

Merced County Regional Housing Needs Allocation Plan

Covering the period January 1, 2007 through June 30, 2014

Adopted August 21, 2008

prepared by:

Merced County Association of Governments
369 West 18th St.
Merced, CA 95340
209-723-3153
<http://mcagov.org>

Table of Contents

Introduction.....1
 Merced County Profile.....2
 Population.....3

Process4
 State Housing Element Law.....4
 Development of the Draft Plan4
 Review and Approval5

Methodology.....6
 County-Wide Housing Need.....6
 Factors Considered.....6
 Allocation Calculations.....13

Regional Housing Needs.....15

Appendices

- A Regional Housing Needs Determination from HCD (Letter dated August 31, 2007)
- B Adoption Resolution

Introduction

Merced County Association of Governments, as a Regional Planning Agency, is mandated by the State, under Government Code Section 65584, to prepare a Regional Housing Needs Allocation (RHNA) Plan. This plan determines the number of housing units needed in each jurisdiction within the region in the seven-year planning period 2007-2014, and allocates them according to four income groups: Very Low, Low, Moderate, and Above Moderate. A number of factors are required to be addressed in determining each jurisdiction's housing allocation. Criteria such as market demand for housing, employment opportunities, availability of suitable development sites, public facilities, commuting patterns, type and tenure of housing, and farmworker housing needs must be considered. The allocated number of housing units by income group will then be used by each jurisdiction in their General Plan Housing Element update as required by State law.

The Merced County Association of Governments (MCAG) is charged with the role of determining how the State determined regional housing needs for Merced County will be distributed among the unincorporated County and the six incorporated cities of Atwater, Dos Palos, Gustine, Livingston, Los Banos, and Merced. MCAG has prepared this plan to allocate each jurisdiction's fair share of new and replacement housing units that are projected to be needed from January 1, 2007 to June 30, 2014. These housing allocations will serve as the basis for the Housing Element updates of the County and six Cities, which are due by August 31, 2009. Housing Elements will cover the proceeding 5 year planning period through 2014. Since the allocated housing units in the RHNA Plan also covers the 2 ½ years prior to the Housing Element update, housing units constructed during this time (2007 - 2010) will be considered as applying towards the respective jurisdiction's housing attainment goal.

In determining the housing allocation within Merced County, MCAG developed an allocation methodology that takes into account local growth assumptions and considers certain criteria as specified in Government Code Section 65584(a). The criteria used in this methodology include an analysis of available data on local housing, population, economic and other growth factors.

This RHNA Plan, due to be completed by August 31, 2008, contains an overview of the allocation process and methodology used in determining the jurisdictional housing allocations within Merced County. The goal of this RHNA Plan is to promote a fair distribution of attainable housing among the six incorporated cities and the unincorporated county, and in a way that also helps meet the State's housing goals. Attainable housing is defined as housing that is both sufficient in supply and affordably priced. The total housing units specified in this plan for each jurisdiction, however, are not to be construed as quotas for development. This RHNA Plan only determines the number and affordability of units that jurisdictions need to plan for through land use policies, regulations, infrastructure plans, and other housing assistance programs. Construction and development of these allocations is not a requirement of this plan.

Population

The population of Merced County was 246, 754 on Jan. 1, 2007, according to the Department of Finance (May 2007). In 2000 it was 210,554, per the Census. See the table below:

Jurisdiction	Population on Apr. 1, 2000 (Census)	Population on Jan. 1, 2007 (DOF)
Atwater	23,113	25,824
Dos Palos	4,581	4,875
Gustine	4,698	5,152
Livingston	10,473	13,250
Los Banos	25,869	35,036
Merced	63,893	78,345
Unincorporated Merced County	77,927	84,272
Total	210,554	246,754

Process

State Housing Element Law

The California Legislature has found the lack of housing in the state to be of critical concern threatening the economic, environmental, and social quality of life (Government Code 65589.5). Therefore, the State has determined that improving the availability of adequate and decent housing for all Californians is of statewide importance and priority.

Recognizing the regional nature of the State's housing needs, the State delegates to each region or county the responsibility of accommodating new housing growth through their respective jurisdictional planning efforts (Government Code, Section 65581). As required by Government Code Section 65584, the State Department of Housing and Community Development (HCD) first provides a determination of the region's existing and projected housing needs to the Merced County Association of Governments (MCAG). Projections for Merced County are based upon the State Department of Finance's (DOF's) most recent population projections (May 2007). Upon receiving the regional determination, MCAG is then tasked with the role of determining each city's and the county's share of the regional housing. The allocations are further broken down into income groups ensuring that each jurisdiction plans for a mix of housing affordable to all economic segments of the population. This determination is prepared and documented in this Regional Housing Needs Allocation (RHNA) Plan, which describes the assumptions and methodology used in calculating each jurisdiction's share of the regional housing need.

Local governments within the county are charged with the vital role of planning for the adequate provision of housing stock that serves all economic segments of the population. In planning for housing, jurisdictions will use the information contained within this RHNA plan to update their respective Housing Element due by August 31, 2009.

"Housing Unit" is defined as a house, apartment, mobile home, or other separate living quarters. Separate living quarters are where occupants live and eat separately from other persons and have direct access from the outside or through a common entrance. Prisons, hospitals and other similar type group quarters are not considered households.

Development of the Draft Plan

MCAG developed an allocation methodology that would be used in determining each jurisdiction's share of the regional housing need, and developed the plan itself following the application of that methodology. The following process was undertaken to develop the plan:

1. HCD determined regional housing need (Aug. 31, 2007)
2. MCAG accepted HCD's determination (Nov. 29, 2007)
3. MCAG request information from jurisdictions and prepared draft allocation methodology (Nov. 2007 – Jan. 2008)

4. Released draft methodology (March 6)
5. 60-day comment period on draft methodology (March 6 – May 6)
6. Adopted RHNA methodology (June 19)
7. 60-day review and comment period (June 20 – Aug. 20)
9. Draft RHNA Plan for MCAG committee review (August)
10. Conducted public hearing (Aug. 21)
11. MCAG adopted final RHNA Plan (Aug. 21)
12. Submit Plan to HCD by Aug. 31, 2008

Factors required by Government Code 65584(a) were taken into consideration in developing the allocation methodology. These factors included:

- Market Demand for Housing
- Employment Opportunities
- Availability of Suitable Sites and Public Facilities
- Commuting Patterns
- Type and Tenure of Housing Need
- Loss of Units in Assisted Housing Developments
- Housing Needs of Farmworkers

Review and Approval

The RHNA Plan is due by August 31, 2008. Prior to the approval of an RHNA Plan, specific plan reviews and appeals must be considered. A 60 day public review period as outlined in subsection (b) of Section 65584.05 is provided to local governments. This 60 day review period ends on August 21, 2008.

Before making its final determination, MCAG shall consider comments, recommendations, available data, accepted planning methodology, and local geological and topographical restraints on the production of housing. If MCAG accepts a revision or appeal and modifies its earlier determination, the city or county shall use the revised determination. If MCAG grants a revised allocation, pursuant to Government Code 65584(c)(1), the current total housing need must still be maintained. If, however, MCAG indicates that the revision or appeal is inconsistent with the regional housing need, the jurisdictions will be required to use the original shares as previously determined.

Methodology

County-wide Housing Need

The State's Department of Housing and Community Development (HCD) determines what the county-wide housing need projection is. On August 31, 2007, HCD transmitted to MCAG the region's total housing need for the 2007-2014 RHNA period. The total regional need is a minimum of 16,583 housing units. HCD distributed the housing units among the four household income categories using historic rates of household formation. The household income category definitions are:

Very Low:	Income not exceeding 50 % median family income in the county
Low:	Income between 50% and 80% of median family income
Moderate:	Income between 80% and 120% of median family income
Above Moderate:	Income above 120% of median family income

Total units by income categories are:

Income Category	Housing Unit Need	Percent
Very Low	3,800	23%
Low	2,766	17%
Moderate	3,197	19%
Above Moderate	6,820	41%
TOTAL	16,583	100%

MCAG must maintain these percentages and the corresponding number of units on a countywide basis as it allocates units to the local jurisdictions.

Factors Considered

Employment Opportunities

Merced County's economic structure is largely defined by agriculture and related industries. Employment by industry is shown below.

Employment by Industry 2006

Industry Sector	Employment	Merced County – percent by sector	California - percent by sector
Farming	12,100	19%	3%
Local Government	10,900	17%	11%
Retail Trade	10,100	16%	17%
Services	9,600	15%	30%

Nondurable Goods	8,900	14%	5%
Transp & Pub Utilities	2,900	5%	5%
Durable Goods Mnftg	2,500	4%	8%
Const & Mining	2,300	4%	5%
Finance, Ins & Real Estate	2,000	3%	6%
Wholesale Trade	1,900	3%	6%
State Government	600	1%	3%
Federal Government	500	1%	2%

Source: CA Employment Development Department, Labor Market Information, <http://www.calmis.cahwnet.gov/file/COsnaps>

Merced County's unemployment rate is consistently amongst the highest of California's 58 counties. In the year 2006, Merced County's unemployment rate was 14.4 percent, in contrast to an overall state unemployment rate of 5.3 percent.

This plan relies on the 2007 MCAG Regional Transportation Plan population and employment forecasts. For the purposes of this report, therefore, projected housing need determinations are assumed to reflect the projected employment opportunities of the region.

Commuting Patterns

At the time of the 1990 Census, mean travel time between home and work ranged between 15 minutes and 18 minutes (Table 5), indicating that a majority of trips between home and work within the County were short or local trips (employees residing near their place of work). However the 2000 Census data indicated a substantial increase in mean travel time, particularly for residents on the west side of Merced County (Dos Palos, Gustine, and Los Banos). San Francisco Bay Area employees pursuing affordable housing have contributed to the rapid population growth on the west side of Merced County.

Merced County Travel Time to Work

Jurisdiction	Mean Travel Time to Work 1990	Mean Travel Time to Work 2000	% Increase 1990-2000
Atwater	16	22	27%
Dos Palos	15	32	53%
Gustine	18	33	45%
Livingston	17	20	15%
Los Banos	17	44	61%
Merced	16	21	23%
County Total	17	26	34%

Source: 1990 Census & 2000 Census

As previously stated, these adopted projections were calibrated based upon data from General Plans and Department of Finance projections. The projections consider commuting patterns of the increasing number of residents who work more than 50 miles from their homes. Therefore,

projected housing needs are assumed to reflect the projected commuting patterns of the region. Each city and the county, however, should consider this category in individual housing elements.

Market Demand for Housing

A certain number of vacant units are needed in the housing market to promote residential choice, moderate cost of units, and provide sufficient incentive for unit upkeep and repair. These factors are discussed below. Market demand for housing is therefore assumed to be included in Basic Construction Needs.

As indicated throughout this discussion, factors such as overcrowding, affordability, housing stock condition, as well as suitable sites and public facilities, type and tenure of housing need, and loss of units in assisted housing developments vary significantly among jurisdictions. These issues should be addressed in individual jurisdiction housing elements.

Availability of Suitable Sites and Public Facilities

Measured in terms of vacancy rates, Merced County's housing stock has for the most part grown commensurately with growth in the number of households. The total housing stock includes the number of single and multi family residential units. A household is defined as one or more persons occupying a housing unit.

Land supply for residential purposes is not constrained in Merced County or its cities. It appears that suitable sites and facilities are available in the region to accommodate projected housing growth through the year 2014.

Type and Tenure of Housing Need

The Department of Housing and Community Development (HCD) recommends consideration of several factors to determine the type and tenure of housing need, which are discussed in this section. Existing tenure characteristics are first presented in terms of numbers of renter and owner housing units (Table 9), and distribution of housing units by type (Table 10).

An assessment of housing problems are then presented as indicators of type and tenure of housing need. These housing problems include overcrowding (Table 11), overpayment (Table 12) and substandard housing (Table 13).

Table 9

Merced County						
Housing Tenure Characteristics						
Jurisdiction	OWNER OCCUPIED UNITS	RENTER OCCUPIED UNITS	% OWNER OCCUPIED UNITS	% RENTER OCCUPIED UNITS	OWNER VACANCY RATES	RENTAL VACANCY RATES
Atwater	4,334	2,913	59.8	40.2	1.6	4.7
Dos Palos	901	523	63.3	36.7	1.3	5.1
Gustine	1,143	540	67.9	32.1	2.0	2.2
Livingston	1,476	914	61.8	38.2	0.9	1.8
Los Banos	5,242	2,479	67.9	32.1	1.3	3.1
Merced	9,508	10,927	46.5	53.5	1.6	5.1
Unincorp	14,879	8,036	64.9	35.1		
County Total	37,483	26,332	58.7	41.3	1.4	4.2

Source: 2000 Census

Table 10

Distribution of Housing Units by Type Expressed as Percentages								
Units in structure	Atwater	Dos Palos	Gustine	Livingston	Los Banos	Merced	Unincorp	County Total
1 unit detached	64.1	85.0	79.5	76.0	78.6	57.9	78.1	70.2
1 unit attached	7.2	3.8	1.7	3.3	3.3	4.4	2.3	3.7
2 units	3.8	0.8	0.7	2.1	1.8	4.3	1.5	2.7
3 or 4 units	6.5	2.3	4.9	4.8	4.7	8.3	1.6	4.9
5 to 9 units	6.0	1.6	2.5	3.3	2.4	7.8	0.9	4.0
10 to 19 units	3.0	3.1	0.6	3.9	2.1	3.6	0.3	2.1
20 or more units	3.2	0.7	2.9	5.2	3.7	10.5	1	4.8
Mobile home	6.2	2.7	7.3	1.5	3.3	3.2	13.7	7.4
Boat, RV, van, etc.					0.1	-	0.6	0.2

Source: 2000 Census

Indicators of Overcrowding

The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens). Units with more than 1.5 persons per room are considered severely overcrowded.

As shown in Table 11, overcrowding occurs in approximately 20 percent of all housing units in the region, with the notable exception of Livingston, where 43 percent of all housing units are considered overcrowded.

Table 11

Incidence of Overcrowding								
Occupants Per Room	Atwater	Dos Palos	Gustine	Livingston	Los Banos	Merced	Unincorp	County Total
1.00 or less	5907	1150	1471	1361	6462	16352	18316	51019
1.01 to 1.50	524	128	81	403	651	1649	1961	5397
1.51 or more	795	151	148	652	639	2479	2535	7399
Incidence of Overcrowding Expressed as Percentages								
1.00 or less	81.7	80.5	86.5	56.3	83.4	79.8	80.3	79.9
1.01 to 1.50	7.3	9.0	4.8	16.7	8.4	8.1	8.6	8.5
1.51 or more	11.0	10.6	8.7	27.0	8.2	12.1	11.1	11.6
Average Household Size								
Owner Occupied Units	3.01	3.16	2.66	4.38	3.29	2.93	*	3.14
Renter Occupied Units	3.37	3.26	3.07	4.34	3.40	3.18	*	3.42

*Unavailable

Source: 2000 Census

Housing Affordability Indicators

Affordability of housing may be quantified in terms of the percentage of the gross household income a household spends for housing. Housing is considered affordable if a household spends than 30 percent of its gross household income on housing costs. Table 12 displays housing costs in the region as a percentage of household income, for both owners and renters. Overpayment occurs in approximately 30 percent of all owner occupied housing units in the region, and in approximately 45 percent of all renter occupied units.

Table 12

Monthly Owner Costs as a Percentage of Household Income								
	Atwater	Dos Palos	Gustine	Livingston	Los Banos	Merced	Unincorp	County Total
Less than 15.0 %	25.6	32.9	35.3	26.8	24.0	28.8	28.9	27.8
15.0 to 19.9 %	16.7	18.4	17.5	13.5	14.6	15.8	13.9	15.1
20.0 to 24.9 %	18.3	7.8	9.6	14.5	14.8	14.3	14.6	14.6
25.0 to 29.9 %	13.2	8.8	9.3	12.6	14.4	10.4	12.6	12.1
30.0 to 34.9 %	8.6	4.5	8.7	9.6	8.1	9.6	6.9	8.1
35.0 % or more	17.2	26.6	18.7	21.6	23.5	20.7	23.1	21.6
Gross Rent as a Percentage of Household Income								
Less than 15.0 %	17.5	28.3	19.9	12.3	15.1	14.6	20.6	15.9
15.0 to 19.9 %	16.2	10.9	5.6	19.5	16.6	13.5	15.2	13.8
20.0 to 24.9 %	10.7	9.9	18.0	13.5	16.9	12.3	14.8	12.6
25.0 to 29.9 %	12.1	3.8	11.4	12.0	11.6	10.4	10.1	10.1
30.0 to 34.9 %	9.1	3.9	2.7	9.3	8.5	8.3	6.8	7.5

35.0 % or more	30.9	37.0	38.9	30.0	25.3	36.9	32.5	32.1
----------------	------	------	------	------	------	------	------	------

Source: 2000 Census

Indicators of Housing Stock Conditions

Substandard housing may be defined as a lack of adequate kitchen, toilet, heat, or plumbing facilities. Table 13 displays housing stock condition indicators in the region as a percentage of those units lacking complete plumbing facilities and complete kitchen facilities, for both owners and renters. In particular, the percentage of units built before 1960 can serve as an indicator of the housing stock condition of a jurisdiction, and an estimate of rehabilitation need.

Approximately 29 percent of all housing units in the region were constructed before 1960, however, wide disparities are noted. Only 14.7 percent of Livingston's housing stock was constructed before 1960, as opposed to Dos Palos' high of 35.3 percent.

Table 13

Housing Stock Condition Indicators Expressed as Percentages								
Indicator	Atwater	Dos Palos	Gustine	Livingston	Los Banos	Merced	Unincorp	County Total
Lacking complete plumbing	1.1	1.5	-	2.1	1.0	1.4	1.1	1.3
Lacking complete kitchen facilities	0.3	1.7	0.4	0.7	1.1	2.0	0.7	1.2
Year Structure Built								
1995-1998	10.2	4.8	4.8	6.2	13.5	6.0	7.9	8.0
1990-1994	7.1	2.2	6.7	28.6	20.7	7.9	10.6	10.9
1980-1989	20.4	19.0	17.0	16.9	13.1	19.3	16.3	17.4
1970-1979	22.3	21.3	14.2	21.5	13.4	26.7	18.2	20.9
1960-1969	15.0	17.4	18.3	11.7	16.0	13.4	16.4	15.2
1940-1959	20.8	25.3	20.4	10.9	11.8	19.2	19.1	18.4
1939 or earlier	2.8	10.0	13.3	3.8	4.3	6.0	9.7	7.0
House Heating Fuel								
Utility gas	66.0	74.8	67.6	62.8	62.2	58.9	40.6	54.3
Bottled, tank, or LP gas	1.5	0.8	2.2	2.7	1.5	1.8	19.6	8.1
Electricity	29.6	23.4	25.8	32.1	35.0	37.3	29.7	32.6
Fuel oil, kerosene, etc.	-	-	-	0.3	0.1	-	.2	0.1
Coal	-	-	-	-	-	-	-	-
Wood	2.1	1.0	3.5	1.4	0.9	1.3	8.4	4.0
Solar energy	-	-	-	0.5	-	-	-	-
Other fuel	0.1	-	0.9	-	-	0.2	1.1	0.5
No fuel used	0.6	-	-	0.2	0.3	0.4	.3	0.4

Source: 2000 Census

Loss of Units in Assisted Housing Developments

Assisted housing developments are privately owned multi family rental housing complexes that receive government assistance which are eligible to change to market rate housing due to termination of a rent subsidy contract (e.g. Section 8), mortgage prepayment, or other expiring use restrictions.

According to the Housing Authority of the County of Merced, there have not been any units in its assisted housing developments which changed to non-low income uses. According to the Housing Authority of the County of Merced, an estimate of the loss does not currently apply to Merced County.

Housing Needs of Farmworkers

Farmworkers provide an essential contribution to the agricultural economy of Merced County. The farmworker population experiences a distinct set of issues contributing to housing challenges, including seasonal income fluctuations, very low incomes, and a severe deterioration of existing housing stock. Among the farmworker population, there are several different groups – each with its own housing challenges.

Farmworker characteristics are difficult to determine due to a lack of data regarding farmworkers. This deficiency is caused by several contributing factors, potentially including limited English speaking abilities, low educational attainment levels, and a distrust of government agencies, including those who work for the Census Bureau.

Regular or year round farmworkers are defined by the Employment Development Department as those working 150 or more days for the same employer. Seasonal workers are those who work less than 150 days annually for the same employer. Migrant seasonal workers are defined as those who travel more than 50 miles across county lines to obtain agricultural employment.

The 2000 Census estimates that there were approximately 6,529 workers employed in agriculture in Merced County. This figure includes farmers and members of their families who were unpaid; regular and seasonal hired domestic workers; and agricultural workers brought to California under contract from outside the United States.

Farmworkers have the lowest annual household income of any occupation surveyed by the US Census. The problem of low hourly wages is compounded by the seasonal nature of agricultural employment, resulting in farmworkers' inability to compete for housing on the open market.

The Housing Authority of the County of Merced manages four migrant housing centers in the county, totalling 255 units, which are available in the summer season only. These units are reserved for farmworkers only. The centers are located:

- 62 units, Atwater/Livingston

- 50 units, Merced
- 56 units, Los Banos
- 87 units, Planada (unincorporated Merced County)

In 2000, agricultural employment was equal to 8.7 percent of the total wage and salary employment in Merced County. Assuming that farmworkers' assisted housing need is equal to their proportion of the labor force, it can be estimated that 160 assisted housing units are currently needed. Based upon that estimate, that need is assumed to be met considering the 255 units offered by the Housing Authority as listed above.

Since the Regional Housing Needs Plan concentrates on determining a needed increase in housing available for year round occupancy; it is assumed that seasonal and migrant workers will continue to be housed in non-year round units. For planning purposes, this means that no net increase in seasonal or migrant housing is calculated. Allocation of regular farmworker households are assumed to be included in the projected additional housing units. Each city and the county, however, should consider this category of need in individual housing elements.

Allocation Calculations

The method used by MCAG to allocate the housing need amongst the seven jurisdictions is as follows. The number of each step corresponds to the numbered columns in Table x:

1. Establish Base Year "2007 Household Population" by jurisdiction from Department of Finance (DOF) estimates. (Source: Report E-1, May 2007)
2. Derive "2014 Household Population" by jurisdiction from MCAG's Regional Transportation Plan (RTP), adjusted downward 1% to match DOF's latest county-wide projections. (Source: RTP, April 2007, DOF Population Projections, July 2007)

A shift of 1500 population was applied from Dos Palos to Merced County, because MCAG's population projection assumes the eventual annexation of South Dos Palos/Midway into Dos Palos. Since these are existing housing units, they should not count against Dos Palos' future need.

A reduction of 844 population was taken from Gustine and applied to the other jurisdictions, because the implied growth from 2007 to 2014 in the prior Gustine forecast was 5% per year, while Gustine's historical growth from 2000 to 2007 was only 1.33% per year. To keep the future number reasonable, the historical growth rate was applied to the forecast period.

3. Establish "Year 2007 Occupied Housing Units" from DOF. (Source: Report E-5a, May 2007)
4. Use Person-Per-Household rates from DOF. (Source: Report E-5a, May 2007)
5. Calculate "Year 2014 Housing Units" by dividing "2014 Household Population" by "PPH" (column 2 divided by column 4).

6. Calculate “New Housing Units 2007-2014” by subtracting base year units from future year units (subtract column 3 from column 5).

7. Calculate “Total Housing Unit Need” by adjusting with HCD-specified vacancy and replacement factors: owner vacancies 1.8%, renter vacancies 5.0%, replacement 1.0%.

8. Calculate “Need by Income Category” by multiplying the Total Need by the percent in each income group by jurisdiction (Source: Census 2000), adjusted to match HCD county-wide totals by group.

Jurisdiction	1	2	3	4	5	6	7	
	Pop.	HH Pop.	HH Pop.	Occupied HU's	PPH	future HU's	new HU's	allowances
	Census	DOF	MCAG, HCD	DOF	DOF	MCAG, HCD		HU's
	Apr. 1, 2000	Jan. 1, 2007	2014	Jan. 1, 2007	Jan. 1, 2007	June 30, 2014	June 30, 2014	Total Need 2007 to 2014
Atwater	23,113	25,824	32,668	8,433	3.062	10,719	2,286	2,381
Dos Palos	4,581	4,875	5,404	1,577	3.091	1,756	179	186
Gustine	4,698	5,152	5,651	1,900	2.711	2,094	194	202
Livingston	10,473	13,250	14,706	3,123	4.242	3,483	360	375
Los Banos	25,869	35,036	44,116	10,851	3.228	13,731	2,880	3,000
Merced	63,893	78,345	86,750	26,245	2.985	29,198	2,953	3,076
Merced County	77,927	84,272	106,810	25,837	3.261	32,907	7,070	7,364
Total	210,554	246,754	296,105	77,966	3.165	93,888	15,922	16,583

8

Need by Income Category

Jurisdiction	23%	17%	19%	41%
	Very Low	Low	Moderate	Above Moderate
Atwater	517	402	488	974
Dos Palos	51	37	29	68
Gustine	55	26	33	88
Livingston	86	83	75	131
Los Banos	525	403	602	1,470
Merced	918	574	540	1,044
Merced County	1,648	1,241	1,430	3,045
Total	3,800	2,766	3,197	6,820

Regional Housing Needs Allocation

Table x below shows the additional number of housing units required to satisfy housing demand for the population anticipated through June 2014. The calculation considers MCAG Regional Transportation Plan adopted population forecasts and 2000 Census income data.

The resulting numbers do not imply that each jurisdiction must produce the identified amount of housing. A community may promote additional housing opportunities by a number of means, including:

- Allowing large single family homes to be converted to multi family uses
- Promoting or encouraging the rehabilitation of substandard units or units presently scheduled for demolition
- Providing for the conversion of seasonal units to year round occupancy
- Authorizing the construction of new low and moderate income housing units

How each locality addresses the determination of regional housing need by income category will be decided within the Housing Elements of each individual jurisdiction.

	Very Low	Low	Moderate	Above Moderate	Total
Atwater	517	402	488	974	2,381
Dos Palos	51	37	29	68	185
Gustine	55	26	33	88	202
Livingston	86	83	75	131	375
Los Banos	525	403	602	1,470	3,000
Merced	918	574	540	1,044	3,076
Merced County	1,648	1,241	1,430	3,045	7,364
Total	3,800	2,766	3,197	6,820	16,583

Appendix A

Regional Housing Needs Determination form HCD
(Letter to Jesse Brown dated August 31, 2007)

insert page 1 of letter

insert page 2 of letter

insert page 3 of letter

insert page 4 of letter

Appendix B

Adoption Resolution

Insert copy of adoption resolution (1 page)