

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF HOUSING POLICY DEVELOPMENT**

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January 26, 2022

Patricia Taylor, Executive Director  
Madera County Transportation Commission  
2001 Howard Road, Suite 201  
Madera, CA 93637

Dear Patricia Taylor:

**RE: Final Regional Housing Need Determination**

This letter provides Madera County a Final Regional Housing Need Determination and Regional Housing Need Allocation (RHNA) Plan. Pursuant to state housing element law (Government Code section 65584, et seq.), the Department of Housing and Community Development (HCD) is required to provide the determination of Madera County's existing and projected housing need. In assessing Madera County's regional housing need, HCD and Madera County Transportation Commission staff completed a consultation process from September 2021 through January 2022 that included the methodology, data sources, and timeline for HCD's determination of the Regional Housing Need. To inform this process, HCD also consulted with Walter Schwarm and Doug Kuczynski of the California Department of Finance (DOF) Demographic Research Unit.

Attachment 1 displays the minimum regional housing need determination of **12,243** total units across four income categories. Attachment 2 explains the methodology applied pursuant to Government Code section 65584.01. In determining Madera County's housing need, HCD considered all the information specified in state housing law (Government Code section 65584.01(c)). Attachment 3 displays HCD's methodology and RHNA Plan for the region, for the *projection* period beginning June 30, 2023 and ending January 31, 2032.

Gov. Code section 65588(f) specifies the RHNA projection period start is December 31 or June 30, whichever date most closely preceded the end date. The RHNA projection period end date is set to align with the planning period end date. The planning period end date is eight years following the Housing Element due date, which is 18 months following the Regional Transportation Plan adoption, rounded to the 15<sup>th</sup> or end of the month.

Madera County local governments are responsible for updating their housing elements for the *planning* period beginning January 31, 2024 and ending January 31, 2032 to accommodate their share of new housing need for each income category. Please note, a jurisdiction authorized to permit residential development may take

RHNA credit for new units approved, permitted, and/or built since the start date of the RHNA projection period (June 30, 2023).

HCD commends Madera County local governments for their leadership in fulfilling their important role in advancing the state's housing, transportation, and environmental goals. HCD looks forward to continued partnership with the region, and in assisting in planning efforts to accommodate the region's share of housing need.

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Annelise Osterberg, Senior Housing Policy Specialist at (916) 776-7504 or [annelise.osterberg@hcd.ca.gov](mailto:annelise.osterberg@hcd.ca.gov).

Sincerely,



Tyrone Buckley  
Assistant Deputy Director of Fair Housing

Enclosures

cc: Dylan Stone, Principal Regional Planner, Madera County Transportation Commission  
Matt Treber, Director of Community and Economic Development, Madera County  
Mark Hamilton, Director of Community and Economic Development, City of Chowchilla  
Gary Conte, Planning Manager, City of Madera

## ATTACHMENT 1

### HCD REGIONAL HOUSING NEED DETERMINATION Madera County: June 30, 2023 through January 31, 2032

<u>Income Category</u>	<u>Percent</u>	<u>Housing Unit Need</u>
Very-Low*	23.0%	2,811
Low	17.3%	2,118
Moderate	17.8%	2,175
Above-Moderate	42.0%	5,139
<b>Total</b>	<b>100.0%</b>	<b>12,243</b>
* Extremely-Low	12.7%	Included in Very-Low Category

Income Distribution:

*Income categories are prescribed by California Health and Safety Code (Section 50093, et. seq.). Percents are derived based on Census/ACS reported household income brackets and county median income.*

## ATTACHMENT 2

### HCD REGIONAL HOUSING NEED DETERMINATION: June 30, 2023 through January 31, 2032

#### Methodology

<b>Madera County: PROJECTION PERIOD (8.6 years) HCD Determined Population, Households, &amp; Housing Unit Need</b>		
Reference No.	<b>Step Taken to Calculate Regional Housing Need</b>	Amount
1.	<b>Population: January 31 (DOF June 30, 2031 projection adjusted +7 months to January 31, 2032)</b>	181,280
2.	<i>- Group Quarters Population: December 31 (DOF June 30, 2031 projection adjusted +7 months to January 31, 2032)</i>	-9,320
3.	<b>Household (HH) Population</b>	171,960
4.	<b>Projected Households</b>	54,772
5.	+ Vacancy Adjustment (2.13%)	+1,167
6.	+ Overcrowding Adjustment (6.14%)	+3,513
7.	+ Replacement Adjustment (.57%)	+313
8.	<i>- Occupied Units (HHs) estimated June 30, 2023</i>	-48,048
9.	+ Cost-burden Adjustment	+526
<b>Total</b>	<b>6<sup>th</sup> Cycle Regional Housing Need Assessment (RHNA)</b>	12,243

Detailed background data for this chart available upon request.

#### Explanation and Data Sources

- 1-4. Population, Group Quarters, Household Population, & Projected Households: Pursuant to Gov. Code Section 65584.01, projections were extrapolated from DOF projections. Population reflects total persons. Group Quarter Population reflects persons in a dormitory, group home, institute, military, etc. that do not require residential housing. Household Population reflects persons requiring residential housing. Projected Households reflect the propensity of persons within the Household Population to form households at different rates based on American Community Survey (ACS) trends.
5. Vacancy Adjustment: HCD applies a vacancy adjustment based on the difference between a standard 5% vacancy rate and region's current "for rent and sale" vacancy percentage to determine healthy market vacancies to facilitate housing availability and resident mobility. The adjustment is the difference between standard 5% vacancy rate and region's current vacancy rate (**2.87%**) is based on the 2015-2019 ACS data. For Madera County that difference is **2.13%**.
6. Overcrowding Adjustment: In regions where overcrowding is greater than the national average, HCD applies an adjustment based on the amount the region's overcrowding rate exceeds the national average. Data is from the 2015-2019 ACS. For Madera County, the region's overcrowding rate (**9.76%**) is higher than the comparable national rate (**3.35%**), resulting in a **6.41%** adjustment.
7. Replacement Adjustment: HCD applies a replacement adjustment from between .5% and 5% to the total housing stock based on the current 10-year average of demolitions in the region's local government annual reports to Department of Finance

(DOF). For Madera County the 10-year average is **.57%**, therefore a **.57%** adjustment was applied.

8. Occupied Units: This figure reflects DOF's estimate of occupied units at the start of the projection period (June 30, 2023).
9. Cost Burden Adjustment: HCD applies an adjustment to the projected need by comparing the difference in cost-burden by income group for the region to the cost-burden by income group for the nation. The cost burden rate for lower income households is **3.24%** higher than the cost burden rate for the nation, resulting in a **155** unit increase to the lower income RHNA. The cost burden rate for moderate and above moderate-income households is **5.34%** higher than the cost burden rate for the nation, resulting in a **371** unit increase to the moderate and above moderate RHNA.

## ATTACHMENT 3

### HCD REGIONAL HOUSING NEEDS ALLOCATION PLAN: MADERA LOCAL GOVERNMENTS

June 30, 2023 – January 31, 2032

#### Distribution of Final RHNA

This table reflects the final Regional Housing Need Allocation (RHNA) distribution for each local government based on the methodology discussed below:

**Regional Housing Need Allocation by Income Category**

Jurisdiction	Very-Low	Low	Moderate	Above-Moderate	Total
<b>Madera County Region</b>	<b>2,811</b>	<b>2,118</b>	<b>2,175</b>	<b>5,139</b>	<b>12,243</b>
<b>Chowchilla City</b>	<b>364</b>	<b>306</b>	<b>275</b>	<b>785</b>	<b>1,730</b>
<b>Madera City</b>	<b>1,172</b>	<b>925</b>	<b>1,071</b>	<b>2,742</b>	<b>5,910</b>
<b>Unincorporated Madera County</b>	<b>1,275</b>	<b>887</b>	<b>829</b>	<b>1,612</b>	<b>4,603</b>

#### Purpose of Regional Housing Need Allocation Plan

The purpose of the RHNA Plan is to comply with state law (Gov. Code section 65584, et. seq.) in allocating to each local government a share of regional housing need for use in updating the General Plan housing element. The housing element must accommodate the total RHNA for each of four (4) income categories (very low, low, moderate, and above-moderate) over the designated planning period (January 31, 2024 through January 31, 2032). These requirements were enacted into state housing law (Article 10.6 of the Government Code) upon the California legislature determining that the provision of adequate housing is an issue of statewide concern.

HCD, pursuant to Gov. Code section 65584(a), is required to determine the existing and projected need for housing within regions of the state. In addition, HCD (per Gov. Code section 65584.06) is required to develop a plan to distribute the final determination of regional housing need to each local government not represented by a council of governments. The RHNA, per Gov. Code section 65584(d), is required to further all of the following objectives:

- (1) Increasing the housing supply and mix of housing types, tenure, and affordability.
- (2) Promoting infill development and socioeconomic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns.
- (3) Promoting an improved intraregional relationship between jobs and housing.
- (4) Balancing disproportionate household income distributions.
- (5) Affirmatively furthering fair housing.

The RHNA is based on the projection of population and new household formation determined by the Demographic Research Unit of DOF and the Madera County Transportation Commission. The resulting RHNA is a minimum projection of additional housing needed to accommodate household growth over the planning period; it is not a prediction, production quota, or building permit limitation for new residential construction.

To comply with state law in addressing the jurisdiction's RHNA, the updated housing element must identify adequate sites and program actions to accommodate the total RHNA for each income category. Housing elements are required to be updated by January 31, 2024 and sent to HCD for determination of compliance with state law. In updating the housing element, jurisdictions may take credit for and subtract from their RHNA (by income category) new units permitted since the beginning of the RHNA projection period (June 30, 2023).