

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

651 Bannan Street, Ste. 400  
Sacramento, CA 95811  
(916) 263-2911 / FAX (916) 263-7453  
[www.hcd.ca.gov](http://www.hcd.ca.gov)



March 17, 2026\*\*\*\*\*CORRECTED COPY\*\*\*\*\*

Lisa Davey-Bates  
Executive Director  
Lake Area Planning Council  
525 South Main Street, Suite B  
Ukiah CA 95482

Dear Lisa Davey-Bates:

**RE: Review of Draft Regional Housing Need Allocation (RHNA) Methodology**

Thank you for submitting a revised draft of Lake Area Planning Council (Lake APC) Seventh Cycle Regional Housing Need Allocation (RHNA) Methodology. Pursuant to Government Code section 65584.04(i)(2), the California Department of Housing and Community Development (HCD) is required to review the revised draft RHNA methodology to determine whether the methodology furthers the statutory objectives described in Government Code section 65584(d).

The draft Lake APC RHNA methodology begins with the total regional determination provided by HCD, which is 2,498 units. The methodology first allocates units to each jurisdiction based on its share of Lake County's population across the six income categories. Next, the base allocation is adjusted according to each jurisdiction's existing distribution of population by median household income levels. Additional adjustments are made by comparing regional cost burden and overcrowding data with jurisdiction-specific cost burden and overcrowding data. The methodology applies a small manual adjustment to the low-income category based on each jurisdiction's opportunity score, as identified in the 2025 COG Geography TCAC/HCD Opportunity Map. As a result, the City of Clearlake received a downward adjustment in its low-income category, while the City of Lakeport and the unincorporated County received an upward adjustment in its low-income category. Finally, an adjustment was made to the number of RHNA units in each jurisdiction based on the existing number of jobs. Lake APC then calculated the number of RHNA units needed for each jurisdiction to reach a 1:1 jobs-to-RHNA ratio. Because Lakeport has a relatively small population, it was determined that its total RHNA allocation should be set at half of the RHNA units needed to reach a 1:1 ratio. The additional units resulting from this adjustment were added to Lakeport and subtracted from Clearlake and the unincorporated County and then allocated according to the method of allocation used for the

adjustments for median household income, cost burden, and overcrowding. To ensure consistency with the regional RHND, manual adjustments were made to correct for income level- disparities.

**HCD has completed its review of the revised methodology and finds that the draft Lake APC RHNA Methodology furthers the statutory objectives described in Government Code section 65584(d).<sup>1</sup> Further, the revised methodology, after consultation with the department, has been found to be acceptable, pursuant to Government Code section 65584.04(i)(2).** Lake APC's draft methodology directs more RHNA units – particularly lower income units – to jurisdictions with incomes above 80 percent of the region's median, to jurisdictions with more single-family homes, and to jurisdictions with a greater percentage of their population living in high or highest opportunity areas. Additionally, the draft methodology purposefully allocates more RHNA units to job-rich jurisdictions with greater access to jobs via transit and lower average vehicle miles traveled (VMT).

Below is a brief summary of findings related to each statutory objective described within Government Code section 65584(d):

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

On a per-household basis, the draft methodology allocates more lower-income units to jurisdictions with fewer lower-income households. Higher-income jurisdictions receive a greater proportion of the lower-income RHNA. Jurisdictions with a higher percentage of single-family homes receive proportionally more lower-income RHNA. Additionally, jurisdictions with higher owner-occupied home values receive a larger share of the regional RHNA allocation. Finally, the regional housing needs allocation plan allocates units for extremely low- and acutely low-income households in a manner that is roughly proportional to the housing need for very low-income households.

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<sup>1</sup> While HCD finds this methodology furthers statutory objectives, applying this methodology to another region or cycle may not necessarily further the statutory objectives as housing conditions and circumstances may differ.

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

The draft methodology promotes infill development and efficient development patterns by ensuring that jurisdictions with lower VMT receive a larger proportional share of the regional RHNA allocation. Additionally, the draft methodology allocates a larger proportional share of the regional RHNA to jurisdictions with the largest number of jobs accessible within a 60-minute commute via transit and automobile.

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

On average, jurisdictions within Lake County have a job-to-housing ratio of between 0.42 and 1.38, where a ratio of one means there is one job per household. The draft methodology proportionally allocates more RHNA to jurisdictions with a higher share of the regional jobs. It assigns a significantly larger proportion of the regional RHNA to jurisdictions with the highest jobs-to-housing ratios, ensuring that more housing units are directed to areas with the greatest employment opportunities. Furthermore, nearly 22 percent of jobs within Lake County are concentrated in a jurisdiction with only 8 percent of the population, Lakeport. Accordingly, the draft methodology allocates a proportionally higher share of the regional RHNA to Lakeport, thereby improving the intraregional relationship between jobs and housing. Finally, the draft methodology allocates proportionally more of the lower income RHNA on a per-household basis to jurisdictions with a greater share of jobs earning less than \$3,333 per month (a proxy for lower-income households).

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

Across all jurisdictions, the methodology successfully allocates a greater amount of lower-income RHNA to jurisdictions with fewer lower-income households<sup>2</sup>. In the Lake APC draft allocation methodology, jurisdictions with more higher-income households receive more lower-income RHNA. This approach helps ensure jurisdictions with concentrations of higher-income households receive more of the lower-income RHNA.

*5. Affirmatively furthering fair housing, which means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.*

Affirmatively furthering fair housing requires that the draft methodology improves access to opportunity within the region. In Lake APC's draft methodology, jurisdictions with greater access to opportunity receive a proportionally larger share of the total income and lower-income RHNA. In the context of Lake APC's draft methodology, jurisdictions with a higher percentage of their population in high or highest opportunity areas, as indicated in the 2025 COG Geography TCAC/HCD Opportunity Map<sup>3</sup>, receive a proportionally greater share of both the total and lower-income regional RHNA. Finally, the methodology allocates a proportionally higher share of the RHNA to the jurisdiction with the largest share of its population living in high/highest opportunity areas. Lake APC's methodology ensures that the lower-income RHNA is allocated to jurisdictions with the most opportunity.

Finally, pursuant to Government Code section 65584.04(h), Lake APC confirmed via email on December 17, 2025, that the public comment period had closed and Lake APC did not receive any public comments after submittal of the methodology.

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<sup>2</sup> Higher income households are defined as having incomes greater than 80 percent of the area median income.

<sup>3</sup> Opportunity score is obtained from the TCAC/HCD Opportunity Maps, specifically the COG Geography version, which can be accessed here: [COG Geography TCAC/HCD Opportunity Map - Composite Score \(2025\) - Overview](#)

HCD appreciates the active role of Lake APC staff in providing data and input throughout the consultation process, as well as their collaborative work in revising the draft RHNA methodology to ensure compliance with Government Code section 65584(d). HCD especially thanks John Speka and James Snook for their significant efforts and assistance.

HCD looks forward to continuing our partnership with Lake APC to help its member jurisdictions meet and exceed the planning and production of the region's housing needs.

In the coming months, HCD, in collaboration with Lake APC members, will prepare and carry out a technical assistance plan geared to support local governments in preparing the 7<sup>th</sup> cycle of the housing elements. Further, support opportunities available for the Lake APC region this cycle includes, but are not limited to:

- Prohousing Designation Program – Ongoing awards distributed over-the-counter to local jurisdictions with compliant Housing Elements and prohousing policies. Those awarded receive additional points on application processing preference when applying to housing and non-housing funding programs including the Affordable Housing & Sustainable Communities (AHSC), Infill Infrastructure Grant (IIG), and Transformative Climate Communities (TCC). HCD's Prohousing Designation Program can be found at <https://www.hcd.ca.gov/planning-and-research/prohousing>.
- HCD also encourages all Lake County local governments to consider the many other affordable housing and community development resources available to local governments, such as the Permanent Local Housing Allocation program. HCD's programs can be found at <https://www.hcd.ca.gov/funding/nofa-calendar>.

If HCD can provide any additional assistance, or if you, or your staff, have any questions, please contact Balaji Balaganesan, Senior Specialist at [Balaji.balaganesan@hcd.ca.gov](mailto:Balaji.balaganesan@hcd.ca.gov).

Sincerely,



Marisa Prasse  
Fair Housing Section Chief