



City of Avenal 2009 Housing Element Update

Public Workshop
February 26, 2009

Housing Element Overview

- Part of the General Plan
- 2009 update required by state law
- Joint effort of KCAG, county & cities
- Focus housing priorities & strategies through 2014
- Review by HCD – “Certification”

Housing Element Overview

- Importance of HCD Certification
 - Eligibility for state grant funds*
 - Legal adequacy of the General Plan*
 - Local control of land use decisions*

Key Housing Element Requirements

- Maintain & improve existing housing
- Plan for growth needs for all economic segments
- Remove constraints to housing development
- Fair housing

Key Housing Element Requirements

- Accommodate a variety of new housing:
 - *Single-family houses*
 - *Multi-family apartments & condos*
 - *Second units (granny flats)*
 - *Farm worker housing*
 - *Persons with special needs & disabilities*
 - *Transitional & supportive housing*
 - *Emergency shelters*
 - *Manufactured housing*

Housing Element Cycle

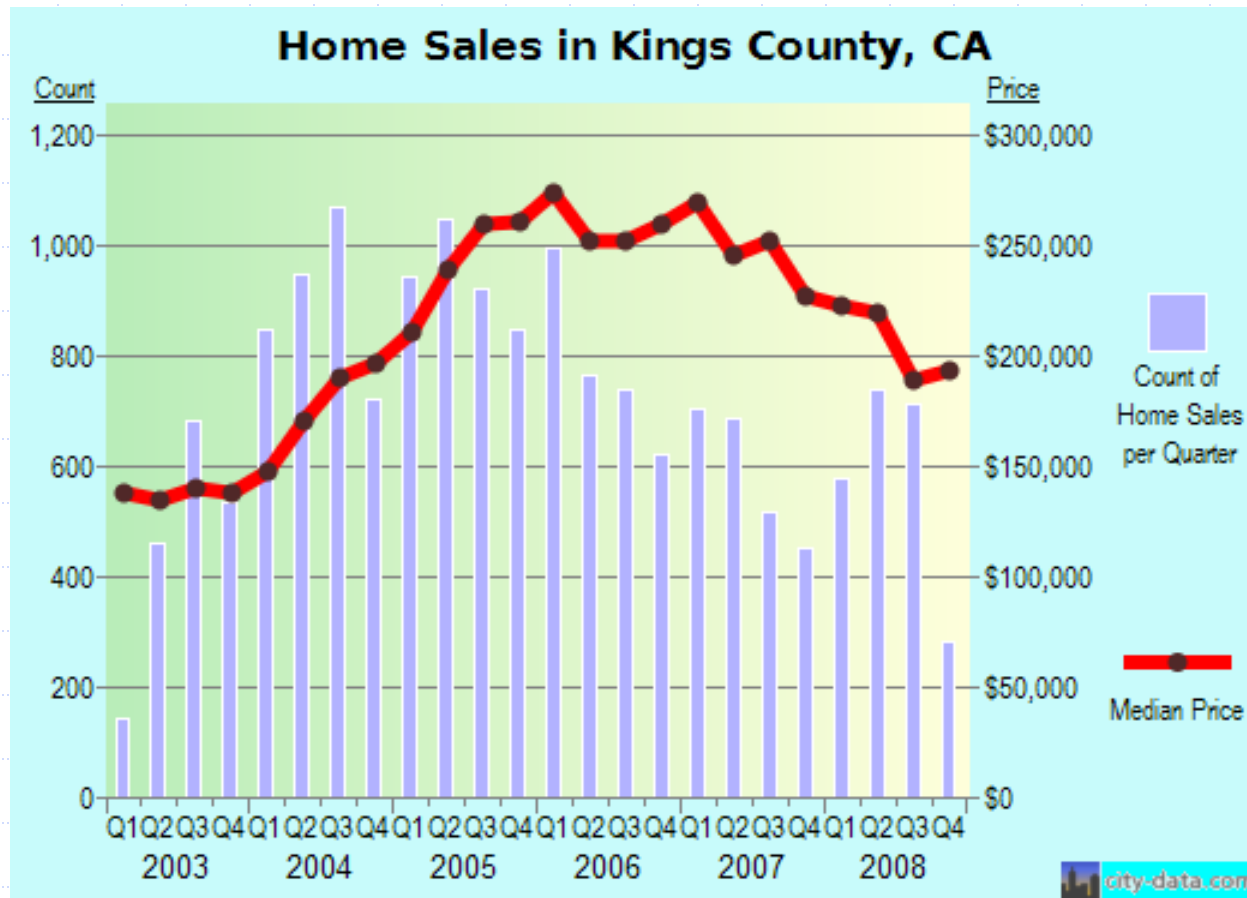


Kings County Housing Market

	Kings County	California
Median home price (2008/Q4)	\$195,000	\$249,000
Median rent (2007)	\$595	\$984

Sources: DataQuick; City-Data

Kings County Housing Market



Source: Citi-data.com

Home Mortgage Trends

California - 2008

**Total SF Units
(houses & condos)** **8.5 million**

Foreclosures in 2008 **236,000
(2.8%)**

"Zero-down" loans **2000: <5%
2006: 21%**

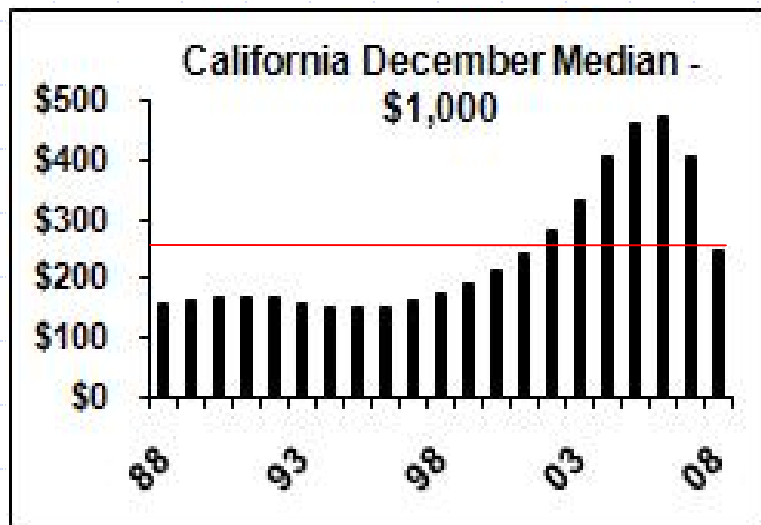
**"Sub-prime" loans in
default** **20% (U.S.)**

Sources: MDA/DataQuick, First American CoreLogic, S&P-Case Shiller

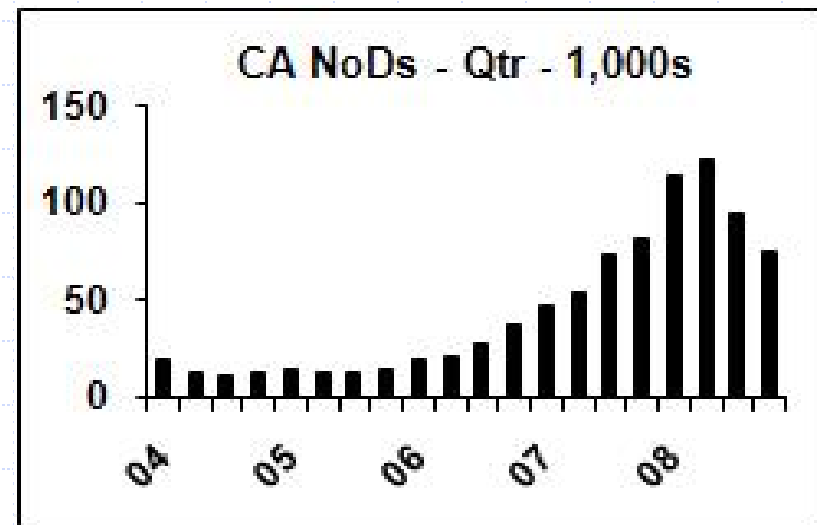
Foreclosure Trends

2008

Median Sales Price



Notices of Default

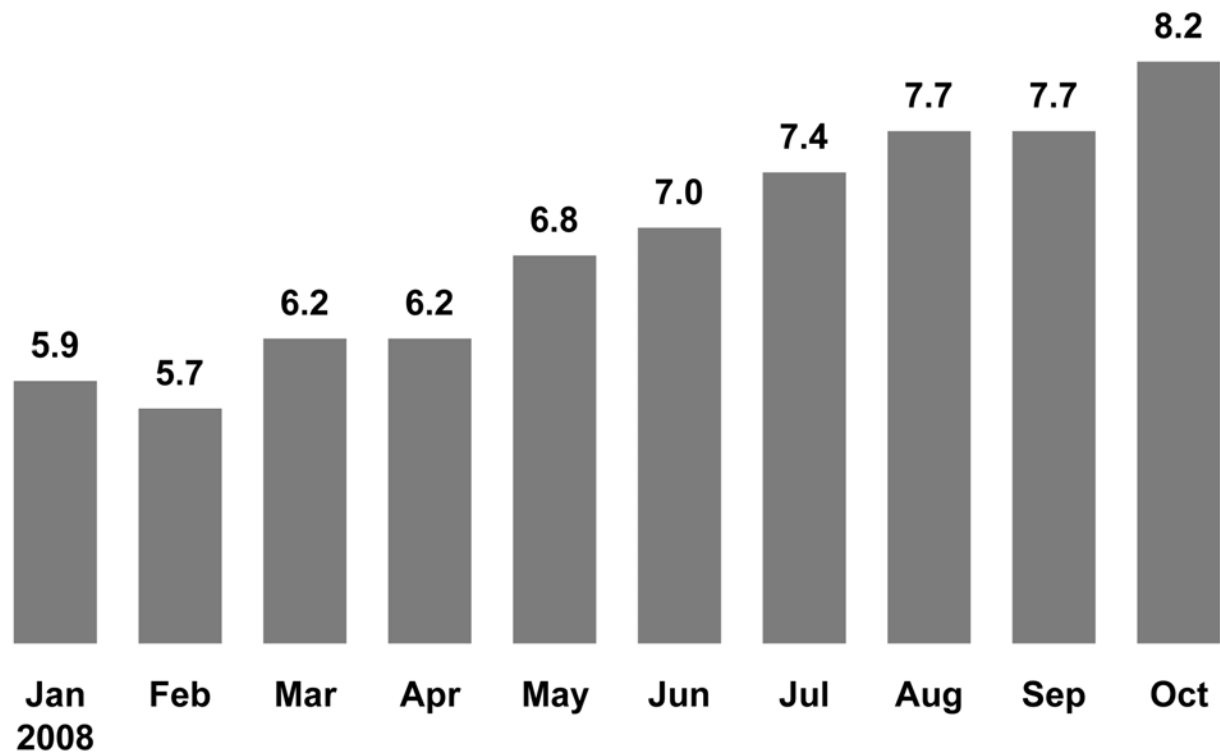


Sources: MDA/DataQuick

California Unemployment *2008*

Rising Unemployment

Percent of Labor Force Unemployed



Source: California Department of Finance

Mortgage Delinquencies

2008

	Kings County	Fresno County	Tulare County	Kern County
Mortgage delinquencies (2008-Q2)	2.5%	3.9%	3.3%	4.6%

Sources: First American CoreLogic

Growth Forecast Kings County 2000-2050

	2000	2020	2040
Kings County	130,200	205,700	300,000
California	34 million	44 million	54 million

Source: California Department of Finance

Job Growth by Industry Kings County 2004-2014

Industry	New Jobs
Local government	1,700
Agriculture	1,000
Retail trade	1,000
Education & health services	900
Leisure & hospitality	700
Manufacturing	400
Information – Finance - Insurance	300
Total job growth	7,100

Source: California Employment Development Department

Regional Housing Needs Assessment

2007-2014

- Mandated by state law
- Each city must accommodate its fair share of the county's housing need
- Housing for all economic segments in each jurisdiction
- Linked to availability of sites with appropriate zoning
- Programs to encourage new housing at all income levels

RHNA Income Categories

Kings County 2008

<i>Median Income = \$53,800</i>	<i>Income Limits</i>
<i>Extremely Low (<30%)</i>	<i>\$16,150</i>
<i>Very Low (31-50%)</i>	<i>\$26,900</i>
<i>Low (51-80%)</i>	<i>\$43,050</i>
<i>Moderate (81-120%)</i>	<i>\$64,600</i>
<i>Above Mod (>120%)</i>	<i>\$64,600+</i>

Assumptions:

Based on a family of 4

30% of gross income for rent or PITI

10% down payment, 6% interest, 1.25% taxes & insurance

Source: Cal HCD; Conexus

RHNA Income Categories

Kings County 2008

<i>Median Income = \$53,800</i>	<i>Income Limits</i>	<i>Affordable Rent</i>
<i>Extremely Low (<30%)</i>	<i>\$16,150</i>	<i>\$404</i>
<i>Very Low (31-50%)</i>	<i>\$26,900</i>	<i>\$673</i>
<i>Low (51-80%)</i>	<i>\$43,050</i>	<i>\$1,076</i>
<i>Moderate (81-120%)</i>	<i>\$64,600</i>	<i>\$1,615</i>
<i>Above Mod (>120%)</i>	<i>\$64,600+</i>	<i>\$1,615+</i>

Assumptions:

Based on a family of 4

30% of gross income for rent or PITI

10% down payment, 6% interest, 1.25% taxes & insurance

Source: Cal HCD; Conexus

RHNA Income Categories

Kings County 2008

<i>Median Income = \$53,800</i>	<i>Income Limits</i>	<i>Affordable Rent</i>	<i>Affordable Price (est.)</i>
<i>Extremely Low (<30%)</i>	<i>\$16,150</i>	<i>\$404</i>	<i>--</i>
<i>Very Low (31-50%)</i>	<i>\$26,900</i>	<i>\$673</i>	<i>\$100,000</i>
<i>Low (51-80%)</i>	<i>\$43,050</i>	<i>\$1,076</i>	<i>\$165,000</i>
<i>Moderate (81-120%)</i>	<i>\$64,600</i>	<i>\$1,615</i>	<i>\$250,000</i>
<i>Above Mod (>120%)</i>	<i>\$64,600+</i>	<i>\$1,615+</i>	<i>\$250,000+</i>

Assumptions:

Based on a family of 4

30% of gross income for rent or PITI

10% down payment, 6% interest, 1.25% taxes & insurance

Source: Cal HCD; Conexus

Kings County Housing Market

	Kings County	California
Median home price (2008/Q4)	\$195,000	\$249,000
Median rent (2007)	\$595	\$984

Sources: DataQuick; City-Data

RHNA Allocations

Kings County

2007-2014

	Very Low	Low	Mod	Above Mod	Total
Avenal	80	126	214	291	711
Corcoran	80	160	295	370	905
Hanford	1,446	1,015	938	2,359	5,758
Lemoore	748	534	502	1,237	3,021
County unincorporated	137	193	316	448	1,094
KCAG Total	2,491	2,028	2,265	4,705	11,489

Source: Kings County Association of Governments, 8/2008

Significance of RHNA

- RHNA need is compared to inventory of sites (vacant and underutilized)
- Focus on Lower-income categories (VL + L)
- If insufficient sites are available, City must address shortfall (e.g., rezoning)

Current Programs

City of Avenal

Maintenance & Improvement of Existing Housing

- Code Enforcement
- Housing Rehabilitation Loans

Current Programs

City of Avenal

New Housing Supply

- Adequate Sites
- Infill Development
- Density Bonus
- Regulatory & Financial Incentives
- Second Units

Current Programs

City of Avenal

Housing Affordability

- Preservation of At-Risk Housing
- First-Time Homebuyers
- Section 8 Rental Vouchers
- CDBG & HOME Affordable Housing Assistance

Current Programs City of Avenal

Fair Housing & Special Needs

- Senior and Disabled Housing Assistance
- Emergency Shelters & Transitional Housing
- Farmworker & Employee Housing
- Remove Constraints & Reasonable Accommodation
- Fair & Equal Housing Opportunities

Next Steps

- **Solicit public input** (Winter 2009)
- **Prepare Draft Housing Element** (Spring 2009)
- **Public review** (Summer 2009)
- **State HCD review** (Fall 2009)
- **Final Housing Element adoption** (Winter 2009/10)



City of Avenal

2009 Housing Element Update

Public Workshop
February 26, 2009