Housing Need Production Form

Organization: City of Palo Alto

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Report year: 2004

Report time period:

☑ **Calendar Year** (January 1 – December 31) ☐ **Fiscal Year** (July 1 – June 30)

Unit Count of Housing Produced

State Identified Affordability Categories *(Percent of area median income (AMI))*	Current RHNA Allocation	Units Added Current Year		Total Units Added Current Year	Units Added in Prior Years of RHNA Cycle	Total Units Added Current RHNA Cycle
		Unrestricted	Deed Restricted			
Very Low (up to 50% AMI)	265		88	88	70	158
Low (51 – 80% AMI)	116		1	1	85	86
Moderate (81 – 120% AMI)	343		10	10	29	39
Above Moderate (over 120% AMI)	673	50		50	1305	1355
TOTAL	**1397**	**50**	**99**	**149**	**1489**	**1638**

Number of units added determined by building permits.
See reverse for definitions of income categories included in this form.

Optional: Locally Identified Affordability Categories
(Alternative affordability levels tracked by some jurisdictions. Limit information to title and definition of locally identified category. Place production numbers for these categories in appropriate affordability category above.)

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Housing Need Production Form Description

California State Law mandates that each jurisdiction annually submit a report on the effectiveness of its housing element, on or before October 1. Reports are to be submitted to the jurisdiction's local governing body, the Governor's Office of Planning and Research, and the Department of Housing and Community Development (HCD) pursuant to Government Code Section 65400(b).

The Housing Need Production Form is part of an Association of Bay Area Governments effort to provide a tool to local jurisdictions to streamline reporting on housing unit production.

Report Time Period

Jurisdictions can report their housing production by either calendar (January 1 – December 31) or fiscal (July 1 – June 30) year. Whether to report by calendar or fiscal year will depend on a number of factors including format of existing records, deadlines for other mandated reports, and staff availability.

Allowable Housing Units

The reporting of housing unit production is defined by the types of housing that HCD allows to be counted toward meeting the Regional Housing Need Allocation (RHNA). HCD counts housing as a new dwelling unit if it meets the Department of Finance (DOF) functional definition for new units. Group housing cannot be counted toward meeting RHNA numbers. The following, provided by HCD, defines a housing unit:

> Housing Unit - A house, an apartment, a mobile home or trailer, a group of rooms, or a single room occupied as separate living quarters, or if vacant, intended for occupancy as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall. For vacant units, the criteria of separateness and direct access are applied to the intended occupants whenever possible.
>
> Household – A household includes all the people who occupy a housing unit as their usual place of residence.
>
> Group Quarters (which cannot be counted) - The Census Bureau classifies all people not living in households as living in group quarters. There are two types of group quarters: institutional (for example, correctional facilities, nursing homes, and mental hospitals) and non-institutional (for example, college dormitories, military barracks, group homes, missions, and shelters).
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> *Source: U.S. Census Bureau, Census 2000 (same as of March 2002); see "Glossary" link on Census 2000 portion of the website at: http://www.census.gov/main/www/cen2000.html*

Affordability Categories

The categories included in the proposed Housing Need Production Form are those required as part of the RHNA statute and are determined by household income: very low, low, moderate, and above moderate. Each affordability category is defined as a percent of the county area median income:

- **Very low income** – 50% or below of area median income
- **Low income** – between 51% and 80% area median income
- **Moderate income** – between 81% and 120% area median income
- **Above moderate income** – greater than 120% area median income

To determine the income levels (by household size) for each affordability category for your county, go to **www.hcd.ca.gov/hpd/hrc/rep/state/incNote.html** for the latest version of the yearly *Official State Income Limits Report* produced by the Department of Housing and Community Development (HCD)

The State identified categories are based on the United States Department of Housing and Urban Development's (HUD) income categories developed for Federal housing programs. The State report includes the 'extremely low' category used by HUD so that local communities can submit applications to relevant Federal programs. However, since the RHNA process does not require that housing need be distributed to an 'extremely low' income category; units produced in this category should be included in the 'very low' income category.

Process to Determine the Number of Units

The reporting of new housing units produced is to be based on the number of building permits issued. Jurisdictions may base their tracking process on either building permits issued or finaled building permits. State DOF requests that jurisdictions report building permits issued. The State RDA and the Federal Government request that jurisdictions report on finaled building permit. A jurisdiction may choose which type of building permit they use for the form depending on which of the State/Federal reports they already track production for.

Reporting Number of Units Produced

The table on the Housing Need Production Form contains headings for five categories. These headings have been modified so that the production form can be used in any year of any RHNA cycle.

- **Current RHNA Allocation**– The number of housing units allocated to a jurisdiction for the current housing element cycle.
- **Units Added Current Year** – The number of housing units produced during the current reporting year. This category contains two sub-categories: Unrestricted and Deed Restricted
    - Unrestricted – The number of housing units produced without affordability restrictions.
    - Deed Restricted – The number of housing units produced that achieve their affordability through some form of legally binding restriction on the income levels of owners or tenants.
- **Total Units Added Current Year** – The sum of the number of housing units reported in the "Unrestricted" and "Deed Restricted" categories.
- **Units Added Prior Years of RHNA Cycle** – The total number of housing units produced in the previous years of the current RHNA cycle.
- **Total Units Added Current RHNA Cycle** – The sum of the number of housing units reported in the "Total Units Added Current Year" and "Units Added in Prior Years of RHNA Cycle" categories.

Optional: Locally Identified Affordability Categories

This section of the Housing Need Production Form is added as an option. It is for those jurisdictions that have developed, and track housing production within, one or more alternative affordability categories.

All production numbers should be incorporated into the table on the proposed form. It is recommended that the information provided in this section be limited to the title and definition of the locally identified categories (including percent of Area Median Income).

Note: There are a number of locally identified income categories that some communities find useful in monitoring housing production in relation to the needs of its residents. These are optional categories that most jurisdictions do not use. If your jurisdiction does track one or more of these categories, include the number of new units produced in the appropriate State identified category on the proposed form.