

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

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May 18, 2026

Nephele Barrett, Executive Director  
Mendocino Council of Governments  
525 South Main Street, Suite B  
Ukiah CA 95482

Dear Nephele Barrett:

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

Thank you for submitting the revised draft Seventh Cycle Regional Housing Need Allocation (RHNA) Methodology for the Mendocino Council of Governments (MCOG). 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 revised draft RHNA methodology submitted to HCD on May 15, 2026, begins with the total regional determination provided by HCD of 6,456 units. The methodology first allocates units to each jurisdiction based on its share of Mendocino 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.

Furthermore, the methodology applies a series of manual adjustments. The first manual adjustment transfers a small number of units to the City of Ukiah from the Unincorporated County to account for the Western Hills Annexation. Second, 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 Point Arena receives an increase in its lower-income categories, the City of Willits receives a decrease in its lower-income categories but an increase in its above moderate category, and the City of Fort Bragg receives a decrease in its above moderate category. Third, the methodology applies a manual adjustment shifting 50 percent of low-income units needed to match each jurisdiction's low-income jobs to housing units ratio with the regional ratio. Next the methodology applies small manual adjustments to the county's low-income allocations to align with the HCD determination. Finally, the methodology applies a manual adjustment of 135 units

transferred to Ukiah from the County to improve jobs access and promote infill development.

**HCD has completed its review of the revised methodology and finds that the draft 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).** MCOG's revised draft methodology directs more RHNA units – particularly lower income units – to jurisdictions with a high share of higher income households, 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 an increased share of RHNA units to job-rich jurisdictions with greater access to jobs in infill areas with 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.*

MCOG's revised draft methodology results in higher-income jurisdictions receiving a greater proportion of the lower-income RHNA. Jurisdictions with a higher percentage of single-family homes receive more lower-income RHNA. Additionally, jurisdictions with higher owner-occupied home values and higher rents receive a larger share of the regional RHNA allocation.

*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 revised draft methodology promotes infill development and efficient development patterns by ensuring that jurisdictions with lower per capita

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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.

VMT receive larger shares of the regional RHNA allocation. Additionally, the revised draft methodology allocates a larger 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.*

The draft methodology proportionally allocates more RHNA units to jurisdictions with a higher share of the regional jobs. It assigns a significantly larger proportion of the regional RHNA units to jurisdictions with the highest jobs-to-housing ratios, ensuring that more housing units are directed to areas with the greatest employment opportunities. The draft methodology allocates more of the lower income RHNA units to jurisdictions with a greater share of jobs earning less than \$3,333 per month (a proxy for lower-income households <sup>2</sup>).

*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.*

On average, jurisdictions with a larger existing share of higher-income households<sup>3</sup> receive a higher allocation of lower-income RHNA compared to those with fewer higher-income households in MCOG's draft allocation methodology. 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.*

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<sup>2</sup> Lower-income households is defined as households with incomes less than 80% of Area Median Income.

<sup>3</sup> Higher income households are defined as having incomes greater than 80 percent of the area median income.

Affirmatively furthering fair housing requires that the draft methodology improves access to opportunity within the region. In MCOG's draft methodology, jurisdictions with greater access to opportunity receive a proportionally larger share of the lower-income RHNA. In the context of MCOG'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>4</sup>, receive a proportionally greater share of the lower-income regional RHNA. MCOG's methodology ensures that the lower-income RHNA is generally allocated to jurisdictions with the most opportunity.

HCD appreciates the active role of MCOG 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 James Sookne for their significant efforts and assistance.

HCD looks forward to continuing our partnership with MCOG 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 MCOG 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 MCOG region this cycle include, 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 Mendocino 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>.

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<sup>4</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](#)

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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

cc: Lisa Davey-Bates, Planning Principal, Mendocino Council of Governments  
Loretta Ellard, Deputy Planner, Mendocino Council of Governments  
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