City of Los Banos
Housing Element

Final

2014 - 2023

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1. INTRODUCTION

CONTENTS OF THE HOUSING ELEMENT

The Housing Element of the General Plan is a comprehensive statement by the City of Los Banos of its current and future housing needs and proposed actions to facilitate the provision of housing to meet those needs at all income levels. The policies contained in this Element are an expression of the statewide housing goal of "attaining decent housing and a suitable living environment for every California family, as well as a reflection of unique concerns of the community". The purpose of the Housing Element is to establish specific goals, policies and objectives relative to the provision of housing and to adopt an action plan toward this end. In addition, the Element identifies and analyzes housing needs and resources, and constraints to meeting those needs.

The Los Banos Housing Element is based on one strategic goal which is to, "Preserve, enhance and expand the existing housing stock to provide a range of safe housing opportunities for all members of the Los Banos Community". In order to satisfy this goal, the following objectives have been established: 1) Provide adequate sites for residential development and alternate housing choices at affordable costs for all segments of the City; 2) Mitigate the impacts of the housing finance crisis currently impacting the Los Banos housing market; 3) Encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and residential neighborhoods; 4) Achieve energy efficiency in housing activities; 5) Ensure that all residents have access to housing; 6) Increase the percentage of homeowners in the City and provide adequate information on all possible housing assistance programs and distribute to homeowners, developers and other residents; 7) Maintain an adequate percentage of affordable rental units within the City to accommodate all income groups and family types; 8) Encourage redevelopment and new development projects for special need groups.

In accordance with State law, the Housing Element is to be consistent and compatible with other General Plan Elements. Additionally, Housing Elements are to provide clear policy and direction for making decisions pertaining to zoning, subdivision approval, housing allocations and capital improvements. State law (Government Code Section 65580 through 65589) mandates the contents of the Housing Element. By law, the Housing Element must contain:

- An assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs;
- A statement of the community's goals, quantified objectives and policies relevant to the maintenance, improvement and development of housing; and
- A program that sets forth a nine year schedule of actions that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element.

The housing program must also: identify adequate residential sites available for a variety of housing types for all income levels; assist in developing adequate housing to meet the

needs of the extremely low, very low, low and moderate income households; address governmental constraints to housing maintenance, improvement and development; conserve and improve the condition of the existing affordable housing stock; and promote housing opportunities for all persons.

Although, by nature of the State mandate, the Housing Element tends to focus on the affordability and availability of housing for low and moderate income households and families, the Element must also address the housing needs and related policy issues for the entire community and be consistent with the adopted policies of the rest of the General Plan. For these reasons, the focus of the updated Housing Element will be on policies and programs that can balance the desire of residents to maintain the character of residential neighborhoods, manage traffic and minimize visual and other impacts of new development, while addressing the needs of low and moderate income households and special needs groups (such as seniors and individuals with disabilities).

This balance will require the City to examine strategies to accommodate higher density housing, mixed use projects in commercial zones, infill developments and second units without sacrificing other legitimate community goals.

2. HOUSING NEEDS ASSESSMENT

The Housing Needs Assessment analyzes population and housing characteristics, identifies special housing needs among certain population groups, evaluates housing conditions and provides other important information to support the goals, policies and programs to meet the needs of current and future Los Banos residents.

The United States Census, completed every ten years, is an important source of information for the Housing Needs Assessment. Results from the 2010 Census were used in the preparation of this document. This Element also pulled in data from several other sources in order to create a document that is up to date and relevant to the needs of the Community for today. The data presented in the Housing Needs Assessment will not only guide the development of housing goals and policies, but will also be integrated into the body of the Housing Element to present the current status of housing and housing related issues in the City of Los Banos.

The Needs Assessment is organized into four data sections. The first section focuses on demographic information, such as population trends, ethnicity, age, household composition, income, employment, housing characteristics, general housing needs by income and housing needs for special segments of the population. This first section outlines the characteristics of the community and identifies those characteristics that may have significant impacts on housing needs in the community.

The second section identifies the City's resources and the historic development patterns and housing opportunities in the community. It also discusses the City's existing housing stock and the potential areas for future housing development.

The third section discusses the governmental and non-governmental constraints to housing development in Los Banos. The City has planning, zoning and building standards that guide and affect residential development patterns and influence housing availability and affordability. There are also environmental and housing market conditions that affect the locations, availability, affordability and type of housing that is constructed in Los Banos. The "non-governmental" influences include such factors as: the availability and cost of financing, land, materials for building homes, business decisions of individuals and organizations in home building and market factors in rental housing.

The final section of the Needs Assessment discusses opportunities for energy conservation, which can reduce costs to homeowners and infrastructure costs to the City. With a reduction in basic living costs through energy savings, more households will be better able to afford adequate housing.

SUMMARY FINDINGS

The following is a summary of findings from the Housing Needs Assessment Report.

Population Trends

- The 2010 Census reported Los Banos' population as 35,972 persons. Between 2010 and 2015, the California Department of Finance estimates the City's population has grown by 3.3 percent (37,145 persons). Based upon history, Los Banos' population is expected to grow steadily, continuing the demand for a variety of housing types and costs.
- Los Banos' ethnic composition in 2010 was primarily Hispanic (50.4%) followed by 39.8 Caucasian.
- The City of Los Banos has a slightly lower percentage of persons 65 years and over and a slightly higher percentage of persons under 18 than the countywide and statewide averages.

Income and Poverty

- Residents of Los Banos have higher income characteristics than Merced County. In 2013, the median family income in Los Banos ($49,269) was roughly 15% higher than the countywide median family income ($42,591). Approximately 49% of the total households in Los Banos earn $50,000 or more compared to 43% countywide.
- As defined by the Department of Housing and Urban Development's (HUD) income limits, an extremely low income household earns 30 percent or less of the median income, a very low income household earns 50 percent or less than the county median income, a low income household earns between 51 and 80 percent of the county median income, a moderate income household earns between 81 and 120 percent of the county median income and an above moderate income household earns 121 percent or greater of the count median income. Based on HUD Comprehensive Housing Affordability Strategy (CHAS) Data, 22.8% of households within Los Banos are classified as very low income, 15.1% are classified as low income and the remaining 62.1% are classified as having the median income for the County or above.

Employment Trends

- Based on statistics from the CA Economic Development Department, Labor Market Information, The City of Los Banos had an unemployment rate of 11.3% in May of 2015 as compared to Merced County, which had an unemployment rate of 13.3%, and the State of California which had a 6.2% unemployment rate.
- Los Banos has a very high portion of the population that commutes over 45 minutes to and from their places of employment. The US Census stated that in the year 2013 (American Community Survey), 45.6% of the population had more than 45 minutes for employment commute time.

Special Needs

- Persons 65 and over represent 8.6 percent of Los Banos' total population. The housing needs among older adults are: 1) home repair/maintenance/modification; 2) affordable housing; and 3) in-home assistance.
- Individuals with disabilities also have financial and physical needs. Housing and supportive service needs among the disabled population include: 1) accessible housing; 2) affordable housing; and 3) housing located in close proximity to services and commercial centers.
- Female headed households represent 24 percent of the households in Los Banos. Poverty rates among female headed households are generally higher than the general population. The percentage of female headed households below the poverty level is 51%. This special needs group would benefit greatly from affordable housing opportunities and housing located near childcare facilities, schools, youth services and medical facilities.
- Large family households in Los Banos represent approximately 28% of the households within the City. According to the US Census, large family households represent 13.4 percent of renters. With that being the case, rental units need to be constructed and set aside for large families to reduce overcrowding.
- At the time of the development of the 2014 Housing Element it was determined that Los Banos had about 88 homeless persons within the City. The Merced County Continuum of Care stated that homelessness is on the rise, a survey was conducted in January 2014 and 609 cases were found in Merced County. Of the 609 cases, 64 percent were men, and 49 percent had a chronic health condition. The largest factors contributing to homelessness are: loss of job/unemployment, high cost of housing/rent, alcohol or drug problems, release from jail or prison or break up/divorce/separation. This special needs group would benefit greatly from having emergency homeless shelters as a permitted use within the City.

Housing Characteristics

- The majority of the City's housing stock consists of single family detached homes. According to the 2010 Census and building permit data, the City currently has 10,259 households; this is an increase of 32.9% over the 2000 data alone. This household growth rate is lower than the population growth rate which indicates that the current household size is increasing.
- According to the 2010 Census, 60.4% of the housing stock is owner occupied and 39.6% are operated as rental units.
- The median year in which housing units were built in Los Banos is 1993, compared to the County median of 1983 and the State median of 1974. This indicates that Los Banos has experienced a relatively large increase in housing production over the past two and a half decades. However, there are still many older homes in the City that may require repairs and rehabilitation efforts. Furthermore, the change in the economy and the number of foreclosures has led to a large number of vacancies which leads to blight and decay.

Opportunities and Constraints

- Merced County has determined that Los Banos has a housing construction need of 2,473 units for the planning period of 2014-2023. Of the total 2,473 units, 326 should be affordable to extremely low income households, 278 should be affordable to very low income households, 431 to low income households, 396 to moderate income households and 1,049 to above moderate income households.
- The City's vacant land within residential districts can accommodate its regional allocation of new dwelling units at densities potentially affordable to low, very low, and extremely low income households.
- Los Banos' zoning regulations and development permit processes do not create unreasonable restrictions to the City's ability to accommodate affordable housing. The time required in the City of Los Banos for development approval is not generally a constraint or substantial cost to housing developers.

HOUSING NEEDS AND OPPORTUNITIES

POPULATION CHARACTERISTICS

Population Trends

Since the 2000 U.S. Census, the City of Los Banos' population has grown by 39.1% according to California Department of Finance Estimates. Los Banos' growth rate is higher than Merced County's growth which is estimated to be 21.5% and higher than the State of California's growth which is estimated to be 10% (See Table II-1)

Table II-1
Population Estimates for Los Banos, Merced County & California

Location	2000	2010	Percent Change 2000-2010
Los Banos	25,869	35,972	39.1%
Merced County	210,554	255,793	21.5%
California	33,871,648	37,253,956	10.0%

Source: US Census

Location	2010	2015	Percent Change 2010-2015
Los Banos	35,972	37,145	3.3%
Merced County	255,793	266,134	4.0%
California	37,253,956	38,714,725	3.9%

Source: State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State — January 1, 2011- 2015*. Sacramento, California, May 2015.

According to the Merced County Association of Governments and Economic and Planning Systems, the City of Los Banos is expected to have a population of 63,112 by the year 2025.

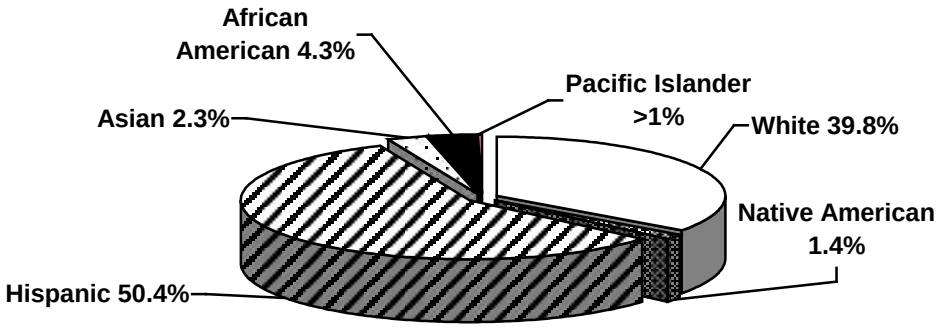
Since the 2010 Census, the number of persons per household has increased from an average household size of 3.49 persons up to 3.57 persons in 2014.

The number of households in the City of Los Banos increased from 7,721 households in 2000 to 10,259 households in 2010 and 10,432 in 2015, according to the Department of Finance E-5 Population and Housing Estimates. The number of households increased less than the increase in population which coincides with the concurrent increase in average household size.

Ethnicity

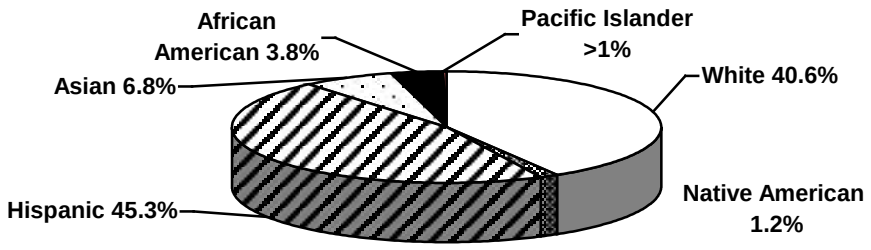
According to the 2010 Census, Los Banos has a majority Hispanic population (50.4 percent), followed by Caucasian (39.8 percent) and relatively small proportions of African American (3.8 percent), Asian (3.2 percent) and Native American (1.4 percent) populations. While the percent of Hispanic residents is slightly higher than County totals, and the number of Asians is slightly lower; overall City and County compositions are quite similar. Figures II-1 and II-2 show the ethnic compositions of the City of Los Banos and Merced County respectively.

Figure II-1
Ethnic Composition of Los Banos
Year 2010
City of Los Banos



Source: 2010 Us Census, 2010 Census, Table QT-P3 – Race and Hispanic or Latino Origin: 2010

Figure II-2
Ethnic Composition of Merced County
Year 2010
Merced County



Source: 2010 Us Census, 2010 Census, Table QT-P3 – Race and Hispanic or Latino Origin: 2010

Age of Population

Overall, the City of Los Banos has a similarly aged population as that in Merced County as a whole. The figures are similar to the State as a whole although the population under 18 is larger. Individuals under 5 account for 9.0% of the City's population as compared to 8.7% for Merced County. Individuals under 18 account for 33.6% as opposed to 31.5% for Merced County and individuals over 65 years of age account for 8.6% with Merced County at 9.4%.

Table II-2
Age Distribution

Age	Los Banos	Merced County	California
Under 5 years	9.0%	8.7%	6.8%
Under 18 years	33.6%	31.5%	25.0%
Over 65 years	8.6%	9.4%	11.4%

Source: U.S. Census Bureau, 2010 Census; Table QT-P1: Age groups and Sex: 2010

Household Type and Composition

Further insight into the characteristics of the City's population is explored by examining household size. Of the 10,341 households in 2013, Table II-3 shows that Los Banos' highest percentage consisted of two-person households at 22.9%. Households that consisted of three-persons constituted 17.9% and four-persons constituted 15.9% of the households. One-person households accounted for 16% of the total and five person households accounted for 17.5% of the population. Six or more person households accounted for 9.5% of the total.

Table II-3
Number of Persons per Household (2013)

Persons in Unit	Owner	Renter	Total	Percentage
1	1,105	558	1,663	16.1%
2	1,562	814	2,376	22.9%
3	1,021	832	1,853	17.9%
4	498	1,154	1,652	15.9%
5	816	996	1,812	17.5%
6 or more	433	552	985	9.5%
Total	5,435	4,906	10,341	100%

Source: U.S. Census Bureau, 2011-2013 3-Year American Community Survey; Table B25009: Tenure by Household Size

In addition to household size, household composition provides important indicators of population characteristics and trends (Table II-4). U.S. Census reported that 81.2% of all households in Los Banos were family households and, of that, 36.3% were married couple households with children under 18, 10.6 % were female headed households with children under 18 and 4.5% were male headed households with children under 18 years of age. The total number of households in Los Banos includes 18.8% which are non-family households.

Table II-4
Household Composition by Type (2010)

Household Type	Percent of Households
Married Couples with Children under 18	36.3%
Female Householder with Children under 18	10.6%
Male Householder with Children under 18	4.5%
Non-Family Households	18.8%

Source: U.S. Census Bureau, 2010 Census, Table QT-P11: Households and Families: 2010

INCOME CHARACTERISTICS

According to the 2013 Census, 5-Year American Community Survey, the median household income in the City of Los Banos in the year 2013 was $47,177 (Table II-5). In comparison, the median household income in Merced County was $42,591 and the median income in California as a whole was $61,094. The Bay Area workers living in the City has significantly driven up the median income, and many local workers still earn considerably less than the present median.

Table II-5
Area Median Income in Los Banos, Merced County and California (2013)

Household Income Category	Los Banos		Merced County		California	
	Number of Households	Percent of Total	Number of Households	Percent of Total	Number of Households	Percent of Total
Under $10,000	721	9.1%	5,278	7.0%	714,920	5.7%
$10,000-$14,999	680	6.7%	5,655	7.5%	652,208	5.2%
$15,000-$24,999	1,228	12.1%	10,633	14.1%	1,204,076	9.6%
$25,000-$34,999	1,157	11.4%	9,954	13.2%	1,141,364	9.1%
$35,000-$49,000	1,594	15.7%	11,160	14.8%	1,542,723	12.3%
$50,000-$74,999	2,132	21.0%	13,799	18.3%	2,119,675	16.9%
$75,000-$99,000	1,624	16.0%	7,842	10.4%	1,555,265	12.4%
$100,000 - $149,999	1,066	10.5%	7,088	9.4%	1,868,826	14.9%
$150,000 or more	477	4.7%	4,072	5.4%	1,755,944	14.0%
Median Income	$47,177		$42,591		$61,094	

Source: U.S. Census Bureau, 2009-2013 5-Year American Community Survey, Table S2503: Financial Characteristics

Income categories, as defined by the U.S. Department of Housing and Urban Development (HUD), include:

- **Extremely Low***: Households with income less than 30 percent of the area median income.
- **Very Low**: Households with income less than 50 percent of the area median income.
- **Low**: Households with income between 50 and 80 percent of the area median income.
- **Moderate**: Households with income between 80 and 120 percent of the area median income.
- **Above Moderate**: Households with income over 120 percent of the area median income.

* The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 percent) of the Section 8 very low-income limit or the poverty guideline as established by the Department of Health and Human Services (HHS), provided that this amount is not greater than the Section 8 50% very

low-income limit. Consequently, the extremely low income limits may equal the very low (50%) income limits.

Another measure of changes in estimated income is the annual release of income limits prepared by HUD and adopted by the State of California for determining eligibility for various housing programs. These limits define the dollar amount of each of the income categories discussed previously based on a percentage of the estimated median income for the county in which the jurisdiction is located. Although these income limits are not based on actual surveys of local incomes, the annual changes can show trends in estimated changes among different regions of the State. Table II-6 provides limits for Merced County for 2015. According to HUD, the estimated 2015 median income for a family of four in Merced County is $52,500.

Table II-6
Merced County Income Limits (2015)

Household Size	Extremely Low Income	Very Low Income	Low Income
1 Person	$11,950	$19,950	$31,850
2 Persons	$15,930	$22,800	$36,400
3 Persons	$20,090	$25,650	$40,950
4 Persons	$24,250	$28,450	$45,500
5 Persons	$28,250	$30,750	$49,150
6 Persons	$32,570	$33,050	$52,800
7 Persons	$35,300	$35,300	$56,450
8 Persons	$37,600	$37,600	$60,100

Source: HUD Income Limits, 2015. Effective March 6, 2015

In the HUD 2014 Comprehensive Housing Affordability Strategy (CHAS) Data report (Table II-7), 12.3 percent of the total households in the City of Los Banos (1,210 households) are categorized as extremely low income; 70 percent of extremely low income households are renters and 29 percent are owners. Approximately 10.4 percent of total households (1,025 households) are categorized as very low income; 62 percent of very low income households are renters and 38 percent are owners.

Typically lower income households, especially those categorized as extremely low and very low income, experience a higher percentage of housing problems (including cost burden) than do higher income households. Very low income renters, as well as extremely low income renters and owners, experience a high percentage of housing problems.

Table II-7
Households with Housing Problems by Income Level

Household Income	Owner Households	Renter Households	Total Households
Income Distribution Overview			
Household Income <=30% HAMFI	355	855	1,210
Household Income >30% to <= 50% HAMFI	390	635	1,025
Household Income >50% to <= 80% HAMFI	745	730	1,475
Household Income >80% to <= 100% HAMFI	470	480	950
Household Income > 100% HAMFI	4,070	1,070	5,140
Total	6,030	3,770	9,800
Housing Problems Overview 1			
Household has 1 of 4 Housing Problems	2,920	2,285	5,205
Household has none of 4 Housing Problems	3,055	1,450	4,505
Cost Burden not available	55	30	85
Total	6,030	3,770	9,800
Severe Housing Problems Overview 2			
Household has 1 or 4 Severe Housing Problems	1,535	1,470	3,005
Household has none of 4 Severe Housing Problems	4,445	2,265	6,710
Cost Burden not available	55	30	85
Total	6,030	3,770	9,800
Housing Cost Burden Overview 3			
Cost Burden less-than or= 30%	3,150	1,660	4,810
Cost Burden >30% to less-than or= 50%	1,500	915	2,415
Cost Burden >50%	1,325	1,160	2,485
Cost Burden not available	55	30	85
Total	6,030	3,770	9,800

Source: CHAS Data, posted May 28, 2014

Analysis of future housing needs of lower income households is provided in the Future Housing Needs Section. Additional analysis of existing housing needs of lower income households is also addressed in the Age and Condition of Housing Stock, Lower Income Households Overpaying, and Affordability Trends Sections of the Housing Element.

Poverty

The poverty level of income is a federally defined measure of the minimum income needed for subsistence living. The poverty level is an important indicator of severe financial distress and the rate of poverty in a community (proportion of the population

with poverty level incomes or less) provides important information about individuals and families in greatest financial need.

According to the 2013 Census (American Community Survey), approximately 21 percent of all families and 47.7 percent of all female headed households were below the poverty level.

EMPLOYMENT AND EDUCATIONAL TRENDS

This type of demographic data is important to a Housing Element in that it is necessary to first have a clear depiction of a City's population in order to accurately identify and address the housing needs of the citizens. This process ultimately leads to the formulation of more effective housing goals and policies.

With persistently high unemployment rates, low income distribution and lower than State average educational attainment, Merced County is replete with economic and social difficulties. The City of Los Banos staff works hard at responding to these challenges. Table II-8 compares unemployment levels for the City of Los Banos, Merced County and the State of California in 2014. The City's unemployment rate is higher than the County average and is almost double that of the State.

Table II-8
Unemployment Levels for Los Banos, Merced County and California (2014)

Location	Unemployment Level
City of Los Banos	13.1%
Merced County	12.8%
California	7.5%

Source: CA Economic Development Department, Labor Market Information, 2014 annual average

Table II-9 below shows the commute time for workers over the age of sixteen, and the rate of change from 2007 to 2013. Los Banos experienced a tremendous influx of Bay Area workers from 2000 to 2010 which is evident by the commute time for workers traveling over an hour for work. Since 2007, however, the amount of workers traveling over an hour for work has decreased by 11 percent.

Table II-9
Travel Time to Work for Workers 16 Years and Older (2007 & 2013)

Commute Time to Work	2007		2013		Percent Change
	Number	Percent	Number	Percent	
Less than 30 minutes	5,345	47.2	5,624	46.6	5.2
30 to 44 minutes	623	5.5	941	7.8	51.0
45 to 59 minutes	1,279	11.3	1,871	15.5	46.3
60 or more minutes	4,077	36.0	3,633	30.1	-10.9
Total	11,324	100.0	12,069	100.0	67.7
Mean Time	**42 Minutes**	**-**	**43 Minutes**	**-**	2.2

Source: US Census Bureau, 2005-2007 and 2011-2013 3-Year American Community Survey

Table II-10 shows the number of jobs by major industry for the City of Los Banos in 2000 and 2012. During that period, Trade, Wholesale, Retail, Educational, and Health and Social Services remained the primary employment sectors for the City. However, the Trade, Wholesale, and Retail sector (16.7 percent) saw a slight decrease since 2000 and the Educational, Health and Social Services (16.4 percent) sector slightly increased since 2000. At the same time, the Manufacturing sector decreased from 14.2 percent in 2000 to 12.0 percent in 2012. This trend indicates that there is a general shift in employment growth by major sector of employment in the City.

Table II-10

Employment by Major Sector (2000 & 2012)Industry	2000		2012	
	Jobs	Share	Jobs	Share
Agriculture and Mining [1]	801	8.6%	1,035	7.8%
Construction	824	8.9%	1,268	9.5%
Manufacturing	1,315	14.2%	1,596	12.0%
Trade, Wholesale and Retail[1]	1,576	16.9%	2,221	16.7%
Transportation, Warehousing, and Utilities	713	7.7%	935	7.0%
Communications and Information [1]	192	2.1%	128	1.0%
Finance	230	2.5%	418	3.1%
Professional	671	7.2%	1,096	8.3%
Educational, health, and social services[1]	1,505	16.2%	2,175	16.4%
Arts, entertainment, recreation, and food services[1]	713	7.7%	1,222	9.2%
Public administration	298	3.2%	522	3.9%
Other services (except public administration)[1]	452	4.9%	659	5.0%
Total Jobs	**9,290**	**100.0%**	**13,275**	**100.0%**

[1] These categories have been combined. Source: 2000 U.S. Census; U.S. Census, 2008-2012 American Community Survey, Table DP-03; 5th Cycle Housing Element Data Package, Table 2

Table II-11a compares educational enrollment levels, while Table II-11b looks at educational attainment levels figures which, amongst several other factors, relate to future employment and income trends.

Table II-11a
Comparison of Los Banos, Merced County and California
Educational Enrollment (2013)

Pop. 3 yrs. and over enrolled in school	Los Banos	Merced County	California
Nursery School, preschool	4.0%	4.5%	5.5%
Kindergarten	5.5%	5.2%	4.9%
Elementary (1-8)	47.7%	43.1%	38.3%
High School (9-12)	22.2%	22.8%	21.4%
College or graduate school	20.7%	24.7%	29.9%

Source: U.S. Census Bureau, 2009-2013 5-Year American Community Survey

Table II-11b
Comparison of Los Banos, Merced County and California
Educational Attainment (2013)

Population 25 yrs. and over	Los Banos	Merced County	California
Less than 9th grade	22.0%	20.9%	10.2%
9th-12th Grade, no diploma	12.5%	12.4%	8.5%
High school graduate	27.6%	24.4%	28.7%
Some college, no degree	22.5%	22.7%	22.1%
Associate degree	6.1%	6.9%	7.8%
Bachelor's degree	6.8%	8.4%	19.4%
Graduate of professional degree	2.6%	4.2%	11.2%
Percent high school graduate or higher	65.6%	66.7%	81.2%
Percent bachelor's degree or higher	9.4%	12.6%	30.7%

Source: U.S. Census Bureau, 2009-2013 5-Year American Community Survey

This data illustrates that the City has made great improvements and is now at the top of the County; however, when this data is compared to the State, it is evident that more improvements are needed.

SPECIAL NEEDS

To ensure provision of adequate housing for all citizens, this section evaluates the special housing needs of seniors, persons with disabilities, female heads of households, large families, farmworkers and the homeless within the City of Los Banos. The City's Zoning Ordinance defines "Special needs housing" as housing for individuals who require assistance for disabilities that may be medical, mental, or psychological. To ensure that the definition for special needs housing is not a constraint, Program 8 has been revised to require the City to review the definition and if necessary, amend the Zoning Code to be consistent with HUD and HCD.

Seniors

Senior households are defined as households with one or more person(s) over the age of 65 years. Housing for seniors should offer accessibility and convenient access to shopping, community/senior centers and medical services.

As of the 2010 Census, there were 10,259 total households in Los Banos, of which 3,077 households, or 29.9 percent, included a person 65 years of age or older. This includes 391 individuals over the age of 65 who live alone. The Census data also shows that senior households are more often single occupancy than non-senior households, suggesting that housing developments for senior households should contain larger proportions of smaller housing units than a project intended for the general population.

Information reported in Table II-12, below, is from the U.S. Census Bureau, 2010 Census and American Community Survey 2009-2013 5-year Estimate.

Based upon Federal estimates, senior households represent 8.6 percent of all households in Los Banos, which is down from the 2000 estimates of 9.3 percent. Most senior households own their own homes (71.2 percent). It is reported that 450 persons over the age of 65, or approximately 14.6 percent of seniors in Los Banos, had incomes below the poverty level in 2013, which represents an increase from 2000, where 387 seniors were below the poverty level.

Table II-12
Number of Seniors

	2000	2010
Number of Persons 65 years and Over	2,395	3,077
Seniors as a Percentage of the Total Population	9.3%	8.6%
Percentage Male	43.1%	44.5%
Percentage Female	56.9%	55.5%
Percentage of Seniors below Poverty Level	16.2%	14.6%
Number of Households Headed by Individuals 65 Years and Over	1,416	1,797
Senior Households as a Percentage of all Households	18.3%	17.5%
Number of Renter Households Headed by a Senior[1]	318	518
Number of Owner Households Headed by a Senior[1]	1,098	1,279
Number of Seniors Below the Poverty Level	387	450

[1]Note: Based on occupied housing unit.
Source: U.S. Census Bureau, 2000 and 2010 Census, Table H17: Tenure by Age of Householder, Table QT-P1: Age Groups and Sex: 2010, Table HCT9: Tenure by Household Type by Age of Householder; U.S. Census Bureau, 2009-2013 5-Year American Community Survey

Seniors also face housing challenges related to physical disabilities. Many disabilities faced by seniors are age related, including mobility and self-care issues that interfere with their ability to remain independent.

Seniors have a variety of housing options, including:

- Independent living – seniors reside in their home or apartment with little support or care.
- Assisted living facilities – senior maintains a level of independence, residing in an apartment receiving varied levels of support and assistance such as light housekeeping, meals, transportation and/or medication, etc.
- Residential care facilities – typically a smaller license facility, often six or less residents, which provide services similar to those provided by assisted living facilities.
- Intermediate care or skilled nursing facilities – a licensed facility that provides a high continuous level of professional care.

Although there are a variety of housing options for seniors, Los Banos is currently deficient in offering all living situations. However, a facility providing assisted care, including care for Alzheimer's patients was approved by the City in 2008. The most affordable senior housing is independent living, which does not provide supportive services. Lower income seniors cannot afford many housing options and want to remain within the City and consequently, remain in independent living situations struggling with self-care issues.

Persons with Disabilities

Disabilities, including sensory, physical, mental, and self-care limitations that may result in the need for special housing accommodations or financial assistance. The U.S. Census (2011-2013 American Community Survey) notes a total of 3,308 persons with a disability, representing 9.1 percent of the city's population, including 1,340 persons 65 years of age or older. In all probability, not all of these individuals experience difficulties in finding and maintaining adequate housing; however, those who do, deserve to be well attended and their housing needs addressed.

Specific housing needs for persons with disabilities vary greatly depending on the individual's disability. Needs may include the provision of ramps or other accessibility devices, group home facilities with varying degrees of medical or nursing care available and financial assistance for those whose disability prevents them from obtaining an adequate income. In consideration of the broad range of needs that this group may require, the City should help in establishing flexible programs that allow for varying accommodations for persons with disabilities.

Effective January 1, 2002, Senate Bill 520 amended Housing Element Law (Chapter 671, Section 65583 (a) (4) and (c) (3) to require localities to include an analysis of potential and actual constraints upon the development, maintenance and improvement of housing for persons with disabilities; as well as to demonstrate local efforts to remove governmental constraints that hinder the locality from meeting the need for housing for persons with disabilities. Housing Elements are thus required to include programs that remove constraints or provide reasonable accommodations for housing designed for persons with disabilities.

In accordance with the requirements of Chapter 671, the Los Banos Housing Element Update provides an analysis of potential and actual constraints to providing housing adequate to persons with disabilities in the Housing Constraints section.

Disabled persons generally do not have the financial capacity to pay for needed accommodations or modifications to their homes. In addition, disabled persons need housing in close proximity to public services and public infrastructure and facilities that are accessible with special design features that alleviate the disability. Through implementation of the policies and programs outlined in the Element, the City will seek to provide affordable housing and accessibility improvements to this special needs group. The City will promote the use of Universal Design elements in new construction and rehabilitation of housing units by including information and referral services at the City offices and on the City website.

The City's Zoning Ordinance currently does not identify a procedure in which housing for persons with disabilities are reviewed and considered. As such, Program 5D has been continued for the City to amend the Zoning Ordinance to provide procedures and criteria for the City to grant Reasonable Accommodations for persons with disabilities. This program is to be completed by March of 2017.

Developmentally Disabled

A "developmental disability" is defined as a disability that originates before an individual becomes eighteen (18) years old, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual. Senate Bill 812, Statutes of 2010, which took effect January 2011, amended State housing element law to require the analysis of the disabled to include an evaluation of the special housing needs of persons with developmental disabilities.

The U.S. Census does not have specific information regarding persons with developmental disabilities; however, each nonprofit regional center contracted with the California Department of Developmental Services (DDS) maintains an accounting of the number of persons served by zip code.

DDS currently provides community based services to approximately 248,000 persons with developmental disabilities and their families through a statewide system of twenty-one (21) regional centers, three (3) developmental centers, and one (1) community-based facility. However, the DDS has announced preparations to initiate the closure planning process for the three (3) remaining developmental centers. The DDS will submit a closure plan to the Legislature on October 1, 2015 with the goal of closing Sonoma DC by the end of 2018. The closure of Fairview DC will follow the closure of Sonoma DC and lastly the closure of the General Treatment Area of Porterville DC.

Table II-13 is information from the Central Valley Regional Center on Developmentally Disabled Residents in the City of Los Banos:

Table II-13
Developmentally Disabled Residents, by Age, for City of Los Banos

Zip Code Area	0 – 14 Years	15 – 22 Years	23 – 54 Years	55 – 65 Years	65+ Years	Total
93635	127	34	66	4	3	234

Source: California Department of Developmental Services (DDS), HCD 5th Cycle Housing Element Data Package, Table 13

As shown in the data above, the age group with the most individuals with a developmental disability is the 0 -14 year age group or 54.3 percent of the total number of developmental disabled residents. Of the 127 residents in this age group, 126 have a residency type of own home.

Recognizing a need for programs tailored to persons with developmental disabilities, Program 5D has been included into the 2014-2023 Housing Element, which states that the City shall refer residents to the Central Valley Regional Center for housing and services available to persons with developmental disabilities.

Families with Female Heads of Households

Female headed households are considered a special needs group because of the higher incidence of poverty in these types of households as compared with all families. Most female headed households are either single women over the age of 65 or single women (mothers or other female relatives) with minor children.

Of all the households in the City in 2013, 2,003 were female headed households, or 24 percent of the total households in Los Banos. One thousand twenty-six (1,026) (51.2%) of these female headed households were classified as living below the poverty level. Comparatively, 23.8 percent of all families in Los Banos had household incomes below the poverty level.

It may be assumed that lower income, female headed households are overpaying for housing (i.e. more than 30 percent of their income), or are experiencing other unmet housing needs. As a result of poverty, female heads of households often spend more on immediate needs such as food, clothing, transportation and medical care than on home maintenance, which results in living units falling into disrepair. Female headed households have a greater need for affordable housing, located in areas near child care, schools, parks, transportation, shopping and other services.

Large Families

Large families are defined by HUD as family households with five or more persons. U.S. Census Data provides information regarding large households. As shown in Table II-14 below, of the 5,783 owner occupied households, 1,304 (22.5%) have 5 or more persons living in the household. Of the 4,158 renter occupied households, 1,035 (24.9%) have 5 or more persons living in the household.

Table II-14
Household Size

	Los Banos
Total:	9,941
Owner Occupied	5,783
1-person household	828
2-person household	1,532
3-person household	986
4-person household	1,133
5-person household	784
6-person household	382
7-or-more person household	138
Renter Occupied	4,158
1-person household	499
2-person household	662
3-person household	1,046
4-person household	916
5-person household	747
6-person household	157
7-or-more person household	131

Source: U.S. Census Bureau, 2008-2012 American Community Survey, Table B25009: Tenure by Household Size; HCD 5th Cycle Housing Element Data Package, Table 6

Table II-15 presents data comparing the number of persons in housing units in 2000 and 2010, as well as the percent these figures changed during that period. Figures for housing units with five or more persons and large households are italicized. While all categories for the number of persons per unit increased during 2000 and 2010, a fact echoed by the equivalent population growth for that period, the data indicates that the larger the household, the greater the increase in percent change. In fact, the number of households with six or more individuals increased by 65.6 percent during this time period.

Table II-15
Number of Persons in Housing Unit (Years 2000 & 2010)

	2000			**2010**			Total Percent Change
Persons in Unit	Owner	Renter	Total	Owner	Renter	Total	
1	688	530	1,218	911	640	1,551	27.3%
2	1,513	470	1,984	1,696	659	2,355	18.7%
3	944	376	1,320	987	630	1,617	22.5%
4	988	403	1,391	1,106	758	1,864	34.0%
5	*643*	*313*	*956*	*740*	*673*	*1,413*	*47.8%*
6 or more	*517*	*366*	*883*	*760*	*702*	*1,462*	*65.6%*
Total	5,293	2,459	7,752	6,197	4,062	10,259	32.3%

Source: U.S. Census Bureau, 2000 and 2010 Census; Table H16: Tenure by Household Size

Farmworkers

Farmworkers provide an essential contribution to the agricultural economy of Merced County. Merced County ranks fifth in the State in value of agricultural production. According to the 2012 Census (American Community Survey), 7.8 percent of the total labor force of Los Banos, works in agriculture.

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

The seasonal nature of agricultural employment places special demands on the area's housing stock. Essentially, it must absorb seasonal fluctuations in the number of individuals and families seeking housing. Farmworker housing needs include year round subsidized rental housing as well as housing to accommodate peak labor activity in the late summer during harvest time. This housing is needed primarily for single men.

There are currently four (4) State Migrant Centers in Merced County that provide housing to migrant farmworker families, including a 48 unit facility in the Los Banos area. These housing facilities were constructed and continue to be managed by the State through the Housing Authority of the County of Merced. In total, they provide 228 units for occupancy between the months of May and November. In addition to these centers, there are 55 State licensed private farmworker camps in the County. While there are no accurate figures on the number of units provided by these camps, it is certain that the total number of units is considerably less than the number needed.

The USDA Census of Agriculture (2012) reported 17,265 farmworkers in Merced County. Of this figure, 8,448 farmworkers worked 150 days or more and 8,817 worked fewer than 150 days in 2012. The USDA Census of Agriculture also reported 4,464 hired migrant farmworkers in 2012.

Type of Farm Labor	Number of Workers
Hired Farm Labor	17,265
Workers by Days Worked -150 Days or More	8,448
Workers by Days Worked – Less than 150 Days	8,817
Hired Migrant Farm Labor on Farms with Hired Labor[1]	4,464

[1]Includes hired labor and reporting only contract labor.
Source: U.S. Census of Agriculture, 2012. 5th Cycle Housing Element Data Package, Table 14 and 15

Future housing development suitable for farmworkers (migrant and/or permanent) is permitted by right in the R-3 High Density Residential District via apartments. The Los Banos Municipal Code does not require that only related persons reside in single family

residences so therefore, employee housing would be allowable in residential zoning classification. Preferable sites would provide reasonable access to public agencies and transportation services. The resources inventory within this Element shows the amount of developable land both within the City, and within the City's Sphere of Influence available for farmworker housing.

Employee housing for up to six workers is permitted in the R-1 Zoning Classification and not permitted in the R-2 and R-3 Zoning Classification. Additionally, Employee Housing for more than six workers is permitted with a Conditional Use Permit in the R-1 and R-2 Zoning Classification.

Program 8D has been included in this Housing Element to 1) promote the development of farmworker housing and 2) provide information and refer applicants interested in farm worker housing to the Housing Authority of Merced County.

Homeless

Homelessness is a complex issue that has become a significant social concern in recent years. The number of homeless persons has increased dramatically in the last decade, especially within the last two years. This has occurred for a number of reasons, to include: the decrease in federal housing funds, the cost of available housing proportionate to wages, the increasing number of mentally ill individuals living on their own, persons with substance abuse problems, women and children fleeing family violence, the lack of family support networks in today's fast paced society, the change in the economy and the loss of jobs and increase in unemployment rates.

Many individuals and families transition in and out of homelessness over the course of a year. A lack of affordable housing can make it difficult for families to move from shelters and transitional housing into permanent housing and puts many low income families with housing at risk of becoming homeless. It is difficult to estimate the number of individuals and persons in families with children who are at risk of becoming homeless; however, the Corporation for Supportive Housing estimates that 5 to 10 percent of low income households in a community may experience homelessness at some point during a 12 month period. It can be assumed that those most at risk of becoming homeless are low income households paying more than 50 percent of their income for housing costs. These households are not likely to have reserve funds in case of an illness, job loss or other factors and are at risk of becoming homeless.

The City of Los Banos does not provide homeless services but the Merced County Association of Governments (MCAG) facilitated the development of the Merced County Continuum of Care Plan, which involves a collaborative among local jurisdictions and community organizations that provide services to the homeless. The Plan outlines the services currently available for homeless persons and identifies the gaps in those services in order to establish a prioritized list of needs. HUD funding, in the amount of approximately $533,000 per year, is available to agencies that participate in Merced's Continuum of Care program.

The Merced County Continuum of Care group conducts an annual street count and reports the results in an annual plan to HUD. In January 2016, an actual count was completed in which members from the Continuum of Care group walked the streets and reported how many homeless were seen during a three hour period. At the time of the annual count, 519 homeless individuals were observed within the County, sheltered and unsheltered. The Continuum of Care group reports that 56% of the homeless respondents for their survey were "chronically homeless" which means they were unaccompanied, struggle with a disabling condition and have been homeless for over a year or had four episodes of homelessness over the past three years. According to the Continuum of Care group, the Chronically Homeless are the most difficult to house as many of them have mental health or substance abuse issues. The Department of Housing and Urban Development (HUD) estimates that 10% of America's homeless population is chronically homeless but this 10% consume 50% of the resources available to the homeless population.

Merced's Continuum of Care also reported the following information in regard to the unsheltered homeless population (356 persons) at the time of the survey in January of 2016:

- 72 percent were men
- 53 percent had a Chronic Health Condition
- 29 percent had Development Disabilities
- 0 percent had HIV/AIDS
- 20 percent had a Mental Illness
- 47 percent had a Physical Disability(s)
- 23 percent were substance abusers
- 1 percent were unaccompanied youth under age 18
- 33 percent were victims of domestic violence
- 28 percent were women
- 8 percent were youth age 18 to 24

The Merced County Continuum of Care has five primary objectives: 1) Create new permanent housing beds for chronically homeless persons; 2) Increase percentage of homeless persons staying in permanent housing over 6 months to at least 71.5%; 3) Increase percentage of homeless persons moving from temporary housing to permanent housing to at least 63.5%; 4) Increase percentage of homeless persons employed at exit to at least 19%; 5) Decrease the number of homeless households with children. The inclusion of emergency homeless shelters and special needs housing as permitted uses in Los Banos should help to meet these objectives.

Table II-16 depicts the unsheltered population by jurisdiction as a result of the Merced County 2016 Homeless Count and Survey. This survey was conducted on January 28, 2016 and involved individual volunteers and organizations. As indicated in the table below, Los Banos, at the time of the survey, had 64 homeless persons within the City.

Table II-16
Homeless Count by Jurisdiction

Jurisdiction	Unsheltered Homeless Persons	
	Number	Percentage
Merced	218	61
Los Banos	64	18
Dos Palos/South Dos Palos/Dos Palos Y	41	11
Atwater/Winton	28	9
Le Grand	5	1
Total:	356	100

Source: Merced County 2016 Homeless Count and Survey, dated February 2016

Supportive and Transitional Housing and Emergency Shelters

Transitional housing means housing with supportive services that is exclusively designated and targeted for homeless persons. Transitional housing includes self-sufficiency development services, with the ultimate goal of moving homeless persons to permanent housing as quickly as possible. Assistance in the Supportive Housing Program is provided to help homeless persons meet three overall goals: 1) achieve residential stability; 2) increase their skill levels and/or incomes; and 3) obtain greater self-determination (i.e., more influence over decisions that affect their lives). The City will regulate supportive housing as a residential use, provided supportive services are ancillary to the primary use.

The City's zoning code defines "Transitional and/or supportive housing" as housing with supportive services that is limited to occupancy of up to twenty-four (24) months that is exclusively designated and targeted for recently homeless persons. Transitional housing includes self-sufficiency development services, with the ultimate goal of moving recently homeless persons to permanent housing as quickly as possible, and limits rents and service fees to an ability-to-pay formula reasonably consistent with the United States Department of Housing and Urban Development's requirements for subsidized housing for low-income persons.

Currently, the Emergency Shelters and Transitional and Supportive Housing are permitted by right in the Medium Density Residential (R-2) and High Density Residential (R-3) Districts. The City has approximately 54.18 acres of vacant land within its R-2 zone district. This amount of vacant land should be sufficient enough to accommodate the existing and anticipated homeless in the City of Los Banos. The parcels within the R-2 zone district range in size from less than one (1) acre to as large as thirteen (13) acres, and are suitable for the development of an emergency shelter based on size needed for structures, parking, etc. Additionally, Transitional and Supportive Housing are permitted by right in the Low Density Residential District (R-1). Transitional and/or Supportive Housing is permitted for more than six (6) unrelated persons. Both Emergency Shelters and Transitional and Supportive Housing are a by-right use and require no discretionary review.

HOUSING CHARACTERISTICS

The number of households in the City of Los Banos went from 7,721 in 2000 to 10,259 units in 2010 according to the Department of Finance, E-8, Historical and Population Estimates 2000-2010. The population has increased at a slightly faster rate than the number of households since 2000, causing an increase in the average household size. According to the U.S. Census, the average household size was 3.34 compared to 3.49 in 2010. Table II-17 indicates the housing unit type in 2010 and 2015 for the City of Los Banos, based on Population and Housing Estimates provided by the California Department of Finance. As shown in the table, detached single-family units comprised of approximately 84.4% of the City's housing stock in 2010, and decreased slightly to 83.6% in 2015. This decrease is primarily caused by an increase in multi-family (i.e. apartments and duplexes) units, which represented 10.9% of the City's housing stock, and in 2015, represents approximately 11.7% of the housing stock. Mobile home units represent 3.5% and 3.4% of the City's housing stock in 2010, and 2015.

Table II-17
Housing Stock by Type

DOF Estimates		Total	Single- family		Multi-family		Mobile Homes	Occupied
			Detached	Attached	2 to 4	5 Plus		
City of Los Banos								
Units	2010	11,375	9,598	142	441	798	396	10,259
Percentage		100.0%	84.4%	1.5%	3.9%	7.0%	3.5%	90.2%
Units	2015	11,505	9,614	142	475	878	396	10,432
Percentage		100.0%	83.6%	1.2%	4.1%	7.6%	3.4%	90.7%

Source: State of California, Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State – January 1, 2011-2015. Sacramento, California, January 2015; 5th Cycle Housing Element Data Package, Table 9.

Housing Composition

The number of housing units increased from 8,049 in 2000 to 11,375 in 2010, an increase of 41.3%. Since 2010, the number of housing units has only increased to 11,505 in 2015, according to the Department of Finance E-5 Estimates. The City of Los Banos experienced higher population growth and housing unit construction than the remainder of Merced County.

The 2015 Department of Finance E-5 Estimate reports the majority of housing units in the City of Los Banos are single family detached structures, 83.6%.

Housing Supply

According to the 2010 Census, there were 1,116 vacant housing units in that year which equates to a vacancy rate of 9.8%. This vacancy rate was higher than that experienced at the time of the 2000 Census, which was at 4.1 percent. The current economy, real estate

trends and unemployment rates has caused a severe increase in the number of vacancies within the City.

Homeownership

The U.S. Census divides households into two different categories, depending on their composition. Family households are those that consist of two or more related persons living together. Non-family households include persons who live alone or in groups composed of unrelated individuals.

According to figures from the 2010 Census, the rate of home ownership in Los Banos was 60.4 (percent), which is considerably higher than the overall State proportion of 56.9 percent. The remaining 39.6 percent are renters. Interestingly, the rate of home ownership in Los Banos in 2000 was significantly higher (67.9 percent), and is attributed to the housing crisis and economic downturn that started in 2007/08, which resulted in numerous foreclosures.

Age and Condition of Housing Stock

The US Census provides only limited data that can be used to infer the condition of Los Banos' housing stock. Thus, US Census data are presented first and are then supplemented with information gathered through a visual survey of Los Banos' housing stock completed by the City of Los Banos. This survey was conducted in March of 2009 for the purpose of documenting housing conditions throughout the City for the purpose of housing rehabilitation.

In addition to survey data, the age of a community's housing stock is a relatively good indicator of the likely condition in which current housing units can be found. According to 2013 Census data (American Community Survey) and building permit data, 42.9% of the housing stock is older than 30 years in age.

According to the 2013 Census (American Community Survey, 3-Year 2011-2013), the median year in which housing units were built in Los Banos was 1993, compared to the County median of 1979 and the State median of 1974. This indicates that Los Banos experienced a relatively large increase in housing production over the past two decades, especially from 2000 to 2009 where the City saw 3,165 new homes build. Since 2010, however, housing production has slowed down considerably, where only 143 new homes have been built.

However, there are still many older homes in the City that may require repairs and rehabilitation efforts. For instance, walls and siding in homes built before 1978 may contain lead based paint, which is now known to be toxic.

Results of Housing Conditions Survey

To provide more specific information on the exterior condition of the existing housing units in Los Banos, the City conducted a housing stock "Windshield Survey". The survey followed the guidelines and procedures provided by the California Department of Housing and Community Development (HCD).

According to HCD Housing Survey Methods, housing units can be classified into one of five categories: 1) Sound, 2) in need of minor repairs, 3) in need of moderate repairs, 4) in need of substantial repairs, or 5) dilapidated. A description of each, taken directly from HCD's procedural guidelines, follows.

HCD Housing Survey
Definition of Housing Conditions

Sound- a unit that appears new or well maintained and is structurally intact. The foundation should appear structurally undamaged and there should be straight roof lines. Siding, windows, and doors should be in good repair with good exterior paint condition. Minor problems such as small areas of peeling paint and/or other maintenance items are allowable under this category.

Minor- a unit that shows signs of deferred maintenance, or which needs only one major component such as window replacement.

Moderate- a unit in need of replacement of one or more major components and other repairs, such as roof replacement, painting, and window repairs.

Substantial- a unit that requires replacement of several major systems and possibly other repairs (e.g. complete foundation work, roof structure replacement and re-roofing, as well as painting and window replacement.)

Dilapidated- a unit suffering from excessive neglect, where the building appears structurally unsound and maintenance is non-existent, not fit for human habitation in its current condition, may be considered for demolition or at minimum, major rehabilitation will be required.

A total of 5,483 housing units were surveyed equaling 51 percent of the total 10,751 housing units in Los Banos (2000 Census figure plus data from the Building Department). The results are presented in Table II-18 below.

Table II-18
Results of Windshield Housing Survey

	Sound	Minor	Moderate	Substantial	Dilapidated	Total
Number of Units	5,304	149	27	2	1	5,483
Percent of total surveyed	96.74%	2.72%	.49%	.04%	.02%	100.00%

As indicated in the above table, the housing stock in Los Banos is in extremely good condition. A total of 96.74% of the housing stock is in sound condition, 2.72% is in need of minor repairs and less than 1% is considered to be in moderate condition, in need of substantial repairs or is considered dilapidated.

The survey did not take into account the interior condition of the homes and it only included a random sampling of homes within each individual census tract within the City, however, it was considered a good representative sample.

Program 3E has been included in the Housing Element, which allows the City to update the above referenced Housing Condition Survey. The program includes utilizing the results of the Housing Condition Survey to identify households that qualify for rehabilitation grants and low-interest loans. The City shall contact the homes identified in the Housing Conditions Survey as needing home rehabilitation and repair the most.

Overcrowding

Data on housing overcrowding are available from the U.S. Census in the form of statistics regarding the number of persons per room in occupied housing units. Typically, a housing unit is considered to be overcrowded if there are more than 1.0 persons per room. Additionally, a housing unit is considered to be severely overcrowded if there are more than 1.5 persons per room. Table II-19 compares Census data on overcrowding listed by tenure for Los Banos in 2000 and 2012. As the table illustrates, overcrowding improved during from 2000 to 2012; the total proportion of overcrowded households decreased from 16.6 percent in 2000 to 7.1 percent in 2012.

When broken out according to tenure, the data reveals that although renters constitute only 41.8 percent of all households, they accounted for 68.2 percent of all overcrowded households. The percentage of owner-occupied households that experienced overcrowding decreased from 11.0 percent in 2000 to 3.9 percent in 2012, a trend that reflects the low house prices that Los Banos experienced following the housing market crash in 2007/08, which provided opportunities for home ownership, especially to first time homebuyers.

Table II-19
Overcrowded Households 2000 & 2012

	2000				2012			
Persons per Room	Owners	Renters	Total	Percent	Owners	Renters	Total	Percent
1.00 or less	4,710	1,752	6,462	**83.3%**	5,558	3,675	9,233	**89.3%**
1.01 to 1.50	380	271	651	**8.4%**	117	390	507	**5.1%**
1.51 or more	203	436	639	**8.2%**	108	93	201	**2.0%**
Total	5,293	2,459	7,752	**-**	5,783	4,158	9,941	**-**
Total overcrowded	583	707	1,290	**16.6%**	225	483	708	**7.1%**
Percent overcrowded by tenure	11.0%	28.8%	-	-	3.9%	11.6%	-	-

Source: US Census Bureau, 2000 Census; 2008-2012 American Community Survey, Table B25014: Tenure by Occupants per Room; HCD 5th Cycle Data Package: Table 3

Housing Cost Burdens

Table II-20 contains data from the 2011 US Census (American Community Survey) regarding the percentage of household income spent on housing costs for Los Banos residents. The data are segregated according to tenure and household income levels.

Table II-20
Los Banos Housing Costs as a Percentage of Income by Tenure and Income Category (2011)

AMI	**Households by Income Category Paying in Excess of 30% of Income Toward Housing Cost (Overpayment By Income Category)**						
57,900	**Los Banos**						
Household	**Extreme Low**	**Very Low**	**Low**	**Moderate**	**Above Moderate**	**Total**	**Lower Income**
Ownership Households	**558**	**480**	**873**	**1,044**	**2,299**	**5,255**	**1,912**
Overpaying owner households	**427**	**311**	**537**	**760**	**419**	**2,454**	**1,275**
Percentage of overpaying owners	**76.5%**	**64.7%**	**61.5%**	**72.8%**	**18.2%**	**46.7%**	**66.7%**
Renter Households	**1,076**	**670**	**790**	**552**	**507**	**3,594**	**2,536**
Overpaying renter households	**950**	**547**	**500**	**176**	**0**	**2,173**	**1,997**
Percentage of overpaying renters	**88.3%**	**81.6%**	**63.3%**	**31.9%**	**0.0%**	**60.5%**	**78.8%**
Total Households	**1,635**	**1,150**	**1,663**	**1,596**	**2,806**	**8,849**	**4,448**
Overpaying Households	**1,377**	**857**	**1,037**	**937**	**419**	**4,627**	**3,271**
Percentage of overpaying households	**84.3%**	**74.6%**	**62.3%**	**58.7%**	**14.9%**	**52.3%**	**73.6%**

Source: U.S. Census, 2007-2011 5-Year American Community Survey, Table B25106

According to federal and state standards, in order to maintain affordability a household's gross monthly housing costs should not require more than 30 percent of its gross monthly income. As shown above in Table II-19, 46.7 percent of Los Banos owner households paid 30 percent or more of their monthly income for housing in 2011. In the renter category, 60.5 percent of the households, or a total of 2,173 households, paid 30 percent or more of their monthly income for housing costs. Lower-income households accounted for 1,275(66.7%) owner households and 1,997 (78.7%) renter households that were paying more than 30 percent of their monthly income for housing costs.

Table II-19 shows the relative distribution of households overpaying for housing among the various income groups. Extremely-low income groups are most affected and account for 1,377 of 1,635 households paying over 30 percent of their monthly income for housing costs or 84.3%. Above moderate income households, however, were not so affected by housing costs, and only account for 14.9 percent of all above moderate income households that are overpaying.

Affordability Trends

Housing affordability refers to the relationship between total household income and total household expenditures for housing, including mortgage, taxes, insurance and utilities. This relationship is typically expressed as the percentage of total household income allocated to housing expenditures. The actual percentage will vary of course from household to household reflecting individual choices regarding the allocation of income.

Notwithstanding the fact that individual households may choose to spend more or less for their housing needs, it is necessary to have some guidelines as to what a household should expect to spend on housing in relation to other expenditures. This is particularly necessary for households in lower income categories where the expenditure for housing is likely to directly affect the amount of money available for other basic needs.

Housing is classified as "affordable" if households do not pay more than 30 percent of income for payment of rent (including monthly allowance for water, gas, and electricity) or monthly mortgage (including taxes). Since above moderate-income households do not generally have problems in locating affordable units, affordable units are frequently defined as those reasonably priced for households that are low- to moderate-income. Table II-21 below shows the definition of housing income limits as they are applied to housing units in Los Banos.

Table II-21
Definitions Of Housing Income Limits (2015)

Extremely Low-Income Unit is one that is affordable to a household whose combined income is at or lower than 30% of the median income for the Merced MSA (Merced County) as established by the U.S. Department of Housing and Urban Development (HUD). For 2015, a Los Banos household of four is considered to be extremely low-income if its combined income is $24,250 or less.
Very Low-Income Unit is one that is affordable to a household whose combined income is at or between 31% to 50% of the median income for the Merced MSA (Merced County) as established by the U.S. Department of Housing and Urban Development (HUD). For 2015, a Los Banos household of four is considered to be very low-income if it's combined income is $28,450 or less.
Low-Income Unit is one that is affordable to a household whose combined income is at or between 51% to 80% of the median income for the Merced MSA (Merced County) as established by HUD. A household of four is considered to be low-income in Los Banos if its combined income is $45,500 or less for the year 2015.
Median-Income Unit is one that is affordable to a household whose combined income is at or between 81% to 100% of the median income for the Merced MSA (Merced County) as established by HUD. A Los Banos household of four is considered to be median income if its combined income is $52,500 or less for the year 2015.
Moderate-Income Unit is one that is affordable to a household whose combined income is at or between 101% to 120% of the median income for the Merced MSA (Merced County) as established by HUD. In Los Banos a household of four is considered to be moderate-income if its combined income is $63,000 or less for the year 2015.
Above Moderate-Income Unit is one that is affordable to a household whose combined income is above 120% of the median income for the Merced MSA (Merced County) as established by HUD. A Los Banos household of four is considered to be above moderate-income if its combined income exceeds $63,000 for the year 2015.

Source: U.S. Department of Housing and Urban Development (HUD), 2015 – effective March 6, 2015

Table II-22 shows the 2015 HUD family income limits for the Merced Metropolitan Statistical Area (MSA), which includes Los Banos, by the number of persons in the household for the income categories discussed above. The table also shows maximum affordable monthly rents and maximum affordable purchase prices for homes, assuming that households do not pay more than 30 percent of their incomes for housing expenses. For example, a four-person household is classified as Low-Income (80 percent of median) with annual income of up to $45,500. A household with this income could afford to pay a monthly gross rent (including utilities) of up to $1,138 or to purchase a house priced at approximately $166,537 or less.

Table II-22
Ability To Pay For Housing For Very Low-, Low-, Median- And Moderate-Income Households

Extremely Low-Income Households at 30% of 2015 Median Family Income						
.	**Studio**	**1 Bedroom**	**2 Bedroom**	**3 Bedroom**	**4 Bedroom**	**5 Bedroom**
Number of Persons	1	2	3	4	5	6
Income Level	$11,950	$15,930	$20,090	$23,850	$28,410	$32,570
Max. Monthly Gross Rent[1]	$299	$398	$502	$606	$710	$814
Max. Purchase Price[2]	$42,490	$58,306	$73,549	$87,294	$103,985	$119,228
Very Low-Income Households at 50% of 2015 Median Family Income						
	Studio	**1 Bedroom**	**2 Bedroom**	**3 Bedroom**	**4 Bedroom**	**5 Bedroom**
Number of Persons	1	2	3	4	5	6
Income Level	$19,950	$22,800	$25,650	$28,450	$30,750	$33,050
Max. Monthly Gross Rent[1]	$499	$570	$641	$711	$769	$826
Max. Purchase Price[2]	$73,017	$83,468	$93,884	$104,118	$112,554	$120,991
Low-Income Households at 80% of 2015 Median Family Income						
	Studio	**1 Bedroom**	**2 Bedroom**	**3 Bedroom**	**4 Bedroom**	**5 Bedroom**
Number of Persons	1	2	3	4	5	6
Income Level	$31,850	$36,400	$40,950	$45,500	$49,150	$52,800
Max. Monthly Gross Rent [1]	$796	$910	$1,024	$1,138	$1,229	$1,320
Max. Purchase Price[2]	$116,598	$133,254	$149,895	$166,537	$179,898	$193,294
Median-Income Households at 100% of 2015 Median Family Income						
	Studio	**1 Bedroom**	**2 Bedroom**	**3 Bedroom**	**4 Bedroom**	**5 Bedroom**
Number of Persons	1	2	3	4	5	6
Income Level	$36,750	$42,000	$47,250	$52,500	$56,700	$60,900
Max. Monthly Gross Rent[1]	$919	$1,050	$1,181	$1,313	$1,418	$1,523
Max. Purchase Price[2]	$134,569	$153,756	$173,008	$192,196	$207,571	$222,947
Moderate-Income Households at 120% of 2015 Median Family Income						
	Studio	**1 Bedroom**	**2 Bedroom**	**3 Bedroom**	**4 Bedroom**	**5 Bedroom**
Number of Persons	1	2	3	4	5	6
Income Level	$44,100	$50,400	$56,700	$63,000	$68,040	$73,080
Max. Monthly Gross Rent[1]	$1,103	$1,260	$1,418	$1,575	$1,701	$1,827
Max. Purchase Price[2]	$161,444	$184,508	$208,889	$230,635	$249,088	$267,542

[1]Assumes that 30% of income is available for monthly rent including utilities.
[2]Assumes that 30% of income is available to cover mortgage payment, taxes, mortgage insurance, homeowners insurance;
97% loan @ 4%, 30 year term, FHA, with no consumer debt.
Source: HUD FY 2015 Income Limits (March 6, 2015) and Freddie Mac Loan Calculator, http://calculators.freddiemac.com/response/lf-freddiemac/calc/home01

A household can typically qualify to purchase a home that is two and one half to three times its annual income, depending on the down payment, the level of other long term obligations and interest rates. In practice, the interaction of these factors allows some households to qualify for homes priced at more than three times their annual income, while other households may be limited to purchasing homes no more than two times their annual income.

Table II-23 below shows the HUD-defined fair market rent levels (FMR) for the Merced MSA (Merced County) for 2015 that the Merced County Housing Authority uses in its Housing Choice Voucher Program (Section 8). In general, the FMR for an area is the amount that would be needed to pay the gross rent (shelter rent plus utilities) of privately owned, decent, safe, and sanitary rental housing of a modest (non-luxury) nature with

suitable amenities. FMRs are estimates of rents that provide opportunities to rent standard quality housing throughout the geographic area in which rental housing units are in competition. The rents are drawn from the distribution of rents of all units that are occupied by recent movers. Adjustments are made to exclude public housing units, newly built units, and substandard units.

Table II-23
Merced MSA Fair Market Rent
City of Los Banos
2015

	Bedrooms in Unit				
	Efficiency	**1 BR**	**2 BR**	**3 BR**	**4 BR**
Fair Market Rent (FMR) (2015)	$498	$577	$759	$1,118	$1,344

Source: U.S. Department of Housing and Urban Development (HUD), 2015

As noted above, a four-person household classified as Low-Income (80 percent of median) with an annual income of up to $45,500 could afford to pay $1,138 monthly gross rent (including utilities). The FMR for a three-bedroom unit is $1,118, which is just above the affordable rent for Low-Income earners and not affordable. Furthermore, a four-person household classified as Very Low-Income (50 percent of median) with an annual income of up to $28,450 could afford to pay only $711 monthly gross rent, which is significantly below the FMR rent of a three-bedroom unit ($1,118). The same would hold true for households with Extremely Low-Incomes below 30 percent of median, which would have even less income to spend on rent. However, the FMR-rent for a two-bedroom unit ($759) is within the affordable range for a Low-Income household.

Table II-24 summarizes rents paid by rental range. There were 73 units with rents less than $200 and the majority of units rented for $1,000 to $1,499. Only 7.07% of rentals were in the $300 to $499 range and another 30.47% were in the $500 to $999 range.

Table II-24
Rental Cost (2014)

Rent Range	Number	Percent
Less than $200	73	1.57%
$200-$299	155	3.33%
$300-$499	174	3.74%
$500-$749	516	11.08%
$750-$999	903	19.39%
$1,000-$1,499	2,157	46.33%
$1,500 or more	678	14.56%
Total (Occupied Units)	4,656	100.00%
Median Rent	$1,087	

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Based on a review of rental ads at Zillow.com, craigslist.com and apartments.com in April 2016, the median rent of available units in Los Banos is $1,087. Range of rents by number of bedrooms include $600 to $900 for 1 Bedroom, $800 to $1,200 for 2 Bedrooms, $900 to $1,500 for 3 Bedrooms and $1,300 to $1,600 for 4 Bedrooms.

Table II-25
Rent by Number of Bedrooms (2016)

Bedroom Type	Rent Range (2016)
1 Bedroom	$600-$900
2 Bedrooms	$800-$1,200
3 Bedrooms	$900-$1,500
4 Bedrooms	$1,300 -$1,600

Source: Zillow.com, Apartments.com, Craigslist.com; Reviewed April 2016

ASSISTED HOUSING PROJECTS

In 1989, the California Government Code was amended to include a requirement that localities identify and develop a program in their housing elements for the preservation of assisted, affordable multi-family units. Subsequent amendments have clarified the scope of the analysis to include units developed pursuant to inclusionary housing and density bonus programs. In the preservation analysis, localities are required to provide an inventory of assisted, affordable units that are eligible to convert to market rate housing within ten years. As part of this analysis, an estimation of the cost of preserving versus replacing the units is to be included as well as programs designed to preserve the affordable units.

Assisted Rental Housing Eligible for Conversion

Table II-26 lists the nine (9) assisted rental projects in the City of Los Banos, their funding sources, contact company, subsidy expiration date and level of risk of conversion to market rate. The cost of conserving the assisted units is estimated to be significantly less than that required to replace the units through new construction. Conservation of assisted units generally requires subsidizing the difference between market rate and assisted rents. Since land prices and land availability are generally the limiting factors to development of low income housing, it is estimated that subsidizing rents to preserve assisted housing is more feasible and economical than new construction. However, federal, state and local resources must be available to assist with the preservation of the units.

Table II-26
Assisted Units At-Risk of Conversion

Project Name	Contact Company	Start Date (PIS)[1]	Program Type	Project Address	# of Units	# of Units Assisted	Source of Funds	Exp. Date
Central Valley Apts I	Quality Hsg Development Corp.	3/29/85	Family	1100 "D" St.	40	11	Rural Rental Housing	2035
Central Valley Apts II	Quality Hsg Development Corp.	8/11/88	Family	1100 "D" St.	38	32	Tax Credit Allocation	2033
Los Banos Apts.	West I Street Assoc. LLP	5/03/79	Family	44 W "I" St.	66	66	Rural Rental Housing	2027
McArthur Apts	Los Banos Partners LLC	9/01/78	Elderly	1130 "F" St	50	49	HUD Section 8 Rental	2025
McArthur Apts I	Los Banos Partners LLC	10/31/80	Elderly	1130 "F" St.	50	50	Rural Rental Housing	2035
Heritage Village	Mike Condry	11/01/03 2007	Elderly /Disabled	1156 San Luis	50	49	USDA / Tax Credit	Year ly[2]
Los Banos Family Apartments (Pacheco Village)	Corp. for Better Housing	2008	Large Family	2235 Gilbert Gonzalez Jr. Drive	105	103	LIHTC / Tax Credit Allocation	2063
Los Banos Family Apartments II (Pacheco Village Phase II)	Corp. for Better Housing	2010	Large Family	2125 Gilbert Gonzalez Jr. Drive	80	79	LIHTC / Tax Credit Allocation	2065
Carrington Pointe	Affordable Housing Development Corp.	1999	Large Family	1985 San Luis Street	80	79	LIHTC / Tax Credit Allocation	2029
Total					***559***	***518***		

[1]PIS = Placed in Service
[2]Each year tenants receive a notice of expiration and submit income data. This is submitted to Rural Development (RD) for rent subsidies. No units are set to expire within 2014-2023 Planning Cycle and within ten (10) years. *Source: Phone conversation with property management, August, 2015.*
Source: Discussions with Property Management/Company email correspondence and online research, 2015/2016. Example: Los Banos Apartments is managed by Affordable Housing Development Corporation. Phone conversations held in July/August of 2015.

According to the owner of the McArthur Apartments, there are no plans for discontinuing to offer these units at below market rates to the elderly and persons with disabilities. Owners of the Central Valley Apartments and the Los Banos Apartment have not notified the City of any plans to convert these units to market rate housing, as required by State Law. Should the City receive such notification, it will ensure that all tenants are also properly notified. The City does plan to contribute towards ensuring that all of the existing assisted housing projects in Los Banos, along with any other future programs, remain affordable to lower income groups. Available State and Federal funding program information is included in the Housing Element in Appendix D.

Table II-27 below analyzes the relative costs for replacing versus preserving a typical at risk housing unit. As can be seen from the estimates, even in the case of older units requiring rehabilitation, new construction tends to be costlier than preservation of existing units. This analysis further reinforces the City's intent to ensure that existing affordable units are not converted to market rate.

Table II-27
Replacement vs. Preservation Cost

Expense	Cost Per Unit
Preservation	
Acquisition	$40,000
Rehabilitation	$20,000
Financing	$5,000
Total Cost Per Unit	**$65,000**
Replacement (New Construction)	
Land Acquisition	$12,000
Site Improvements	$3,500
Construction	$45,000
Permits/Fees	$17,000
Financing	$5,000
Total Cost Per Unit	**$82,500**

FUTURE HOUSING NEEDS

State law (California Government Code Section 65584) requires that each city and county plan to accommodate a fair share of the region's housing construction needs. In urban areas, State law provides for councils of governments to prepare regional housing allocation plans that assign a share of a region's housing construction need to each city and county. For the City of Los Banos, and Merced County and all municipalities, Merced County Association of Governments (MCAG) is the entity authorized to determine the future housing needs for the region. MCAG adopted a Regional Housing Needs Allocation Plan (RHNA) in June of 2015. This plan covers a nine year period from January 1, 2014 through December 31, 2023.

Existing need is evaluated based on overpayment and overcrowding by lower income households. MCAG's methodology is based on regional population and housing forecasts. The goal of the RHNA 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.

The housing units allocated in the plan to each city and county are considered minimum needs. Most, if not all, jurisdictions have existing unmet housing needs that should be considered during the preparation of a housing element, and which may result in housing construction objectives that exceed the regional allocation. The City must however use the numbers allocated under the RHNA to identify measures (policies and ordinances) that are consistent with these new construction goals. While the City must also show how it will provide adequate sites for construction of the required units, it is not obligated to build any of the units itself or finance their construction.

According to the RHNA, the City of Los Banos has a total housing construction need of 2,473 units, which equates to an annual need of approximately 275 units. Table II-28 shows the City of Los Banos' 2014-2023 planning period allocation, as determined by MCAG.

Table II-28
Regional Housing Needs Allocation Plan (2014-2023)

	Extremely Low	Very-Low	Low	Moderate	Above Moderate	Total
RHNA Allocation	326	278	431	396	1,049	2,480
Percent of Total	13.2%	11.2%	17.4%	16.0%	42.4%	100.0%

Source: MCAG 2007-2014 Regional Housing Needs Allocation Plan, June 2015

Although the total RHNA for the City is 2,473 units, the recent rash of foreclosures and change in the economy must be considered. As stated previously, according to the California Association of Realtor's Housing Affordability Index for First-Time Buyers, the number rose to 77 percent in the fourth quarter of 2015, meaning that nearly eight in ten households in California could afford the entry-level.

The City must provide an estimate of the number of projected extremely low income housing needs. Based on CHAS Data, 54% of the City's very low income households qualify as extremely low income. Therefore, the City is estimating that approximately 54 percent of its very low income regional housing need is projected to be an extremely low income housing need. In other words, of the 604 very low income housing needed, the City is projecting 326 (13.2%) units for extremely low income households. Most, if not all, extremely low income households will require rental housing. The extremely low income households will likely face housing problems such as overpaying, overcrowding and/or accessibility issues as a result of their limited income. Also, many of the extremely low income households will fall within a special needs category (disabled, seniors, large families or female headed households) and require supportive housing services. The City, as part of the previous Housing Element cycle, has implemented programs such as Emergency and Transitional and Supportive Housing, Special Needs Housing and Employee Housing, which provide more opportunity for housing for lower income groups. Through implementation of the policies and programs outlined in the Housing Element and through continued participation and support of the Merced Continuum of Care, the City will seek to provide a variety of housing types, including housing affordable to extremely low income households.

ENERGY CONSERVATION OPPORTUNITIES

State Housing Element Law requires an analysis of the opportunities for energy conservation in residential development (Government Code Section 65583 (a)(7)). Affordable energy is an essential component of affordable housing. High energy costs have particularly detrimental effects on low-income households that do not have enough income or cash reserves to absorb cost increases. Depending on the age and condition of the home and on the type of fuel used, energy costs can represent more than 25 percent of overall housing costs.

In the past twenty years, rapidly increasing energy costs have contributed to the deterioration of housing affordability. Since 1970, energy costs to consumers have increased 100 percent above the cost of inflation, while crude oil prices have increased over 500 percent. In response to these increases, California's energy conservation standards have helped to improve energy efficiency in new homes. More recent energy price fluctuations in the late 1990s and particularly in 2001, combined with rolling electricity blackouts, have led to a renewed interest in energy conservation.

All new buildings in California must meet the standards contained in Title 24, Part 6 of the California Code of Regulations (Energy Efficiency Standards for Residential and Nonresidential Buildings). These regulations were established in 1978 and most recently

updated in 2013 (effective July 1, 2014). Local governments enforce energy efficiency requirements through the building permit process. All new construction must comply with the standards in effect on the date a building permit application is made.

Such improvements in energy conservation make important contributions to housing affordability. Minimizing energy used for space and water heating as well as air conditioning can significantly reduce home energy costs. Water heating is second only to space heating in total energy usage. According to Pacific Gas and Electric, energy use can range anywhere from $75 to $200 per month in homes heated by electricity. In general, houses built prior to 1975 use twice as much energy as those built after that year.

The City works to promote energy conservation in a variety of ways. Firstly, the City ensures through the building permit process that all new residential development meets or exceeds current state energy efficiency standards. Additionally, the City uses State Community Development Block Grant (CDBG) funds to implement a housing rehabilitation loan program. Through low interest loans to low-income households, the program leads to rehabilitation projects that can significantly reduce home energy costs on both a short-term and long-term basis.

General Design Standards for Energy Conservation

There are many opportunities for conserving energy in new and existing homes. New buildings, by design, can easily incorporate energy efficient techniques into the construction. Energy conservation is becoming more and more important as growth occurs. The Obama Administration announced plans in April of 2009 to invest $3.2 billion in stimulus funds to support the Energy Efficiency and Conservation Block Grant program. According to the Department of Energy, the concept of energy efficiency in buildings includes the whole building envelope, which is everything that separates the interior of the building from the outdoor environment (i.e. windows, doors, walls, foundation, roof and insulation). All the components of the building envelope need to work together to keep a building warm in the winter and cool in the summer.

Constructing new homes with energy conserving features, in addition to retrofitting existing structures, will result in a reduction in monthly utility costs. There are many ways to determine how energy efficient an existing building is, and, if needed, what improvements can be made. Examples of energy conservation opportunities include installation of insulation and/or storm windows and doors, use of natural gas instead of electricity, installation or retrofitting of more efficient appliances and mechanical or solar energy systems and building design and orientation which incorporates energy conservation considerations.

Many modern building design methods are used to reduce residential energy consumption and are based on proven techniques. These methods can be categorized in three ways:

1. Building design that keeps natural heat in during the winter and keeps natural heat out during the summer. Such design reduces air conditioning and heating demands. Proven building techniques in this category include:

- Location of windows and openings in relation to the path of the sun to minimize solar gain in the summer and maximize solar gain in the winter.
- Use of thermal mass earthen materials such as stone, brick, concrete and tiles that absorb heat during the day and release heat at night.
- Use of window coverings, insulations and other materials to reduce heat exchange between the interior of a home and the exterior.
- Location of openings and the use of ventilating devices that take advantage of natural air flow.
- Use of eaves and overhangs that block direct solar gain through window openings during the summer but allow solar gain during the winter.
- Zone heating and cooling systems which reduce heating and cooling in the unused portions or a home.

2. Building orientation that uses natural forces to maintain a comfortable interior temperature. Examples include:

- North-south orientation of the long axis of a dwelling.
- Minimizing the southern and western exposure of exterior surfaces.
- Location of dwellings to take advantage of natural air circulation and evening breezes.

3. Use of landscaping features to moderate interior temperatures. Such techniques include:

- Use of deciduous shade trees and other plants to protect the home.
- Use of natural or artificial flowing water.
- Use of trees and hedges as windbreaks.

In addition to natural techniques, a number of modern methods of energy conservation have been developed or advanced during the present century. These include:

- Use of solar energy to heat water.
- Use of radiant barriers on roofs to keep attics cool.
- Use of solar panels and other devices to generate electricity.
- High efficiency coating on windows to repel summer heat and trap winter warmth.
- Weather stripping and other insulation to reduce heat gain and loss.
- Use of natural gas for dryers, stovetops and ranges.
- Use of energy efficient home appliances.
- Use of low flow showerheads and faucet aerators to reduce hot water use.

Natural space heating can be substantially increased through the proper location of windows and thermal mass. Use of solar panels can generate 1,000 watts of electricity on a sunny day. This can constitute more than enough power for daily residential operations.

Constraints

The Government Code, as it relates to the Housing Element, requires an analysis of both governmental and non-governmental constraints to the development of affordable housing. Los Banos has identified various constraints to housing production in an effort to address as many barriers as possible. Removal of these constraints must be balanced with other health, safety and welfare concerns.

Non-Governmental Constraints

Land Costs

Typical land costs for residential lots approximately 6,000 square feet in size are estimated at $5.10 to $6.60 per square foot, or roughly $35,000 to $45,000 per finished lot. For this price, a developer would obtain unimproved residential land with full entitlements.

Construction Costs

Many factors can affect the cost of building a house, including the type of construction, materials, site conditions, finishing details, amenities and structural configuration.

Information received from the Central Valley BIA shows that construction costs for a single story home in the Los Banos area ranges from $65-$75 per square foot dependent upon the size of the home for materials and labor and approximately $75-$85 for a multi-family home.

The Cost and Availability of Housing

According to a local real estate search engine, three bedroom, two bathroom homes are currently selling within the City for prices as low as $209,000. According to Table II-20, households within the Moderate-Income category will be able to afford a home at this price. Lower-income households would not qualify for the purchase of a home in the above $200,000 price. Other options would then have to be considered, including low-income subsidized housing as well as rental housing.

In April 2016, 70 homes were identified for sale in Los Banos on Zillow. While almost half of the homes (47.14%) are priced above $300,000, approximately 52.9% of homes were priced less than $300,000. Homes listed for sale in April 2016 are summarized in Table II-26.

Table II-29
Homes for Sale (April 2016)

Price	*Homes*	*Percent*
$500,000 and more	4	5.71%
$400,000-$499,999	6	8.57%
$300,000-$399,999	23	32.86%
$200,000-$299,999	27	38.57%
$100,000-$199,999	8	11.43%
$0-$99,999	2	2.86%
Total:	70	100.00%

Source: Zillow.com; Reviewed April 2016

The Cost and Availability of Financing

There are no local constraints to the availability or cost of financing for home purchases or rehabilitation. Even in the City's older neighborhoods, there are no barriers to obtaining financing for home purchase, improvement, or construction (other than customary underwriting considerations by lenders).

Financing for housing development is generally outside the influence of local government. Lending institutions operating in Merced County maintain branches in Los Banos, but as with all other mortgage finance organizations, the interest rates they offer follow market conditions. In times of high interest rates, financing problems have been viewed as a major factor in housing constraints. The lack of financing at reasonable rates eliminates major segments of the population from securing housing.

The primary factor related to home finance affecting housing affordability and availability is the cost of borrowing money (interest rates). Historically, substantial changes in interest rates have been correlated with swings in home sales. When interest rates decline, sales increase. The reverse has been true when interest rates increase. Over the past two decades, there has been a dramatic growth in alternative mortgage products, such as graduated mortgages and variable rate mortgages. These types of loans did allow homeowners to take advantage of lower initial interest rates and qualify for larger home loans. However, these programs have been eliminated and the underwriting process has been tightened up.

Nevertheless, the fixed interest rate mortgage remains the preferred type of loan, especially during periods of low, stable interest rates. Most governmental programs that seek to increase homeownership among low and moderate income households rely on loan products that provide fixed interest rates below prevailing market rates, either for the principal loan or for a second loan that provides part of the down payment for home purchase. Many programs offer deferred second loans to facilitate homeownership.

Environmental Constraints

Most of the vacant parcels that are scattered throughout the City are surrounded by existing development and could be classified as infill. In addition, due to the topography of the City, vacant land could possibly have constraints that might include limited access, habitat or geologic constraints. The City has historically been able to deal with these constraints and still provide affordable housing.

Agricultural Resources

The majority of land within the City's existing City Limits has been developed into urban uses, or is designated for urban development by the City's General Plan and Zoning Ordinance. Therefore, agricultural resources typically have a less than significant effect on residential development within the City Limits.

Seismic and Geological Hazards

Seismically induced ground rupture is defined as the physical displacement of surface deposits in response to an earthquake's seismic waves. The magnitude and nature of fault rupture can vary for different faults or even along different strands of the same fault. Surface rupture can damage or collapse buildings, cause severe damage to roads and other paved areas, and cause failure of overhead as well as underground facilities.

No active or potentially active faults are known to exist within the City Limits or Planning Area, nor are there any Alquist-Priolo earthquake fault zones mapped in the City Limits or Planning Area. The primary source of seismic activity in Los Banos would likely be the Ortigalita, O'Neil, Calaveras, San Andreas and Hayward Faults.

In addition, buildings in the City have been built in conformance with the Uniform Building Code (UBC) prior to the adoption of the California Building Code (CBC). The UBC and CBC are designed to ensure the structural integrity of buildings and minimize damage resulting from seismic activity. Seismic hazards are not considered a constraint to development within the City of Los Banos.

Fire Hazards

Both structural and wildland fire hazards can threaten residences in Los Banos. Grasslands and brush in existing vacant areas are located within the City. These pose a potential fire hazard in these areas. The City's Fire Department operates two (2) fire stations within the City Limits. The Safety Element of the City's 2030 General Plan, and specifically, Policy S-G-3 and Implementation Actions S-I-16 through S-I-18 are designed to reduce fire hazards and protect structures and residents from fire hazards. Based on the policies provided in the 2030 General Plan, fire hazards are not considered to be a constraint to housing.

Biological Resources

According to the 2030 General Plan, the majority of the Planning Area is comprised of agricultural land, with patches of un-touched grassland scattered throughout the northern and northeast portions of the Planning Area. The majority of the land within the City Limits is considered Urban. Natural habitats consist primarily of human-influenced habitats, such as valley-foothill riparian, alkali desert scrub, and freshwater emergent wetlands exist in the Planning Area where there are affected by activities associated with regional agricultural and urban development. The habitats located within the Planning Area have the potential to include a variety of special status species, such as the Heartscale, Hispid bird's-beak, Sanford's arrowhead, Veran pool tadpole shrimp, Giant garter snake, the western pond turtle, Yellow rail, golden eagle, American badger and the San Joaquin kit fox.

Policies POSR-G-6 and G-7 as well as Implementation Actions POSR-I-21 through I-27 of the 2030 General Plan address potential impacts to biological resources within the Planning Area and such areas within the City Limits. Therefore, biological resources are not considered to be a constraint to housing.

Governmental Constraints

Governmental constraints include land use controls, building codes and their enforcement, site improvements, fees, exactions required of developers and local processing and permit procedures. Land use controls may limit the amount or density of development, while building codes may set specific building standards that add material costs or limit building space on a site, thus increasing the cost of housing per unit.

Land Use Controls

The General Plan and Zoning Ordinance regulate land use in Los Banos. All residential land use classifications pose a constraint to residential development in the sense that various conditions, building requirements and limitations restrict a pure free market ability to construct housing. Land use regulations also have the potential of adding costs to construction, which indirectly may constrain housing. These impacts are measured against the general health and public safety served in adopting such regulations. The City's zoning standards for single family and multifamily development are no more restrictive than those of surrounding jurisdictions and have been determined by the City to establish minimum constraints in order to provide for adequate separation of buildings for fire protection, air and light between structures and the intensity of development. The cumulative effect of the City's implementation of these standards has not resulted in a serious constraint in providing housing to the various income levels, especially with the City's flexibility in allowing density bonuses.

Table II-30 provides a summary of Los Banos' residential zoning regulations, including building setback, height and parking requirements for single family and multi-family

residential districts. The following is a description of the residential districts in the City and the allowable densities.

- Low Density Residential District (R-1): Designates areas for single family homes and secondary units. Density ranges from 0-6 units per acre.
- Medium Density Residential (R-2): Designates areas for more intense residential uses. Appropriate land uses include higher density single family homes, duplexes and triplexes with Use Permits. Density ranges from 7-18 units per acre.
- High Density Residential (R-3): Designates areas for intense multi-family residential land uses. Density ranges from 12-30 units per acre.

Table II-30
Residential Zoning Requirements per Zoning Classification

	R-1 Low Density Residential	**R-2 Medium Density Residential**	**R-3 High Density Residential**
Min. Lot Size (sq. ft.)	6,000	6,000	
Max. Density (dwelling unit/acre)	0-6	7-18	12-30
Min. Front Yard Setback	20	20	15
Min. Side Yard Setback:	5	5	5
Min. Side Yard: Street Side	10	10	10
Min. Rear Yard Setback	10	10	10
Min. Rear Yard Setback (2 Story)	20	20	If abutting lower density district those setbacks apply
Min. Lot Width (interior)	60	40	75
Min. Lot Width (corner lots)	65	45	75
Height Limit (dwellings)	30	30	50 but if within 50’ of R-1 or R-2 only 30’
Max. Lot Coverage	70%	70%	70%
Parking Requirements	2 for du over 1000 sq. ft.	1.5 spaces for one bedroom units and 2 spaces for 2 or more bedrooms	1.5 spaces for one bedroom units and 2 spaces for 2 or more bedrooms

Source: Los Banos Zoning Ordinance
Density Bonus incentives include a reduction in parking standards, per LBMC Sec. 9-3.3407.

Permitted Uses in Residential Zoning Districts

The Los Banos Municipal Code designates permitted, not permitted and conditional uses for all developable use types in the City in relation to the City's Zoning categories. Please refer to Table II-31.

- Single family dwellings are permitted in R-1 and R-2.
- Duplexes are permitted in the R-2 and R-3 districts.
- Triplexes are permitted with a use permit in the R-2 district.
- Second residential units are permitted by right in the R-1 district.
- Residential care facilities for up to six persons are currently permitted in the R-3 district but the Ordinance is being updated to allow for this use in all residential districts.
- Transitional housing and/or Supportive housing (housing for drug/social rehab or parole related care facilities of 6 or less) are permitted in the R-1 and R-2 district and not permitted in the R-3 district.
- Transitional housing and/or Supportive housing (housing for drug/social rehab or parole related care facilities of 6 or more) are permitted in the R-1, R-2 and R-3 district.

Table II-31
Residential Permitted, Non-Permitted and Conditional Use Requirements

Use Type	R-1	R-2	R-3
Single Family Dwellings	Permitted	Permitted *	Not Permitted
Duplex (2 family dwelling)	Not Permitted	Permitted	Permitted
Multi Family (3+)	Not Permitted	Conditional Use	Permitted
Second Residential Units	Permitted	Not Permitted	Not Permitted
Single Room Occupancy (SRO)	Not Permitted	Not Permitted	Conditional Use[2]
Manufactured Homes	Permitted	Permitted	Not Permitted
Mobile Home Parks	Permitted	CUP	Not Permitted
Emergency Shelters[1]	Conditional Use	Permitted	Permitted
Transitional Housing and/or Supportive Housing (up to 6)[1]	Permitted	Permitted	Not Permitted
Transitional Housing and/or Supportive Housing (more than 6)	Conditional Use	Permitted	Permitted
Residential Care Facility (up to 6)	Permitted	Permitted	Not Permitted
Residential Care Facility (more than 6)	Conditional Use	Conditional Use	Permitted
Group Home	Permitted	Permitted	Permitted
Senior Housing Development			
Special Needs Housing (up to 6)	Permitted	Permitted	Not Permitted
Special Needs Housing (more than 6)	Conditional Use	Conditional Use	Permitted
Employee Housing (up to 6)	Permitted	Not Permitted	Not Permitted
Employee Housing (more than 6)	Conditional Use	Conditional Use	Permitted
Small Family Daycare	Permitted	Permitted	Permitted
Large Family Daycare	Conditional Use	Conditional Use	Conditional Use

Source: City of Los Banos Municipal Code, 2015
[1]Single Family Dwelling units are not permitted in Commercial and Industrial Zoning Districts, such as Neighborhood Commercial (C-N), General Commercial (C-1), Highway Commercial (H-C), Light Industrial (L-I) and General Industrial (I).
[2]Program 8F has been included in the 2014-2023 Housing Element, requiring the City to amend Title 9 of the Municipal Code to include SROs as a Conditional Use in the High Density Residential (R-3) District.

Definition of Family

The City's definition of "Family" is in compliance with SB 520, a bill that was passed in 2001 and became effective on January 1, 2002. The definition of family, per Chapter 3, Article 2: Definitions is "one or more persons occupying a premises and living as a single housing keeping unit, as distinguished from a group occupying a hotel, club, or fraternity or sorority house.

Planned Development

The Planned Development (PD) district is intended to encourage innovations in residential development and renewal so that the growing demands for housing may be met by a greater variety in the type, design and layout of dwellings and by the conservation and more efficient use of open space. PD's can be applied to the following types of residential uses:

- Single family dwellings
- Two family dwellings
- Multiple (3 or more) family dwellings

The combination of uses should be compatible with the intent of the General Plan of the City and result in a balanced and stable environment.

Planned Developments are approved per a reclassification to the Planned Development overlay district. The approval requires a recommendation by the Planning Commission and approval by the City Council. The City of Los Banos encourages and facilitates the use of PD's through the following incentives:

- Modified site plan standards (e.g. reduced setbacks)
- Variation in parking requirements
- Use of clustering to increase density and reduce development costs

Planned Development projects encourage residential development at the upper end of the allowed density range within the applicable districts by allowing developers to vary from the stricter application of the development standards of the base zoning districts. This flexibility provides for, and can promote cluster housing, zero lot lines, townhomes and similar housing types that can be more difficult to develop with typical setbacks and lot coverage.

Improvement Requirements

The City requires typical on and off site improvements (e.g. street, sewer, water, storm sewer) for residential development to ensure public health and safety. Typical street sections can be anywhere from 36-52 feet dependent upon the design configuration of the development. The City also has impact fees which cover the cost of necessary

improvements. It is not believed that the on or off site standards act as an impediment to the production of housing for lower income households.

Building Codes

Building Codes regulate the physical construction of dwellings and include plumbing, electrical and mechanical divisions. The purpose of the Building Code and its enforcement is to protect the public from unsafe conditions associated with construction. The City of Los Banos enforces the State Building Code standards for existing units, new construction and residential rehabilitation. Housing related complaints are dealt with on a case by case basis with the Building Department (i.e. Building Inspector) being involved if the nature of the complaint involves building code issues. The City believes that the requirements of the State Building Code do not act as an impediment to the production of housing for lower income households, instead, they aid in requiring safe structures for all individuals within the City. The City utilizes the most updated Building Code (2013 California Building Code, effective January 1, 2014). The City has not adopted any local amendments to the 2013 California Building Code.

Code Enforcement

The City of Los Banos Code Enforcement Officer works with the Police Department, Fire Department, Planning Department, and Building Department to investigate reported violations of laws relating to nuisances and zoning. Such investigations typically include illegal home occupations, illegal units, dangerous structures, fence violations, illegal signs, graffiti, debris and weeds, as well as inoperable and illegal vehicles. The code enforcement process is typically initiated in the following three ways: 1) observation by city staff, 2) as a consequence of an action (i.e. application for permit; or 3) in response to a complaint by an individual. The City relies on residents to help identify the majority of the code violations, particularly with the budget cuts and reduced staffing and resources.

Fees and Exactions

The City of Los Banos collects planning and development fees to cover the costs of processing permits and providing the necessary services and infrastructure related to new development. Permit processing fees are intended to reimburse the City for actual administrative costs. Fees are imposed by the Planning, Building and Public Words Departments. Table II-32 summarizes common fees charged to developers of residential projects in Los Banos.

Table II-32
Model Development Fees – Los Banos (2015)

	Single Family Dwelling	Multifamily Apartment
Project Assumptions		
Assumed Project Size (units)	1	10
Living Area per Unit (sq. ft.)	2,800	1,500
Building Size (sq. ft.)	2,800	15,000
Construction Costs per Unit	$285,460	$140,475
Project Valuation	$285,460	$1,404,750
Land Cost	$54,450	$217,800
Valuation plus land	$339,910	$1,622,550
Development Review Fees		
Design Review	-	$650
Conditional Use Permit	$550	$550
Environmental Review-CEQA		
Exempt	$100	$100
Negative Dec/Initial Study	$250	$250
Environmental Impact Report	Cost plus 20%	Cost plus 20%
Other Development Review Fees		
Variance	$500	$500
General Plan Amendment, Zone Change,	$1,000, $750	$1,000, $750
Tentative Parcel Map	$2,000	$2,000
Total Review Fees	**Varies**	**Varies**
Building Permits and Fees		
Plan Check	$1,502	$5,361
Planning Plan Check	$20	$20
Building Permit	$2,042.85	$7,094
PME Fee	$700	$3,000
General Plan Maintenance Fee[1]	$178.41	$100.00
SMIP Residential (Seismic Tax)	$28.55	$140.48
Temporary Encroachment Fee	$75	$75
Police Development Impact	$2,559.19	$2,104.19
Fire Development Impact	$912.39	$729.91
Traffic Impact Fee	$3,380.85	$1,790.94
Regional Transportation Impact[2]	$0.00	$0.00
Park Development Impact	$6,933.95	$5,702.26
Water Development Impact	$3,127.13	$3,127.13
Wastewater Development Impact	$5,420.00	$5,420.00
Public Facilities	$5.62	$5.62
Storm Drain Impact	$22.49	$22.49
Community Center Impact	$399.13	$328.24
Corporation Yard Impact	$346.15	$284.66
City Hall Impact	$985.76	$810.65
Administration Impact	$364.10	$298.81
School Impact Fee[3]	**$20,580.00**	**$11,025.00**
Total Building Permits & Fees (per unit)	**$49,584.00**	**$47,440.00**
Total Planning & Building Fees	**$49,584.00**	**$48,340.00**
Planning & Building Fees as Proportion of Development Cost	14.6%	13%

[1]General Plan Maintenance Fee shown above is based on a new single-family residence with a valuation of $178,413.50. This fee will vary depending on the valuation provided on the building permit application.
[2]The Los Banos City Council has waived the Regional Transportation Impact Fee (RTIF). A new model is being discussed with Merced County Association of Governments (MCAG)
[3]School Impact fee is $7.35 per sq. ft. for new residential development.

Table II-33 indicates the development fees for a single family residence as well as those for a multi-family unit. The City realizes that these fees may inhibit development and will allow the impact fees to be deferred until occupancy if the developer requests.

Permit Processing Procedures

Applications for residential subdivisions are processed within a 3 to 5 month period; however, applications that are more complex may take up to 12 months because of project pre-planning, site constraints and environmental review. Site plan review typically takes 1-2 months. Processing time is largely determined by the significance of project related issues. The City meets state-required timelines for the approval of development permits. The time required for development approval is not generally a constraint or substantial cost to housing developers.

To expedite the permit processing procedures, City staff holds a PRB (Project Review Board) conference to provide upfront feedback on proposed projects in order to increase approval certainty for applicants. Also, informational checklists are available to facilitate and streamline permit processing. The approval process, procedure and checklists are available on the City's website.

Land use and zoning designations for single family and multifamily parcels are detailed in the General Plan and the Zoning Ordinance, which serves to make the permit processing procedure clear, certain and predictable. Project applications requiring discretionary approvals by the Los Banos Planning Commission and City Council have been reviewed using specified criteria from the General Plan and Zoning Ordinance. The City of Los Banos codified the submittal requirements, checklists and procedural process in 2008 making the development process clearer for all applicants.

For residential, Site Plan review is required for new residential developments of five (5) or more units or the addition to an existing project that would result in five (5) or more units. The Planning Commission reviews the Site Plan and must make the following findings prior to approval:

1. That the proposed development is consistent with the general plan, any specific plans, and any design standards adopted by the City Council;
2. That the design and location of the proposed development and its relationship to existing or proposed developments and traffic in the vicinity thereof is such that it will not impair the desirability of investment or occupation in the neighborhood; and that it will not unreasonably interfere with the use and enjoyment of existing or proposed developments in the vicinity thereof, and that it will not create traffic hazards or congestion;
3. That the design of the proposed development is in keeping with the character of the surrounding neighborhood and is not detrimental to the harmonious, orderly,

and attractive development contemplated by this ordinance and the general plan of the City;

4. That the design of the proposed development would provide a desirable environment for its occupants; as well for its neighbors, and that is aesthetically of good composition, materials, textures, and colors;
5. That the proposed use complies with all applicable requirements of the zoning district it is located and all other applicable requirements; and
6. That the overall development of the subject property is designed to ensure the protection of the public health, safety, and general welfare.

The Planning Commission may not deny a project based on use; only impose conditions that insure the project meets the development standards set forth in the Zoning Ordinance. Staff makes every attempt to work closely with the project applicants from project conception to completion in order to increase the likelihood of a favorable project recommendation to the Planning Commission.

Emergency Shelters and Transitional and/or Supportive Housing are permitted by-right and require no discretionary review. These uses are reviewed at an administrative level and approved/denied by the Planning Director using procedures codified in the Zoning Code.

Design review and discretionary review may run concurrently to avoid project time delays. The design review process is deemed complete once a builder has fulfilled the necessary steps on the City's submittal checklist; the City feels the submittal checklists streamline the approval process and provide guidelines for the developer on the process and promotes approval certainty. The City also has Community Design Standards which are available on the website and pre-submittal meetings with staff further help to streamline the process and maintain the aesthetic vision that is being sought. This process has not been found to negatively impact a project or hold up the processing of an application.

Conditional Use Permit Process

Use permits are reviewed by the Planning Commission, which has the authority to approve, conditionally approve, or disapprove the application (except for On-Sale and Off-Sale Alcoholic Beverages in which the Planning Commission provides a recommendation and the City Council makes the final approval). The Planning Commission meets on the 2nd and 4th Wednesdays of each month. Processing time for a Conditional Use Permit varies from 2 to 4 months depending on project complexity, issues and whether additional environmental review is needed. Application fees for Conditional Use Permits include a deposit of $550.00; these funds are utilized to cover staff time and processing, applicants are also required to sign and submit a cost recovery contract so that they can be billed if additional funds are needed, alternatively, funds will be refunded if the cost is less than the deposit. The focus of the CUP typically relates to neighborhood compatibility (i.e. architectural design, setbacks, parking, orientation, etc.). In the event that an applicant or any other interested party is not satisfied with the

Planning Commission's actions of a use permit, an action can be appealed to the City Council for review.

Following a public hearing, a use permit is subject to findings by the Planning Commission (and City Council in the case of alcohol permits), such as:

- The project is consistent with the City of Los Banos General Plan and meets the use and density standards specified within.
- The proposal is consistent with the Zoning Ordinance as it meets the use and development standards specified within.
- The proposal will not be detrimental to the health, safety, comfort, or general welfare of the persons residing and working in the City of Los Banos, or injurious to property or improvements in the surrounding neighborhoods or within the City in that the development will provide a quiet and harmonious development.
- The proposal is compatible with the adjacent land uses, properties, and neighborhoods and will not be detrimental or injurious to the neighborhood or to the general welfare of the City in that the operational characteristics will operate in a harmonious manner with the surrounding neighborhood.
- The development proposal meets the purpose, intent and specific standards of the pertinent sections of the Los Banos Municipal Code in that the proposed use is providing an amenity and convenience which is desired in the District.
- The general appearance of the buildings or structures and grounds is in keeping with the character of the neighborhood so as not to be detrimental to the orderly and harmonious development of the City or to impair the desirability of investment or occupation in the neighborhood.
- Conditions have been imposed on the project that will ensure the project's consistency with the policies of the City's General Plan.

The Conditional Use Permit process addresses impacts of the use, not the user. This process does not act as a constraint to the development of affordable housing because:

1. It does not add significant time or delay to the approval of projects;
2. The Planning Commission (or City Council) addresses the finding that are described in the Municipal Code;
3. The City's Conditional Use Permit application package provides clear direction on the process and standards for review.

If it is determined that a developer would need a Conditional Use Permit to proceed with City approvals, it is the City's policy to provide as much information as possible. The City's website (www.losbanos.org) is a resource where project applicants can go to obtain further information and City contact phone numbers.

Housing for Persons with Disabilities

As noted in the Special Needs section of this Housing Needs Assessment Report, persons with disabilities have a number of housing needs related to accessibility of dwelling units, access to transportation, employment and commercial services and alternative living arrangements that include on site or nearby supportive living services.

The City ensures that new housing developments comply with California building standards and federal Americans with Disabilities Act (ADA) requirements for accessibility. Sites zoned for Medium and High Density Residential uses and Commercial zones that allow for mixed uses are located along transportation corridors to facilitate access and accessibility for persons with disabilities.

Procedures for Ensuring Reasonable Accommodations

The City of Los Banos will establish procedures to ensure that reasonable accommodations are made for persons with disabilities. In conjunction with plan check review, individuals with disabilities can request special accommodations or variance from building codes due to a disability. Formal procedures are to be codified in the Zoning Ordinance by March of 2017 through Housing Element Program 5D. The City shall follow State law and local examples in developing the Reasonable Accommodation Ordinance.

Efforts to Remove Regulatory Constraints for Person with Disabilities

The State of California has removed any City discretion for review of small group home projects (six or fewer residents). The City has updated the Zoning Ordinance in 2008 and will not impose additional zoning, building code, or permitting procedures other than those allowed by State law. There are no City initiated constraints on housing for persons with disabilities caused or controlled by the City.

The City also allows residential retrofitting to increase the suitability of homes for persons with disabilities in compliance with ADA requirements. Such retrofitting is permitted under Chapter 11 of the Building Code. The City works with applicants who need special accommodations in their homes to ensure that application of building code requirements does not create a constraint. The City's Zoning Ordinance has been reviewed for Chapter 11 compliance and it has been determined to be compliant.

Zoning and Other Land Use Regulations for Persons with Disabilities

As part of the update of the City Housing Element in 2014-2023, the City of Los Banos conducted a comprehensive review of its zoning laws, policies and practices for compliance with fair housing law and State requirements. With the addition of updates that occurred in 2008, the City has not identified regulatory practices that could discriminate against persons with disabilities and impede the availability of such housing for these individuals. As discussed above, a Reasonable Accommodation Ordinance will be adopted by March of 2017 for the City to have a formal procedure in place for Reasonable Accommodation requests.

Examples of the ways in which the City facilitates housing for persons with disabilities through its regulatory and permitting processes are:

- The City allows some variation from the application of its parking standards. For example, the reduction of parking spaces for a unique use, such as a senior housing project can be approved by processing a variance.
- The City updated its Zoning Ordinance to allow for group homes with six or fewer persons within all residential districts.
- The City does not restrict occupancy of unrelated individuals in group homes within the Ordinance.
- The City permits housing for special needs groups, including for individuals with disabilities, without regard to distances between such uses or the number of uses in any part of the City. The Land Use Element of the General Plan does not restrict the siting of special needs housing.

Permits and Processing for Persons with Disabilities

The City does not impose special permit procedures or requirements that could impede the retrofitting of homes for accessibility. The City's requirements for building permits and inspections are the same as for other residential projects and are fairly simple and straightforward. City officials are not aware of any instances in which an applicant experienced delays or rejection of a retrofitting proposal for accessibility to persons with disabilities.

As discussed above, the City amended the Zoning Ordinance to allow group homes of six or fewer persons by right, as required by State law. No conditional use permit or other special permitting requirements apply to such homes.

Design review is not required for single family residential development. All multi-family residential projects in Los Banos require design review by the Planning Commission. The design review process typically takes two to four months. The City's Ordinance allows the design review and hearing process for group homes and special needs housing to be treated similar to how residential projects are reviewed and considered.

Building Codes

The city provides reasonable accommodation for persons with disabilities in the enforcement of building codes and the issuance of building permits through its flexible approaches to retrofitting or converting existing buildings and construction of new buildings that meet the shelter needs of persons with disabilities. The City of Los Banos adopted and implements the Uniform Building Code (UBC) and California Code which is mandated by the State. The City does not have any local amendments to these codes.

Universal Design Element

The City will promote Universal Design by encouraging developers of senior housing, persons with disabilities and other persons and families applying for building permits to consider universal design in their construction. The City will provide information and referral services on universal design at the customer service counter as well as contact information for HCD and the Department of Aging.

Persons with Disabilities

In light of current planning policies and zoning regulations, the City believes that it has mitigated any potential constraints to the availability of housing for persons with disabilities, however, the City will establish and implement a reasonable accommodations Ordinance.

Second Residential Unit Requirements

A second residential unit, often referred to as a "granny" or "mother-in-law" unit is a second unit located on an existing residential lot and attached to the main home. The purpose of a second residential unit is to provide a small, self-contained living unit that can be used by a family member or as a rental unit. A second residential unit is currently permitted on any lot that is zoned for Low Density Residential (R-1). The second unit must be complete with independent living facilities detached from, attached to, or constructed within a single-family detached dwelling; this use is subject to administrative staff review for conformance with applicable zoning standards.

Community Design Standards and Pre-Development Review

In 2008 the City of Los Banos adopted the Community Design Standards. The standards apply to the Downtown Commercial, Highway Commercial, Commercial and Residential Districts. These standards were designed and adopted to maintain and enhance the small town qualities of Los Banos, protect the community's visual qualities, provide social interaction and provide environmental sustainability. The standards allow for flexibility but also set standards that are to be met in the design of new structures within the community.

The City's Community Design Standards and Municipal Code are both located on the City website for ease for developers and builders. The City's Design Review process does not act as a constraint to the overall supply and affordability of housing in Los Banos because:

- Community Design Standards do not add significant time or delay to project approval.
- Community Design Standards do not add to, or modify development standards of the Municipal Code.
- Community Design Standards criteria are explicit and understandable.

The City does not take an excessive amount of time in processing applications, nor do the Community Design Standards require costly building materials. The City encourages Community Design Standards review to be conducted concurrently with other processing procedures to expedite the development permit process even further.

In order to facilitate the design review process for the Community Design Standards, the City of Los Banos offers applicants the opportunity for preliminary design review through submittal of a Pre-development application. The Pre-development process includes a meeting with staff members from Planning, Public Works, Fire, Building and Police to help streamline the process for applicants by identifying potential problems early on in the process.

3. RESOURCE INVENTORY

Availability of Land and Services

This section provides an analysis of the land available within the City of Los Banos and the Sphere of Influence area (SOI) for residential development, and then compares this to the City's future housing needs as determined by the Merced County Association of Governments' RNHP. In addition to assessing the quantity of land available to accommodate the City's total housing needs, this section also considers availability of sites to accommodate a variety of housing types suitable for households within a range of income levels and housing needs. The methodology for determining residential capacity of listed sites was the utilization of the City's General Plan and Zoning Ordinance in addition to the City's GIS system. This information is shown in this section as well as Appendix E. The City's General Plan and Zoning Map are included as Appendix C as well as a map that shows the locations of unfinished subdivisions in the City as Appendix F. The property included has realistic capacity due to regulatory incentives and small lot development trends that have occurred over the past decade. Some examples of this would be recent developments with: 160 dwelling units on 31.64 acres for 5.07 dwelling unit per acre in the R-1 Zoning Classification, a development with 56 units on 5.02 acres providing for 11 units per acre in the R-2 Zoning Classification and 105 units on 6.30 acres providing for 16.667 dwelling units per acre in the R-3 Zoning Classification. The Los Banos Municipal Code allows for 40% coverage for the dwelling unit in the R-1 and R-2 districts and 70% in the R-3 District, although, this coverage can differ if the PD process is utilized. The City is very proactive in providing regulatory incentives such as the planned development approval process as it allows for a better mix of housing types with flexibility in lot sizes and setbacks to meet the needs of all income categories and density bonuses. The Planned Development overlay zone is an option that is available in all residential and commercial zoning classifications. The Los Banos Municipal Code includes a density bonus provision which provides incentives for the production of housing for lower income segments of the population. The code provides for density bonuses with additional incentives or equivalent financial incentives to applicants if they provide one of the following: at least ten percent of the total units within the development as target units affordable to lower income households, at least five percent of the total units of the development for very low income households, senior housing, ten percent of the units within a condominium project for families with moderate income, a minimum of one acre of land set aside to permit construction of units affordable to very low income households in an amount of not less than ten percent of the number of residential units of the proposed development and a land donation density bonus.

Based upon current market demands and trends, all zoning classifications are suitable for all income ranges. Currently, homes within the City of Los Banos in the R-1 and R-2 zoning classifications are selling at prices that are affordable to low income residents. As of August 5, 2015, the Fannie Mae website (HomePath.com) lists one (1) home for $209,900. According to Table II-20, this would be affordable to a family in the above-moderate income category.

Description of Criteria for Identifying Housing Sites

For the purpose of this inventory, developable land is defined as land that is currently vacant or has agriculture or rangeland uses (termed underdeveloped herein) that is designated in the General Plan and zoned for residential development. An ArcView Geographic Information System (GIS) was used to identify all developable parcels within the City's planning area that are vacant or underdeveloped as of August 2015. The identified vacant/underdeveloped parcels were delineated on top of a parcel base map showing designated residential and zoned residential districts. Parcel acreages by land use designation were calculated in the GIS. All identified developable land designated for residential use is considered available for residential development and is listed in the inventory in the following subsection.

Inventory of Unfinished Subdivisions

As a result of the economic recession, the City currently has a large number of finished and unfinished residential lots. Table III-1 summarizes the Unfinished Subdivisions in the City. There are currently 1,993 residential lots within the City that are part of larger subdivisions.

Table III-1
Unfinished Subdivisions

APNs	Project Name	Developer	Map No.	GP	Zoning	Lots Available
082-761-036 thru 058;	Vineyards 17 & 18	Ranchwood Homes	#1996-01	R-1	LDR	22
424-143-007 thru 008; 424-143-010 thru 022; 424-145-001 thru 010; 424-145-014 thru 015; 424-144-010 thru 016; 424-153-002 thru 018; 424-155-001 thru 009; 424-155-010 thru 016; 424-152-016 thru 031; 424-154-006 thru 022	Mission Village North	Ranchwood Homes	#2001-01	R-1	LDR	100
428-280-003; 428-300-001 thru 007; 428-291-001 thru 027; 428-293-001 thru 008; 428-292-001; 428-292-011 thru 023; 428-293-024 thru 033; 428-293-022	Mission Village South	Ranchwood Homes	#2001-02	R-1	LDR	159
428-280-002	Mission Village South 5	Ranchwood Homes	#2006-16	R-1	LDR	46
424-115-002 thru 004; 424-116-001 thru 003; 424-106-001 thru 009; 424-104-023 thru 039; 424-080-061 thru 068; 424-090-001 thru 024; 424-090-026 thru 033; 424-072-017 thru 021; 424-072-024 thru 036; 424-071-012 thru 018	Regency Park Estates	Ranchwood Homes	#1999-02	R-1	LDR	105
431-270-004	The Villas	Ranchwood Homes	#2001-06	R-1	LDR	174
081-180-004 thru 049	Village Green	Ranchwood Homes	#1998-03	R-1	LDR	45
424-120-009	Provinces	Ranchwood Homes	#2005-01	P-D	MDR	261

APNs	Project Name	Developer	Map No.	GP	Zoning	Lots Available
430-010-039; 430-060-006 thru 007; 430-032-014 thru 023; 430-032-030 thru 032; 430-031-010 thru 013; 430-024-001; 430-035-001 thru 002; 430-021-001 thru 003; 430-022-001 thru 007; 430-023-014 thru 016; 430-024-001 thru 015; 430-101-004 thru 023; 430-102-001 thru 023; 430-032-001	Villages at Stonecreek IIA & III	Anderson Homes	#2004-05	P-D	LDR	255
430-081-017; 430-081-020 thru 029; 430-081-031 thru 032 430-082-001 thru 003; 430-083-001 thru 006; 430-085-001 thru 006; 430-060-014; 430-060-018 thru 020	Villages at Stonecreek IV	Anderson Homes	#2005-05	P-D	LDR	250
430-010-026 thru 027	Villages at Stonecreek V	Anderson Homes	#2006-12	P-D	LDR	53
027-260-029 thru 030; 027-260-033 thru 043; 027-270-026 thru 033; 027-290-028 thru 034; 027-300-044 thru 059; 027-300-061 thru 072; 027-310-033 thru 048; 027-320-038 thru 053; 027-320-055 thru 062	Four Seasons	K. Hovnanian	#2003-02	P-D	MDR	97

APNs	Project Name	Developer	Map No.	GP	Zoning	Lots Available
084-324-021 thru 024; 084-324-026; 084-324-028; 084-324-030 thru 031; 084-333-001 thru 013; 084-336-001 thru 007; 084-332-001 thru 019; 084-335-001 thru 016; 084-331-002 thru 003; 084-331-005; 084-331-007 thru 023; 084-334-001 thru 021	Meadowlands	KB Homes	#2002-06	R-1	LDR	104
082-770-002 thru 016; 082-770-019 thru 032; 082-770-038 thru 042; 082-770-054 thru 063	Alta Vista	Amadore Development	#2002-04		LDR	44
082-050-066	AMG	AMG & Associates	#2013-01	R-1	LDR	57
Total						***1,772***

Source: Los Banos Community and Economic Development Department, 2015/2016

Inventory of Vacant and Underdeveloped Sites

Housing Element law requires an inventory of land suitable for residential development (Government Code, Section 65583(a)(3)). An important purpose of this inventory is to determine whether a jurisdiction has allocated sufficient land for the development of housing to meet the jurisdiction's share of the Regional Housing Need, including housing to accommodate the needs of all household income levels.

As stated earlier, a GIS system was used to calculate the number of developable acres of land within the City limits and SOI. Table III-2 indicates the location (within City limits or SOI), zone and General Plan designation, the housing unit density range for that designation, the number of acres of land available for development, and the housing unit capacity (calculated by multiplying the housing unit density range by the number of acres of land).

The underutilized or vacant sites may constitute an impediment to additional residential development over the 10 year planning period as the majority of the property is either owned by private property owners so their willingness to sell would have to be established or it is within the "Rail Trail" property that is City owned but a Master Developer will need to move the project forward. As of 2015, the residential development is relatively stagnant due to the change in the economy, however, it is anticipated that this will change during the 2014-2023 planning period. For the City

owned underutilized property along the "Rail Trail" and the privately owned property, regulatory and/or other incentives such as expedited permit processing, and fee waivers or deferrals may be applicable dependent upon the scope of work proposed by an applicant. It has been the practice of the City Council to hear these requests on an individual basis and make a determination. Some of the Non-Vacant sites within the City can also be considered as having the potential to accommodate some of the regional housing need as due to market conditions some of these units are now vacant or abandoned. Table III-2 does not include unfinished lots and subdivisions identified in Table III-1.

Table III-2
Inventory of Land within City Limits for Future Housing Development

General Plan Designation	Zoning District	Density Range (units/acre)	Acres of Developable Land	Max Housing Unit Capacity	Realistic Capacity
Land Within City Limits					
Low Density	R-1 / PD	2 - 6 du/acre	435	2,610	2,171
Medium Density	R-2 / PD	7 - 18 du/acre	126.6	2,200	1,291
High Density[1]	R-3 / PD	12 - 30 du/acre	14.2	426	341
Mixed Use	MX	0 - 18 du/acre	6.9	124	62
Downtown District	MX	0 - 18 du/acre	1.6	29	14

[1]Density of 24 dwelling units per acre was used to calculate the Realistic Capacity. Los Banos 2030. The density of 24 dwelling units per acre is within the General Plan Density range of 12 – 30 du./ac.

The density range listed in the table is the permitted number of units per acre according to the development standards described in the General Plan, which are implemented by the Zoning Ordinance. The City has updated the Zoning Ordinance to include provisions for the Mixed Use General Plan Designation. As can be seen from the data above, there is currently a greater amount of low density residential property available for development within City limits than for medium or high density residential development. This will be discussed further in the Comparison of Available Resources to Future Housing Needs section of this Element.

Development Standards for Available Land

In order to implement the policies set forth in the City's General Plan, the Zoning Ordinance establishes specific regulations that influence the types of buildings and uses that are permitted throughout the City. Table III-3 describes the residential zoning districts found in the City's Zoning Ordinance. For each district, the type of housing permitted, maximum building height, minimum lot area, maximum lot coverage, maximum units per minimum lot area, and maximum units per acre is listed.

Table III-3
City of Los Banos Residential Zoning Districts and Selected Development Standards

District		Permitted Housing Types (s)	Maximum Building Height	Minimum Lot Area (sq. ft.)	Lot Coverage
R-1	Low	SFD, one Secondary Unit Attached to Main Unit	30 ft.	6,000	70%
R-2	Medium	SFD, Duplexes, Detached SF, Triplexes	30 ft.	4,000	70%
R-3	High	Multi-Family Apartments, Duplexes, Triplexes, Group Dwellings. SFD	50 ft. or 30 ft. if within 50 ft. of Low or Medium Density Residential	1,500	70%
PD	Planned Development	Multi-Family Apartments, Duplexes, Triplexes, Group Dwellings. SFD	50 ft.	None	70%
T	Mobile Home Park	Mobile Homes, Trailer Parks, Tent Campers	30 ft.	R-2: 5 Acres R-3: 4 Acres H-C: 3 Acres	Roofed area not to exceed 75%

Source: Los Banos Municipal Code

As can be seen in the above table, the City of Los Banos' Zoning Ordinance provides for a variety of housing types and choices, ranging from single family homes in the R-1 district, to apartments and group dwellings in the R-3 and P-D districts. It should be noted that the City does enforce the minimum densities for each district outlined in the General Plan.

4. FUTURE HOUSING DEVELOPMENT

An important purpose of the Housing Element is to provide analysis as to the availability of land to accommodate future residential development, including specific types of housing that can support individuals of various income levels.

Comparison of Land Inventory to Future Housing Needs

The Merced County Association of Governments (MCAG) is responsible for preparing the Regional Housing Needs Plan that spans the planning period. The most recent plan was adopted by MCAG's Governing Board on June 18, 2015 and covers the period January 1, 2014 through December 31, 2023. Regional Housing Needs Plans set forth allocations for the number of housing units each jurisdiction within a region is responsible to accommodate in their Housing Element. The Regional Housing Need Allocation Plan for Merced County is included in the Housing Element as Appendix G.

The Regional Housing Need Allocation Plan (RHNA) is based on a figure calculated by the State Department of Housing and Community Development (HCD) for the entire County of Merced (15,850 units), which is then sub-allocated to each of the jurisdictions in the County by MCAG. The process used to determine the City of Los Banos' share of the Regional Housing Need Allocation involved consideration of the relative shares of recent population growth, the relative shares of recent housing growth, and comparative income distribution among the seven jurisdictions within the County.

As stated previously, the number of vacant homes within the City and the increased affordability will be a major factor in the amount of housing that will actually be constructed within the City. Affordability still needs to be considered as the Housing Element strives to provide policies, objectives and implementation plans that provide housing for all economic segments of the population. Since January 2014 (the beginning of the RHNA planning period) there have been 164 building permits issued for single family residences, assuming these are all built for above moderate incomes, that leaves 885 above moderate income units to be constructed for the planning period. There were zero (0) building permits issued for multifamily units in 2014.

As can be seen in Table IV-1 and Appendix E, the City of Los Banos does currently have adequate land within the existing City limits to accommodate the needs stated within the RHNA.

As shown previously, the City of Los Banos has a much greater supply of Low Density Residential (R-1) property than that set aside for the other residential land use classifications. Typically, R-3 would accommodate lower income residents based on affordability and sales/rent price.

A good example of how the zoning encourages and facilitates housing for lower income households would be the Pacheco Village Apartments project that was constructed in the R-3 Classification. This project included 105 residential units on 6.3 acres. Of those

units, 21 were set aside for homeless people or extremely low income, 34 units were set aside for very low income residents and the remaining 50 were set aside for low to very low income residents.

Table IV-1
Ability to Accommodate Regional Housing Needs Allocation

	Extremely Low	Very-Low	Low	Moderate	Above Moderate	Total
HCD RHNA Allocation (Jan 2014 – Sept 2023)	326	278	431	396	1,049	2,480
Units Produced **– January 2014 – December 2014**[(1)]	0	0	0	0	164	164
Net Allocation to be Met	326	278	431	396	885	2,316
Allocation to be Met	1,035			396	885	2,316
Holding Capacity Within the City Limits						
Potential Units in Unfinished Subdivisions	0			712	1,060	1,772
Potential Units in Vacant and Underutilized Land	410[(2)]			1,222	2,171	3,803
City Holding Capacity Subtotal	*410*			*1,934*	*3,231*	*5,575*
Surplus(Shortfall)	**(625)**			**1,538**	**2,346**	**3,259**

(1) Units with final building permits issued between January 2014 and December 2014
(2) Overland Courts is an approved 69 unit Senior Housing project and is a one to two-bedroom age and income restricted apartment project. A detailed analysis of this apartment project and the restrictive income and rent can be found in Table V-2 through V-4. This project has been counted toward the Lower Income Housing Need.
Source: City of Los Banos and J.B. Anderson Land Use Planning

Based on the analysis in Table IV-1, the City has a 5th Cycle shortfall of 625 units within the Lower Income groups. At twenty-four (24) dwelling units per acre (Default Density), the City will need to rezone approximately 31.3 acres to address RHNA. Program 1C has been added to the 2014-2023 Housing Element, requiring the City to rezone approximately twenty (20) acres of vacant land currently zoned R-1 to the R-3 zoning districts. The rezone sites will be selected from the list of identified sites within the R-1 zone in Appendix E of this Element and will include only sites that are no less than one (1) acre and no larger than ten (10) acres in size.

In addition to the traditional R-1, R-2 and R-3 Zoning, the City also has 6.9 acres of mixed use land which could potentially accommodate up to 62 residences and 1.6 acres in the downtown district which could potentially accommodate up to 14 residences.

Adequacy of Public Facilities and Infrastructure

The City encourages infill housing within the City limits due to the provision of adequate water and sewer infrastructure, as well as proximity to other services such as fire, police, medical clinics and recreational facilities. New housing development to take place within the City limits will inevitably gain access to all of the City's facilities and infrastructure. In the event that residential development occurs outside the boundaries of existing infrastructure, the City requires developers to pay the costs.

The following discussion provides an analysis of the specific components of public facilities and infrastructure located in the City, including roads, parks, police, fire, schools, storm drainage, water and sewer services. Where applicable, the City's plans to accommodate future residential growth are described.

Roads

The adequacy and capacity of circulation systems influences the nature, extent and pace of urban development. Roadways in Los Banos are classified based on design (size and number of lanes), volume (number of cars that can pass over an average day) and the type of traffic that the street is likely to accommodate (industrial vs. residential). Most people live on a Local Street or a Cul-de-sac that is designed to service just a few residential homes. Collector streets gather traffic from several Local Streets and direct it toward Collector and the Major Collector or Arterial streets, which serve to move large amounts of traffic longer distances.

The Circulation Element of the Los Banos General Plan indicates that the City has adopted a Level of Service (LOS) C at segments and Level of Service (LOS) D at intersections. This level of service is consistent with other communities and provides for an affordable circulation system, while minimizing delays and inconvenience to the traveling public. New development projects are required to construct road improvements in the vicinity of the project based on recommendations by traffic engineers. Furthermore, Area of Benefit analyses and Reimbursement Agreements may be developed to fund a particular improvement.

The City of Los Banos supports and participates in the development of the Merced County Regional Transportation Plan (RTP). The RTP identifies local projects the City will undertake during a five year planning period with funds made available through Federal, State and local sources. Additionally, the RTP establishes a long-range plan that identifies road maintenance and repair design over a twenty year period. The RTP is updated every three years.

The City of Los Banos adopted a Regional Transportation Impact Fee that is countywide. This fee goes to fund major regional projects. This fee is paid by the majority of the communities in Merced County. However, these fees were suspended by the City Council. On February 19, 2014, the City Council temporarily suspended the collection of RTIF for a period of twelve months from the effective date of the Ordinance for the following categories:

- Retail commercial, general;
- Retail commercial, high turnover;
- Retail commercial, low turnover;
- Retail commercial, over 50,000 sq. ft.;
- Office commercial; and
- Industrial/Ag processing.

On August 6, 2014, the City Council adopted an ordinance that indefinitely suspended the collection of all RTIF for all land use categories, including the above land use categories as well as:

- Residential, single-family; and
- Residential, multi-family.

Parks

The City of Los Banos distinguishes between play lots, pocket parks, neighborhood parks, and community parks. Essentially, a play lot is a small area intended as a substitute for back yards in high density residential areas. Pocket parks are between one-quarter acre and two acres in size, whereas neighborhood parks range from two to nine acres and community parks are larger than nine acres.
The Parks, Open Space, and Resources Element of the General Plan establishes standards of 5 acres of parks per 1,000 residents. This standard is consistent with the City's Ordinances implementing the Quimby Act, which allows for dedications of parkland or in-lieu payment for parks development as a condition of development. The size and location of the parks will depend on timing of development and siting of other City and school district facilities.

Police

The Los Banos Police Department currently operates out of a single station located in the downtown area of the City. Staffing has just been reduced due to budgetary reasons but new development and repopulation of existing homes will bring about additional impact fees and sales tax which will allow the police force to be re-staffed.

Fire

The City Fire Department currently operates with nineteen full-time staff members (including clerical and support staff) and approximately thirty certified volunteers. Fire Dispatch is handled through the Los Banos Police Department.

The City is currently served by two fire stations, both of which are located within City limits. The service areas for each station are designed to allow for an approximate five to six minute response time. However, upon further buildout, the General Plan states the need for an eventual third station to the east of Highway 165, since continued development to the east and south would likely be outside of an acceptable response time. The fire flow requirement for new residential development is 2,000 gallons per minute (compared to 3,500 gallons per minute for commercial and industrial uses). In the Insurance Services Office's (ISO) review, the City was rated at ISO level 3.

Schools

The Los Banos Unified School District is currently composed of approximately 10,061 kindergarten through twelfth grade students. The District is comprised of six elementary schools, one intermediate (grades K-6), one junior high (grades 7-8), two high schools (grades 9-12), one alternative high school, and one community day school. The District also has an adult education program and a latchkey child care program.

Student levels have decreased, as has funding over the past year. This has not been the trend over the past two decades in which there was a steady growth rate as shown in the population section of the Housing Needs Assessment of this Element. The reduction in the City population and increase in housing vacancies have caused this recent change. It is anticipated that within the next couple of years that this recent trend will revert back to the previous growth that was seen.

The District plans to finance its estimated $129 million in facilities needs costs (through to the 2014-2015 school year) by utilizing a variety of sources, including several State funding programs and initiating local tax and bond measures. Most recently, the District has incorporated a Mello-Roos Community Facilities District that would establish a fee for residential building permits at $8,500, a fee for certificates of occupancy at $8,500; and an annual fee for each home within the Mello-Roos District at $60 for 30 years.

Storm Drainage

Storm water drainage is accomplished in the City through a system of storm water collection facilities that ultimately discharge into a number of canals owned and operated by irrigation or water districts. Although the City of Los Banos Department of Public Works is responsible for implementing the Drainage Master Plan and maintaining the system, drainage maintenance is not an enterprise function of the City. Typically, drainage maintenance funding is provided in new developments through the formation of drainage maintenance districts.

The Storm Drain Master Plan was adopted in 2008 and further amended in 2010. The Plan proposes collection and regional disposal facilities tied to an on-going relationship with canal districts. Minimum sizes and design criteria for drainage basins are identified. All future drainage basins shall be dual use Park/Drainage facilities.

Water

Domestic water in the Los Banos area is provided by the City of Los Banos. The Public Works Department is responsible for maintaining the existing wells and distribution system. The water system is operated as a municipal enterprise, meaning that the revenue generated through user's fees must be sufficient to meet the operation, maintenance and capital costs of the system.

The City of Los Banos and surrounding urban areas draw local groundwater to meet all domestic, commercial and industrial water demands. The City currently pumps about 6,050 acre-feet of water per year for domestic purposes. The typical residential demand is approximately 161 gallons per day per person, according to the City's Master Plan for Water Distribution System, dated 2008 and amended in 2010. Additionally, the Average Daily Demand (ADD) equals 7.5 million gallons per day (mgd) in 2006. Water meters are required for all new development in the City. Water meters are considered an essential factor in water conservation efforts.

The City's distribution system consists of a looped water system using mains ranging from four inches to sixteen inches. Growth of the system to serve new development will require continued looping of lines and expansion of fire flow reserve capacities. Additional water wells and storage facilities have been planned for in the City of Los Banos 2008 Master Plan. Storage facilities include tanks with booster pump stations at strategic locations within the City.

It is anticipated that the City's existing water supply will be able to meet the demands of the City's regional housing needs for the 2014-2023 planning period.

Sewer

The City's Public Works Department operates its wastewater collection and treatment function as an enterprise fund, meaning that the cost is covered by revenue from users, such as connection charges and monthly use charges. The Public Works Department is supervised by the City's Manager and the City Council. The City maintains approximately 124 miles of sewer mains, which drain into seven treatment ponds covering approximately 500 acres. The City also uses 600 acres of pasture for irrigation and disposal of treated effluent. In total, the City processes approximately 3.0 million gallons of effluent per day.

The City of Los Banos 2030 General Plan anticipates that the population will grow to 90,000 residents by buildout. Serving this population will require additional transmission and treatment infrastructure that separates wastewater from the storm water drainage system.

According to the City's Master Plan for Wastewater Collection System, dated September 2008 and amended March 2010, at 100 percent buildout of the General Plan and based on historical trends and coefficients, the City can expect an average daily flow (gdp) between 9.4 and 11.0 mgd. To accommodate this growth, the City's Master Plan identifies upgrades and new infrastructure. According to the Los Banos Municipal Service Review, dated March 22, 2012, the Meadowlands lift station will need to be upgraded to meet buildout flow requirements.

It is anticipated that the City has sufficient capacity in its Waste Water Treatment Plan (WWTP) to accommodate the demand of the City's regional housing needs for the 2014-2023 planning period.

5. REVIEW OF THE 2009-2014 HOUSING ELEMENT

An important aspect of the Housing Element is an evaluation of achievements under the policies and implementation programs included in the previously adopted Housing Element. The evaluation provides valuable information on the extent to which programs have been successful in achieving stated objectives and addressing local needs and to which these programs continue to be relevant in addressing current and future housing needs in Los Banos. The evaluation also provides the basis for recommended modifications to policies and programs and the establishment of new objectives in the Housing Element.

The following is a summary of accomplishments of the City's 2009-2014 Housing Element:

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
Objective 1	**Provide adequate sites for residential development and alternative housing choices at affordable costs for all segments of the City**		**See discussion on implementation program 1 – 1C below.**
1	Continue to use Redevelopment Authority funds for low and moderate income housing.	Deleted	Since the elimination of the City's Redevelopment Agency, funding sources for housing has been limited to down payment assistance for lower income households. Therefore, this program will be deleted as part of the 2014-2023 Housing Element
1A	Create and maintain an up to date site inventory detailing the amount, type and size of vacant and underused parcels, and assist developers in identifying land suitable for residential development	Ongoing	The City continues to maintain the Vacant Sites Inventory contained in this Housing Element as Appendix E. Through the 2014-2023 Housing Element Update process, Appendix E has been updated. The City will continue to assist developers in identifying land suitable for residential development. Therefore, this program will be continued as part of the 2014-2023 Housing Element
1B	Continue to seek grant funding from State and Federal sources to assist in the development of affordable housing	Ongoing	The City continues to seek grant funding from State and Federal sources to assist in the development of housing. Recently, the City assisted in the HOME grant fund application and submittal for a 69 unit Senior Living Apartment Community known as Overland Courts. This apartment complex targets Very Low Income seniors or a household income of 30% of the County median. As a result, Program 1B has been successful and will be continued as part of the 2014-2023 Housing Element.

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
1C	To facilitate the development of multifamily housing affordable to lower-income households, the City will identify and rezone approximately 25 acres of vacant land currently zoned R-1 to the R-3 zoning district, allowing exclusively residential uses by right (not requiring a conditional use permit, planned development or any other discretionary approval), containing a minimum of 16 units per site and a minimum density of 20 units per acre by December 2011. The rezoned sites will be selected from the list of identified sites within the R-1 zone in Appendix E of this element and will include only sites that are no less than one acre and no larger than 10 acres in size	Ongoing	An AB1233 analysis has been completed as part of the 2014-2023 Housing Element to determine the Unaccommodated Need for the City for the 2014-2023 Planning Period. This analysis in included in Appendix E. Results of the analysis conclude that the City has an unaccommodated need for forty-six (46) extremely low income units, zero (0) very low income units and zero (0) low income units. Calculated to the amount of acres that need to be rezoned (at 20 dwelling units per acre), this results in 2.30 acres that need to be rezoned from R-1 to R-3 to allow for multi-family residential development. As a result, Program 1D has been added to the 2014-2023 Housing Element, requiring the City to rezone the sites listed in Table V-6 by March of 2017.
Objective 2	**Mitigate the impacts of the housing finance crisis currently impacting the Los Banos Housing Market**		**See discussion on implementation program 2 – 2B**
2	Develop and implement Neighborhood Stabilization Program.	Completed	The City of Los Banos has completed and implemented a Neighborhood Stabilization Program.

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
2A	Continue to utilize State funding for first time homebuyers program	Ongoing	The City did not receive any housing funds during the period of 2009-2014, with the exception of the Neighborhood Stabilization Program, including funding for the first-time homebuyers program. However, as funds and staff time become available, the City will apply for and utilize State funding for the first-time homebuyer program. As a result, this program will be continued as part of the 2014-2023 Housing Element.
2B	Actively enforce Nuisance Ordinance with regard to abandoned or vacant homes	Ongoing	The City continues to enforce the Nuisance Ordinance with regard to abandoned or vacant homes. The City, through the Code Enforcement Officer, respond to complaints with regards to abandoned or vacant homes being vandalized, occupied by homeless and/or vagrants and anything that would qualify as a public nuisance. Therefore, this program will be continued as part of the 2014-2023 Housing Element.
Objective 3	**Encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and encourage the maintenance and upkeep of existing affordable housing.**		**See discussion on implementation program 3 – 3D**

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
3	Continue programs for rehabilitation	Ongoing	As discussed above, the City did not receive any housing funds during the period of 2009-2014, with the exception of the Neighborhood Stabilization Program (NSP), including programs for rehabilitation. However, as funds and staff time become available, the City will apply for and utilize State funding for the rehabilitation program. Therefore, this program will be continued as part of the 2014-2023 Housing Element.
3A	Provide information to homeowners and nonprofit groups regarding funding and assistance programs	Ongoing	The City continues to make available information to homeowners and nonprofit groups regarding funding and assistance programs. Information is also available on the City's website. Therefore, this program has been successful and will be continued as part of the 2014-2023 Housing Element.
3B	Monitor at risk units by establishing and maintaining close contact with property owners regarding their long term plan for projects on an annual basis. Seek funds to purchase and preserve the affordability of the units and establish and implement proactive tenant noticing and education strategy	Ongoing	The City continues to monitor at risk units by contacting property owners and low income housing providers on an annual basis. However, due to the elimination of RDA and RDA related funding, it is unlikely that the City will be able to purchase and preserve at risk units. The City can provide other services, such as provide information to property owners and residents of at risk units on other affordable housing developments and direct residents to the Housing Authority of Merced County. Therefore, this program will be continued as part of the 2014-2023 Housing Element.

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
3D	Establish and implement a program to reduce, waive or subsidize local development fees associated with preservation or replacement of at-risk units	Continued	The City did not establish and implement a program to reduce, waive or subsidize local development fees during the 2009-2014 planning period. Therefore, this program will be continued as part of the 2014-2023 Housing Element.
Objective 4	**Achieve energy efficiency in housing activities**		**See discussion on implementation program 4 – 4B**
4	Continue to enforce State energy conservation requirements such as Title 24 of the Building Energy Efficiency Standards for new residential projects and encourage residential developers to employ additional energy conservation measures with respect to: subdivision design, siting of homes on the lot, landscaping and solar access.	Ongoing	The City continues to enforce State energy conservation requirements such as Title 24 of the Building Energy Efficiency Standards through the use of the 2013 California Building Code. Any new residential must comply with the Building Code as well as Title 24. Therefore, this program has been successful and will be continued as part of the 2014-2023 Housing Element.
4A	Promote standards that promote passive solar heating, overhangs on south facing windows, planting of deciduous trees on the west and south.	Ongoing	Through Title 24 of the California Building Code, Architecture and Site Plan Review for multi-family units and pre-application conferences with applicants, the City continues to promote energy efficient standards. Therefore, this program will be continued as part of the 2014-2023 Housing Element.

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
4B	Apply for funds to assist residents with energy conservation retrofits and weatherization resources	Ongoing	As part of the 2011 Budget Act, the Legislature approved the dissolution for the State's 400 plus Redevelopment Agencies (RDA), including Los Banos. RDA funding is no longer available and as such, the City cannot continue Program 5a and utilize RDA funding for affordable housing. Staff and funding sources to assist residents with energy conservation fits and weatherization resources if limited. However, the City will continue to direct residents to energy conservation resources. Therefore, this program will be continued as part of the 2014-2023 Housing Element.
Objective 5	**Ensure that all residents have access to housing**		**See discussion on implementation program 5 – 5F**
5	Support and help to expedite the construction of Phase II of the Pacheco Village Apartments which provides housing for extremely low, very low, and low income residents	Completed	Phase II of the Pacheco Village (Los Banos Family Apartments II) was completed in 2010 and includes housing units for extremely low, very low, and low income households. This program has been completed and as such, deleted from the 2014-2023 Housing Element.
5A	Continue to utilize RDA funding for affordable housing	Deleted	As part of the 2011 Budget Act, the Legislature approved the dissolution for the State's 400 plus Redevelopment Agencies (RDA), including Los Banos. RDA funding is no longer available and as such, the City cannot continue Program 5a and utilize RDA funding for affordable housing. Therefore, this program has been deleted as part of the 2014-2023 Housing Element

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
5B	Evaluate Zoning Map to ensure that higher density zoning is adjusted to services and transit and make changes if necessary, also work with developers on future developments to ensure close proximity of services to higher density residential uses.	Ongoing	The City continues to evaluate the Zoning Map on a regular basis to ensure that Higher Density Zoning as well as proposed Higher Density Zoning is close to services. As part of the timing for this Program, the City did not make any changes to the Zoning Map. However, the City will continue to work with developers, as project applications are submitted, to ensure that higher density zoning and uses are in close proximity to services. Therefore, this program has been continued as part of the 2014-2023 Housing Element.
5C	Seek additional rental assistance programs	Ongoing	The City will continue to seek additional rental assistance programs through State and Federal Grants. Therefore, this program will be continued as part of the 2014-2023 Housing Element.
5D	Establish and implement a Reasonable Accommodation Ordinance	Continued	This program was not completed as part of the 2009-2014 Housing Element. As a result, this program will be continued as part of the 2014-2023 Housing Element and will be completed within the first year following Housing Element adoption.

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
5E	The City will work with the Merced County Housing Authority to provide fair housing services to its residents and property owners by Distributing educational materials to property owners, apartment managers, and tenants, making public service announcements via different media (e.g., newspaper ads and public service announcements at local radio and television channels, responding to complaints of discrimination (i.e., in-taking, investigation of complaints, and resolution)) and Referring services to appropriate agencies	Ongoing	The City continues to work with the Merced County Housing Authority to provide information to residents and property owners about affordable housing opportunities. Additionally, the City refers residents seeking Farmworker Housing and other Affordable Housing to the Merced County Housing Authority website and office. This program has been successful and therefore will be continued as part of the 2014-2023 Housing Element.
5F	Set aside $980,767.70 of RDA funding for the construction of housing for those with extremely low income or to establish rental programs for this income group	Deleted	As part of the 2011 Budget Act, the Legislature approved the dissolution for the State's 400 plus Redevelopment Agencies (RDA), including Los Banos. RDA funding is no longer available and as such, the City cannot continue Program 5a and utilize RDA funding for affordable housing. Therefore, this program has been deleted as part of the 2014-2023 Housing Element
Objective 6	**Increase the percentage of homeowners in the City and provide adequate information on all possible housing assistance programs and distribute to homeowners, developers and other residents**		**See discussion on implementation program 6 – 6A**

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
6	Continue to maintain programs providing assistance for first time homebuyers	Ongoing	As stated above, the City did not receive any funding for first-time homebuyers during the 2009-2014 planning period. However, the City will maintain Program 2A and provide assistance for first-time homebuyers in the form of information on potential State rebates and tax incentives. Therefore, this program will be continued as part of the 2014-2023 Housing Element.
6A	Seek additional funding sources for acquisition of homes	Deleted	As discussed above, the State eliminated all 400 RDAs, including Los Banos. Funding for the acquisition of homes is extremely limited and with limited staff devoted to this task, it is unlikely that the City will be in a position to fund the acquisition of homes. Therefore, this program has been deleted as part of the 2014-2023 Housing Element.
Objective 7	**Maintain an adequate percentage of affordable rental units within the City to accommodate all income groups and family types**		**See discussion on implementation program 7 – 7B**
7	Continue to utilize RDA funding for affordable housing projects	Deleted	As with Program 1 and 7, the 2011 Budget Act eliminated the State's 400 plus Redevelopment Agencies (RDA), including Los Banos. RDA funding is no longer available and as such, the City cannot continue Program 7 and utilize RDA funding for affordable housing. Therefore, this program has been deleted as part of the 2014-2023 Housing Element.

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
7A	Maintain contact with owners of affordable rental properties and provide information relating to maintenance and rehabilitation	Ongoing	As State funding becomes available for rehabilitation efforts for residential properties, the City will provide outreach to rental properties and provide information relating to the maintenance and rehabilitation residential units / projects. Therefore, this program will be continued as part of the 2014-2023 Housing Element.
7B	Continue with funding programs established for rehabilitation targeting affordable rental units	Ongoing	As stated above, the City did not receive any funding for rehabilitation efforts during the 2009-2014 planning period. However, the City will maintain Program 7B and as funding becomes available from the State, the City will continue rehabilitation efforts targeting affordable rental units. Therefore, this program will be continued as part of the 2014-2023 Housing Element.
Objective 8	**Encourage redevelopment and new development projects for special need groups**		**See discussion on implementation program 8 – 8D**
8	Update Zoning Ordinance to allow for emergency shelters in the R-2 and Commercial Districts as permitted uses that will be subject to the same development and management standards that apply to other permitted uses within these zones and include definitions of such use	Completed	This program was complete during the 2009-2014 Housing Element Planning Period and Emergency Shelters are permitted by-right in the R-2 and R-3 Zoning District and does not require a Conditional Use Permit. Additionally, Emergency Shelters are subject to the same development and management standards that apply to other permitted uses in these zones. This program has been completed.

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
8A	Update Zoning Ordinance to allow for transitional and supportive housing in the Residential Districts (R-1, R-2, R-3) and include definitions of such use	Completed	This program was complete during the 2009-2014 Housing Element Planning Period and Transitional and Supportive Housing are permitted by-right in the R-1, R-2 and R-3 Zoning Districts. The definitions section of the Zoning Code has also been updated to provide the definitions for Transitional Housing and Supportive Housing. This program has been completed.
8B	Update Zoning Ordinance to allow for special needs housing and employee housing as permitted uses in the Residential Zoning Classifications (R-1/R-2/R-3)	Completed.	This program was completed during the 2009-2014 Housing Element Planning Period and Employee Housing for up to 6 persons is permitted by-right and Employee Housing for more than 6 persons is permitted with a Conditional Use Permit the R-1 and R-2 zoning districts and permitted by-right in the R-3 zoning district. Special Housing Needs for up to 6 persons is permitted by-right in the R-1 and R-2 zoning district. Special Housing Needs for more than 6 persons is permitted with a Conditional Use Permit in the R-1 and R-2 Zoning Districts and permitted by-right in the R-3 Zoning District. This program has been completed.
8C	Continue to utilize State, Federal, and RDA funding to assist with projects for special needs housing	Ongoing	The City continues to seek grant funding from State and Federal sources to assist in the development of housing. The City will continue to seek State and Federal funding to assist projects targeted for special needs housing. Therefore, this program will be continued as part of the 2014-2023 Housing Element.

Table V-1 Evaluation of 2009-2014 Housing Element Programs 2015			
Implementation Program Summary		**Status**	**Evaluation**
8D	Work with community based organizations and developers with regard to special needs housing and information on emergency shelters	Ongoing	The City will continue to work with community based organizations and developers with regard to special needs housing and information on emergency shelters. Since the elimination of the Los Banos RDA, funding assistance to developers is limited. However, the City will continue to assist developers in identifying suitable sites and information on emergency shelters. Therefore, this program will be continued as part of the 2014-2023 Housing Element, with the elimination of the RDA language.

Evaluation of Program 1C

Pursuant to Chapter 614, Statutes of 2005 (AB 1233) (Government Code Section 65584.09), if the City of Los Banos failed to make adequate sites available to accommodate the regional housing need in the prior planning period, including failure to implement rezoning, the City must zone or rezone sites to accommodate any unaccommodated need within the first year of the 2014-2023 planning period. Program 1C required the City to rezone twenty-five (25) acres and adopt a general plan amendment (if necessary).

Between January 1, 2007 and June 23, 2014, there were three (3) affordable housing developments approved and/or constructed in the City of Los Banos. Table V-2 below shows the project characteristics, which includes 251 affordable units approved and/or constructed and they include: Overland Court Apartments, Los Banos I Family Apartments and Los Banos II Family Apartments.

Table V-2
Affordable Housing Project Characteristics

Project	Address	GP	Zoning	APN	Acres	Total Units	Affordable Units	Density	Year Approved/ Constructed
Overland Court Apartments	Rockport Dr. and Overland Ave.	MDR	PD	424-120-016	4.32	70	69	15.0	2013
Los Banos I Family Apartments	2241 Gilbert Gonzalez Dr.	MDR	PD	083-100-082	6.2	105	103	16.9	2008
Los Banos II Family Apartments	2125 Gilbert Gonzalez Jr. Dr.	MDR	PD	083-100-083	5.17	80	79	15.5	2007/2010
Total						**255**	**251**		

Notes:
MDR = Medium Density Residential (8-16 du/acre)
PD = Planned Development

In all three affordable housing projects, each unit is identified as targeting a specific income group (extremely low-, very low-, and low-income). This is done by setting the rent (including utilities) at a specific dollar amount so that it is below the median family income by a certain percentage, i.e. 30% below median income, 50% below median income, etc. As depicted below in Table V-3, each affordable housing unit is separated by bedroom, current/proposed rent as well as percentage versus the area medium income. Based on HUD Income Limits for 2015, the income categories are divided as such:

Extremely-Low-Income	=Households who earn 30% or less of the area median income.
Very-Low-Income	=Households who earn between 31% and 50% of the area median income.
Low-Income	=Households who earn between 51% and 80% of the median area income.
Moderate-Income	=Households who earn between 81% and 120% of the area median income. (100% of the area median income for 2015 is $52,500 for a family of four in Merced County.)
Above Moderate Income	=Above 120% of the area median income.

Table V-3
Rent Versus Median Income

Project Name		30%	50%	55%	60%
Overland Court Senior Apartments	One-Bedroom Rent	$320.00	$543.00	$587.00	N/A
	Two-Bedroom Rent	$384.00	N/A	$705.00	$769.00
Unit Count	One-Bedroom	5	34	17	0
	Two-Bedroom	2	0	4	7
Note: Proposed Rent includes Utilities. Project not Constructed					
		30%	**40%**	**50%**	**60%**
Los Banos I Family Apartments	One-Bedroom Rent	$289.00	$386.00	$483.00	$579.00
	Two-Bedroom Rent	$348.00	$464.00	$580.00	$696.00
	Three Bedroom Rent	$401.00	$535.00	$669.00	$802.00
	Four-Bedroom Rent	$447.00	$596.00	$746.00	$895.00
Unit Count	One-Bedroom	2	2	4	4
	Two-Bedroom	4	4	14	10
	Three Bedroom	4	4	14	1
	Four Bedroom	1	2	3	1
Note: Rent includes Utilities					
		30%	**50%**	**55%**	**60%**
Los Banos II Family Apartments	One-Bedroom Rent	$313.00	$523.00	$575.00	$627.00
	Two-Bedroom Rent	$376.00	$627.00	$689.00	$753.00
	Three-Bedroom Rent	$435.00	$725.00	$797.00	$870.00
	Four-Bedroom Rent	$485.00	$808.00	$888.00	N/A
Unit Count	One-Bedroom	1	3	7	1
	Two-Bedroom	3	8	6	5
	Three-Bedroom	3	8	16	5
	Four-Bedroom	1	1	1	0

Note: Rent includes Utilities. Sources:
Overland Court Apartments: California Tax Credit Allocation Committee Staff Report 2015 Second Round, Dated September 23, 2015
Los Banos Family Apartments: California Tax Credit Allocation Committee Project Staff Report 2007 Second Round, Dated September 26, 2007
Los Banos II Family Apartments California Tax Credit Allocation Committee Project Staff Report 2009 Single Round September 10, 2009

Table V-4 totals the units by bedroom and income category to utilize in the AB1233 Analysis in Table V-5. As shown below, 26 units are set-aside for Extremely Low-Income households, 127 are set-aside for Very-Low Income households and 98 are set-aside for Low-Income households. These units are spread among one-bedroom, two-bedroom, three-bedroom and four-bedroom units.

Table V-4
Income Category By Unit

Project Name	Bedrooms	Extremely Low	Very Low	Low
Overland Court Apartments - Total Units = 69	One-Bedroom	5	34	17
	Two-Bedroom	2	4	7
Subtotal by Bedroom		***7***	***38***	***24***
One (1) Two-Bedroom Manager Unit Excluded				
Los Banos Family Apartments - Total Units = 103	One-Bedroom	2	10	4
	Two-Bedroom	4	26	10
	Three-Bedroom	4	26	8
	Four Bedroom	1	7	1
Subtotal by Bedroom		***11***	***69***	***23***
Two (2) Three-Bedroom Manager Unit Excluded				
Los Banos II Family Apartments - Total Units = 79	One-Bedroom	1	3	8
	Two-Bedroom	3	8	21
	Three-Bedroom	3	8	21
	Four-Bedroom	1	1	1
Subtotal by Bedroom		***8***	***20***	***51***
One (1) Four-Bedroom Manager Unit Excluded				
Total by Bedroom		**26**	**127**	**98**

As discussed above, Government Code Section 65584.09 mandates that "where a local government failed to identify or make adequate sites available in the prior planning period, the jurisdiction must zone or rezone adequate sites to address the unaccommodated housing need within the first year of the new planning period. In addition to demonstrating adequate sites for the new planning period,

the updated housing element must identify the unaccommodated housing need by income level. To determine the unaccommodated need, jurisdictions could take the following steps:"

- Subtract the number of units approved or constructed (by income) since the beginning of the previous planning period's RHNA baseline data.
- Subtract the number of units could be accommodated on any appropriately zoned site specifically identified in the element adopted for the previous planning period (not counted above).
- Subtract the number of units accommodated on site that have been rezoned for residential development pursuant to the site identification programs in the element adopted for the prior planning period.
- Subtract the number of units accommodated on sites rezoned for residential development independent of the sites rezoned in conjunction with the element's site identification programs as described above.

Table V-5
AB1233 Analysis – 4th Cycle

Regional Housing Needs Allocation (RHNA)	Extremely Low	Very Low	Low	Moderate	Above Moderate
	263	262	403	602	1,470
1) Units Approved/Constructed from January 2007- June 2014	26	127	98	0	0
2) Previously Identified Sites Currently Available in Acres (Capacity)	156	135	305	1,691	N/A
3) Sites Rezoned pursuant to Housing Element Program	0	0	0	N/A	N/A
4) Sites Rezoned (other)	0	0	0	N/A	N/A
Remaining Need	81	0	0	N/A	N/A
Total Remaining Need					**81**
Total Remaining Need (Acres) (20 du/acre)					**4.05**

Notes:

1) 24.8 acres identified in the 5th Cycle Housing Element that could accommodate 596 units using a density of 24 du/acre.

2) Previously identified sites currently available for the Moderate Income Group include 241.71 gross acres zoned R-2 as part of the 2009-2014 Housing Element

As shown in Table V-5 above, the Total Remaining Need from the 4th Cycle Planning Period for Los Banos to zone or rezone is 4.05 acres, or 81 units (24 dwelling units per acre). This is calculated using AB1233 instructions above as well as identifying the Units Approved/Constructed from January 2007 to June 2014, as depicted in Table V-2, V-3 and V-4.

Pursuant to AB1233 and Housing Element Law, the site as part of the rezone program must comply with suitability requirements set forth in Government Code Section 65583.2. Specifically, the site must be by-right, meaning that (a) local government review must not require a conditional use permit, a planned unit development or other discretionary approval, (b) be zoned and have development standards that permit at least 16 units per site, (c) have a minimum density of 20 units per acre, and (d) at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only, unless otherwise meeting statutory requirements for mixed use.

The requirement to address the unaccommodated housing need for the previous planning period is **in addition** to the requirement to identify other specific sites to accommodate the RHNA for the new planning period. The site(s) identified to be zoned or rezoned to address the unaccommodated need from the 4th Cycle may not count for the sites used to address the new planning period (5th Cycle).

To address the unaccommodated need as analyzed in Table V-5 of 4.05 acres (81 units), the City has identified one (1) site to be rezoned within the first year of the new planning period. For Merced County, the rezone requirement must be done by March 31, 2017 for the Housing Element to remain in compliance with HCD. The site(s) to be rezoned to meet this requirement is shown in Table V-6 below.

Table V-6
Site Inventory for Rezone

Site No.	APN	Address	Acres	General Plan	Current Zoning	Rezone	Infrastructure Availability	Existing Use	Environmental Constraints	Realistic Capacity
1	082-030-051	Not Available	4.9	Low Density Res.	R-1	R-3	Y	Vacant	None	118

Note:
R-3 = High Density Residential
Density of 24 du/acre was used to determine Realistic Capacity.
Right-of-Way take of 20 percent was used to determine Realistic Capacity.

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BASIS FOR THE CITY'S POLICIES AND PROGRAMS

The 2014-2023 Housing Element updates community conditions in Los Banos since 2009. Information on community conditions and characteristics were collected and analyzed as part of the Housing Needs Assessment, which contains an analysis of population and housing characteristics, identifies special housing needs for certain population groups, evaluates housing conditions, analyzes employment trends and provides other important information to guide the goals, policies and implementation programs of this element. The findings listed below resulted from the information collected as part of the Housing Needs Assessment Report. These findings provide a direct relationship between community conditions in Los Banos and the recommended goals, policies and implementation programs.

Population Trends

The City's 2010 population was estimated to be 35,972.

- Between 2000 and 2010 Los Banos grew by 39.1% (10,103 persons). Between 2010 and 2015 the City grew by 3.3% (1,173 persons). Los Banos' population is expected to grow steadily once the market improves, continuing the demand for a variety of housing types and costs.

  The need for additional housing in Los Banos is the result of past and projected population growth and the demographic characteristics. Policy 1.1 commits the City to maintaining an adequate supply of land in appropriate land use designations and zoning categories to accommodate the projected growth in the number of households.

- The 2010 Census reported 1,497 owner occupied households and 1,375 renter occupied households with five or more persons. These figures represented 14.0 percent and 13.0 percent of the total number of households in Los Banos, indicating that large households were slightly more likely to be owners. Rental housing for large families has increased in the City, a good example being Los Banos Family Apartments (Pacheco Village), where 4-bedroom units are available for lower-income households. However, taken as a percentage of the number of owner occupied households, large families comprise 34 percent, whereas large households constitute 24 percent of renters. When evaluating the population increase (39.1%) and the percentage of housing units constructed (41.3%) since 2000, it is apparent that household size is increasing.

  Due to increased rental needs by large family households Policies 7.4 and 8.2 have been developed to address this special housing needs.

Income and Poverty

- Based on the Department of Housing and Urban Development (HUD) Income Limits for 2015, the median income for a family of four in Merced County is $52,500.

- As defined by HUD, an extremely low income household earns less than 30 percent of the county median income, a very low income household earns 50 percent or less than the county median income, a low income household earns between 51 and 80 percent of the county median income, a moderate income household earns between 81 and 120 percent of the county median income and an above moderate income household earns 121 percent or greater of the county median income. According to the Merced County Regional Housing Needs Allocation Plan (2014-2023) the City of Los Banos is responsible for 604 units for very low income residents (326 for extremely low income and 278 very low income), 431 units for low income residents, 396 units for moderate income residents, and 1,049 units for above moderate income.

  Policy 1.2 of the Element facilitates the provision of housing for all economic segments of the community. The City shall seek to ensure high quality in all new residential development.

Employment Trends

- According to the CA Economic Development Department, Labor Market Information, the City of Los Banos had an unemployment level of 13.1% in June of 2015. The unemployment rate for Merced County was 10.7% and the unemployment rate for the State was 6.3%. The 2013 US Census Data (American Community Survey) showed that 50% of the population within the City made less than $50,000 for an annual income per household. The employment trends contribute to a continuing need for additional affordable housing for such income groups.

  The employment trends will result in a need for additional affordable housing. Policies 1.3, 2.1 and 6.1 address various aspects of this future affordable housing need.

Special Needs

- As the current population ages, Los Banos will experience an increase in the number of older adults with special housing needs. Persons age 65 and over represent 8.6% of the population as of the 2010 census. Housing needs among older adults in Los Banos are: 1) financial support for low income seniors who do not own their homes, 2) financial assistance for home maintenance and repairs among low income senior homeowners, 3) affordable independent living rental

housing, and 5) financial assistance for home modifications for those with minor self-care or mobility concerns.

Policies 3.3, 3.4, 3.6 and 6.2 of this Housing Element address the housing needs of older adults.

- Female headed households represented 24% of all Los Banos Family households in the 2013 Census (American Community Survey). Poverty rates among female headed households are generally higher than the general population and of these female headed households, 51.2% were below poverty level. Many female headed householders have extremely low incomes and they will continue to require significant financial assistance or subsidized rental housing. Single mothers with children face additional challenges in finding affordable family housing of suitable size.

  Because female headed households with children in Los Banos have the highest poverty rates, there is a demonstrated need for affordable housing. Policies 1.3 and 3.5 of this Element ensure that the City will encourage development of new affordable housing and continue to monitor "at risk" subsidized housing that is affordable to very low and low income groups.

- Based on figures presented by the Merced County Continuum of Care, the level of, and need for, homelessness services are increasing on a region wide basis.

  Zoning policies in the Element that address the homeless and homelessness issues include policies 5.4, 8.2, and 8.3. The policies addresses the removal of any type of discrimination, continued cooperation and collaboration with the Merced County Continuum of Care and other agencies assisting the homeless, collaboration and assistance for private and nonprofit developers to identify financing.

Housing Characteristics

- According to the 2009 Housing Conditions Survey less than 1 percent of the housing stock in Los Banos is considered substandard and in need of rehabilitation and less than 1 percent is in need of replacement.

  Objective 3 of this Element encourages the maintenance, improvement and rehabilitation of the City's existing housing stock and residential neighborhoods. Policies 3.1, 3.2, 3.3 and 3.6 encourage private reinvestment in older housing stock and commit the City to pursue State and Federal funding assistance to rehabilitate housing.

Housing Costs and Affordability

- Approximately 50 percent of all households in Los Banos are paying housing costs that exceed 30 percent of their income according to the 2000 Census

  Policies 7.1, 7.2, 7.3 and 7.4 seek to address the shortage of affordable rental housing through the preservation of existing subsidized rental housing that is affordable to very low and low income persons and the construction of additional affordable housing.

Foreclosures

- The Merced County region, and Los Banos in particular, had one of the highest foreclosure rates in the State, according to Realty Trac, an online real estate and foreclosure resource, the City of Los Banos had approximately 2000 homes in the various stages of foreclosure in February 2009. Since that time, foreclosure rates have stabilized and have been reduced considerably. According to Realty Trac, the City currently has 88 properties in the various stages of foreclosure in June, 2015. This is 32% lower than last month and 23% lower than the same time last year.

- The Neighborhood Stabilization Program provides emergency assistance to State and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. There have been three (3) rounds of NSP funding, the last being in 2010. Los Banos received funding and assisted in the purchase and redevelopment of foreclosed homes in the City.

Opportunities and Constraints

- Merced County has determined that the City of Los Banos has a housing construction need of 2,473 units for the planning period 2014-2023. Of the total 2,473 units, 278 should be affordable to very low income households, 431 should be affordable to low income households, 396 to moderate income households and 1,049 to above moderate income households. Very Low and low income housing needs represent 928 housing units of the City's total housing allocation. As stated previously, the number of units needed for new construction may have to be evaluated further over time due to the large number of abandoned and vacant homes.

  Policy 1.1 of this Element addresses the need to maintain an adequate supply of land in appropriate land use designations and zoning categories to accommodate the projected growth in the number of households. Objective 2 of this Element addresses the removal of Governmental Constrains. Included as well are Policy 2.1 for the streamlining of residential projects and Policy 2.2 to provide flexibility

in development standards to accommodate alternative approaches to provide affordable housing, including mixed-use.

6. 2014-2023 OBJECTIVES AND POLICIES

The following objectives and policies are adopted as part of the 2009 Los Banos Housing Element Update. The hierarchy of the objectives, policies and programs are described below.

Objective 1: Provide adequate sites for residential development and alternate housing choices at affordable costs for all segments of the City

Policy 1.1 The City shall maintain an adequate supply of land in appropriate land use designations and zoning categories to accommodate the projected growth in the number of households.

Policy 1.2 While promoting the provision of housing for all economic segments of the community, the City shall seek to ensure high quality in all new residential developments.

Policy 1.3 The City shall continue to use State and Federal funding assistance to the extent that these subsidies exist and are appropriate to Los Banos' needs to develop affordable housing.

Policy 1.4 Strive to meet the City's fair share of the regional housing need.

Policy 1.5 The City shall encourage the development of second residential units in accordance with State law, while maintaining the single family character of the neighborhood.

Objective 2: Remove Governmental Constraints.

Policy 2.1 Provide for streamlined, timely, and coordinated processing of residential projects.

Policy 2.2 Provide flexibility in development standards to accommodate alternative approaches to provide affording housing such as mixed-use projects.

Objective 3: Encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and encourage the maintenance and upkeep of existing affordable housing

Policy 3.1 The City shall encourage private reinvestment in older residential neighborhoods.

Policy 3.2 The City shall encourage private rehabilitation of housing.

Policy 3.3 The City shall pursue State and Federal funding assistance to rehabilitate housing.

Policy 3.4 Assist nonprofit housing providers in the acquisition and/or rehabilitation of older residential structures.

Policy 3.5 Monitor "at-risk" subsidized housing.

Policy 3.6 Assist owners of affordable rental properties and low income homeowners in maintaining and improving residential properties through a variety of housing rehabilitation assistance programs.

Objective 4: Achieve energy efficiency in housing activities

Policy 4.1 Promote energy conservation activities in all residential neighborhoods.

Policy 4.2 Encourage innovative and cost effective building technologies.

Objective 5: Ensure that all residents have access to housing

Policy 5.1 Strive to meet the city's fair share of the regional housing need and ensure that sufficient land is available to accommodate Los Banos' share of the current RHNA period ending December 31, 2023, including land needed to accommodate Los Banos' share of the need for housing affordable to extremely low, very low, low and moderate income households.

Policy 5.2 Ensure that future sites designated for higher-density housing are located near transit stops, community services and schools when feasible.

Policy 5.3 Ensure that no person seeking housing in Los Banos is discriminated against on the basis of race or culture, gender, marital or family or economic status, sexual preference, age, physical or emotional disabilities or religion.

Policy 5.4 Continue to develop a balanced residential environment with access to employment opportunities, community facilities and adequate services.

Objective 6: Increase the percentage of homeowners in the City and provide adequate information on all possible housing assistance programs and distribute to homeowners, developers and other residents

Policy 6.1 Seek State and Federal funding mechanisms to assist homeownership.

Policy 6.2 Continue to maintain programs providing assistance.

Objective 7: Maintain an adequate percentage of affordable rental units within the City to accommodate all income groups and family types.

Policy 7.1 Encourage the preservation of low income housing by monitoring "at-risk" subsidized housing when subsidies are in jeopardy of expiring.

Policy 7.2 Assist owners of affordable rental properties in maintaining and improving residential properties through a variety of housing assistance programs.

Policy 7.3 Assist non-profit housing providers in the rehabilitation/acquisition of older residential structures.

Policy 7.4 Encourage developers to build larger rental units for large families and participate in writing grants for these needs.

Objective 8: Encourage new development projects for special need groups.

Policy 8.1 Work with private and nonprofit developers to identify financing, assist with design and construct housing to meet special needs. Such projects might include, but are not limited to: senior housing; housing for persons with physical and mental disabilities; emergency and/or transitional housing for the homeless; farmworker housing; female headed household housing or housing for large families.

Policy 8.2 Cooperate with community based organizations that provide services or information regarding the availability of services to the homeless.

Policy 8.3 Encourage greater access to housing for persons with disabilities.

7. IMPLEMENTATION PROGRAMS

Objective 1: Provide adequate sites for residential development and alternate housing choices at affordable costs for all segments of the City

Policy 1.1: The City shall maintain an adequate supply of land in appropriate land use designations and zoning categories to accommodate the projected growth in the number of households.

Policy 1.2: While promoting the provision of housing for all economic segments of the community, the City shall seek to ensure high quality in all new residential developments.

Policy 1.3 The City shall continue to use State and Federal funding assistance to the extent that these subsidies exist and are appropriate to Los Banos' needs to develop affordable housing.

Policy 1.4 Strive to meet the City's fair share of the regional housing need.

Policy 1.5 The City shall encourage the development of second residential units in accordance with State law, while maintaining the single family character of the neighborhood.

1. The City shall designate sufficient land at various densities to allow for the construction of sufficient housing to meet its legally adopted HCD Regional Housing Needs Allocation (RHNA) between 2014 and 2023. The City shall review, as needed, the amount of land designated for various residential uses in conjunction with the amount of and types of housing produced in the previous year to determine if any changes in the General Plan or Zoning Ordinance may needed to meet the City's housing needs. A review of the supply of vacant land and development patterns over the preceding year will be incorporated into each annual evaluation of the City's implementation of the Housing Element programs.

Responsibility: **Community and Economic Development**
Time Frame: **2014-2023**
Funding: **Administrative cost to the City**

1A. Create and maintain an up to date site inventory detailing the amount, type and size of vacant or underused parcels, and assist developers in identifying land suitable for residential development.

Responsibility: **Community and Economic Development**
Time Frame: **Ongoing maintenance**
Funding: **Administrative cost to the City**

1B. **Continue to seek grant funding from State and Federal sources to assist in the development of affordable housing. Whether the City applies for funding individually, as part of a consortium of public agencies, or through a formal Joint Powers Agreement with other public agencies, will depend on the type of program and the benefits to City of joint versus singular application. Such programs include Section 202 Housing for the Elderly and Handicapped, Rental Housing Construction Program (RHCP), Family Housing Demonstration Program, HOME/HOPE Programs, Community Reinvestment Act Programs (CRA), and State Farmworker Housing Program.**

There are a number of other state and federal programs that provide grants, loans, or mortgage insuring for affordable housing development and in which eligible applicants are for profit or non-profit home builders. The city would lend its support to such applications through favorable land use policies should eligible and financially feasible projects be submitted to the City.

Responsibility:	**Community and Economic Development Department**
Time Frame:	**City to assess annually feasibility of applying for funding under various programs and to work with other responsible entities to submit funding applications each year for programs considered feasible.**
Funding:	**Varies depending on State and Federal monies available**

1C. **To facilitate the development of multifamily housing affordable to lower-income households, the City will identify and rezone approximately 32 (shortfall of 625 units and calculated at 20 du./ac.) acres of vacant land currently zoned R-1 to the R-3 zoning district, allowing exclusively residential uses by right (not requiring a conditional use permit, planned development or any other discretionary approval), containing a minimum of 16 units per site and a minimum density of 20 units per acre by March 2017. The rezoned sites will be selected from the list of identified sites within the R-1 zone in Appendix E of this element and will include only sites that are no less than one acre and no larger than 10 acres in size.**

Responsibility:	**Community and Economic Development Department and City Council**
Time Frame:	**Begin research in 2016 and rezone in 2017/2018**
Funding:	**Administrative Cost to City**

1D To meet the Unaccommodated Need from the 4th Cycle identified in Program 1C of the 2009-2014 Housing Element and AB1233 Analysis located in Section 5, the City will rezone the site(s) listed in Table V-6 and adopt a General Plan Amendment (if necessary) to meet the unaccommodated need of eighty-one (81) units. The site(s) will meet the following criteria:

- **Can meet a minimum of 16 units;**
- **Can meet a minimum density of twenty (20) dwelling units per acre;**
- **Rezone to a district that permits residential uses (by-right)**

Failure to rezone the site(s) to address the Unaccommodated Need from the 4th Cycle by the timeframe will result in Housing Element non-compliance.

Responsibility: **Community and Economic Development Department**
Time Frame: **No later than March 31, 2017**
Funding: **Administrative cost to City**

Objective 2: Remove Governmental Constraints

Policy 2.1 Provide for streamlined, timely, and coordinated processing of residential projects to minimize holding costs and encourage housing production.

Policy 2.2 Provide flexibility in development standards to accommodate alternative approaches to provide affordable housing such as mixed-use projects.

2. Staff will periodically review the development standards for the residential zones to identify standards that may constrain the development of affordable housing and housing for special groups, such as disabled individuals.

Responsibility: **Community and Economic Development Department**
Time Frame: **Annually review development standards**
Funding: **Administrative cost to City**

2A. Affordable housing developers often face constraints in developing affordable housing projects. One way the City can assist such developers is by providing fast-track/priority processing for low-income and special needs housing projects. This service can encourage affordable housing development by allowing developers to go through the approval and permitting process quicker keeping costs down and unit affordable. Options include:

- **Assign a primary contact for priority housing developments to assist with all necessary entitlement and assist navigating various local departments.**
- **Hold pre-application development conferences.**

- **Provide information about permit streamlining at the planning counter, on the City's website and in other public places to increase awareness.**

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing and as applications for affordable housing projects are received.**
Funding: **Developer / Administrative cost to City**

2B. Continue to utilize State funding for first time homebuyers program.

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **HOME grant funds**
Quantified Obj: **Assist fifty (50) first-time homebuyers through the 2014-2023 Housing Element Planning Period**

2C. Actively enforce Nuisance Ordinance with regard to abandoned or vacant homes.

Responsibility: **Code Enforcement**
Time Frame: **Ongoing**
Funding: **Administrative cost to City**

2D. In accordance with Government Code Section 65589.7, immediately following City Council adoption, the City must deliver to all public agencies or private entities that provide water and sewer services to properties within Los Banos a copy of the 2014-2023 Housing Element. The City of Los Banos provides water and sewer services to all residents and businesses within the City. As such, a copy of the adopted 2014-2023 Housing Element will be provided to the applicable Department(s) within 30-days. The City will also establish a written procedure by the end of 2017 pursuant to Government Code Section 65589.7 to provide water and sewer service to developments with units affordable to lower income households.

Responsibility: **Community and Economic Development Department**
Time Frame: **Within 30 days of adoption of the Housing Element; prepare written procedures by the end of 2017.**
Funding: **Administrative cost to City**

2E. To promote continued opportunity for public engagement, the City shall conduct an annual Housing Element review and provide opportunities for public engagement and discussion in conjunction with the State requirement of written review of the General Plan by April 1 of each year (per Government Code Section 65400). Use the Planning Commission and City Council as an avenue for public input on housing issues and housing element

implementation. Notices shall be prepared in English and Spanish and be published in a newspaper of general circulation and posted at City Hall. Website and social media notification shall be encouraged. To ensure General Plan Consistency between the Housing Element and other Elements of the General Plan, the City shall, in addition to the requirements above, complete the following:

- **Maintain the Draft General Plan Housing Element Review on the City's website;**
- **Develop an evaluation matrix to determine the consistency between the Housing Element policies and programs and the other Elements of the General Plan.**

Responsibility: **Community and Economic Development Department**
Time Frame: **Annually (April 1 of each year)**
Funding: **Administrative cost to the City**

Objective 3: Encourage the maintenance, improvement and rehabilitation of the City's existing housing stock and encourage the maintenance and upkeep of existing affordable housing.

Policy 3.1 The City shall encourage private reinvestment in older residential neighborhoods.

Policy 3.2 The City shall encourage private rehabilitation of housing.

Policy 3.3 The City shall pursue State and Federal funding assistance to rehabilitate housing.

Policy 3.4 Assist nonprofit housing providers in the acquisition and/or rehabilitation of older residential structures.

Policy 3.5 Monitor "at-risk" subsidized housing.

Policy 3.6 Assist owners of affordable rental properties and low income homeowners in maintaining and improving residential properties through a variety of housing rehabilitation assistance programs.

3. Continue programs for rehabilitation and encourage the county-wide CDBG consortium to apply to the State for funds for housing rehabilitation on behalf of Los Banos.

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing, 2014-2023**
Funding: **HOME and CDBG grants**

Quantified Obj: **Rehabilitate 10 dwelling units per year, 70 dwelling units**

3A. **Provide information to homeowners and nonprofit groups regarding funding and assistance programs.**

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to the City**

3B. **Monitor at risk units by establishing and maintaining close contact with property owners regarding their long term plan for projects on an annual basis. Seek funds to purchase and preserve the affordability of the units and establish and implement a proactive tenant noticing and education strategy.**

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to the City**
Quantified Obj.: **Preserve at-risk units with Section 8 subsidies**

3C. **Establish and implement a program to reduce, waive or subsidize local development fees associated with preservation or replacement of at-risk units.**

Responsibility: **Community and Economic Development Department/City Council**
Time Frame: **2017**
Funding: **Administrative cost to City**

3D. **The City shall conduct a Housing Condition Survey. This Housing Condition Survey will follow HCD Guidelines. Results of the survey are to be published on the City's website and the City will assist the Housing Authority of the County of Merced in rehabilitation and targeted efforts. Actions to be taken following the results of the Survey include but are not limited to:**

- **Apply for HOME and CDBG grant funds for rehabilitation projects identified as part of the Survey; and**

- **Contact homeowners identified in the Survey as having a home qualifying for the rehabilitation program.**

Responsibility: **Community and Economic Development Department**
Time Frame: **Housing Condition Survey complete by December 2018**
Funding: **Administrative cost to City**

3E Discourage land division of sites currently zoned high density residential.

- **The City shall evaluate and make a written determination on the site constraints as a result of a proposed subdivided site currently zoned high density residential**

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to City**

Objective 4: Achieve energy efficiency in housing activities

Policy 4.1 Promote energy conservation activities in all residential neighborhoods.

Policy 4.2 Encourage innovative and cost effective building technologies.

4. Continue to enforce State energy conservation requirements such as Title 24 of the Building Energy Efficiency Standards for new residential projects and encourage residential developers to employ additional energy conservation measures with respect to: subdivision design, siting of homes on the lot, landscaping and solar access.

Responsibility: **Building/Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to the City**

4A. Promote standards that promote passive solar heating, overhangs on south facing windows, planting of deciduous trees on the west and south.

Responsibility: **Community and Economic Development Department/Planning Commission**
Time Frame: **Ongoing**
Funding: **Administrative cost to the City**

Objective 5: Ensure that all residents have access to housing

Policy 5.1 Continue to utilize State and Federal funding assistance, to the extent that subsidies exist and are appropriate to Los Banos' needs, to develop affordable housing.

Policy 5.2 Strive to meet the city's fair share of the regional housing need and ensure that sufficient land is available to accommodate Los Banos' share of the current RHNA period ending December 31, 2023, including land needed to accommodate Los Banos' share of the need for housing affordable to extremely low, very low, low and moderate income households.

Policy 5.3 Ensure that future sites designated for higher-density housing are located near transit stops, community services and schools when feasible.

Policy 5.4 Ensure that no person seeking housing in Los Banos is discriminated against on the basis of race or culture, gender, marital or family or economic status, sexual preference, age, physical or emotional disabilities or religion.

Policy 5.5 Continue to develop a balanced residential environment with access to employment opportunities, community facilities and adequate services.

5. Evaluate Zoning Map to ensure that higher density zoning is adjacent to services and transit and make changes if necessary, also work with developers on future developments to ensure close proximity of services to higher density residential uses.

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to the City**

5A. Extremely Low-Income Housing Development Funding. Coordinate with developers, non-profit housing agencies, and County, State, and Federal Agencies to obtain available sources of funding for the development of affordable housing units. The City's Community and Economic Development Department shall coordinate with the Housing Authority of the County of Merced to research and pursue potential funding opportunities, process applications, and manage funds received for the development of affordable housing. Specific emphasis shall be placed on the development of extremely low-income housing through a variety of activities, including annual outreach to affordable housing developers, providing technical and/or financial assistance through identifying grant and/or loan programs and providing expedited processing of applications for the development of housing for extremely low-income households.

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing, 2014-2023**
Funding: **Variety of funding sources. State and Federal grants, HOME, CDBG grants**
Quantified Obj: **Support applications by developers and non-profit agencies for funding and development of affordable housing, specifically, extremely low-income housing**

5B. Establish and implement a Reasonable Accommodation Ordinance

Responsibility: **Community and Economic Development Department/Planning Commission/City Council**

Time Frame: **By March 2017, adopt a Reasonable Accommodation Ordinance**
Funding: **Administrative cost to the City**

5C. **The City will work with the Merced County Housing Authority to provide fair housing services to its residents and property owners by Distributing educational materials to property owners, apartment managers, and tenants, making public service announcements via different media (e.g., newspaper ads and public service announcements at local radio and television channels, responding to complaints of discrimination (i.e., in-taking, investigation of complaints, and resolution) and Referring services to appropriate agencies.**

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to the City**

5D. **The City shall refer residents to the Central Valley Regional Center for housing and services available for persons with developmental disabilities. Provide information on services on the City's website. As available, the City will pursue State and federal monies for direct support for housing construction and rehabilitation specifically targeted for housing for persons with developmental disabilities.**

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to the City**

Objective 6: Increase the percentage of homeowners in the City and provide adequate information on all possible housing assistance programs and distribute to homeowners, developers and other residents.

Policy 6.1 Seek State and Federal funding mechanisms to assist homeownership.

Policy 6.2 Continue to maintain programs providing assistance.

6. Continue to maintain programs providing assistance for first time homebuyers

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **HOME/CDBG**
Quantified Ojb.: **In conjunction with Program 2B, assist an additional twenty (20) first-time homebuyers**

Objective 7: Maintain an adequate percentage of affordable rental units within the City to accommodate all income groups and family types.

Policy 7.1 Encourage the preservation of low income housing by monitoring "at-risk" subsidized housing when subsidies are in jeopardy of expiring.

Policy 7.2 Assist owners of affordable rental properties in maintaining and improving residential properties through a variety of housing assistance programs.

Policy 7.3 Assist non-profit housing providers in the rehabilitation/acquisition of older residential structures.

Policy 7.4 Encourage developers to build larger rental units for large families and participate in writing grants for these needs.

7. Maintain contact with owners of affordable rental properties and provide information relating to maintenance and rehabilitation.

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to the City**

7A. Continue with funding programs established for rehabilitation targeting affordable rental units.

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **HOME/CDBG**
Quantified Obj.: **In conjunction with Program 3, the City will rehabilitate ten (10) units per year, 70 units**

Objective 8: Encourage new development projects for special need groups.

Policy 8.1 Work with private and nonprofit developers to identify financing, assist with design and construct housing to meet special needs. Such projects might include, but are not limited to: senior housing; housing for persons with physical and mental disabilities; emergency and/or transitional housing for the homeless; farmworker housing; female headed household housing or housing for large families.

Policy 8.2 Cooperate with community based organizations that provide services or information regarding the availability of services to the homeless.

Policy 8.3 Encourage greater access to housing for persons with disabilities.

8. **In cooperation with private developers, non-profit housing corporations, Merced County, and other interested entities to apply for and utilize State and Federal funding to assist with projects for special needs housing. In addition, the City shall review and update if necessary the Los Banos Municipal Code to ensure the definition of special needs housing to ensure the definition is consistent with the United States Department of Housing and Urban Development and the California Department of Housing and Community Development**

Responsibility:	**Community and Economic Development Department**
Time Frame:	**Ongoing, 2014-2023**
Funding:	**HOME/CDBG**

8A. **Work with community based organizations and developers with regard to special needs housing and information on emergency shelters. The City shall contact community based organizations on a semi-annual basis regarding opportunities for special needs housing and information on emergency shelters.**

Responsibility:	**Community and Economic Development Department**
Time Frame:	**Ongoing, 2014-2023. Reach out to Community Based Organizations on a semi-annual basis.**
Funding:	**Administrative cost to the City**

8B. **To ensure the needs of aging residents are met, the City will permit the development of senior housing in specific areas of the community, including residential and commercial zones at higher densities than are traditionally allowed. Zoning Incentives will be given for senior housing development such as reduced parking standards, reduced unit sizes, increased heights, and increased maximum lot coverage. As senior housing projects are received, the City will hold pre-application meetings to discuss opportunities for higher densities and zoning incentives to maximize the potential for each project. This program will be completed on a case-by-case basis.**

Responsibility:	**Community and Economic Development Department**
Time Frame:	**Ongoing and as senior housing development applications are received**
Funding:	**Developer/Administrative cost to the City**

8C. **Assist in the development of housing for farmworkers. Actions will include assistance with site identification and support of applications for funding. The City shall provide technical assistance when needed, and continue to conduction pre-application conferences and meet with farmworker housing developers on an ongoing basis. Actions include:**

- **Post information on the Community and Economic Development Department website within 1-year of Housing Element adoption.**

Information includes a site inventory and available land, housing resources and grant information.

- **Contact farmworker housing developers to determine interest and identify constraints to farmworker housing development within the City.**

Responsibility: **Community and Economic Development Department**
Time Frame: **2014-2023, contact farmworker housing developers on a semi-annual basis**
Funding: **Administrative cost to City**

8D. **The City will work with the agricultural community, housing providers and agricultural groups to develop and build year-round and seasonal agricultural worker housing. This will require an analysis of prime agricultural areas in the City to identify suitable locations for at least 20 units of farmworker housing. Information gathered from this analysis shall be provided, in conjunction with Program 8C, to agricultural and affordable housing developers in a manner conducive to their use for developing the actual units. In addition, the City shall invite developers and local farmworker organizations to be involved in the Housing Element update and other housing related activities.**

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to City**

8E. **The City will encourage and support State and Federal funding applications for farm worker housing and supportive infrastructure by providing technical assistance when needed, and continue to conduct pre-application conferences and meet with farm worker housing developers on an ongoing basis. Technical assistance can include but is not limited to information gathering, peer review of State and Federal funding applications and assistance in finding suitable sites for farm worker housing. Additionally, the City will provide information on County farm worker housing through the Housing Authority of Merced County.**

Responsibility: **Community and Economic Development Department**
Time Frame: **Ongoing**
Funding: **Administrative cost to the City**

8F. **The City will amend Title 9, Chapter 3 to allow for the location of Single Room Occupancy (SRO) uses as a conditional use in the High Density Residential District (R-3) and adopt development standards that allow and accommodate the inclusion of new SRO's. Development standards may include:**

- **Ensure development standards that do not constrain the development of SROs, the City will adopt development standards that include:**
- **Requirements for a management plan outlining policies and procedures;**
- **24- hour on-site management;**
- **Room limitation to single occupancy, with allowance for overnight guests;**
- **Units must be 250-300 square feet in size and include kitchen or bathroom; and**
- **Parking ratio of one space per unit and bicycle rack storage of one rack per 5 units**

Responsibility:	**Community and Economic Development Department, Planning Commission, City Council**
Time Frame:	**Draft Zoning Text Amendment in 2017 and Amend Title 9 in 2017/2018**
Funding:	**Administrative cost to the City**

8G. The City will review and amend if necessary, Title 9, Chapter 3, Article 23: Site Plan Review to ensure the Planning Commission criteria for approval and findings are not a constraint to the development of housing requiring Site Plan Review.

Responsibility:	**Community and Economic Development Department, Planning Commission, City Council**
Time Frame:	**Review Planning Commission criteria for approval 2016/2017. Draft revisions and adopt zoning text amendment in 2017, if necessary**
Funding:	**Administrative cost to the City**

8H The City will review and amend if necessary, Title 9, Chapter 3 to ensure that Transitional and Supportive Housing complies with Senate Bill 2. If necessary, the City shall amend the Zoning Ordinance to permit Transitional and Supportive Housing as a residential use in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. In addition, the City shall amend Article 2: Definitions to include Transitional and Supportive Housing and Target Population, per Senate Bill 745.

Responsibility:	**Community and Economic Development Department, Planning Commission, City Council**
Time Frame:	**Review Zoning Ordinance 2016/2017. Draft revisions and adopt zoning text amendment in 2017, if necessary**
Funding:	**Administrative cost to the City**

8I **The City will review and amend if necessary, Title 9, Chapter 3 to ensure Housing for Farmworkers is consistent with the Employee Housing Act (Health and Safety Code Section 1700 et. seq.), specifically, Sections 17021.5 and 17021.6.**

Responsibility:	**Community and Economic Development Department, Planning Commission, City Council**
Time Frame:	**Review Zoning Ordinance 2016/2017. Draft revisions and adopt zoning text amendment in 2017, if necessary'**
Funding:	**Administrative cost to the City**

8. QUANTIFIED OBJECTIVES

State law requires that Housing Elements include quantified objectives for the number of units by income category expected to be constructed, rehabilitated or conserved during the planning period given the limited availability of resources. The construction objective refers to the number of units that potentially may be constructed over the planning period given available land and other relevant resources, constraints that cannot be mitigated or removed and proposed programs. The rehabilitation objective is the number of existing units expected to be repaired during the planning period of the Element, while the conservation objective refers to the preservation of existing affordable housing stock.

In order to adequately address the existing, future and special needs housing in Los Banos, the development of quantified housing objectives took into consideration the population and housing characteristics identified in the Housing Element Background Report, public input gained at the Housing Element Community Workshops, information presented in Merced County Association of Government's (MCAG) Regional Housing Needs Allocation Plan, as well as the analysis presented in the Resource Inventory of the Housing Element.

The following discussion summarizes the key observations that influenced the development of the City's quantified housing objectives:

- *Recent Housing Trends*
  The City experienced a housing boom through 2007, However since that point, the City is one of the leaders in the nation in foreclosures. The large number of foreclosures has really driven the prices of homes down making them much more affordable for all segments of the population. The majority of the homes built were single family homes, it is evident that new construction of multi-family housing is still needed. However, there has been an increase of multi-family development over recent years, including the 105 unit Pacheco Village I and 80 unit Pacheco Village II. These units have 4-bedroom floorplans to accommodate larger families. As discussed in the Housing Needs Assessment, there are a significantly reduced number of foreclosures in 2015 than there were in 2010 or prior years.

- *Anticipated Population Growth*
  According to the Merced County Association of Governments and Economic and Planning Systems, the City of Los Banos is expected to have a population of 44,000 by the year 2020. This data was relied upon to determine an effective and reasonable new housing construction objective.

- *Current Housing Utilization*
  The housing vacancy rate in Los Banos increased from 4.1 percent in 2000 to 9.8 percent in 2010, indicating that there is an increased supply for housing yet filled in the City. In addition, more than half (11.6 percent) of renter occupied

households were overcrowded in 2010. This is a significant decrease from 2000, where 54.8 percent of renter households were overcrowded. This is due to recent multi-family development such as Pacheco Village I and II which offer 4-bedroom apartments. This trend could be reflective of the fact that there is a lack of available housing for larger families.

- *Existing Housing Conditions*
  The results of the Windshield Housing Survey conducted as part of the 2007-2014 Housing Element Update suggest that the housing stock in Los Banos is in excellent shape. This is not expected to change. However, Program 3D has been included as part of the 2014-2023 Housing Element for the Windshield Housing Survey to be updated and analyzed. There is still a need to rehabilitate portions of the City's existing older housing stock. As it is very likely that very low and low income families would not be able to afford the cost of housing repairs, the City is determined to continue utilizing available funds to implement its housing rehabilitation program throughout the Housing Element planning period.

The following table summarizes the City's quantified objectives for the period of January 1, 2014 through December 31, 2023. These objectives represent a reasonable expectation of the maximum number of new housing units that will be constructed, households that will be assisted through housing rehabilitation or first time home buyer programs and the Neighborhood Stabilization Program and existing homes that will be purchased by all income levels.

Table VIII-1
Quantified Objectives

Housing Objectives				
Household Income Category	Conservation Objective by Income Category 2014-2023	Housing Rehabilitation Objective by Income Category 2014-2023	First Time Homebuyer Program 2014-2023	Housing Construction and Vacant Homes to be Purchased Objective by Income Category 2014-2023
Extremely Low	15	100	50	176
Very Low	15	95	25	158
Low	15	105	25	301
Subtotal Affordable Units		300	100	635
Moderate	0	0	25	371
Above Moderate	0	0	25	1,024
Total	**45**	**300**	**150**	**2,030**

* The Merced County Regional Housing Needs Allocation Plan has provided the projected need but has stated that the resulting numbers do not imply that each jurisdiction must produce the identified amount of housing. According to the Plan, a community may promote additional housing opportunities by a number of means and the determination will ultimately be addressed within the Housing Element of each jurisdiction.

9. EFFORTS TO ACHIEVE CITIZEN PARTICIPATION

State law requires cities and counties to make a diligent effort to achieve participation by all segments of the community in preparing a Housing Element. Section 65583 [c] [6] of the California Government Code specifically requires that:

- The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element and the program shall describe this effort.

The diligent effort required by State law means that local jurisdictions must do more than issue the customary public notices and conduct standard public hearings prior to adopting a Housing Element. State law requires cities and counties to take active steps to inform, involve and solicit input from the public, particularly low income and minority households that might otherwise not participate in the process.

To meet the requirements of State law, the City of Los Banos has completed the public outreach and encouraged community involvement as described below:

Public Meetings and Hearings

The City of Los Banos held a public meeting on August 3, 2015 to solicit public input and encourage public participation in the 2014-2023 Housing Element update. The meeting notices were sent to all apartment complexes within the City, the Realtor's Association, Merced County Housing Authority and all Mobile Home Parks within the City. The notice of the meeting was also advertised in the local paper, the Los Banos Enterprise, (in English and Spanish) as a public notice and was located on the City's website. The meeting was also announced at the City Council meeting which is broadcasted on the local cable channel. In addition, the City Council and Planning Commission members were invited to attend the meetings. Written comments were encouraged for those that could not attend the meeting.

The meetings were attended by City of Los Banos Community and Economic Development Department Staff.

Public hearings on the Housing Element update were conducted after receipt and consideration of HCD's comments and prior to adoption of the updated Housing Element. The Planning Commission hearing was conducted on June 8, 2016 and the City Council hearing was conducted on July 20, 2016.

PUBLIC NOTICES

Throughout the update process, the City continued to encourage public comments. On January 29, 2016 a public notice was placed in the Los Banos Enterprise to inform the public the Draft 2014-2023 Housing Element Update was available for review and comment. The City also posted notice of availability and a copy of the Draft Housing Element on the City's website.

10. CONSISTENCY WITH OTHER GENERAL PLAN ELEMENTS

State law requires that the Housing Element contain a statement of "the means by which consistency will be achieved with other General Plan elements and community goals" (California Government Code, Section 65583 [c] [7]. There are two aspects of this analysis: 1) an identification of other General Plan goals, policies and programs that could affect implementation of the Housing Element; and 2) an identification of actions to ensure consistency between the Housing Element and affected parts of other General Plan elements. The City's 2030 General Plan contain several elements with policies related to housing, the elements are:

- Land Use
- Circulation
- Parks, Open Space and Resources
- Economic Development
- Public Facilities and Utilities

The goals and policies of the Housing Element support the broad visions statements contained in the City's General Plan, as well as the land use classifications and residential, open space and recreation standards found in the General Plan. Finally, the goals, objectives, policies and programs established in the Housing Element are consistent with and attempt to implement those set forth in the Land Use Element for residential development.

The Housing Element Update does differ from the remaining elements of the General Plan with regard to the use of more recent data. The Housing Element utilized data available from the Department of Finance, US Census, Merced County Regional Housing Needs Allocation Plan, Realty Trac and Housing Survey.

The City has reviewed policies in the other elements of the General Plan and has concluded that none of the policies will impede the City's achievements of, or be inconsistent with, the policies of this Housing Element. Housing Element policies primarily related to housing assistance, housing rehabilitation, equal housing opportunities, residential energy conservation and other topics not directly affected by policies in the other General Plan elements. Furthermore, it has been found that policies contained in the Housing Element will help contribute to the achievement of General Plan policies.

Disadvantaged Unincorporated Communities (DUC)

Review of the Department of Water Resources Disadvantaged Communities Mapping Tool and the Merced LAFCo website shows that there are no DUC's within the City Limits or Sphere of Influence of the City of Los Banos.

APPENDICES

APPENDIX A

PUBLIC NOTICE FOR COMMUNITY WORKSHOP

DR. BRUCE A. METCALF
MERCED RESCUE MISSION
1921 CANAL STREET
MERCED CA 95340

BRENDA CALLAHAN-JOHNSON
MERCED COUNTY COMMUNITY
ACTION AGENCY
1235 WEST MAIN STREET
MERCED CA 95340

MARIE GREEN CENTER
300 E 15TH STREET
MERCED CA 95340

HUMAN SERVICES AGENCY
2115 WEST WARDROBE AVENUE
MERCED CA 95340

CATHOLIC CHARITIES OF MERCED
336 WEST MAIN STREET, SUITE 1
MERCED CA 95340

BIA
900 H. STREET, SUITE E-2
MODESTO CA 95354

MAYA ABOOD
CA COALITION FOR RURAL HOUSING
717 K. STREET, SUITE 400
SACRAMENTO CA 95814

VERONICA ORNELAS
CALIFORNIA VALLEY OPPORTUNITY
CENTER
1581 CUMMINS DRIVE, SUITE 100
MODESTO CA 95358

MERCED COUNTY COMMUNITY
ACTION
1235 WEST MAIN STREET
MERCED CA 95340

MERCED COUNTY RESCUE MISSION
1921 CANAL STREET
MERCED CA 95340

CENTRAL VALLEY HOMELESS
VETERANS
P.O. BOX 577984
MODESTO CA 95357

LOS BANOS CHAMBER OF COMMERCE
503 J STREET
LOS BANOS 93635

SIERRA PRESBYTERIAN CHURCH
3603 M STREET
MERCED CA 95348

ST. VINCENT DE PAUL SOCIETY
131 WEST MAIN STREET
MERCED CA 95340

MERCED LAO FAMILY COMMUNITY INC
855 W 15TH STREET
MERCED CA 95340

NEEPHA XAYNOUVONG
CHILDREN'S CRISIS CENTER
P.O. BOX 1062
MODESTO CA 95353

THE ROSE JULIA RIORDAN
TRANQUILITY HOUSE
2410 EDWARDS AVENUE
MERCED CA 95340

ASPIRANET
815 W 18TH STREET
MERCED CA 95340

PROJECT CHERISH
1130 F STREET
LOS BANOS CA 93635

PATRICK POKORNY
COMMUNITY IMPACT CENTRAL VALLEY
900 H STREET, SUITE D
MODESTO CA 95354

DISABILITY RESOURCE AGENCY FOR
INDEPENDENT LIVING
920 12TH STREET
MODESTO CA 95354

HOUSING AUTHORITY OF THE
COUNTY OF MERCED
405 U STREET
MERCED CA 95341

FULL GOSPEL MISSION
990 WEST 12TH STREET
MERCED CA 95341

HABITAT FOR HUMANITY
360 KEARNEY AVENUE
MODESTO CA 95350

TURLOCK GOSPEL MISSION
408 1ST STREET
TURLOCK CA 95341

BELINDA ROLICHECK
HAVEN WOMEN'S CENTER
618 13TH STREET
MODESTO CA 95354

MERCED COUNTY FOOD BANK
2115 WARDROBE AVENUE
MERCED CA 95341

SALVATION ARMY
1231 4TH STREET
LOS BANOS CA 93635

WE CARE PROGRAM
221 S. BROADWAY
TURLOCK CA 95380

MERCED COUNTY PUBLIC HEALTH
415 F STREET
LOS BANOS CA 93635

SAMARITAN VILLAGE
7700 FOX ROAD
HUGHSON CA 95326

BOB FRIESEN
SELF HELP ENTERPRISES
P.O. BOX 6520
VISALIA CA 93290

ERIC D. KJELDGAARD
OPPORTUNITY BUILDERS
135 SOUTH 5TH AVENUE
OAKDALE CA 95361

CENTRAL VALLEY APARTMENTS I & II
1100 D STREET
LOS BANOS CA 93635

LOS BANOS APARTMENTS
44 W I STREET
LOS BANOS CA 93635

MCARTHUR APARTMENTS I & II
1130 F STREET
LOS BANOS CA 93635

HERITAGE VILLAGE
1156 SAN LUIS STREET
LOS BANOS CA 93635

City of Los Banos
At the Crossroads of California

DATE: July 24, 2015

TO: Residents of the City of Los Banos and Interested Agencies

FROM: City of Los Banos Community & Economic Development Department

RE: City of Los Banos Housing Element Update 2014-2023

Pursuant to section 65588 of the California Government Code, the City of Los Banos has initiated an update to the Housing Element of the City's General Plan.

State law requires the Los Banos Housing Element to consist of identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobile homes and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community. The Housing Element will include the following:

- Analysis of the City's demographics (i.e. population and employment trends);
- Identify City's Housing Needs as projected by Merced County Association of Governments;
- Inventory of land suitable for future residential development;
- Analysis of potential constraints (i.e. infrastructure, costs of development, etc.) related to residential development;
- Goals, Policies, Objectives, and Programs for the maintenance, preservation, improvement, and development of housing;
- Goals, Policies, Objectives, and Programs for the City to provide housing for persons of all income levels, including multi-family rental housing, factory built housing, mobile homes, farmworker housing, emergency shelters and transitional housing; and,
- Programs to assist in the development of housing needs for persons of extremely low, very low, low, and moderate income households.

The City of Los Banos Community & Economic Development Department will be conducting a Public Workshop for the 2014-2023 Housing Element on **Monday, August 3, 2015, from 6:00pm to 8:00pm**, at the following location:

Los Banos City Council Chambers
520 F Street
Los Banos, California 93653

All interested parties are encouraged to attend.

A copy of the City's current Housing Element may be obtained by e-mail request to Stacy Souza stacy.souza@losbanos.org or via the City's website (http://www.losbanos.org/). If you have any questions regarding the update to the Housing Element or the Public Workshop scheduled for August 3, 2015, please contact Stacy Souza at the City of Los Banos Community & Economic Devleopment Department at (209) 827-7000.

APPENDIX B

AGENCY LETTER, QUESTIONNAIRE AND RESPONSES

City of Los Banos
At the Crossroads of California

DATE: July 24, 2015

TO: Advisory Agencies of the City of Los Banos

FROM: Los Banos Community & Economic Development Department

RE: City of Los Banos Housing Element Update 2014-2023

Pursuant to the California Government Code, the Housing Element of the City of Los Banos General Plan must be updated by March 1, 2016. The Los Banos Community & Economic Development Department is beginning the process of updating the Housing Element and would like your input.

State law requires the City of Los Banos's Housing Element to consist of identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobile homes and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community. The Housing Element will include the following:

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- Goals, Policies, Objectives, and Programs for the City to provide housing for persons of all income levels, including multi-family rental housing, factory built housing, mobile homes, farmworker housing, emergency shelters and transitional housing; and,
- Programs to assist in the development of housing needs for persons of very low, low, and moderate income households.

The questionnaire is intended to provide the City with comments from various agencies, groups, organizations and persons to better develop the City's General Plan Housing Element. Comments provide the City with direction in regards to developing goals, policies and programs to be implemented in the 2014-2023 planning period and help identify areas in which previous Housing Element succeeded or failed.

Please complete the enclosed questionnaire and return it to **J.B. Anderson Land Use Planning, Attn: Mark Niskanen, 139 S. Stockton Avenue, Ripon, CA 95366.**

Please provide your comments regarding the City of Los Banos Housing Element update by August 28, 2015.

Additionally, the City of Los Banos Community & Economic Development Department will be conducting a Public Workshop for the 2014-2023 Housing Element on **Monday, August 3, 2015, from 6:00pm to 8:00pm**, at the following location:

City of Los Banos City Council Chambers
520 J Street
Los Banos, California 93635

All interested parties are encouraged to attend.

City of Los Banos

2014 – 2023 Housing Element Update
Questionnaire

1. If applicable, what types of housing related services does your agency or organization provide in the City of Los Banos?

_____
_____
_____
_____
_____
_____

2. What housing needs have you identified that you feel should be addressed in the City's Housing Element Update?

_____
_____
_____
_____
_____
_____

3. Are you familiar with the City's current Housing Element Policies and Programs, and if so, what are the most effective and the least effective Policies and/or Programs of the existing General Plan Housing Element?

_____
_____
_____
_____
_____

4. What other comments would you like to provide regarding the update of the General Plan Housing Element?

_____
_____
_____
_____
_____
_____

Please do not hesitate to attach additional sheet as needed.

_____ _____
Your Name Organization

RECEIVED
JUL 27 2015
BY:

City of
Los Banos
At the Crossroads of California

RECEIVED
AUG 03 2015
J.B. Anderson Planning

DATE: July 22, 2015
TO: Advisory Agencies of the City of Los Banos
FROM: Los Banos Community & Economic Development Department
RE: City of Los Banos Housing Element Update 2014-2023

Pursuant to the California Government Code, the Housing Element of the City of Los Banos General Plan must be updated by March 1, 2016. The Los Banos Community & Economic Development Department is beginning the process of updating the Housing Element and would like your input.

State law requires the City of Los Banos' Housing Element to consist of identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing, mobile homes and emergency shelters, and shall make adequate provision for the existing and projected needs of all economic segments of the community. The Housing Element will include the following:

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- Goals, Policies, Objectives, and Programs for the City to provide housing for persons of all income levels, including multi-family rental housing, factory built housing, mobile homes, farmworker housing, emergency shelters and transitional housing; and,
- Programs to assist in the development of housing needs for persons of very low, low, and moderate income households.

The questionnaire is intended to provide the City with comments from various agencies, groups, organizations and persons to better develop the City's General Plan Housing Element. Comments provide the City with direction in regards to developing goals, policies and programs to be implemented in the 2014-2023 planning period and help identify areas in which previous Housing Element succeeded or failed.

Please complete the enclosed questionnaire and return it to **J.B. Anderson Land Use Planning, Attn: Mark Niskanen, 139 S. Stockton Avenue, Ripon, CA 95366.**

City of Los Banos

2014 – 2023 Housing Element Update
Questionnaire

1. If applicable, what types of housing related services does your agency or organization provide in the City of Los Banos?

Housing Authority County of Merced provide the following housing programs in Los Banos: 50 units Seasonal Farmworker housing; 70 units of Public Housing and under the Section 8 program 171 families receive housing assistance

2. What housing needs have you identified that you feel should be addressed in the City's Housing Element Update?

Housing Element Plan has done a great job of identifying the housing needs of the Los Banos area and adequately covered areas that would be of concern to our mission and goals -- affordable housing, special needs housing

3. Are you familiar with the City's current Housing Element Policies and Programs, and if so, what are the most effective and the least effective Policies and/or Programs of the existing General Plan Housing Element?

No opinion at this time

4. What other comments would you like to provide regarding the update of the General Plan Housing Element?

Perhaps more communication between City and Housing Authority related to housing and current issues/trends HA ~~are~~ is aware of or experiencing

Please do not hesitate to attach additional sheet as needed.

Dennis Ferraro
Your Name

Housing Authority County of Merced
Organization

City of
Los Banos
At the Crossroads of California

RECEIVED
AUG 10 2015
J.B. Anderson Planning

DATE: July 22, 2015

TO: Advisory Agencies of the City of Los Banos

FROM: Los Banos Community & Economic Development Department

RE: City of Los Banos Housing Element Update 2014-2023

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The questionnaire is intended to provide the City with comments from various agencies, groups, organizations and persons to better develop the City's General Plan Housing Element. Comments provide the City with direction in regards to developing goals, policies and programs to be implemented in the 2014-2023 planning period and help identify areas in which previous Housing Element succeeded or failed.

Please complete the enclosed questionnaire and return it to **J.B. Anderson Land Use Planning, Attn: Mark Niskanen, 139 S. Stockton Avenue, Ripon, CA 95366.**

City of Los Banos

2014 – 2023 Housing Element Update
Questionnaire

1. If applicable, what types of housing related services does your agency or organization provide in the City of Los Banos?

   none

2. What housing needs have you identified that you feel should be addressed in the City's Housing Element Update?

   Provide for homeless intervention as your City needs deem necessary

3. Are you familiar with the City's current Housing Element Policies and Programs, and if so, what are the most effective and the least effective Policies and/or Programs of the existing General Plan Housing Element?

   not familiar

4. What other comments would you like to provide regarding the update of the General Plan Housing Element?

Please do not hesitate to attach additional sheet as needed.

Rhonda Bouche
Your Name

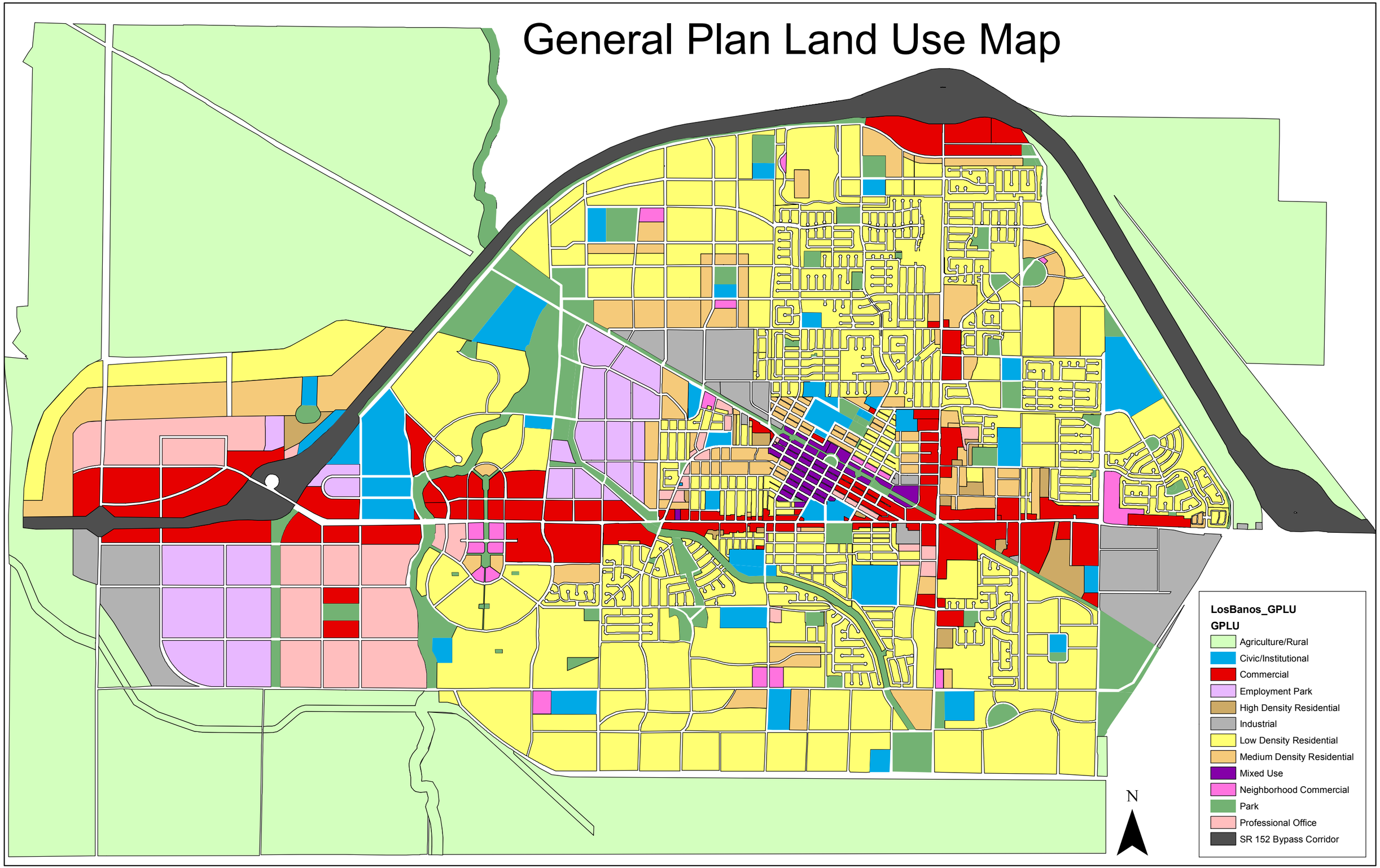
Director Finance + HR

Turlock Gospel mission
Organization

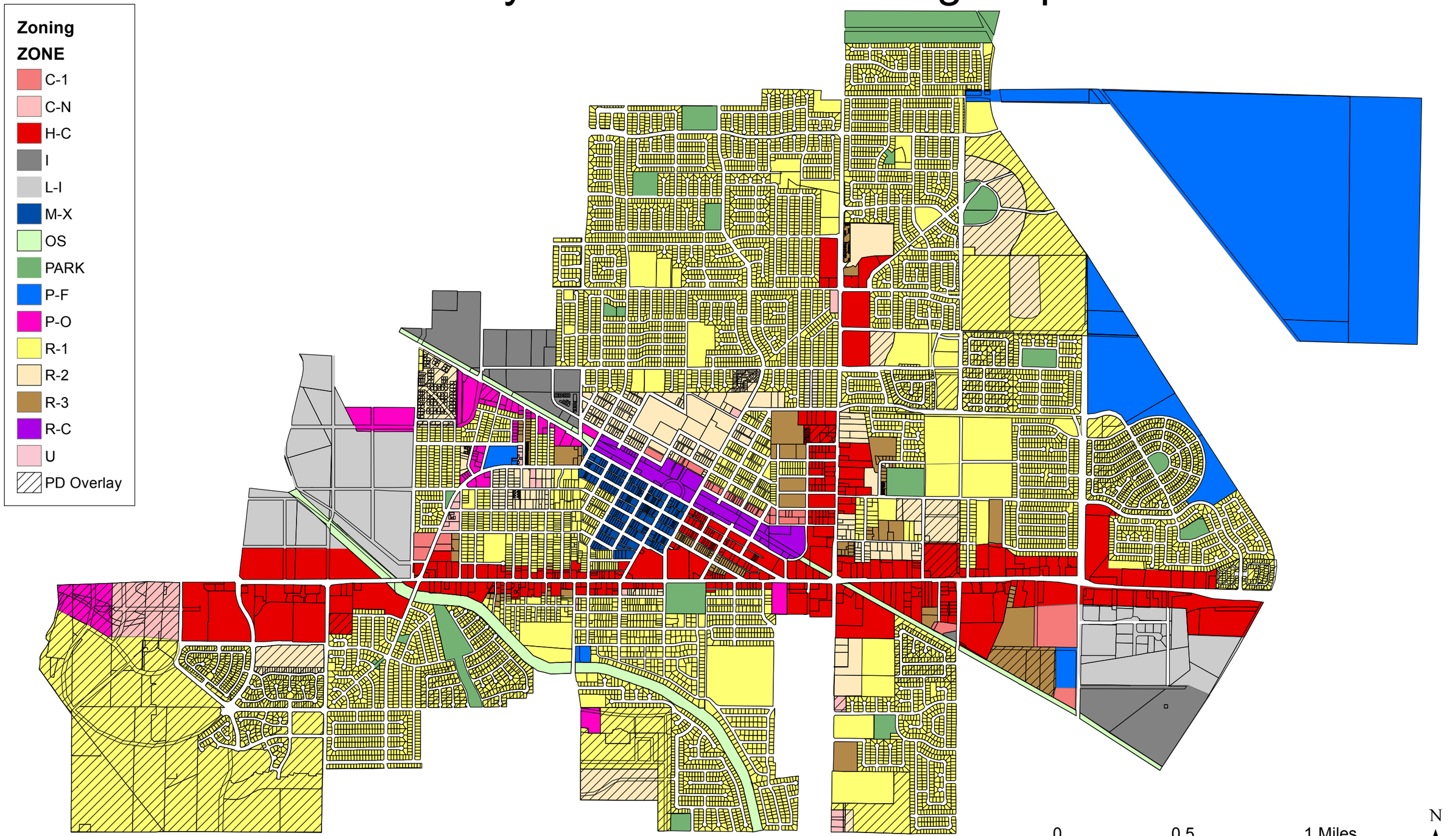
APPENDIX C

CITY OF LOS BANOS GENERAL PLAN AND ZONING MAP

General Plan Land Use Map



City of Los Banos Zoning Map



October 20, 2010

APPENDIX D

SUMMARY OF FINANCIAL RESOURCES FOR HOUSING

Appendix D
Summary of Financial Resources for Housing

Program Name	Description
FEDERAL PROGRAMS	
Community Development Block Grant (CDBG) Program	Federal block grant program administered and awarded by the State Dept. of Housing and Community Development (HCD) on behalf of HUD through an annual competitive process to cities and counties. Funds may be used for affordable housing acquisition, rehabilitation, construction, homebuyer assistance, community facilities, community services, and infrastructure improvements, among other uses that assist low-income persons.
Neighborhood Stabilization Program (NSP)	Federal block grant administered and awarded by HUD, which was enacted by the United States Housing and Urban Development Department to allow Municipal Agencies to purchase foreclosed or abandoned homes and to rehabilitate, resell, and redevelop these homes in order to stabilize home neighborhoods.
Emergency Shelter Grants (ESG) Program	Federal block grant program administered and awarded by the State Dept. of HCD on behalf of HUD through an annual competitive process to cities and counties. Funds may be used for homeless services and facilities, including emergency shelter and transitional housing.
Housing for Persons with AIDS (HOPWA) Program	HOPWA makes grants to local communities, States, and non-profit organizations for projects that benefit low-income persons medically diagnosed with HIV/AIDS and their families. HOPWA funding provides housing assistance and related supportive services
HUD Continuum of Care grants	Continuum grants fund outreach and assessment programs and provide transitional and permanent housing for the homeless.
HOME Investment Partnership Act (HOME) Funds	Federal block grant program for affordable housing activities administered and awarded by the State on behalf of HUD through an annual competitive process to cities, counties, and private non-profit housing development agencies.
HUD Section 8 Rental Assistance Program	Provides project-based rental assistance or subsidies in connection with the development of newly constructed or substantially rehabilitated privately owned rental housing financed with any type of construction or permanent financing.
HUD Section 8 Housing Choice Voucher Program	HUD Section 8 Voucher program provides very-low income tenants with a voucher to be used in rental housing of the tenant's choosing.
HUD Section 202 - Supportive Housing for the Elderly Program	Provides funding for construction, rehabilitation or acquisition of supportive housing for very low-income elderly persons and provides rent subsidies for the projects to help make them affordable.
HUD Section 203(k) - Rehabilitation Mortgage Insurance Program	Provides in the mortgage, funds to rehabilitate and repair single-family housing.
HUD Section 207 - Mortgage Insurance for Manufactured Home Parks Program	Insures mortgage loans to facilitate the construction or substantial rehabilitation of multi-family manufactured home parks.
HUD Section 221(d)(3) and 221(d)(4)	Insures loans for construction or substantial rehabilitation of multi-family rental, cooperative, and Single Room Occupancy (SRO) housing.
HUD Section 811 - Supportive Housing for Persons with Disabilities	Provides funding to nonprofits to develop rental housing for persons with disabilities, and provides rent subsidies for the projects to help make them affordable.

Appendix D
Summary of Financial Resources for Housing

HUD Self-help Homeownership Opportunity Program (SHOP)	Provides funds for non-profits to purchase home sites and develop or improve the infrastructure needed for sweat equity affordable homeownership programs.
HUD Shelter Plus Care Program (S+C)	Provides rental assistance and permanent housing for disabled homeless individuals and their families.
HUD Supportive Housing Program (SHP)	Provides grants to develop supportive housing and services that enable homeless people to live independently.
Low-Income Housing Tax Credit (LIHTC) Program	Provides Federal and State income tax credit based on the cost of acquiring, rehabilitating or constructing low-income housing.
Mortgage Credit Certificate (MCC) Program	MCCs can be used by lower-income first-time homebuyers to reduce their federal income tax by a portion of their mortgage interest.
USDA RHS Direct Loan Program and Loan Guarantee Program (Section 502)	Provides low-interest loans to lower-income households. Also guarantees loans made by private sector lenders.
USDA RHS Home Repair Loan and Grant Program (Section 504)	Provides loans and grants for renovation including accessibility improvements for persons with disabilities.
USDA RHS Farm Labor Housing Program (Section 514)	Provides loans for the construction, improvement, or repair of housing for farm laborers.
USDA RHS Rural Rental Housing - Direct Loans (Section 515)	Provides direct loans to developers of affordable rural multi-family rental housing and may be used for new construction or rehabilitation.
USDA RHS Farmworker Housing Grants (Section 516)	Provides grants for farmworker housing.
USDA RHS Multi-Family Housing - Rental Assistance Program (Section 521)	Provides rent subsidies to ensure that elderly, disabled, and low-income residents of multi-family housing complexes financed by RHS are able to afford rent payments.
USDA RHS Rural Housing Site Loans (Sections 523 and 524)	Provide financing for the purchase and development of affordable housing sites in rural areas for low/moderate-income families.
USDA RHS Housing Preservation Grant Program (Section 533)	Provides grants to nonprofit organizations, local governments and Native American tribes to renovate existing low-income multi-family rental units.
USDA RHS Rural Rental Housing Guaranteed Loan Program (Section 538)	Provides funding construction of multi-family housing units to be occupied by low-income families.
STATE PROGRAMS	
Affordable Housing Innovation Program: Catalyst Community Grant Program	Grants in support of designated Gold and Silver Catalyst Projects; ongoing targeted technical assistance from participating State agencies; and bonus points when applying for State funding programs.
Affordable Housing Innovation Program: Golden State Acquisition Fund	Provides quick acquisition financing for the development or preservation of affordable housing. Loans for developers, provided through a nonprofit fund manager.

Appendix D
Summary of Financial Resources for Housing

Affordable Housing Innovation Program: Local Housing Trust Fund Program	To help finance local housing trust funds (LHTFs) dedicated to the creation or preservation of affordable housing
CalHome Program	Grants to local public agencies and nonprofit corporations for first-time homebuyer downpayment assistance, home rehabilitation, including manufactured homes not on permanent foundations, acquisition and rehabilitation, homebuyer counseling, self-help mortgage assistance programs, or technical assistance for self-help homeownership.
California Self-Help Housing Program (CSHHP)	Grants are made to sponsor organizations that provide technical assistance to participating families.
State Community Development Block Grant Program (CDBG): CD, Native American, and Colonia Allocation	Funds housing activities, public works, community facilities, and public service projects serving lower-income people in small, typically rural communities.
State Community Development Block Grant Program (CDBG): Economic Development Allocation, Over the Counter Development	Economic development through assistance to local businesses, resulting in the creation or retention of jobs for low-income workers in rural communities.
State Community Development Block Grant Program (CDBG): Economic Development Allocation, Enterprise Fund Component	Assists low-income microenterprise owners, and create or preserve jobs for low-income and very low-income persons.
State Community Development Block Grant Program (CDBG): Planning and Technical Assistance Grants	Provides funds for small cities and counties for planning and evaluation studies related to any CDBG-eligible activity.
Disaster Recovery Initiative (DRI) / Disaster Recovery Enhancement Fund (DREF)	Established to distribute federal funds to assist physical and economic recovery from wildlife disasters in 2008 that affected 15 California counties and two Indian tribes.
Emergency Housing and Assistance Program Capital Development (EHAPCD)	To fund capital development activities for emergency shelters, transitional housing and safe havens that provide shelter and supportive services for homeless individuals and families.
Enterprise Zone Program (EZ)	Stimulates business investment and job creation for disadvantaged individuals in state-designated economically distressed areas of California.
Governor’s Homeless Initiative (GHI)	Reduces homelessness by funding development or permanent supportive housing for persons with severe mental illness and are chronically homeless.
Housing Related Parks Program	Provides financial incentives to Cities and Counties that issue building permits for new housing.
Infill Infrastructure Grant Program	Funds infrastructure improvements to facilitate new housing development in residential or mixed use infill projects and infill areas.
Transit-Oriented Development Housing Program	Provides funding to stimulate the production of higher density housing and related infrastructure within close proximity to qualifying transit stations that encourage increased public transit ridership and minimizes automobile trips.

Appendix D
Summary of Financial Resources for Housing

Accessibility Grants for Renters	Grants by HCD to local agencies to fund accessibility improvements for disabled renters.
Building Equity and Growth in Neighborhoods (BEGIN)	HCD provides grants to local public agencies that adopt measures to encourage affordable housing. Grant funds must be used for downpayment assistance for low and moderate-income homebuyers.
California Homebuyer's Downpayment Assistance Program (CHDAP)	Provides deferred downpayment assistance loans for first-time moderate-income homebuyers.
California Self-Help Housing Program	Provides grants to organizations in order to assist low and moderate-income households who build their own homes.
CDLAC Tax-Exempt Housing Revenue Bonds	Local agencies can issue tax-exempt housing revenue bonds to assist developers of multifamily rental housing units, acquire land, and construct new projects or purchase and rehabilitate existing units. Reduce interest rate paid by developers for production of affordable rental housing for low and very low income households.
CHFA Affordable Housing Partnership Program (AHPP)	Provides below market-rate mortgages to qualified low-income, first-time homebuyers who also receive direct financial assistance from their local government, such as downpayment assistance or closing cost assistance.
CHFA Homeownership Program	Program offers single-family low-interest homeownership loans requiring as little as 3% down payment to first-time low- and moderate-income buyers to purchase new or existing housing.
CHFA 100% Loan Program (CHAP)	Provides 100% of the financing needs of eligible first-time homebuyers by providing a below market interest rate first mortgage combined with a 3% "silent second" mortgage to purchase newly constructed or existing (resale) housing.
CHFA Self-Help Builder Assistance Program	Offers an opportunity to households with limited down payment resources to obtain homeownership. The borrower's labor represents the downpayment.
CTCAC Tax Credit Program	Through a competitive process, awards tax credits to local agencies or non-profits for the development of affordable rental housing.
Emergency Housing Assistance Program (EHAP)	EHAP provides funds for emergency shelter, transitional housing and related services for the homeless and those at risk of losing their housing. The funds are distributed to all 58 counties based on a "need" formula derived from factors including population, unemployment and poverty.
Jobs Housing Balance Incentive Grant Program	Provides grants to local governments that approve increased housing production.
Joe Serna, Jr. Farmworker Housing Grant Program: Single Family	Finances new construction, rehabilitation and acquisition of owner-occupied housing units for agricultural workers, with a priority for lower-income households. – Homeowner Grants
Joe Serna, Jr. Farmworker Housing Grant Program: Rental	Finances new construction, rehabilitation and acquisition of owner-occupied housing units for agricultural workers, with a priority for lower-income households. – Rental new construction or rehabilitation grants and loans
Local Housing Trust Fund	Provides matching grants to local agencies that operate local housing trust funds.
Mobile home Park Resident Ownership Program (MPROP)	Finance the preservation of affordable mobile home parks by conversion to ownership or control by resident organizations, nonprofit housing sponsors, or local public agencies.
Multifamily Housing Program: General Component (MHP-General)	Provides low-interest loans to developers of affordable rental housing.

Appendix D
Summary of Financial Resources for Housing

Multifamily Housing Program: Supportive Housing Component (MHP-SH)	Provides low-interest loans to developers of permanent affordable rental housing developments that contain supportive housing units.
Multifamily Housing Program: Homeless Youth Component (MHP-HY)	Provides low-interest loans to developers of affordable rental housing developments that contain units for homeless youth (HY).
Preservation Interim Repositioning Program	Provides a short-term loan to an organization for preservation of "at-risk" subsidized developments.
Preservation Opportunity Program	Provides supplemental financing for "at-risk" subsidized rental developments receiving bond financing from CalHFA.
Predevelopment Loan Program (PDLP)	Provides predevelopment capital to finance the start of low-income housing projects.
Proposition 84 Office of Migrant Services	Uses general obligation bonds to fund new construction or conversion and rehabilitation of existing facilities for migrant housing.
School Facility Fee Downpayment Assistance Program (CHFA)	Provides downpayment assistance grants for low and moderate-income homebuyers of newly constructed to cover school impact fees
LOCAL PROGRAMS	
Single-Family Mortgage Revenue Bonds	Bonds may be issued and used to fund programs for construction and rehabilitation of affordable single-family housing.
Multi-Family Mortgage Revenue Bonds	Bonds may be issued and used to fund programs for construction and rehabilitation of affordable multi-family housing.
PRIVATE RESOURCES	
Federal Home Loan Bank Affordable Housing Program	Provides grants or subsidized interest rate loans for purchase, construction and/or rehabilitation of owner-occupied housing by or lower- and moderate-income households and/or to finance the purchase, construction or rehabilitation of rental housing.
Federal National Mortgage Association (Fannie Mae) Programs	Provides low downpayment mortgage to help first-time buyers purchase a home.
Federal Home Loan Mortgage Corporation (Freddie Mac) Affordable Gold Program	Provides mortgages requiring as little as 3% downpayment.
California Community Reinvestment Corporation (CCRC)	Provides long-term mortgage and bond financing for new construction, acquisition and rehabilitation as well as direct equity investment funds to acquire housing at risk of going to market-rate rents.
Low-Income Housing Fund	Provides financing for low-income housing at affordable rates and terms.

Source: HUD, HCD Financial Assistance Directory Program (June 2012), LISC, USDA, and CCRC.

APPENDIX E
SITE INVENTORY

APPENDIX E
Site Inventory

#	APN	Zone	Address	Density	GP Designation	Acres	Capacity	Use	Infrastructure Capacity	On-Site Constraints
Low Density Residential										
1	025-102-006	R-1	860 F Street	2-6 du/ac	Low Density Residential	0.13	1	Vacant	Yes	None
2	025-103-023	R-1	937 E Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
3	025-113-003	R-1	915 F Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
4	025-113-004	R-1	Not Available	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
5	026-071-009	R-1	Not Available	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
6	026-102-001	R-1	Not Available	2-6 du/ac	Low Density Residential	0.2	1	Vacant	Yes	None
7	027-171-005	R-1	Not Available	2-6 du/ac	Low Density Residential	0.24	1	Vacant	Yes	None
8	027-171-006	R-1	Not Available	2-6 du/ac	Low Density Residential	0.29	1	Vacant	Yes	None
9	027-171-038	R-1	Not Available	2-6 du/ac	Low Density Residential	0.22	1	Vacant	Yes	None
10	027-171-040	R-1	Not Available	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
11	027-171-044	R-1	Not Available	2-6 du/ac	Low Density Residential	0.25	1	Vacant	Yes	None
12	027-171-045	R-1	Not Available	2-6 du/ac	Low Density Residential	0.44	1	Vacant	Yes	None
13	027-201-017	R-1	721 Iowa Avenue	2-6 du/ac	Low Density Residential	0.29	1	Vacant	Yes	None
14	027-202-011	R-1	Not Available	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
15	027-202-020	R-1	605 Madrome Street	2-6 du/ac	Low Density Residential	0.28	1	Vacant	Yes	None
16	027-202-024	R-1	Not Available	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
17	081-162-003	R-1	351 Sunburst Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
18	081-162-005	R-1	335 Sunburst Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
19	081-162-006	R-1	327 Sunburst Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
20	081-163-004	R-1	394 Sunburst Court	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
21	081-163-005	R-1	390 Sunburst Court	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
22	081-163-006	R-1	382 Sunburst Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
23	081-163-007	R-1	374 Sunburst Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
24	081-163-008	R-1	368 Sunburst Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
25	081-163-009	R-1	360 Sunburst Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
26	081-163-010	R-1	352 Sunburst Street	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
27	081-163-011	R-1	344 Sunburst Street	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
28	081-163-013	R-1	328 Sunburst Street	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
29	081-163-014	R-1	320 Sunburst Street	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
30	081-173-002	R-1	300 Sunburst Street	2-6 du/ac	Low Density Residential	0.2	1	Vacant	Yes	None
31	081-174-001	R-1	268 Sunburst Street	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
32	081-174-002	R-1	260 Sunburst Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
33	081-174-003	R-1	254 Sunburst Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
34	081-174-004	R-1	244 Sunburst Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
35	081-174-005	R-1	236 Sunburst Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
36	081-174-006	R-1	228 Sunburst Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None

APPENDIX E
Site Inventory

#	APN	Zone	Address	Density	GP Designation	Acres	Capacity	Use	Infrastructure Capacity	On-Site Constraints
37	081-174-007	R-1	222 Sunburst Street	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
38	081-174-008	R-1	212 Sunburst Street	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
39	082-030-038	R-1	729 North Mercy Springs Road	2-6 du/ac	Low Density Residential	4.45	22	Vacant	Yes	None
40	082-515-001	R-1	Not Available	2-6 du/ac	Low Density Residential	1.17	6	Vacant	Yes	None
41	083-100-006	R-1	Not Available	2-6 du/ac	Low Density Residential	18.8	94	Vacant	Yes	None
42	083-100-019	R-1	Not Available	2-6 du/ac	Low Density Residential	19.99	100	Vacant	Yes	None
43	083-100-080	R-1	Not Available	2-6 du/ac	Low Density Residential	23.22	116	Vacant	Yes	None
44	083-261-010	R-1	Not Available	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
45	084-301-001	R-1	501 Heather Creek Drive	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
46	084-301-002	R-1	505 Heather Creek Drive	2-6 du/ac	Low Density Residential	0.14	1	Vacant	Yes	None
47	084-301-011	R-1	2317 Creekside Drive	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
48	084-301-012	R-1	2321 Creekside Drive	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
49	084-302-002	R-1	514 Heather Creek Drive	2-6 du/ac	Low Density Residential	0.12	1	Vacant	Yes	None
50	084-302-003	R-1	510 Heather Creek Drive	2-6 du/ac	Low Density Residential	0.12	1	Vacant	Yes	None
51	084-302-004	R-1	506 Heather Creek Drive	2-6 du/ac	Low Density Residential	0.12	1	Vacant	Yes	None
52	084-302-005	R-1	502 Heather Creek Drive	2-6 du/ac	Low Density Residential	0.13	1	Vacant	Yes	None
53	424-010-005	R-1	Not Available	2-6 du/ac	Low Density Residential	31.8	159	Vacant	Yes	None
54	424-010-006	R-1	Not Available	2-6 du/ac	Low Density Residential	24.48	122	Vacant	Yes	None
55	424-153-002	R-1	1458 San Antonio Street	2-6 du/ac	Low Density Residential	0.14	1	Vacant	Yes	None
56	424-153-003	R-1	1462 San Antonio Street	2-6 du/ac	Low Density Residential	0.14	1	Vacant	Yes	None
57	424-153-004	R-1	1466 San Antonio Street	2-6 du/ac	Low Density Residential	0.14	1	Vacant	Yes	None
58	424-153-005	R-1	1470 San Antonio Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
59	424-153-006	R-1	1474 San Antonio Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
60	424-153-007	R-1	1478 San Antonio Street	2-6 du/ac	Low Density Residential	0.2	1	Vacant	Yes	None
61	424-153-008	R-1	1482 San Antonio Street	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
62	424-153-009	R-1	1486 San Antonio Street	2-6 du/ac	Low Density Residential	0.24	1	Vacant	Yes	None
63	424-153-010	R-1	346 San Jeronimo Street	2-6 du/ac	Low Density Residential	0.14	1	Vacant	Yes	None
64	424-153-011	R-1	340 San Jeronimo Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
65	424-153-012	R-1	334 San Jeronimo Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
66	424-153-013	R-1	328 San Jeronimo Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
67	424-153-014	R-1	322 San Jeronimo Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
68	424-153-015	R-1	316 San Jeronimo Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
69	424-153-016	R-1	310 San Jeronimo Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
70	424-153-017	R-1	304 San Jeronimo Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
71	428-023-010	R-1	1498 East B Street	2-6 du/ac	Low Density Residential	0.38	2	Vacant	Yes	None
72	428-080-001	R-1	Not Available	2-6 du/ac	Low Density Residential	40.9	205	Vacant	Yes	None
73	428-120-009	R-1	Not Available	2-6 du/ac	Low Density Residential	77.2	386	Vacant	Yes	None

APPENDIX E
Site Inventory

#	APN	Zone	Address	Density	GP Designation	Acres	Capacity	Use	Infrastructure Capacity	On-Site Constraints
74	428-121-012	R-1	Not Available	2-6 du/ac	Low Density Residential	5.48	27	Vacant	Yes	None
75	428-293-011	R-1	229 San Bruno Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
76	428-293-012	R-1	233 San Bruno Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
77	428-293-013	R-1	235 San Bruno Street	2-6 du/ac	Low Density Residential	0.14	1	Vacant	Yes	None
78	428-293-014	R-1	1441 San Pedro Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
79	428-293-015	R-1	1439 San Pedro Street	2-6 du/ac	Low Density Residential	0.14	1	Vacant	Yes	None
80	428-293-016	R-1	1435 San Pedro Street	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
81	428-293-017	R-1	238 Senora Court	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
82	428-293-018	R-1	234 Senora Court	2-6 du/ac	Low Density Residential	0.14	1	Vacant	Yes	None
83	428-293-019	R-1	230 Senora Court	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
84	428-293-020	R-1	231 Senora Court	2-6 du/ac	Low Density Residential	0.22	1	Vacant	Yes	None
85	428-293-023	R-1	228 San Bruno Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
86	428-293-037	R-1	201 Las Palmas Street	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
87	430-010-024	P-D	Not Available	2-6 du/ac	Low Density Residential	3.53	18	Vacant	Yes	None
88	430-010-035	P-D	Not Available	2-6 du/ac	Low Density Residential	22.4	112	Vacant	Yes	None
89	430-010-037	R-1	Not Available	2-6 du/ac	Low Density Residential	5.64	28	Vacant	Yes	None
90	430-035-005	P-D	1638 Woodland Court	2-6 du/ac	Low Density Residential	0.14	1	Vacant	Yes	None
91	430-035-006	P-D	1634 Woodland Court	2-6 du/ac	Low Density Residential	0.13	1	Vacant	Yes	None
92	430-036-001	P-D	1545 Mayweed Drive	2-6 du/ac	Low Density Residential	0.12	1	Vacant	Yes	None
93	430-036-002	P-D	1541 Mayweed Drive	2-6 du/ac	Low Density Residential	0.13	1	Vacant	Yes	None
94	430-060-002	R-1	Not Available	2-6 du/ac	Low Density Residential	28.4	142	Vacant	Yes	None
95	430-060-003	P-D	Not Available	2-6 du/ac	Low Density Residential	31.26	156	Vacant	Yes	None
96	430-060-005	P-D	Not Available	2-6 du/ac	Low Density Residential	7.73	39	Vacant	Yes	None
97	430-060-008	R-1	Not Available	2-6 du/ac	Low Density Residential	21.31	107	Vacant	Yes	None
98	430-060-016	R-1	Not Available	2-6 du/ac	Low Density Residential	13.4	67	Vacant	Yes	None
99	430-060-017	R-1	Not Available	2-6 du/ac	Low Density Residential	16.21	81	Vacant	Yes	None
100	430-071-002	P-D	1640 Dolomite Drive	2-6 du/ac	Low Density Residential	0.2	1	Vacant	Yes	None
101	430-071-003	P-D	1636 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
102	430-071-004	P-D	1632 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
103	430-071-005	P-D	1628 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
104	430-071-006	P-D	1624 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
105	430-071-007	P-D	1620 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
106	430-071-008	P-D	1616 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
107	430-071-009	P-D	1612 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
108	430-071-010	P-D	1608 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
109	430-071-011	P-D	1604 Dolomite Drive	2-6 du/ac	Low Density Residential	0.23	1	Vacant	Yes	None
110	430-071-012	P-D	1600 Dolomite Drive	2-6 du/ac	Low Density Residential	0.25	1	Vacant	Yes	None

APPENDIX E
Site Inventory

#	APN	Zone	Address	Density	GP Designation	Acres	Capacity	Use	Infrastructure Capacity	On-Site Constraints
111	430-071-014	P-D	1603 Dolomite Drive	2-6 du/ac	Low Density Residential	0.27	1	Vacant	Yes	None
112	430-071-015	P-D	1609 Dolomite Drive	2-6 du/ac	Low Density Residential	0.22	1	Vacant	Yes	None
113	430-071-016	P-D	1613 Dolomite Drive	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
114	430-071-017	P-D	1804 Chert Court	2-6 du/ac	Low Density Residential	0.23	1	Vacant	Yes	None
115	430-071-018	P-D	1808 Chert Court	2-6 du/ac	Low Density Residential	0.31	1	Vacant	Yes	None
116	430-071-019	P-D	1812 Chert Court	2-6 du/ac	Low Density Residential	0.23	1	Vacant	Yes	None
117	430-071-020	P-D	1813 Chert Court	2-6 du/ac	Low Density Residential	0.3	1	Vacant	Yes	None
118	430-071-021	P-D	1809 Chert Court	2-6 du/ac	Low Density Residential	0.21	1	Vacant	Yes	None
119	430-071-022	P-D	1805 Chert Court	2-6 du/ac	Low Density Residential	0.22	1	Vacant	Yes	None
120	430-071-023	P-D	1801 Chert Court	2-6 du/ac	Low Density Residential	0.23	1	Vacant	Yes	None
121	430-071-024	P-D	1619 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
122	430-071-025	P-D	1623 Dolomite Drive	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
123	430-072-001	P-D	1643 Dolomite Drive	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
124	430-072-002	P-D	1639 Dolomite Drive	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
125	430-072-003	P-D	1635 Dolomite Drive	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
126	430-072-004	P-D	1631 Dolomite Drive	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
127	430-081-014	P-D	1225 Turquoise Court	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
128	430-081-015	P-D	1217 Turquoise Court	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
129	430-081-018	P-D	1727 Cobblefield Lane	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
130	430-081-019	P-D	1735 Cobblefield Lane	2-6 du/ac	Low Density Residential	0.17	1	Vacant	Yes	None
131	430-081-030	P-D	1739 Crystal Court	2-6 du/ac	Low Density Residential	0.22	1	Vacant	Yes	None
132	430-081-033	P-D	1264 Travertine Way	2-6 du/ac	Low Density Residential	0.28	1	Vacant	Yes	None
133	430-084-002	P-D	1200 Obsidian Court	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
134	430-091-001	P-D	1147 Obsidian Court	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
135	430-091-002	P-D	1159 Obsidian Court	2-6 du/ac	Low Density Residential	0.33	1	Vacant	Yes	None
136	430-091-003	P-D	1165 Obsidian Court	2-6 du/ac	Low Density Residential	0.2	1	Vacant	Yes	None
137	430-091-004	P-D	1173 Obsidian Court	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
138	430-091-005	P-D	1181 Obsidian Court	2-6 du/ac	Low Density Residential	0.18	1	Vacant	Yes	None
139	430-091-006	P-D	1818 Cobblefield Lane	2-6 du/ac	Low Density Residential	0.24	1	Vacant	Yes	None
140	430-091-007	P-D	1824 Cobblefield Lane	2-6 du/ac	Low Density Residential	0.35	1	Vacant	Yes	None
141	430-091-008	P-D	1830 Cobblefield Lane	2-6 du/ac	Low Density Residential	0.26	1	Vacant	Yes	None
142	430-091-009	P-D	1836 Cobblfield Lane	2-6 du/ac	Low Density Residential	0.25	1	Vacant	Yes	None
143	430-091-010	P-D	1842 Cobblefield Lane	2-6 du/ac	Low Density Residential	0.22	1	Vacant	Yes	None
144	431-111-011	R-1	Not Available	2-6 du/ac	Low Density Residential	0.19	1	Vacant	Yes	None
145	431-132-042	R-1	1534 Magnolia Court	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
146	431-132-044	R-1	1539 Magnolia Court	2-6 du/ac	Low Density Residential	0.25	1	Vacant	Yes	None
147	431-132-045	R-1	1535 Magnolia Court	2-6 du/ac	Low Density Residential	0.23	1	Vacant	Yes	None

APPENDIX E
Site Inventory

#	APN	Zone	Address	Density	GP Designation	Acres	Capacity	Use	Infrastructure Capacity	On-Site Constraints
148	431-132-046	R-1	1531 Magnolia Court	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
149	431-132-048	R-1	910 Azalea Court	2-6 du/ac	Low Density Residential	0.22	1	Vacant	Yes	None
150	431-132-049	R-1	914 Azalea Court	2-6 du/ac	Low Density Residential	0.16	1	Vacant	Yes	None
151	431-141-013	R-1	Not Available	2-6 du/ac	Low Density Residential	5.01	25	Vacant	Yes	None
152	431-250-034	R-1	Not Available	2-6 du/ac	Low Density Residential	0.15	1	Vacant	Yes	None
153	431-270-010	R-1	Not Available	2-6 du/ac	Low Density Residential	7.92	40	Vacant	Yes	None
Total:						**435**	**2171**			
Medium Density Residential										
1	025-042-001	R-2	Not Available	7-18 du/ac	Medium Density Residential	0.58	6	Vacant	Yes	None
2	025-051-014	R-2	208 G Street	7-18 du/ac	Medium Density Residential	0.17	2	Vacant	Yes	None
3	025-052-024	R-2	Not Available	7-18 du/ac	Medium Density Residential	0.26	3	Vacant	Yes	None
4	025-052-024	R-2	Not Available	7-18 du/ac	Medium Density Residential	0.26	3	Vacant	Yes	None
5	025-052-025	R-2	Not Available	7-18 du/ac	Medium Density Residential	0.26	3	Vacant	Yes	None
6	025-054-006	R-2	Not Available	7-18 du/ac	Medium Density Residential	2.02	20	Vacant	Yes	None
7	025-081-010	R-2	708 D Street	7-18 du/ac	Medium Density Residential	0.17	2	Vacant	Yes	None
8	025-081-014	R-2	711 C Street	7-18 du/ac	Medium Density Residential	0.26	3	Vacant	Yes	None
9	025-114-011	R-2	Not Available	7-18 du/ac	Medium Density Residential	0.92	9	Vacant	Yes	None
10	025-114-012	R-2	Not Available	7-18 du/ac	Medium Density Residential	0.92	9	Vacant	Yes	None
11	027-081-024	R-2	305 West J Street	7-18 du/ac	Medium Density Residential	0.48	5	Vacant	Yes	None
12	082-072-027	PD	Not Available	7-18 du/ac	Medium Density Residential	4.73	47	Vacant	Yes	None
13	082-420-047	PD	Not Available	7-18 du/ac	Medium Density Residential	0.75	8	Vacant	Yes	None
14	083-100-080	R-2	Not Available	7-18 du/ac	Medium Density Residential	2.56	26	Vacant	Yes	None
15	083-100-084	PD	Not Available	7-18 du/ac	Medium Density Residential	8.21	82	Vacant	Yes	None
16	424-010-005	PD	Not Available	7-18 du/ac	Medium Density Residential	14	140	Vacant	Yes	None
17	424-010-006	PD	Not Available	7-18 du/ac	Medium Density Residential	18	180	Vacant	Yes	None
18	428-030-002	R-2	110 Mercy Springs Road	7-18 du/ac	Medium Density Residential	1.4	14	Vacant	Yes	None
19	428-030-006	R-2	Not Available	7-18 du/ac	Medium Density Residential	1.3	13	Vacant	Yes	None
20	428-030-019	R-2	1500 Racquet Club Drive	7-18 du/ac	Medium Density Residential	3.1	31	Vacant	Yes	None
21	428-121-013	R-2	555 Miller Lane	7-18 du/ac	Medium Density Residential	4.25	43	Vacant	Yes	None
22	428-122-004	R-2	Not Available	7-18 du/ac	Medium Density Residential	13.69	137	Vacant	Yes	None
23	428-150-001	R-2	Not Available	7-18 du/ac	Medium Density Residential	1.8	18	Vacant	Yes	None
24	428-150-002	R-2	Not Available	7-18 du/ac	Medium Density Residential	1.8	18	Vacant	Yes	None
25	428-160-001	R-2	Not Available	7-18 du/ac	Medium Density Residential	8.7	87	Vacant	Yes	None
26	428-280-002	PD	Not Available	7-18 du/ac	Medium Density Residential	6.62	66	Vacant	Yes	None
27	430-010-022	PD	1401 Praire Springs Drive	7-18 du/ac	Medium Density Residential	15.42	154	Vacant	Yes	None
28	430-010-027	R-2	Not Available	7-18 du/ac	Medium Density Residential	5.71	57	Vacant	Yes	None

APPENDIX E
Site Inventory

#	APN	Zone	Address	Density	GP Designation	Acres	Capacity	Use	Infrastructure Capacity	On-Site Constraints
29	430-103-002	R-2	Not Available	7-18 du/ac	Medium Density Residential	3.57	36	Vacant	Yes	None
30	424-120-003	R-3	Not Available	7-18 du/ac	Medium Density Residential	0.32	3	Vacant	Yes	None
31	424-120-016	PD	Overland Court - Approved 2013	15.04	Medium Density Residential	4.32	69	Vacant	Yes	None
	Total:					**126.6**	**1291**			

High Density Residential										
1	027-130-020	R-3	Not Available	12-30 du/ac	High Density Residential	0.88	21	Vacant	Yes	None
2	027-060-004	R-3	Not Available	12-30 du/ac	High Density Residential	0.37	9	Vacant	Yes	None
3	027-060-007	R-3	Not Available	12-30 du/ac	High Density Residential	0.32	8	Vacant	Yes	None
4	027-130-002	R-3	645 Pacheco Boulevard	12-30 du/ac	High Density Residential	3.1	74	Vacant	Yes	None
5	027-130-020	R-3	Not Available	12-30 du/ac	High Density Residential	0.81	19	Vacant	Yes	None
6	027-171-038	R-3	Not Available	12-30 du/ac	High Density Residential	0.22	5	Vacant	Yes	None
7	027-171-040	R-3	Not Available	12-30 du/ac	High Density Residential	0.29	7	Vacant	Yes	None
8	083-100-084	PD	Not Available	12-30 du/ac	High Density Residential	8.21	197	Vacant	Yes	None
	Total:					**14.2**	**340.8**			
Mixed Use										
1	025-072-025	*	Not Available	0-18 du/ac	Mixed Use	0.25	2	Vacant	Yes	None
2	025-072-026	*	Not Available	0-18 du/ac	Mixed Use	0.84	8	Industrial	Yes	None
3	025-072-031	*	Not Available	0-18 du/ac	Mixed Use	1.6	14	Industrial	Yes	None
4	025-072-036	*	Not Available	0-18 du/ac	Mixed Use	1.69	15	Vacant	Yes	None
5	025-072-037	*	500 H Street	0-18 du/ac	Mixed Use	0.21	2	Commercial	Yes	None
6	025-114-015	*	Not Available	0-18 du/ac	Mixed Use	0.45	4	Vacant	Yes	None
7	025-114-017	*	840 H Street	0-18 du/ac	Mixed Use	1.1	10	Industrial	Yes	None
8	025-114-010	*	Not Available	0-18 du/ac	Mixed Use	0.77	7	Vacant	Yes	None
Total:						**6.9**	**62**			
Downtown District										
1	025-191-012	**	546 I Street	0-18 du/ac	Downtown District	0.09	1	Commercial	Yes	None
2	025-191-013	**	536 I Street	0-18 du/ac	Downtown District	0.17	2	Commercial	Yes	None
3	025-214-010	**	541 I Street	0-18 du/ac	Downtown District	0.16	1	Commercial	Yes	None
4	025-231-009	**	661 I Street	0-18 du/ac	Downtown District	0.17	2	Commercial	Yes	None
5	025-231-016	**	Not Available	0-18 du/ac	Downtown District	0.26	2	Commercial	Yes	None
6	025-241-003	**	509 I Street	0-18 du/ac	Downtown District	0.09	1	Commercial	Yes	None
7	025-241-004	**	511 I Street	0-18 du/ac	Downtown District	0.09	1	Commercial	Yes	None
8	025-241-005	**	515 I Street	0-18 du/ac	Downtown District	0.09	1	Commercial	Yes	None

APPENDIX E
Site Inventory

#	APN	Zone	Address	Density	GP Designation	Acres	Capacity	Use	Infrastructure Capacity	On-Site Constraints
9	025-241-006	**	521 I Street	0-18 du/ac	Downtown District	0.09	1	Commercial	Yes	None
10	025-241-007	**	525 I Street	0-18 du/ac	Downtown District	0.07	1	Commercial	Yes	None
11	025-241-008	**	529 I Street	0-18 du/ac	Downtown District	0.06	1	Commercial	Yes	None
12	025-241-009	**	535 I Street	0-18 du/ac	Downtown District	0.13	1	Commercial	Yes	None
13	025-241-011	**	551 I Street	0-18 du/ac	Downtown District	0.1	1	Commercial	Yes	None
Total:						**1.6**	**14**			

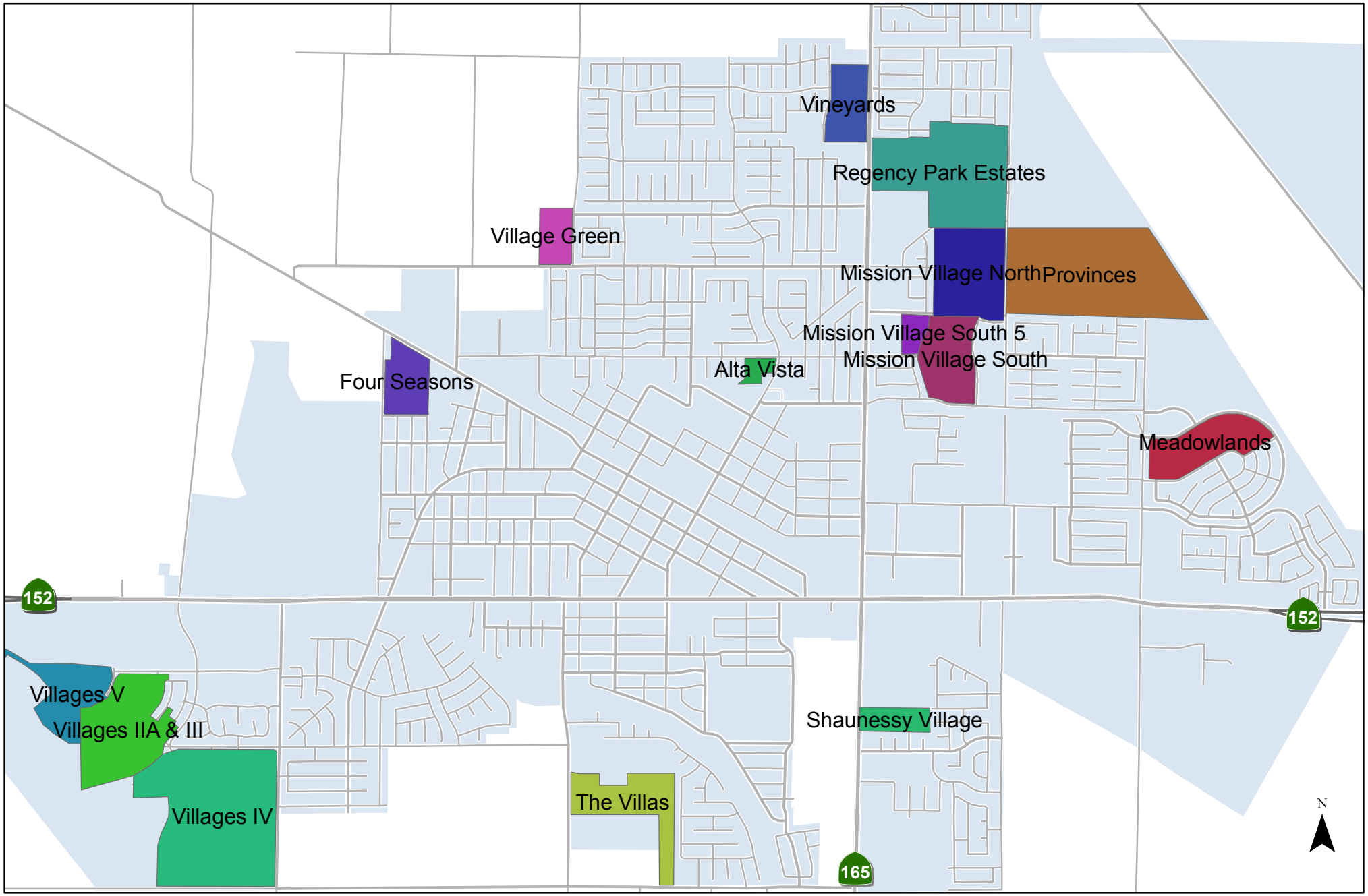
Appendix E
Inventory of Land

General Plan Designation	Zoning District	Density Range (units/acre)	Acres of Developable Land	Max Housing Unit Capacity	Realistic Capacity
Land Within City Limits					
Low Density	R-1 / PD	2 - 6 du/acre	435	2,610	2,171
Medium Density	R-2 / PD	7 - 18 du/acre	126.6	2,279	1,291
High Density	R-3 / PD	12 - 30 du/acre	14.2	426	341
Mixed Use	MX	0 - 18 du/acre	6.9	124	62
Downtown District	MX	0 - 18 du/acre	1.6	29	14
Total			**584.3**	**5,468**	**3,879**

APPENDIX F

UNFINISHED SUBDIVISION MAP

Los Banos


Vineyards
Regency Park Estates
Village Green
Mission Village North
Provinces
Mission Village South 5
Mission Village South
Alta Vista
Four Seasons
Meadowlands
152
152
Villages V
Villages IIA & III
Villages IV
Shaunessy Village
The Villas
165
N

APPENDIX G

MERCED COUNCIL OF GOVERNMENTS RHNA

Regional Housing Needs Allocation Plan

for Merced County

Adopted June 18, 2015

Prepared by

Merced County Association of Governments
369 West 18th Street
Merced, CA 95340
209-723-3153
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Introduction and Final Allocation

Merced County Association of Governments (MCAG) is required to distribute the State determined regional housing needs for Merced County to the seven jurisdictions in the county. The Regional Housing Needs Allocation (RHNA) process is mandated by housing law, California Government Code Section 65584. This fifth RHNA cycle began on January 1, 2014 and will conclude on December 31, 2023. The RHNA plan, once adopted, allocates to each local government a share of regional housing need for use in updating their General Plan housing element. The housing element must accomodate the total RHNA for each of four income categories over the designated period.

The three steps in the RHNA process are:

1. California Housing and Community Development (HCD) determines the county-wide housing need, broken down by income category. This occurred December 30, 2013.
2. MCAG develops a methodology describing how to distribute the housing need to each of the jurisdictions in the region. There is a 60 day review period and public hearing. MCAG adopted a methodology on February 19, 2015.
3. MCAG prepares a RHNA Plan with an allocation based on the adopted methodology. This also has a 60 day review period and appeal periods if necessary. The final Plan was adopted, after a publicly noticed public hearing, on June 18, 2015.

The RHNA allocation and plan is required to be consistent with the following objectives:

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 receiveing an allocation of units for low- and very low-income households.
2. Promoting infill development and socioeconomic equity, the protection of environmental and agricultural resources, and the encouragement of efficient development patterns.
3. Promoting an improved intraregional relationship between jobs and housing.
4. Allocating a lower proportion of housing need to an income category when a jurisdiction already has a disproporionately high share of households in that income category, as compared to the countywide distribution of households in that category from the most recent decennial United States Census.

Applying the methodology described later results in the following final RHNA allocations:

Jurisdiction	Very Low	Low	Moderate	Above Moderate	Total Allocation
Atwater	429	307	281	748	1,760
Dos Palos	71	27	47	124	292
Gustine	61	56	51	136	320
Livingston	249	178	163	435	1,023
Los Banos	604	431	396	1,049	2,473
Merced	1,351	966	886	2,348	5,537
Merced County	1,085	775	711	1,885	4,445
Sums by Income	3,850	2,740	2,535	6,725	15,850
Percent of Total	24.3%	17.3%	16.0%	42.4%	

RHNA Determination (county-wide total)

The RHNA Determination is made by the state Housing and Community Development Department (HCD). HCD issued the determination to MCAG in a letter dated December 30, 2013 (see Appendix A). The letter describes the details of the determination. The total regional need is a minimum of 15,850 housing units. Total units by income categories are:

Income Category	Housing Unit Need	Percent
Very Low	3,850	24.3%
Low	2,740	17.3%
Moderate	2,535	16.0%
Above Moderate	6,725	42.4%
TOTAL	15,850	100%

RHNA Factors

10 factors are required to be included in developing the RHNA methodology. MCAG addressed these factors in the following ways:

1. Each member jurisdiction's existing and projected jobs and housing relationship.
The balance between jobs and housing for all jurisdictions was a component in the regional forecast process. The RTP projections represent where growth will likely occur so the RTP forecast was used as the basis for the overall RHNA distribution in the RHNA methodology. The regional growth forecast is available on the MCAG website.

2. The opportunities and constraints to development of additional housing in each member jurisdiction, including all of the following:

a. Lack of capacity for sewer or water service due to federal or state laws, regulations or regulatory actions, or supply and distribution decisions made by a sewer or water service provider other than the local jurisdiction that preclude the jurisdiction from providing necessary infrastructure for additional development during the planning period.
The RHNA methodology addressed this factor through the RTP forecast, which incorporates the land use in local general plans and community plans. As required by State law, each jurisdiction's circulation and land use element must consider public utilities and facilities, which includes capacity for sewer and water service.

b. The availability of land suitable for urban development or for conversion to residential use, the availability of underutilized land, and opportunities for infill development and increased residential densities. The council of governments may not limit its consideration of suitable housing sites or land suitable for urban development to existing zoning ordinances and land use restrictions of a locality, but shall consider the potential for increased residential development under alternative zoning ordinances and land use restrictions.

The RHNA methodology addressed this factor through the RTP forecast and through the 15% downward adjustment to unincorporated Merced County, detailed below. This recognizes the opportunities for infill development and increased densities in existing communities and incorporated cities.

c. Lands preserved or protected from urban development under existing federal or state programs, or both, designed to protect open space, farmland, environmental habitats, and natural resources on a long-term basis.
The RHNA methodology addresses this factor through the RTP forecast. The RTP forecast is based on jurisdictions' General Plans and Zoning, which identify the portions of the County where growth cannot occur due to being protected via various mechanisms. In other words, the RTP forecast and the RHNA methodology assume no growth will occur on these protected lands.

d. County policies to preserve prime agricultural land, as defined pursuant to Section 56064, within an unincorporated area.
The RHNA methodology addressed this factor through the RTP forecast. The RTP forecast took into consideration policies in the County's General Plan intended to protect agricultural land.

3. The distribution of household growth assumed for purposes of a comparable period of regional transportation plans and opportunities to maximize the use of public transportation and existing transportation infrastructure.
The RHNA methodology addressed this factor through the RTP forecast and through the 15% downward adjustment to unincorporated areas, detailed below. Both the RTP forecast and this adjustment reflect the proximity of housing in incorporated cities to public transportation and a greater variety of employment and service opportunities.

4. The market demand for housing.
The RTP forecast (see Appendix A of the RTP) considered the market demand for housing and the RTP forecast was the basis for the RHNA methodology. In addition, HCD considered this factor in their determination for the housing need for the region.

5. Agreements between a county and cities in a county to direct growth toward incorporated areas of the county.
No such formal agreements exist. Note however that the General Plan of Merced County and the Local Agency Formation Commission (LAFCO) policies do encourage growth in existing communities, which includes but is not limited to incorporated areas.

6. The loss of units contained in assisted housing developments, as defined in paragraph (9) of subdivision (a) of Section 65583, that changed to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions.
Based on the data available, there are no risks in the loss of units contained in assisted housing developments. State law requires housing elements to address the loss of assisted housing development for lower-income households. The Merced County Housing Element (2010) identified publicly-assisted rental housing in the unincorporated part of Merced County and evaluated the potential of such housing to convert to market rate units. Four complexes provide a total of 147 assisted rental housing units in the unincorporated part of Merced County:

Property	Location	Units with Subsidy	Bedrooms	Target Population	Subsidy	Loan Expiration
Almond Garden Apartments	Delhi	26	1,2	Very Low-, Low-Income	USDA Section 515	2043 for family housing, 2044 for senior housing
Magnolia Garden Apartments	Delhi	24	2	Very Low-, Low-Income	USDA Section 515	2033
Le Grand Apartments	Le Grand	34	1,2,3,4	Very Low-, Low-Income	USDA Section 515	N/D
Bear Creek Apartments	Planada	63	2,3,4	Very Low-, Low-Income	USDA Section 515	2039

7. High-housing cost burdens.
Based on HCD's RHNA Determination for the region for the projection period, 41.6% of all units are affordable (i.e., very low- and low income). These affordable units are the minimum required that need to be addressed in the RHNA Plan and the RHNA Plan meets this minimum. Note that the income categories of the RHNA are relative to the median income of the region.

8. The housing needs of farmworkers.
According to the 2012 Ag Census, in Merced County there are 1,253 farms, with an annual total of 17,265 hired workers. A breakdown by Days Worked is also provided:

Farmworkers by Days Worked

	Farms	Workers
Fewer than 150 Days	828	8,817
150 Days or More	811	8,448
Farms with 10 or more Workers	*223*	*6,689*

Source: USDA Census of Farmworkers, 2012. http://www.agcensus.usda.gov/index.php

This information is in the 5th Housing Element Data Package provided to the local jurisdictions and was used as a reference in preparing the methodology. The RTP forecast serves as the basis of the RHNA methodology and allocation share. The RTP forecast takes into account all residents and allocation of future growth in the region. Farmworker housing and related data is included in the Housing Element Data Package, and the housing needs of farmworkers are also addressed by local jurisdictions in their housing elements.

According to Merced County, in their 2010 Housing Element, the County Housing Authority manages four seasonal housing centers providing 260 units, and Self-Help Enterprises manages one facility in Planada. The facilities are available during the six-month harvest season (April – November) and are reserved only for farmworkers and their families. The centers include:

- Atwater/Livingston – 62 units;
- Merced – 50 units;
- Los Banos – 48 units; and
- Planada – 100 units (Housing Authority - 73 units, Self-Help Enterprises - 37 units)

9. The housing needs generated by the presence of a private university or a campus of the California State University or the University of California within any member jurisdiction.
The University of California at Merced is located within the County of Merced. A portion of the housing need of the University is accomodated on-site in student housing, and the rest is assumed to be distributed in the nearby cities of Merced and Atwater. The RHNA methodology addresses this through the RTP forecast which assumes higher growth in Merced and Atwater due to the effect of the University.

10. Any other factors adopted by the council of governments.
No other factors have been adopted by MCAG.

RHNA Methodology

Due to uncertainty in the expected rate of recovery in the local housing markets, MCAG is using a simple three-step approach in distributing the HCD RHNA determination to local jurisdictions.

First, projections for 2020 used in the 2014 Regional Transportation Plan were used to determine each jurisdiction's percentage of household population in the County. The RHNA for each jurisdiction will be derived by applying this percentage to the total countywide RHNA determination. This approach is consistent with the first and third statutory objectives, as well as market demand, to consider in distributing RHNA to each local government.

The projected shares of 2020 household population are:

Jurisdiction	2020 Population	Percent Share	Step 1 Housing Need
Atwater	31,300	10.3%	1,639
Dos Palos	5,200	1.7%	272
Gustine	5,700	1.9%	298
Livingston	18,200	6.0%	953
Los Banos	44,000	14.5%	2,303
Merced	98,500	32.5%	5,156
Unincorporated County	99,900	33.0%	5,229
TOTAL	302,800	100%	15,850

Second, a downward adjustment of 15% for the unincorporated total will be made, to decrease the unincorporated share and direct growth toward incorporated areas. This addresses the second and third statutory objectives, protects agricultural resources, encourages efficient development patterns, and improves the relationship between jobs and housing.

After applying this adjustment the shares by jurisdiction are:

Jurisdiction	Step 1 Housing Need	Adjustment	Step 2 Housing Need
Atwater	1,639	+121	1,760
Dos Palos	272	+20	292
Gustine	298	+22	320
Livingston	953	+70	1,023
Los Banos	2,303	+170	2,473
Merced	5,156	+381	5,537
Unincorporated County	5,229	-784	4,445
TOTAL	15,850	0	15,850

The last step is the determination of RHNA by income category. Section 65584.(d)(4) says that the allocation shall be consistent with the objective of "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 decennial United States census".

According to the American Community Survey 2008-2012 5-year estimates, the percentages of households in each income category, for each jurisdiction, are as follows:

Income Category	County-wide	Unincor-porated	Atwater	Dos Palos	Gustine	Livingston	Los Banos	Merced
Very Low	24.3	24.4	24.2	21.0	30.8	20.9	22.3	28.4
Low	17.3	17.1	18.0	31.3	17.1	20.2	14.5	17.4
Moderate	16.0	16.4	18.7	15.4	19.9	19.4	16.4	15.4
Above Mod.	42.4	42.1	39.1	32.3	32.3	39.5	46.8	38.8

Comparing each jurisdictions' share by income category to the county-wide average reveals disproportionately high shares are present as shown by the yellow highlighted cells in the below table. A "Disproporionately high" share will be one where the percentage is more than 25% more than the county-wide average.

Income Category	County-wide	Unincor-porated	Atwater	Dos Palos	Gustine	Livingston	Los Banos	Merced
Very Low		100%	99%	87%	**127%**	86%	92%	117%
Low		99%	104%	**181%**	99%	117%	84%	101%
Moderate		103%	117%	96%	124%	121%	103%	96%
Above Mod.		99%	92%	76%	76%	93%	110%	91%

Gustine has 27% more households in the very low income category than the county-wide average, and Dos Palos has 81% more households in the low income category.

Therefore this RHNA methodology will use an income distribution of each jurisdiction's households that will be the countywide distribution, with two exceptions: Gustine's share of very low will be reduced by 21.26% (1 / 127%), a reduction of 17 households (from 78 to 61). Also, Dos Palos' share of low income will be reduced by 44.75% (1 / 181%), a reduction of 23 households (from 50 to 27). The reductions will

be spread proportionally amongt the remaining jurisdiction. This distribution meets the first and fourth statutory objectives for a mix of housing types and affordability and income category allocations based on countywide distribution of incomes.

The result of applying this methodology is shown on page 1 in the Introduction and Allocation.

Public Review / Approval Process

The draft methodology was released for a 60 day public review period beginning October 17, 2014 and ending December 16, 2014. The draft methodology was an item on MCAG's regular committees' agendas, including the Governing Board at its November 13, 2014 meeting.

A public hearing on the methodology was held November 20, 2014. No comments were received at the public hearing. One comment letter was received, from California Rural Legal Assistance. In response, the methodology was revised as follows:

- added a written explanation of the 10 "RHNA Factors" considered while developing the methodology
- added an adjustment to account for disproportionate shares by income category by jurisdiction

The methodology was approved by the MCAG Governing Board on Februay 19, 2015. MCAG provided notice of the adoption of the methodology and the Draft RHNA Plan to the local jurisdictions and to HCD.

Prior to the approval of the RHNA Plan, jurisdictions had a 60 day period to request a revision to their share. This period was from February 26, 2015 through April 28, 2015. No revision requests were received.

MCAG held a publicly noticed public hearing on June 18, 2015 at the Governing Board meeting. No comments were made.

Appendix A

5th Cycle Regional Housing Need Determination

December 30, 2013 Letter from
Department of Housing and Community Development

STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY EDMUND G. BROWN JR., *Governor*

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
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916) 263-2911 FAX: (916) 263-7453
www.hcd.ca.gov

December 30, 2013

Ms. Marjie Kirn
Executive Director
Merced County Association of Governments
369 W. 18th St.
Merced, CA 95340

Dear Ms. Kirn,

RE: 5th Cycle Regional Housing Need Determination for Housing Element Updates

This letter provides Merced County Association of Governments (MCAG) its 5th cycle regional housing need assessment (RHNA) determination for the projection period January 1, 2014 through December 31, 2023. The Department of Housing and Community Development (Department) is required to determine MCAG's existing and projected housing need pursuant to State housing law, Government Code (GC) Section 65584, et. seq..

As you know, Senate Bill 375 (Chapter 728, Statutes of 2008) further strengthened the existing coordination of regional housing and transportation planning. Metropolitan Planning Organizations (MPOs) are now required to develop and incorporate a new sustainable community strategy (SCS) in their Regional Transportation Plans (RTP) to achieve greenhouse gas emission reductions and accommodate the region's housing need. SB 375 amended the RHNA schedule and methodology requiring the due date for local governments to update their housing elements be no later than 18 months from the date MCAG adopts the RTP.

The Department has prepared MCAG's RHNA determination based on MCAG's estimated RTP adoption date of June 26, 2014. Please note that in the event the RTP is adopted on a different date, the RHNA and projection period will not change, but the housing element planning period and element due date will change accordingly. The Department must be notified of any change to the RTP adoption date and will reflect RTP adoption date changes on its website at: http://www.hcd.ca.gov/hpd/hrc/plan/he/web_he_duedate.pdf.

For your information, GC Section 65584.01(d)(1) allows 30 days from the date of this letter to file an objection and proposed alternative to the Department's determination (Attachment 1). An objection and proposed alternative must be based on demographic and methodology factors set forth in the statute.

The Department determined MCAG's regional housing need to be 15,850 for the 10-year projection period, from January 1, 2014 to December 31, 2023. In assessing MCAG's regional housing need, the Department considered the critical role housing plays in developing sustainable communities and supporting employment growth.

Housing element law (GC Section 65584, et. seq.) requires MCAG's methodology and RHNA Plan to be consistent with the following objectives:

- increasing the housing supply and mix of housing types, tenure, and affordability;
- promoting infill development and socio-economic equity, protecting environmental and agricultural resources, and encouraging efficient development patterns;
- promoting an improved intraregional relationship between jobs and housing; and
- balancing the distribution of households by income category.

Pursuant to GC Section 65584.05(h), MCAG is required to submit its RHNA Plan to the Department for approval within three days of adopting the RHNA Plan. Upon approval by the Department of the RHNA Plan, MCAG is to distribute to all its local government members their income category shares of new housing needs to be addressed in their housing element updates covering the 2015 - 2023 planning period.

When updating their housing elements, local governments may only take RHNA credit for units approved (entitled or permitted) since the January 1, 2014 start date of the RHNA projection period. Localities are also required to describe how units were credited to different income categories based on actual or projected sale price or rent level data. Any city planning to accommodate a portion of RHNA on sites within its Sphere of Influence (SOI) needs to include an annexation program in the housing element. The annexation program needs to demonstrate SOI sites can be annexed early enough in the planning period to make adequate sites available to avoid other rezoning pursuant to GC sections 65583(c)(1)(A), and 65583(f).

Regarding transfers of housing need among local governments, AB 242 (Chapter 11, Statutes of 2008) amended provisions of GC Section 65584.07. RHNA transfers agreed between local governments may occur until adoption of the RHNA Plan. Once MCAG has adopted its RHNA Plan, RHNA transfers meeting specified conditions may only occur from the county to cities within the county. Transfers after the due date of the housing element are restricted to annexations and incorporations and must be completed within specified timeframes. The numbers of units by income to be transferred are determined either based on mutual agreement between affected local governments, or, when no agreement is reached, by the entity responsible for allocating housing need (MCAG). The Department must be notified of all transfers; jurisdictions affected by RHNA transfers must amend their housing element within the timeframe specified in the statute.

The Department commends MCAG's efforts to meet the objectives of SB 375 and especially appreciates the assistance provided by Mr. Matt Fell. We look forward to a continued partnership with MCAG and its member jurisdictions in planning efforts to accommodate the region's housing need. If you need assistance or have any question, please contact me or Anda Draghici, Housing Policy Senior Specialist, at (916) 263-2911.

Sincerely,

Glen A. Campora

Glen A. Campora
Assistant Deputy Director

Enclosures

ATTACHMENT 1

HCD REGIONAL HOUSING NEED DETERMINATION: Merced CAG
Projection Period: January 1, 2014 through December 31, 2023

Income Category	Percent	Regional Housing Need (rounded) [1]
Very-Low	24.3%	3,850
Low	17.3%	2,740
Moderate	16.0%	2,535
Above-Moderate	42.4%	6,725
Total	**100.0%** [2]	**15,850** [3]

(1) The statutory objective regarding RHNA requires HCD, in consultation with Department of Finance (DOF) and councils of governments (COGs), to determine projected household growth and housing need based on DOF population projections and COG regional population forecasts and requires regional and local jurisdictions to plan to accommodate capacity for all of the projected RHNA. The Legislature recognizes that different assumptions and variances in methodologies can be used that can result in different population projections. Projection of housing need developed by DOF and HCD for RHNA purposes does not consider local government constraints.

For this RHNA cycle only (due to unique conditions not expected to recur to impact future RHNA cycles), the housing need was adjusted downward to account for an estimated 20 percent absorption level of unprecedented high vacancies in existing stock due to extraordinary conditions including high foreclosures and economic uncertainties.

(2) The income category percentages reflect the minimum percentage to apply against the total RHNA decided by MCAG in determining housing need for very-low, low, and moderate income households. Each category is defined by Health and Safety Code (Section 50093, et seq.). Percentages are derived from the 2007-2011 American Community Survey's number of households by income, over 12 month periods. Housing unit need under each income category is derived from multiplying the portion of households per income category against the total RHNA determination.

(3) The 15,850 allocation (see Attachment 2) reflects MCAG's projected minimum housing need (rounded) and an adjustment (-2,230) for existing excess vacant units in estimating 80% of vacant units will not be absorbed before the start of the projection period. This column represents the minimum housing need that MCAG's RHNA Plan must address in total and also for very-low, low, and moderate income categories.

Based on the region's estimated RTP adoption date of June 19, 2014 (subject to change):

5th Update of the Housing Element Due Date: December 31, 2015

ATTACHMENT 2
HCD REGIONAL HOUSING NEED DETERMINATION: Merced CAG

1	**Population: December 31, 2023 (DOF Projections)**				**323,927**
2	*less: Group Quarters Population Census DOF*				**8,342**
3	**Household (HH) Population December 31, 2023**				**315,585**
	Household Formation Groups	**2023 HH Population**		**2023 Households**	
	All Age Groups (DOF)		***HH Formation or Headship Rate***	**97,223**	
	Under 15	-	-	-	
	15 - 24 years	**54,141**	**8.10%**	**4,387**	
	25 - 34 years	**50,268**	**36.22%**	**18,210**	
	35 - 44 years	**41,563**	**47.40%**	**19,701**	
	45 - 54 years	**32,683**	**50.87%**	**16,627**	
	55 - 64 years	**30,700**	**53.12%**	**16,307**	
	65 -74 years	**22,988**	**54.38%**	**12,500**	
	75 - 84 years	**12,149**	**56.87%**	**6,909**	
	84+	**4,555**	**56.73%**	**2,584**	
4	**Projected Households-December 31, 2023**				**97,223**
5	*less: Households at Beginning of Projection Period (January, 2014, interpolated)*				79,698
6	**Household Growth: 10 Year Projection Period**				**17,525**
7	**Vacancy Allowance**	**Owner**	**Renter**	**Total**	
	Tenure Percentage per 2010 Census	**54.46%**	**45.54%**		
	HH Growth by Tenure	9,544	7,980	17,525	
	Healthy Vacancy Rate	**1.50%**	**4.00%**		
	Vacancy Allowance	143	319	462	462
8	**Replacement Allowance (minimum)**	**0.54%**		17,987	97
					18,084
9	*less: Adjustment for Absorption of Existing Excess Vacant Units*				
	Estimate 20% Absorbed, 80% Not Absorbed by 2014	Effective Vacant Units	Healthy Market Units	Differential	
	Derived (2010 Census, HH Growth, & Vacancy Rate)	(4,448)	2,081	-2367	
	Total 2012 Housing Stock	83,979			
	Existing Vacant Unit (Others) Adjustment	**3.05%**	**2.63%**		
	Total Adjusted Existing Vacant Units (Others)	(2,603)	2,183	-420	
	Estimated Total Vacant Units Not Absorbed by 2014	**80%**		-2,787	-2,230
Merced CAG FINAL REGIONAL HOUSING NEED DETERMINATION					**15,850**

1 **2023 Population:** Pursuant to Government Code Section 65584.01(b), and in consultation with MCAG, the 2023 population projections used by the Department were provided by the Department of Finance Population Projections for December 2023.

2 **Group Quarter Population**: Figure is an estimate of persons residing either in a group home, institution, military, or dormitory using based on the average between the 2010 Census group quarters proportion in total population and MCAG's forecast Group quarter, as used in its RTP. As this population doesn't constitute a "household" population generating demand for a housing unit, the group quarter population is excluded from the calculation of the household population, and is not included in the housing need.

3 **2023 Household (HH) Population:** The portion of population projected to reside in housing units after subtracting the group quarter population from total projected population. The composition by race/ethncity for the household population was calculated as an average between DOF's and MCAG's (Planning Center forecast as used in its RTP) population projections' race/ethnicity compositions.

4 **Projected 2023 Households (HHs):** The December 2023 number of households is derived by applying (to 2023 HH population by age and race/ethnicity) household formation rates calculated by applying half of the 1990-2010 change to the 2010 Census - based household headship rates. HH formation or headship rates reflect the propensity of different population groups (age, racial and ethnic) to form households.

ATTACHMENT 2
HCD REGIONAL HOUSING NEED DETERMINATION: Merced CAG

5 **Households at Beginning of Projection Period:** The baseline number of households at the beginning of the projection period (January 2014) was projected, as a direct effect of amendment to Section 65588(e)(6) specifying the new projection period to start on either June 30 or December 31 whichever date most closely precedes the end of the current housing element period. As such, the 2014 household number reflects the January 1, 2014 DOF-projected number of households.

6 **Household (HH) Growth:** This figure reflects projected HH growth and need for (occupied) new units.

7 **Vacancy Allowance:** An allowance (unit increase) is made to facilitate availability and mobility among owner and renter units. Owner/Renter % is based on Census 2010 data. A smaller rate is applied to owner units due to less frequent mobility than for renter households. Information from a variety of authoritative sources supports an acceptable range of 1 to 4% for owner units and 4 to 8% for renter units depending on market conditions.

8 **Replacement Allowance:** Rate (0.54%) reflects the housing losses that localities annually reported to DOF each January for years 2002-2011.

9 **Adjustment for Absorption of Existing Excess Vacant Units:** For this RHNA cycle only (due to extraordinary uncertainty regarding conditions impacting the economy and housing market not expected to similarly impact future RHNA cycles), a new one-time adjustment was made to account for unprecedented high vacancies in existing stock due to unusual conditions including high foreclosures and economic uncertainties. An absorption rate of 20% of existing excess vacant units is assumed to occur in shrinking current excess vacant units before the start of the 2014 RHNA projection period. This results in applying a 80% adjustment to account for units not absorbed, reflected in a downward adjustment of (- 2,230). Existing housing stock consists of two components: (1) housing units for sale and rent in existing housing stock that are above the housing units required to maintain the healthy market condition, calculated as the number of units in housing stock (for sale + for rent + sold, not occupied+rented, not occupied + occupied units), (2) housing units in the "vacant units others" category of existing housing stock above the "normal" rate considered to be at the level of 2000, at 2.63% of total housing units, as provided by the 2000 Census. The Department used 2010 Census Demographic profile data (DP-1) and desirable "normal" vacancy rates by tenure, in conjunction with the region's household growth and proposed household formation rates. The vacancy adjustment is limited to not exceed the differential between the 2010 Census vacant units and the healthy market vacant units rate associated with the region's annual household growth. As the adjustment was below the differential, the adjustment was applied in calculating the RHNA determination.

RHNA Projection Period January 1, 2014 to December 31, 2023: Pursuant to SB 375, the start of the projection period (in effect January 1, 2014) was determined pursuant to GC 65588(e)(6), which requires the new projection period to start on June 30 or December 31 that most closely precedes the end of the current housing element period, which for Merced County region is June 30, 2014. The end of the projection period was determined pursuant to GC 65588(e)(5) to be the end of the housing element planning period. *Note: For projection purposes the end of the projection period is rounded to the end of the month.*

Housing Element Planning Period December 31, 2015 to December 31, 2023: Pursuant to SB 375, the start of the planning period was determined pursuant to GC 65588(e)(5), 18 months from the estimated adoption date of MCAG's Regional Transportation Plan, as notified to HCD, with the date rounded to the end of month for projection purposes. The end of the planning period was calculated pursuant to GC 65588(e)(3)(A), 18 months after the adoption of the second RTP, provided that it is not later than eight years from the adoption of the previous housing element. If the actual RTP adoption date differs from the estimated date of June 19, 2014, the RHNA determination and the projection period will not change, however the housing element due date, and implicitly, the housing element planning period would change accordingly.

Appendix B

Public Notices and Memoranda

NOTICE OF PUBLIC HEARING AND PUBLIC COMMENT PERIOD FOR THE DRAFT METHODOLOGY FOR THE MERCED COUNTY REGIONAL HOUSING NEEDS ALLOCATION (RHNA)

NOTICE IS HEREBY GIVEN that the Merced County Association of Governments (MCAG) will hold a public hearing on November 20 at 3 p.m., at the Merced County Board of Supervisors Chambers, at 2222 M St., Merced CA, regarding the Regional Housing Needs Allocation – Draft Methodology (RHNA). The purpose of the public hearing is to receive public comments on the document. The methodology will be the basis of the final Allocation and RHNA Plan required by the state in order for local jurisdictions to prepare updated General Plan Housing Elements.

Individuals with disabilities may call MCAG (with 3 working-day advance notice) to request accommodations. Spanish translation services will be available at this hearing, upon request.

A 60-day public review and comment period will commence on October 17, 2014 and conclude on December 16, 2014. The draft document is available for review at the Merced County Association of Governments office, located at 369 West 18th St., Merced CA, and on the MCAG website at http://mcagov.org/.

Public comments are welcomed at the hearing, or may be submitted in writing by 5 p.m. on December 16, 2014, to Matt Fell at the address below. Contact: Matt Fell, Transportation Manager, 369 West 18th. St., Merced, CA 95340. Phone: 209-723-3153. Email: matt.fell@mcagov.org

MERCED COUNTY ASSOCIATION OF GOVERNMENTS

PH: 209-723-3153
FAX: 209-723-0322
www.mcagov.org
369 W. 18th Street
Merced, CA 95340

MEMORANDUM

DATE: February 26, 2015

TO: Interested Parties

FROM: Matt Fell, Transportation Planning Manager

SUBJECT: Adoption of Regional Housing Needs Allocation (RHNA) Methodology and Issuance of Draft Allocation

At its February 19, 2015 meeting, the MCAG Governing Board adopted the Regional Housing Needs Allocation (RHNA) Methodology and authorized providing the resulting draft allocations to the local jurisdictions. The draft allocations are:

Jurisdiction	Very Low	Low	Moderate	Above Moderate	Total Allocation
Atwater	429	307	281	748	1,760
Dos Palos	71	27	47	124	292
Gustine	61	56	51	136	320
Livingston	249	178	163	435	1,023
Los Banos	604	431	396	1,049	2,473
Merced	1,351	966	886	2,348	5,537
Merced County	1,085	775	711	1,885	4,445
Sums by Income	3,850	2,740	2,535	6,725	15,850
Percent of Total	24.3%	17.3%	16.0%	42.4%	

Attached is the draft RHNA Plan which includes the RHNA Determination from the Department of Housing and Community Development (HCD) and the adopted methodology which results in these allocations. Pursuant to Government Code Section 65584.05, a jurisdiction has 60 days from the date of issuance to request a revision of its share. Revision requests are due to MCAG by April 28, 2015.

If you have any questions or suggestions, please contact me at 209-723-3153 or matt.fell@mcagov.org

Attachment:
Regional Housing Needs Allocation Plan (Draft)

NOTICE OF PUBLIC HEARING TO ADOPT
THE PROPOSED FINAL MERCED COUNTY
REGIONAL HOUSING NEEDS ALLOCATION PLAN

NOTICE IS HEREBY GIVEN that the Merced County Association of Governments (MCAG) will hold a public hearing on June 18, 2015, at 3 p.m., at the Highway 59 Landfill, Administration Building, 7040 N. Hwy. 59, Merced, CA, to consider adoption of the proposed final Regional Housing Needs Allocation Plan (RHNA). This public hearing signals the end of MCAG's process to issue the RHNA Plan required by the State of California in order for local jurisdictions to prepare updated General Plan Housing Elements. The RHNA Plan has been prepared in accordance with Government Code Section 65580 et seq., and maintains a total regional housing need, by income category, within the range approved by the State Department of Housing and Community Development.

The proposed final Regional Housing Need Allocation Plan is available for review online at http://www.mcagov.org and at the MCAG offices at 369 West 18th St., Merced, CA 95340.

Individuals with disabilities may call MCAG (with 3 working-day advance notice) to request accommodations. Spanish translation services will be available at this hearing, upon request.

APPENDIX H

HCD HOUSING ELEMENT LETTERS

STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY EDMUND G. BROWN JR., Governor
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
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September 9, 2016

Mr. Alex Terrazas, City Manager
City of Los Banos
520 J Street
Los Banos, CA 93635

Dear Mr. Terrazas:

RE: Los Banos' 5th Cycle (2016-2024) Adopted Housing Element

Thank you for submitting the City of Los Banos' housing element adopted July 25, 2016 which was received for review on August 11, 2016. Pursuant to Government Code (GC) Section 65585(h), the Department is reporting the results of its review.

The Department is pleased to find the adopted housing element conditionally meets the statutory requirements of State housing element law (GC, Article 10.6). The adopted housing element addresses the statutory requirements described in the Department's May 5, 2016 review. The finding of compliance is conditioned on the City zoning adequate sites to address the unaccommodated housing need from the prior planning period.

To remain in compliance after March 31, 2017, the City must complete Program 1C actions for the housing element and rezone sites to accommodate the 81-unit carryover of housing need not met in the 4th cycle. Pursuant to GC Section 65584.09, a jurisdiction that failed to identify or make available adequate sites to accommodate all of the previous cycle's housing need must zone or rezone adequate sites for all of the previous cycle's unmet housing need within the first year of the next housing element cycle. The City must monitor and report on the results of this and other programs through the annual progress report, required pursuant to GC Section 65400.

The housing element includes the necessary rezone program to accommodate 5th cycle housing need sites for 1,035 units for lower-income households. Program 1C specifies the City will rezone at least 32 acres (625-unit shortfall) to R-3 by March 2017 with minimum densities of 20 units per acre. The City of Los Banos must monitor and report on the results of this and other programs through the annual progress report, required pursuant to GC Section 65400.

For your information, some other elements of the general plan must be updated on or before the next adoption of the housing element. The safety and conservation elements of the general plan must include analysis and policies regarding fire and flood hazard management (GC Section 65302(g)). Also, the land-use element must address disadvantaged communities (unincorporated island or fringe communities within spheres of influence areas or isolated long established "legacy" communities) based on available

data, including, but not limited to, data and analysis applicable to spheres of influence areas pursuant to GC Section 56430. The Department urges the City to consider these timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: http://opr.ca.gov/docs/SB244_Technical_Advisory.pdf and http://opr.ca.gov/docs/Final_6.26.15.pdf.

Please note Los Banos now meets specific requirements for State funding programs designed to reward local governments for compliance with State housing element law. For example, the Department's Housing Related Parks Program includes housing element compliance as a threshold requirement. Please see the Department's website for specific information about this and other State funding programs at http://www.hcd.ca.gov/hpd/hrc/plan/he/loan_grant_hecompl011708.pdf.

For your information, on January 6, 2016, HCD released a Notice of Funding Availability (NOFA) for the Mobilehome Park Rehabilitation and Resident Ownership Program (MPRROP). This program replaces the former Mobilehome Park Resident Ownership Program (MPROP) and allows expanded uses of funds. The purposes of this new program are to loan funds to facilitate converting mobilehome park ownership to park residents or a qualified nonprofit corporation, and assist with repairs or accessibility upgrades meeting specified criteria. This program supports housing element goals such as encouraging a variety of housing types, preserving affordable housing, and assisting mobilehome owners, particularly those with lower-incomes. Applications are accepted over the counter beginning March 2, 2016 through March 1, 2017. Information is available on the Department's website at: http://www.hcd.ca.gov/financial-assistance/mobilehome-park-rehabilitation-resident-ownership-program/index.html .

The Department appreciates the dedication and cooperation Ms. Stacy Souza Elms, Senior Planner, and the City's consultants, Mr. Mark Niskanen and Mr. Davis Niskanen, of J.B. Anderson Land Use Planning, provided throughout the course of the housing element review. The Department wishes Los Banos success in implementing its housing element and looks forward to following its progress through the General Plan annual progress reports pursuant to GC Section 65400. If the Department can provide assistance in implementing the housing element, please contact Robin Huntley, of our staff, at (916) 263-7422.

Sincerely,

Glen A. Campora

Glen A. Campora
Assistant Deputy Director

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
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May 5, 2016

Mr. Al Silva, Planning Director
Building Department
City of Los Banos
520 J Street
Los Banos, CA 93635

Dear Mr. Silva:

RE: City of Los Banos' 5th Cycle (2016-2024) Draft Housing Element

Thank you for submitting the City of Los Banos' draft housing element received for review on March 9, 2016 along with additional revisions received on March 21, 29, and April 22, 2016. Pursuant to Government Code (GC) Section 65585(b), the Department is reporting the results of its review. Our review was facilitated by multiple conversations with the City's consultants, Mr. Mark Niskanen and Mr. Davis Niskanen of JB Anderson Land Use Planning.

The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State housing element law (GC, Article 10.6). In particular, the elements must analyze the feasibility of identified non-vacant sites to accommodate the City's regional housing need allocation (RHNA). The enclosed Appendix describes this and other revisions needed to comply with State housing element law.

To remain on an eight year planning cycle, pursuant to Senate Bill 375 (Chapter 728, Statutes of 2008) Los Banos must adopt its housing element within 120 calendar days from the statutory due date of March 31, 2016 for MCAG localities. If adopted after this date, GC Section 65588(e)(4) requires the housing element be revised every four years until adopting at least two consecutive revisions by the statutory deadline. For more information on housing element adoption requirements, please visit our website at: http://www.hcd.ca.gov/hpd/hrc/plan/he/he_review_adoptionsteps110812.pdf.

For your information, on January 6, 2016, HCD released a Notice of Funding Availability (NOFA) for the Mobilehome Park Rehabilitation and Resident Ownership Program (MPRROP). This program replaces the former Mobilehome Park Resident Ownership Program (MPROP) and allows expanded uses of funds. The purposes of this new program are to loan funds to facilitate converting mobilehome park ownership to park residents or a qualified nonprofit corporation, and assist with repairs or accessibility upgrades meeting specified criteria. This program supports housing element goals such as encouraging a variety of housing types, preserving affordable housing, and assisting mobilehome owners, particularly those with lower-incomes. Applications are accepted over the counter beginning March 2, 2016 through March 1, 2017. Further

information is available on the Department's website at: http://www.hcd.ca.gov/financial-assistance/mobilehome-park-rehabilitation-resident-ownership-program/index.html .

The Department appreciates the hard work and dedication Messrs. Niskanen provided during the course of our review. We are committed to assisting Los Banos in addressing all statutory requirements of housing element law. If you have any questions or need additional technical assistance, please contact Robin Huntley, of our staff, at (916) 263-7422.

Sincerely,

Glen A. Campora
Assistant Deputy Director

Enclosure

APPENDIX
CITY OF LOS BANOS

The following changes would bring Los Banos' housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on the Department's website at www.hcd.ca.gov/hpd. Among other resources, the Housing Element section contains the Department's latest technical assistance tool, *Building Blocks for Effective Housing Elements (Building Blocks),* available at www.hcd.ca.gov/hpd/housing_element2/index.php and includes the Government Code addressing State housing element law and other resources.

A. Housing Needs, Resources, and Constraints

1. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

   Los Banos has a regional housing need allocation (RHNA) of 2,473 housing units, of which 1,035 are for lower-income households. To address this need, the element relies on zoned non-vacant sites and sites to be rezoned. To demonstrate the adequacy of these sites and strategies to accommodate the City's RHNA, the element must include complete analyses:

   Suitability of Non-Vacant Sites: While the element identifies non-vacant sites to accommodate the regional housing need for lower-income households, it provides no analysis to demonstrate the potential for redevelopment. The element must describe the methodology used to determine the additional development potential within the planning period. The methodology must consider factors including the extent to which existing uses may impede additional residential development, development trends, market conditions, and regulatory or other incentives or standards to encourage additional residential development on these sites (Section 65583.2(g)). For sites with residential uses, the inventory could also describe structural conditions or other circumstances and trends demonstrating the redevelopment potential to more intense residential uses. For additional information and sample analysis, see the *Building Blocks* at: http://www.hcd.ca.gov/hpd/housing_element2/SIA_zoning.php#nonvancant.

   Sites with Zoning for a Variety of Housing Types:

   - Housing for Farmworkers: The element must demonstrate the zoning is consistent with the Employee Housing Act (Health and Safety Code Section 17000 et seq.), specifically, Sections 17021.5 and 17021.6. Section 17021.5 requires employee housing for six or fewer employees to be treated as a single family structure and permitted in the same manner as other dwellings

of the same type in the same zone. Section 17021.6 requires employee housing consisting of no more than 12 units or 36 beds to be permitted in the same manner as other agricultural uses in the same zone. For additional information and sample analysis, see the *Building Blocks* at http://www.hcd.ca.gov/hpd/housing_element2/SIA_variety.php#Farmworker.

2. *Analyze potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7) (Section 65583(a)(5)).*

   Fees and Exaction: The element must describe all required fees for single family and multifamily housing development, including school impact fees, and analyze their impact as potential constraints on housing cost, supply and affordability. For example, the analysis could identify the total amount of fees and their proportion to the development costs for both single family and multifamily housing. For information and a sample analysis and tables, see the *Building Blocks* at http://www.hcd.ca.gov/hpd/housing_element2/CON_fees.php.

B. Housing Programs

1. *Include a program which sets forth a schedule of actions during the planning period, each with a timeline for implementation, which may recognize that certain programs are ongoing, such that there will be beneficial impacts of the programs within the planning period, that the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element through the administration of land use and development controls, the provision of regulatory concessions and incentives, and the utilization of appropriate federal and state financing and subsidy programs when available. The program shall include an identification of the agencies and officials responsible for the implementation of the various actions (Section 65583(c)).*

   To address program requirements of GC Section 65583)(c)(1-6), and to facilitate implementation, programs should include: (1) a description of the City's specific role in implementation; (2) definitive implementation timelines; (3) objectives, quantified where appropriate; and (4) identification of responsible agencies and officials. Programs to be revised include the following:

   Program 8A: Describe specific implementation actions to occur as a result of the program. Include timeframes and quantification of desired outcomes.

Program 8B: Quantify the number of senior housing projects to be assisted through program actions.

2. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).*

   As noted in Finding A-1, the element does not include a complete sites analysis and therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types.

3. *The housing element shall contain programs which address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing (Section 65583(c)(3)).*

   As noted in Finding A-2, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to revise or add programs and address and remove or mitigate any identified constraints.

   Program 8G: The City's Site Plan Review process includes several findings that are subjective in nature. Subjective findings decrease certainty in the development planning process and can increase costs. The program commits to review and amend the Site Plan Review process, but it is limited to housing development for special needs groups. The program should be revised to include all housing developments requiring Site Plan Review.

   Transitional and Supportive Housing: Revisions are necessary to ensure treatment of Transitional and Supportive housing comply with SB 2. For example, the element must include a program to amend the zoning ordinance to permit transitional and supportive housing as a residential use in all zones allowing residential uses and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone (Government Code Section 65583(a)(5)). For additional information, see the *Building Blocks*' at http://www.hcd.ca.gov/hpd/housing_element2/PRO_adqsites.php and the Department's SB 2 memo at http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.