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HCAOG Cycle 7 RHNA Allocation Method and Data Sources

Similar to previous cycles of California's Regional Housing Needs Assessment (RHNA) process within Humboldt County, the Humboldt County Association of Governments (HCAOG) is proposing to implement a RHNA allocation methodology focusing on two important and readily available factors, existing population and existing employment. These two factors will be used in order to determine the total number of housing units that would be allocated to all HCAOG member agencies. In a step to further comply with the RHNA statutory objectives and to reflect regional and state priority to reduce greenhouse gas emissions, two additional factors, vehicles miles travelled and HCD opportunity score are introduced into the allocation method for the below-moderate income housing. Further discussion on all factors can be found at the end of this section.

Proposed Allocation Method

<u>Step 1</u>

HCAOG is proposing a two-step methodology that first assigns a total number of units to a local agency based on weighted factors, with the second step distributing those units to each agency in each income category. Each step in the method, in addition to how this method satisfies the RHNA Objectives (which are summarized at the end of this document), is discussed in further detail below.

The first step assigns the total number of units to each agency based on the agency's percentage or total County population, and percentage of total county employment opportunities (jobs). Both of these factors have been used in Humboldt's past RHNA cycles, and are based on robust data available from agencies such as the Department of Finance and the U.S. Census Bureau. The general method equation used in this first step in the RHNA allocation is shown below:

$$Total\ Agency\ Allocation = WF_{pop}(\%\ regional\ population) + WF_{jobs}(\%\ regional\ jobs)$$

Where: WF_{pop} = weighting factor applied to population

WF_{jobs} = weighting factor applied to jobs

The first factor described below is the measurement of existing population. The population data used comes from the California Department of Finance (DOF), <u>Table P-2A (Total Population for California and Counties).</u> By allocating a percentage of units to each agency based on their existing *regional population*, Humboldt's RHNA methodology:

- Increases the housing supply in all City's in an equitable manner based on readily available data (**Objective 1**).

- Provides for new housing opportunity in all regional agencies, including small high opportunity cities with less robust employment markets (including high-resource communities) (**Objective 5**).

- Addresses Humboldt's Regional Housing Needs Determination (RHND). The RHND received from HCD on July 15, 2025 indicated that the majority of new housing needs across the region over the 8-year planning period are in response to the regions low vacancy rates and high cost burdens, as discussed further below.

As noted above the majority of new housing allocated to the region is a result of vacancy rate and cost burden adjustments. The adjustments result in 4,870 of the 5,962 units assigned to the region, about 83% of the allocation overall. Further exploration of available cost burden and vacancy rate data within the region suggested that lower than average vacancy rates and high cost-burdens are a universal issue across all the county's jurisdictions. Given that low vacancy rates and high cost-burdens are in general an indicator of low housing supply/availability, HCAOG is proposing to allocate housing to all jurisdictions based on their 2025 estimated population, and weighting the population factor (WF_{pop}) at 50%. Taking this initial step in the allocation methodology will ensure that Humboldt sub-regional allocations address this issue, which has been determined by the state (through Humboldt's RHND) to be the single largest issue facing the region's housing market.

The second factor used in HCAOG's sub-regional allocation methodology is total jobs within each jurisdiction. The data on regional jobs comes from the [LEHD Origin-Destination Employment Statistics (LODES), developed by the U.S. Census Bureau.](#) The data can be accessed from the OnTheMap tool, and is a measurement of employment opportunities at a jurisdictional level. The jobs factor is proposed to be weighted at 50%. By allocating a percentage of units to each agency based on existing *regional jobs*, Humboldt's RHNA methodology:

- Promotes further infill development and socioeconomic equity, by prioritizing the placement of new housing units within the region's existing jobs centers (**Objective 2**)

- Furthers the region's greenhouse gas reduction targets by allocating more housing into existing job centers, recognizing that the region's highest GHG reduction priority is to reduce GHG emissions from vehicle trips (and most vehicle trips come from employment needs) (**Objective 2**)

- Improves the region's jobs and housing mix, by allocating more housing into jurisdictions with more available employment (**Objective 3**)

Step 2

The second step in the sub-regional allocation is to take the results of the allocation method noted above and assign household unit allocations to each jurisdiction in each of the six (6) income categories (ranging from Acutely Low to Above-Moderate). In RHNA Cycle 7, HCAOG is proposing to update the allocation methodology entirely, which is discussed further below.

The first part of this process is to calculate for each agency the total number of below-moderate income units. This is first accomplished using the equation below:

$$\textbf{\textit{Total Agency Assignment of Below Moderate Income Housing}}$$
$$= RHND \ Low \ Income \ Housing \ Percentage \ x \ Total \ Agency \ Allocation$$
$$\pm \ Opportunity \ Score \ Adjustment \ \pm \ VMT \ Adjustment$$

Where: Opportunity Score Adjustment = Opportunity Weight Factor x Total Jurisdictional Below Moderate Housing x (1 ± Regional Opportunity Score Variance)

And: VMT Adjustment = $_{VMT}$ Weight Factor x Total Jurisdictional Below Moderate Housing x (1 ± Regional VMT Variance)

As shown above there are two additional variable introduced into the methodology at this step, Opportunity Score and VMT. The Opportunity Score metric is recommended for use by the Department of Housing and Community Development, and for this analysis HCAOG used the version published by HCD (AFFH Data Viewer 3.0). The 'COG Geography Composite Opportunity Scores' were used for each agency, and average Opportunity Scores were calculated for each agency using an area-weighted average within each agency's jurisdictional boundary. Lastly, the variances were calculated as a simple variance between any single agencies opportunity score, vs the total average opportunity score of all agencies within the county. The Opportunity Scores and variance results are shown in the tables at the end of this document.

The next variable is Vehicle Miles Travelled (VMT). For this metric, VMT's were obtained from the Fehr and Peer VMT Index Mapping Tool, which is a GIS mapping tool that has developed VMT projections on the Census Tract level based on StreetLight data. For the RHNA allocation, the work-based VMT options

were selected (over total household VMT), as HCAOG felt that this better represented transportation necessity, as opposed to discretionary transportation. Lastly, regional VMT variances were calculated in the same method as noted above for Opporunity Score, and all results are shown in the table at the end of this document.

For RHNA Cycle 7, the Opportunity Weight Factor was assigned a value of 30%, and the VMT Weight Factor was 70%. HCAOG felt that this weighting distribution appropriately captured the region's desire to advance housing opportunity and equity, while preserving local natural resources, reducing urban sprawl, and reducing greenhouse gas emissions through the transportation system. The final step in calculating the total number of below-moderate income units for each agency is the apply a small universal correction factor so that the sum total of the agency juristictions matches the RHND. The universal adjustment required to achieve this balance was 1.6%.

Next, the above moderate income housing units are calculated for each agency by subtracting the total number of below-moderate income housing units from the agency's total unit allocation, calculated in Step 1 above.

The final step in assigning housing units per income level to each agency is to multiply the total number of below- or above moderate housing units by the allocation percentages reported in the table in Attachment 1 of the Final Regional Housing Needs Determination (dated July 15th, 2025). In performing this final step, a final adjustment is applied which is equal to 10% of the difference from the agency's household unit category in any income category and the regional average in that income category. This final adjustment ensures that as the allocations are place into each agency, it is done so in an effort to not over-concentrate any one income category in each agency.

Using the method, variables, and weighting outlined in Step 2 above, HCAOG's RHNA allocation method addresses the RHNA objectives by:

- Assigning units of all housing types, tenure, and affordability to each jurisdiction (**Objective 1**)

- Assigning below-moderate income housing units favoring agency's with lower then average regional VMT, thereby promoting housing affordability equity in job centers, promoting infill, and reducing regional GHG emissions (**Objectives 1-3**)

- Accounting for an agency's existing housing stock based on income levels, and adjusting the allocation as compared to the regional average to prevent overconcentration **(Objective 4)**

- Assigning below-moderate income housing units favoring agency's with high mapped housing opportunity scores, thereby furthering fair housing goals (**Objective 5**)

The results of the second step in the allocation methodology is also shown in the following tables.

The proposed RHNA allocation methodology, through consultation with local agencies, shall also consider a number of additional factors as summarized in California Code Section 65584.04(e). These considerations with responses from HCAOG staff is included at the end of this document.

Table 1. Summary of Opportunity Scores and variances per agency.

Agency	AFFH Opportunity Score (Area Weighted to Agency Boundary)	Variance From Regional Average
Arcata	6.83	16%
Blue Lake	8.97	52%
Eureka	3.57	-39%
Ferndale	6	2%
Fortuna	5.01	-15%
Rio Dell	3	-49%
Trinidad	9	53%
Unincorporated County	4.79	-19%

Table 2. Summary of Opportunity Scores and variances per agency.

Agency	Work Based VMT	Variance From Regional Average (times -1)
Arcata	12.2	2%
Blue Lake	14.7	-19%
Eureka	9.5	23%
Ferndale	11	11%
Fortuna	10.5	15%
Rio Dell	13.4	-8%
Trinidad	14.7	-19%
Unincorporated County	13.2	-6%

Table 3. Summary of methodology calculations to determine below- and above-moderate income units per agency.

Factor Weighting	Opportunity	30%		VMT	70%				2%	
	A	B	C	D	E	F	G	H	I	J
Agency	Lower Income RHNA	Opportunity Variance Weight (30%)	Opportunity Variance	Lower Income RHNA Units per Opportunity Variance Adjustment	VMT Variance Weight (70%)	VMT Variance	Lower Income RHNA Units per VMT Variance Adjustment	Total Preliminary Adjusted Low Income RHNA (includes Opportunity + VMT Adjustment)	Final Adjusted Lower Income RHNA Target (adjusts each agencies unit number up 1.61% to meet RHND target number)	Final Adjusted High RHNA Target (agency total units minus Final Lower Income RHNA Target)
Arcata	545	164	16%	189	382	2%	388	577	586	456
Blue Lake	21	6	52%	10	15	-19%	12	22	22	19
Eureka	910	273	-39%	165	637	23%	786	951	967	773
Ferndale	30	9	2%	9	21	11%	23	33	33	24
Fortuna	251	75	-15%	64	176	15%	203	267	271	208
Rio Dell	50	15	-49%	8	35	-8%	32	40	40	55
Trinidad	14	4	53%	6	10	-19%	8	14	15	12
Unincorporated County	1298	389	-19%	316	909	-6%	850	1166	1185	1296
Totals	3,119	-	-	-	-	-	-	3,070	3,119	2,843

Table 4. Summary of unit allocations per income category per agency.

	Summary - 50/50 Jobs/Population - Low Income RHNA per VMT and Opportunity								
Jurisdiction	Acutley Low (0% - 15% MHI)	Extremely Low (15% - 30% MHI)	Very Low (30% - 50% MHI)	Low (50% - 80% MHI)	Moderate (80% - 120% MHI)	Above Moderate (120%<MHI)	Total Jurisdictional Allocation	Total Low Income RHNA	Total High Income RHNA
Arcata	103	160	117	206	89	367	1,042	586	456
Blue Lake	3	7	4	8	4	15	41	22	19
Eureka	179	267	193	328	154	619	1,740	967	773
Ferndale	6	9	7	11	5	19	57	33	24
Fortuna	50	75	53	93	44	164	479	271	208
Rio Dell	7	11	6	16	10	45	95	40	55
Trinidad	3	4	3	5	6	6	27	15	12
Unincorporated County	211	333	244	397	253	1,043	2,481	1,185	1,296
Total Regional Allocation	**562**	**866**	**627**	**1,064**	**565**	**2,278**	**5,962**	3,119	2,843

RHNA Objectives:

State law requires that the final RHNA Plan shall be consistent with the following objectives:

1. Increasing the housing supply and the mix of housing types, tenure, and affordability in all cities and counties within the region in an equitable manner, which shall result in each jurisdiction receiving an allocation of units for low- and very low-income households. The regional housing needs allocation plan shall allocate units for extremely low- and acutely low-income households in a manner that is roughly proportional to, and within a range of 3 percent of, the housing need for very low-income households.

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

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

4. Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproportionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent American Community Survey.

5. Affirmatively furthering fair housing.

RHNA Survey Requirements (CC 65584.04):

Through survey and consultation with the local agencies represented through HCAOG, the following summarizes how the 13 required factors per code section 65584.04(e) are addressed in the proposed RHNA methodology.

(1) Your jurisdiction's existing and projected jobs and housing relationship
No specific local data is available or was received from local agencies. By using DOF and Census Bureau jobs and housing data, the proposed methodology will continue to focus on locating housing near existing and future employment opportunities.

(2) Constraints due to sewer, water, developable land suitability or preservation issues, emergency evacuation route capacities, or climate change risks
Only the City of Trinidad noted specific utility constraints for sewer. The proposed methodology would allocate few units to Trinidad, given their low population and percentage of regional employment. Several agencies noted a lack of vacant developable land within their existing City limits. In tandem with the regional emphasis on infill, future units will need to be on sites that are

zoned for higher densities in the future, or local agencies may have to pursue annexations.

(3) The distribution of household growth that provide opportunities to maximize the use of public transportation and existing transportation infrastructure

Local agencies have identified infill development as a top priority as a means to maximize the use of existing utility and service infrastructure.

(4) The market demand for housing

No local agencies track this data internally or provided to HCAOG for consideration. Housing demand rates were reviewed based on data from the American Community Survey. In general all local agencies experience below national-standard vacancy rates for both owner occupied and rental housing units. By allocating housing units to all agencies based on population, housing stock in all agencies can grow and contribute towards reducing housing costs and improve housing availability.

(5) Agreements between a county and cities in a county to direct growth toward incorporated areas of the county, or ballot approved measures to preserve agricultural land

No local agencies have such agreements in place.

(6) The loss of units contained in assisted housing developments

No local agencies indicated this issue.

(7) High housing cost burdens (specifically those households spending over 30% of their income on housing)

No local agencies track this data internally or provided to HCAOG for consideration. Housing cost-burden rates were reviewed based on data from the American Community Survey. In general all local agencies experience above average cost burden rates for both owner occupied and rental housing units. By allocating housing units to all agencies based on population, housing stock in all agencies can grow and contribute towards reducing housing costs and improve housing availability.

(8) The rate of overcrowding

In general overcrowding was identified as a smaller issue in Humboldt, and no local agencies provided specific data for use outside of the American Community Survey. Allocating housing units to all agencies based on jobs and population, to address cost-burden and vacancy issues, will also serve to remedy any regional overcrowding issues.

(9) The housing needs of farmworkers

Farmworker housing was identified as a factor more effecting communities in the Eel River Valley (Ferndale, Fortuna, County). Allocating units to local agencies based on population and existing employment will ensure some housing is developed for farmworkers in key areas within the County.

(10)   Housing needs generated by the presence of Cal Poly Humboldt.

Housing needs of Cal Poly Humboldt Students was primarily identified as a need in the Arcata and McKinleyville area, with Eureka also serving as a proximal location with robust transportation services. The proposed methodology allocates units based on jobs and population, and as such approximately 91% of total units, through the housing element process, could be located with convenient access to Cal Poly Humboldt for future students or employees. Additionally, Cal Poly Humboldt has completed the Campus Physical Plan, which calls for the development of approximately 2,400 additional bed-spaces in Arcata (which is in addition to the recently completed Hinarr Hu Moulik Housing complex, which when fully complete will provide 964 bed spaces).

(11)   The housing needs for individuals and families experiencing homelessness

The determination issued to Humboldt includes adjustments for homelessness based on Point-in-Time Counts. Based on this data, Eureka, the County, and Arcata have approximately 91% of the total population of people experiencing homelessness. The proposed allocation methodology will allocate approximately 89% of the total regional units to these agencies.

(12)   The loss of housing units because of a state-declared emergency

No local agencies cited this as an issue that needed to be addressed through the RHNA process.

(13)   Local/regional constraints or policies relating to regional greenhouse gas emissions reduction targets

No current constraints or policies exist. The region's Regional Transportation Plan (RTP) and draft Climate Action Plan both call out housing unit infill within existing urbanized areas as a regional housing priority. Including the County, which has a significant portion of the urbanized area of Eureka in addition to McKinleyville, the proposed allocation methodology assigns approximately 96% of total allocated housing units to agencies with existing urbanized infill areas.