



City of Corcoran 2009 Housing Element Update

Public Workshop
February 2, 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





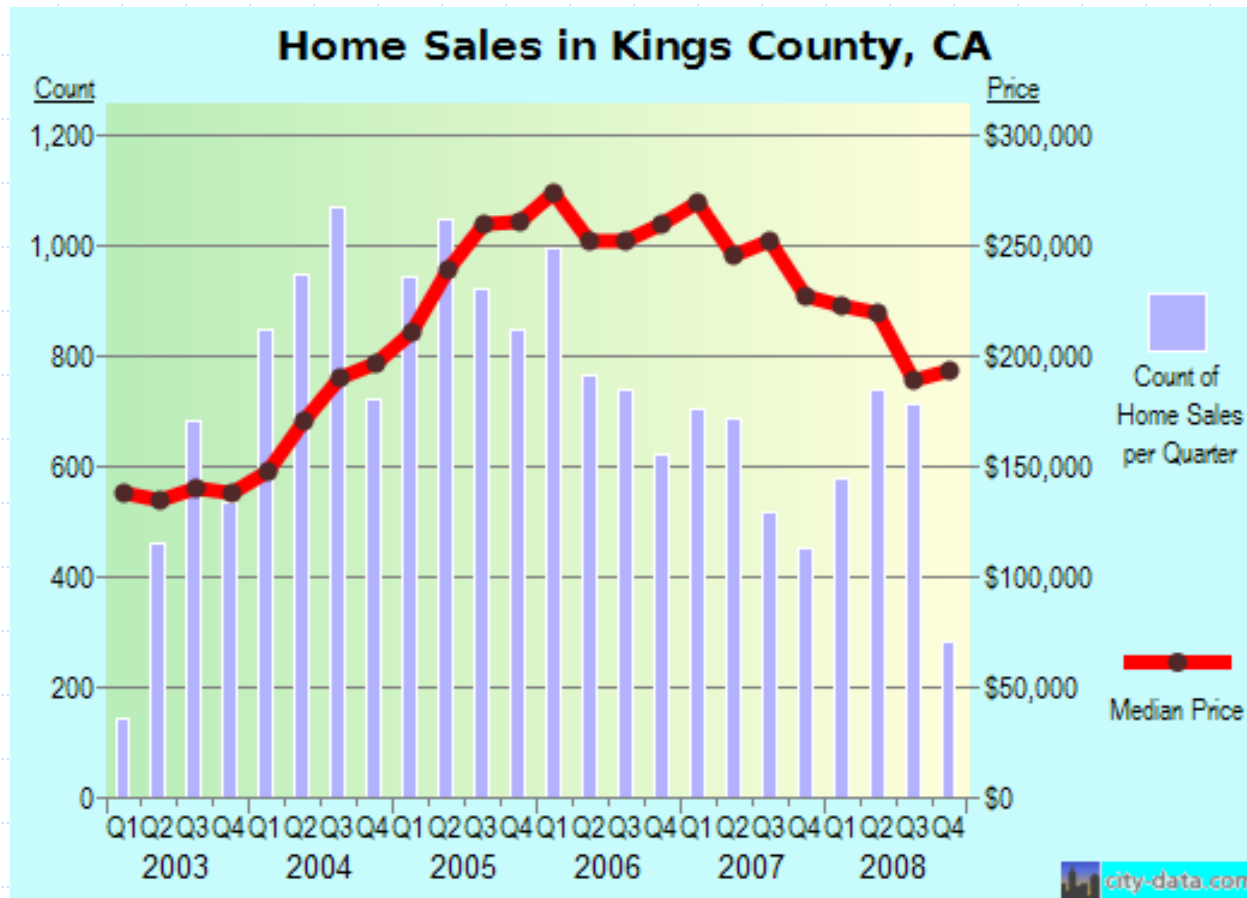
Kings County Housing Market

| | 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%**

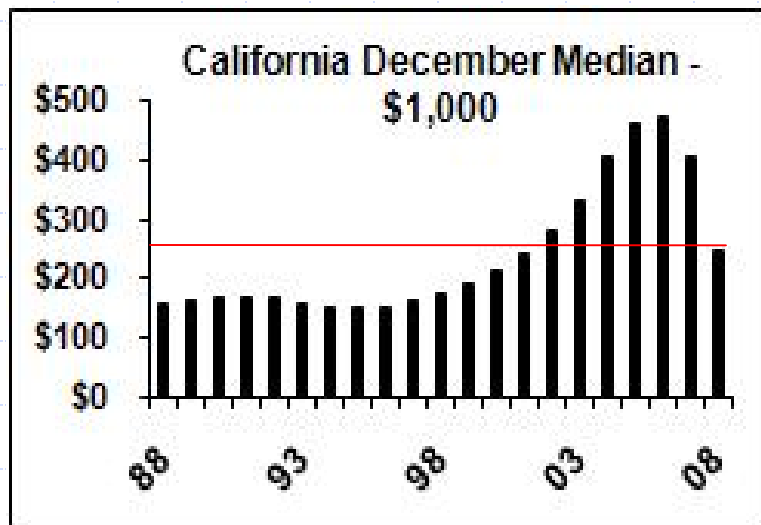
**"Sub-prime" loans in
default** **20% (U.S.)**

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

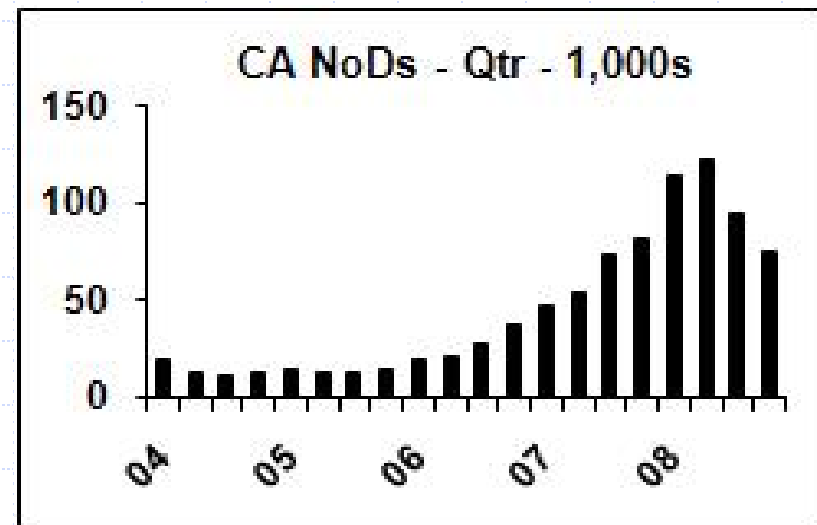


Foreclosure Trends 2008

Median Sales Price



Notices of Default



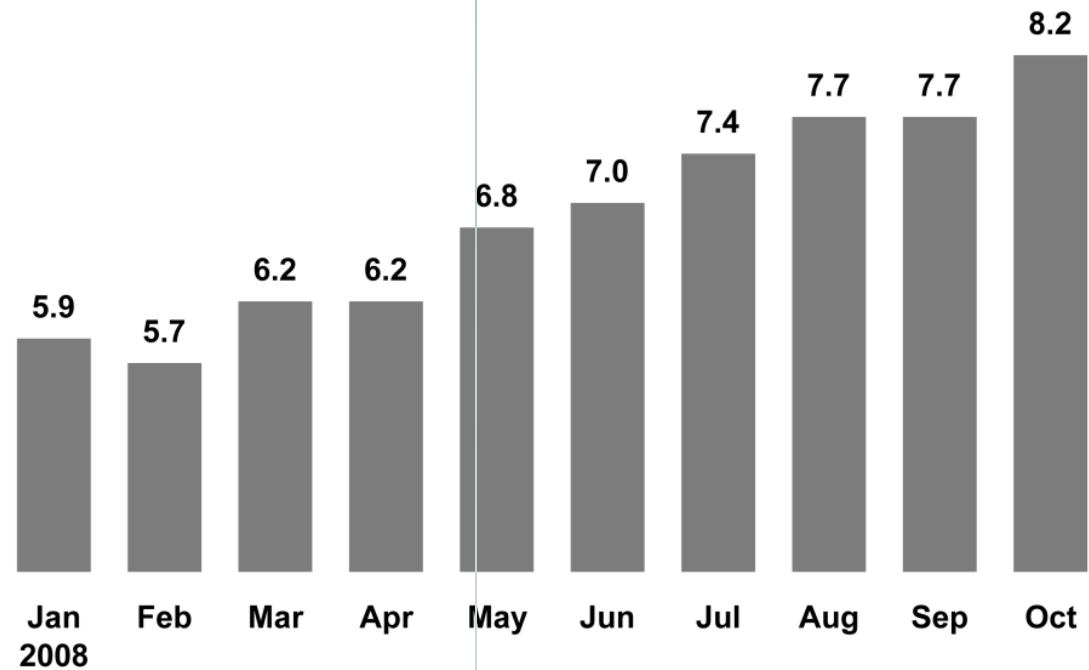
Sources: MDA/DataQuick



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> |

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|--|---------------------------------|-----------------------------------|---|
| <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> |

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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 Corcoran

Maintenance & Improvement of Existing Housing

- Code Enforcement
- Paint Programs
- Housing Rehabilitation
- Purchase/Rehab Homeownership



Current Programs

City of Corcoran

New Housing Supply

- Adequate Sites
- Density Bonus
- Regulatory & Financial Incentives
- New Construction/Infill Lots
- CDBG & HOME



Current Programs

City of Corcoran

Housing Affordability

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



Current Programs

City of Corcoran

Fair Housing & Special Needs

- Emergency Shelters & Transitional Housing
- Farmworker & Employee Housing
- Housing for Disabled Persons
- Promote 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)



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