2001
Fresno County
Regional Housing Needs
Allocation Plan

Final

July 2001

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Chapter 1

INTRODUCTION

Each city and county within the State of California is required to prepare and adopt a general plan that functions as a blueprint for the physical development of its jurisdiction. The general plan is a policy tool containing a structured set of goals and policies used by local policy makers to direct growth.

The housing element has been a required element of the general plan since 1969. Its purpose is to address the manner in which local jurisdictions attain State housing goals, the most important of which is that "the availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order." Housing elements must identify existing and projected housing needs of all income levels, resources available to meet those needs, existing constraints, and quantifiable objectives for the construction, conservation and rehabilitation of housing units. A housing program to implement local objectives must also be identified.

State Housing Element Law (Article 10.6 of the Government Code), Section 65584 in particular, requires that existing and projected housing needs of a jurisdiction are to include the jurisdiction's share of the regional housing need. Councils of governments are mandated to prepare regional housing needs allocation plans that determine housing allocations specific to jurisdictions, including consideration of housing needs of all income levels. Furthermore, consideration of housing needs of all income levels and subsequent housing allocations must seek to reduce the concentration of lower income households in cities or counties that are impacted by disproportionately high proportions of lower income households.

Numerous criteria must be taken into consideration when determining a jurisdiction's share of the regional housing need. These criteria include the market demand for housing, employment opportunities, availability of suitable development sites, public facilities, commuting patterns, type and tenure of housing need, and the housing needs of farm workers.

The State Department of Housing and Community Development (HCD) has several roles in the regional housing needs allocation process. Section 65584 requires HCD to allocate shares of statewide housing need, by income category, to councils of government, including the Council of Fresno County Governments (Fresno COG), and advises councils of government in the preparation of the regional housing needs allocation plan. Councils of government are required to then determine the distribution of the housing need within the region.

While housing elements must reflect the shared responsibility among local governments for accommodating regional housing needs and the housing needs of all economic levels, the actual distribution of housing needs to local jurisdictions represents a planning objective. The State recognizes that the total housing needs identified may exceed available resources and a community's ability to satisfy these needs and that, in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan. It is important to make progress during the planning period to achieve the housing need, not necessarily that the total housing need be achieved. It is also important to recognize that addressing regional housing needs requires local jurisdictions to cooperate with other local jurisdictions in the region.

Census data from 1990, Central California Futures Institute population estimates and projections, State Department of Finance (DOF) data, HCD data, and Fresno COG calculations are the basis for all housing projections prepared for Fresno County's 2001 Regional Housing Needs Allocation Plan. The planning period for the Plan extends from January 1, 2000 to July 1, 2007.

STUDY APPROACH

A team of local planning and housing experts, formed to assist staff with this project, met on August 17, 2000, and recommended to the Fresno COG Policy Advisory Committee and Policy Board that the methodology utilized to develop the earlier Fresno County 1990 Regional Housing Needs Allocation Plan be used to develop the Fresno County 2001 Plan. The recommendation was based on the following methodology attributes:

1. The methodology was successfully used in the development of the 1990 Plan and was acceptable to local jurisdictions in Fresno County and HCD at that time. There have been no changes to Section 65584 of the Government Code since 1990 that would indicate some other methodology would be more appropriate for use in Fresno County's 2001 Plan.

2. The methodology is acceptable to HCD for use in Fresno County's 2001 Plan.

3. The methodology is relatively straightforward to understand and implement, an important factor to achieve support for the Plan.

4. The methodology reflects a city-centered and balanced development pattern that is substantially consistent with local agency general plans, including Fresno County's General Plan, recently adopted on October 3, 2000.

On September 28, 2000, the Fresno COG Policy Board approved the use of the 1990 Plan methodology in the development of the Fresno County 2001 Regional Housing Needs Allocation Plan.

The Fresno County 2001 Plan responds to State statute and guidelines by identifying the following:

1. The existing and projected housing needs of the Fresno County region.

2. The housing needs of persons at all income levels within the area significantly affected by a jurisdiction's general plan.

3. The distribution of housing needs to reduce the concentration of lower income households in cities which already have disproportionately high proportions of lower income households.

4. A January 1, 2000 to July 1, 2007 planning time frame (7 ½ years) consistent with the statutory schedule.

The Plan includes the following two major components:

1. Existing Housing Needs - Information in the Plan for the base year January 1, 2000 includes:

   a. Total households by household income and jurisdictional area
   b. Vacancies

2. Projected Housing Needs: - Two categories of projected housing need, by jurisdictional area, are included in the Plan:

   a. Projected households by household income groups for July 1, 2007
   b. Projected housing construction need for the 7 ½ year period extending from January 1, 2000 to July 1, 2007, derived by the Fresno COG from the household projections with allowances for vacant units and normal market removals

The general process used to develop the Plan is outlined below. The completion of tasks one to seven resulted in the development of the draft Fresno County 2001 Regional Housing Needs Allocation Plan. Tasks eight and nine summarize the review process prior to final Plan approval.

Task One – Assemble Materials and Data

Approach

One of the earliest considerations in the development of the Fresno County 2001 Regional Housing Needs Allocation Plan is the determination of the housing construction need figure for Fresno County for the planning period extending from January 1, 2000 to July 1, 2007. The State Department of Housing and Community Development required that the housing construction need figure be within the range of 34,109 to 43,585 housing units. Fresno COG staff initially determined the figure should be 34,923, or 814 units more than the low end of the range provided by HCD. This figure assumes a .09 percent annual replacement rate for Fresno County, as identified by HCD. Application of the methodology resulted in a refined figure of 34,772 units, or 663 units more than the low end of the range.

The range of housing construction need provided by HCD is based on Department of Finance population projection. The figure determined by COG staff is based on the Central California Futures Institute population projection. In November, 1998, the Department of Finance released its latest final population projection for Fresno County, predicting substantially lower populations than their previous final projection, as well as a sharply lower rate of growth from that experienced by the County in the past. This raised concerns about its validity and use by the COG, which has historically used the DOF projections as the basis for its plans, studies, and transportation model. Subsequently, the COG Policy Board contracted with the Central California Futures Institute to prepare a population forecast focusing on Fresno County and approved its resulting population forecast for use in all Fresno COG plans and studies. Furthermore, barring any foreseeable change in population to housing unit trends, the 2001 Plan assumes the population to housing unit ratio of Fresno County will continue to rise at the same rate as during the last decade.

The initial Fresno COG staff determination of a housing construction need figure of 34,923 units is consistent with past trends. Its net gain of 33,069 housing units (excluding the 1,854 unit replacement gain) represents an average annual growth rate of 1.53%, the identical growth rate of the 1990-2000 ten-year period.

The team of local planning and housing experts formed to assist COG staff with this project recommended to the COG Committees and Policy Board an initial housing construction need figure of 34,923 units, including a replacement factor, for Fresno County to accommodate the projected growth in households during the planning period from January 1, 2000 to July 1, 2007. On September 28, 2000, the Fresno COG Policy Board approved the use of this figure in the development of the 2001 Plan.

HCD also provided estimates of the percentage of households in each of four income groups; Very Low Income, Other Low Income, Moderate Income, and Above Moderate Income. Income group data are used in the Plan to determine local jurisdiction shares in the provision of housing for low-income households.

Accomplishments

Assembled the following information:

1. 1990 U.S. Census data

    a. Household income distribution data
    b. Complete vacant unit data (for sale, for rent, and other vacant, including seasonal and migratory unit data)

2. Central California Futures Institute and State Department of Finance yearly estimates of population and households

3. Data for Fresno County identifying housing unit construction and total housing stock

Task Two – Review the Regional Profile

Approach

Fresno COG staff reviewed the demographic, geographic, economic and social characteristics of the cities and county.

Accomplishments

1. Analyzed regional changes in the last ten years.

2. Reviewed previous growth assumptions relative to new analysis.

Task Three – Reevaluate Housing Market Areas

Approach

Housing market areas are used throughout the Plan in the gathering, analysis, and presentation of data. For this reason, the boundaries of the market areas are drawn along census tract boundaries. The Fresno County 1991 Regional Housing Needs Allocation Plan and still earlier 1984 Plan divided the Fresno County region into seven housing market areas: Fresno-Clovis Metropolitan Area (FCMA), Valley Corridor, East Valley, Central Valley, Westside North, Westside South, and Sierra Nevada. These areas were considered to be subregionally significant areas within the County.

It is not mandatory that the 2001 Plan retain the exact same market areas that were used in the earlier plans. In defining market areas, there are two concepts that must be kept in mind. First, market areas should not divide developed areas. Second, market areas should define subregions in which there is an interaction between employment opportunities and housing opportunities. For the 1990 Plan, the market areas were evaluated to consider changes in demographic patterns that may have warranted new or modified market area boundaries. The Fresno COG determined that the 1984 Plan market areas were still appropriate at that time.

However, since the development of the 1990 Plan there have been changes in the region that warrant a reevaluation of the market areas for use in the 2001 Plan. Commuting trips have become generally longer and economic relationships have been formed among Westside cities and Southeast cities. Three alternative housing market configurations were therefore created to show how the boundaries might be redrawn to reflect these changes.

1. Alternate A proposed the same market areas used in both the 1984 and 1990 Plans.

2. Alternate B proposed realigned market areas based on current economic relationships. This Alternate recognizes the formation since 1990 of the Five-Cities Economic Development Authority (Parlier, Selma, Fowler, Sanger, and Reedley) and the I-5 Business Development Corridor (Firebaugh, Mendota, San Joaquin, and Kerman). The Central Valley area has been merged into the Westside North area. Also, the Valley Corridor and East Valley market areas were combined to form a larger area called simply East Valley. Finally, census tract 74 in the southeast corner of the old Central Valley market area was moved to the East Valley market area to reflect its closer proximity to the cities of Selma and Kingsburg. The FCMA and Sierra Nevada market areas were not altered in any way.

3. Alternate C was almost identical to Alternative B with the exception that the Westside North and Westside South have been merged into one market area simply called Westside.

4. Alternative D was also very similar to Alternative B except that the FCMA, Valley Corridor, and East Valley areas have all been merged into a single area called East Valley.

The team of local planning and housing experts formed to assist Fresno COG staff with this project recommended to the COG Committees and Policy Board that the market areas defined by Alternate B be used in the 2001 Plan. On September 28, 2000, the Fresno COG Policy Board approved the market areas defined by Alternate B for use in the 2001 Plan. Consequently, the number of market areas has been reduced from the seven used in earlier plans to the five used in the 2001 Plan.

Regional Market Areas

1. Fresno-Clovis Metropolitan Area (FCMA): The FCMA market area is comprised of the cities of Fresno and Clovis; the unincorporated communities of Easton and Friant; several unincorporated neighborhoods including Fig Garden, Malaga, and Sunnyside; and, remaining unincorporated area. The geographic boundary of the FCMA generally extends from the San Joaquin River on the north, Grantland Avenue on the west, McCall Avenue on the east and South Avenue on the south. As the largest metropolitan area in the San Joaquin Valley, the FCMA is a significant center of employment and residential opportunities.

2. Westside North: The Westside North market area is comprised of the cities of Kerman, Firebaugh, Mendota, and San Joaquin; the unincorporated communities of Tranquility, Biola, Caruthers, Lanare, Laton and Riverdale; and, remaining unincorporated area. The area extends from the eastern slope of the Coast Range to the western boundary of the FCMA and, south of the FCMA, to a point just east of and parallel to SR-41. The Valley portion is largely agricultural while the Coast Range portion is used for cattle grazing, mining, recreation, and wildlife habitat.

3. Westside South: The Westside South market area is comprised of the cities of Coalinga and Huron and unincorporated area. The area extends from the eastern slope of the Coast Range to the Fresno and Kings Counties boundary. The primary economic activities of this market area are similar to those in the Westside North market area.

4. East Valley: The East Valley market area is comprised of the cities of Orange Cove, Parlier, Reedley, Sanger, Fowler, Kingsburg and Selma; the unincorporated community of Del Rey; and, remaining unincorporated area. The area extends southeastwardly from the FCMA between a point just east of and parallel to SR-41 and the Friant-Kern Canal. The economic base of this market area is agriculture, although commercial and industrial activities have become increasingly important.

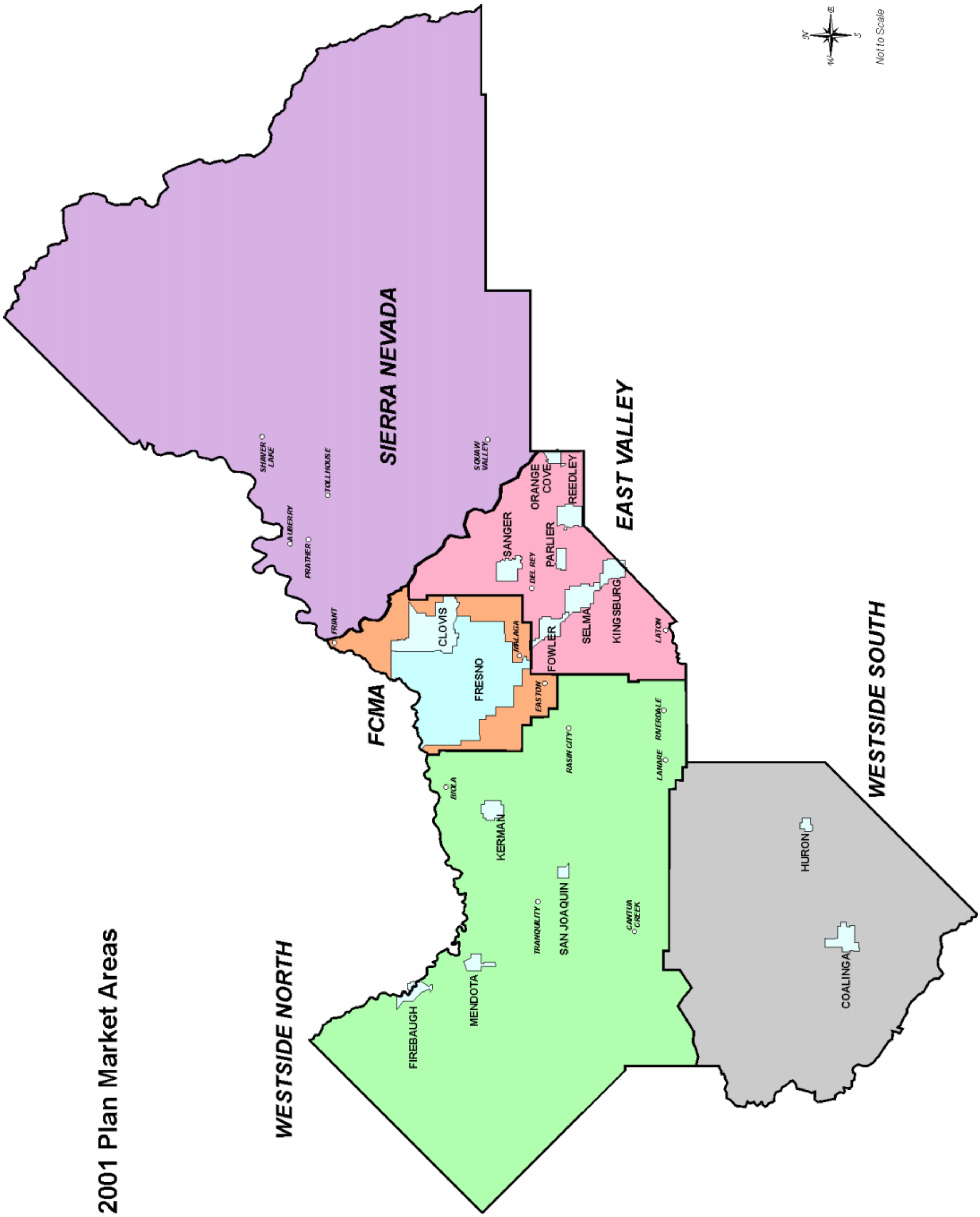
5. Sierra Nevada: The Sierra Nevada market area is comprised of the unincorporated communities of Auberry, Big Creek and Shaver Lake and the remaining unincorporated area. There are no cities in this market area. The area extends easterly of the Friant-Kern Canal and comprises the western slope of the Sierra Nevada Mountain Range. The unincorporated communities function as service centers for the various recreational sites in the area and the farming, cattle grazing, and lumbering activities that occur.

Accomplishments

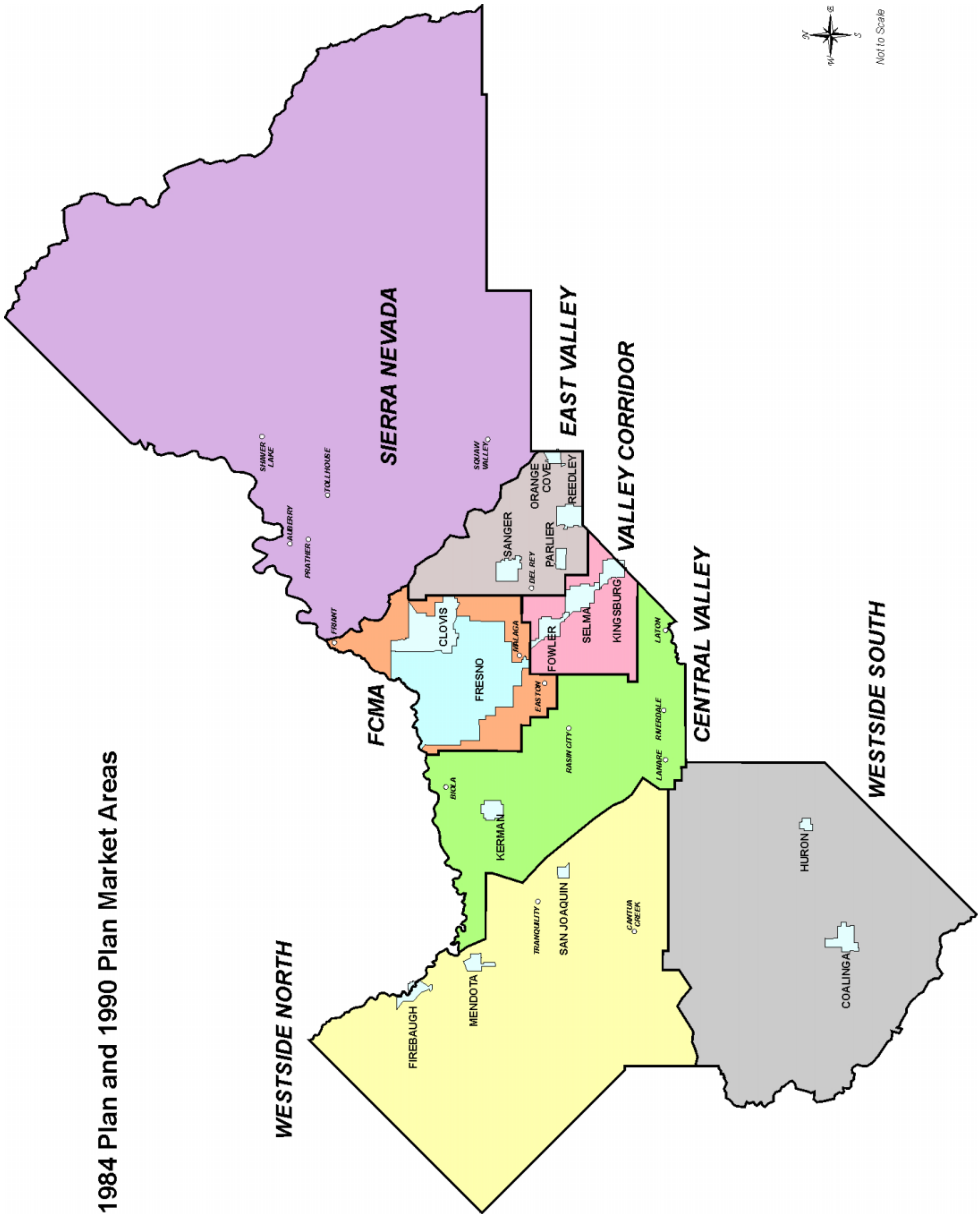
1. Analyzed demographic and economic changes of market areas.

2. Reassessed market area boundaries.

2001 Plan Market Areas



1984 Plan and 1990 Plan Market Areas



Task 4 – Determine Low-Income Impacted Jurisdictions

Approach

Utilizing the 1990 U.S. Census, Central California Futures Institute population estimates and projections, and State Department of Finance data, the Fresno COG calculated the number and percentage of households in each of the four income groups. The sum of the calculations for each of the local jurisdictions is controlled by the regional total. The Plan groups the households of each jurisdiction into the four household income groups defined by Section 6932 of the California Administrative Code. The following is a brief description of each of these income groups.

Very Low Income	Income not exceeding 50 percent of the median family income of the County
Other Low Income	Income between 50 percent and 80 percent of the median family income of the County
Moderate Income	Income between 80 percent and 120 percent of the median family income of the County
Above Moderate Income	Income above 120 percent of the median family income of the County

The following method was utilized to arrive at the percentage of households in each income group in each local jurisdiction:

1. The maximum county income associated with each income group was determined.

2. Maximum incomes were used to determine the number and percent of each jurisdiction's households whose income is less than or equal to the maximum income of each income group.

3. Each city's households and each market area's unincorporated area households were aggregated into the four income groups.

Accomplishments

1. Utilized 1990 U.S. Census income data to reflect new income group estimates provided by the Department of Housing and Community Development.

2. Calculated the number and percentage of households by income group for each jurisdiction.

3. Reviewed each jurisdiction's share of households by income group to identify jurisdictions with high percentages of low-income households.

Task 5 – Allocate Household Growth

Approach

U. S. Census data for 1990, Central California Futures Institute population estimates and projections, and State Departments of Finance and Housing and Community Development housing factors are the basis for all housing estimates and projections prepared for the 2001 Plan.

January 1, 2000 is the beginning date of the Plan for all housing projections. July 1, 2007 is the ending date of the Plan. Household estimates are prepared for both of these dates by applying 1990 housing characteristics to the household estimates using a trend line method. This approach involves determining the percentage of past regional household growth which is accounted for by each jurisdiction and applying these percentages to the projected household growth for the region.

In the previous 1990 Plan, a critical factor impacting housing estimates, particularly for the City of Fresno, was the number of Southeast Asian refugees and their representation in the City's low income population. While their representation in the 1980 census was almost nonexistent, it had grown to a population by 1990 of over 40,000.

Because of the 1990 U.S. Census, this dramatic increase of the Southeast Asian population during the 1980s has since been quantified. Also, because changes regarding the Southeast Asian population have been much more modest in the 1990s, population estimates and projections by CCFI have been able to account for them. Nevertheless, COG believes there are numerous difficulties that exist in utilizing the 1990 census data, this issue being one of them, and would have preferred to develop this Plan after the 2000 U.S. Census data had been made available.

A critical factor impacting housing estimates in Fresno County has been the historic decline until 1990 in the population of the unincorporated area of the County. This has been a significant demographic development that reflects both a decline in the overall ratio of the unincorporated to incorporated population and a real decline in actual numbers. For example, the 1990 Plan indicates that the number of unincorporated households within the FCMA market area actually declined by 11,733 households between 1980 and 1989, or from 27.42 percent of total FCMA market area households in 1980 to 14.75 percent in 1989. And while the percentage change during the same period for the other market areas was generally positive (the Westside South market area being the exception), it was less that ½ of 1 percent.

While there have been many factors contributing to the declining unincorporated population, at least two are particularly significant: County policy relative to urban development in unincorporated areas and aggressive city annexation activities, particularly annexation of inhabited areas by the City of Fresno, between 1980 and 1989.

The County first adopted a goal in 1976 that urban development within a city's sphere of influence is to be directed to that city. In March of 1983, the cities of Fresno and Clovis, and the County of Fresno adopted a joint resolution reaffirming this goal. The goal has been reaffirmed most recently in the County's new General Plan "to ensure that all development in city fringe areas is well planned and adequately served by necessary public facilities and infrastructure and furthers countywide economic development goals."

In the 1990 Plan, the growth trend for market areas and communities from 1980 to 1989 was applied to the planning cycle 1989 to 1996, except for the FCMA market area. In order to slow the overall estimate of the continued decline of unincorporated County households as predicted by the trend line method, a manual adjustment to the FCMA unincorporated area was included in the estimates. The manual adjustment was based on a determination that "institutional barriers" were expected to reduce significantly the rate of inhabited annexation activity during the 1989-1996 planning period. This determination turned out to be correct as the number of unincorporated households within the FCMA market area in 1996, as projected in the 1990 Plan with the manual adjustment, was similar to the actual number.

The 2001 Plan, unlike the 1990 Plan, does not provide for a manual adjustment to the FCMA unincorporated households. The reason for this is that the extent of inhabited annexation activity between January 1, 2000 and July 1, 2007 is expected to remain pretty much as it was between 1990 and 2000, which is to say virtually nonexistent. Nevertheless, within the FCMA market area and within the County as a whole, the percentage of unincorporated households compared to total market area and total County households, is projected to continue to decline, although only slightly, during the 7 ½ year planning period, while the actual number of unincorporated households is projected to increase slightly.

Table 1
Population Estimates and Projections by Jurisdiction, 1990-2007

Jurisdiction	Jan. 1 1990	Jan. 1 1992	Jan. 1 1994	Jan. 1 1996	Jan. 1 1998	Jan. 1 2000	Jan. 1 2002	Jan. 1 2004	Jan. 1 2006	July 1 2007
Clovis	49,781	54,267	59,474	65,051	67,535	71,137	73,697	76,725	79,877	82,279
Coalinga	8,071	8,768	9,266	9,938	10,371	15,263	15,647	16,102	16,576	16,937
Firebaugh	4,211	4,872	5,191	5,822	6,087	6,170	6,392	6,655	6,928	7,136
Fowler	3,158	3,597	3,705	3,746	3,811	3,886	4,026	4,192	4,364	4,495
Fresno	351,626	375,274	389,047	400,907	410,556	422,917	438,138	456,140	474,877	489,160
Huron	4,612	4,881	5,500	5,534	5,669	5,899	6,112	6,363	6,624	6,823
Kerman	5,389	5,949	6,302	6,731	7,404	7,844	8,126	8,460	8,808	9,073
Kingsburg	7,144	7,537	8,063	8,473	8,956	9,469	9,810	10,213	10,632	10,952
Mendota	6,893	7,157	7,445	7,418	7,587	7,887	8,171	8,507	8,856	9,123
Orange Cove	5,565	5,708	5,970	6,705	7,838	7,949	8,235	8,573	8,925	9,194
Parlier	7,921	8,228	8,828	9,465	10,833	11,446	11,858	12,345	12,852	13,239
Reedley	15,691	17,063	18,272	19,103	20,135	21,056	21,813	22,710	23,643	24,354
Sanger	16,694	17,626	17,953	18,313	18,702	19,144	19,833	20,648	21,496	22,143
San Joaquin	2,316	2,587	2,689	2,924	3,017	3,273	3,391	3,530	3,675	3,786
Selma	14,689	15,468	16,740	17,321	18,002	18,787	19,463	20,263	21,095	21,730
Unincorp.	159,420	161,568	166,135	174,448	178,814	177,324	183,706	191,254	199,110	205,099
Total County	663,181	700,550	730,581	761,900	785,317	809,452	838,419	872,679	908,338	935,521

1. 1990-2000 estimates are based on CCFI total Fresno County population, and assume same jurisdictional shares as DOF populations for the corresponding years.

2. 2002-2007 projections are based on CCFI total Fresno County population, and assume same jurisdictional shares of population as 2000, excluding the Pleasant Valley State Prison population of 4,576.

Accomplishments

1. Evaluated factors that might disrupt the validity of the trend line method for determining growth estimates.

2. Determined the total number of households expected to be generated by each jurisdiction.

3. Developed statistical tables related to this task.

Task 6 – Allocate Households by Income Group

Approach

Section 65584 of the Government Code states that the distribution of regional housing needs shall seek to reduce the concentration of lower-income households in cities that are impacted by disproportionately high proportions of lower-income households. This, therefore, is an important objective of the 2001 Plan.

Accomplishments

1. Distributed the Countywide housing need to each income group in each jurisdiction in each market area.

2. Reviewed distribution to insure that no jurisdiction with a relatively high proportion of low-income housing has its ratio of low-income housing increased further.

3. Reviewed jurisdictional and market area allocations to insure that the sum of the allocations for each income group is equal to the regional total for each income group.

Task 7 – Calculate New Housing Construction Need by Jurisdiction

Approach

New housing construction needed to provide for the anticipated growth in households must be calculated for each local jurisdiction and market area for the planning period extending from January 1, 2000 to July 1, 2007. Factors utilized in the calculations include existing housing units, projected number of households, vacancy factors, and housing removals.

Accomplishments

1. Reviewed, modified, and utilized State recommended formula.

2. Calculated new construction need for each jurisdiction and market area.

3. Updated tables related to construction need.

Task 8 – Initiate Review and Comment Period for Draft Plan

Approach

Prior to approval of the draft 2001 Regional Housing Needs Allocation Plan for the purpose of initiating the 90-day revision period, the Plan was submitted to local jurisdictions on February 8, 2001 for their review and comment. While HCD recommends a 30-day review period, a 45-day period is consistent with typical COG practice. The draft Plan was also submitted to HCD for its review of the consistency between the existing and projected housing need identified in the Plan and the statewide housing need.

Accomplishments

1. Approval of the draft Plan by the COG Policy Board for the purpose of initiating the 90-day revision period.

Task 9 – Initiate Local Revision Process

Approach

Within 90 days following the approval of the Fresno County 2001 Regional Housing Needs Allocation Plan by the COG Policy Board, a city or county may propose to revise the determination of its share of the regional housing needs. Section 65584 of the Government Code requires that the proposed revised share be based upon available data and accepted planning methodology, and supported by adequate documentation. The 90-day revision period and process is completely separate from the earlier 45-day review and comment period and process. Within 60 days after the 90-day revision time period, the Fresno COG shall either accept the proposed revision, modify its earlier determination, or indicate, based upon available data and accepted planning methodology, why the proposed revision is inconsistent with the regional housing need.

Accomplishments

1. Public Hearing

2. Approval of the 2001 Fresno County Regional Housing Needs Allocation Plan by adoption of Resolution No. 2001-38

FARMWORKER HOUSING NEEDS

Characteristics of Farmworkers

Government Code Section 65584 requires the regional housing needs allocation plan to consider the housing needs of farmworkers. However, any discussion of farmworkers and farmworkers housing must appropriately begin with an understanding of who farmworkers are and the characteristics they share in common. Unfortunately, there is a serious deficiency of data about the farmworker population including that this population is generally undercounted by the U.S. Census. For example, a number of farmworkers live in unofficial dwellings, which are often missed by the Census Bureau. A recent health study in the City of Parlier in Fresno County indicated about 28 percent of farmworkers were not counted by the U.S. Census because they lived in unofficial dwellings.

Other characteristics of migrant and seasonal farmworkers also make it difficult to collect data. They often do not have a fixed address and work intermittently in various agricultural and non-agricultural occupations during a single year, with only casual employer-employee links. Many live in rural, often remote areas. Many have limited English-speaking abilities, relatively low educational levels and are unfamiliar with and even distrustful of government agencies and agents, including those who work for the Census Bureau. Inaccurate data makes it difficult to determine the seriousness of housing and other needs and the types of services required by this population.

While current information on farmworkers is limited, data from the census, including the March 1997 Current Population Survey, reveals the following. Farmworkers numbered 342,102 in California as of March, 1997, are overwhelmingly Latinos (78 percent), and are mostly males (72 percent). Approximately 55 percent of the state's agricultural workers were employed in the San

Joaquin Valley, which includes Fresno County, in 1996. Farmworkers have the lowest family income of any occupation surveyed by the Census Bureau and the highest poverty rate of any surveyed occupation. Farmworkers have the lowest educational attainment and are second from the lowest, after the private housekeeper occupation, in home ownership. Farmworkers have one of the lowest rates of health insurance coverage and are overwhelmingly non-citizens (including legal residents, workers with a permit, or undocumented).

These highlights are more likely to reflect the characteristics of agricultural workers who spend most of the year in the United States. However, as we know, every year around April waves of seasonal agricultural workers come to California. The March Current Population Survey does not wholly capture this population due to the time of year it is conducted. The Average Annual Wage and Salary Employment in California Agriculture was 408,000 in the year 2000, but the total number of individuals employed for wages on California farms is about twice this level, i.e. 800,000 to 900,000, based on late 1980s studies of counts of the SSNs reported by farm employers to the Economic Development Department.

California is the nation’s largest agricultural state, producing more than 250 different crops valued at nearly $25 billion. Fresno County is the Number One county in the State and Nation in terms of value of agricultural production. California and Fresno farmers have been changing their crops to respond to consumer demand, producing more fresh vegetables, fruits and nuts. These high value-added crops require more labor. Also, there has been an ongoing change from many smaller farms to fewer bigger farms with the ability to provide extended periods of work for farmworkers. These trends along with others are interacting to mean that more farmworkers than ever are working in California and many are working for longer periods of time in one area, some as residents of that area.

Farmworker Housing

Two main factors lie behind the worsening housing shortage for farmworkers: there are more farm workers and many farmers have ceased to provide housing. A shrinking supply with an increasing demand has led to higher prices in rural areas, resulting in housing costs that are high relative to farmworker income. This has led to significant overpaying for housing and overcrowding of housing. The farm work force is changing to include more solo male and unauthorized migrants. Most aim to maximize their savings and are unable or unwilling to pay prevailing rents for temporary housing. Since most farmers do not provide housing, and many publicly owned or managed facilities are restricted to families, the newest and neediest workers usually seek housing in regular rental markets, where several share a housing unit, and some sleep in cars and other unconventional places. Furthermore, about 600,000 unauthorized Mexican men were legalized in 1987-88. During the 1990s, many brought their families to the U.S. and many found nonfarm jobs. Finding housing for these often large families from rural Mexico is difficult. The families are often larger than average and rent housing, but rental units tend to be smaller than average.

The amount of farmworker housing registered with the state has declined dramatically in the last two decades. In 1955, growers registered more than 9,000 facilities to house migrant and seasonal workers. By 1982, only 1,414 employer-owned camps were registered. In 1994, only 900 camps were registered, with a capacity of 21,310 workers. In 1998, according to the Department of Housing and Community Development, there were only 500 farm labor camps registered. Not surprisingly, a 1995 study by the University of California at Davis estimated that 250,000 farmworkers and their family members had inadequate housing, including 90,000 migrant workers and over 160,000 non-migrant seasonal farmworkers. The housing shortage was so severe that many workers were found packed 10 or 12 into trailers and sleeping in garages, tool sheds, caves, fields and parking lots. Consequently, the major farmworker housing policy issue has shifted from regulating employer-provided housing to direct provision and/or management of farm worker housing.

The Fresno Bee on August 18, 1996 ran a lengthy article on the sharp drop in farm farmworker housing in the San Joaquin Valley, the eight county area centered on Fresno that employs half of the California's farmworkers. The article noted neighbors complain about (or sometimes simply fear) workers' behavior, noise, and traffic. Government inspections, regular and deferred maintenance, calls from or regarding tenants during their non-work hours, and liability issues all represent unwanted concerns and cost for growers. Housing facilities that cannot withstand heavy use or are not vandal resistant may be cited for regulatory violations that carry substantial penalties. Even minor violations of the housing code, such as torn window screens, can result in large fines. Consequently, instead of providing workers with on-farm housing subject to federal and state inspection, many farmers are razing their farmworker housing.

As a result, most farmworkers crowd into urban dwellings, including backyard structures and garages, which results in widespread overcrowding, particularly during those times of the year when farmworkers are most in demand. In many cases, workers today spend 25 to 35 percent of their wages on housing and rides to work. Farmworker cities in rural California are growing twice as fast as the state's population, as newly-legalized farm workers bring their families to the U.S. Many of these "overgrown labor camps" are over 50 percent Latino, and some are over 90 percent. It is important to note, however, that some growers and labor contractors have shown renewed interest in housing as an important factor in their ability to attract and retain their best workers.

Many San Joaquin Valley towns have become farmworker service centers, with local residents, for a fee, providing everything from housing and meals to forged work documents, rides to the fields, and check cashing services. In the city of Parlier in Fresno County, the mayor has said that the population expands from 9,500 to 13,000 each summer as workers arrive from Mexico. Migrants rely on friends, relatives or labor contractors to arrange housing. Oftentimes, with so many men sharing apartments, two to four times the normal rent is generated for the landlord. Furthermore, the shortage of temporary housing for farmworkers in rural areas encourages many to commute long distances from the housing that they find. These long commutes can contribute to the air quality problems that exist in Fresno County and the San Joaquin Valley.

The Department of Housing and Community Development reviewed the status of farmworker housing programs in the late 1980s. Five of the thirteen findings from that investigation are as follows:

- A majority of migrant farmworkers who do <u>not</u> live in government-sponsored labor camps live in seriously substandard conditions.
- Substandard housing conditions exist in areas with significant seasonal agricultural production.
- Housing conditions are a major problem for both single migrant workers and migrant families.
- Poor housing hurts migrant children's health, education, and general welfare.
- Local officials vary in their support for housing migrant families.

Employment on California farms has been increasing, as noted above, and shifting from farmers hiring workers themselves to having farm services firms such as farm labor contractors bring workers to farms. If current trends continue, half of the hired worker employment will be by farm services firms by 2005. This suggests that farm services firms, not just farm operators, should be involved in farm worker housing programs.

Fresno County Farmworkers, Overpayment, and Overcrowding

One indicator of housing cost and affordability is the 40th percentile rent for an area. For example, the HUD Fair Market Rent for the Section 8 Housing Assistance Payments Program of $517 a month in Fresno County in 2000 means that 40 percent "of standard quality rental housing units" in Fresno County rent for less than $524 a month, and 60 percent rent for more than $524 a month. A farmworker family in Fresno County would have to earn $1,723 a month to spend 30 percent of earnings on housing and afford the Fair Market Rent. However, median family income for farmworker households is $800 to $1,200 a month.

According to the Comprehensive Housing Affordability Strategy (CHAS) Data Report, Table 1C, in 1990 there were 221,133 total households in Fresno County, of which 98,907 were renters and 122,226 were owners. For those households with incomes up to 30 percent of Median Family Income, 69 percent of renters were paying more than 50 percent of their income on housing, while 53 percent of owners were. For those households with incomes between 31 percent and 50 percent of Median Family Income, 29 percent of renters were paying more than 50 percent of their income on housing, while 24 percent of owners were. For those households with incomes between 51 percent and 80 percent of Median Family Income, 6 percent of renters were paying more than 50 percent of their income on housing, while 12 percent of owners were. The figures for moderate income households (81 percent to 95 percent of Median Family Income) are relatively insignificant at 1 percent of renters and 5 percent of owners.

As discussed earlier, farmworkers have the lowest family income of any occupation surveyed by the Census Bureau and are second from the lowest, after the private housekeeper occupation, in home ownership. Therefore, the figures for renters in the paragraph above are of particular relevance for farmworkers. These figures indicate that substantial numbers of farmworkers and other low-paid workers are overpaying for housing in Fresno County, particularly the lower one is on the income scale. The higher a household's income, the less likelihood it will be overpaying for housing.

The Housing Authorities of the City and County of Fresno manage 130 housing units for migrant farm workers in Parlier. The complex is owned by the State of California, Office of Migrant Services. In addition, the Housing Authority owns and manages a 64 unit migrant housing complex in Firebaugh. Both complexes are occupied six months out of the year, from April through October. Migrant farm worker families who want to rent a unit in Firebaugh or Parlier must demonstrate that at least half of their earned income is farm related, they must show evidence of a permanent residence at least 50 miles from the work site, and they must be legal residents of the United States. The cost of managing and maintaining both complexes is subsidized by the State of California, Office of Migrant Services.

Within Fresno County there are 4,630 federally-assisted multifamily housing units, of which 3,156 are Section 8. Of the 4,630 units, 2,460 are units at risk, while 1,401 are low risk of conversion to market rate housing.

The Migrant Health Program periodically seeks to obtain updated information about migrant and seasonal farmworkers, including where they are working and living and what crops are being harvested, in order to more appropriately target limited resources to areas of greatest migrant and seasonal farmworker need. The Migrant and Seasonal Farmworker Enumeration Profiles Final Study for California dated September, 2000 indicates that in Fresno County there are an estimated 113,741 migrant and seasonal farmworkers. Of this number, 52,662 are migrant farmworkers and 61,079 are seasonal farmworkers. The Study further estimates there are 19,353 non-farmworkers in migrant households and 69,309 non-farmworkers in seasonal households, for a total figure of 202,404 migrant and seasonal farmworkers and non-farmworkers in Fresno County.

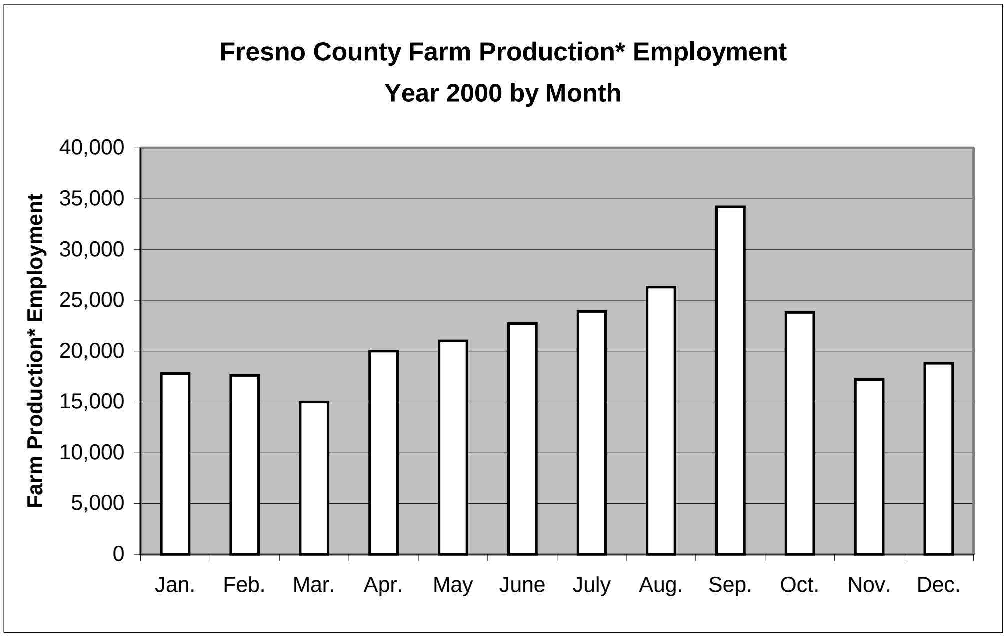
In this report, a seasonal farmworker is defined as an individual whose principal employment (51 percent of time) is in agriculture on a seasonal basis, who has been so employed within the last twenty-four months. A migrant farmworker meets the same definition but establishes for the purposes of such employment a temporary abode. Included in the scope of the study are individuals engaged in field and orchard agriculture; packing and sorting procedures in food processing; horticultural specialties (including nursery operations, greenhouse activities and crops grown under cover); and reforestation. Excluded from the study are those working with livestock, poultry, and fisheries.

The same Study has also calculated the number of farmworkers that work on a year-round as well as seasonal basis, both for the state as a whole and for individual counties. The Study indicates this figure to be 259,665 farmworkers for Fresno County.

Fresno County is certainly sensitive to the issue of farmworker housing and to the issue of affordable housing in general. Recently, the County of Fresno utilized focus groups to identify and discuss issues of importance for its new general plan. Although not one of the major themes developed from these focus groups, the issue of farmworker housing was raised. Several of the focus groups favored increased availability of farmworker housing, pointing out that many agricultural workers live in crowded conditions in towns distant from the fields in which they work. Other housing issues, particularly the need for affordable housing, were also raised. The County's new general plan was adopted on October 3, 2000.

According to the State of California Employment Development Department (EDD), the number of individuals in Fresno County with an occupation in farm production was 21,500 in 2000. This was 6.5 percent of County workers in all industries. Farm production is the production of crops, plants, vines, trees (excluding forestry), and livestock. Farm production does not include farm services such as soil preparation, crop services, veterinary services, or farm labor and management services. Seasonal and migrant farmworkers are most closely associated with the farm production classification.

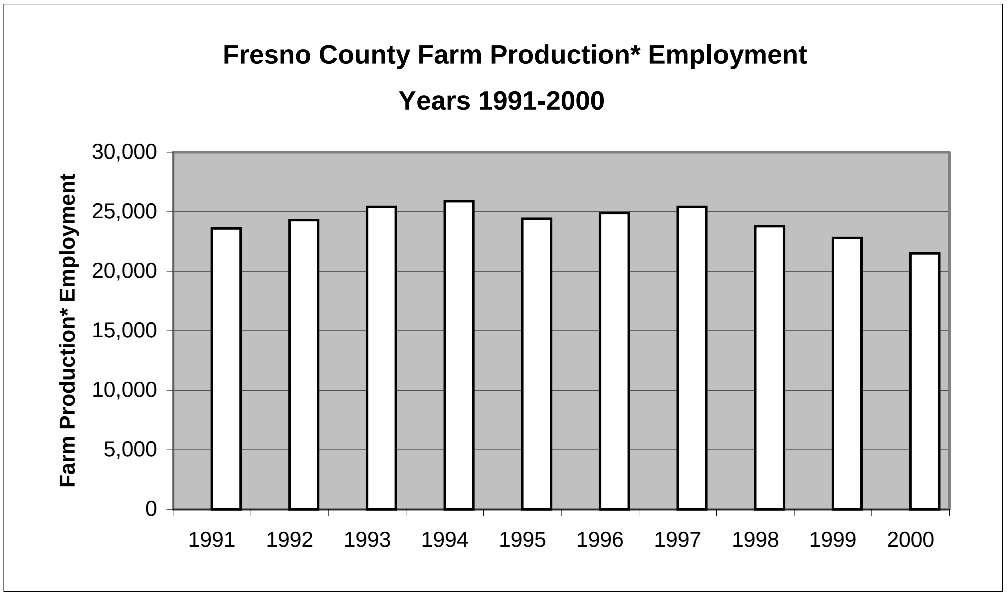
The number of employed farmworkers in the County varies from month to month. According to the EDD, the number of farmworkers is greatest in August and least in March. The following chart shows the monthly farm production employment for the period January 2000 to December 2000.



* Farm production is the production of crops, plants, vines, and trees (excluding forestry), and livestock. Farm production does not include farm services such as soil preparation, crop services, veterinary services, or farm labor and management services. Seasonal and migrant farmworkers are most closely associated with the farm production classification.

Source: State of California Employment Development Department

In addition to seasonal variability, Fresno County farm production employment also varies on a year to year basis. According to the EDD, during the years 1991 through 2000, average annual farm production employment ranged from a low of 21,500 in 2000 to a high of 25,900 in 1994. This is a difference of 4,400 workers. The mean average farm production employment for this period was 24,200. The following graph illustrates the annual variability of farm production employment.



* Farm production is the production of crops, plants, vines, and trees (excluding forestry), and livestock. Farm production does not include farm services such as soil preparation, crop services, veterinary services, or farm labor and management services. Seasonal and migrant farmworkers are most closely associated with the farm production classification.

Source: State of California Employment Development Department

Farmworkers are not distributed equally throughout the County. According to the 1990 U.S. Census, the highest concentration of farmworkers was in Huron where 60.5 percent of the labor force was identified as being in farming, forestry, and fishing occupations. Since there is a relatively small forestry industry in Fresno County, and an even smaller fishing industry, these workers in Fresno County cities are assumed to be farmworkers. This is clearly the case for those cities with the highest concentration of farmworkers, including Huron, Mendota, Orange Cove, Parlier, San Joaquin, and Firebaugh. All of these cities are located on the Valley floor a considerable distance, with the possible exception of Orange Cove, from forest resources.

The following table shows the ranking of cities in Fresno County by percent of workers in farming in 1990:

Ranking of Cities in Fresno County
by Percent of Workers in Farming*
Year 1990

Rank	Cities in Fresno County	Percent of Workers in Farming*
1	Huron	60.5%
2	Mendota	55.9%
3	Orange Cove	47.1%
4	Parlier	43.3%
5	San Joaquin	42.5%
6	Firebaugh	35.0%
7	Reedley	22.5%
8	Kerman	14.4%
9	Sanger	12.7%
10	Selma	10.7%
11	Fowler	9.8%
12	Kingsburg	7.0%
13	Coalinga	6.8%
14	Fresno	3.1%
15	Clovis	1.7%

* Includes workers in the farming, forestry, and fisheries classifications. There are a minimal number of Fresno County workers in forestry and fisheries.

Source: 1990 U.S. Census

Overcrowding of housing and overpaying for housing will naturally be more prevalent in those cities that have a higher percentage of workers in farming.

HCD administers more than twenty programs that award loans and grants to local public agencies, private nonprofit and for-profit housing developers, and service providers every year. This money supports the construction, acquisition, rehabilitation and preservation of affordable rental and ownership housing, child care facilities, homeless shelters and transitional housing, public facilities and infrastructure, and the development of jobs for low income workers. The HCD website, www.hcd.ca.gov, includes a Funds Available Calendar that lists current Notices of Funding Availability for HCD's loan and grant programs, including due dates for applications, award dates, and other related information. The HCD website also provides information about non-HCD funding sources, including over 200 State, federal and private sources of assistance by type and geographical availability. Many of these programs and funding sources can be utilized to provide housing for farmworkers.

Chapter 2

HOUSING NEEDS DETERMINATION

The Fresno County 2001 Regional Housing Needs Allocation Plan determines housing needs in Fresno County for the planning period extending from January 1, 2000 to July 1, 2007 and provides a general measure of each local jurisdiction's responsibility in the provision of housing to meet those needs. This Chapter addresses the major components of the Plan, including household projections, basic construction need, the projected housing demand for all income levels, and the allocation of housing need to individual cities and the County unincorporated area.

1. As discussed in Chapter 1, regional household estimates for the January 1, 2000 beginning date and July 1, 2007 ending date of the Plan were calculated by the Fresno COG utilizing Central California Futures Institute population figures and Department of Finance population to housing unit ratios and occupancy rate figures for Fresno County. Table 2 provides this information.

Table 2
Population and Household Estimates and Projections
January 1, 2000 to July 1, 2007
Source: Fresno COG

Date	Population	Households
01/01/2000	809,452 [1]	257,913 [2]
07/01/2007	935,521 [1]	289,211 [3]

1. Based on CCFI population projection.

2. Assuming same Fresno County population to housing unit ratio (2.9470) and occupancy rate (93.90%) as DOF 01/01/2000.

3. Calculated by extrapolating DOF 04/01/1990 to 01/01/2000 Fresno County population to housing unit ratios (3.0400) and occupancy rates (93.38%) to 07/01/2007.

2. Table 3 provides the estimated number of regional households in each of the four income groups, for both the beginning date and the ending date of the Plan. The figures are obtained by multiplying the <u>total</u> number of households in columns 2 and 4 (from Table 2) by the percentage allocations in columns 3 and 5 (from HCD). The resulting figures are posted to the corresponding income group in columns 2 and 4. Column 6 provides the growth in households, by income group, for the 7 ½ year planning period.

Table 3
Household Projections by Income Group
January 1, 2000 to July 1, 2007

Source: Fresno COG and HCD percentages

	01/01/2000		07/01/2007		01/2000 to 07/2007	
Income Group	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Very Low	64,478	25%	72,303	25%	7,825	25%
Other Low	43,845	17%	49,166	17%	5,321	17%
Moderate	54,162	21%	60,734	21%	6,572	21%
Above Moderate	95,428	37%	107,008	37%	11,580	37%
Total	257,913	100%	289,211	100%	31,298	100%

3. Table 4 provides housing unit and household estimates, by jurisdiction, for the January 1, 2000 beginning date of the Plan. Households are occupied housing units. Data in this table are based on Central California Futures Institute population estimates and assume the same population to housing unit ratios and vacancy rates, by jurisdiction, and the same jurisdictional share of housing units as did the Department of Finance for January 1, 2000.

Table 4
Household and Housing Unit Estimates by Jurisdiction
as of January 1, 2000

Source: Fresno COG

City	Housing Units [1]	Households [2]	Percent Vacant
Clovis	25,330	24,487	3.33%
Coalinga	3,760	3,362	10.59%
Firebaugh	1,655	1,577	4.71%
Fowler	1,309	1,251	4.43%
Fresno	150,027	141,219	5.87%
Huron	1,267	1,228	3.08%
Kerman	2,449	2,365	3.43%
Kingsburg	3,369	3,291	2.32%
Mendota	1,990	1,905	4.27%
Orange Cove	1,826	1,794	1.75%
Parlier	2,552	2,467	3.33%
Reedley	5,956	5,773	3.07%
Sanger	5,466	5,358	1.98%
San Joaquin	770	751	2.47%
Selma	5,754	5,582	2.99%
Incorp. Total	213,480	202,410	5.19%
Unincorp. Total	61,188	55,503	9.29%
County Total	274,668	257,913	6.10%

1. Based on CCFI Fresno County population estimates, and assuming same population to housing unit ratio and same jurisdictional share of housing units as DOF 01/01/2000.

2. Assuming same vacancy rates by jurisdiction as DOF 01/01/2000.

4. Table 5 provides the estimated basic construction need for the region, by income group, for the 7 ½ year planning period. The increase in housing units is calculated by first subtracting the number of housing units at the beginning date

of the Plan from the housing units at the ending date of the Plan. Next, the housing unit replacement need is calculated using the 0.09 percent annual rate provided by HCD. These two figures are added together and then allocated by income group in accordance with HCD percentage shares. The results are posted to column 3.

Table 5
Basic Construction Needs
January 1, 2000 to July 1, 2007

Source: Fresno COG, HCD replacement rates, and income group percentages

Basic Contruction Need by Components:		
Housing unit net increase (from 274,668 on 01/01/2000 to 307,737[1] on 07/01/2007).		33,069
Housing unit replacement need, 01/01/2000 to 07/01/2007, using annual rate of .09 percent, as provided by HCD.		1,854
Total		34,923
Basic Contruction Need by Income Group:		
Very Low	25%	8,731
Other Low	17%	5,937
Moderate	21%	7,333
Above Moderate	37%	12,922
Total		34,923

1. Calculated by extrapolating DOF 04/01/1990 to 01/01/2000 Fresno County population to housing unit ratios to 07/01/2007

PROJECTED HOUSEHOLDS PER JURISDICTION AND INCOME GROUP

Table 15 is a table of primary importance in the Plan. It provides, by jurisdiction and market area, the estimated number of households by income group for the January 1, 2000 beginning date of the Plan and the projected number of households by income group for the July 1, 2007 ending date of the Plan. This information is crucial to the later determination of the projected construction need for each jurisdiction during the planning period. Preparation of Table 15 requires numerous steps to be taken, including the development of several intervening tables.

1. List the market areas identified in Task 3 of Chapter 1 in column 1 of Table 15. List for each market area, cities, unincorporated, and (market area) total in column 2. List the four income groups (Very Low, Low, Moderate, and Above Moderate) and a total category for each city, unincorporated area, and (market area) total within each market area in column 3.

2. Post in column 4 of Table 15 the January 1, 2000 beginning date number of total households for each city, the County total incorporated area total, the County total unincorporated area total, and the County total. This information is from Table 4.

3. Calculate the January 1, 2000 beginning year income group percentages for each jurisdiction and post to column 5 in Table 15. The basis for determining the percentage of households in each income group for each jurisdiction is the income group estimates prepared by the Department of Housing and Community for January 1, 2000 total County households. The methodology first identifies the maximum County income associated with each income group. These maximum incomes are then used to determine the number and percent of each jurisdiction's households whose income is less than or equal to the maximum income for each income group. Because 2000 U.S. Census income information is not yet available, Fresno COG must rely on 1990 U.S. Census income information.

    a. Table 6 provides the number of households for each market area, by census income group, utilizing 1990 U.S. Census income information.

Table 6
1990 Number of Households Per Market Area, Per Census Income Group

Source: US Census

Market Area	Less than $5,000	$5,000 to $9,999	$10,000 to $12,499	$12,500 to $14,999	$15,000 to $17,499	$17,500 to $19,999	$20,000 to $22,499	$22,500 to $24,999	$25,000 to $27,499
FCMA	8,884	19,459	9,077	8,162	8,860	7,474	8,065	6,730	7,424
East Valley	1,496	3,886	2,024	1,939	1,824	1,531	1,698	1,409	1,660
Westside North	795	1,871	732	955	1,047	720	671	800	760
Westside South	288	651	285	328	259	284	284	199	262
Sierra Nevada	256	423	232	262	236	263	259	275	197
County Total	11,719	26,290	12,350	11,646	12,226	10,272	10,977	9,413	10,303

Market Area	$27,500 to $29,999	$30,000 to $32,499	$32,500 to $34,999	$35,000 to $37,499	$37,500 to $39,999	$40,000 to $42,499	$42,500 to $44,999	$45,000 to $47,499	$47,500 to $49,999
FCMA	5,973	7,510	5,159	6,116	4,633	5,620	4,022	3,984	3,461
East Valley	1,074	1,420	1,059	1,114	875	1,020	614	674	471
Westside North	500	607	432	436	286	343	245	242	207
Westside South	182	283	146	153	87	103	74	158	96
Sierra Nevada	137	318	158	146	172	222	150	171	111
County Total	7,866	10,138	6,954	7,965	6,053	7,308	5,105	5,229	4,346

Market Area	$50,000 to $54,999	$55,000 to $59,999	$60,000 to $74,999	$75,000 to $99,999	$100,000 to $124,999	$125,000 to $149,999	$150,000 or more	Total
FCMA	6,629	4,938	10,028	7,290	2,746	1,203	2,514	165,961
East Valley	1,097	827	1,702	1,178	485	174	239	31,490
Westside North	397	297	602	378	177	43	152	13,695
Westside South	170	94	244	76	33	19	30	4,788
Sierra Nevada	233	155	354	271	115	43	40	5,199
County Total	8,526	6,311	12,930	9,193	3,556	1,482	2,975	221,133

As Table 6 indicates, the U.S. Census divides households into 25 income groups, based on increments of household income. The 2001 Plan, however, requires the division of households into the four income groups discussed earlier: Very Low (25% of all households); Low (17% of all households); Moderate (21% of all households); and Above Moderate (37% of all households).

b. A formula was developed to convert data from the 25 income groups listed in the 1990 U.S. Census into the four income groups required by the Plan. The basic purpose of the formula is to determine the household income of the last, or "nth," household within each of the four income groups required by the Plan. The "nth" household is the cut-off household for the income group category. Any household with an income above the "nth" household is allocated to the next income category.

Table 7 presents the formula that provides for the conversion of the 1990 U.S. Census income groups into the Plan income groups (and indicates the actual dollar interval separating the Plan income groups), for total County households. An important assumption in Table 7 is that households are assumed to be distributed equally over the 1990 U.S. Census income intervals.

c. Application of the formula developed in Table 7 to information contained in Table 6 for each market area provides for the determination of the number and percentage of households, by Plan income group, within each market area in 1990. For example, the number and percentage of very low income households in the FCMA market area is determined by adding the total number of FCMA households, from Table 6, within the 1990 U.S. Census income categories <u>less than $5,000</u> (8,884 households), <u>$5,000 to $9,999</u> (19,459 households), and <u>$10,000 to $12,499</u> (9,077 households). To this figure is then added the partial number of households within the 1990 U.S. Census income category <u>$12,500 to $14,999</u>, determined by applying the formula developed in Table 7 (42.2806% of the total households within this income category are very low income households) to the total number of FCMA households within this income category (8,162 households). This calculation results in 3,451 of the households within the <u>$12,500 to $14,999</u> income category being very low income households. The total number of very low income households within the FCMA market area is, therefore, 40,871, which corresponds to 24.63% of all households within the FCMA market area in 1990. Table 8 provides for each market area the number and percentage of households by Plan income group in 1990.

Table 7
Formula for Conversion of Households From Census Income Groups to Housing Needs Study Income Groups

Income Group	Approximate Income Range (In 1990 Dollars)	Census Income Group Formula
Very Low	$0 to $13,557	Less than $5,000 (100%) $5,000 to $9,999 (100%) $10,000 to $12,499 (100%) $12,500 to $14,999 (42.2806%)
Low	$13,558 to $21,906	$12,500 to $14,999 (57.7194%) $15,000 to $17,499 (100%) $17,500 to $19,999 (100%) $20,000 to $22,499 (76.2777%)
Moderate	$21,907 to $34,697	$20,000 to $22,499 (23.7223%) $22,500 to $24,999 (100%) $25,000 to $27,499 (100%) $27,500 to $29,999 (100%) $30,000 to $32,499 (100%) $32,500 to $34,999 (87.9206%)
Above Moderate	$34,698 and up	$32,500 to $34,999 (12.0794%) $35,000 to $37,499 (100%) $37,500 to $39,999 (100%) $40,000 to $42,499 (100%) $42,500 to $44,999 (100%) $45,000 to $47,499 (100%) $47,500 to $49,999 (100%) $50,000 to $54,499 (100%) $55,000 to $59,999 (100%) $60,000 to $74,499 (100%) $75,000 to $99,999 (100%) $100,000 to $124,999 (100%) $125,000 to $149,999 (100%) $150,000 or more (100%)

Table 8
1990 Households Per Market Area, Per Income Group

	Very Low		Low		Moderate		Above Moderate		Total	
Market Area	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**
FCMA	40,871	24.63%	27,197	16.39%	34,086	20.54%	63,807	38.44%	165,961	100.00%
East Valley	8,226	26.12%	5,769	18.32%	6,897	21.90%	10,598	33.66%	31,490	100.00%
Westside North	3,802	27.76%	2,830	20.66%	3,206	23.41%	3,857	28.17%	13,695	100.00%
Westside South	1,363	28.47%	949	19.82%	1,122	23.43%	1,354	28.28%	4,788	100.00%
Sierra Nevada	1,022	19.66%	848	16.31%	1,127	21.68%	2,202	42.35%	5,199	100.00%
County Total	55,284	25.00%	37,593	17.00%	46,438	21.00%	81,818	37.00%	221,133	100.00%

d. The next step is to determine for each city the number and percentage of households by Plan income group in 1990. This is accomplished by applying the formula developed in Table 7 (and utilized in Table 8) to 1990 U.S. Census household income group data for cities in Fresno County. Table 9 is the result of applying the formula to the raw data for cities and indicates, for 1990, the number and percentage of households by Plan income group for all of the cities in Fresno County.

Table 9
1990 Households Per City, Per Income Group

	Very Low		Low		Moderate		Above Moderate		Total	
City	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Clovis	3,275	18.04%	2,612	14.39%	4,004	22.05%	8,264	45.52%	18,155	100.00%
Coalinga	836	28.85%	431	14.87%	608	20.98%	1,023	35.30%	2,898	100.00%
Firebaugh	331	28.07%	265	22.48%	318	26.97%	265	22.48%	1,179	100.00%
Fowler	281	27.31%	194	18.85%	202	19.63%	352	34.21%	1,029	100.00%
Fresno	33,311	27.28%	21,277	17.42%	25,410	20.81%	42,115	34.49%	122,113	100.00%
Huron	412	44.11%	188	20.13%	200	21.41%	134	14.35%	934	100.00%
Kerman	537	32.10%	275	16.44%	373	22.30%	488	29.16%	1,673	100.00%
Kingsburg	631	24.92%	368	14.53%	600	23.70%	933	36.85%	2,532	100.00%
Mendota	596	36.63%	417	25.63%	390	23.97%	224	13.77%	1,627	100.00%
Orange Cove	536	40.51%	349	26.38%	309	23.36%	129	9.75%	1,323	100.00%
Parlier	656	37.42%	450	25.67%	373	21.28%	274	15.63%	1,753	100.00%
Reedley	1,174	25.57%	898	19.56%	1,046	22.78%	1,474	32.09%	4,592	100.00%
Sanger	1,287	26.66%	857	17.75%	1,145	23.72%	1,538	31.87%	4,827	100.00%
San Joaquin	171	32.51%	131	24.90%	117	22.24%	107	20.35%	526	100.00%
Selma	1,481	32.29%	887	19.34%	1,024	22.32%	1,195	26.05%	4,587	100.00%
Incorporated Total	45,515	26.81%	29,599	17.44%	36,119	21.28%	58,515	34.47%	169,748	100.00%

e. The next step is to determine for the unincorporated area of each market area the number and percentage of households by Plan income group in 1990. This is accomplished by subtracting the city data in Table 9 from the market area data in Table 8, as shown in Table 10. Table 10 incorporates information from Tables 8 and 9 so that the information is available all in one Table

f. The 2001 Plan assumes the percentage of households in each Plan income group is the same for each city and market area unincorporated area on January 1, 2000 as it was in 1990. This assumption is made necessary because 2000 U. S. Census income data, which would indicate income group changes between 1990 and 2000, is not available for use in this Plan. The percentages of households in each Plan income group for each city and market area unincorporated area are posted to column 5 of Table 15.

g. Table 11 determines each market area's unincorporated percentage of the total County unincorporated households in 1990, in order to calculate the number of unincorporated households in each market area for the January 1, 2000 beginning year of the Plan. Table 11 assumes that the percentage of unincorporated households within each market area is the same in 2000 as it was in 1990. Staff believes this assumption can be made because there have been virtually no inhabited annexations, most importantly within the FCMA, during the decade of the 1990s. This was not the case during the 1970s and 1980s.

Table 10
1990 Unincorporated Households Per Market Area, Per Income Group

	Very Low		Low		Moderate		Above Moderate		Total	
	#	%	#	%	#	%	#	%	#	%
FCMA										
Total	40,871	24.63%	27,197	16.39%	34,086	20.54%	63,807	38.44%	165,961	100.00%
Clovis	3,275	18.04%	2,612	14.39%	4,004	22.05%	8,264	45.52%	18,155	100.00%
Fresno	33,311	27.28%	21,277	17.42%	25,410	20.81%	42,115	34.49%	122,113	100.00%
Unincorporated	4,285	16.68%	3,308	12.88%	4,672	18.18%	13,428	52.26%	25,693	100.00%
East Valley										
Total	8,226	26.12%	5,769	18.32%	6,897	21.90%	10,598	33.66%	31,490	100.00%
Fowler	281	27.31%	194	18.85%	202	19.63%	352	34.21%	1,029	100.00%
Kingsburg	631	24.92%	368	14.53%	600	23.70%	933	36.85%	2,532	100.00%
Orange Cove	536	40.51%	349	26.38%	309	23.36%	129	9.75%	1,323	100.00%
Parlier	656	37.42%	450	25.67%	373	21.28%	274	15.63%	1,753	100.00%
Reedley	1,174	25.57%	898	19.56%	1,046	22.78%	1,474	32.09%	4,592	100.00%
Sanger	1,287	26.66%	857	17.75%	1,145	23.72%	1,538	31.87%	4,827	100.00%
Selma	1,481	32.29%	887	19.34%	1,024	22.32%	1,195	26.05%	4,587	100.00%
Unincorporated	2,180	20.10%	1,766	16.28%	2,198	20.26%	4,703	43.36%	10,847	100.00%
Westside North										
Total	3,802	27.76%	2,830	20.66%	3,206	23.41%	3,857	28.17%	13,695	100.00%
Firebaugh	331	28.07%	265	22.48%	318	26.97%	265	22.48%	1,179	100.00%
Kerman	537	32.10%	275	16.44%	373	22.30%	488	29.16%	1,673	100.00%
Mendota	596	36.63%	417	25.63%	390	23.97%	224	13.77%	1,627	100.00%
San Joaquin	171	32.51%	131	24.90%	117	22.24%	107	20.35%	526	100.00%
Unincorporated	2,167	24.94%	1,742	20.05%	2,008	23.11%	2,773	31.90%	8,690	100.00%
Westside South										
Total	1,363	28.47%	949	19.82%	1,122	23.43%	1,354	28.28%	4,788	100.00%
Coalinga	836	28.85%	431	14.87%	608	20.98%	1,023	35.30%	2,898	100.00%
Huron	412	44.11%	188	20.13%	200	21.41%	134	14.35%	934	100.00%
Unincorporated	115	12.03%	330	34.52%	314	32.85%	197	20.60%	956	100.00%
Sierra Nevada										
Total	1,022	19.66%	848	16.31%	1,127	21.68%	2,202	42.35%	5,199	100.00%
Unincorporated	1,022	19.66%	848	16.31%	1,127	21.68%	2,202	42.35%	5,199	100.00%
Incorp. Total	45,515	26.81%	29,599	17.44%	36,119	21.28%	58,515	34.47%	169,748	100.00%
Unincorp. Total	9,769	19.01%	7,994	15.56%	10,319	20.08%	23,303	45.35%	51,385	100.00%
County Total	55,284	25.00%	37,593	17.00%	46,438	21.00%	81,818	37.00%	221,133	100.00%

Total households for the unincorporated area of each market area are derived by applying the ratio between the number of households within the unincorporated portion of a market area (from the 1990 U.S. Census) and the number of households within the entire County unincorporated area (also from the 1990 U.S. Census), to the total County unincorporated households on January 1, 2000. Again, because 2000 U.S. Census data is not yet available, Fresno COG determined that this was the most appropriate method to allocate January 1, 2000 total County unincorporated households among the market area unincorporated areas. Table 11 provides this data for 1990. The total number of County unincorporated households on January 1, 2000 is from Table 4.

Table 11
1990 Distribution of Unincorporated Households

Market Area	Unincorporated Households	Percentage
FCMA	25,693	50.00%
East Valley	10,847	21.11%
Westside North	8,690	16.91%
Westside South	956	1.86%
Sierra Nevada	5,199	10.12%
County Total	51,385	100.00%

Table 12
2000 Incorporated and Unincorporated Households Per Market Area

Area	Households
FCMA Total	**193,458**
Clovis	24,487
Fresno	141,219
Unincorporated	27,752
East Valley Total	**37,172**
Fowler	1,251
Kingsburg	3,291
Orange Cove	1,794
Parlier	2,467
Reedley	5,773
Sanger	5,358
Selma	5,582
Unincorporated	11,656
Westside North Total	**16,034**
Firebaugh	1,577
Kerman	2,365
Mendota	1,905
San Joaquin	751
Unincorporated	9,436
Westside South Total	**5,700**
Coalinga	3,362
Huron	1,228
Unincorporated	1,110
Sierra Nevada Total	**5,550**
Unincorporated	5,550
Incorporated Total	202,410
Unincorporated Total	55,503
County Total	257,913

h. Table 12 includes for the January 1, 2000 beginning date of the Plan household estimates for each city within each market area (from Table 4), the number of unincorporated households within each market area (determined by applying the % figures from Table 11 to the January 1, 2000 total County unincorporated households), and for each total market area. The total number of households for each market area unincorporated area is posted to column 4 of Table 15.

4. The number of households within each Plan income group for January 1, 2000 is determined by multiplying the income group percentage figures in column 5 by the total number of households for each market area city, market area unincorporated area, and market area total households. The results of these calculations are posted to column 4 of Table 15.

   Table 13 utilizes the 1990 information from Table 10 and the January 1, 2000 information from Table 12 to determine information for the July 1, 2007 ending date of the Plan, utilizing a trend line method. The assumption was made that each jurisdiction will account for the same share of the county's growth during the 7 ½ year planning period of the Plan as it did for the period between 1990 and 2000. For example, the number of households in Clovis increased from 18,155 households in 1990 (from Table 9) to 24,487 households in 2000 (from Table 4), an increase of 6,332 households or 17.22% of Fresno County's 1990-2000 growth of 36,780 households. Since this Plan projects Fresno County's households will increase by another 31,298 during this Plan's planning period, Clovis is projected to receive 17.22 % of that growth as well, resulting in 29,875 households for Clovis on July 1, 2007. The percentages noted in column 6 of Table 13 titled "Increase 1990-2000" are not growth rates of a particular jurisdiction but rather show each jurisdiction's percentage of the County's total growth during that period.

   Information in column 7 of Table 13, projected households for market area cities, market area unincorporated areas, and total market areas, is posted to column 6 of Table 15 as the projected total household figures for the different Plan market areas in July 1, 2007.

5. In the 1990 Regional Housing Needs Allocation Plan, a manual adjustment was made to the FCMA Market Area, specifically to the unincorporated area share of households and to the City of Fresno share of households. This was done to slow the estimated decline in the number of unincorporated households predicted by the trend line method. In 1990 it was determined that the extent of inhabited annexation activity between 1980 and 1989 would slow considerably during the planning period of the 1990 Plan, between January 1, 1989 and July 1 1996. Consequently, a strict application of the trend line method for FCMA unincorporated households and City of Fresno households was determined not to be warranted.

   The degree of inhabited annexation activity during the January 1, 2000 to July 1, 2007 planning period of the 2001 Plan is projected to be similar to that of the 1990 to 2000 period. Therefore, a manual adjustment for FCMA unincorporated and City of Fresno households is not warranted in the 2001 Plan. The projected total household figures for each market area, market area city and market area unincorporated area from column 7 in Table 13 are posted to column 6 (jurisdictional and market area totals) of Table 15.

Table 13
Household Estimates and Projections, 1990 to 2007

Market Area	City	Census 1990	CCFI 2000	Increase 1990-2000 #	Increase 1990-2000 %	Projection 2007
FCMA	Clovis	18,155	24,487	6,332	17.22%	29,875
	Fresno	122,113	141,219	19,106	51.95%	157,477
	Unincorporated	25,693	27,751	2,058	5.60%	29,502
	FCMA Total	165,961	193,457	27,496	74.76%	216,855
East Valley	Fowler	1,029	1,251	222	0.60%	1,440
	Kingsburg	2,532	3,291	759	2.06%	3,937
	Orange Cove	1,323	1,794	471	1.28%	2,195
	Parlier	1,753	2,467	714	1.94%	3,075
	Reedley	4,592	5,773	1,181	3.21%	6,778
	Sanger	4,827	5,358	531	1.44%	5,810
	Selma	4,587	5,582	995	2.71%	6,429
	Unincorporated	10,847	11,656	809	2.20%	12,344
	East Valley Total	31,490	37,172	5,682	15.45%	42,007
Westside North	Firebaugh	1,179	1,577	398	1.08%	1,916
	Kerman	1,673	2,365	692	1.88%	2,954
	Mendota	1,627	1,905	278	0.76%	2,142
	San Joaquin	526	751	225	0.61%	942
	Unincorporated	8,690	9,436	746	2.03%	10,071
	Westside North Total	13,695	16,034	2,339	6.36%	18,024
Westside South	Coalinga	2,898	3,362	464	1.26%	3,757
	Huron	934	1,228	294	0.80%	1,478
	Unincorporated	956	1,110	154	0.42%	1,241
	Westside South Total	4,788	5,700	912	2.48%	6,476
Sierra Nevada	Unincorporated	5,199	5,550	351	0.95%	5,849
	Sierra Nevada Total	5,199	5,550	351	0.95%	5,849
Incorp. Total		169,748	202,410	32,662	88.80%	230,204
Unincorp. Total		51,385	55,503	4,118	11.20%	59,007
County Total		221,133	257,913	36,780	100.00%	289,211

6. The next step is to distribute the July 1, 2007 household projections to market area cities and market area unincorporated areas by income group, after adjustments for low-income impaction. State Housing Element Law (Section 65584 in particular) requires housing allocations must seek to reduce the concentration of lower income households in cities or counties that are impacted by disproportionately high proportions of lower income households. Fresno COG staff determined in the draft 2001 Plan that there was no issue of lower income household impaction for the Westside North, Westside South, and Sierra Nevada market areas. Therefore, the income group percentages were determined to be the same at the end of the 7 ½ planning cycle as they were at the beginning of the cycle. The rationale for this position is described below.

   The Sierra Nevada market area is unique among County market areas in that it is entirely unincorporated area. Consequently, there is no opportunity to shift lower income housing from one jurisdiction to another. Furthermore, the growth in total households for this market area during the planning period is projected to be only 299 households. Therefore, the Sierra Nevada market area is determined to be a stable market area, just as it was in the 1990 Plan.

The Westside South market area is comprised of two cities, Huron and Coalinga, and unincorporated area. There is a substantially larger percentage of very low income households in Huron than in Coalinga. However, in reality, these two cities constitute separate housing market areas due to their remote location and isolation from each other. The two cities are estimated to be 18 miles apart. Furthermore, this market area is projected to grow by just 776 households during the planning period (only 250 of which are projected to occur in Huron), a relatively minor portion of the total county household growth during the same period. Therefore, the Westside South market area is determined also to be a stable market area, just as it also was in the 1990 Plan.

The Westside North market area is comprised of the cities of Firebaugh, Kerman, Mendota, and San Joaquin and unincorporated area. All of the cities in this market area are considered low-income impacted communities, given their relatively high proportions of very low and low-income households. Consequently, there really is no opportunity to shift lower income housing construction from one jurisdiction to another in order to avoid further impaction. Furthermore, as with the cities in the Westside South market area, these four cities constitute separate housing market areas due to their distance from one another. For example, Firebaugh and Kerman are estimated to be 27 miles apart while San Joaquin and Firebaugh are estimated to be 29 miles apart. The closest city in this market area to San Joaquin is Kerman, which is located 17 miles away. Finally, this market area is projected to grow by 1,990 households during the planning period, also a relatively minor portion of the total county household growth during the same period. Because of all these factors, the Westside North market area is determined to be a stable market area, just as it also was in the 1990 Plan (although, as noted in Chapter 1, the Westside North market area was comprised in 1990 of two market areas, the Westside North and Center Valley market areas, both of which were determined at that time to be stable market areas).

a. However, the State Department of Housing and Community Development rejected the staff position for the Westside North and Westside South market areas and required a “same share plan” be applied to these two market areas just as it was to the FCMA and the East Valley market areas. The “same share plan” is intended to reduce the concentration of lower income households in jurisdictions within the two market areas that are impacted by disproportionately high proportions of lower income households. Table 14 provides information as to how this was accomplished.

b. For each market area on January 1, 2000, the difference between the market area total percentage of households and the jurisdiction’s percentage of households, for each income group, was calculated. The resulting percentage figure was multiplied by one quarter (the 7 ½ year planning period of the Plan is one quarter of the 30-year period assumed necessary to achieve the fair share allocation), resulting in a percentage figure that was then added to the percentage figure for each income group for each jurisdiction on January 1, 2000. Column 7 of Table 14 lists the percentage figures that are the result of these calculations. These percentage figures are then multiplied by the <u>total</u> number of households projected on July 1, 2007 for each jurisdiction within each market area, as noted in column 6 of Table 14. Information in columns 6 and 7 of Table 14 is then posted to columns 6 and 7 of Table 15. This methodology was also utilized in the 1990 Plan.

Table 14
Calculation of Household Income Group Allocations For the FCMA, East Valley, Westside North and Westside South Market Areas

FCMA	Income Group	January 1, 2000 Households #	%	Difference Between FCMA Percentage and Local Jurisdiction Percentage*	July 1, 2007 Fair Share Target #	%
Clovis	Very Low	4,417	18.04%	-6.55%	5,879	19.68%
	Low	3,524	14.39%	-1.99%	4,449	14.89%
	Moderate	5,399	22.05%	1.46%	6,478	21.68%
	Above Mod.	11,146	45.52%	7.08%	13,070	43.75%
	Total	24,486	100.00%		29,876	100.00%
Fresno	Very Low	38,525	27.28%	2.69%	41,901	26.61%
	Low	24,600	17.42%	1.03%	27,025	17.16%
	Moderate	29,388	20.81%	0.22%	32,685	20.76%
	Above Mod.	48,706	34.49%	-3.95%	55,867	35.48%
	Total	141,219	100.00%		157,477	100.00%
Unincorp.	Very Low	4,629	16.68%	-7.91%	5,504	18.66%
	Low	3,574	12.88%	-3.51%	4,058	13.76%
	Moderate	5,045	18.18%	-2.41%	5,541	18.78%
	Above Mod.	14,503	52.26%	13.83%	14,398	48.80%
	Total	27,751	100.00%		29,502	100.00%
FCMA Total	Very Low	47,571	24.59%		53,284	24.57%
	Low	31,698	16.39%		35,531	16.38%
	Moderate	39,832	20.59%		44,704	20.61%
	Above Mod.	74,355	38.44%		83,335	38.43%
	Total	193,456	100.00%		216,855	100.00%

** Positive numbers in this column indicate that the jurisdiction has a percentage higher than the market area, while negative numbers indicate that the jurisdiction has a percentage lower than the market area. A jurisdiction with 0% would have the same percentage as the market area.*

East Valley	Income Group	January 1, 2000 Households #	%	Difference Between East Valley Percentage and Local Jurisdiction Percentage*	July 1, 2007 Fair Share Target #	%
Fowler	Very Low	342	27.32%	0.79%	391	27.12%
	Other Low	236	18.85%	0.35%	270	18.76%
	Moderate	246	19.65%	-2.31%	291	20.23%
	Above Mod.	428	34.19%	1.18%	488	33.89%
	Total	1,252	100.00%		1,440	100.00%
Kingsburg	Very Low	820	24.92%	-1.61%	997	25.32%
	Other Low	478	14.52%	-3.98%	611	15.52%
	Moderate	780	23.70%	1.74%	916	23.27%
	Above Mod.	1,213	36.86%	3.85%	1,413	35.90%
	Total	3,291	100.00%		3,937	100.00%
Orange Cove	Very Low	727	40.52%	14.00%	813	37.02%
	Other Low	473	26.37%	7.86%	536	24.40%
	Moderate	419	23.36%	1.39%	505	23.01%
	Above Mod.	175	9.75%	-23.25%	342	15.57%
	Total	1,794	100.00%		2,195	100.00%
Parlier	Very Low	923	37.41%	10.89%	1,067	34.69%
	Other Low	633	25.66%	7.16%	734	23.87%
	Moderate	525	21.28%	-0.68%	660	21.45%
	Above Mod.	386	15.65%	-17.36%	615	19.99%
	Total	2,467	100.00%		3,075	100.00%
Reedley	Very Low	1,476	25.57%	-0.96%	1,749	25.81%
	Other Low	1,129	19.56%	1.05%	1,308	19.29%
	Moderate	1,315	22.78%	0.82%	1,530	22.57%
	Above Mod.	1,853	32.10%	-0.91%	2,191	32.33%
	Total	5,773	100.00%		6,778	100.00%
Sanger	Very Low	1,428	26.65%	0.13%	1,547	26.62%
	Other Low	951	17.75%	-0.75%	1,042	17.94%
	Moderate	1,271	23.72%	1.76%	1,353	23.28%
	Above Mod.	1,708	31.88%	-1.13%	1,869	32.16%
	Total	5,358	100.00%		5,810	100.00%
Selma	Very Low	1,802	32.28%	5.76%	1,983	30.84%
	Other Low	1,080	19.35%	0.85%	1,230	19.14%
	Moderate	1,246	22.32%	0.36%	1,429	22.23%
	Above Mod.	1,454	26.05%	-6.96%	1,787	27.79%
	Total	5,582	100.00%		6,429	100.00%
Unincorp.	Very Low	2,343	20.10%	-6.43%	2,680	21.71%
	Other Low	1,898	16.28%	-2.22%	2,079	16.84%
	Moderate	2,362	20.26%	-1.70%	2,554	20.69%
	Above Mod.	5,054	43.36%	10.35%	5,033	40.77%
	Total	11,657	100.00%		12,345	100.00%
East Valley Total	Very Low	9,861	26.53%		11,225	26.72%
	Other Low	6,878	18.50%		7,809	18.59%
	Moderate	8,164	21.96%		9,238	21.99%
	Above Mod.	12,271	33.01%		13,737	32.70%
	Total	37,174	100.00%		42,009	100.00%

** Positive numbers in this column indicate that the jurisdiction has a percentage higher than the market area, while negative numbers indicate that the jurisdiction has a percentage lower than the market area. A jurisdiction with 0% would have the same percentage as the market area.*

Westside North	Income Group	January 1, 2000 Households #	%	Difference Between Westside North Percentage and Local Jurisdiction Percentage*	July 1, 2007 Fair Share Target #	%
Firebaugh	Very Low	443	28.07%	0.02%	538	28.06%
	Other Low	354	22.48%	1.84%	422	22.02%
	Moderate	425	26.97%	3.54%	500	26.09%
	Above Mod.	355	22.48%	-5.40%	457	23.83%
	Total	1,577	100.00%		1,917	100.00%
Kerman	Very Low	759	32.10%	4.05%	918	31.09%
	Other Low	389	16.44%	-4.20%	517	17.49%
	Moderate	527	22.30%	-1.13%	667	22.58%
	Above Mod.	690	29.16%	1.28%	852	28.84%
	Total	2,365	100.00%		2,954	100.00%
Mendota	Very Low	698	36.63%	8.58%	739	34.48%
	Other Low	488	25.63%	4.99%	522	24.38%
	Moderate	457	23.97%	0.54%	511	23.84%
	Above Mod.	262	13.77%	-14.11%	371	17.30%
	Total	1,905	100.00%		2,143	100.00%
San Joaquin	Very Low	244	32.51%	4.46%	296	31.39%
	Other Low	187	24.90%	4.26%	225	23.84%
	Moderate	167	22.24%	-1.19%	212	22.54%
	Above Mod.	153	20.35%	-7.53%	209	22.23%
	Total	751	100.00%		942	100.00%
Uninc.	Very Low	2,353	24.94%	-3.11%	2,590	25.72%
	Other Low	1,892	20.05%	-0.59%	2,034	20.20%
	Moderate	2,181	23.11%	-0.32%	2,336	23.19%
	Above Mod.	3,010	31.90%	4.02%	3,111	30.89%
	Total	9,436	100.00%		10,071	100.00%
Total	Very Low	4,497	28.05%		5,081	28.23%
	Other Low	3,310	20.64%		3,720	20.63%
	Moderate	3,757	23.43%		4,226	23.44%
	Above Mod.	4,470	27.88%		5,000	27.70%
	Total	16,034	100.00%		18,027	100.00%

** Positive numbers in this column indicate that the jurisdiction has a percentage higher than the market area, while negative numbers indicate that the jurisdiction has a percentage lower than the market area. A jurisdiction with 0% would have the same percentage as the market area.*

Westside South	Income Group	January 1, 2000 Households #	%	Difference Between Westside South Percentage and Local Jurisdiction Percentage*	July 1, 2007 Fair Share Target #	%
Coalinga	Very Low	970	28.85%	-0.01%	1,084	28.85%
	Other Low	500	14.87%	-4.96%	605	16.11%
	Moderate	705	20.98%	-2.40%	811	21.58%
	Above Mod.	1,187	35.30%	7.37%	1,257	33.46%
	Total	3,362	100.00%		3,757	100.00%
Huron	Very Low	542	44.11%	15.25%	596	40.30%
	Other Low	247	20.13%	0.30%	296	20.06%
	Moderate	263	21.41%	-1.97%	324	21.90%
	Above Mod.	176	14.35%	-13.58%	262	17.74%
	Total	1,228	100.00%		1,478	100.00%
Uninc.	Very Low	134	12.03%	-16.83%	202	16.24%
	Other Low	383	34.52%	14.69%	383	30.85%
	Moderate	365	32.85%	9.47%	378	30.48%
	Above Mod.	229	20.60%	-7.33%	278	22.43%
	Total	1,111	100.00%		1,241	100.00%
Total	Very Low	1,646	28.86%		1,882	29.11%
	Other Low	1,130	19.83%		1,284	19.84%
	Moderate	1,333	23.38%		1,513	23.35%
	Above Mod.	1,592	27.93%		1,797	27.70%
	Total	5,701	100.00%		6,476	100.00%

** Positive numbers in this column indicate that the jurisdiction has a percentage higher than the market area, while negative numbers indicate that the jurisdiction has a percentage lower than the market area. A jurisdiction with 0% would have the same percentage as the market area.*

7. The final step is to calculate and post in columns 8 and 9 of Table 15 the change in the number of households and the change in the percentage of households from January 1, 2000 to July 1, 2007, by income group for each jurisdiction.

Table 15
Estimated Households on January 1, 2000 by Income Group and Projected Households on July 1, 2007 With Income Group Allocations

Market Area	Jurisdiction	Income Group	January 1, 2000 #	%	July 1, 2007 #	%	Growth, 2000 to 2007 #	%
FCMA	Clovis	Very Low	4,417	18.04%	5,880	19.68%	1,462	27.13%
		Low	3,524	14.39%	4,449	14.89%	925	17.16%
		Moderate	5,399	22.05%	6,477	21.68%	1,078	20.00%
		Above Mod.	11,146	45.52%	13,071	43.75%	1,924	35.71%
		Total	24,487	100.00%	29,876	100.00%	5,389	100.00%
	Fresno	Very Low	38,525	27.28%	41,905	26.61%	3,380	20.79%
		Low	24,600	17.42%	27,023	17.16%	2,423	14.90%
		Moderate	29,388	20.81%	32,692	20.76%	3,305	20.33%
		Above Mod.	48,706	34.49%	55,857	35.47%	7,151	43.98%
		Total	141,219	100.00%	157,477	100.00%	16,258	100.00%
	Unincorp.	Very Low	4,629	16.68%	5,505	18.66%	876	50.04%
		Low	3,574	12.88%	4,059	13.76%	485	27.71%
		Moderate	5,045	18.18%	5,540	18.78%	495	28.29%
		Above Mod.	14,503	52.26%	14,397	48.80%	-106	-6.04%
		Total	27,751	100.00%	29,502	100.00%	1,751	100.00%
	Total	Very Low	47,571	24.59%	53,289	24.57%	5,718	24.44%
		Low	31,698	16.39%	35,531	16.38%	3,833	16.38%
		Moderate	39,832	20.59%	44,710	20.62%	4,878	20.85%
		Above Mod.	74,357	38.44%	83,325	38.42%	8,968	38.33%
		Total	193,458	100.00%	216,855	100.00%	23,397	100.00%

Market Area	Jurisdiction	Income Group	January 1, 2000 #	%	July 1, 2007 #	%	Growth, 2000 to 2007 #	%
East Valley	Fowler	Very Low	342	27.31%	391	27.12%	49	25.86%
		Low	236	18.85%	270	18.76%	34	18.16%
		Moderate	246	19.63%	291	20.23%	46	24.20%
		Above Mod.	428	34.21%	488	33.89%	60	31.77%
		Total	1,251	100.00%	1,440	100.00%	189	100.00%
	Kingsburg	Very Low	820	24.92%	997	25.32%	177	27.36%
		Low	478	14.53%	611	15.52%	133	20.56%
		Moderate	780	23.70%	916	23.27%	136	21.08%
		Above Mod.	1,213	36.85%	1,413	35.89%	200	31.00%
		Total	3,291	100.00%	3,937	100.00%	646	100.00%
	Orange Cove	Very Low	727	40.51%	813	37.02%	86	21.40%
		Low	473	26.38%	536	24.40%	62	15.54%
		Moderate	419	23.36%	505	23.01%	86	21.44%
		Above Mod.	175	9.75%	342	15.57%	167	41.62%
		Total	1,794	100.00%	2,195	100.00%	401	100.00%
	Parlier	Very Low	923	37.42%	1,067	34.69%	143	23.61%
		Low	633	25.67%	734	23.87%	101	16.56%
		Moderate	525	21.28%	659	21.45%	135	22.14%
		Above Mod.	386	15.63%	615	19.99%	229	37.69%
		Total	2,467	100.00%	3,075	100.00%	608	100.00%
	Reedley	Very Low	1,476	25.57%	1,749	25.81%	273	27.19%
		Low	1,129	19.56%	1,307	19.29%	178	17.74%
		Moderate	1,315	22.78%	1,530	22.57%	215	21.36%
		Above Mod.	1,853	32.09%	2,191	32.33%	339	33.71%
		Total	5,773	100.00%	6,778	100.00%	1,005	100.00%
	Sanger	Very Low	1,428	26.66%	1,547	26.62%	118	26.15%
		Low	951	17.75%	1,042	17.94%	91	20.19%
		Moderate	1,271	23.72%	1,353	23.28%	82	18.06%
		Above Mod.	1,708	31.87%	1,868	32.16%	161	35.60%
		Total	5,358	100.00%	5,810	100.00%	452	100.00%
	Selma	Very Low	1,802	32.29%	1,983	30.84%	180	21.28%
		Low	1,080	19.34%	1,230	19.14%	151	17.82%
		Moderate	1,246	22.32%	1,429	22.23%	183	21.64%
		Above Mod.	1,454	26.05%	1,787	27.79%	332	39.26%
		Total	5,582	100.00%	6,429	100.00%	847	100.00%
	Unincorp.	Very Low	2,343	20.10%	2,680	21.71%	337	48.97%
		Low	1,898	16.28%	2,079	16.84%	181	26.32%
		Moderate	2,362	20.26%	2,554	20.69%	193	27.97%
		Above Mod.	5,054	43.36%	5,032	40.76%	-22	-3.26%
		Total	11,656	100.00%	12,344	100.00%	688	100.00%
	Total	Very Low	9,862	26.53%	11,225	26.12%	1,363	28.20%
		Low	6,878	18.50%	7,810	18.32%	932	19.27%
		Moderate	8,163	21.96%	9,237	21.90%	1,074	22.22%
		Above Mod.	12,270	33.01%	13,735	33.66%	1,466	30.31%
		Total	37,172	100.00%	42,007	100.00%	4,835	100.00%

Market Area	Jurisdiction	Income Group	January 1, 2000 #	%	July 1, 2007 #	%	Growth, 2000 to 2007 #	%
Westside North	Firebaugh	Very Low	443	28.07%	538	28.06%	95	28.04%
		Low	355	22.48%	422	22.02%	67	19.89%
		Moderate	425	26.97%	500	26.09%	75	21.97%
		Above Mod.	355	22.48%	456	23.83%	101	30.10%
		Total	1,577	100.00%	1,916	100.00%	338	100.00%
	Kerman	Very Low	759	32.10%	918	31.09%	159	32.10%
		Low	389	16.44%	517	17.49%	128	16.44%
		Moderate	527	22.30%	667	22.58%	140	22.30%
		Above Mod.	690	29.16%	852	28.84%	162	29.16%
		Total	2,365	100.00%	2,954	100.00%	589	100.00%
	Mendota	Very Low	698	36.63%	739	34.48%	41	17.24%
		Low	488	25.63%	522	24.38%	34	14.36%
		Moderate	457	23.97%	511	23.84%	54	22.75%
		Above Mod.	262	13.77%	370	17.30%	108	45.65%
		Total	1,905	100.00%	2,142	100.00%	237	100.00%
	San Joaquin	Very Low	244	32.51%	296	31.39%	52	27.01%
		Low	187	24.90%	225	23.84%	38	19.65%
		Moderate	167	22.24%	212	22.54%	45	23.71%
		Above Mod.	153	20.35%	209	22.23%	56	29.63%
		Total	751	100.00%	942	100.00%	191	100.00%
	Unincorp.	Very Low	2,353	24.94%	2,590	25.72%	237	37.26%
		Low	1,892	20.05%	2,034	20.20%	142	22.40%
		Moderate	2,181	23.11%	2,336	23.19%	155	24.38%
		Above Mod.	3,010	31.90%	3,111	30.89%	101	15.96%
		Total	9,436	100.00%	10,071	100.00%	635	100.00%
	Total	Very Low	4,497	28.05%	5,081	28.23%	584	29.69%
		Low	3,310	20.65%	3,720	20.63%	410	20.53%
		Moderate	3,757	23.43%	4,226	23.44%	469	23.57%
		Above Mod.	4,469	27.87%	4,997	27.69%	528	26.21%
		Total	16,034	100.00%	18,024	100.00%	1,991	100.00%
Westside South	Coalinga	Very Low	970	28.85%	1,084	28.85%	114	28.87%
		Low	500	14.87%	605	16.11%	105	26.66%
		Moderate	705	20.98%	811	21.58%	106	26.69%
		Above Mod.	1,187	35.30%	1,257	33.46%	70	17.78%
		Total	3,362	100.00%	3,757	100.00%	395	100.00%
	Huron	Very Low	542	44.11%	596	40.30%	54	21.57%
		Low	247	20.13%	296	20.06%	49	19.69%
		Moderate	263	21.41%	324	21.90%	61	24.32%
		Above Mod.	176	14.35%	262	17.74%	86	34.42%
		Total	1,228	100.00%	1,478	100.00%	250	100.00%
	Unincorp.	Very Low	134	12.03%	202	16.24%	68	51.80%
		Low	383	34.52%	383	30.85%	0	0.00%
		Moderate	365	32.85%	378	30.48%	13	10.33%
		Above Mod.	229	20.60%	278	22.43%	49	37.87%
		Total	1,110	100.00%	1,241	100.00%	130	100.00%
	Total	Very Low	1,645	28.86%	1,882	29.11%	236	30.93%
		Low	1,130	19.83%	1,284	19.84%	154	19.88%
		Moderate	1,333	23.38%	1,513	23.35%	180	23.12%
		Above Mod.	1,592	27.92%	1,797	27.70%	205	26.06%
		Total	5,700	100.00%	6,476	100.00%	775	100.00%

Market Area	Jurisdiction	Income Group	January 1, 2000 #	%	July 1, 2007 #	%	Growth, 2000 to 2007 #	%
Sierra Nevada	Unincorp.	Very Low	1,091	19.66%	1,150	19.66%	59	19.66%
		Low	905	16.31%	954	16.31%	49	16.31%
		Moderate	1,203	21.68%	1,268	21.68%	65	21.68%
		Above Mod.	2,350	42.35%	2,477	42.35%	126	42.35%
		Total	5,550	100.00%	5,849	100.00%	299	100.00%
	Total	Very Low	1,091	19.66%	1,150	19.66%	59	19.66%
		Low	905	16.31%	954	16.31%	49	16.31%
		Moderate	1,203	21.68%	1,268	21.68%	65	21.68%
		Above Mod.	2,350	42.35%	2,477	42.35%	126	42.35%
		Total	5,550	100.00%	5,849	100.00%	299	100.00%
County Total	Incorp.	Very Low	54,116	26.74%	60,642	26.34%	6,526	23.48%
		Low	35,270	17.43%	39,758	17.27%	4,488	16.15%
		Moderate	43,133	21.31%	48,856	21.22%	5,722	20.59%
		Above Mod.	69,891	34.53%	80,948	35.16%	11,058	39.78%
		Total	202,410	100.00%	230,204	100.00%	27,794	100.00%
	Unincorp.	Very Low	10,550	19.01%	11,996	20.33%	1,446	41.27%
		Low	8,652	15.59%	9,540	16.17%	888	25.33%
		Moderate	11,155	20.10%	12,098	20.50%	942	26.90%
		Above Mod.	25,146	45.31%	25,374	43.00%	228	6.50%
		Total	55,503	100.00%	59,007	100.00%	3,504	100.00%
	Total	Very Low	64,666	25.07%	72,638	25.12%	7,972	25.47%
		Low	43,922	17.03%	49,298	17.05%	5,376	17.18%
		Moderate	54,288	21.05%	60,953	21.08%	6,665	21.29%
		Above Mod.	95,037	36.85%	106,322	36.76%	11,286	36.06%
		Total	257,913	100.00%	289,211	100.00%	31,298	100.00%

BASIC CONSTRUCTION NEED

Basic construction need is the number of new housing units that must be constructed to provide housing for the anticipated population. The calculation of the basic construction need for each local jurisdiction and market area considers existing housing units, projected number of households, vacancy factors, and an allowance for normal market removal of housing units. The methodology does not include an estimate of the need to replace dilapidated units that are beyond repair but that are not expected to be removed during the planning period as part of normal market activity. This task is beyond the scope of the 2001 Regional Housing Needs Allocation Plan and is to be estimated by jurisdictions in preparing their housing elements.

Key factors and procedures for calculating the basic construction need are summarized as follows:

1. Provide one housing unit for each anticipated household.
2. Provide a sufficient number of housing units to accommodate vacant for sale units, vacant for rent units, and other vacant units.
3. The sum of items 1 and 2 constitutes the total number of housing units required to accommodate the projected population by the January 1, 2007 ending date of the Plan.
4. Reduce the total number of units required by the number of units existing on January 1, 2000, to obtain the number of units needed to accommodate population growth.
5. Provide a sufficient number of units to replace expected removals from the housing market.

6. The sum of items 4 and 5 constitutes the basic construction need, or total number of new housing units required to house the projected population between January 1, 2000 and July 1, 2007

As noted above, three separate vacancy factors are utilized to provide for units vacant for sale, units vacant for rent, and other vacant units. An owner vacancy rate of 1.5% of the owner occupied housing units, and a renter vacancy rate of 5.0% of the renter occupied housing units are applied, as suggested by the State Department of Housing & Community Development. The other vacant rate is the actual rate for each jurisdiction, from the 1990 U.S. Census.

Table 16 includes for each market area, each city, and each market area unincorporated area the various vacancy rates and also data on the percent of households that are owner-occupied and renter-occupied, all from the 1990 U.S. Census. Information from Table 16 is used in Table 17 to determine the Basic Construction Need for each jurisdiction in the County.

Table 16
1990 Occupancy and Vacancy Rates

Source: US Census

	Percent of Households that are Owner-Occupied	Percent of Households that are Renter-Occupied	For Sale Vacancy Rate	For Rent Vacancy Rate	Other Vacancy Rate	Total Vacancy Rate
FCMA	53.20%	46.80%	1.37%	5.99%	1.65%	5.18%
Clovis	53.18%	46.82%	1.11%	3.54%	1.09%	3.33%
Fresno	48.22%	51.78%	1.59%	6.53%	1.73%	5.87%
Unincorporated	76.83%	23.17%	0.84%	3.60%	1.65%	3.12%
East Valley	59.60%	40.40%	0.65%	2.15%	2.50%	3.73%
Fowler	54.89%	45.11%	0.52%	4.81%	2.00%	4.45%
Kingsburg	62.52%	37.48%	0.57%	2.47%	1.04%	2.32%
Orange Cove	51.66%	48.34%	0.30%	0.95%	1.14%	1.75%
Parlier	53.24%	46.76%	0.11%	0.60%	2.97%	3.30%
Reedley	57.43%	42.57%	1.08%	2.48%	1.43%	3.09%
Sanger	56.19%	43.81%	0.37%	1.49%	1.10%	1.95%
Selma	55.86%	44.14%	1.13%	1.81%	1.58%	2.98%
Unincorporated	65.31%	34.69%	0.56%	2.61%	4.37%	5.59%
Westside North	49.21%	50.79%	0.59%	2.43%	4.77%	6.23%
Firebaugh	43.63%	56.37%	1.15%	2.62%	2.74%	4.67%
Kerman	53.61%	46.39%	0.77%	4.16%	1.09%	3.43%
Mendota	46.17%	53.83%	1.40%	3.41%	1.82%	4.27%
San Joaquin	37.22%	62.78%	0.00%	1.47%	1.65%	2.56%
Unincorporated	50.43%	49.57%	0.36%	1.95%	6.46%	7.54%
Westside South	44.54%	55.46%	1.76%	8.09%	3.27%	8.46%
Coalinga	55.60%	44.40%	2.14%	14.27%	2.85%	10.55%
Huron	33.87%	66.13%	0.63%	0.96%	2.18%	3.01%
Unincorporated	18.23%	81.77%	0.00%	1.16%	5.92%	6.82%
Sierra Nevada	77.91%	22.09%	1.47%	12.65%	34.08%	36.84%
Unincorporated	77.91%	22.09%	1.47%	12.65%	34.08%	36.84%

A normal market removal rate of 0.09% of the year-round housing units is utilized, again as provided by HCD. This removal rate is the number of units to be torn down, boarded up, destroyed by fire or changed to other uses.

The basic construction need for each jurisdiction is calculated as follows:

1. Determine the number of housing units needed at the end of the planning period, July 1, 2007, with an allowance for vacant units.

    a. Multiply the estimated July 1, 2007 number of households for each jurisdiction (from Table 15) by the percentage of total households within that jurisdiction that were owner-occupied (from Table 16). Divide by the "actual" occupancy rate of owner-occupied housing, or 98.5%, utilized for all jurisdictions pursuant to HCD. (As noted above, 1.5% of the owner occupied units are estimated to be vacant for sale.)
    b. Add to the number in a. the estimated July 1, 2007 number of households for each jurisdiction (from Table 15) multiplied by the percentage of total households within that jurisdiction that were renter-occupied (from Table 16). Divide by the occupancy rate of renter-occupied housing, or 95.0%, also utilized for all jurisdictions pursuant to HCD. (Again, as noted above, 5% of the renter occupied units are estimated to be vacant for rent.)
    c. Divide b. by the "other" vacancy rate for each jurisdiction (from Table 16). Post the results to column 4 of Table 17.

2. Determine for each jurisdiction the number of housing units needed to accommodate population growth from the beginning of the planning period on January 1, 2000 to the end of the planning period on July 1, 2007.

    a. Subtract from the number of housing units needed on July 1, 2007 (determined in Step 1 above), the existing number of housing units on January 1, 2000 (from Table 4). Post the results to column 5 of Table 17.

3. Determine for each jurisdiction the normal market removal of housing units. These are housing units that will be torn down, boarded up, destroyed by fire, changed to commercial use, etc.

    a. In accordance with methodology provided by HCD, multiply the January 1, 2000 number of housing units by the annual removal rate provided by HCD of 0.09%.
    b. Multiply the product of a. above by 7 ½, the number of years in the planning period. Post the results to column 6 of Table 17.

4. Determine by jurisdiction and market area the total basic construction need during the planning period extending from January 1, 2000 to July 1, 2007.

    a. Add the number of units needed to accommodate growth (determined in Step Two) to the number of housing units projected to be removed (determined in Step Three). Post the results to column 7 of Table 17.

Table 17
Basic Construction Needs
January 1, 2000 to July 1, 2007

Market Area	City	2000 Units	2007 Units	Growth	Normal Market Removals	Total Units Needed
FCMA	Clovis	25,330	31,194	5,864	171	6,035
	Fresno	150,027	165,793	15,766	1,013	16,780
	Unincorporated	28,646	30,714	2,068	193	2,261
	FCMA Total	204,003	227,701	23,698	1,377	25,076
East Valley	Fowler	1,309	1,517	208	9	216
	Kingsburg	3,369	4,095	726	23	748
	Orange Cove	1,826	2,294	468	12	481
	Parlier	2,552	3,273	721	17	738
	Reedley	5,956	7,091	1,135	40	1,175
	Sanger	5,466	6,060	594	37	631
	Selma	5,754	6,740	986	39	1,024
	Unincorporated	12,346	13,272	926	83	1,009
	East Valley Total	38,578	44,341	5,763	260	6,022
Westside North	Firebaugh	1,655	2,042	387	11	398
	Kerman	2,449	3,084	635	17	651
	Mendota	1,990	2,259	269	13	282
	San Joaquin	770	995	225	5	230
	Unincorporated	10,205	11,130	925	69	994
	Westside North Total	17,069	19,509	2,440	115	2,555
Westside South	Coalinga	3,760	3,990	230	25	256
	Huron	1,267	1,571	304	9	313
	Unincorporated	1,191	1,380	189	8	197
	Westside South Total	6,218	6,941	723	42	766
Sierra Nevada	Unincorporated	8,787	9,081	294	59	354
	Sierra Nevada Total	8,787	9,081	294	59	354
Incorp. Total		213,480	241,997	28,517	1,441	29,958
Unincorp. Total		61,175	65,577	4,402	413	4,815
County Total		274,655	307,574	32,919	1,854	34,773

The final step is to allocate the Basic Construction Need figure for each jurisdiction to the four income groups. This is accomplished by multiplying each jurisdiction's Basic Construction Need figure by the percentage growth of households during the planning period in each income group in each jurisdiction. The results are provided in Table 18.

Table 18
Estimated Housing Construction Need by Jurisdiction and Income Group
Prior to Manual Adjustments
January 1, 2000 to July 1, 2007

Market Area	City	Very Low	Low	Moderate	Above Moderate	Total
FCMA	Clovis	1,637	1,036	1,207	2,155	6,035
	Fresno	3,488	2,500	3,412	7,380	16,780
	Unincorp.	1,131	627	640	-137	2,261
	FCMA Total	6,256	4,163	5,259	9,398	25,076
East Valley	Fowler	56	39	52	69	216
	Kingsburg	205	154	158	231	748
	Orange Cove	103	75	103	200	481
	Parlier	174	122	163	279	738
	Reedley	319	208	251	397	1,175
	Sanger	165	127	114	225	631
	Selma	218	182	222	402	1,024
	Unincorp.	494	266	282	-33	1,009
	East Valley Total	1,734	1,173	1,345	1,770	6,022
Westside North	Firebaugh	112	79	87	120	398
	Kerman	209	107	145	190	651
	Mendota	49	40	64	129	282
	San Joaquin	62	45	55	68	230
	Unincorp.	370	223	242	159	994
	Westside North Total	802	494	593	666	2,555
Westside South	Coalinga	74	68	68	46	256
	Huron	68	62	76	107	313
	Unincorp.	102	0	20	75	197
	Westside South Total	244	130	164	228	766
Sierra Nevada	Unincorp.	70	58	77	149	354
	Sierra Nevada Total	70	58	77	149	354
Incorp. Total		6,939	4,844	6,177	11,998	29,958
Unincorp. Total		2,167	1,174	1,261	213	4,815
County Total		9,106	6,018	7,438	12,211	34,773

<u>MANUAL ADJUSTMENTS</u>

During the 90-day revision period set forth in statute, the County of Fresno objected to its Housing Construction Need figures for the unincorporated Fresno Clovis Metropolitan Area (FCMA) and East Valley market areas. Several meetings were subsequently held to consider the County's objection and agreement was achieved on manual adjustments of the Housing Construction Need figures for cities and the County within the FCMA and East Valley market areas.

Within the FCMA market area, the manual adjustment resulted in an increase of 375 units in Clovis, an increase of 1,125 units in Fresno, and a corresponding decrease of 1,500 units in the unincorporated portion of the FCMA. These units were allocated to the income categories for each jurisdiction in the same proportion as existed prior to the manual adjustment. Within the East Valley market area, the manual adjustment resulted in an increase in units of 11.25 percent to each city. This amounted to a total increase of 563 units to all the cities in the East Valley market area, and a corresponding decrease of 563 units to the unincorporated portion of the East Valley market area. These units were allocated to the income categories for each jurisdiction in the same proportion as existed prior to the manual adjustment.

The language in the following four paragraphs was reviewed and approved by the State Department of Housing and Community Development. It clarifies that a city can, if necessary, utilize land area within its Sphere of Influence to provide adequate sites to accommodate its RHNA Plan allocation by income category. This clarification provides the basis for making mutually agreed manual adjustments to the housing need allocation between the county and cities within the FCMA and East Valley market areas. As a result, a cumbersome administrative process whereby an <u>additional</u> allocation of housing need is made from the County to a particular city on an individual annexation basis is avoided.

The 2001 RHNA Plan provides the total housing need allocation by income category for each city in the County, for the unincorporated County, and for the total County. Each city and the County must identify in its housing element an inventory of adequate sites to accommodate its housing need allocation by income category. The sum total of housing need by income category for each of the cities and the unincorporated County cannot be less than the total County housing construction need by income category identified in the RHNA Plan.

A city and the County cannot both claim the same land area in their respective housing elements in order to provide an inventory of adequate sites to accommodate their respective RHNA Plan allocation by income category. Many cities in Fresno County may be able to accommodate their respective housing need allocation by income category within their existing jurisdictional boundaries. Other cities in the County, however, may need to annex land area within their respective sphere of influence in order to provide an inventory of adequate sites to accommodate their respective housing need allocation by income category.

In this latter situation, a city must include within its housing element a housing program with specific actions that the city will take within the planning period to annex land area to provide for appropriate zoning, development standards, and infrastructure capacity in order to increase its total residential development capacity. Land area identified for annexation in a city's housing element program cannot be included in the County's housing element for providing adequate sites to accommodate its housing need allocation, except for building permits issued by the County prior to the boundary change. Transfer of a jurisdiction's housing need allocation during the planning period can only occur pursuant to Government Code Section 65584(c)(5).

If a city is unable to provide adequate sites through its annexation program during the planning period, it must provide adequate sites within its jurisdictional boundaries that will accommodate its housing need allocation by income category.

JOINT POLICIES AND ISSUES STATEMENT

The following Joint Policies and Issues Statement is divided into two parts. The first part is a listing of County policies that support the concept of manual adjustments of housing need allocations within the FCMA and East Valley market areas by providing assurance to all cities of the County's commitment to direct urban development to the cities. The second part is a listing of issues, previously expressed in writing and verbally by many of the Fresno COG member agencies, regarding the rationale, process and effectiveness of the State requirement and program to project regional housing need allocations.

County Policies Supportive of Manual Adjustments

Manual housing need allocation adjustments are being implemented in a spirit of regional cooperation that recognizes Fresno County's General Plan vision to direct urban development to cities, encourage conservation of farmland and open space, and discourage proliferation of rural residential uses. These adjustments also take into account the orderly patterns of growth promoted by the Memoranda of Understanding between the County and its incorporated cities.

Further, the General Plans of the County of Fresno and the 15 cities reflect policies to preserve and protect agricultural lands, an objective of significance to the 16 jurisdictions and to the State of California. To this end, the California legislature has established the Department of Conservation and the State regulatory agency, the Local Agency Formation Commission. The California Legislature has also enacted legislation establishing programs to further this important State objective. Among these programs are the Williamson Act Program and the Farmland Security Zone Program for the express purpose of preserving and protecting this unique and valuable resource in California counties.

The County of Fresno's General Plan, updated in October 2000, includes the following Vision Statement on Urban-Centered Growth:

"The plan promotes compact growth by directing most new urban development to incorporated cities and existing urban communities that already have the infrastructure to accommodate such growth. The plan assumes that over 93 percent of new population growth and new job growth will occur within incorporated city spheres of influence and 7 percent would occur in unincorporated areas. Accordingly, this plan prohibits designation of new areas as Planned Rural Community and restricts the designation of new areas for rural residential development while allowing for orderly development of existing rural residential areas."

The County's vision is carried forth through provisions of the Agricultural and Land Use Element, including Goal LU-E and Policy LU-E.15:

"To provide for the continued development of areas already designated for non-agricultural rural residential development in a manner that minimizes environmental impacts and public infrastructure and service costs while restricting designation of new areas for such development."

"The County shall not designate additional land for Rural Residential or Foothill Rural Residential development, except for unique circumstances to be determined by the Board of Supervisors."

The County General Plan emphasizes orderly and efficient patterns of growth and acknowledges the City-County Memoranda of Understanding implemented in the early 1990s with all 15 of the County's incorporated cities. In part, the Memoranda prevent premature conversion of agricultural lands and annexation of property not ready for development, consistent with the conservation goals of the State and the County.

"Annexation which results in the development of urban uses in response to need is appropriate," a typical Memorandum states. "Noncontiguous urban development of such uses in unincorporated areas within (a) City sphere of influence is not orderly and may result in service inefficiencies and unnecessary expense to (the) County and City. Well-planned and fiscally sound redevelopment can be a valuable tool in the physical and economic development of (the) City and County."

The Memoranda affect land use and tax sharing in the development and annexation of lands within city spheres of influence. Because they have been effective in promoting compact and concentric growth, some cities in Fresno County have little ability to absorb construction of new housing units without expansion of their current boundaries. The manual adjustments in the Housing Allocation Plan reflect the recognition that some cities must look outside of their corporate limits to satisfy their housing requirements. As territory is shifted from the jurisdiction of the County to the cities, it is appropriate that housing allocation be shifted as well.

Fresno County Issues Concerning State Approach to Allocating Housing Need

Several jurisdictions in Fresno County have expressed issues concerning the rationale, process and effectiveness of determining regional housing need allocations. These issues are relevant not just for the 2001 Fresno County RHNA Plan but also for the subsequent individual jurisdiction housing elements. These issues are summarized below for the record.

- The Countywide Housing Need number seems too high for the planning period of the RHNA Plan and local housing elements. For Fresno County, the State provided a range of Housing Need within which the Fresno COG would determine the actual Housing Need. However, the range itself was developed without input from Fresno County jurisdictions and, consequently, it has never been clear to local agencies or the Fresno COG how the range was determined. This is particularly troublesome in that the range does not correlate with residential building permit data over the past several years. Therefore, it has been difficult for many jurisdictions to accept both the total County allocation of Housing Need and their individual jurisdiction's allocation of Housing Need. Furthermore, no one believes this production level can realistically be met without substantial funding aid from the State.

- A similar concern exists for the four income categories provided for Fresno County by State HCD. It was noted that the percentage breakdown of Housing Need by income category is the same for the 2001 RHNA Plan as it was for the 1990 RHNA Plan and the even earlier 1984 RHNA Plan. While HCD explained the percentage breakdown of the income categories at the County level remain very constant from one plan to the next, it seems odd there has been no change at all. When combined with the required use of 1990 U.S. Census income data, it is difficult for communities to show declining percentages of households within the very low and low income categories within the past ten years. And yet all of the communities in Fresno County and the County itself are working very hard to create jobs and reduce the number of low income households.

- Because of this "top-down" allocation of Housing Need to Fresno County by the State and its irrelevance to historic residential building permit data, **the State is forcing local jurisdictions to distort their local planning process in order to plan for an excessive Housing Need**. This process does not allow the State to consider the variety or complexity of issues local jurisdictions must balance every day. Other goals of jurisdictions in Fresno County and even other goals of the State may be compromised by this need to plan for an excessive number of housing units. It is as though the State knows better than a local jurisdiction how it should plan for growth and this is contrary to local control of land use. For example, a local jurisdiction's planning and implementation of infrastructure improvements may need to shift from, for example, supporting job creation, economic development or other local goals to supporting housing development.

- The creation of jobs provides the opportunity for more residents to access incomes that enable them to afford housing. The focus on treating the symptom (i.e. lack of affordable housing) rather than the problem (i.e. too many families with incomes that limit their ability to afford adequate housing) does not produce long-term solutions. The sometimes competing issues of infrastructure, economic development to address high unemployment rates or other local goals, agricultural conservation, orderly growth, air quality and water quality & quantity, etc. need to be recognized and balanced.

- The planning period of the RHNA Plan and local housing elements does not always correlate well with the time frame necessary to provide infrastructure improvements for new housing. The environmental process itself requires a lengthy lead time. Major facilities such as new or expanded sewer trunk lines or sewer treatment plants can require the cooperation of another agency in those situations, such as within the Fresno Metropolitan Area, where there are agreements to share facilities. These factors can make it difficult to provide essential public services during the planning period.

- The RHNA Plan can have adverse implications for local housing elements if State HCD does not understand the necessity of many cities in Fresno County to annex land within spheres of influence to meet their housing need. State statutes seem to reflect the more common situation in the state whereby jurisdictions accommodate their housing need within existing jurisdictional boundaries. Longstanding agreements between Fresno County and its individual cities govern the manner in which annexations occur. In its review of local housing elements, the State must make provision for these agreements.

- The development of the RHNA Plan for the Fresno County region has been made more difficult by inconsistent interpretations by HCD. For example, the Fresno COG used the same methodology to develop the 2001 RHNA Plan as was used for the 1990 RHNA Plan. In 1990, no fair share adjustment to reduce low-income impaction for the western portion of Fresno County was required. However, in 2001, a fair share adjustment for this portion of the County is required even though there has been no change in statute.

- **Local agencies are concerned that it will be difficult for them in their housing elements to plan for the seemingly inflated Housing Need numbers in the RHNA Plan, potentially leaving them open to frivolous lawsuits that may be expensive and time-consuming to resolve.**

- The distinction between a local jurisdiction's responsibility to plan for housing and the actual production of housing needs to be more clearly explained and safeguarded. Many believe that recent legislative initiatives appear to blur this distinction. Local jurisdictions in Fresno County believe that the potential imposition of fines and other penalties, including the withholding of transportation funds, is simply the wrong approach. **We suggest that if the State is truly serious about providing housing**

for all income categories, it should provide more funding for subsidy programs.

- Without financial support and, in fact, with the shifting of revenues away from local government, jurisdictions will be hard pressed to provide the essential circulation and other service systems to areas of land that must be designated to accommodate projected housing needs. Increasing costs of providing services further compounds the difficulty of providing affordable housing and those costs can result in housing becoming less affordable for a higher percentage of the population.

- The RHNA process would have more validity if it were more closely coordinated with the availability of the most recent U.S. census information, particularly concerning income data. The need to resort to 10-year old or older income data unnecessarily results in many questioning the validity of the entire process.

Table 19
Final Estimated Housing Construction Need
By Jurisdiction and Income Group
January 1, 2000 to July 1, 2007

Market Area	City	Very Low	Low	Moderate	Above Moderate	Total
FCMA	Clovis	1,739	1,100	1,282	2,289	6,410
	Fresno	3,722	2,667	3,641	7,875	17,905
	Unincorp.	381	211	215	-46	761
	FCMA Total	5,842	3,978	5,138	10,118	25,076
East Valley	Fowler	62	43	58	77	240
	Kingsburg	228	171	176	257	832
	Orange Cove	115	83	115	222	535
	Parlier	194	136	181	310	821
	Reedley	355	231	279	442	1,307
	Sanger	184	141	127	250	702
	Selma	242	202	247	448	1,139
	Unincorp.	218	118	125	-15	446
	East Valley Total	1,598	1,125	1,308	1,991	6,022
Westside North	Firebaugh	112	79	87	120	398
	Kerman	209	107	145	190	651
	Mendota	49	40	64	129	282
	San Joaquin	62	45	55	68	230
	Unincorp.	370	223	242	159	994
	Westside North Total	802	494	593	666	2,555
Westside South	Coalinga	74	68	68	46	256
	Huron	68	62	76	107	313
	Unincorp.	102	0	20	75	197
	Westside South Total	244	130	164	228	766
Sierra Nevada	Unincorp.	70	58	77	149	354
	Sierra Nevada Total	70	58	77	149	354
Incorp. Total		7,415	5,175	6,601	12,830	32,021
Unincorp. Total		1,141	610	679	322	2,752
County Total		8,556	5,785	7,280	13,152	34,773