



City of Hanford

2009 Housing Element Update

Public Workshop
March 10, 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 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

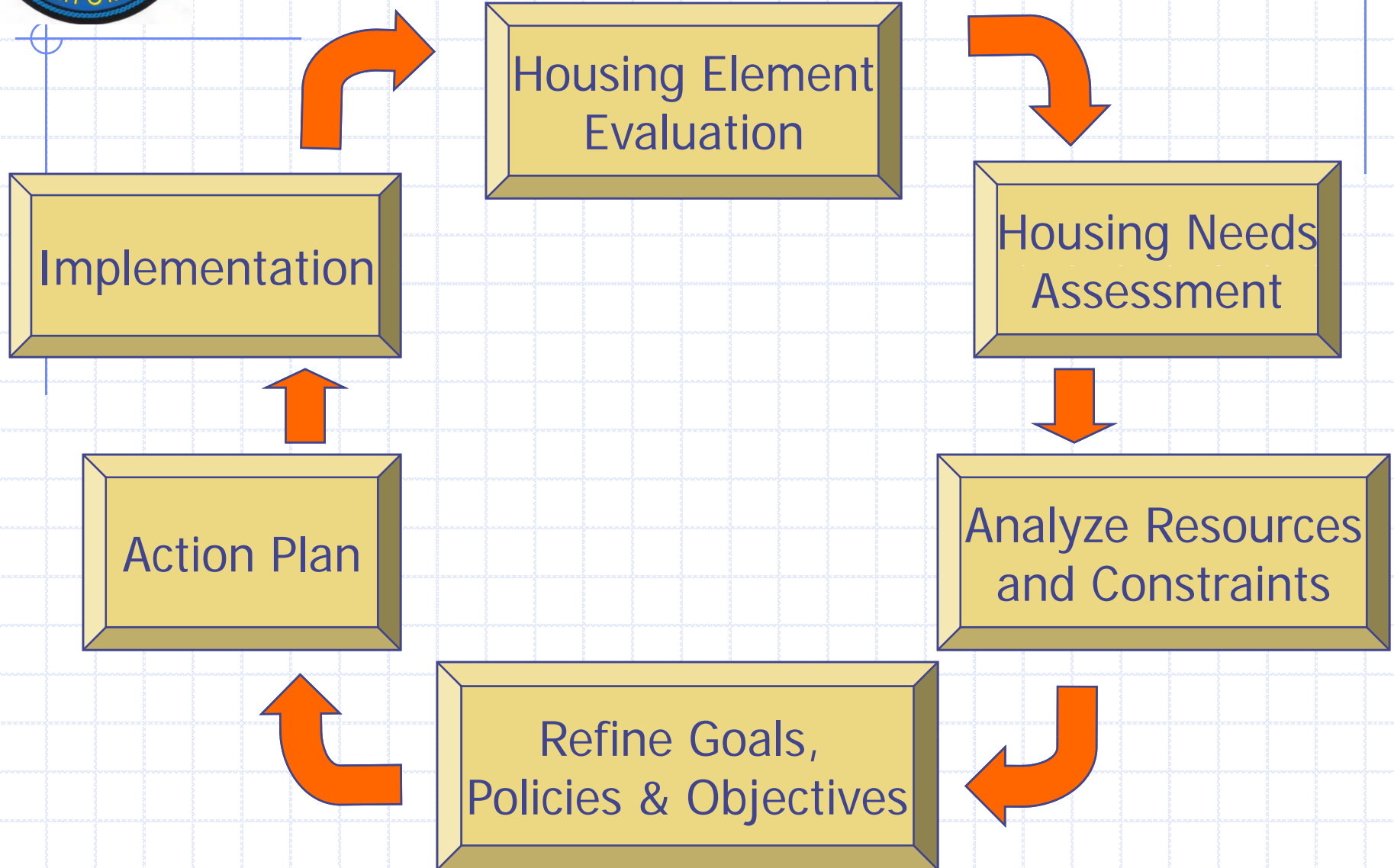


Key Housing Element Requirements

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



Housing Element Cycle





Recent Changes in Housing Element Law

AB 2348 (2004)

- Establishes “**default density**” of 20 units/acre for lower-income housing
 - ✓ Must demonstrate “adequate sites” with appropriate densities & development standards to accommodate RHNA



Recent Changes in Housing Element Law

AB 2634 (2006)

- Requires Housing Elements to consider needs & programs for **extremely-low-income** households
 - ✓ 30% or less of county median = \$16,150)



Recent Changes in Housing Element Law

SB 2 (2007)

- Stronger planning requirements for **emergency shelters** and **transitional & supportive housing**
 - ✓ Identify zone where permanent emergency shelters are allowed by-right
 - ✓ Transitional/supportive housing is a residential use with same requirements as for other residential uses of the same type in the same zone



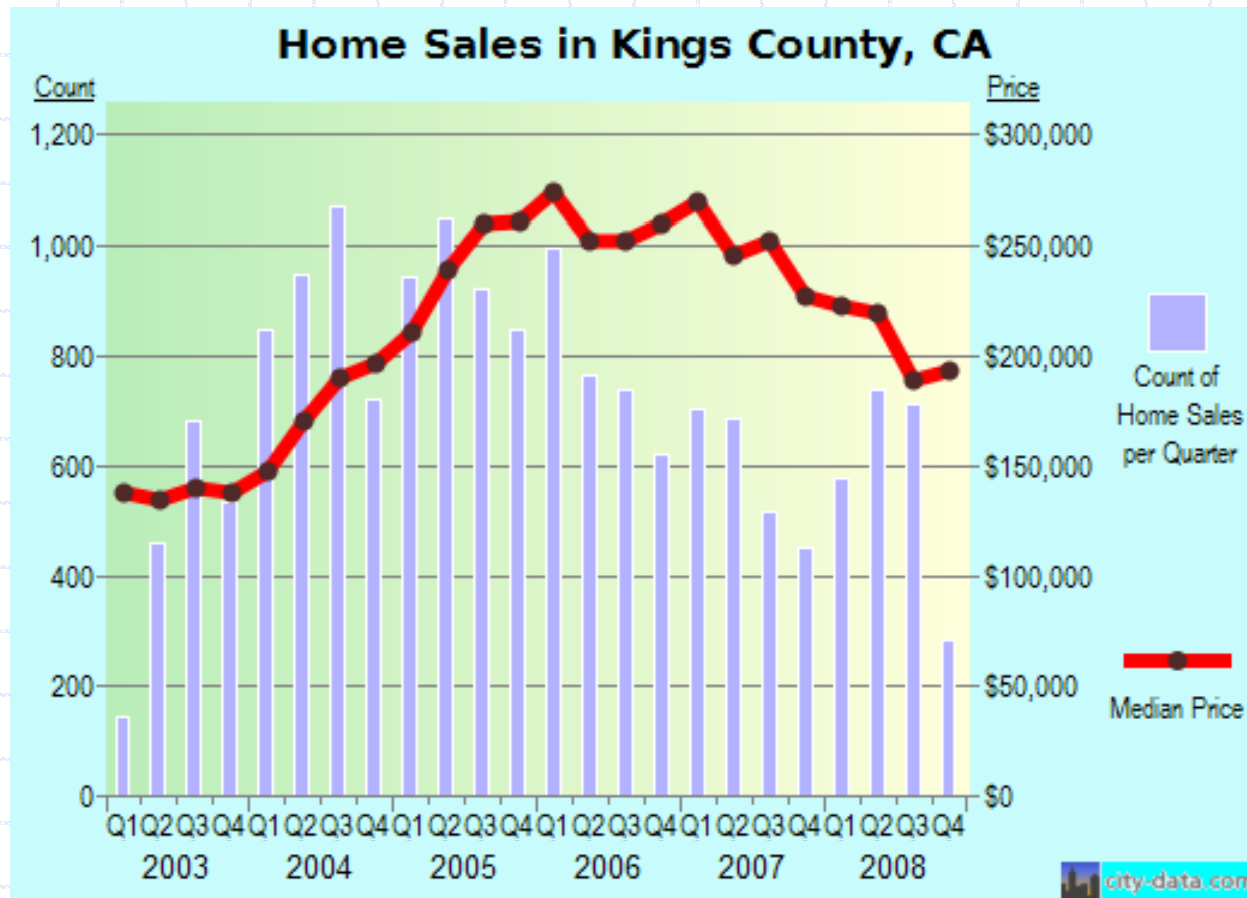
Recent Changes in Housing Element Law

SB 375 (2008)

- Addresses land use & transportation effects on greenhouse gas (GhG) emissions
 - ✓ 31% of GhG emissions come from passenger vehicles (i.e., excluding freight)
 - ✓ Uses transportation planning to reduce GhG emissions
 - ✓ Links regional housing needs (RHNA) with transportation planning
 - ✓ CARB (state) sets regional emissions targets; COGs (local elected officials) adopt plans (RTP, RHNA) to achieve targets
 - ✓ Sustainable Communities Strategy



Kings County Housing Market



Source: City-data.com



Home Mortgage Trends

U.S. - 2008

"Zero-down" loans:	2000: <5% 2006: 21%
"Sub-prime" loans in default:	1 in 5
Proportion of all homes in default:	1 in 10
California foreclosures in 2008: <i>(more than 1999-2007 combined)</i>	236,000

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



Mortgage Delinquencies California Counties 2008

	Kings County	Fresno County	Tulare County	Kern County	CA Totals
Mortgage delinquencies (2008-Q2)	2.5%	3.9%	3.3%	4.6%	1.4%
Foreclosure sales (Dec 2008)	37	412	146	593	16,000
Rank among California counties (per capita)	37	21	31	11	--

Sources: First American CoreLogic; ForeclosureRadar.com



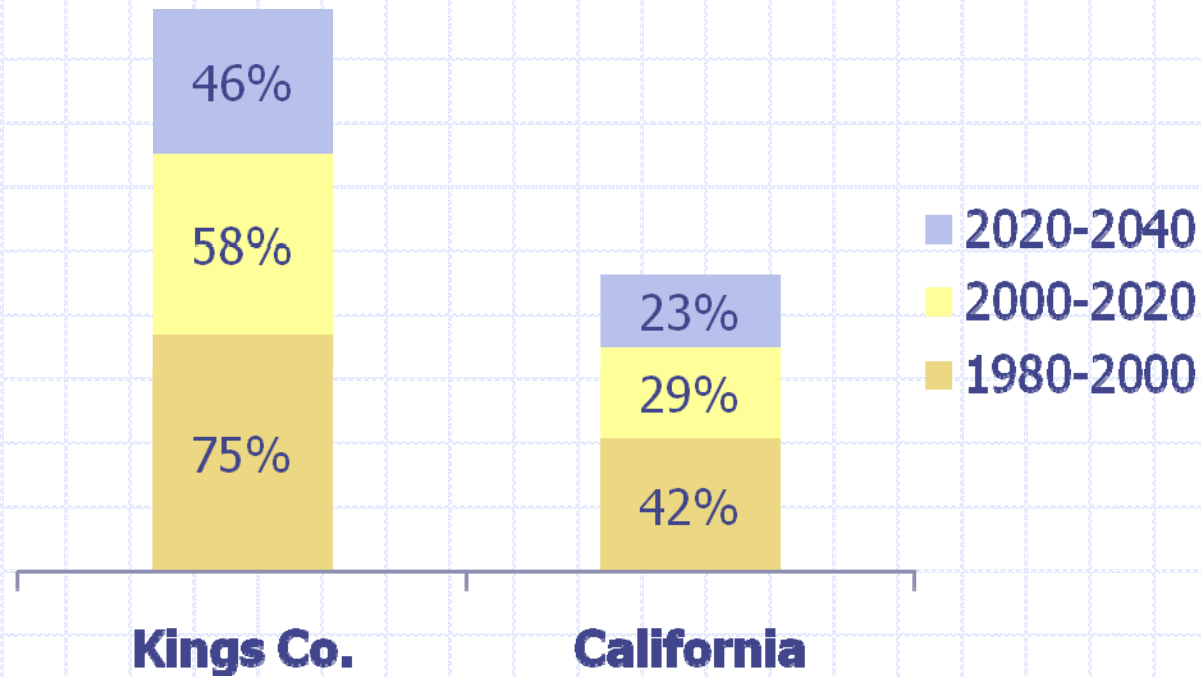
Population Growth 1980-2040

	1980	2000	2020	2040
Kings County	74,200	130,200	205,700	300,000
California	24 million	34 million	44 million	54 million

Source: California Department of Finance



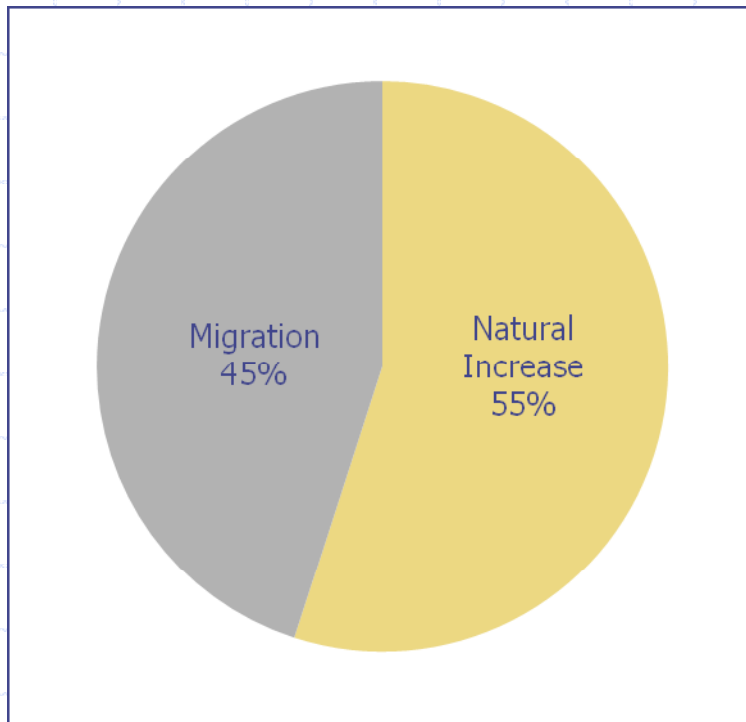
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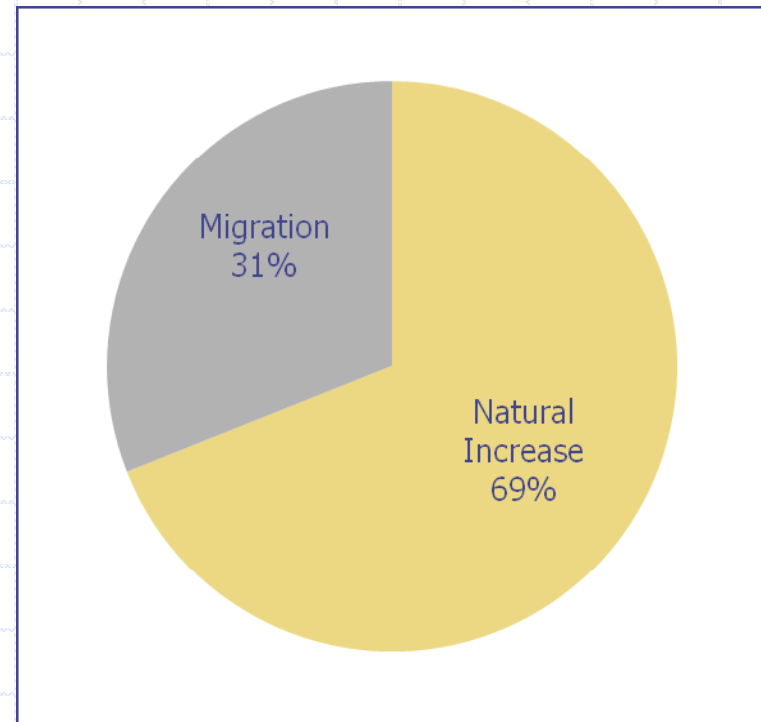
Source: California Department of Finance



Population Growth 1990-2008



Kings County



California

Source: California Department of Finance



Job Growth by Industry Kings County 2004-2014

Industry	New Jobs
Local government (including schools)	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



???

- But what about the recession???



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



Significance of RHNA

- RHNA is not a construction quota
- Cities don't build housing
- 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)



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>
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<i>Extremely Low (<30%)</i>	<i>\$16,150</i>	<i>\$404</i>
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<i>Very Low (31-50%)</i>	<i>\$26,900</i>	<i>\$673</i>
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<i>Low (51-80%)</i>	<i>\$43,050</i>	<i>\$1,076</i>
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<i>Moderate (81-120%)</i>	<i>\$64,600</i>	<i>\$1,615</i>
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<i>Above Mod (>120%)</i>	<i>\$64,600+</i>	<i>\$1,615+</i>
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Based on a family of 4

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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



Current Programs City of Hanford

Maintenance & Improvement of Existing Housing

- Code compliance
- Paint program
- Housing Rehabilitation Loans



Current Programs City of Hanford

New Housing Supply

- Adequate Sites
- PUD zone
- Infill Development
- Density Bonus
- Accessory Units



Current Programs City of Hanford

Housing Affordability

- Preservation of At-Risk Housing
- First-Time Homebuyers
- Section 8 Rental Vouchers



Current Programs City of Hanford

Fair Housing & Special Needs

- Emergency Shelters & Transitional Housing
- Farmworker Housing
- Remove Constraints & Reasonable Accommodation for Persons with Disabilities
- Fair & Equal Housing Opportunities



Resources for Housing

- **Kings County Housing Authority**
 - ✓ Public housing
 - ✓ Section 8 rental assistance

- **CDBG & HOME**
 - ✓ New housing development
 - ✓ Home purchase assistance
 - ✓ Acquisition & rehabilitation
 - ✓ Public works & community development



Resources for Housing

- **USDA Rural Development**
 - ✓ Housing development
 - ✓ Home purchase assistance
 - ✓ Repair & rehabilitation
- **Low Income Housing Tax Credits**
 - ✓ New construction (competitive applications)
- **State Grants & Loans**
 - ✓ Prop 1C bond of 2006



Resources for Housing

- **Redevelopment Agency Low & Moderate Income Housing Set-Aside**
 - ✓ 20% of tax increment must be used to increase or improve affordable housing
 - ✓ Home repair/rehabilitation
 - ✓ 1st-time buyer assistance
 - ✓ New construction
 - ✓ Neighborhood conservation



Resources for Housing

- **American Recovery and Reinvestment Act of 2009 (Federal stimulus package)**
 - ✓ CDBG
 - ✓ Neighborhood Stabilization Program
 - ✓ HOME
 - ✓ Public Housing Capital Fund
 - ✓ Homelessness Prevention
 - ✓ Energy & Green Retrofit Program

Source: <http://www.cacities.org/federalstimulus>



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)