

Date: April 21, 2011
To: Housing Methodology Committee
From: Regional Agency Staff
Subject: Trades and Transfers

Summary

Staff is recommending that after the initial allocation, each local jurisdiction may request that it be allowed to transfer units with one or more willing partners. The transfer must take place in a way that maintains the total need allocation amongst all transfer parties as well as other requirements of the RHNA process.

Initial Allocation

An initial allocation will be made to jurisdictions. This will be after a draft methodology is agreed upon and a regional need has been assigned by the California Department of Housing and Community Development (HCD). Prior to the draft allocation, a variety of illustrative calculations will be made, but local jurisdictions will not have enough information to make trades.

The transfer rule allows for the transfer of housing need between willing jurisdictions. It maintains the integrity of the state's RHNA objectives by preventing any jurisdiction from abdicating its responsibility to plan for housing across all income categories.

Request for transfer of RHNA allocations between jurisdictions must adhere to the following provisions:

1. Have at least two willing partners and the total number of units within the group requesting the transfer cannot be reduced.
2. All members of the transfer group must retain some allocation of very low and low income units.
3. If the transfer results in a greater concentration of very low or low income units in the receiving jurisdiction, the effect must be offset by findings by the members of the transfer group that address the RHNA objectives.
4. Transfers must comply with all other statutory constraints and be consistent with the RHNA objectives.
5. Transfers must comply with Sustainable Communities Strategy objectives.

