additional reasons described below.

**□ 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 COG shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions.**

The amount of land available for development varies amongst jurisdictions. Some have relatively large amounts of vacant land available, while others have limited amounts of vacant land. Others have infill opportunities from underutilized properties. The 2013 MTP projections considered all jurisdictions' land supplies. Some jurisdictions that have relatively liberal accessory unit policies or other infill tools are acknowledged in the MTP projections. The MTP projections also reflect slow growth rates in jurisdictions that lack developable lands and lack redevelopment opportunities which are driven by market forces; a relatively faster growth rate is assumed for jurisdictions with ample land supply and a comparatively strong residential market.

Some jurisdictions noted that they have land set aside for environmental mitigation. These mitigations are reflected in the 2013 MTP allocations in terms of timing of development in specific plan areas. However, jurisdictions that choose to set aside some land from development are not precluded from the planning for potential development in other lands within its boundaries; therefore, jurisdictions are generally not subject to further reductions in their regional housing needs allocations based solely on their lack of developable lands.

**□ Lands preserved or protected from urban development under existing state/federal programs designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis.**

The three jurisdictions within the Tahoe Basin (the city of South Lake Tahoe, and portions of Placer and El Dorado Counties) are heavily regulated by federal and state laws. The SACOG methodology defers to the one agency responsible for growth projections in this area – the Tahoe Regional Planning Agency (TRPA) – for growth allocations for the RHNA. However, projections for the RHNA period have not been provided by TRPA as of this writing, thus leaving SACOG staff to interpret projections without official review.

For the remaining 28 jurisdictions, lands must be officially designated as federal or state conservation lands before any adjustments to the RHNA methodology are considered (Gov Code 65584.04 (2C)). Although discussions are taking place regarding federally designated habitat conservation lands, until these lands are designated as such the RHNA methodology must consider those lands eligible for potential residential development. Even if federal designations are given, a jurisdiction still has the ability to plan for residential development on other lands within its boundaries; if there are no more lands, then the RHNA will be adjusted.

Jurisdictions that choose to impose their own restrictions on developable lands are not exempt from the RHNA methodology. Jurisdictions with self-imposed restrictions may still allow other lands for residential development. Therefore, they will still be given an allocation according to the RHNA methodology.

**□ County policies to preserve prime agricultural land within an unincorporated area.**

Some counties have policies that are intended to protect against the development of agricultural lands. The 2013 MTP allocations did not assume development of these identified agricultural lands.

Some jurisdictions also identified unincorporated agricultural lands that would be developed only upon annexation or incorporation. If the annexing jurisdiction agreed that agricultural land would only be developed upon annexation and no annexation application was in process, this land was not considered available for development for the 2013 MTP projection and RHNA.

**□ 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.**

As described in the explanation of the RHNA methodology, the foundation of the methodology is based on the SACOG's Metropolitan Transportation Plan (MTP) housing and employment projections. While the RHNA cycle covers from January 1, 2006, through June 30, 2013, the MTP covers the period from 2005 through 2035, with an interim projection from 2005 through 2013. The MTP 2005-2013 projections were developed by collaboration and coordination with each jurisdiction. To coordinate the two projection periods, SACOG took the percentage of the region's MTP growth for each jurisdiction, and multiplied it by the RHNA six-county allocation (minus the Tahoe Basin).

The Tahoe Basin is excluded from the MTP projection because it is not part of the federally-designated SACOG planning area. SACOG does not have any transportation planning authority within this basin, and therefore it is not part of the MTP.

**□ The market demand for housing.**

Several jurisdictions commented that the market demand for housing has declined significantly compared to the first half of the decade. Although there are clear signs that this is the case, this slowdown affects all jurisdictions within the six counties and not any individuals significantly more than others. In addition, the 2013 MTP projection does take into account the relatively weak short-term market demand for housing. Therefore, no jurisdictions are given any special adjustments or treatment in this situation.

**□ Agreements between cities and counties to direct growth toward incorporated areas of the county.**

Some cities and their counties have agreements in place to direct growth towards incorporated areas. Where such agreements exist, SACOG considered unincorporated areas of the county to be unavailable for development in establishing the 2013 MTP projections.

**□ The loss of units contained in assisted housing developments that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.**

No jurisdiction stated that this factor should effect the allocation.

**□ High-housing costs burdens.**

Some jurisdictions stated that they have a higher concentration of low and very low income households within their jurisdictions. The RHNA methodology's income category distribution trends all jurisdictions towards a long-term regional average. By doing this, it removes extreme concentrations of a particular income category with just a few jurisdictions; instead, it moves all jurisdictions' distribution of income categories towards regional averages.

**□ The housing needs of farm workers.**

Some jurisdictions stated that farm worker housing is not being developed, in large part because infrastructure does not reach potential development sites or because the cost of development is prohibitive in these areas which are typically remote and rural. The MTP projections assumed that new housing in general would be contiguous to incorporated areas with urban infrastructure.

**□ The housing needs generated by a Cal. State or UC campus within a jurisdiction.**

The plans made by California State University or University of California campuses for student housing are modeled into the MTP projections.

**□ Any other factors adopted by the COG.**

There are two situations that are outside the control of SACOG and local jurisdictions that may still affect the RHNA methodology and the associated allocations.

First, the Federal Emergency Management Agency (FEMA) is reviewing the flood levees and may re-designate and impose a federal moratorium on residential development. If during the RHNA update process a jurisdiction receives a FEMA designation that prohibits near-term development, the entire RHNA may need to be recalculated to redistribute the regional allocation among all jurisdictions, even after the Regional Housing Needs Plan is scheduled to be adopted in early 2008.

Second, as mentioned earlier, federal and state laws regulate development of residential units in the Tahoe Basin. The three jurisdictions in basin - the city of South Lake Tahoe, and the Tahoe Basin portions of unincorporated El Dorado and Placer Counties - have no control over the number of development applications they can process. The allocations for these jurisdictions may change independently of the RHNA methodology. If they do change, then the rest of the region will need to be reallocated. The maximum effect of a reallocation could not exceed the combined total current allocation for these three jurisdictions, which is 2,625 units, or 1.5% of all units.



TABLE 1 - TOTAL HOUSING UNITS OVER TIME

SACOG DRAFT METHODOLOGY #2

(Calculations ran: April 17, 2007; notes updated May 10, 2007)

JURISDICTION LEVEL HOUSING UNIT ESTIMATES 2000-2050 FOR RHNA 2006-2013 (HOLDS TAHOE BASIN CONSTANT)

TOTAL HOUSING UNITS

Jurisdiction/SOI/Sub-area	A	B	C	D	E	F
	2000 Census	2005 MTP	2013 MTP	2005-2013 MTP Growth	% Regional Growth in 2005-2013	2006-2013 RHNA Allocation by Regional Growth (Actual)
Placerville	4,242	4,400	4,971	529	0.33%	65
South Lake Tahoe <sup>1</sup>	14,005	14,505	16,305	2,300	0.00%	745
El Dorado Uninc <sup>1</sup> Tahoe Basin	8,010	8,760	9,980	1,220	0.00%	125
El Dorado Uninc not TB	45,021	56,471	67,473	12,200	6.36%	7,617
Total El Dorado uninc	53,031	65,231	77,453	12,420	6.35%	7,742
El Dorado County total	71,278	84,136	87,709	15,473	6.68%	15,040
Auburn	5,457	6,144	6,696	752	0.26%	98
Colfax	647	718	820	102	0.06%	38
Lincoln	4,152	10,169	19,471	9,319	5.38%	859
Lincoln SOI	351	347	5,895	5,448	3.21%	352
Loomis	2,277	2,304	2,521	247	0.13%	208
Rocklin	14,428	19,658	22,952	3,264	1.80%	375
Roseville	31,978	42,418	55,566	13,180	7.60%	1,698
Roseville SOI	478	478	800	422	0.24%	417
Roseville MOU	0	0	0	0	0.00%	0
Southwest Placer Subarea	813	867	6,504	5,691	3.26%	438
Placer Uninc <sup>1</sup> Tahoe Basin	11,481	11,981	12,781	1,300	0.00%	740
Placer uninc not TB	35,178	30,744	39,309	4,131	1.46%	272
Total Placer uninc	46,659	48,725	52,090	5,365	1.47%	322
Placer County total	107,240	131,818	173,317	47,077	23.62%	20,318
Citrus Heights <sup>3</sup>	34,374	34,374	34,760	386	0.22%	52
Elk Grove <sup>2</sup>	29,903	38,198	54,851	15,655	8.63%	1,067
Folsom	17,968	22,716	28,017	6,301	3.06%	174
Galt	6,211	6,621	7,452	831	0.48%	50
Galt SOI	699	1,284	1,387	688	0.06%	38
Isleton <sup>4</sup>	383	374	467	84	0.07%	109
Isleton SOI <sup>4</sup>	128	278	278	150	0.00%	16
Rancho Cordova <sup>2</sup>	20,322	20,322	35,824	15,502	8.85%	1,752
Rancho Cordova SOI	4	29	82	78	0.03%	52
Sacramento + Panhandle + Natomes Joint Vision Area	163,596	173,052	200,219	36,623	15.71%	2,875
Natomes Joint Vision Area						
Sacramento Uninc <sup>3</sup>	201,228	208,656	229,735	28,507	12.19%	2,515
Sacramento County total	474,814	605,901	692,868	118,054	60.30%	63,318
Live Oak	1,818	1,838	2,757	939	0.53%	897
Live Oak SOI	362	513	513	151	0.00%	50
Yuba City	17,693	19,162	23,804	6,142	2.66%	1,178
Yuba City SOI	2,890	2,850	5,288	2,398	1.35%	255
Sutter Uninc	5,224	5,224	5,684	460	0.27%	244
Sutter County total	28,187	29,687	38,046	9,859	4.83%	904
Davis	22,733	22,733	23,466	733	0.42%	70
Davis SOI	643	815	815	172	0.00%	0
University	793	940	2,391	1,598	0.84%	100
West Sacramento	12,133	15,448	23,320	11,187	4.65%	794
Winters	1,954	2,508	3,101	1,147	0.34%	172
Woodland	17,121	17,370	20,125	2,754	1.69%	266
Yolo Uninc	6,210	6,735	7,348	1,138	0.35%	51
Yolo County total	61,587	66,846	80,666	19,079	8.10%	1,522
Marysville	4,890	4,890	5,091	201	0.12%	19
Wheatland	827	1,283	1,429	602	0.10%	50
Wheatland SOI	187	252	1,435	1,153	0.68%	141
Yuba Uninc	16,732	18,478	28,248	11,516	5.65%	523
Yuba County total	22,836	24,883	36,201	13,365	6.64%	1,016
<b>SACOG REGIONAL TOTAL</b>	<b>785,742</b>	<b>842,974</b>	<b>1,018,728</b>	<b>233,044</b>	<b>100%</b>	<b>168,181</b>
Tahoe Basin				1,000		2,626
<b>TOTALS</b>				<b>234,044</b>		<b>170,807</b>

IMPORTANT NOTE #1 : There are two situations that are outside the control of SACOG and local jurisdictions that could change the calculations on this table. First, the Federal Emergency Management Administration (FEMA) is reviewing the flood levees and may redesignate and impose a federal moratorium on residential development. If during the RHNA update process a jurisdiction receives a FEMA designation that prohibits near-term development, the entire RHNA may need to be recalculated to redistribute the regional allocation among all jurisdictions.

IMPORTANT NOTE #2: Development and growth of residential units in the Tahoe Basin is regulated by federal and state laws. The three jurisdictions in basin - the city of South Lake Tahoe, and the Tahoe Basin portions of El Dorado and Placer Counties - have no control on development applications. The allocations for these jurisdictions may change independently of the RHNA methodology. If they do change, then the rest of the region will need to be reallocated. The maximum effect of a reallocation could not exceed the combined total current allocation for these three jurisdictions, which is 2625 units, or 1.6% of all units.

1 - The Tahoe Basin areas of the city of South Lake Tahoe, portions of Unincorporated El Dorado and Placer Counties are under the auspices of the Tahoe Regional Planning Agency (TRPA). Due to strict regulations on building in these areas exceptions have been made in the determination of total housing units as well as income breakdowns. The MTP numbers do not include growth projected in the Tahoe Basin areas. The estimates are based on a discussion with TRPA that a reasonable number of annual permits will be 100 each for South Lake Tahoe, and Unincorporated Placer County and 160 annual permits in Unincorporated El Dorado County in the Tahoe Basin. Tahoe Basin numbers are held constant throughout the calculations.

2 - 2000 Census Elk Grove, Rancho Cordova and unincorporated Sacramento County housing unit counts calculated from block geography of 2000 Census. CHAS splits done for Elk Grove by combining the Elk Grove and Laguna CDPs; Rancho Cordova comes from the Rancho Cordova CDP.

3 - Citrus Heights has been allocated 381 units between 2005-2013; we added this 381 on top of DOFs 2008 number as our PLACE3S 2005 number is considerably lower and was causing a negative growth rate.

4 - Isleton is expanding growth within it's city boundaries as well as within it's SOI. The expected numbers are shown here, but have not yet been updated into the MTP projections.

A - 2000 number of housing units from Census

B - 2005 DRAFT MTP housing units

C - 2013 DRAFT MTP housing units

D - 2005-2013 DRAFT MTP Growth Increment for the 8-year period is 172,954 units. Estimated growth in the Tahoe Basin is 2,626 units over the 8-year period for a total of 175,764 units.

E - Percentage of MTP Regional Growth of 172,954 units over the 8-year period 2005-2013 that each area is projected to grow.

F - Distribution of 2006-2013 RHNA Allocation. Of the target 168,478 units by HCD, estimated growth in the Tahoe Basin is 2,626 units over the 7 1/2 year period. The remaining 166,851 units necessary to meet HCD's target of 169,476 units is arrived at by multiplying the 166,851 by column E - the % of regional growth.